Office of the General Counsel

Michael A. Levitt, Assistant General Counsel for Legislation and Regulation.

Dated: September 26, 2006.

Denise Yaag,

Director, Office of Executive Resources.

[FR Doc. 06–8583 Filed 10–10–06; 8:45 am]

BILLING CODE 3510–BS–M

DEPARTMENT OF COMMERCE

Membership of the Departmental Performance Review Board

AGENCY: Department of Commerce.

ACTION: Notice of membership on the Departmental Performance Review Board.

SUMMARY: In accordance with 5 U.S.C., 4314(c)(4), Department of Commerce (DOC) announces the appointment of persons to serve as members of the Departmental Performance Review Board (DPRB). The DPRB is responsible for reviewing performance appraisals and ratings of Senior Executive Service (SES) members and serves as the higher level review of executives who report to an appointing authority. The appointment of these members to the DPRB will be for a period of 24 months.

DATES: *Effective Date:* The effective date of service of appointees to the Departmental Performance Review Board is upon publication of this notice.

FOR FURTHER INFORMATION CONTACT: Denise Yaag, Director, Office of Executive Resources, Office of Human Resources Management, Office of the Director, 14th and Constitution Avenue, NW., Washington, DC 20230, (202) 482–3600.

SUPPLEMENTARY INFORMATION: The names and position titles of the members of the DPRB are set forth below by organization:

Department of Commerce, Departmental Performance Review Board Membership 2006–2008

Office of the Secretary

Aimee L. Strudwick, Chief of Staff to the Deputy Secretary.

Office of General Counsel

Michael A. Levitt, Assistant General Counsel for Legislation and Regulation.

Joan McGinnis, Assistant General Counsel for Finance and Litigation.

Chief Financial Officer and Assistant Secretary for Administration

William J. Fleming, Deputy Director for Human Resources Management.

Bureau of the Census

Dr. Hermann Habermann, Deputy Director.

Marvin Raines, Associate Director for Field Operations.

Economics and Statistics Administration

James K. White, Associate Under Secretary for Management.

Economics and Development Administration

Mary Pleffner, Deputy Assistant Secretary for Management.

National Telecommunications and Information Administration

Kathy D. Smith, Chief Counsel.

National Oceanic and Atmospheric Administration

Bonnie Morehouse, Director, Program Analysis and Evaluation.

Maureen Wylie, Deputy Chief Financial Officer, Director of Budget.

Kathleen A. Kelly, Director, Office of Satellite Operations, NESDIS.

National Technical Information Service

Ellen Herbst, Director, National Technical Information Service.

National Institute of Standards and Technology

Richard F. Kayser, Director, Materials Science and Engineering Laboratory.

Kathleen M. Higgins, Director, Office of Law Enforcement Standards, EEEL.

Dated: September 28, 2006.

Denise Yaag,

Director, Office of Executive Resources.

[FR Doc. 06–8586 Filed 10–10–06; 8:45 am]

BILLING CODE 3510–BS–M

DEPARTMENT OF COMMERCE

Bureau of Industry and Security

Sensors and Instrumentation Technical Advisory Committee; Notice of Partially Closed Meeting

The Sensors and Instrumentation Technical Advisory Committee (SITAC) will meet on October 24, 2006, 9:30 a.m., in the Herbert C. Hoover Building, Room 3884, 14th Street between Constitution and Pennsylvania Avenues, NW., Washington, DC. The Committee advises the Office of the Assistant Secretary for Export Administration on technical questions that affect the level of export controls applicable to sensors and instrumentation equipment and technology.

Agenda

Public Session

1. Welcome and Introductions.
2. Remarks from the Bureau of Industry and Security Management.
3. Industry Presentations.
4. Government Presentations.
5. New Business.

Closed Session

6. Discussion of matters determined to be exempt from the provisions relating to public meetings found in 5 U.S.C. app. 2 §§ 10(a)(1) and 10(a)(3).

A limited number of seats will be available during the public session of the meeting. Reservations are not accepted. To the extent that time permits, members of the public may present oral statements to the committee. The public may submit written statements at any time before or after the meeting. However, to facilitate distribution of public presentation materials to the Committee members, the Committee suggests that the materials be forwarded before the meeting to Ms. Yvette Springer at *Yspringer@bis.doc.gov.*

The Assistant Secretary for Administration, with the concurrence of the General Counsel, formally determined on September 29, 2006 pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. app. 2 § 10(d)), that the portion of this meeting dealing with pre-decisional changes to the Commerce Control List and U.S. export control policies shall be exempt from the provisions relating to public meetings found in 5 U.S.C. app. 2 §§ 10(a)(1) and 10(a)(3). The remaining portions of the meeting will be open to the public.

For more information contact Yvette Springer on (202) 482–2813.

Dated: October 5, 2006.

Yvette Springer,

Committee Liaison Officer.

[FR Doc. 06–8598 Filed 10–10–06; 8:45 am]

BILLING CODE 3510–JT–M

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–904]

Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Certain Activated Carbon From the People's Republic of China

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

EFFECTIVE DATE: October 11, 2006.

SUMMARY: We preliminarily determine that certain activated carbon from the People's Republic of China (''PRC'') is being, or is likely to be, sold in the United States at less than fair value (''LTFV''), as provided in section 733 of the Tariff Act of 1930, as amended (''the Act''). The estimated margins of sales at LTFV are shown in the ''Preliminary Determination'' section of this notice.

FOR FURTHER INFORMATION CONTACT: Catherine Bertrand or Anya Naschak, AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: 202–482–3207 or 202–482–6375, respectively.

SUPPLEMENTARY INFORMATION:

Case History

On March 8, 2006, the Department of Commerce (''Department'') received a petition on imports of certain activated carbon from the People's Republic of China (''PRC'') from Calgon Carbon Corporation and Norit Americas Inc. (''Petitioners''). This investigation was initiated on March 28, 2006. *See Initiation of Antidumping Duty Investigation: Certain Activated Carbon From the People's Republic of China,* 71 FR 16757 (April 4, 2006) (''*Initiation Notice*'').

Since the initiation of this investigation, the following events have occurred. On April 4, 2006, the Department requested quantity and value (''Q&V'') information from the producers and exporters of certain activated carbon that Petitioners identified in the petition. Also, on April 4, 2006, the Department sent a letter requesting Q&V information to the China Bureau of Fair Trade for Imports & Exports (''BOFT'') of the Ministry of Commerce (''MOFCOM'') requesting that BOFT transmit the letter to all companies who manufacture and export subject merchandise to the United States, or produce the subject merchandise for the companies who were engaged in exporting the subject merchandise to the United States during the period of investigation (''POI'').

The Q&V information was due on April 19, 2006. The Department received twenty-three responses. The Department did not receive any type of communication from BOFT regarding its request for Q&V information. For a complete list of all parties from which the Department requested Q&V information, *see* Memorandum to James C. Doyle, Director, AD/CVD Operations, Office 9, through Carrie Blozy, Program Manager, AD/CVD Operations, Office 9, from Catherine Bertrand, Senior Case Analyst, Office 9: Selection of Respondents for the Antidumping Investigation of Certain Activated Carbon From the People's Republic of China, dated May 3, 2006 (''Respondent Selection Memo'').

On April 21, 2006, the United States International Trade Commission (''ITC'') issued its affirmative preliminary determination that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports from the PRC of certain activated carbon. The ITC's determination was published in the **Federal Register** on May 2, 2006. *See Investigation No. 731–TA–1103 (Preliminary), Certain Activated Carbon From China,* 71 FR 25858 (May 2, 2006).

On May 3, 2006, the Department selected Calgon Carbon (Tianjin) Co., Ltd. (''CCT''), Tianjin Jacobi Int'l Trading Co., Ltd. (''Jacobi Tianjin''), and Datong Huibao Activated Carbon Co., Ltd and its affiliated company Beijing Hibridge Trading Co., Ltd. (''Huibao/Hibridge''), as mandatory respondents in this investigation. *See* Respondent Selection Memo. On May 4, 2006, the Department issued the full antidumping questionnaire to the selected mandatory respondents.

On May 15, 2006, the Department received a letter from Huibao/Hibridge, informing the Department that Huibao/Hibridge was withdrawing from this investigation. *See* Memorandum to the File from Catherine Bertrand, Senior Case Analyst, dated May 15, 2006. Additionally, as described below, although Huibao/Hibridge filed a separate rate application, we have not considered its request for a separate rate in this investigation given its failure to participate as a mandatory respondent. Any references to the separate rate applicants in this notice specifically exclude Huibao/Hibridge.

On May 19, 2006, the Department selected an additional mandatory respondent, Jilin Province Bright Future Chemicals Co. Ltd. (''JBF Chemical'') and its affiliated company Jilin Province Bright Future Industry & Commerce Co. Ltd. (''JBF Industry'') (collectively, ''Jilin Bright Future''). *See* Memorandum to James C. Doyle, Director, AD/CVD Operations, Office 9, through Carrie Blozy, Program Manager, AD/CVD Operations, Office 9, from Catherine Bertrand, Senior Case Analyst, Office 9: Selection of Additional Mandatory Respondent, dated May 19, 2006, (''Additional Respondent Selection Memo''). On May 19, 2006, the Department issued the full antidumping questionnaire to Jilin Bright Future.

On April 20, 2006, the Department requested comments from all interested parties on proposed product characteristics to be used in the designation of control numbers (''CONNUMs'') to be assigned to the subject merchandise. The Department received comments from Petitioners. On May 10, 2006, the Department released the product characteristics to be used in the designation of CONNUMs to be assigned the subject merchandise.

On June 1, 2006, the Department determined that India, Indonesia, Sri Lanka, the Philippines, and Egypt are countries comparable to the PRC in terms of economic development. *See* Memorandum from Ron Lorentzen, Director, Office of Policy, to James C. Doyle, Office Director, Office 9: Antidumping Investigation of Certain Activated Carbon from the People's Republic of China: Request for a List of Surrogate Countries, dated June 1, 2006. (''Office of Policy Surrogate Countries Memorandum'').

On June 6, 2006, the Department invited interested parties to comment on the Department's surrogate country selection and/or significant production in the potential surrogate countries and to submit publicly available information to value the factors of production. On July 25, 2006, we received comments from Petitioners on the selection of a surrogate country. No other party to the proceeding submitted information or comments concerning the selection of a surrogate country. For a detailed discussion of the selection of the surrogate country, *See* ''Surrogate Country'' section below, and the Memorandum to James C. Doyle, Director, AD/CVD Operations, Office 9, from Anya Naschak, Senior Case Analyst, AD/CVD Operations, Office 9: Antidumping Duty Investigation of Certain Activated Carbon from the People's Republic of China: Selection of a Surrogate Country, dated October 4, 2006 (''Surrogate Country Memo'').

On July 25, 2006, Jacobi Tianjin submitted comments on information with which to value the factors of production in this investigation. Petitioners and Jilin Bright Future submitted comments on information with which to value the factors of production in this investigation on August 10, 2006. Petitioners submitted additional comments on August 21, 2006.

We received questionnaire responses from the mandatory respondents in June and July 2006, and we issued supplemental questionnaires and received responses in July, August, and September 2006. We received separate rate applications from 20 companies.

We issued deficiency questionnaires to all applicants. *See* ''Separate Rates'' section below, and the Memorandum to James C. Doyle, Director, AD/CVD Operations, Office 9, from Anya Naschak, Senior Case Analyst, AD/CVD Operations, Office 9: Antidumping Duty Investigation of Certain Activated Carbon from the People's Republic of China: Separate Rates Memorandum, dated October 4, 2006 (''Separate Rates Memo'').

