



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-148]

Gas Powered Pressure Washers from the People's Republic of China: Final Affirmative Determination of Sales at Less-Than-Fair Value, and Final Affirmative Critical Circumstances Determinations, in Part

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

SUMMARY: The U.S. Department of Commerce (Commerce) determines that gas powered pressure washers (pressure washers) from the People's Republic of China (China) are being, or are likely to be, sold in the United States at less-than-fair value (LTFV). The period of investigation is April 1, 2022, through September 30, 2022.

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

FOR FURTHER INFORMATION CONTACT: Hermes Pinilla, AD/CVD Operations, Office I, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3477.

SUPPLEMENTARY INFORMATION:

Background

On August 3, 2023, Commerce published in the *Federal Register* the *Preliminary Determination* in this LTFV investigation.¹ Commerce invited parties to comment on the *Preliminary Determination*.²

¹ See *Gas Powered Pressure Washers from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Critical Circumstances Determination, in Part, Postponement of Final Determination, and Extension of Provisional Measures*, 88 FR 51279 (August 3, 2023) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

² *Id.*

For a complete description of the events that occurred since the *Preliminary Determination*, see the Issues and Decision Memorandum.³ The Issues and Decision Memorandum is a public document and is made available to the public electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. A complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the Investigation

The products covered by this investigation are pressure washers from China. For a complete description of the scope of this investigation, see Appendix I.

Scope Comments

During this LTFV investigation, Commerce received scope comments from interested parties. Commerce issued a Preliminary Scope Memorandum to address the comments and set aside a period of time for parties to address scope issues in scope-specific case and rebuttal briefs.⁴ We received comments from interested parties on the Preliminary Scope Memorandum, which we addressed in the Final Scope Memorandum.⁵ We did not make any changes to the scope of the investigation from the scope published in the *Preliminary Determination*, as provided in Appendix I.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum and are listed in Appendix II of this notice.

Final Affirmative Determination of Critical Circumstances

³ See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination of Sales at Less-Than-Fair-Value and Final Affirmative Critical Circumstances Determinations, in Part: Gas Powered Pressure Washers from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁴ See Memorandum, "Preliminary Scope Decision Memorandum," dated June 8, 2023 (Preliminary Scope Memorandum).

⁵ See Memorandum, "Final Scope Decision Memorandum," dated August 22, 2023.

For the *Preliminary Determination*, in accordance with section 733(e)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.206(c)(1), Commerce preliminarily found that critical circumstances exist with respect to imports of pressure washers exported by Jiangu Jianghuai Engine Co., Ltd. (JD Power) and the China-wide entity.⁶

No parties submitted comments regarding this finding. Thus, our determination of critical circumstances is unchanged for the final determination. Accordingly, pursuant to section 735(a)(3)(B) of the Act and 19 CFR 351.206, we continue to find that critical circumstances exist for JD Power and the China-wide entity.

Regarding the companies receiving a separate rate, we preliminarily found that critical circumstances do not exist.⁷ For the final determination, we continue to find that the variance of shipments between the base and comparison period is explained by seasonal trends and, therefore, consistent with our practice,⁸ we continue to find that critical circumstances do not exist regarding the separate rate companies.

Verification

Commerce was unable to conduct an on-site verification of the information relied upon in making its final determination. However, from August 20 through 22, 2023, we took additional steps, in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Act,⁹ by conducting virtual verification of JP Power.

Separate Rates

For the final determination, we continue to find that JD Power, Sumec Hardware and Tools Co., Ltd., and Zhejiang Danau Machine Co., Ltd., are eligible for separate rates.

Generally, Commerce looks to section 735(c)(5)(A) of the Act, which provides instructions for

⁶ See *Preliminary Determination*.

⁷ *Id.*

⁸ See *Pentafluoroethane (R-125) from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, in Part*, 87 FR 1117 (January 10, 2022), and accompanying IDM at Comment 1.

