



Billing Code: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-038]

Certain Amorphous Silica Fabric from the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

ACTION: Notice.

DATES: *Effective Date:* February 16, 2016.

FOR FURTHER INFORMATION CONTACT: Michael J. Heaney at (202) 482-4475 or Scott Hoefke (202) 482-4947, AD/CVD Operations, Enforcement & Compliance, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

### The Petition

On January 20, 2016, the Department of Commerce (the Department) received an antidumping duty (AD) petition concerning imports of certain amorphous silica fabric (silica fabric) from the People's Republic of China (PRC), filed in proper form on behalf of Auburn Manufacturing, Inc. (Auburn) (Petitioner).<sup>1</sup> The AD petition was accompanied by a countervailing duty (CVD) petition for the PRC.<sup>2</sup> Petitioner is a domestic producer of silica fabric.<sup>3</sup>

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<sup>1</sup> See the Petition for the Imposition of Antidumping and Countervailing Duties on Imports of Certain Amorphous Silica Fabric from the PRC, dated January 20, 2016 (the Petition) at Volumes I and II.

<sup>2</sup> *Id.* at Volume III.

<sup>3</sup> See Volume I of the Petition at 2.

On January 27, 2016, the Department requested additional information and clarification of certain areas of the Petition.<sup>4</sup> Petitioner filed responses to these requests on February 1, 2016.<sup>5</sup> On February 10, 2016, Petitioner submitted further clarification regarding the scope of the investigation.<sup>6</sup> On January 27, 2016, the Department determined to toll all deadlines four business days as a result of the Federal Government closure during snowstorm Jonas, which is applicable to this initiation.<sup>7</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), Petitioner alleges that imports of silica fabric from the PRC are being, or are likely to be, sold in the United States at less-than-fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, an industry in the United States. Also, consistent with section 732(b)(1) of the Act, the Petition is accompanied by information reasonably available to Petitioner supporting its allegations.

The Department finds that Petitioner filed this Petition on behalf of the domestic industry because Petitioner is an interested party as defined in section 771(9)(C) of the Act. The Department also finds that Petitioner demonstrated sufficient industry support with respect to the initiation of the AD investigation that Petitioner is requesting.<sup>8</sup>

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<sup>4</sup> See Letters from the Department to Petitioner entitled “Re: Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Amorphous Silica Fabric from the People’s Republic of China: Supplemental Questions dated January 27, 2016 (General Issues Supplemental Questionnaire) and “Re: Petition for the Imposition of Antidumping Duties on Imports of Certain Amorphous Silica Fabric from the People’s Republic of China: Supplemental Questions Antidumping” dated January 27, 2016.

<sup>5</sup> See “Certain Amorphous Silica Fabric from the People’s Republic of China: Amendment to Volume I of the Petition” dated February 1, 2016 (General Issues Supplement); see also “Re: Certain Amorphous Silica Fabric from the People’s Republic of China: Amendment to Volume II of the Petition” dated February 1, 2016 (AD Supplemental Response).

<sup>6</sup> See Scope Supplement to the Petition, dated February 10, 2016 (Scope Supplement).

<sup>7</sup> See Memorandum to the Record from Ron Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, regarding “Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas,” dated January 27, 2016.

<sup>8</sup> See the “Determination of Industry Support for the Petition” section below.

### Period of Investigation

Because the Petition was filed on January 20, 2016, the period of investigation (POI) is, pursuant to 19 CFR 351.204(b)(1), July 1, 2015 through December 31, 2015.

### Scope of the Investigation

The product covered by this investigation is silica fabric from the PRC. For a full description of the scope of this investigation, *see* the “Scope of the Investigation,” in Appendix I of this notice.

