



DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-867]

Large Power Transformers from the Republic of Korea: Rescission of Antidumping Duty Administrative Review; 2021-2022

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

SUMMARY: The U.S. Department of Commerce (Commerce) is rescinding the administrative review of the antidumping duty order on large power transformers (LPTs) from the Republic of Korea (Korea), covering the period of review (POR) August 1, 2021, through July 31, 2022.

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

FOR FURTHER INFORMATION CONTACT: John Drury, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0195.

SUPPLEMENTARY INFORMATION:

Background

On August 2, 2022, Commerce published in the *Federal Register* a notice of opportunity to request an administrative review of the antidumping duty order on LPTs from Korea, covering the POR.¹ On August 29, 2022, respondent Hyosung Heavy Industries Corporation (Hyosung) timely requested that Commerce conduct an administrative review of itself,² and on August 31, 2022, Hitachi Energy USA, Inc. (the petitioner) timely requested that Commerce conduct an

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review and Join Annual Inquiry Service List*, 87 FR 47187 (August 2, 2022).

² See Hyosung's Letter, "Hyosung's Request for Administrative Review," dated August 29, 2022.

administrative review of several exporters and/or producers.³ On October 11, 2022, Commerce published in the *Federal Register* a notice of initiation of an administrative review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act).⁴

On October 26, 2022, Commerce released U.S. Customs and Border Protection (CBP) import data, with respect to LPTs from Korea subject to the antidumping duty order, during the POR, and solicited comments from parties.⁵ As a result of the query to CBP, Commerce found no suspended entries of LPTs from Korea during the POR.⁶

On November 1, 2022, Iljin Electric Co., Ltd. (Iljin) submitted a letter to Commerce certifying that Iljin had no exports, sales, or entries to the United States during the POR of subject LPTs.⁷ On November 2, 2022, Hyosung Heavy Industries Corporation (Hyosung) submitted a letter to Commerce certifying that Hyosung had no exports, sales, or entries of subject LPTs into the United States during the POR, as well as withdrawing Hyosung's request for administrative review.⁸ On November 3, 2022, LS Electric Co., Ltd (LS Electric) submitted a letter to Commerce certifying that LS Electric had no exports, sales, or entries of subject LPTs into the United States during the POR.⁹ On November 4, 2022, Hyundai Electric & Energy Systems Co., Ltd. (Hyundai) submitted a letter to Commerce certifying that Hyundai had no exports, sales, or entries of subject LPTs into the United States during the POR.¹⁰ Commerce issued a no-shipment inquiry to CBP, and received a response from CBP stating that there were

³ See Petitioner's Letter, "Request for 2021/2022 Administrative Review," dated August 31, 2022.

⁴ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 87 FR 61278 (October 11, 2022) (*Initiation Notice*).

⁵ See Memorandum, "Release of U.S. Customs and Border Protection Import Data," dated October 26, 2022 (CBP Data Memorandum).

⁶ *Id.*

⁷ See Iljin's Letter, "No Shipments Letter," dated November 1, 2022.

⁸ See Hyosung's Letter, "Notification of No Shipments and Withdrawal of Review Request," dated November 2, 2022.

⁹ See LS Electric's Letter, "No Shipment Letter," dated November 3, 2022. LS Electric also stated that it was formerly known as LSIS Co., Ltd. Commerce initiated the administrative review with respect to entries from LSIS Co., Ltd. See *Initiation Notice*. Commerce previously determined that LS Electric Co., Ltd. is the successor-in-interest to LSIS Co., Ltd. See *Large Power Transformers from the Republic of Korea: Final Results of Antidumping Duty Administrative Review, Final Determination of No Shipments, and Final Successor-in-Interest Determination; 2018-2019*, 86 FR 30915 (June 10, 2021).

