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DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-892]

Forged Steel Fittings from India: Amended Preliminary Affirmative Countervailing Duty Determination

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

SUMMARY: On March 30, 2020, the Department of Commerce (Commerce) published in the *Federal Register* the preliminary determination of the countervailing duty (CVD) investigation on forged steel fittings from India. Commerce is amending the scope of the preliminary determination.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

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SUPPLEMENTARY INFORMATION:

Background

On March 30, 2020, Commerce published in the *Federal Register* the preliminary determination in the CVD investigation of forged steel fittings from India.¹ On May 20, 2020, Commerce placed on the record of this investigation a preliminary decision memorandum

¹ See *Forged Steel Fittings from India: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination with Final Antidumping Duty Determination*, 85 FR 17536 (March 30, 2020) (*Preliminary CVD Determination*).

addressing all comments received in this proceeding and the companion antidumping proceeding regarding the scope of the investigations.² In accordance with the comments discussed in the memorandum, we made certain changes to the scope of these investigations. The changes include the addition of paragraphs seven, eight, and nine. The revised scope is printed in its entirety below.

Scope of the Investigation

The merchandise covered by this investigation is carbon and alloy forged steel fittings, whether unfinished (commonly known as blanks or rough forgings) or finished. Such fittings are made in a variety of shapes including, but not limited to, elbows, tees, crosses, laterals, couplings, reducers, caps, plugs, bushings, unions (including hammer unions), and outlets. Forged steel fittings are covered regardless of end finish, whether threaded, socket-weld or other end connections. The scope includes integrally reinforced forged branch outlet fittings, regardless of whether they have one or more ends that is a socket welding, threaded, butt welding end, or other end connections.

While these fittings are generally manufactured to specifications ASME B16.11, MSS SP-79, MSS SP-83, MSS-SP-97, ASTM A105, ASTM A350 and ASTM A182, the scope is not limited to fittings made to these specifications.

The term forged is an industry term used to describe a class of products included in applicable standards, and it does not reference an exclusive manufacturing process. Forged steel fittings are not manufactured from casings. Pursuant to the applicable standards, fittings may also be machined from bar stock or machined from seamless pipe and tube.

All types of forged steel fittings are included in the scope regardless of nominal pipe size

² See Memorandum, “Forged Steel Fittings from India and the Republic of Korea: Scope Comments Preliminary Decision Memorandum,” dated May 20, 2020 (Preliminary Scope Memorandum).

(which may or may not be expressed in inches of nominal pipe size), pressure class rating (expressed in pounds of pressure, *e.g.*, 2,000 or 2M; 3,000 or 3M; 6,000 or 6M; 9,000 or 9M), wall thickness, and whether or not heat treated.

Excluded from this scope are all fittings entirely made of stainless steel. Also excluded are flanges, nipples, and all fittings that have a maximum pressure rating of 300 pounds per square inch/PSI or less.

Also excluded from the scope are fittings certified or made to the following standards, so long as the fittings are not also manufactured to the specifications of ASME B16.11, MSS SP-79, MSS SP-83, MSS SP-97, ASTM A105, ASTM A350 and ASTM A182:

- American Petroleum Institute (API) 5CT, API 5L, or API 11B;
- American Society of Mechanical Engineers (ASME) B16.9;
- Manufacturers Standardization Society (MSS) SP-75;
- Society of Automotive Engineering (SAE) J476, SAE J514, SAE J516, SAE J517, SAE J518, SAE J1026, SAE J1231, SAE J1453, SAE J1926, J2044 or SAE AS 35411;
- Hydraulic hose fittings (*e.g.*, fittings used in high pressure water cleaning applications, in the manufacture of hydraulic engines, to connect rubber dispensing hoses to a dispensing nozzle or grease fitting) made to ISO 12151-1, 12151-2, 12151-3, 12151-4, 12151-5, or 12151-6;
- Underwriter's Laboratories (UL) certified electrical conduit fittings;
- ASTM A153, A536, A576, or A865;
- Casing conductor connectors made to proprietary specifications;
- Machined steel parts (*e.g.*, couplers) that are not certified to any specifications in this scope description and that are not for connecting steel pipes for distributing gas and

liquids;

- Oil country tubular goods (OCTG) connectors (*e.g.*, forged steel tubular connectors for API 5L pipes or OCTG for offshore oil and gas drilling and extraction);
- Military Specification (MIL) MIL-C-4109F and MIL-F-3541; and
- International Organization for Standardization (ISO) ISO6150-B.