On July 21, 2006, Petitioners made a timely request pursuant to 733(c)(1)(A) of the Act and 19 CFR 351.205(e) for a fifty-day postponement of the preliminary determination, until October 4, 2006. On August 2, 2006, the Department published a postponement of the preliminary antidumping duty determination on certain activated carbon from the PRC. *See Postponement of Preliminary Determination of Antidumping Duty Investigation: Certain Activated Carbon from the People's Republic of China,* 71 FR 43714 (August 2, 2006).

Postponement of Final Determination

Section 735(a)(2) of the Act provides that a final determination may be postponed until no later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise or, in the event of a negative preliminary determination, a request for such postponement is made by the Petitioners. The Department's regulations at 19 CFR 351.210(e)(2) require that requests by respondents for postponement of a final determination be accompanied by a request for an extension of the provisional measures from a four-month period to not more than six months.

On September 26, 2006, CCT requested the Department postpone its final determination by 60 days until 135 days after the publication of the preliminary determination. Additionally, CCT requested that the Department extend the provisional measures under Section 733(d) of the Act. Accordingly, because we have made an affirmative preliminary determination and the requesting parties account for a significant proportion of the exports of the subject merchandise, pursuant to 735(a)(2) of the Act, we have postponed the final determination until no later than 135 days after the date of publication of the preliminary determination and are extending the provisional measures accordingly.

Period of Investigation

The period of investigation (''POI'') is July 1, 2005, through December 31, 2005.

This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (March 8, 2006). *See* 19 CFR 351.204(b)(1).

Scope of Investigation

The merchandise subject to this investigation is certain activated carbon. Certain activated carbon is a powdered, granular, or pelletized carbon product obtained by ''activating'' with heat and steam various materials containing carbon, including but not limited to coal (including bituminous, lignite, and anthracite), wood, coconut shells, olive stones, and peat. The thermal and steam treatments remove organic materials and create an internal pore structure in the carbon material. The producer can also use carbon dioxide gas (CO_2) in place of steam in this process. The vast majority of the internal porosity developed during the high temperature steam (or CO_2 gas) activated process is a direct result of oxidation of a portion of the solid carbon atoms in the raw material, converting them into a gaseous form of carbon.

The scope of this investigation covers all forms of activated carbon that are activated by steam or CO_2, regardless of the raw material, grade, mixture, additives, further washing or post-activation chemical treatment (chemical or water washing, chemical impregnation or other treatment), or product form. Unless specifically excluded, the scope of this investigation covers all physical forms of certain activated carbon, including powdered activated carbon (''PAC''), granular activated carbon (''GAC''), and pelletized activated carbon.

Excluded from the scope of the investigation are chemically-activated carbons. The carbon-based raw material used in the chemical activation process is treated with a strong chemical agent, including but not limited to phosphoric acid, zinc chloride sulfuric acid or potassium hydroxide, that dehydrates molecules in the raw material, and results in the formation of water that is removed from the raw material by moderate heat treatment. The activated carbon created by chemical activation has internal porosity developed primarily due to the action of the chemical dehydration agent. Chemically activated carbons are typically used to activate raw materials with a lignocellulosic component such as cellulose, including wood, sawdust, paper mill waste and peat.

To the extent that an imported activated carbon product is a blend of steam and chemically activated carbons, products containing 50 percent or more steam (or CO_2 gas) activated carbons are within this scope, and those containing more than 50 percent chemically activated carbons are outside this scope.

Also excluded from the scope are reactivated carbons. Reactivated carbons are previously used activated carbons that have had adsorbed materials removed from their pore structure after use through the application of heat, steam and/or chemicals.

Also excluded from the scope is activated carbon cloth. Activated carbon cloth is a woven textile fabric made of or containing activated carbon fibers. It is used in masks and filters and clothing of various types where a woven format is required.

Any activated carbon meeting the physical description of subject merchandise provided above that is not expressly excluded from the scope is included within this scope. The products under investigation are currently classifiable under the Harmonized Tariff Schedule of the United States (''HTSUS'') subheading 3802.10.00. Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Scope Comments

In accordance with the preamble to our regulations (*see Antidumping Duties; Countervailing Duties,* 62 FR 27296, 27323 (May 19, 1997)), in our initiation notice we set aside a period of time for parties to raise issues regarding product coverage and encouraged all parties to submit comments within 20 calendar days of publication of the initiation notice. *See Initiation Notice* 71 FR at 16758.

On May 4, 2006, Carbochem Inc. (''Carbochem'') submitted timely scope comments in which it argued that the Department should issue a ruling that the scope of these investigations does not cover certain grades of Carbochem® activated carbon. Carbochem argued that these certain grades are not manufactured in the United States by the Petitioners. Carbochem further argued that it has developed a number of unique and proprietary grades of activated carbon that exceed the performance capabilities of the products produced by Petitioners.

On August 24, 2006, Petitioners submitted comments on Carbochem's scope request. Petitioners argued that

the domestic industry does manufacture products with the same or competitive properties and performance characteristics as the products for which Carbochem proposed an exclusion. Petitioners further argued that the domestic industry is not required to produce every product that is within the scope of the investigation but simply has to be able to produce the class or kind of products covered by the scope, which Petitioners argue that they do. Petitioners assert that there is no basis on which to exclude the products requested by Carbochem. On September 14, 2006, Carbochem filed rebuttal comments in response to Petitioners' August 24, 2006 submission stating that its products are not comparable to those produced by Petitioners.

The Department has analyzed the comments received by Carbochem and Petitioners. For this preliminary determination, the Department has determined to deny the request by Carbochem. For a detailed discussion of this issue, *see* the Memorandum to James C. Doyle, Office Director, AD/CVD Operations, Office 9 from Catherine Bertrand, Senior Case Analyst, AD/CVD Operations, Office 9: Antidumping Duty Investigation of Certain Activated Carbon From the People's Republic of China: Comments on the Scope of the Investigation, dated October 4, 2006 (''Scope Memorandum''). We will afford interested parties an opportunity to provide comments on our preliminary finding on this issue in their case and rebuttal briefs, and, if any are provided, we will revisit this issue in our final determination.

Selection of Respondents

Section 777A(c)(1) of the Act directs the Department to calculate individual weighted-average dumping margins for each known exporter and producer of the subject merchandise. Section 777A(c)(2) of the Act gives the Department discretion, when faced with a large number of exporters/producers, to limit its examination to a reasonable number of such companies if it is not practicable to examine all companies. Where it is not practicable to examine all known producers/exporters of subject merchandise, this provision permits the Department to investigate either (A) a sample of exporters, producers, or types of products that is statistically valid based on the information available to the Department at the time of selection or (B) exporters/producers accounting for the largest volume of the merchandise under investigation that can reasonably be examined. After consideration of the complexities expected to arise in this proceeding and the available resources, the Department determined that it was not practicable in this investigation to examine all known producers/exporters of subject merchandise. Instead, we limited our examination to the three exporters accounting for the largest volume of shipments of the subject merchandise to the United States during the POI pursuant to section 777A(c)(2)(B) of the Act. We selected CCT, Jacobi Tianjin, and Huibao/Hibridge to be mandatory respondents, as they are the exporters accounting for the largest volume of exports to the United States during the POI of subject merchandise from the PRC. After Huibao/Hibridge informed the Department that it was withdrawing from this investigation, the Department selected Jilin Bright Future as a mandatory respondent. Jilin Bright Future was the next largest producer/exporter of those companies that submitted quantity and value responses. *See* Respondent Selection Memo and Additional Respondent Selection Memo.

Non-Market-Economy Country

For purposes of initiation, Petitioners submitted LTFV analyses for the PRC as a non-market economy (''NME''). *See Initiation Notice*. In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. *See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Preliminary Results 2001–2002 Administrative Review and Partial Rescission of Review*, 68 FR 7500 (February 14, 2003), unchanged in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Final Results of 2001–2002 Administrative Review*, 68 FR 70488 (December 18, 2003). No party has challenged the designation of the PRC as an NME country in this investigation. Therefore, we have treated the PRC as an NME country for purposes of this preliminary determination.

Surrogate Country

When the Department is investigating imports from an NME, section 773(c)(1) of the Act directs it to base normal value, in most circumstances, on the NME producer's factors of production valued in a surrogate market-economy country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, in valuing the factors of production, the Department shall utilize, to the extent possible, the prices or costs of factors of production in one or more market-economy countries that are at a level of economic development comparable to that of the NME country and are significant producers of comparable merchandise. The sources of the surrogate values we have used in this investigation are discussed under the normal value section below.

On July 25, 2006, the Department received comments from Petitioners on the appropriate surrogate country for valuing the factors of production (''FOP''). Petitioners argue that India is the most appropriate surrogate country in this investigation because India is at a comparable level of economic development with the PRC based on the Department's repeated use of India as a surrogate. Petitioners also provided evidence demonstrating that India is a significant producer of identical and comparable merchandise. Additionally, Petitioners contend that India provides publicly available information on which to base surrogate values. See Surrogate Country Memo for a complete description of Petitioners' surrogate country arguments.

As detailed in the Surrogate Country Memo, the Department has preliminarily selected India as the surrogate country on the basis that: (1) It is a significant producer of comparable merchandise; (2) it is at a similar level of economic development pursuant to 733(c)(4) of the Act; and (3) we have reliable data from India that we can use to value the FOP. *See* Surrogate Country Memo. Thus, we have calculated normal value using Indian prices, when available and appropriate, to value the FOP of the certain activated carbon producers. We have obtained and relied upon publicly available information wherever possible. *See* Memorandum to the File from Anya Naschak, Senior Case Analyst, AD/CVD Operations, Office 9: Certain Activated Carbon from the People's Republic of China: Surrogate Values for the Preliminary Determination, dated October 4, 2006 (''Surrogate Value Memo'').

In accordance with 19 CFR 351.301(c)(3)(i), for the final determination in an antidumping investigation, interested parties may submit publicly available information to value the FOP within forty days after the date of publication of the preliminary determination.

Affiliation

Based on the evidence on the record of this investigation, we preliminarily find that Jacobi Tianjin, Jacobi Carbons AB (''Jacobi AB''), and Jacobi Carbons Inc. (''Jacobi US'') (collectively, ''Jacobi'') are affiliated pursuant to sections 771(33)(D), (E), and (G) of the Act. Due to the proprietary nature of this issue, for a detailed discussion of our analysis, *see* Memorandum to the File from Anya Naschak, Senior Case Analyst, AD/CVD Operations, to James C. Doyle, Director, AD/CVD Operations: Certain Activated Carbon from the People's Republic of China: Affiliation and Treatment of Sales of Jacobi Tianjin International Trading Co., Ltd., Jacobi Carbons AB, and Jacobi Carbons, Inc., dated October 4, 2006 (''Jacobi Affiliation and Treatment of Sales Memo'').

With respect to Jilin Bright Future, JBF Chemical and JBF Industry submitted separate rate applications on May 4, 2006. In their applications, JBF Chemical and JBF Industry certified that they were affiliated with each other. *See* JBF Chemical and JBF Industry's separate rate applications dated May 4, 2006. In their Section A questionnaire responses, dated June 9, 2006, JBF Chemical and JBF Industry stated that both companies are under common ownership. *See* JBF Chemical's Section A questionnaire response dated June 9, 2006, at 2 and Exhibit A–3; JBF Industry's Section A questionnaire response dated June 9, 2006, at 2 and Exhibit A–3. Based on the evidence on the record of this investigation, we preliminarily find that JBF Chemical and JBF Industry are affiliated pursuant to section 771(33)(E) of the Act.