### Comments on Scope of the Investigation

During our review of the Petition, the Department issued questions to, and received responses from, Petitioner pertaining to the proposed scope to ensure that the scope language in the Petition would be an accurate reflection of the products for which the domestic industry is seeking relief.<sup>9</sup>

As discussed in the preamble to the Department’s regulations,<sup>10</sup> we are setting aside a period for interested parties to raise issues regarding product coverage (scope). The Department will consider all comments received from parties and, if necessary, will consult with parties prior to the issuance of the preliminary determination. If scope comments include factual information (*see* 19 CFR 351.102(b)(21)), all such factual information should be limited to public information. In order to facilitate preparation of its questionnaires, the Department requests all interested parties to submit such comments by 5:00 p.m. Eastern Time (ET) on Monday,

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<sup>9</sup> *See* Memorandum to the File, Phone Call with Counsel to Petitioner,” dated February 10, 2016; *see also* Letter from Petitioner to the Department, “Certain Amorphous Silica Fiber from the People’s Republic of China: Scope Clarification Letter,” dated February 10, 2016; *see also* Memorandum to the File, “Phone Call with Counsel to Petitioner,” dated February 12, 2016.

<sup>10</sup> *See Antidumping Duties; Countervailing Duties*, 62 FR 27296, 27323 (May 19, 1997).

March 7, 2016, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on Thursday, March 17, 2016, which is 10 calendar days after the initial comments deadline.

The Department requests that any factual information the parties consider relevant to the scope of the investigation be submitted during this time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact the Department and request permission to submit the additional information. All such comments must also be filed on the record of the concurrent CVD investigation.

#### Filing Requirements

All submissions to the Department must be filed electronically using Enforcement & Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).<sup>11</sup> An electronically filed document must be received successfully in its entirety by the time and date when it is due. Documents excepted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with Enforcement & Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

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<sup>11</sup> See *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011); see also *Enforcement and Compliance; Change of Electronic Filing System Name*, 79 FR 69046 (November 20, 2014) for details of the Department's electronic filing requirements, which went into effect on August 5, 2011. Information on help using ACCESS can be found at <https://access.trade.gov/help.aspx> and a handbook can be found at <https://access.trade.gov/help/Handbook%20on%20Electronic%20Filing%20Procedures.pdf>.

## Comments on Product Characteristics for AD Questionnaires

The Department requests comments from interested parties regarding the appropriate physical characteristics of silica fabric to be reported in response to the Department's AD questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant factors and costs of production accurately as well as to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: 1) general product characteristics and 2) product-comparison criteria. We note that it is not always appropriate to use all product characteristics as product-comparison criteria. We base product-comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe silica fabric, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, the Department attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaire, all comments must be filed by 5:00 P.M. ET on March 7, 2016, which is 20 calendar days from the signature date of this notice. Any rebuttal comments must be filed by 5:00 P.M. ET on March 14, 2016. All comments and submissions to the Department must be

filed electronically using ACCESS, as explained above, on the record of this less-than-fair-value investigation.

#### Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product,<sup>12</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may

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<sup>12</sup> See section 771(10) of the Act.

result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>13</sup>

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the Petition).

With regard to the domestic like product, Petitioner does not offer a definition of the domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we have determined that silica fabric, as defined in the scope, constitutes a single domestic like product and we have analyzed industry support in terms of that domestic like product.<sup>14</sup>

In determining whether Petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the “Scope of the Investigation,” in Appendix I of this notice. To establish industry support, Petitioner provided its own production of the domestic like product in 2015, and conservatively compared this to the estimated total production of the silica fabric (both

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<sup>13</sup> See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff'd* 865 F.2d 240 (Fed. Cir. 1989)).

<sup>14</sup> For a discussion of the domestic like product analysis in this case, see Antidumping Duty Investigation Initiation Checklist: Certain Amorphous Silica Fabric from the People’s Republic of China (PRC AD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Certain Amorphous Silica Fabric from the People’s Republic of China (Attachment II). This checklist is dated concurrently with this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room 18022 of the main Department of Commerce building.

industrial grade and aerospace grade) for the entire domestic industry.<sup>15</sup> We have relied upon data Petitioner provided for purposes of measuring industry support.<sup>16</sup>

Our review of the data provided in the Petition, General Issues Supplement, and other information readily available to the Department indicates that Petitioner has established industry support.<sup>17</sup> First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>18</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.<sup>19</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.<sup>20</sup> Accordingly, the Department determines that the Petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

The Department finds that Petitioner filed the Petition on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and it has

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<sup>15</sup> See Volume I of the Petition, at 4-6; *see also* General Issues Supplement, at 1-2 and Exhibit Supp. I-1.

