

automotive customers and to home market sales to automotive customers except for these two functions. We find that these two functions do not account, quantitatively or qualitatively, for a significant portion of the sales functions provided to these customers. Therefore, we find that these CEP sales do not constitute a separate LOT from EP sales to automotive customers or home market sales to automotive customers.

There were only insignificant differences in selling functions at each LOT between the comparison market and the U.S. market. Therefore, we found that the three U.S. LOTs corresponded to the three comparison market LOTs. The Department did not find that there existed a pattern of consistent price differences between the three levels of trade. Therefore, we did not make LOT adjustments when comparing sales at different LOTs. For a further discussion of the Department's LOT analysis with respect to Dofasco, see *Dofasco Analysis Memo*.

MRM

In both the home market and the United States, MRM reported one LOT and one distribution system with two classes of customers in the home market, distributors and OEMs, and one class of customer, OEMs, in the U.S. market. We analyzed the selling functions and activities performed for customers in each market. We found that MRM performed substantially similar selling functions and activities for both classes of home market customers and, therefore, that one level of trade existed in the home market. Finally, we compared the selling functions performed at the home market LOT with those performed at the U.S. LOT and found them substantially similar. Thus, no LOT adjustment was appropriate.

Preliminary Results of Reviews

As a result of our reviews, we preliminarily determine the weighted-average dumping margins for the period August 1, 1998 through July 31, 1999 to be as follows:

Certain Corrosion-Resistant Carbon Steel Flat Products

Manufacturer/Exporter	Margin percentage
CCC	2.94
Dofasco	0.51

Certain Cut-to-Length Carbon Steel Plate

Manufacturer/Exporter	Margin percentage
MRM	0.00
Clayson	10.81
Russel	68.70

The Department will disclose to the parties to the proceeding calculations performed in connection with these preliminary results of review within ten days after the date of public announcement, or, if there is no public announcement, within five days after the date of publication of these preliminary results of review.

Any interested party may request a hearing within 30 days of publication. Any hearing, if requested, will be held 37 days after the date of publication or the first business day thereafter. Case briefs from interested parties may be submitted not later than 30 days after publication. Rebuttal briefs, limited to issues raised in case briefs, may be filed not later than five days after the date of filing of case briefs. The Department will publish the final results of this administrative review, including its analysis of issues raised in the case and rebuttal briefs, not later than 120 days after the date of publication of this notice.

Upon issuance of the final results of review, the Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. In accordance with 19 CFR 351.212(b), we calculated importer-specific *ad valorem* duty assessment rates for each class or kind of merchandise based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total customs value of the sales used to calculate those duties. This rate will be assessed uniformly on all entries of that particular importer for that class or kind of merchandise made during the POR.

Furthermore, upon publication of the final results of review, the following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a) of the Act: (1) The cash deposit rate for each reviewed company will be that established in the final results of review (except that no deposit will be required for firms with *de minimis* margins, i.e., margins less than 0.5 percent); (2) for exporters not covered in these reviews, but covered in the less than fair value (LTFV) investigations or a previous review, the cash deposit rate will continue to be the

company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a previous review, or the LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; (4) the cash deposit rate for all other manufacturers or exporters will continue to be the "all others" rates established in the LTFV investigations, which were 18.71 percent for corrosion-resistant steel products and 68.70 percent for CTL plate (see *Amended Final Determinations of Sales at Less Than Fair Value and Antidumping Orders: Certain Corrosion-Resistant Carbon Steel Flat Products and Certain Cut-to-Length Carbon Steel Plate From Canada*, 60 FR 49582 (Sep. 26, 1995)). These requirements, when imposed, shall remain in effect until publication of the final results of the next administrative reviews.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

These administrative reviews and notices are published in accordance with sections 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 777(i)(1) of the Act (19 U.S.C. 1677f(i)(1)).

Dated: August 30, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00-23127 Filed 9-7-00; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-047]

Elemental Sulphur From Canada: Preliminary Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of preliminary results of antidumping duty administrative review of elemental sulphur from Canada.

SUMMARY: The Department of Commerce ("the Department") is conducting an

administrative review of the antidumping duty order on elemental sulphur from Canada in response to a request from the petitioner, Freeport-McMoRan Sulphur, Inc. ("Freeport"). This review covers imports of subject merchandise from Husky Oil Limited ("Husky"), a producer, and Petrosul International ("Petrosul"), a reseller. The period of review ("POR") for Husky and Petrosul is from December 1, 1998 through December 31, 1999. The POR for all other entries is December 1, 1998 through November 30, 1999.