Also excluded from the scope are assembled or unassembled hammer unions that consist of a nut and two subs. To qualify for this exclusion, the hammer union must meet each of the following criteria: (1) the face of the nut of the hammer union is permanently marked with one of the following markings: “FIG 100,” “FIG 110,” “FIG 100C,” “FIG 200,” “FIG 200C,” “FIG 201,” “FIG 202,” “FIG 206,” “FIG 207,” “FIG 211,” “FIG 300,” “FIG 301,” “FIG 400,” “FIG 600,” “FIG 602,” “FIG 607,” “FIG 1002,” “FIG 1003,” “FIG 1502,” “FIG 1505,” “FIG 2002,” or “FIG 2202”; (2) the hammer union does not bear any of the following markings: “Class 3000,” “Class 3M,” “Class 6000,” “Class 6M,” “Class 9000,” or “Class 9M”; and (3) the nut and both subs of the hammer union are painted.

Also excluded from the scope are component parts for hammer union assemblies, either subs or wingnuts, marked on the wingnut and subs with “FIG 1002,” “FIG 1502,” and “FIG 2002,” and with pressure rating of 10,000 PSI or greater. These parts are made from AISI/SAE 4130, 4140 or 4340 steel and are 100 percent magnetic particle inspected before shipment.

Also excluded from the scope are tee, elbow, cross, adapter (or “crossover”), blast joint (or “spacer”), blind sub, swivel joint and pup joint which have wing nut or not. To qualify for this exclusion, these products must meet each of the following criteria: (1) Manufacturing and Inspection standard is API 6A or API 16C; and, (2) body or wing nut is permanently marked with one of the following markings: “FIG 2002,” “FIG 1502,” “FIG 1002,” “FIG 602,” “FIG

206,” or “FIG any other number” or MTR (Material Test Report) shows these FIG numbers.

To be excluded from the scope, products must have the appropriate standard or pressure markings and/or be accompanied by documentation showing product compliance to the applicable standard or pressure, *e.g.*, “API 5CT” mark and/or a mill certification report.

Subject carbon and alloy forged steel fittings are normally entered under Harmonized Tariff Schedule of the United States (HTSUS) 7307.92.3010, 7307.92.3030, 7307.92.9000, 7307.99.1000, 7307.99.3000, 7307.99.5045, and 7307.99.5060. They may also be entered under HTSUS 7307.93.3010, 7307.93.3040, 7307.93.6000, 7307.93.9010, 7307.93.9040, 7307.93.9060, and 7326.19.0010.

The HTSUS subheadings and specifications are provided for convenience and customs purposes; the written description of the scope is dispositive.

Suspension of Liquidation

Pursuant to the *Preliminary CVD Determination*, Commerce previously suspended liquidation of forged steel fittings from India entered, or withdrawn from warehouse, for consumption on or after March 30, 2020 (the publication of the *Preliminary CVD Determination* in the *Federal Register*). Commerce will now instruct Customs and Border Protection (CBP) to suspend liquidation of certain forged steel fittings from India, as defined by the revised scope language included above, entered, or withdrawn from warehouse, for consumption on or after March 30, 2020, the date of publication of the *Preliminary CVD Determination* in the *Federal Register*.

Liquidation of Suspended Entries

As a result of Commerce’s amended preliminary determination, for suspended entries of the excluded products, that were entered, or withdrawn from warehouse, for consumption on or

after March 30, 2020 (the date on which suspension of liquidation first began), we will instruct CBP to discontinue the suspension of liquidation and liquidate such entries without regard to countervailing duties (*i.e.*, refund all cash deposits).

Public Comment

Commerce has set a separate deadline for scope comments for both the antidumping and CVD proceedings.³ The current deadline for case briefs regarding scope issues is June 29, 2020, and the current deadline for rebuttal briefs regarding scope issues is July 6, 2020. Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

International Trade Commission Notification

In accordance with section 703(f) of the Act, Commerce will notify the International Trade Commission (ITC) of its amended preliminary determination. If Commerce's final determination is affirmative, the ITC will make its final determination before the later of 120 days after the date of the *CVD Preliminary Determination*,⁴ or 45 days after Commerce's final determination.

³ See Memorandum, "Clarification of Deadlines for Scope Comments," dated March 27, 2020; *see also Forged Steel Fittings from India: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 85 FR 32007 (May 28, 2020).

⁴ See *supra* note 1.

Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act.

Dated: June 10, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

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