<sup>16</sup> See PRC AD Initiation Checklist, at Attachment II.

<sup>17</sup> *Id.*

<sup>18</sup> See section 732(c)(4)(D) of the Act; *see also* PRC AD Initiation Checklist, at Attachment II.

<sup>19</sup> See PRC AD Initiation Checklist, at Attachment II.

<sup>20</sup> *Id.*

demonstrated sufficient industry support with respect to the AD investigation that it is requesting the Department initiate.<sup>21</sup>

#### Allegations and Evidence of Material Injury and Causation

Petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, Petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>22</sup>

Petitioner contends that the industry's injured condition is illustrated by reduced market share; underselling and price suppression or depression; lost sales and revenues; declines in domestic industry production, capacity utilization, and U.S. shipments; declines in financial performance; and declines in employment indicators.<sup>23</sup> We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.<sup>24</sup>

#### Allegations of Sales at Less-Than-Fair Value

The following is a description of the allegation of sales at less-than-fair value upon which the Department based its decision to initiate an investigation of imports of silica fabric from the PRC. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in greater detail in the initiation checklist.

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<sup>21</sup> *Id.*

<sup>22</sup> See Volume I of the Petition, at 37 and Exhibit I-12.

<sup>23</sup> See Volume I of the Petition, at 22-25, 34-48, and Exhibits I-12 – I-14 and I-15 – I-26.

<sup>24</sup> See PRC AD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Certain Amorphous Silica Fabric from the People's Republic of China.

### Export Price

Petitioner based U.S. price on an offer for sale for silica fabric from a Chinese producer. Petitioner made deductions from U.S. price for movement expenses consistent with the delivery terms.<sup>25</sup>

### Normal Value

Petitioner stated that the Department has found the PRC to be a non-market economy (NME) country in every administrative proceeding in which the PRC has been involved.<sup>26</sup> In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, the NV of the product is appropriately based on factors of production (FOPs) valued in a surrogate market economy country, in accordance with section 773(c) of the Act. In the course of this investigation, all parties, and the public, will have the opportunity to provide relevant information related to the issues of the PRC's NME status and the granting of separate rates to individual exporters.

Petitioner claims that Thailand is an appropriate surrogate country because it is a market economy that is at a level of economic development comparable to that of the PRC and it is a significant producer of comparable merchandise.<sup>27</sup>

Based on the information provided by Petitioner, we believe it is appropriate to use Thailand as a surrogate country for initiation purposes. Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to

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<sup>25</sup> See Volume II of the Petition, at 7-10 and AD Exhibits 6 through 9.

<sup>26</sup> See Volume II of the Petition, at 2-3.

<sup>27</sup> *Id.* at 3-5.

value FOPs within 30 days before the scheduled date of the preliminary determination.

### *Factors of Production*

Petitioner based the FOPs for materials, labor, and energy on its consumption rates for producing silica fabric as it did not have access to the consumption rates of PRC producers of the subject merchandise.<sup>28</sup> Petitioner notes that it chose its production experience because, like the Chinese producer from which the U.S. price quote was obtained, Petitioner is an integrated producer of silica fabric.<sup>29</sup> Petitioner valued the estimated factors of production using surrogate values from Thailand.<sup>30</sup>

### *Valuation of Raw Materials*

Petitioner valued the FOPs for raw materials (*e.g.*, hydrochloric acid, acrylic polymers, lime, *etc.*) using reasonably available, public import data for Thailand obtained from the Global Trade Atlas (GTA) for the period covering June 2015 to November 2015, the most recent POI-contemporaneous data available at the time the Petition was filed.<sup>31</sup> Petitioner excluded all import values from countries previously determined by the Department to maintain broadly available, non-industry-specific export subsidies and from countries previously determined by the Department to be NME countries. In addition, in accordance with the Department's practice, the average import value excludes imports that were labeled as originating from an unidentified country. The Department determines that the surrogate values used by Petitioner are reasonably available and, thus, are acceptable for purposes of initiation.

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<sup>28</sup> See Volume II of the Petition, at 11 and AD Exhibit 23.

<sup>29</sup> *Id.* at 11.