We preliminarily determine that respondent Husky has sold subject merchandise at less than normal value ("NV") during the POR. For the reasons provided in the "Facts Available" section of this notice, we preliminarily determine that respondent Petrosul's antidumping rate be based on total adverse facts available, and have applied the highest rate calculated for Petrosul in prior reviews. If these preliminary results are adopted in our final results of this administrative review, we will instruct the U.S. Customs Service to assess antidumping duties on suspended entries for Petrosul and Husky.

We invite interested parties to comment on these preliminary results. Parties who submit arguments in this segment of the proceeding should also submit with each argument (1) a statement of the issue and (2) a brief summary of the argument.

EFFECTIVE DATE: September 8, 2000.

FOR FURTHER INFORMATION CONTACT: Brandon Farlander or Rick Johnson, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-0182 or (202) 482-3818, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended ("the Act"), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR Part 351 (April 1, 1999).

Background

The antidumping dumping duty order for elemental sulphur from Canada was revoked, pursuant to the sunset procedures established by statute, effective January 1, 2000. See

Revocation of Antidumping Finding: Elemental Sulphur From Canada, 64 FR 40553 (July 27, 1999). However, we are conducting this review to cover sales of the subject merchandise made in the United States made by Husky and Petrosul during the 13-month period from December 1, 1998 until the effective date of the revocation.

On December 14, 1999, the Department published in the **Federal Register** a notice of "Opportunity to Request Administrative Review" of the antidumping duty order on elemental sulphur from Canada (64 FR 69693). In accordance with 19 CFR 351.213(b)(1), on December 30, 1999, the petitioner, Freeport, requested an administrative review of the antidumping order covering the period December 1, 1998, through November 30, 1999, for Husky and Petrosul. On January 26, 2000, the Department published in the **Federal Register** a notice of initiation of administrative review of this order (65 FR 4228). On March 1, 2000, Husky requested that the Department extend the POR by one month to include sales from the end of the POR until the date that the revocation of the order was in effect. On April 11, 2000, the Department informed Husky and Petrosul that we were extending the POR for one month to include December 1999; thus, we would review all sales of the subject merchandise made by Husky and Petrosul in the United States between December 1, 1998 and the effective revocation date of the order.

On February 14, 2000, the Department sent Petrosul a questionnaire (Sections A, B, C, and D). On March 6, 2000, the Department received a letter from Petrosul, stating that Petrosul did not produce or export sulphur to the United States during the POR. The Department reviewed record evidence that indicated Petrosul exported subject merchandise or had knowledge that its sales of subject merchandise in Canada were ultimately destined for the United States. The details of this information are proprietary. See *Analysis for the Preliminary Results in the Administrative Review of Elemental Sulphur from Canada for the period December 1, 1998 through December 31, 1999* ("Preliminary Analysis Memo"), dated September 1, 2000. On April 12, 2000, the Department sent a supplemental questionnaire to Petrosul with additional questions regarding Petrosul's statement that it did not produce or export sulphur to the United States during the POR. On May 3, 2000, Petrosul reported, via a telephone conversation, that it would not respond to the Department's April 12, 2000 supplemental questionnaire. See

Memorandum for the file, dated May 3, 2000. Thus, Petrosul only submitted a letter to the Department stating that it did not produce or export sulphur to the United States during the POR and did not respond to either the Department's February 14, 2000, questionnaire or the April 12, 2000, supplemental questionnaire.

On February 14, 2000, the Department sent Husky a questionnaire (Sections A, B, C, and D). On March 20, 2000, Husky provided its Section A questionnaire response and on April 20, 2000, Husky provided its Sections B, C, and D response. On May 17, 2000, we issued a supplemental questionnaire to Husky. On June 1, 2000, Husky provided its supplemental questionnaire response.

The Department is conducting this administrative review in accordance with section 751 of the Act.

Verification

As provided in section 782(i) of the Act, from July 17, 2000 to July 20, 2000, we verified sales information provided by Husky, using standard verification procedures, including an examination of relevant sales and financial records, and selection of original documentation containing relevant information. Our verification results are outlined in the public version of the verification report and are on file in the Central Records Unit ("CRU") located in room B-099 of the main Department of Commerce Building, 14th Street and Constitution Avenue, NW., Washington, DC.

