



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-221]

Large Diameter Graphite Electrodes from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination with Final Antidumping Duty Determination

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

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of large diameter graphite electrodes (large graphite electrodes) from the People's Republic of China (China). The period of investigation is January 1, 2025, through December 31, 2025. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Joseph Molokwu, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-8043.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 703(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this investigation on March 20, 2026.¹ On May 6, 2026, Commerce postponed the preliminary determination of this investigation and the revised deadline is now July 24, 2026.²

¹ See *Large Diameter Graphite Electrodes From the People's Republic of China and India: Initiation of Countervailing Duty Investigations*, 91 FR 13577 (March 20, 2026) (*Initiation Notice*).

² See *Large Diameter Graphite Electrodes From the People's Republic of China and India: Postponement of Preliminary Determinations in the Countervailing Duty Investigations*, 91 FR 24520 (May 6, 2026).

For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System, which is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed at <https://access.trade.gov/frnotices>.

Scope of the Investigation

The products covered by this investigation are large graphite electrodes from China. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the *Preamble* to Commerce's regulations,⁴ in the *Initiation Notice* we set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁵ Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. For a summary of the product coverage comments and rebuttal responses submitted to the record for this preliminary determination, and accompanying discussion and analysis of all comments timely received, *see* the Preliminary Scope Decision Memorandum.⁶ Commerce is preliminarily modifying the scope language as it appeared in the *Initiation Notice*. *See* the revised scope in Appendix I to this notice.

Methodology

Commerce is conducting this investigation in accordance with section 701 of the Act. For each of the subsidy programs found countervailable, Commerce preliminarily determines

³ *See* Memorandum, "Decision Memorandum for the Preliminary Affirmative Determination in the Countervailing Duty Investigation of Large Diameter Graphite Electrodes from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997) (*Preamble*).

⁵ *See Initiation Notice*, 91 FR at 13577.

⁶ *See* Memorandum, "Less-Than-Fair-Value and Countervailing Duty Investigations of Large Diameter Graphite Electrodes from India and the People's Republic of China: Preliminary Scope Decision Memorandum," dated concurrently with this notice (Preliminary Scope Decision Memorandum).

that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.⁷

Commerce notes that, in making these findings, it relied on facts available and, because we found that the respondents did not act to the best of their ability to respond to Commerce’s requests for information, we drew an adverse inference where appropriate in selecting from among the facts otherwise available.⁸ For further information, *see* the “Use of Facts Otherwise Available and Adverse Inferences” section in the Preliminary Decision Memorandum.

Alignment

As noted in the Preliminary Decision Memorandum, in accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4), Commerce is aligning the final determination in this countervailing duty (CVD) investigation with the final determination in the companion less-than-fair-value (LTFV) investigation of large graphite electrodes from China based on a request made by the petitioners.⁹ Consequently, the final determination in this CVD investigation will be issued on the same date as the final determination in the LTFV investigation of large graphite electrodes from China, which is currently scheduled to be issued no later than December 7, 2026, unless postponed.

All-Others Rate

Sections 703(d) and 705(c)(5)(A) of the Act provide that, in the preliminary determination, Commerce shall determine an estimated all-others rate for companies not individually examined. This rate shall be an amount equal to the weighted average of the estimated subsidy rates established for those companies individually examined, excluding any zero and *de minimis* rates and any rates based entirely under section 776 of the Act.

⁷ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁸ See sections 776(a) and (b) of the Act.

⁹ The petitioners are the Large Diameter Graphite Electrodes Fair Trade Coalition and its individual members, Resonac Graphite America Inc. and Tokai Carbon GE LLC. *See* Petitioner’s Letter, “Petitioners’ Request to Align Final Countervailing Duty Determinations with the Companion Antidumping Duty Final Determinations,” dated June 24, 2026.

Pursuant to section 705(c)(5)(A)(ii) of the Act, if the individual estimated countervailable subsidy rates established for all exporters and producers individually examined are zero, *de minimis*, or determined based entirely on facts otherwise available, Commerce may use “any reasonable method” to establish the estimated subsidy rate for all other producers or exporters. In this investigation, Commerce preliminarily determined the estimated subsidy rate for each of the individually examined respondents based entirely on facts available under section 776 of the Act. Thus, this is the only rate available in this proceeding for deriving the all-others rate. Consequently, pursuant to sections 703(d) and 705(c)(5)(A)(ii) of the Act, Commerce established the all-others rate by applying the countervailable subsidy rate assigned to the non-responsive mandatory respondents.