<sup>30</sup> *Id.* at 12 and AD Exhibit 23.

<sup>31</sup> *Id.* at AD Exhibit 12.

### *Valuation of Labor*

Petitioner valued labor using monthly Thai labor data published by Thailand's National Statistics Office (NSO).<sup>32</sup> Specifically, Petitioner relied on data pertaining to wages and benefits earned by Thai workers engaged in the manufacturing sector of the Thai economy.<sup>33</sup> Petitioner converted the wage rates to hourly and converted to U.S. dollars using the average exchange rate during the POI.<sup>34</sup>

### *Valuation of Packing Materials*

Petitioner valued the packing materials used by PRC producers based on Thai import data obtained from GTA for the period covering June 2015 to November 2015.<sup>35</sup>

### *Valuation of Energy*

Petitioner calculated energy usage based upon its own production experience associated with both electricity and natural gas.<sup>36</sup> Petitioner valued natural gas using the average unit value of imports of liquefied natural gas into Thailand, as reported by GTA.<sup>37</sup> To value electricity, Petitioner used public information, as compiled by the Thai Metropolitan Electricity Authority.<sup>38</sup> This information was reported in Thai baht, converted into U.S. dollars/ kilowatt hours, and multiplied by Petitioner's factor usage rates.<sup>39</sup>

### *Yield Loss*

Petitioner based its calculation of yield loss upon its own production experience incurred

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<sup>32</sup> *Id.* at 13 and AD Exhibit 15.

<sup>33</sup> *Id.*

<sup>34</sup> *Id.* at 14 and AD Exhibits 15 and 16.

<sup>35</sup> See Volume II of the Petition at 16 and AD Exhibit 21.

<sup>36</sup> *Id.* at 15.

<sup>37</sup> *Id.* at 16 and AD Exhibits 12, 18 and 23; see also AD Supplemental Response, at 1-2 and AD-Supp. Exhibit 3.

<sup>38</sup> *Id.* at 15-16 and AD Exhibit 19.

<sup>39</sup> *Id.* at AD Exhibits 17 19, Exhibit 22 and Exhibit 23.

during the leaching and dry line process stages.<sup>40</sup>

*Valuation of Factory Overhead, Selling, General and Administrative Expenses, and Profit*

Petitioner calculated surrogate financial ratios (*i.e.*, manufacturing overhead, SG&A expenses, and profit) using the 2014 audited financial statement of Thai Toray Textile Mills Public Company, a Thai producer of comparable merchandise (*i.e.*, an industrial textile).<sup>41</sup>

Fair Value Comparisons

Based on the data provided by Petitioner, there is reason to believe that imports of silica fabric from the PRC are being, or are likely to be, sold in the United States at less-than-fair value. Based on comparisons of EP to NV, in accordance with section 773(c) of the Act, the estimated dumping margin for silica fabric from the PRC is 160.28 percent.<sup>42</sup>

Initiation of Less-than-Fair-Value Investigation

Based upon the examination of the AD Petition on silica fabric from the PRC, we find that the Petition meets the requirements of section 732 of the Act. Therefore, we are initiating an AD investigation to determine whether imports of silica fabric from the PRC are being, or are likely to be, sold in the United States at less-than-fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we intend to make our preliminary determination no later than 140 days after the date of this initiation.

On June 29, 2015, the President of the United States signed into law the Trade Preferences Extension Act of 2015, which made numerous amendments to the AD and CVD law.<sup>43</sup> The 2015 law does not specify dates of application for those amendments. On August 6,

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<sup>40</sup> *Id.* at 15 and AD Exhibit 11.

<sup>41</sup> *Id.* at 15-16 and AD Exhibit 20.

<sup>42</sup> See Volume II of the Petition at 17 and AD Exhibit 24; see also PRC AD Initiation Checklist.

<sup>43</sup> See Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, 129 Stat. 362 (2015).