Separate Rates

CCT has reported that it is wholly foreign-owned. CCT reported that 100 percent of its shares are held by Calgon Carbon Corporation, which is located in the United States. Therefore, there is no PRC ownership of CCT, and because we have no evidence indicating that it is under the control of the PRC, a separate rates analysis is not necessary to determine whether it is independent from government control. *See Brake Rotors From the People's Republic of China: Preliminary Results and Partial Rescission of the Fourth New Shipper Review and Rescission of the Third Antidumping Duty Administrative Review*, 66 FR 1303, 1306 (January 8, 2001), unchanged in the final determination; *Notice of Final Determination of Sales at Less Than Fair Value: Creatine Monohydrate From the People's Republic of China*, 64 FR 71104 (December 20, 1999). Accordingly, we have preliminarily granted a separate rate for CCT.

As discussed in detail in the Jacobi Affiliation and Treatment of Sales Memo, the Department has preliminarily determined that Jacobi Tianjin should not be considered the mandatory respondent in this investigation. The Department has preliminarily determined that Jacobi Tianjin's affiliated company, Jacobi AB, conducted all sales-related activities with respect to exports made by Jacobi Tianjin of the merchandise under investigation and sold to unaffiliated U.S. customers through Jacobi US. *See* Jacobi Affiliation and Treatment of Sales Memo. All exports made by Jacobi Tianjin were negotiated and sold by Jacobi AB and Jacobi Tianjin made no sales during the POI; therefore, Jacobi Tianjin has not demonstrated that it qualifies for a separate rate.[1] However, because the Department has preliminarily determined that Jacobi AB is the respondent in this investigation, because Jacobi AB is a market economy company located in Sweden (*see* Jacobi's Section A questionnaire response dated June 1, 2006 at page 14), and consistent with the Department's practice where the seller is located in a market economy country, we have preliminarily granted Jacobi AB its own rate. *See Notice of Preliminary Determination of Sales at Less Than Fair Value: Silicomanganese From Kazakhstan*, 66 FR 56639, 56641 (November 9, 2001), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Silicomanganese From Kazakhstan*, 67 FR 15535 (April 2, 2002). Further, where Jacobi Tianjin acted as an export facilitator for Jacobi AB, those exports are also eligible for Jacobi AB's antidumping duty cash deposit rate. *See* 19 CFR 351.107(b)(2); *Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 29303 (May 22, 2006) and accompanying Issues and Decision Memorandum at Comment 18. *See also* Jacobi Affiliation and Treatment of Sales Memo.

In proceedings involving NME countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and thus should be assessed a single antidumping duty rate. It is the Department's policy to assign all exporters of merchandise subject to investigation in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate. As explained below, Jilin Bright Future and certain companies who submitted separate rate applications have provided company-specific information in order to demonstrate that they operate independently of *de jure* and *de facto* government control, and, therefore, satisfy the standards for the assignment of a separate rate.

The separate rate application issued in this investigation (see *http://www.trade.gov/ia/*) explained that all applications are due sixty calendar days after publication of the *Initiation Notice*, and the Department will not consider applications that remain incomplete by that deadline. We received 20 applications by the deadline. On June 14, 2006, the Department received a request from Ningxia Fengyuan Activated Carbon Co., Ltd. (''NFAC'') to extend the time limits with which to submit a response to the Department's quantity and value information, and to submit a separate rate application, until June 28, 2006. On June 27, 2006, the Department noted that NFAC had received notice of the deadlines with respect to the quantity and value questionnaire and the separate rates application in the *Initiation Notice*, and that the deadline had passed for submitting a separate rate application. The Department informed NFAC that it would be unable to grant NFAC's request for an extension of time to file the quantity and value questionnaire and the separate rate application. *See* Letter from Carrie Blozy, Program Manager, AD/CVD Operations, Office 9, dated June 27, 2006.

We have considered whether each mandatory respondent and each separate rate applicant [2] is eligible for a separate rate. The Department's separate-rate test is not concerned, in

[1] The Department notes that although Jacobi Tianjin submitted a separate rate application and complete information in its Section A questionnaire response, all documents contained therein demonstrate that Jacobi AB was the seller of the merchandise. *See* Jacobi Affiliation and Treatment of Sales Memo.

[2] We received separate rate applications from the following: Datong Yunguang Chemicals Plant; Hebei Foreign Trade & Advertising Corp.; Ningxia Guanghua Cherishmet Activated Carbon Co. Ltd.; Ningxia Huahui Activated Carbon Co. Ltd.; Ningxia Mineral & Chemical Ltd.; Shanxi DMD Corp; Shanxi Industry Technology Trading Co. Ltd.; Shanxi Newtime Co. Ltd.; Shanxi Qixian Foreign Trade Corp.; Shanxi Sincere Industrial Co. Ltd.; Shanxi Xuanzhong Chemical Industry Co. Ltd.; Tangshan Solid Carbon Co., Ltd.; United Manufacturing Int'l (Beijing) Ltd. Xi'an Shuntong Int'l Trade & Industries Co. Ltd.; Panshan Import and Export Corp; and, Tianjin Maijin Industries Co. Ltd.

general, with macroeconomic/border-type controls, *e.g.*, export licenses, quotas, and minimum export prices, particularly if these controls are imposed to prevent dumping. Rather, the test focuses on controls over the investment, pricing, and output decision-making process at the individual firm level. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from Ukraine*, 62 FR 61754, 61757 (November 19, 1997), and *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 62 FR 61276, 61279 (November 17, 1997).

To establish whether a firm is sufficiently independent from government control of its export activities to be entitled to a separate rate, the Department analyzes each entity exporting the subject merchandise under a test arising from 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 *Notice of 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*''), 59 FR at 22586–87. In accordance with the separate-rates criteria, the Department assigns separate rates in NME cases only if respondents can demonstrate the absence of both *de jure* and *de facto* governmental control over export activities.

1. Absence of De Jure Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) An absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) other formal measures by the government decentralizing control of companies. *See Sparklers*, 56 FR at 20589.

The information provided by Jilin Bright Future and the separate rate applicants supports a preliminary finding of *de jure* absence of governmental control based on the following: (1) An absence of restrictive stipulations associated with the individual exporter's business and export licenses; (2) the applicable legislative enactments decentralizing control of the companies; and (3) any other formal measures by the government decentralizing control of companies. *See* Separate Rates Memo.

2. Absence of De Facto Control

Typically the Department considers four factors in evaluating whether each respondent is subject to *de facto* governmental control of its export functions: (1) Whether the export prices are set by or are subject to the approval of a governmental agency; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses. *See Silicon Carbide*, 59 FR at 22587; *see also Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995). The Department has determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of governmental control which would preclude the Department from assigning separate rates.

As noted above, the Department considers four factors in evaluating whether each respondent is subject to *de facto* governmental control of its export functions. In the instant case, we determine that, with regard to Jilin Bright Future and the separate rate applicants, except for Panshan Import and Export Corporation (''Panshan'') (hereinafter referred to as the Separate Rate Companies), the evidence on the record supports a preliminary finding of *de facto* absence of governmental control based on record statements and supporting documentation showing the following: (1) Each exporter sets its own export prices independent of the government and without the approval of a government authority; (2) each exporter retains the proceeds from its sales and makes independent decisions regarding disposition of profits or financing of losses; (3) each exporter has the authority to negotiate and sign contracts and other agreements; and (4) each exporter has autonomy from the government regarding the selection of management.

With regard to Panshan, it failed to provide any evidence that it had autonomy in making decisions regarding the selection of management. The separate rate application requires that the applicant provide specific documentation that evidences independence in the selection of management. Panshan did not provide any evidence of independent selection of management in its application nor in its supplemental response in regard to a specific question from the Department asking for this documentation. *See* Separate Rates Memo. Therefore, as the application requires the applicant to provide proof of the independent selection of management, Panshan has not met the basic requirements of the application. The Department finds that Panshan's application is deficient and therefore finds that Panshan is not eligible for a separate rate.

The evidence placed on the record of this investigation by Jilin Bright Future and the separate rate applicants, except for Panshan, demonstrates an absence of *de jure* and *de facto* government control with respect to each of the exporter's exports of the merchandise under investigation, in accordance with the criteria identified in *Sparklers* and *Silicon Carbide*. CCT is wholly-owned by a market economy entity and has therefore been granted a separate rate. Jacobi AB is a market economy entity and has therefore been granted its own rate. As a result, for the purposes of this preliminary determination, we have granted separate, company-specific rates to CCT, Jacobi AB, Jilin Bright Future, and to the Separate Rate Companies, a weight-averaged margin of the mandatory respondents. For a full discussion of this issue, *see* Separate Rates Memo.

Use of Adverse Facts Available and the PRC-Wide Rate

CCT, Jacobi, Jilin Bright Future, and Huibao/Hibridge were given the opportunity to respond to the Department's questionnaire. As explained above, we received complete separate rates information from CCT, Jacobi, and Jilin Bright Future, and these entities will receive their own rate. The PRC-wide rate applies to all entries of subject merchandise except for entries from PRC producers/exporters that have their own calculated rate. *See* ''Separate Rates'' section above. As discussed in the Separate Rates Memo, Huibao/Hibridge is appropriately considered to be part of the PRC-wide entity because it failed to establish its eligibility for a separate rate.

We note that Section 776(a)(1) of the Act mandates that the Department use the facts available if necessary information is not available on the record of an antidumping proceeding. In addition, section 776(a)(2) of the Act provides that if an interested party or any other person: (A) Withholds information that has been requested by

the administering authority; (B) fails to provide such information by the deadlines for the submission of the information or in the form and manner requested, subject to subsections (c)(1) and (e) of section 782; (C) significantly impedes a proceeding under this title; or (D) provides such information but the information cannot be verified as provided in section 782(i), the Department shall, subject to section 782(d) of the Act, use the facts otherwise available in reaching the applicable determination under this title. Where the Department determines that a response to a request for information does not comply with the request, section 782(d) of the Act provides that the Department shall promptly inform the party submitting the response of the nature of the deficiency and shall, to the extent practicable, provide that party with an opportunity to remedy or explain the deficiency. Section 782(d) further states that if the party submits further information that is unsatisfactory or untimely, the administering authority may, subject to subsection (e), disregard all or part of the original and subsequent responses. Section 782(e) of the Act provides that the Department shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet all the applicable requirements established by the administering authority if (1) the information is submitted by the deadline established for its submission, (2) the information can be verified, (3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination, (4) the interested party has demonstrated that it acted to the best of its ability in providing the information and meeting the requirements established by the administering authority with respect to the information, and (5) the information can be used without undue difficulties.

As addressed below separately for each company, we find that the PRC-wide entity, Huibao/Hibridge, and certain suppliers of CCT, did not respond to our request for information, and necessary information either was not provided, or the information provided cannot be verified and is not sufficiently complete to enable the Department to use it for this preliminary determination. Therefore, we find it necessary, under section 776(a)(2) of the Act, to use facts otherwise available as the basis for the preliminary determination of this review for the PRC-wide entity, Huibao/Hibridge, and certain suppliers of CCT.

In their pre-preliminary determination comments, Petitioners have argued for the application of total adverse facts available (''AFA'') with respect to Huibao/Hibridge, Datong Huibao Activated Carbon Co., Ltd. (''Datong Huibao'') as a supplier to CCT and Jacobi, as well as for total AFA for Jacobi and Jilin Bright Future. As discussed below, we find that total AFA is warranted for Huibao/Hibridge, but AFA is unwarranted for Datong Huibao as a supplier to CCT and Jacobi, and total AFA is unwarranted for Jacobi and Jilin Bright Future.