⁹ See Memorandum, "Verification of Jiangu Jianghuai Engine Co., Ltd.," dated September 13, 2023.

calculating the all-others rate in an investigation, for guidance when calculating the rate for separate rate respondents which we did not individually examine. The statute further provides that, where all margins are zero, *de minimis*, or based entirely on facts available under section 776 of the Act, Commerce may use “any reasonable method” for assigning the rate to non-selected respondents.¹⁰ As explained further below, for the final determination, we based JD Power’s dumping margin on total adverse facts available (AFA). Because there is only one dumping margin, and it is based entirely on facts available, Commerce has assigned, as any reasonable method, an average of the range of dumping margins in the Petition to the separate rate companies for this final determination.¹¹ This approach is consistent with our practice.¹²

Combination Rates

In the *Initiation Notice*,¹³ Commerce stated that it would calculate producer/exporter combination rates for the respondents that are eligible for a separate rate in this investigation. For the list of respondents that established eligibility for separate rates and the exporter/producer combination rates applicable to these respondents, *see* the Final Determination section.

China-Wide Entity and Use of AFA

For the purposes of this final determination, consistent with the *Preliminary Determination*,¹⁴ we relied solely on the application of AFA for the China-wide entity, pursuant to sections 776(a) and (b) of the Act. In selecting the AFA rate for the China-wide entity, Commerce's practice is to select a rate that is sufficiently adverse to ensure that the uncooperative party does not obtain a more favorable result by failing to cooperate than if it had

¹⁰ See section 735(c)(5)(B) of the Act.

¹¹ See Petitioner’s Letter, “Petition for the Imposition of Antidumping and Countervailing Duties,” dated December 29, 2022 (the Petition); *see also* Initiation Checklist, “Gas Powered Pressure Washers from the People’s Republic of China,” dated January 19, 2023, at 8.

¹² See *Polyester Textured Yarn from the People’s Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination and Extension of Provisional Measures*, 84 FR 31297 (July 1, 2019), and accompanying PDM at 12, unchanged in *Polyester Textured Yarn from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value, and Final Affirmative Determination of Critical Circumstances*, 84 FR 63850 (November 19, 2019).

¹³ See *Gas Powered Pressure Washers from the People’s Republic of China and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations*, 88 FR 4807, 4811 (January 25, 2023) (*Initiation Notice*).

¹⁴ See *Preliminary Determination* PDM at 18.

fully cooperated.¹⁵ A detailed discussion of our application of AFA is provided in the *Preliminary Determination*.¹⁶

As discussed in the Issues and Decision Memorandum, we determined that total AFA is warranted regarding JD Power, and thus, for purposes of this final determination, we have applied a dumping margin rate of 274.37, which represents the highest individual dumping margin calculated for a mandatory respondent in this investigation and is the same rate applied to the China-wide entity. Because this constitutes primary information from the normal course of the investigation, the statutory corroboration requirement in section 776(c) of the Act does not apply.

Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist for the period April 1, 2022, through September 30, 2022:

Exporter	Producer	Estimated Weighted-Average Dumping Margin (percent)
Jiangsu Jianghuai Engine Co., Ltd.	Jiangsu Jianghuai Engine Co., Ltd.	274.37
Sumec Hardware and Tools Co., Ltd	Sumec Hardware and Tools Co., Ltd	189.52
Zhejiang Danau Machine Co., Ltd.	Zhejiang Danau Machine Co., Ltd.	189.52
China-Wide Entity		274.37

Disclosure

Normally, Commerce will disclose to the parties in a proceeding the calculations performed in connection with a final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of

¹⁵ See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Purified Carboxymethyl Cellulose from Finland*, 69 FR 77216 (December 27, 2004), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Purified Carboxymethyl Cellulose from Finland*, 70 FR 28279 (May 17, 2005).

¹⁶ See *Preliminary Determination PDM* at 18-19.

final determination in the *Federal Register*, in accordance with 19 CFR 351.224(b). Because we applied total AFA to JD Power and the China-wide entity in accordance with 776 of the Act, which was based on our antidumping duty calculation from the *Preliminary Determination*, there are no calculations to disclose for this final determination. However, we intend to disclose to interested parties the calculations and analysis performed in this final determination for critical circumstances within five days of any public announcement or, if there is no public announcement, within five days of the date of the publication of this notice in the *Federal Register*.

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination* and in accordance with section 735(c)(1)(B) of the Act, for JD Power and the China-wide entity, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of subject merchandise, as described in Appendix I, entered, or withdrawn from warehouse, for consumption, on or after May 5, 2023, which is 90 days prior to the date of the date of publication of the affirmative *Preliminary Determination* in the *Federal Register*, at the cash deposit rate indicated above.