2015, the Department published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of material injury by the ITC.<sup>44</sup> The amendments to sections 771(15), 773, 776, and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to this AD investigation.<sup>45</sup>

### Respondent Selection

Petitioner named 81 companies as producers/exporters of silica fabric.<sup>46</sup> In accordance with our standard practice for respondent selection in cases involving NME countries, we intend to issue Q&V questionnaires to producers/exporters of merchandise subject to the investigation<sup>47</sup> and base respondent selection on the responses received. In addition, the Department will post the Q&V questionnaire along with filing instructions on the Enforcement and Compliance website at <http://www.trade.gov/enforcement/news.asp>.

Exporters/producers of silica fabric from the PRC that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy from the Enforcement & Compliance website. The Q&V response must be submitted by the relevant PRC exporters/producers no later than March 1, 2016, which is two weeks from the signature date of this notice. All Q&V responses must be filed electronically via ACCESS.

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<sup>44</sup> See *Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015*, 80 FR 46793 (August 6, 2015) (*Applicability Notice*).

<sup>45</sup> *Id.* at 46794-95. The 2015 amendments may be found at <https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl>.

<sup>46</sup> See Volume I of the Petition at Exhibit 11.

<sup>47</sup> See Appendix I, “Scope of the Investigations.”

## Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application.<sup>48</sup> The specific requirements for submitting a separate-rate application in the PRC investigation are outlined in detail in the application itself, which is available on the Department's website at <http://enforcement.trade.gov/nme/nme-sep-rate.html>. The separate-rate application will be due 30 days after publication of this initiation notice.<sup>49</sup> Exporters and producers who submit a separate-rate application and have been selected as mandatory respondents will be eligible for consideration for separate-rate status only if they respond to all parts of the Department's AD questionnaire as mandatory respondents. The Department requires that respondents from the PRC submit a response to both the Q&V questionnaire and the separate-rate application by their respective deadlines in order to receive consideration for separate-rate status.

## Use of Combination Rates

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of

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<sup>48</sup> See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at <http://enforcement.trade.gov/policy/bull05-1.pdf> (Policy Bulletin 05.1).

<sup>49</sup> Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that "the Secretary may request any person to submit factual information at any time during a proceeding," this deadline is now 30 days.

the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of “combination rates” because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.<sup>50</sup>

#### Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the Petition has been provided to the government of the PRC via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petition to each exporter named in the Petition, as provided under 19 CFR 351.203(c)(2).

#### ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act.

#### Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition were filed, whether there is a reasonable indication that imports of silica fabric from the PRC are materially injuring or threatening material injury to a U.S. industry.<sup>51</sup> A negative ITC

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<sup>50</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

<sup>51</sup> See section 733(a) of the Act.

determination will result in the investigation being terminated;<sup>52</sup> otherwise, this investigation will proceed according to statutory and regulatory time limits.

#### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by the Department; and (v) evidence other than factual information described in (i)–(iv). Any party, when submitting factual information, must specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>53</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>54</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Please review the regulations prior to submitting factual information in these investigations.

#### Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351 expires. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET

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<sup>52</sup> *Id.*

<sup>53</sup> *See* 19 CFR 351.301(b).

<sup>54</sup> *See* 19 CFR 351.301(b)(2).

on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm>, prior to submitting factual information in these investigations.

#### Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>55</sup> Parties are hereby reminded that revised certification requirements are in effect for company/government officials, as well as their representatives. Investigations initiated on the basis of petition filed on or after August 16, 2013, and other segments of any AD or CVD proceedings initiated on or after August 16, 2013, should use the formats for the revised certifications provided at the end of the *Final Rule*.<sup>56</sup> The Department intends to reject factual submissions if the submitting party does not comply with applicable revised certification requirements.

#### Notification to Interested Parties

Interested parties must submit applications for disclosure under administrative protective order (APO) in accordance with 19 CFR 351.305. On January 22, 2008, the Department

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<sup>55</sup> See section 782(b) of the Act.

<sup>56</sup> See *Certification of Factual Information to Import Administration during Antidumping and Countervailing Duty Proceedings*, 78 FR 42678 (July 17, 2013) (*Final Rule*); see also frequently asked questions regarding the *Final Rule*, available at [http://enforcement.trade.gov/tlei/notices/factual\\_info\\_final\\_rule\\_FAQ\\_07172013.pdf](http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf).

published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (*e.g.*, the filing of letters of appearance as discussed in 19 CFR 351.103(d)).