Jacobi

Petitioners argue that the Department should apply total AFA to Jacobi, as the U.S. sales and factors of production data provided are unreliable. Petitioners allege the information on the record demonstrates a lack of cooperation and that the data is of poor quality and is inconsistent. Petitioners argue that Jacobi's data are based on unsubstantiated estimates and certain documentation has been destroyed, and that, though Jacobi has been given an opportunity to remedy its mistakes, the mistakes still exist. Petitioners also assert that the application of partial AFA is not practicable due to the cumulative effect of the errors, which renders the data unusable. Specifically, Petitioners argue that the omissions and errors include: Failure to identify the composition of carbonized materials and coal inputs for appropriate surrogate valuation; failure to report factors of production for sales of powdered activated carbon; unsubstantiated electricity and water consumption; refusal to report product-specific consumption of impregnation inputs; and its use of standard consumption amounts without appropriate documentation. *See* Petitioners' September 8, 2006, submission for a detailed discussion of their allegations. Petitioners further argue the use of undocumented standards creates distortions of a degree that the application of AFA is necessary.

The Department disagrees with Petitioners that the use of AFA is appropriate with respect to Jacobi. As noted above, Jacobi responded to the Department's original questionnaire, and several supplemental questionnaires. *See* Jacobi's Section A response dated June 1, 2006 (''Section A''), Jacobi's Section C and D response dated July 10, 2006 (''Section C&D''), Jacobi's Supplemental Section A, C and D response dated August 23, 2006 (''Jacobi's Supplemental''), Jacobi's Second Supplemental response dated September 15, 2006 (''Jacobi's Second Supplemental'').

Contrary to Petitioners' assertions, Jacobi has provided detailed and potentially verifiable information on its allocation methodologies (*see, e.g.*, Jacobi's Supplemental at Exhibit 52), and for each of its suppliers, reconciled the information reported to the financial statements of the respective suppliers. *See* Jacobi's Section C&D at Exhibits II–5, III–5, IV–5, V–5, and Jacobi's Supplemental at Exhibit 49. Because Jacobi's suppliers do not maintain CONNUM-specific records, Jacobi has constructed an allocation methodology based on records maintained by each of its suppliers. In addition, Petitioners' allegation that Jacobi's data are based on unsubstantiated estimates is unfounded. Jacobi has provided detailed and potentially verifiable information on the standards used in the ordinary course of business by certain suppliers for raw materials including coal and carbonized material. *See* Jacobi's Supplemental at Exhibits 48 and 48b. In addition, Jacobi has provided samples of daily production reports, demonstrating that estimated and actual yields are used in the ordinary course of business by its suppliers. *See* Jacobi's Supplemental at Exhibit 99b. Further, Jacobi has explained that each of its suppliers maintains records on the consumption of all raw materials. Jacobi notes that certain suppliers do not have complete POI records, but claims that it has acted to the best of its ability in providing the information requested by the Department and used the information maintained by the suppliers in providing the requested information, from production records, raw material consumption records, *etc. See* Jacobi's Second Supplemental at 11. With respect to the U.S. sales information, except where indicated, we have determined to rely on the information provided. Therefore, on the basis of the data submitted by Jacobi, which the Department intends to carefully scrutinize at verification, the Department determines that the use of total adverse facts available is not warranted for the preliminary determination. However, as discussed in the ''Normal Value'' section below, the Department has applied facts available with respect to the unreported factors of production for one control number of powdered activated carbon.

CCT

For certain of its suppliers, CCT did not report the factors of production used to produce the subject merchandise. Therefore, in accordance with sections 776(a)(2)(A) and (B) of the Act, the

Department must use the facts otherwise available in determining the normal value for these sales because CCT withheld the factors information and otherwise failed to provide the information in a timely manner and in the form requested. For the reasons described below, the Department has determined to apply an adverse inference to the unreported factors of production. CCT stated that one of its suppliers, Nuclear Ningxia Activated Carbon Co., Ltd. (''NC''), ceased production after the POI. CCT stated that NC refused to provide the data necessary to prepare an FOP response. *See* CCT's August 7, 2006, response at page 2. CCT stated that another of its suppliers, Ningxia Luyuanheng Activated Carbon Co., Ltd. (''HD'') also ceased production after the POI and also refused to provide data necessary to prepare an FOP response. *See id.* CCT provided documentation of its attempts to obtain the necessary data from these two companies. *See* June 29, 2006, letter at Exhibits 2 and 3, and CCT's August 7, 2006, supplemental response at Exhibit M. On September 8, 2006, HD submitted a letter to the Department stating that, due to restructuring, HD temporarily suspended production of activated carbon but resumed production in August 2006. *See* September 8, 2006 Memorandum to the File from Catherine Bertrand, Senior Case Analyst, AD/CVD Operations, Office 9.

The Department preliminarily finds that, in accordance with sections 776 (a)(2)(A) and (B) of the Act, CCT did not cooperate to the best of its ability regarding its suppliers HD and NC and has determined to use adverse facts available for the preliminary determination with regard to these suppliers and will apply the highest calculated normal value for CCT to the sales of merchandise supplied by HD and NC. *See* CCT's Prelim Analysis Memo. Due to the proprietary nature of the factual information concerning these suppliers, these issues are addressed in a separate business proprietary memorandum. *See* Memorandum to James C. Doyle, Director, AD/CVD Operations, Office 9, from Catherine Bertrand, Senior Case Analyst, AD/CVD Operations, Office 9: Application of Adverse Facts Available for Calgon Carbon (Tianjin) Co., Ltd., in the Preliminary Determination in the Antidumping Duty Investigation of Certain Activated Carbon from the People's Republic of China, dated October 4, 2006.

Further, CCT also informed the Department that certain of its suppliers purchased activated carbon from other producers which was then sold to CCT. CCT did not provide the FOP information for these ultimate suppliers. On August 18, 2006, a full month after CCT's original Section D response was due, CCT informed the Department that certain of the companies that it had previously identified as producers, had in fact sourced activated carbon from upstream producers, which was then sold to CCT. CCT specifically identified suppliers Shanxi Xuanzhong Chemical Industry Co., Ltd. (''SXZ''), Huairen Jinbei Chemical Co. Ltd. (''JB'') and Jiaocheng Xinxin Purification Material Co., Ltd. (''XX'') as having sourced activated carbon from upstream producers. In CCT's September 12, 2006 response, CCT identified SXZ's suppliers as Datong Changtai Activated Carbon Co., Ltd. (''DCA''), and Yuyang Activated Carbon Co., Ltd. (''YAC'') and XX's suppliers as Datong Kangda Activated Carbon Factory (''DKA'') and Datong Runmei Activated Carbon Factory (''DRA''). *See* CCT's September 12, 2006 response at 4. While CCT noted that JB's supplier was Fangyuan Carbonization Co., Ltd., it also noted that all activated carbon sold to the United States from that supply chain was further manufactured in the United States and would be subject to the exclusion under the Department's application of the special rule. For SXZ, and its suppliers, and XX's suppliers, CCT stated that it attempted to obtain the FOP information but was unable to do so. *See* CCT's September 12, 2006, response.

CCT provided documentation of its attempts to obtain the data from the companies, and also argued that alternative data is available to the Department because certain products are also produced by other suppliers from whom we have FOP information. CCT provided declarations from officials from DCA, DKA, and DRA which stated that these are small companies that do not have the time and labor to provide the requested data. See September 12, 2006, supplemental response at Exhibit D–42.

As stated above, CCT stated that its supplier XX purchased activated carbon produced by DKA and DRA which was then sold to CCT. *See* CCT's September 12, 2006 response at 4. Further, CCT stated that ''{d}uring the POI most of the merchandise under consideration that XX produced for CCT was made from activated carbon that XX purchased from unaffiliated suppliers.'' *See* July 11, 2006, Section D response at D–H. XX reported that the merchandise it purchased from DKA and DRA underwent a second activation at XX's facilities before being sold to CCT. The Department finds that XX should have reported the factors of production for its suppliers, as instructed, because the material it purchased from DKA and DRA was already steam activated carbon. *See Id.* at 2. Therefore, although XX did provide a FOP database, the Department is applying the highest normal value for CCT to the sales of XX's merchandise by CCT because XX purchased the activated carbon from the ultimate producers and that FOP information was not reported.

On September 19, 2006, CCT informed the Department that it was also supplied by Ningxia Yinchuan Lanqiya Activated Carbon Co., Ltd. (''LQY''), and that sales of merchandise produced by LQY were made by CCT pursuant to municipal contracts awarded during the POI. As discussed below in the ''Date of Sale'' Section, CCT reported that the appropriate date of sale for municipal contracts is the date of the contract award, which is the date when the price and quantity are fixed. Therefore, although certain sales of LQY were invoiced in 2006, which is after the POI, they were made pursuant to municipal contracts from the POI and the appropriate date of sale for these sales is the date the municipal contract was awarded. CCT did include these sales in its U.S. sales database, but did report the FOP information for these sales.

On September 28, 2006, CCT also informed the Department that it was also supplied by Dushanzi Chemical Factory (''DSZ''). *See* September 28, 2006, supplemental response at page 2. On September 29, 2006, CCT indicated that another supplier, Xingtai Coal Chemical Co., Ltd. (''TX'') also supplied CCT. *See* September 29, 2006, supplemental response.

The Department's original questionnaire asked CCT to report the factors of production for the ultimate producer of the merchandise under consideration. The original questionnaire states, ''If your company did not produce the merchandise under consideration, we request that this section be immediately forwarded to the company that produces the merchandise and supplies it to you or to your customers.'' *See* May 4, 2006 Questionnaire to CCT at page D–2. Further, on August 21, 2006, the Department sent CCT a letter which stated, in part,

> We are also requiring CCT to report the FOP information for the ultimate producer of the merchandise under consideration. Therefore, for those suppliers of CCT who purchased merchandise under consideration from another supplier, whether affiliated or unaffiliated, which was then sold to CCT, we

are requiring CCT to report the FOP information of these ultimate suppliers for the products sold during the POI. This includes, but is not limited to, reporting the FOP information for Shanxi Xuanzhong Chemical Industry Co., Ltd. (''SXZ'') and the unnamed suppliers of Huairen Jinbei Chemical Co. Ltd. (''JB'') which CCT identified on page 8 of its August 18, 2006 extension request.

See August 21, 2006, letter to CCT.

CCT did not provide any FOP data from SXZ, DCA, YAC, DSZ, TX, LQY, DRA, or DKA. Furthermore, XX purchased most of the activated carbon it sold to CCT from DRA and DKA. As such, since CCT did not provide the FOP data from these suppliers after being given two opportunities to do so, the Department finds that the application of adverse facts available is warranted because CCT did not act to the best of its ability. It is the Department's practice to obtain the FOP data from the actual producer of the merchandise under consideration. CCT was therefore required to provide this FOP information and did not do so. Pursuant to section 776(b) of the Act, the Department may use information that is adverse to the interest of that party when the party fails to cooperate by not acting to the best of its ability in responding to the Department's request for information. *See Nippon Steel Corp.* v. *United States*, 337 F.3d 1373, 1382 (Fed. Cir. 2003). Further, section 776(b) of the Act authorizes the Department to use as AFA information derived from the petition, the final determination from the LTFV investigation, a previous administrative review, or any other information placed on the record. In selecting a rate for adverse facts available, the Department selects a rate that is sufficiently adverse ''as to effectuate the purpose of the facts available rule to induce respondents to provide the Department with complete and accurate information in a timely manner.'' *See Notice of Final Determination of Sales at Less Than Fair Value: Static Random Access Memory Semiconductors from Taiwan*, 63 FR 8909, 8932 (February 23, 1998) (''*Semiconductors*'').