Scope of the Review

Imports covered by this review are shipments of elemental sulphur from Canada. This merchandise is classifiable under Harmonized Tariff Schedule ("HTS") subheadings 2503.10.00, 2503.90.00, and 2802.00.00. Although the HTS subheadings are provided for convenience and for U.S. Customs purposes, the Department's written description of the scope of this order remains dispositive.

Facts Available

In accordance with sections 776(a)(2)(A) and 776(a)(2)(B) of the Act, we preliminarily determine that the use of facts available is appropriate as the basis for Petrosul's dumping margin. Section 776(a)(2) of the Act provides that if an interested party: (A) withholds information that has been requested by the Department; (B) fails to provide such information in a timely manner or in the form or manner requested, subject to subsections 782(c)(1) and (e) of the Act; (C) significantly impedes a determination under the antidumping statute; or (D) provides such information

but the information cannot be verified, the Department shall, subject to subsection 782(d) of the Act, use facts otherwise available in reaching the applicable determination. In this case, section 776(a)(2)(A) of the Act applies because Petrosul withheld information. Petrosul failed to respond to sections A, B, C, and D of the Department's February 14, 2000 questionnaire and to the Department's April 12, 2000 supplemental questionnaire regarding whether it had entries during the POR. Furthermore, subsections 782(c)(1) and (e) of the Act cannot be applied in this case because Petrosul notified the Department that it would not participate in this review. Petrosul at no time notified the Department that it would be unable to submit requested information, nor did Petrosul provide any explanation or alternate form by which to submit the requested information. Section 782(e) of the Act is likewise not applicable because Petrosul provided no information for the Department to consider.

Because Petrosul failed to respond to the Department's questionnaires, we preliminarily determine that, in accordance with sections 776(a) and 782(e) of the Act, Petrosul has not cooperated to the best of its ability, and the use of total facts available is therefore appropriate. *See, e.g., Certain Grain-Oriented Electrical Steel from Italy: Final Results of Antidumping Duty Administrative Review*, 62 FR 2655 (January 17, 1997).

Section 776(b) of the Act provides that adverse inferences may be used with respect to a party that has failed to cooperate by not acting to the best of its ability to comply with requests for information. *See* Statement of Administrative Action ("SAA") accompanying the URAA, H.R. Rep. No. 103-316, at 870. Petrosul's failure to participate in this review, especially in light of evidence that it in fact sold subject merchandise into the United States, demonstrates that it has failed to act to the best of its ability and, therefore, an adverse inference is warranted. *See, e.g., Extruded Rubber Thread from Malaysia: Final Results of Antidumping Duty Administrative Review*, 63 FR 12752 (March 16, 1998). Petrosul has demonstrated that it has the ability to provide sales information for administrative reviews in the past and it provided the Department with no plausible explanation of why it would not participate this time. *See Elemental Sulphur from Canada: Preliminary Results of Antidumping Duty Administrative Reviews*, 61 FR 45937, 45938. Thus, based on proprietary record evidence, *see, e.g., the*

Preliminary Analysis Memo, we are making the adverse inference that had Petrosul cooperated and responded to the Department's questionnaire, Petrosul would have acknowledged its sales of elemental sulphur that were exported by Petrosul to the United States or acknowledged that its sales within Canada were ultimately destined for the United States. However, we must also reach a determination as to what the dumping margin on these sales would have been.

Section 776(b) of the Act authorizes the Department to use as adverse facts available secondary information, that is, information derived from the petition, the final determination, a previous administrative review, or any other information placed on the record. The SAA further provides that "[i]n employing adverse inferences, one factor the [Department] will consider is the extent to which a party may benefit from its own lack of cooperation." SAA at 870. It is the Department's normal practice, in situations involving non-responding respondents such as Petrosul, to select as adverse facts available the highest margin from the current or any prior segment of the same proceeding. Therefore, as total adverse facts available, we have applied the rate of 40.38 percent, which was Husky's calculated final margin in the 1992/93 administrative review. *See Final Elemental Sulphur from Canada: Final Results of Antidumping Duty Administrative Reviews* 62 FR 37970, 37990 (July 15, 1997). The Department previously applied this rate as a total adverse facts available rate for Petrosul and Husky in the 1997/98 administrative review. *See Elemental Sulphur from Canada: Final Results of Antidumping Duty Administrative Review*, 65 FR 11980 (March 7, 2000).