¹⁰ See Hyundai's Letter, "No Shipments Letter," dated November 4, 2022.

no suspended entries during the POR from any of the companies on which we initiated the administrative review.¹¹

On November 9, 2022, the petitioner submitted comments and new factual information in response to the CBP Data Memorandum, stating that information on the record indicated that there may have been sales and/or entries of subject LPTs into the United States during the POR manufactured and/or sold by Hyosung and Hyundai.¹² On January 3, 2023, the petitioners submitted additional new factual information which, according to the petitioners, showed that Hyosung had sales of subject LPTs in the United States during the POR.¹³ On January 20, 2023, Hyosung submitted comments and new factual information to rebut, clarify, or correct the factual information submitted by the petitioners.¹⁴

On April 26, 2023, Commerce issued a memorandum stating its intent to rescind the administrative review of the antidumping duty order on LPTs from Korea for all companies on which we initiated the review.¹⁵ Commerce stated that, based on the examination of record evidence, information on the record did not undermine the results of the CBP data query or the certified statements by parties that there were no sales, shipments, or entries of subject LPTs to the United States during the POR.¹⁶

Scope of the Order

The scope of this order covers large liquid dielectric power transformers having a top power handling capacity greater than or equal to 60,000 kilovolt amperes (60 megavolt amperes), whether assembled or unassembled, complete or incomplete.

¹¹ See Memorandum, “No Shipment Inquiry for Multiple Companies During the period 08/01/2021 through 07/31/2022,” dated January 9, 2023.

¹² See Petitioner’s Letter, “Comments in Response to the Department’s Release of Entry Data from U.S. Customs and Border Protection,” dated November 9, 2022. In the letter, the “petitioners” were identified as Hitachi Energy USA Inc. and Prolec-GE Waukesha, Inc (hereinafter referred to as petitioners).

¹³ See Petitioners’ Letter, “Submission of New Factual Information,” dated January 3, 2023.

¹⁴ See Hyosung’s Letter, “Hyosung’s Rebuttal Factual Information,” dated January 20, 2023.

¹⁵ See Memorandum, “Intent to Rescind Review,” dated February 17, 2023 (Intent to Rescind Review).

¹⁶ *Id.*

Incomplete LPTs are subassemblies consisting of the active part and any other parts attached to, imported with or invoiced with the active parts of LPTs. The “active part” of the transformer consists of one or more of the following when attached to or otherwise assembled with one another: the steel core or shell, the windings, electrical insulation between the windings, the mechanical frame for an LPT.

The product definition encompasses all such LPTs regardless of name designation, including but not limited to step-up transformers, step-down transformers, autotransformers, interconnection transformers, voltage regulator transformers, rectifier transformers, and power rectifier transformers.

The LPTs subject to this order are currently classifiable under subheadings 8504.23.0040, 8504.23.0080, and 8504.90.9540 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Analysis of Comments Received

Commerce provided parties with an opportunity to comment on its intent to rescind the administrative review.¹⁷ We received comments from Hyundai, stating that Commerce should, pursuant to 19 CFR 351.213(d)(3), rescind the administrative review with respect to all of the companies on which Commerce initiated the review as there were no suspended entries of subject LPTs.¹⁸ No other parties submitted comments. We agree with Hyundai and find that there is no information on the record to contradict the findings of our CBP queries.

Rescission of Review

Pursuant to 19 CFR 351.213(d)(3), it is Commerce’s practice to rescind an administrative review of an antidumping duty order where it concludes there were no suspended entries of subject merchandise during the POR for an exporter or producer. Normally, upon completion of

¹⁷ *Id.*

¹⁸ See Hyundai’s Letter, “Comments on the Department’s Intent to Rescind the Administrative Review,” dated May 3, 2023.

an administrative review, the suspended entries are liquidated at the antidumping duty assessment rate(s) based on the final results for the review period. Therefore, for an administrative review to be conducted, there must be a suspended entry that Commerce can instruct CBP to liquidate at the calculated antidumping duty assessment rate for the review period. As explained above, there were no suspended entries of subject merchandise from the companies on which Commerce initiated the administrative review during the POR. Accordingly, in the absence of suspended entries of subject merchandise during the POR, we are rescinding this administrative review in accordance with 19 CFR 351.213(d)(3).

Cash Deposit Requirements

As Commerce is rescinding this administrative review, cash deposit rates will not change. Accordingly, the current cash deposit requirements shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

This notice is published in accordance with section 751 of the Act and 19 CFR 351.213(d)(4).

Dated: July 28, 2023.

James Maeder,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations.

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