For the separate rate companies, we will instruct CBP to continue to suspend liquidation of subject merchandise, entered, or withdrawn from warehouse, for consumption, on or after August 3, 2023, which is the date of publication of the affirmative *Preliminary Determination* in the *Federal Register*, at the cash deposit rate indicated in the above table.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), we will instruct CBP to require a cash deposit for such entries of merchandise equal to the amount by which the normal value exceeds the U.S. price as follows: (1) the cash deposit rate for the exporter/producer combination listed in the table above will be the rate identified in the table; (2) for all combinations of Chinese producers/exporters of subject merchandise that have not established eligibility for their own separate rates, the cash deposit rate will be the rate established for the China-wide entity; and (3) for all third country exporters of subject

merchandise, the cash deposit rate will be the cash deposit rate applicable to the Chinese producer/exporter that supplied that third country exporter.

U.S. International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of our affirmative determination of sales at LTFV. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without consent of the Assistant Secretary for Enforcement and Compliance.

Because the final determination in this proceeding is affirmative, in accordance with section 735(b) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of gas pressure washers from China no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated, and all cash deposits will be refunded or canceled, as Commerce determines to be appropriate.

If the ITC determines that such injury does exist, Commerce intends to issue an antidumping duty order, in accordance with section 736(a) of the Act, directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the effective date of suspension of liquidation, as discussed above in the “Continuation of Suspension of Liquidation” section.

Notification Regarding APO

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the disposition of proprietary disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial

protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanctions.

Notification to Interested Parties

This determination is issued and published in pursuant with sections 735(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: December 18, 2023.

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

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is cold water gas powered pressure washers (also commonly known as power washers), which are machines that clean surfaces using water pressure that are powered by an internal combustion engine, air-cooled with a power take-off shaft, in combination with a positive displacement pump. This combination of components (*i.e.*, the internal combustion engine, the power take-off shaft, and the positive displacement pump) is defined as the “power unit.” The scope of the investigation covers cold water gas powered pressure washers, whether finished or unfinished, whether assembled or unassembled, and whether or not containing any additional parts or accessories to assist in the function of the “power unit,” including, but not limited to, spray guns, hoses, lances, and nozzles. The scope of the investigation covers cold water gas powered pressure washers, whether or not assembled or packaged with a frame, cart, or trolley, with or without wheels attached.

For purposes of this investigation, an unfinished and/or unassembled cold water gas powered pressure washer consists of, at a minimum, the power unit or components of the power unit, packaged or imported together. Importation of the power unit whether or not accompanied by, or attached to, additional components including, but not limited to a frame, spray guns, hoses, lances, and nozzles constitutes an unfinished cold water gas powered pressure washer for purposes of this scope. The inclusion in a third country of any components other than the power unit does not remove the cold water gas powered pressure washer from the scope. A cold water gas powered pressure washer is within the scope of this investigation regardless of the origin of its engine. Subject merchandise also includes finished and unfinished cold water gas powered pressure washers that are further processed in a third country or in the United States, including, but not limited to, assembly or any other processing that would not otherwise remove the merchandise from the scope of this investigation if performed in the country of manufacture of the in-scope cold water gas powered pressure washers.

The scope excludes hot water gas powered pressure washers, which are pressure washers that include a heating element used to heat the water sprayed from the machine. Also specifically excluded from the scope of this investigation is merchandise covered by the scope of the antidumping and countervailing duty orders on certain vertical shaft engines between 99cc and up to 225cc, and parts thereof from the People’s Republic of China. *See Certain Vertical Shaft Engines Between 99 cc and Up to 225cc, and Parts Thereof from the People’s Republic of China: Antidumping and Countervailing Duty Orders*, 86 FR 023675 (May 4, 2021).

The cold water gas powered pressure washers subject to this investigation are classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 8424.30.9000 and 8424.90.9040. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Affirmative Determination of Critical Circumstances
- IV. Changes Since the *Preliminary Determination*
- V. Application of Facts Available and Adverse Inferences
- VI. Discussion of the Issues
 - Comment 1: Whether Commerce Incorrectly Ended Its Verification of JD Power
 - Comment 2: Arguments Regarding Calculations
- VII. Recommendation

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