Section 776(c) of the Act provides that the Department shall, to the extent practicable, corroborate secondary information by reviewing independent sources reasonably at its disposal. The SAA provides that "corroborate" means that the Department will satisfy itself that the secondary information to be used has probative value, that is, that it is both reliable and relevant. *See* SAA at 870. The 40.38 percent rate we selected meets these corroboration criteria.

Regarding the reliability of the selected rate, because there are no independent sources for calculated dumping margins, unlike other types of information, such as input costs or selling expenses, the only source for margins is administrative determinations. Thus, in an administrative review, if the Department

chooses as total adverse facts available a calculated dumping margin from a prior segment of the proceeding, it is not necessary to question the reliability of that earlier calculated margin. *See, e.g., Elemental Sulphur from Canada: Preliminary Results of Antidumping Duty Administrative Review*, 62 FR 971 (January 7, 1997); *Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof from France, et al.: Final Results of Administrative Review*, 62 FR 2081, 2088 (January 15, 1997); and *Final Results of Antidumping Duty Administrative Review: Brass Sheet and Strip from Germany*, 64 FR 43342, 43343 (August 10, 1999). Thus, because we have selected a calculated margin from a prior administrative review, we do not need to question its reliability.

With respect to the relevance aspect of corroboration, however, the Department will consider information reasonably at its disposal as to whether there are circumstances that would render a margin inappropriate. Where circumstances indicate that the selected margin is not appropriate as adverse facts available, the Department will disregard the margin and determine an appropriate margin. *See, e.g., Fresh Cut Flowers from Mexico: Final Results of Antidumping Duty Administrative Review*, 61 FR 6812, 6814 (February 22, 1996) (where the Department disregarded the highest margin for use as adverse facts available because the margin was based on another company's uncharacteristic business expense, resulting in an unusually high margin). Because we know that Petrosul has been supplied by Husky (*see Issues and Decision Memorandum for the Administrative Review of Elemental Sulphur from Canada—12/01/97 through 11/30/98, Comment 3, (see ia.ita.doc.gov/frn)*), which corresponds to *Elemental Sulphur From Canada: Final Results of Antidumping Duty Administrative Review*, 65 FR 11980 (March 7, 2000)), as facts available, we continue to operate under the presumption that Petrosul is being supplied by Husky in the absence of any other information. Thus, this rate is relevant for Petrosul because it was recently applied to Petrosul in the prior administrative review under the same circumstances, and we are not aware of any circumstances that would render this rate inappropriate.

Normal Value Comparisons

To determine whether sales of subject merchandise to the United States were made at less than fair value, we compared the EP to the NV. In accordance with section 777A(d)(2), we calculated monthly weighted-average

prices for NV and compared these to individual EP transactions.

Transactions Reviewed

We compared the aggregate volume of Husky's home market sales of the foreign like product and U.S. sales of the subject merchandise to determine whether the volume of the foreign like product Husky sold in Canada was sufficient, pursuant to section 773(a)(1)(C) of the Act, to form a basis for NV. Because Husky's volume of home market sales of the foreign like product was greater than five percent of its U.S. sales of subject merchandise, in accordance with section 773(a)(1)(B)(i) of the Act, we have based the determination of NV upon Husky's home market sales of the foreign like product. Moreover, there is no evidence on the record indicating a particular market situation in the exporting country that would not permit a proper comparison of home market and U.S. prices. See section 773(a)(1)(C)(iii) of the Act. Thus, we based NV on the prices at which the foreign like product was first sold for consumption in Canada, in the usual commercial quantities, in the ordinary course of trade, and at the same LOT as the EP sales.

Product Comparisons

In accordance with section 771(16) of the Act, we considered all products covered by the *Scope of the Review* section above, which were produced and sold by the Husky in the home market during the extended POR, to be foreign like products for purposes of determining appropriate product comparisons to U.S. sales. For all of Husky's U.S. sales, there were identical sales in the home market on which to base comparisons.

Export Price

For calculation of the price to the United States, we used EP, in accordance with section 772(a) of the Act, because Husky's subject merchandise was sold to the first unaffiliated purchaser located in either Canada (shipped directly from the producer to the U.S. purchaser) or the United States prior to importation, and use of the CEP methodology was not otherwise warranted. We calculated EP based on free on board (f.o.b.) plant or delivered prices to unrelated customers. We made deductions to the starting price for movement expenses (inland freight, brokerage and handling, and tank car leasing expenses) pursuant to section 772(c)(2) of the Act. For a further explanation of how we calculated EP, see *Preliminary Analysis*

Memo. We have used Husky's invoice date as the date of sale, in accordance with 19 CFR 351.401(i), except for shipments made prior to the invoice. Husky often invoices its customers after shipment and, therefore, in accordance with the Department's practice, we have used the shipment date as the date of sale in those instances.