In order for the Department to fulfill its obligation to calculate dumping margins as accurately as possible, it is essential that respondents provide the Department with accurate, complete, and verifiable information. In striving to obtain this information, the Department has discretion to modify its reporting requirements when an interested party explains why it is unable to submit the information in the requested form and manner and suggests alternative reporting forms. However, if the necessary information is not on the record, section 776(a)(1) of the Act provides for the use of facts available.

Moreover, if an interested party has failed to cooperate by not acting to the best of its ability to comply with a request for information, the Department may apply adverse inferences where the use of facts available is appropriate. *See* section 776(b) of the Act. We have determined that these ultimate producers have failed to cooperate by not acting to the best of their ability to comply with a request for information and thus an adverse inference is warranted. This position is consistent with that taken by the Department in *Certain Cased Pencils from the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 67 FR 48612 (July 25, 2002), and accompanying Issue and Decision Memorandum at Comment 10, which cited *Ferrovanadium and Nitrided Vanadium From the Russian Federation: Notice of Final Results of Antidumping Duty Administrative Review*, 62 FR 65656, 65658 (December 15, 1997) (''*Ferrovanadium and Nitrided Vanadium*''). *In Ferrovanadium and Nitrided Vanadium,* the Department stated that ''by failing to respond Chusovoy {the producer} is an interested party which has not cooperated to the best of its ability under section 776 (b) of the Act. Therefore, we have continued to use an adverse inference in selecting from the facts available to determine the margins for Galt's sales of Chusovoy-produced merchandise * * *''.

In the instant investigation, as partial AFA, we have assigned the highest calculated normal value for CCT to the sales of the following suppliers for which CCT did not provide FOP information: SXZ (which includes its ultimate suppliers DCA and YAC); DSZ; TX; LQY; and, XX (which includes its ultimate suppliers DKA and DRA). It was not necessary to apply the highest calculated normal value for CCT to JB's supplier, Fangyuan Carbonization Co., Ltd., because all activated carbon sold in that supply chain was further manufactured in the United States and was subject to exclusion pursuant to the special rule.

Jilin Bright Future

Petitioners also argue in their pre-preliminary comments on Jilin Bright Future, dated September 13, 2006, that total AFA is warranted with respect to Jilin Bright Future because Jilin Bright Future has failed to provide reliable factors of production data. Petitioners assert that Jilin Bright Future's submissions to date demonstrate a lack of cooperation due to the low quality and internal inconsistency of the data. Petitioners allege that the information submitted is based on unsubstantiated and unexplained estimates based on aggregate allocations irrespective of product characteristics. Petitioners argue that despite an opportunity to remedy its errors, Jilin Bright Future failed to do so. Therefore, Petitioners argue, the totality of the deficiencies support the application of total AFA. Petitioners assert that the range of the problems with Jilin Bright Future's response precludes the application of partial AFA. Further, Petitioners argue that some of the information with respect to normal value is not available on the record making the data unusable, and AFA is warranted. Petitioners argue that Jilin Bright Future does not warrant a separate rate due to unexplained connections with its predecessor companies. Further, Petitioners assert that it has provided no support for the reported FOPs of Zuoyun Bright Future Activated Carbon Plant (''ZBF''), one of Jilin Bright Future's suppliers of subject merchandise during the POI. Petitioners discuss in detail claimed deficiencies with ZBF's reported FOPs in their September 13, 2006, submission, a proprietary discussion that cannot be summarized here. In addition, Petitioners assert that Jilin Bright Future's reported standard consumption amounts for ZBF are based on a value-based allocation methodology rather than the physical amounts actually consumed, an allocation methodology that Jilin Bright Future has not supported. Petitioners also argue that the basis for this value-based allocation, that granular activated carbon has higher costs than powdered activated carbon, is unsupported by Jilin Bright Future's own statements that the production process for these products is the same prior to the screening process. *See* Petitioners' September 13, 2006, submission for a detailed discussion of this issue. Therefore, Petitioners argue, the application of total AFA is warranted.

The Department disagrees with Petitioners that the use of total AFA is appropriate with respect to Jilin Bright Future. As noted above, Jilin Bright Future responded to the Department's original questionnaire, and several supplemental questionnaires. *See* JBF Chem and JBF Industry's separate rate application and Section A, dated May 4, 2006, and June 9, 2006, respectively (''JBF Section As''), Jilin Bright Future's Section C and D response dated June 24, 2006 (''JBF Section C&D''), Jilin Bright Future's Supplemental Section C and D

response dated August 25, 2006 (''JBF Supplemental''), Jilin Bright Future's Second Supplemental response dated September 21, 2006 (''JBF Second Supplemental''). Contrary to Petitioners' assertions, Jilin Bright Future has provided detailed and potentially verifiable information on its allocation methodologies (*see, e.g.*, JBF's Supplemental at Exhibits S2–D–33 and S2–D–70; JBF's Second Supplemental at Exhibit S3–5), and for each of its suppliers, reconciled the information reported to the financial statements of the respective suppliers. *See* JBF's Section C&D at Exhibits D–ZY–10, D–TH–6, and D–XH–6. Because Jilin Bright Future's suppliers do not maintain CONNUM-specific records, Jilin Bright Future has constructed an allocation methodology based on records maintained by each of its suppliers.

In addition, Petitioners' allegation that Jilin Bright Future's data are based on unsubstantiated estimates is unfounded. Jilin Bright Future has provided potentially verifiable information on the standards used in the ordinary course of business by its suppliers for raw materials, including coal, and constructed a reasonable allocation when Jilin Bright Future's suppliers' normal books and records do not maintain the information requested by the Department. In addition, Jilin Bright Future has provided samples of daily production reports that were used by ZBF and standards that were used by Shanxi Xinhua Activated Carbon Co., Ltd. (''Xinhua'') to report utilization quantities to the Department, demonstrating that actual yields are used in the ordinary course of business by its suppliers. *See* JBF's Supplemental at Exhibits S2–D–33 and S2–D–70. Further, Jilin Bright Future has explained that its suppliers maintain records on the total POI consumption of raw materials. Jilin Bright Future notes that certain suppliers do not have complete, product-specific POI records, but the Department finds that its allocations are reasonable, given the records maintained by Jilin Bright Future's suppliers. Therefore, on the basis of the data submitted by Jilin Bright Future, which the Department intends to carefully scrutinize at verification, the Department preliminarily determines that the use of total adverse facts available is not warranted for the preliminary determination.

Datong Huibao and Huibao/Hibridge

Petitioners argue that Datong Huibao should receive total AFA, consistent with the law and past practice because it withdrew from the proceeding as a mandatory respondent (a.k.a., mandatory respondent Huibao/Hibridge). *See* section 776 of the Act; *Notice of Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances of the Antidumping Investigation: Certain Lined Paper Products from Indonesia*, 71 FR 47171 (August 9, 2006), and accompanying Issues and Decision memorandum at Comments 1 through 11. Petitioners also argue that the Department should apply AFA to sales made by Jacobi and CCT that were supplied by Datong Huibao. *See* Petitioners' September 8, 2006, submission. Petitioners argue that Datong Huibao's withdrawal from the proceeding makes its information unverifiable, which should apply to Datong Huibao as both a mandatory respondent and a supplier to Jacobi and CCT. Petitioners contend that Datong Huibao should receive the highest rate in the petition, 333.66 percent, as a mandatory respondent (a.k.a. Huibao/Hibridge), and should not qualify for a potentially lower rate through a different export channel. Petitioners assert that Datong Huibao's factors of production information should be deemed unverifiable as a mandatory respondent, and, thus, should also be considered unverifiable as a supplier. Therefore, Petitioners argue, the Department should assign a margin of 333.66 percent to all U.S. sales of products which were produced by Datong Huibao as AFA.

The Department does not find that Petitioners' allegation, that U.S. sales made by cooperating mandatory respondents Jacobi and CCT should be assigned an adverse rate simply because these respondents sourced some of their activated carbon from Datong Huibao (a.k.a., mandatory respondent Huibao/Hibridge), is consistent with the statute and regulations. Further, the Department's practice on combination rates as explained in *Policy Bulletin 05.1*, available at *http://www.trade.gov/ia/*, is to calculate one rate for the exporter and all of the producers which supplied subject merchandise to it during the POI. Specifically, the *Policy Bulletin 05.1* states if ''an exporter receiving a separate rate sourced from multiple producers (including itself) during the period of investigation, and provided the Department with the required information about each of these producers, the *exporter's cash-deposit rate will be applied to merchandise it sourced from any combination of its identified producers without restriction.* In other words, the Department will not assign combination rates to an exporter and individual producers, but rather to an exporter and its producers as a group'' (emphasis added). Therefore, for purposes of a combination rate, because the exporter provided the requested information (as discussed further below), the Department should apply the cash-deposit rate for all combinations of its identified producers ''without restriction.''

Jacobi and CCT are mandatory respondents that have responded to the Department's requests for information, except where noted above. Jacobi reported that it sourced a portion of its U.S. sales of subject merchandise from Datong Huibao, and reported the factors of production for Datong Huibao. *See* Jacobi's Section A; Jacobi's Section C&D; Jacobi's Supplemental; and Jacobi's Second Supplemental. Also, Jacobi responded to detailed supplemental questions with respect to the data submitted by Jacobi for Datong Huibao in Jacobi's Supplemental and Jacobi's Second Supplemental. With respect to CCT, although CCT reported that one of its suppliers of the merchandise under investigation during the POI was Datong Huibao, the Department excused CCT from reporting the factors information from several suppliers, including Datong Huibao, due to the large numbers of producers that supplied CCT during the investigation. *See* Letter to CCT dated July 19, 2006.

The Department does not find that failure to participate as a mandatory respondent should affect the inclusion in a combination rate for another participating mandatory respondent. Section 776(a)(2) of the Act does not provide for the application of adverse facts available for an exporter, in this case Jacobi and CCT, where the information on the record demonstrates that it has provided the information requested by the Department in a timely manner, irrespective of the separate status of any of its suppliers. Therefore, the Department preliminarily determines that sales made by Jacobi and CCT, sourced from merchandise produced by Datong Huibao, should be considered verifiable and the Department will include, for this preliminary determination, these sales in its calculation of a margin for Jacobi and CCT. Further, the Department will, as discussed below under ''Combination Rates,'' include Datong Huibao in Jacobi and CCT's combination rates.

However, the record of this investigation demonstrates that the mandatory respondent Huibao/Hibridge failed to provide information specifically requested by the Department during the course of this investigation. Huibao/Hibridge was

selected as a mandatory respondent in this investigation and was issued the Department's full questionnaire on May 10, 2006. On May 15, 2006, after submission of its separate-rate application and receiving the Department's full sections A, C, and D questionnaire, Huibao/Hibridge submitted a letter stating that it was withdrawing as a mandatory respondent in this investigation and would not be participating further. Although Huibao/Hibridge submitted a separate rate application, it did not submit a response to any portion of the Department's questionnaire, which it is required to do as a mandatory respondent; therefore, Huibao/Hibridge cannot be considered as a separate rate applicant and is considered part of the PRC-entity. The mandatory respondent Huibao/Hibridge is appropriately considered to be part of the PRC-wide entity because it failed to establish its eligibility for a separate rate.