Preliminary Determination

Commerce preliminarily determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Dantan New Materials Co., Ltd.	103.49*
Shanxi Juxian Graphite New Material Co., Ltd	103.49*
All Others	103.49

* Rate is based on facts available with adverse inferences.

Suspension of Liquidation

In accordance with section 703(d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise as described in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Further, pursuant to section 703(d)(1)(B) of the Act and 19 CFR 351.107(e), Commerce will instruct CBP to require a cash deposit equal to the estimated company-specific countervailable subsidy rate or the estimated all-others rate, as follows: (1) the cash deposit rate for the respondents listed above will be equal to

the company-specific estimated individual countervailable subsidy rates determined in this preliminary determination; (2) if both the producer and exporter of the subject merchandise have company-specific estimated subsidy rates determined in this preliminary determination, and their rates differ, then the applicable cash deposit rate will be the higher of these two rates; (3) if either the producer or the exporter, but not both, of the subject merchandise have a company-specific estimated subsidy rate determined in this preliminary determination, the applicable cash deposit rate will be that company's company-specific rate; and (4) the cash deposit rate for all other producers and exporters will be equal to the estimated all-others subsidy rate.

Disclosure

Normally, Commerce discloses its calculations and analysis performed in connection with the preliminary determination to interested parties within five days of its public announcement, or if there is no public announcement, within five days of the date of publication of this notice, in accordance with 19 CFR 351.224(b). However, because Commerce preliminarily relied on total adverse facts available (AFA) in the calculation of the benefit for the individually examined companies, Dantan New Materials Co., Ltd. and Shanxi Juxian Graphite New Material Co., Ltd. in this investigation, in accordance with section 776 of the Act, and the applied AFA rates are based on rates calculated in prior proceedings, there are no calculations to disclose.

Verification

Because the examined respondents in this investigation did not provide information requested by Commerce and Commerce preliminarily determines each of the examined respondents to have been uncooperative, it will not conduct verification.

Public Comment

The deadlines to submit scope case and rebuttal briefs are provided in the Preliminary Scope Decision Memorandum. For all scope case and rebuttal briefs, parties must file identical documents simultaneously on the records of the ongoing LTFV and CVD large graphite

electrodes. No new factual information or business proprietary information may be included in either scope case or rebuttal briefs

Non-scope related case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of the preliminary determination.¹⁰ Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.¹¹ Interested parties who submit case or rebuttal briefs in this proceeding must submit: (1) a table of contents listing each issue; and (2) a table of authorities.¹²

As provided under 19 CFR 351.309(c)(2)(iii) and (d)(2)(iii), we request that interested parties provide at the beginning of their briefs a public, executive summary for each issue raised in their briefs.¹³ Further, we request that interested parties limit their executive summary of each issue to no more than 450 words, not including citations. We intend to use the executive summaries as the basis of the comment summaries included in the issues and decision memorandum that will accompany the final determination in this investigation. We request that interested parties include footnotes for relevant citations in the executive summary of each issue. Note that Commerce has amended certain of its requirements pertaining to the service of documents in 19 CFR 351.303(f).¹⁴

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain 1) the party's name, address, and telephone number; 2) the number of participants and whether any participant is a foreign

¹⁰ See 19 CFR 351.309(c)(1)(i); see also 19 CFR 351.303 (for general filing requirements).

¹¹ See 19 CFR 351.309(d); see also *Administrative Protective Order, Service, and Other Procedures in Antidumping and Countervailing Duty Proceedings*, 88 FR 67069, 67077 (September 29, 2023) (*APO and Service Final Rule*).

¹² See 19 CFR 351.309(c)(2) and (d)(2).

¹³ We use the term "issue" here to describe an argument that Commerce would normally address in a comment of the Issues and Decision Memorandum.

¹⁴ See *APO and Service Final Rule*.

national; and 3) a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

U.S. International Trade Commission (ITC) Notification

In accordance with section 703(f) of the Act, Commerce will notify the ITC of its determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether imports of large graphite electrodes from China are materially injuring, or threaten material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act, and 19 CFR 351.205(c).

Dated: July 24, 2026.