Normal Value

After testing home market viability and whether home market sales were at below-cost prices, we calculated NV as noted in the "Price-to-Price Comparisons" and "Price-to-CV Comparison" sections of this notice.

Cost of Production ("COP") Analysis

Because the Department determined that Husky made sales in the home market at prices below the cost of producing the subject merchandise in its most recently completed administrative review (see, e.g., *Elemental Sulphur From Canada; Final Results of Antidumping Duty Administrative Review*, 65 FR 11980 (March 7, 2000)), the Department determined that there are reasonable grounds to believe or suspect that Husky made sales in the home market at prices below the cost of producing the merchandise in this review. See section 773(b)(2)(A)(ii) of the Act. As a result, the Department initiated a cost of production inquiry in this case on February 14, 2000, to determine whether Husky made home market sales during the POR at prices below their respective COPs within the meaning of section 773(b) of the Act.

We conducted the COP analysis described below.

A. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of Husky's cost of materials and fabrication for the foreign like product, plus amounts for home market selling, general and administrative expenses ("SG&A"), interest expenses, and packing costs. We used home market sales and COP information provided by Husky in its questionnaire responses, with no cost adjustments.

B. Test of Home Market Prices

We compared the POR-long weighted-average COP for Husky, adjusted where appropriate (see above), to its home market sales of the foreign like product as required under section 773(b) of the Act. In determining whether to disregard home market sales made at prices less than the COP, we examined whether: (1) within an extended period of time, such sales were made in

substantial quantities; and (2) such sales were made at prices which permitted the recovery of all costs within a reasonable period of time.

C. Results of the COP Test

Pursuant to section 773(b)(2)(C) of the Act, where less than 20 percent of a respondent's sales of a given product within an extended period of time are at prices less than the COP, we do not disregard any below-cost sales of that product because the below-cost sales are not made in "substantial quantities." Where 20 percent or more of a respondent's sales of a given product during the extended period are at prices less than the COP, we determine such sales to have been made in "substantial quantities." See section 773(b)(2)(C)(i) of the Act. The extended period of time for this analysis is the POR. See section 773(b)(2)(B) of the Act. Because each individual price was compared against the POR-long weighted average COP, any sales that were below cost were also at prices which did not permit cost recovery within a reasonable period of time. See section 773(b)(2)(D). We compared the COP for liquid sulphur to the reported home market prices less any applicable movement charges. Based on this test, we did not exclude any sales from our analysis because the volume of these sales represented less than 20 percent of the volume of sales under consideration for the determination of NV.

D. Calculation of CV

In accordance with section 773(e)(1) of the Act, we calculated Husky's CV based on the sum of Husky's cost of materials, fabrication, SG&A, interest expenses and profit. We calculated the COPs included in the calculation of CV as noted above in the "Calculation of COP" section of this notice. In accordance with section 773(e)(2)(A) of the Act, we based SG&A and profit on the amounts incurred and realized by Husky in connection with the production and sale of the foreign like product in the ordinary course of trade, for consumption in Canada.

Price-to-Price Comparisons

We based NV on the home market prices to unaffiliated purchasers (Husky made no sales to affiliated parties). Home market prices were based on ex-factory or delivered prices. We made adjustments, where applicable, for movement expenses in accordance with section 773(a)(6)(B) of the Act. We also made adjustments for differences in circumstances of sale ("COS") in accordance with 773(a)(6)(C)(iii) of the Act and 19 CFR 351.410 by deducting

home market direct selling expenses (credit) and adding U.S. direct selling expenses (credit).

Price-to-CV Comparisons

In accordance with section 773(a)(4) of the Act, we base NV on CV if we are unable to find suitable home market sales of the foreign like product. Where applicable, we would make adjustments to CV in accordance with section 773(a)(8) of the Act. For comparisons to EP, we made COS adjustments by deducting home market direct selling expenses and adding U.S. direct selling expenses. We did not use CV for Husky for these preliminary results of review.