PRC-Wide Entity

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 proceeding 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. Information on the record of this investigation indicates that the PRC-wide entity was non-responsive. Huibao/Hibridge did not respond to our questionnaire. As a result, pursuant to section 776(a)(2)(A) of the Act, we find that the use of facts available is appropriate to determine the PRC-wide rate. *See Notice of Preliminary Determination of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen Fish Fillets from the Socialist Republic of Vietnam*, 68 FR 4986, 4991 (January 31, 2003), unchanged in *Notice of Final Antidumping Duty Determination of Sales at Less Than Fair Value and Affirmative Critical Circumstances: Certain Frozen Fish Fillets from the Socialist Republic of Vietnam*, 68 FR 37116 (June 23, 2003). Section 776(b) of the Act provides that, in selecting from among the facts otherwise available, the Department may employ an adverse inference if an interested party fails to cooperate by not acting to the best of its ability to comply with requests for information. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon-Quality Steel Products from the Russian Federation*, 65 FR 5510, 5518 (February 4, 2000). *See also* ''Statement of Administrative Action''(''SAA'') accompanying the Uruguay Round Agreements Act (''URAA''), H.R. Rep. No. 103–316 vol. 1, at 870 (1994). We find that because the PRC-wide entity, including Huibao/Hibridge, failed to participate in the investigation, failed to respond to the Department's requests for information, and none of the information submitted can be verified, the PRC-wide entity, including Huibao/Hibridge, has failed to cooperate to the best of its ability and will be subject to the PRC-wide rate. Therefore, the Department preliminarily finds that, in selecting from among the facts available, an adverse inference is appropriate.

Further, section 776(b) of the Act authorizes the Department to use as AFA information derived from the petition, the final determination from the LTFV investigation, a previous administrative review, or any other information placed on the record. In selecting a rate for adverse facts available, the Department selects a rate that is sufficiently adverse ''as to effectuate the purpose of the facts available rule to induce respondents to provide the Department with complete and accurate information in a timely manner.'' *See Semiconductors* 63 FR at 8932. It is the Department's practice to select, as AFA, the higher of the (a) highest margin alleged in the petition, or (b) the highest calculated rate of any respondent in the investigation. *See Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon Quality Steel Products from the People's Republic of China*, 65 FR 34660 (May 31, 2000) and accompanying Issues and Decision Memorandum, at ''Facts Available.'' In the instant investigation, as AFA, we have assigned to the PRC-wide entity a margin based on information in the petition.

As there were three margins from the petition, we have used the highest one of the three that is corroborated by the individual margins for the mandatory respondents; this margin is 228.11 percent. Therefore, we have applied the highest corroborated rate of 228.11 percent to the PRC-wide entity.

Corroboration

Section 776(c) of the Act requires that, when the Department relies on secondary information rather than on information obtained in the course of an investigation as facts available, it must, to the extent practicable, corroborate that information from independent sources reasonably at its disposal.[3] The *SAA* also states that the independent sources may include published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation. *See id.* The *SAA* also clarifies that ''corroborate'' means that the Department will satisfy itself that the secondary information to be used has probative value. *See SAA* at 870. As noted in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, from Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews*, 61 FR 57391, 57392 (November 6, 1996), unchanged in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan: Final Results of Antidumping Duty Administrative Reviews and Termination in Part*, 62 FR 11825 (March 13, 1997), to corroborate secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used. Petitioners' methodology for calculating the export price and normal value in the petition is discussed in the initiation notice. *See Initiation Notice.* To corroborate the AFA margin selected, we compared that margin to the margins we found for the respondents.

As discussed in the Memorandum to the File regarding the corroboration of the AFA rate, dated October 4, 2006, we found that the margin of 228.11 percent has probative value. *See* Memorandum to the File from Catherine Bertrand, Senior Case Analyst, AD/CVD Operations, Office 9: Corroboration of the PRC-Wide Facts Available Rate for the Preliminary Determination in the Antidumping Duty Investigation of Certain Activated Carbon from the People's Republic of China, dated October 4, 2006, (''Corroboration Memo''). Accordingly, we find that the rate of 228.11 percent is corroborated

[3] Secondary information is described in the *SAA* as ''information derived from the petition that gave rise to the investigation or review, the final determination concerning the subject merchandise, or any previous review under section 751 concerning the subject merchandise.'' *See SAA* at 870.

within the meaning of section 776(c) of the Act. Consequently, we are applying 228.11 as the single antidumping rate to the PRC-wide entity.

The Department will consider all margins on the record at the time of the final determination for the purpose of determining the most appropriate AFA rate for the PRC-wide entity. *See Notice of Preliminary Determination of Sales at Less Than Fair Value: Saccharin from the People's Republic of China*, 67 FR 79049, 79053–79054 (December 27, 2002), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Saccharin From the People's Republic of China*, 68 FR 27530 (May 20, 2003) (''*Saccharin*'').

Margin for the Separate Rate Applicants

The Department received timely and complete separate rates applications from the Separate Rates Companies, who are all exporters of certain activated carbon from the PRC, which were not selected as mandatory respondents in this investigation. Through the evidence in their applications, these companies have demonstrated their eligibility for a separate rate, as discussed above in the ''Separate Rates'' section and in the Separate Rates Memo. Consistent with the Department's practice, as the separate rate, we have established a weight-averaged margin for the Separate Rates Companies based on the rates we calculated for the mandatory respondents, the companies for which the Department calculated an antidumping duty margin for this preliminary determination, excluding any rates that are zero, *de minimis*, or based entirely on AFA. *See* Memorandum to the File from Anya Naschak, Preliminary Weight-Averaged Margin for Separate Rate Applicants, dated October 4, 2006. Companies receiving this rate are identified by name in the ''Suspension of Liquidation'' section of this notice.

Date of Sale

Section 351.401(i) of the Department's regulations state that,

> In identifying the date of sale of the subject merchandise or foreign like product, the Secretary normally will use the date of invoice, as recorded in the exporter or producer's records kept in the normal course of business. However, the Secretary may use a date other than the date of invoice if the Secretary is satisfied that a different date better reflects the date on which the exporter or producer establishes the material terms of sale.

See 19 CFR 351.401(i); *See also Allied Tube and Conduit Corp.* v. *United States*, 132 F. Supp. 2d 1087, 1090–1093 (CIT 2001) (''*Allied Tube*''). The date of sale is generally the date on which the parties agree upon all substantive terms of the sale. This normally includes the price, quantity, delivery terms and payment terms. In order to simplify the determination of date of sale for both the respondent and the Department and in accordance with 19 CFR 351.401(i), the date of sale will normally be the date of the invoice, as recorded in the exporter's or producer's records kept in the ordinary course of business, unless satisfactory evidence is presented that the exporter or producer establishes the material terms of sale on some other date. In other words, the date of the invoice is the presumptive date of sale, although this presumption may be overcome. For instance, in *Notice of Final Determination of Sales at Less Than Fair Value: Polyvinyl Alcohol from Taiwan*, 61 FR 14064, 14067 (March 29, 1996), the Department used the date of the purchase order as the date of sale because the terms of sale were established at that point.

After examining the questionnaire responses and the sales documentation that Jacobi and Jilin Bright Future provided, we preliminarily determine that invoice date is the most appropriate date of sale for Jacobi and Jilin Bright Future. Jacobi and Jilin Bright Future do not dispute that invoice date is the appropriate date of sale, and the information on the record supports this contention. CCT, however, reported that the appropriate date of sale for spot sales and sales pursuant to framework agreements is the date of invoice while the appropriate date of sale for municipal contracts is the date of the contract award, which is the date when the price and quantity are fixed. The Department finds that, based on the information on the record, CCT has rebutted the presumption that invoice date is the appropriate date of sale for municipal contract sales and the award contract date is the most appropriate date of sale for these types of sales. *See Saccharin* 68 FR at 27531. This conclusion is based on the information on the record demonstrating that the quantity and value of sales pursuant to the municipal contacts were fixed at the date the contract was awarded.

Fair Value Comparisons

To determine whether sales of certain activated carbon to the United States by CCT, Jacobi, and Jilin were made at less than fair value, we compared either export price (''EP'') or constructed export price (''CEP'') to normal value (''NV''), as described in the ''U.S. Price,'' and ''Normal Value'' sections of this notice. We compared NV to weighted-average EPs and CEPs in accordance with section 777A(d)(1) of the Act.

U.S. Price

Export Price

For Jilin Bright Future, we based U.S. price on EP in accordance with section 772(a) of the Act, because the first sale to an unaffiliated purchaser was made prior to importation, and CEP was not otherwise warranted by the facts on the record. We calculated EP based on the packed price from the exporter to the first unaffiliated customer in the United States. Where applicable, we deducted foreign movement expenses and foreign brokerage and handling expenses from the starting price (gross unit price), in accordance with section 772(c)(2) of the Act. Where foreign movement services were provided by PRC service providers or paid for in Renminbi (''RMB''), we valued these services using surrogate values (*see* ''Factors of Production'' section below for further discussion).

Jilin Bright Future reported that it made U.S. sales of subject merchandise in November 2005, which it characterized as ''sample sales'' and reported these sales in its Section C database. Jilin Bright Future argues that these samples should be ''excluded from the Section C database as an abnormal sale, based on the fact that the amount of sample was comparably small and the production for that certain sample was specially from the laboratory.'' *See* JBF's Section C&D response at 2. The Department notes that these samples, far from being an out-of-ordinary transaction, appear on an invoice containing several other types of merchandise and were paid for by the U.S. customer. *See* JBF Chem's Separate Rate Application dated May 4, 2006, at Exhibit 1. Further, the Department notes that these claimed samples appear on the same purchase order as other non-sample merchandise, and the order summary notes a price for these samples. *See* JBF Chem's Separate Rate Application dated May 4, 2006, at Exhibit 8.

The Federal Circuit has not required the Department to exclude zero-priced or *de minimis* sales from its analysis, but rather, has defined a sale as requiring ''both a transfer of ownership to an unrelated party and consideration.'' *See NSK Ltd.* v. *United States*, 115 F.3d 965, 975 (Fed. Cir. 1997). The Courts have consistently ruled that the burden rests with a respondent with respect to its own data. *See, e.g., Zenith Electronics Corp.* v. *United States*, 988 F. 2d 1573, 1583 (Fed. Cir. 1993) (explaining that the

burden of evidentiary production belongs ''to the party in possession of the necessary information''). *See also Tianjin Machinery Import & Export Corp.* v. *United States*, 806 F. Supp. 1008, 1015 (CIT 1992) (''The burden of creating an adequate record lies with respondents and not with {the Department}.'') (citation omitted). Moreover, ''{e}ven where the Department does not ask a respondent for specific information that would enable it to make an exclusion determination in the respondent's favor, the respondent has the burden of proof to present the information in the first place with its request for exclusion.'' *See Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, Singapore, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews*, 70 FR 54711 (September 16, 2005), and accompanying Issues and Decision Memorandum at Comment 12 (citing *NTN Bearing Corp. of America.* v. *United States*, 997 F. 2d 1453, 1458 (Fed. Cir. 1993)). In this case, though Jilin Bright Future has requested that it be excluded from reporting the purported samples, Jilin Bright Future has not demonstrated that these samples were sold in a manner inconsistent with its normal sales process.

As noted above, an analysis of Jilin Bright Future's Section C computer sales listings reveals that it provided these ''samples'' to the same customers to whom it was selling or had sold products in commercial quantities, and, in this case, on the same invoice. *See* JBF Chem's Separate Rate Application dated May 4, 2006, at Exhibit 8. Therefore, based on the information on the record, we have for this preliminary determination not excluded these samples from the margin calculation of Jilin Bright Future.

Constructed Export Price

For CCT and Jacobi, we based U.S. price on CEP in accordance with section 772(b) of the Act, because sales were made on behalf of the PRC-based company by its U.S. affiliate to unaffiliated purchasers. For CCT and Jacobi's sales, we based CEP on packed, delivered or ex-warehouse prices to the first unaffiliated purchaser in the United States. Where appropriate, we made deductions from the starting price (gross unit price) for foreign movement expenses, international movement expenses, U.S. movement expenses, and appropriate selling adjustments, in accordance with section 772(c)(2)(A) of the Act.