Christopher Abbott,
Deputy Assistant Secretary
for Policy and Negotiations,
performing the non-exclusive functions and duties
of the Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation includes all large diameter graphite electrodes of any length, whether or not finished, of a kind used in furnaces, with a nominal or actual diameter exceeding 425 millimeters (16.7 inches), and whether or not attached to a graphite pin joining system or any other type of joining system or hardware. The merchandise covered by the investigation also includes graphite pin joining systems (commonly referred to as pins or nipples) for large diameter graphite electrodes, of any length, and with a minimum diameter of 228.6 mm (9 inches) at its widest transverse cross-section, whether or not finished, of a kind used in furnaces, and whether or not the graphite pin joining system is attached to, sold with, or sold separately from, the large diameter graphite electrode. Unfinished large diameter graphite electrodes are graphitized electrodes that have not undergone final machining. For purposes of the investigation, the country of origin is determined by the country of graphitization.

Excluded from the scope of the investigation are large diameter graphite electrodes that are subject to the existing antidumping duty order on Small Diameter Graphite Electrodes from the People's Republic of China. *See Antidumping Duty Order: Small Diameter Graphite Electrodes from the People's Republic of China*, 74 FR 8775 (February 26, 2009) (*SDGE China AD Order*) due to an affirmative determination of circumvention that imports of graphite electrodes from the People's Republic of China, produced and/or exported by Sinosteel Jilin Carbon Co., Ltd. and Jilin Carbon Import & Export Company (collectively, Jilin Carbon), with an actual or nominal diameter of 17 inches and otherwise meeting the description of the scope of the *SDGE China AD Order* constitute merchandise subject to the *SDGE China AD Order*. *See Small Diameter Graphite Electrodes from the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order and Rescission of Later-Developed Merchandise Anticircumvention Inquiry*, 78 FR 56864 (September 16, 2013). In the case of graphite electrodes entering the United States determined to be subject to the *SDGE China AD Order*, such order controls. In the case of graphite electrodes entering the United States meeting the scope definition of the investigation and not covered by the scope of the *SDGE China AD Order*, the scope of the investigation controls.

Large diameter graphite electrodes and graphite pin joining systems for large diameter graphite electrodes that are covered by the investigation are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) statistical reporting number 8545.11.0020. Merchandise covered by the investigation may also enter under HTSUS statistical reporting numbers 3801.10.5090 or 3801.90.0050. The HTSUS numbers are provided for convenience and customs purposes, but the written description of the scope is dispositive.

Excluded from the scope of the investigation are certain thermal energy storage (TES) graphite blocks. The excluded TES graphite blocks are machine-milled, non-cylindrical graphite blocks, which have: a coefficient of thermal expansion of $1.5 \mu\text{m}/(\text{m}\cdot\text{K})$ or greater, and an apparent (also known as bulk) density below 1.74 g/cm^3 , and which have an actual length of between 228.6 mm (9.0 inches) and 3010 mm (118.5 inches), an actual width between 228.6 mm (9.0 inches) and 560 mm (22.0 inches), an actual height between 228.6 mm (9.0 inches) and 560 mm (22.0 inches), and which have been machined to include two or more holes of at least 150 mm (5.9 inches) in depth and at least 35 mm (1.4 inches) in diameter.

The two or more 150 mm deep holes must be located: (i) along the longest centerline of the longest side of the block, each located on the same side of the block, (ii) spaced at intervals of no

greater than 1000 mm (39.4 inches) apart as measured from the outer edge of the holes, and (iii) with the hole closest to each end of the longest centerline located within 1000 mm of the corresponding end of the block. Blocks may contain any number of additional holes, channels, or grooves in any configuration or location, provided that at least two or more holes of at least 150 mm depth are present as described above.

Further excluded from the scope of the investigation are certain TES graphite blocks, anchors, and pins, regardless of shape, which have a coefficient of thermal expansion of $1.5 \mu\text{m}/(\text{m}\cdot\text{K})$ or greater, and an apparent (also known as bulk) density below 1.74 g/cm^3 , with actual dimensions such that any one or more of the length, width, or height is less than 228.6 mm (9.0 inches).

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Injury Test
- IV. Analysis of China's Financial System
- V. Diversification of China's economy
- VI. Use of Facts Otherwise Available and Adverse Inferences
- VII. Subsidies Valuation
- VIII. Analysis of Programs
- IX. Recommendation