Level of Trade

In accordance with section 773(a)(1)(B) of the Act, to the extent practicable, we determine NV based on sales in the comparison market at the same level of trade ("LOT") as the EP or CEP transaction. The NV LOT is that of the starting-price sales in the comparison market or, when NV is based on constructed value ("CV"), that of the sales from which we derive selling, general and administrative ("SG&A") expenses and profit. For EP, the LOT is also the level of the starting-price sale, which is usually from the exporter to the importer. For CEP, it is the level of the constructed sale from the exporter to the affiliated importer.

To determine whether NV sales are at a different LOT than EP or CEP sales, we examine stages in the marketing process and selling functions along the chain of distribution between the producer and the unaffiliated customer. If the comparison market sales are at a different LOT, and the difference affects price comparability, as manifested in a pattern of consistent price differences between the sales on which NV is based and comparison-market sales at the LOT of the export transaction, we make an LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales (which we note is not the case for Husky), if the NV level is more remote from the factory than the CEP level and there is no basis for determining whether the differences in the levels between NV and CEP sales affect price comparability, we adjust NV under section 773(A)(7)(B) of the Act (the CEP offset provision). *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Carbon Steel Plate from South Africa*, 62 FR 61731 (November 19, 1997).

In the present review, Husky did not request a LOT adjustment or a CEP offset. To ensure that no such adjustment was necessary, in accordance with the principles

discussed above, we examined information regarding the distribution systems in both the United States and Canadian markets, including the selling functions, classes of customer, and selling expenses.

In the home market, Husky reported that it sold through two sales channels: (1) to end-users; and (2) to resellers. *See* Husky's March 20, 2000, Section A questionnaire response, at A-9. The selling functions associated with the sales to end-users are credit services. The selling functions associated with the sales to resellers are credit services, and, if requested, freight and delivery arrangements. Because these selling functions are similar for both sales channels, we preliminarily determine that there is one LOT in the home market.

In the U.S. market, Husky reported two sales channels: (1) to end-users; and (2) to resellers. *See* Husky's March 20, 2000, Section A questionnaire response, at A-9. We examined the selling functions performed for each of the two U.S. sales channels. Both sales channels involved freight and delivery arrangements and credit services. Based on the above information, we preliminarily determine that there is one LOT in the United States.

Based on our analysis of the selling functions performed for sales in the home market and EP sales in the U.S. market, we preliminarily determine that there is not a significant difference in the selling functions performed in the U.S. and home markets and that these sales are made at the same LOT. Therefore, a LOT adjustment is not appropriate.

Preliminary Results of Review

As a result of our review, we preliminarily determine that the following weighted-average dumping margin exists for the period December 1, 1998 through December 31, 1999:

Manufacturer/exporter/reseller	Margin (percent)
Husky Oil Limited	0.55
Petrosul International, Ltd	40.38

The Department will disclose calculations performed within five days of the date of publication of this notice to the parties of this proceeding in accordance with 19 CFR 351.224(b). An interested party may request a hearing within 30 days of publication of these preliminary results. *See* 19 CFR 351.310(c). Any hearing, if requested, will be held 37 days after the date of publication, or the first working day thereafter. Interested parties may submit

case briefs and/or written comments no later than 30 days after the date of publication of these preliminary results of review. Rebuttal briefs and rebuttals to written comments, limited to issues raised in such briefs or comments, may be filed no later than 35 days after the date of publication. Further, we would appreciate it if parties submitting written comments also provide the Department with an additional copy of those comments on diskette. The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results.

Assessment

Upon issuance of the final results of this review, the Department shall determine, and the U.S. Customs Service shall assess, antidumping duties on all appropriate entries. In the event these preliminary results are made final, we will assess antidumping duties on all Petrosul entries at the same rate as the dumping margin (*i.e.*, 40.38 percent) since the margin is not a current calculated rate for the respondent, but a rate based upon total facts available pursuant to section 776(a) of the Act. Also, if these preliminary results are made final, we will assess importer-specific antidumping duties on all appropriate Husky entries. Upon completion of this review, the Department will issue appraisal instructions directly to the Customs Service.

Cash Deposit

Because the antidumping duty order on elemental sulphur from Canada has been revoked, effective January 1, 2000, no cash deposits are required for entries of elemental sulphur from Canada for entries on or after January 1, 2000. *See Revocation of Antidumping Finding: Elemental Sulphur From Canada*, 64 FR 40553 (July 27, 1999).