In accordance with section 772(d)(1) of the Act, we also deducted those selling expenses associated with economic activities occurring in the United States. We deducted, where appropriate, commissions, inventory carrying costs, interest revenue, credit expenses, warranty expenses, and indirect selling expenses. Where foreign movement expenses, international movement expenses, or U.S. movement expenses were provided by PRC service providers or paid for in Renminbi, we valued these services using surrogate values (*see* ''Factors of Production'' section below for further discussion). For those expenses that were provided by a market-economy provider and paid for in market-economy currency, we used the reported expense. Due to the proprietary nature of certain adjustments to U.S. price, for a detailed description of all adjustments made to U.S. price for each company, see the company specific analysis memorandums, dated October 4, 2006.

CCT also requested that the Department apply the ''special rule'' for merchandise with value added after importation and excuse CCT from reporting U.S. resales of subject merchandise further processed by Calgon Carbon Corporation (''CCC''), CCT's U.S. parent company, in the United States and the U.S. further-processing cost information associated with the resales. CCT made this request with respect to all categories of U.S. sales with further manufacturing. *See* CCT's August 8, 2006 Letter. Petitioner NORIT submitted a letter on August 2, 2006 requesting that the Department deny CCT's request. The Department analyzed the information on the record with regard to this issue from both CCT and Petitioner. The Department determined that the valued added by CCC in the United States to the further manufactured sales would exceed 65 percent. Also, the quantity of sales not further manufactured was sufficient to provide a reasonable basis for comparison. Moreover, analyzing the further manufactured sales and the further manufacturing costs would impose an unnecessary burden on the Department. *See* Memorandum to James C. Doyle, Director, AD/CVD Operations, Office 9, through Carrie Blozy, Program Manager, AD/CVD Operations, Office 9, from Catherine Bertrand, Senior Case Analyst, Office 9: Special Rule for Merchandise with Value Added after Importation for the Antidumping Investigation of Certain Activated Carbon from the People's Republic of China, dated September 1, 2006 (''Special Rule Memo''). For those reasons, the Department decided to apply the ''special rule'' to merchandise with value added after importation to CCT's U.S. resales of subject merchandise further processed by CCC in the United States and excuse CCT from reporting these U.S. sales and the U.S. further-processing cost information associated with the resales. The ''Special Rule for Merchandise with Value Added After Importation'' is defined by Section 772(e) the Act as:

> Where the subject merchandise is imported by a person affiliated with the exporter or producer, and the value added in the United States by the affiliated person is likely to exceed substantially the value of the subject merchandise, the administering authority shall determine the constructed export price for such merchandise by using one of the following prices if there is a sufficient quantity of sales to provide a reasonable basis for comparison, and the administering authority determines that the use of such sales is appropriate:
>
> (1) The price of identical subject merchandise sold by the exporter or producer to an unaffiliated person.
>
> (2) The price of other subject merchandise sold by the exporter or producer to an unaffiliated person.
>
> If there is not sufficient quantity of sales to provide a reasonable basis for comparison under paragraph (1) and (2), or the administering authority determines that neither of the prices described in such paragraphs is appropriate, then the constructed export price may be determined on any other reasonable basis.

Also, the Department's regulation, 19 CFR 351.402(c)(2), states that the value added in the United States by the affiliated person is likely to exceed substantially the value of the subject merchandise when the value added is estimated to be at least 65 percent of the price charged to the first unaffiliated purchaser for the merchandise as sold in the United States. For a full discussion of the issue, *see* the Special Rule Memo. For purposes of the preliminary determination, we have applied the weighted-average margin from CCT's other U.S. sales to the quantity of U.S. further manufactures sales. *See* CCT Prelim Analysis Memo.

The Department's original questionnaire defines ''other direct selling expenses'' to be ''the unit cost of other direct selling expenses you incurred on sales of the subject merchandise which are not reported in other fields.'' *See* the Department's questionnaire dated May 4, 2006. The Department notes that direct selling expenses are expenses that can be tied to specific sales transactions and related directly to the sales reported, and salaries for sales personnel are normally considered an indirect selling expense. As a result, the Department requested that Jacobi reclassify its reported sales personal salaries from direct selling

expenses to be part of its indirect selling expense calculation. As Jacobi has continued to report these expenses as a direct selling expense, the Department has re-classified these expenses as part of total CEP selling expenses for purposes of the margin calculation. *See* Jacobi's Analysis Memo.

Normal Value

Section 773(c)(1) of the Act provides that the Department shall determine the NV using a factors-of-production methodology if the merchandise is exported from an NME and the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. The Department bases NV on the FOP because the presence of government controls on various aspects of non-market economies renders price comparisons and the calculation of production costs invalid under the Department's normal methodologies.

Factor Methodology

During the POI, CCT did not have production of all types of merchandise for which it had POI sales. Consequently, CCT requested that it be allowed to report the factors-of-production data for the most similar products produced during the POI as a surrogate for products sold during the POI, but produced prior to the POI. However, the Department denied this request and requested that CCT expand the FOP reporting for certain suppliers to report the FOP data based on twelve months from January 1, 2005 to December 31, 2005. *See* August 9, 2005 Letter to CCT. For the CONNUMs for which FOPs are still not included in the expanded FOP database, the Department has assigned FOPs for similar subject merchandise that was produced by CCT, as facts available. The Department then calculated an average of the FOPs for each product grouping and assigned the product-group average FOPs to CONNUMs where no FOPs were reported by CCT. *See* CCT Prelim Analysis Memo.

On June 29, 2006, CCT requested to be excused from reporting factors of production data for certain of its suppliers due to the large number of suppliers from which CCT purchased certain activated carbon during the POI. Due to the large numbers of producers that supplied CCT during the POI, the Department excused CCT from reporting the factors of production data for certain suppliers and also the quantity relating to the unknown suppliers for which CCT had been unable to identify the actual suppliers. *See* June 29, 2006, letter from CCT. The Department determined that CCT was not required to report the factors of production data for the following suppliers: Datong Fuping Activated Carbon Co., Ltd. (''FP''); Datong Huibao Activated Carbon Co., Ltd. (''HB''); Datong Hongtai Activated Carbon Co., Ltd. (''HT''); Ningxia Honghua Carbon Industrial Corp. (''HA''); Honke Activated Carbon Co., Ltd. (''HK''); and Ningxia Tianfu Activated Carbon Co., Ltd. (''TF''). *See* Letters to CCT dated July 19, 2006, and August 10, 2006. As the corresponding U.S. sales from the material supplied by the above producers were reported in the U.S. sales listing, we have assigned FOPs for similar subject merchandise that was produced by CCT, as facts available, using the same methodology described above for products that were not produced during the expanded POI. *See* CCT Prelim Analysis Memo.

Jacobi has reported certain U.S. sales of powdered activated carbon, sourced from Datong Huibao, that Jacobi considers a byproduct of the production process. Jacobi states on page 12 of its Second Supplemental that it is unable to determine appropriate FOPs for this CONNUM, because Datong Huibao has no way of determining the products from which it was generated. Jacobi argues that all material inputs have been reported in the other products produced during the POI by this supplier, and Datong Huibao has no basis by which to make an allocation to this product. Based on the information on the record, the Department has preliminarily determined that Jacobi acted to the best of its ability, and that to apply an allocation which would increase the quantity of input and output on Datong Huibao's factors of production worksheets would make any reconciliation of Datong Huibao's factors of production impossible. Therefore, the Department has preliminarily determined to apply neutral facts available and apply the average of the usage rates reported by Datong Huibao to the unreported factors for this CONNUM. *See* Memorandum to the File from Anya Naschak, Senior Case Analyst, AD/CVD Operations, Office 9: Program Analysis for the Preliminary Determination of Antidumping Duty Investigation of Activated Carbon from the People's Republic of China: Tianjin Jacobi International Trading Co., Ltd. and Jacobi Carbons, Inc., dated October 4 2006 (''Jacobi Analysis Memo'') for a detailed discussion of the methodology.

Factor Valuations

In accordance with section 773(c) of the Act, we calculated NV based on factors of production reported by respondents for the POI, except as noted above. To calculate NV, we multiplied the reported per-unit factor-consumption rates by publicly available Indian surrogate values. In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. Specifically, we added to Indian import surrogate values a surrogate freight cost using the shorter of the reported distance from the domestic supplier to the factory of production or the distance from the nearest seaport to the factory of production where appropriate. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp.* v. *United States*, 117 F. 3d 1401, 1407–1408 (Fed. Cir. 1997). Where we did not use Indian Import Statistics, we calculated freight based on the reported distance from the supplier to the factory.

For this preliminary determination, in accordance with the Department's practice, we used data from the Indian Import Statistics in order to calculate surrogate values for the mandatory respondents' material inputs, except where noted below. In selecting the best available information for valuing FOP in accordance with section 773(c)(1) of the Act, the Department's practice is to select, to the extent practicable, surrogate values which are non-export average values, most contemporaneous with the POI, product-specific, and tax-exclusive. *See, e.g., Notice of Preliminary Determination of Sales at Less Than Fair Value, Negative Preliminary Determination of Critical Circumstances and Postponement of Final Determination: Certain Frozen and Canned Warmwater Shrimp From the Socialist Republic of Vietnam*, 69 FR 42672, 42682 (July 16, 2004), unchanged in *Final Determination of Sales at Less Than Fair Value: Certain Frozen and Canned Warmwater Shrimp from the Socialist Republic of Vietnam*, 69 FR 71005 (December 8, 2004). The record shows that data in the Indian Import Statistics represent import data that are contemporaneous with the POI, product-specific, and tax-exclusive. Where we could not obtain publicly available information contemporaneous to the POI with which to value factors, we adjusted the surrogate values using, where appropriate, the Indian Wholesale Price Index (''WPI'') as published in the *International Financial*

Statistics of the International Monetary Fund.

Furthermore, with regard to the Indian import-based surrogate values, we have disregarded import prices that we have reason to believe or suspect may be subsidized. We have reason to believe or suspect that prices of inputs from Indonesia, South Korea, and Thailand may have been subsidized. We have found in other proceedings that these countries maintain broadly available, non-industry-specific export subsidies and, therefore, it is reasonable to infer that all exports to all markets from these countries may be subsidized. *See Honey from the People's Republic of China: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review*, 70 FR 74764, 74773 (December 16, 2005), unchanged in *Honey from the People's Republic of China: Final Results and Final Rescission, In Part, of Antidumping Duty Administrative Review*, 71 FR 34893 (June 16, 2006); *see also Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of 1999–2000 Administrative Review, Partial Rescission of Review, and Determination Not to Revoke Order in Part*, 66 FR 57420 (November 15, 2001), and accompanying Issues and Decision Memorandum at Comment 1. We are also directed by the legislative history not to conduct a formal investigation to ensure that such prices are not subsidized. *See* H.R. Rep. 100–576 at 590 (1988). Rather, Congress directed the Department to base its decision on information that is available to it at the time it makes its determination. Therefore, we have not used prices from these countries in calculating the Indian import-based surrogate values.