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: February 16, 2016.

Ronald K. Lorentzen,

Acting Assistant Secretary for Enforcement and Compliance.

## **Appendix I**

### **Scope of the Investigation**

The product covered by this investigation is woven (whether from yarns or rovings) industrial grade amorphous silica fabric, which contains a minimum of 90 percent silica ( $\text{SiO}_2$ ) by nominal weight, and a nominal width in excess of 8 inches. The investigation covers industrial grade amorphous silica fabric regardless of other materials contained in the fabric, regardless of whether in roll form or cut-to-length, regardless of weight, width (except as noted above), or length. The investigation covers industrial grade amorphous silica fabric regardless of whether the product is approved by a standards testing body (such as being Factory Mutual (FM) Approved), or regardless of whether it meets any governmental specification.

Industrial grade amorphous silica fabric may be produced in various colors. The investigation covers industrial grade amorphous silica fabric regardless of whether the fabric is colored.

Industrial grade amorphous silica fabric may be coated or treated with materials that include, but are not limited to, oils, vermiculite, acrylic latex compound, silicone, aluminized polyester (Mylar®) film, pressure-sensitive adhesive, or other coatings and treatments. The investigation covers industrial grade amorphous silica fabric regardless of whether the fabric is coated or treated, and regardless of coating or treatment weight as a percentage of total product weight.

Industrial grade amorphous silica fabric may be heat-cleaned. The investigation covers industrial grade amorphous silica fabric regardless of whether the fabric is heat-cleaned.

Industrial grade amorphous silica fabric may be imported in rolls or may be cut-to-length and then further fabricated to make welding curtains, welding blankets, welding pads, fire blankets, fire pads, or fire screens. Regardless of the name, all industrial grade amorphous silica fabric

that has been further cut-to-length or cut-to-width or further finished by finishing the edges and/or adding grommets, is included within the scope of this investigation.

Subject merchandise also includes (1) any industrial grade amorphous silica fabric that has been converted into industrial grade amorphous silica fabric in China from fiberglass cloth produced in a third country; and (2) any industrial grade amorphous silica fabric that has been further processed in a third country prior to export to the United States, including but not limited to treating, coating, slitting, cutting to length, cutting to width, finishing the edges, adding grommets, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the in-scope industrial grade amorphous silica fabric.

Excluded from the scope of the investigation is amorphous silica fabric that is subjected to controlled shrinkage, which is also called “pre-shrunk” or “aerospace grade” amorphous silica fabric. In order to be excluded as a pre-shrunk or aerospace grade amorphous silica fabric, the amorphous silica fabric must meet the following exclusion criteria: (1) the amorphous silica fabric must contain a minimum of 98 percent silica (SiO<sub>2</sub>) by nominal weight; (2) the amorphous silica fabric must have an areal shrinkage of 4 percent or less; (3) the amorphous silica fabric must contain no coatings or treatments; and (4) the amorphous silica fabric must be white in color. For purposes of this scope, “areal shrinkage” refers to the extent to which a specimen of amorphous silica fabric shrinks while subjected to heating at 1800 degrees F for 30 minutes.<sup>57</sup>

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<sup>57</sup> Areal shrinkage is expressed as the following percentage:

$$\frac{\text{Fired Area, cm}^2 - \text{Initial Area, cm}^2}{\text{Initial Area, cm}^2} \times 100 = \text{Areal Shrinkage, \%}$$

Also excluded from the scope are amorphous silica fabric rope and tubing (or sleeving).

Amorphous silica fabric rope is a knitted or braided product made from amorphous silica yarns.

Silica tubing (or sleeving) is braided into a hollow sleeve from amorphous silica yarns.

The subject imports are normally classified in subheadings 7019.59.4021, 7019.59.4096, 7019.59.9021, and 7019.59.9096 of the Harmonized Tariff Schedule of the United States (HTSUS), but may also enter under HTSUS subheadings 7019.40.4030, 7019.40.4060, 7019.40.9030, 7019.40.9060, 7019.51.9010, 7019.51.9090, 7019.52.9010, 7019.52.9021, 7019.52.9096 and 7019.90.1000. HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of this investigation is dispositive.

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