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 31, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00-23123 Filed 9-7-00; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-822]

Certain Helical Spring Lock Washers From the People's Republic of China; Preliminary Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of Preliminary Results of Antidumping Duty Administrative Review.

SUMMARY: We preliminarily determine that sales of certain helical spring lock washers from the People's Republic of China were made below normal value during the period October 1, 1998 through September 30, 1999. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: September 8, 2000.

FOR FURTHER INFORMATION CONTACT: Sally Hastings or Craig Matney, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482-3464 or 482-1778, respectively.

Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930, as amended (the Act) by the Uruguay Round Agreements Act. Unless otherwise indicated, all citations to the Department of Commerce's (the Department's) regulations are to 19 CFR part 351 (1999).

Background

On October 19, 1993, the Department published the antidumping duty order on certain helical spring lock washers (HSLWs) from the People's Republic of China (PRC) (58 FR 53914). The Department notified interested parties of the opportunity to request an administrative review of this order on October 20, 1999 (64 FR 56486). The petitioner, Shakeproof Assembly Components Division of Illinois Tool Works, Inc., requested that the

Department conduct an administrative review of Zhejiang Wanxin Group Co. Ltd. (ZWG), the predecessor firm to Hang Zhou Spring Washer Co. (collectively Hangzhou) on October 28, 1999. The notice of initiation of this administrative review was published on December 3, 1999 (64 FR 67846).

On February 1, 2000, Hangzhou responded to the Department's December 9, 1999 questionnaire. On April 12, 2000, the Department provided parties with an opportunity to submit information regarding appropriate surrogate values. On May 12 and May 24, 2000, respectively, both Hangzhou and petitioner submitted initial and rebuttal surrogate value comments. On May 15, 2000, the Department issued a supplemental questionnaire to Hangzhou. Hangzhou submitted its supplemental questionnaire response on June 9, 2000.

On June 15, 2000, the Department extended the time limit for completion of the preliminary results in this proceeding until August 31, 2000 (*See* 65 FR 37521).

On June 23 and 24, 2000, we conducted verification of the sales and factors of production questionnaire responses submitted by Hangzhou in Xiaoshan City, PRC. We issued the verification report on August 14, 2000.

The Department is conducting this administrative review in accordance with Section 751 of the Act.

Scope of Review

The products covered by this review are HSLWs of carbon steel, of carbon alloy steel, or of stainless steel, heat-treated or non-heat-treated, plated or non-plated, with ends that are off-line. HSLWs are designed to: (1) Function as a spring to compensate for developed looseness between the component parts of a fastened assembly; (2) distribute the load over a larger area for screws or bolts; and, (3) provide a hardened bearing surface. The scope does not include internal or external tooth washers, nor does it include spring lock washers made of other metals, such as copper.

HSLWs subject to this review are currently classifiable under subheading 7318.21.0030 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

Period of Review

This review covers the period October 1, 1998, through September 30, 1999.

Verification

As provided in section 782(i) of the Act, we verified sales and factors of production information provided by Hangzhou in Xiaoshan City, PRC, using standard verification procedures, including an examination of relevant accounting and production records and original source documents provided by the respondents.

Separate Rates Determination

To establish whether a company operating in a state-controlled economy is sufficiently independent to be entitled to a separate rate, the Department analyzes each exporting entity under the test established in the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) (*Sparklers*), as amplified by the *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994) (*Silicon Carbide*). Under this policy, exporters in non-market economies (NMEs) are entitled to separate, company-specific margins when they can demonstrate an absence of government control, both in law and in fact, with respect to export activities. Evidence supporting, though not requiring, a finding of *de jure* absence of government control over export activities includes: (1) An absence of restrictive stipulations associated with the individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and, (3) any other formal measures by the government decentralizing control of companies. *De facto* absence of government control over exports is based on four factors: (1) Whether each exporter sets its own export prices independently of the government and without the approval of a government authority; (2) whether each exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits or financing of losses; (3) whether each exporter has the authority to negotiate and sign contracts and other agreements; and, (4) whether each exporter has autonomy from the government regarding the selection of management. (*See Silicon Carbide*, 59 FR at 22587 and *Sparklers*, 56 FR at 20589.)

In each of the previous administrative reviews of the antidumping duty order on HSLWs from the PRC, covering successive review periods from October 1, 1993 through September 30, 1998, we determined that Hangzhou's predecessor, ZWG, merited a separate