We valued certain factors based on price data obtained from the Indian publication *Chemical Weekly*. These prices represent prices available in the Indian domestic market. In all cases, we assumed the chemical concentration to be 100 percent since we had no information to the contrary. Where multiple prices were available, we used the average of all prices with effective dates during the POI. We adjusted the average value to exclude excise and sales tax in each case where the price was specifically identified as being inclusive of excise and sales tax or solely inclusive of excise tax, as appropriate. Based on the 16 percent excise tax identified in *Central Excise Tariff 1998–99* (as published by Cen-Cus Publications, New Delhi), we calculated tax-exclusive prices. We then calculated a weighted-average POI price for each material. This methodology was applied for the following inputs: Hydrochloric acid; potassium iodide; and, potassium permanganate.

To value electricity, the Department used rates from *Key World Energy Statistics 2003*, published by the International Energy Agency. Because these data were not contemporaneous to the POI, we adjusted for inflation using WPI. *See* Surrogate Value Memo.

Jacobi has reported that it purchased plastic bags during the POI from a market economy country and paid for these bags in a market economy currency. However, the Department has preliminarily determined that certain of these bags should more appropriately be valued using surrogate values because they were purchased from countries that maintain subsidies or were purchased prior to the POI. *See* Surrogate Value Memo and Jacobi Analysis Memo.

For direct, indirect, and packing labor, consistent with 19 CFR 351.408(c)(3), we used the PRC regression-based wage rate as reported on Import Administration's home page, Import Library, Expected Wages of Selected NME Countries, revised in November 2005, *http://ia.ita.doc.gov/wages/index.html.* The source of these wage-rate data on the Import Administration's Web site is the Yearbook of Labour Statistics 2002, ILO (Geneva: 2002), Chapter 5B: Wages in Manufacturing. Because this regression-based wage rate does not separate the labor rates into different skill levels or types of labor, we have applied the same wage rate to all skill levels and types of labor reported by the respondent. *See* Surrogate Value Memo.

Because water is essential to the production process of the subject merchandise, the Department is considering water to be a direct material input, and not as overhead, and valued water with a surrogate value according to our practice. *See Final Determination of Sales at Less Than Fair Value and Critical Circumstances: Certain Malleable Iron Pipe Fittings From the People's Republic of China*, 68 FR 61395 (October 28, 2003) and, accompanying Issue and Decision Memorandum at Comment 11. Although some suppliers have reported that they obtain water from a well, we find that whether the producer pays for water is irrelevant in determining whether it should be considered a direct material input. Further, there is no evidence on the record that the Indian producer of activated carbon from which we are obtaining an overhead financial ratio accounts for water as an overhead expense. The Department valued water using data from the Maharashtra Industrial Development Corporation (*http://www.midcindia.org*) since it includes a wide range of industrial water tariffs. This source provides 386 industrial water rates within the Maharashtra province from June 2003: 193 for the ''inside industrial areas'' usage category and 193 for the ''outside industrial areas'' usage category. Because the value was not contemporaneous with the POI, we adjusted the rate for inflation. *See* Surrogate Value Memo.

For natural gas, we applied a surrogate value obtained from the Gas Authority of India Ltd. Web site, a supplier of natural gas in India, covering the period January through June 2002. In addition, based on the February 1, 2005, article from *Chemical Weekly*, we note that the Petroleum Ministry had been considering raising the price but no action was taken. Therefore, consistent with the Department's recent determination in Polyvinyl Alcohol from the People's Republic of China, we took the average of the base and ceiling prices, added the transportation charge, and inflated the calculated value using the appropriate WPI inflator. *See* Surrogate Value Memo and *Polyvinyl Alcohol From the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 71 FR 27991 (May 15, 2006), and accompanying Issues and Decision Memorandum at Comment 2.

The Department valued steam following the methodology used in the investigation of *Certain Tissue Paper Products and Certain Crepe Paper Products from the People's Republic of China*, but updated the natural gas price. *See* Surrogate Value Memo and *Notice of Preliminary Determinations of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances and Postponement of Final Determination for Certain Tissue Paper Products*, 69 FR 56407 (September 21, 2004), unchanged in the final determination, *Notice of Final Determination of Sales at Less Than Fair Value: Certain Tissue Paper Products from the People's Republic of China*, 70 FR 7475 (February 14, 2005).

The Department used Indian transport information in order to value the freight-in cost of the raw materials. We determined the best available information for valuing truck freight to be from *http://www.infreight.com.* This source provides daily rates from six major points of origin to five destinations in India during the POI. We obtained a price quote on the first day of each month of the POI from each point of origin to each destination and averaged the data accordingly. *See*

Surrogate Value Memo. To value rail freight, the Department used an average of rail freight prices based on the publicly available freight rates reported by the official Web site of the Indian Ministry of Railways at *http://www.indianrailways.gov.in/railway/freightrates/freight_charges.htm*. The Department used an average of the price-per-kilogram rate for class 130 based on the freight distances between cities. As the prices were denoted in quintals, the Department divided the price by 100 to derive a value in Rupees per kilogram. Consistent with the calculation of inland truck freight, the Department used the same freight distances used in the calculation of inland truck freight, as reported by *http://www.infreight.com* to derive a value in Rupees per kilogram per kilometer. *See* Surrogate Value Memo.

The Department used two sources to calculate a surrogate value for domestic brokerage expenses. The Department used a simple average of the publicly summarized version of the average value (adjusted for inflation) for brokerage and handling expenses reported in the U.S. sales listings in the submission from Essar Steel Ltd. (Essar Steel), dated February 28, 2005, in the antidumping duty review of Certain Hot-Rolled Carbon Steel Flat Products from India, and the submission from Agro Dutch Industries Limited (Agro Dutch), dated May 24, 2005, in the antidumping duty administrative review of Certain Preserved Mushrooms from India. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products from India*, 66 FR 50406 (October 3, 2001), *Certain Preserved Mushrooms From India: Final Results of Antidumping Duty Administrative Review*, 71 FR 10646 (March 2, 2006), and Surrogate Value Memo.

With respect to the respondents' request for by-product offsets, the Department has preliminarily determined that the products respondents have claimed as a by-product are in fact merchandise within the scope of this investigation because they are still considered activated carbon, and, therefore, should not be considered a by-product. We are therefore not granting by-product credits in our margin calculations, except for coal tar as reported by Jilin Bright Future because this is not subject merchandise. *See* Analysis Memos for CCT, Jilin Bright Future, and Jacobi.

Currency Conversion

We made currency conversions into U.S. dollars, in accordance with section 773A(a) of the Act, based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank.

Verification

As provided in section 782(i)(1) of the Act, we intend to verify the information upon which we will rely in making our final determination.

Combination Rates

In the *Initiation Notice* the Department stated that it would calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. *See Initiation Notice.* This change in practice is described in *Policy Bulletin 05.1*, available at *http://ia.ita.doc.gov/.*

The *Policy Bulletin 05.1,* states:

> {w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of ''combination rates'' because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation. See *Policy Bulletin 05.1,* at page 6.

Also, the Department is not including Ningxia Haoqing Activated Carbon Co., Ltd (''HQG''), or Ningxia Guanghua Activated Carbon Co., Ltd (''GH''), in the combination rate for CCT as both HQG and GH are trading companies who sold other companies' merchandise to CCT during the POI. *See Policy Bulletin 05.1* and Memo to the File from Catherine Bertrand, Senior Case Analyst, AD/CVD Operations, Office 9, dated October 3, 2006.

Preliminary Determination

The weighted-average (''WA'') dumping margins are as follows:

Exporter	Supplier	WA margin
Beijing Pacific Activated Carbon Products Co., Ltd	Alashan Yongtai Activated Carbon Co., Ltd	72.52
Beijing Pacific Activated Carbon Products Co., Ltd	Changji Hongke Activated Carbon Co., Ltd	72.52
Beijing Pacific Activated Carbon Products Co., Ltd	Datong Forward Activated Carbon Co., Ltd	72.52
Beijing Pacific Activated Carbon Products Co., Ltd	Datong Locomotive Coal & Chemicals Co., Ltd	72.52
Beijing Pacific Activated Carbon Products Co., Ltd	Datong Yunguang Chemicals Plant	72.52
Beijing Pacific Activated Carbon Products Co., Ltd	Ningxia Guanghua Cherishment Activated Carbon Co., Ltd	72.52
Beijing Pacific Activated Carbon Products Co., Ltd	Ningxia Luyuangheng Activated Carbon Co., Ltd	72.52
Calgon Carbon Tianjin Co., Ltd	Calgon Carbon Tianjin Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Datong Carbon Corporation	84.45
Calgon Carbon Tianjin Co., Ltd	Datong Changtai Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Datong Forward Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Datong Fuping Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Datong Hongtai Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Datong Huanqing Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Datong Huibao Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Datong Kangda Activated Carbon Factory	84.45
Calgon Carbon Tianjin Co., Ltd	Datong Runmei Activated Carbon Factory	84.45
Calgon Carbon Tianjin Co., Ltd	Dushanzi Chemical Factory	84.45
Calgon Carbon Tianjin Co., Ltd	Fangyuan Carbonization Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Hongke Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Huairen Jinbei Chemical Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Jiaocheng Xinxin Purification Material Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Ningxia Guanghua Cherishment Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Ningxia Guanghua A/C Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Ningxia Honghua Carbon Industrial Corporation	84.45
Calgon Carbon Tianjin Co., Ltd	Ningxia Luyuanheng Activated Carbon Co., Ltd	84.45

Exporter	Supplier	WA margin
Calgon Carbon Tianjin Co., Ltd	Ningxia Pingluo Yaofu Activated Carbon Factory	84.45
Calgon Carbon Tianjin Co., Ltd	Ningxia Tianfu Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Ningxia Yinchuan Lanqiya Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Nuclear Ningxia Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Pingluo Xuanzhong Activated Carbon Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Shanxi Xuanzhong Chemical Industry Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Xingtai Coal Chemical Co., Ltd	84.45
Calgon Carbon Tianjin Co., Ltd	Yuyang Activated Carbon Co., Ltd	84.45
Datong Juqiang Activated Carbon Co., Ltd	Datong Juqiang Activated Carbon Co., Ltd	72.52
Datong Locomotive Coal & Chemicals Co., Ltd	Datong Locomotive Coal & Chemicals Co., Ltd	72.52
Datong Municipal Yunguang Activated Carbon Co., Ltd	Datong Municipal Yunguang Activated Carbon Co., Ltd	72.52
Datong Yunguang Chemicals Plant	Datong Yunguang Chemicals Plant	72.52
Hebei Foreign Trade and Advertising Corporation	Da Neng Zheng Da Activated Carbon Co., Ltd	72.52
Hebei Foreign Trade and Advertising Corporation	Shanxi Bluesky Purification Material Co., Ltd	72.52
Jacobi Carbons AB	Datong Forward Activated Carbon Co., Ltd	49.09
Jacobi Carbons AB	Datong Hongtai Activated Carbon Co., Ltd	49.09
Jacobi Carbons AB	Datong Huibao Activated Carbon Co., Ltd	49.09
Jacobi Carbons AB	Ningxia Guanghua Activated Carbon Co., Ltd	49.09
Jacobi Carbons AB	Ningxia Huahui Activated Carbon Company Limited	49.09
Jilin Bright Future Chemicals Company, Ltd	Shanxi Xinhua Chemicals Co., Ltd	13.78
Jilin Bright Future Chemicals Company, Ltd	Tonghua Bright Future Activated Carbon Plant	13.78
Jilin Bright Future Chemicals Company, Ltd	Zuoyun Bright Future Activated Carbon Plant	13.78
Jilin Province Bright Future Industry and Commerce Co., Ltd	Shanxi Xinhua Chemicals Co., Ltd	13.78
Jilin Province Bright Future Industry and Commerce Co., Ltd	Tonghua Bright Future Activated Carbon Plant	13.78
Jilin Province Bright Future Industry and Commerce Co., Ltd	Zuoyun Bright Future Activated Carbon Plant	13.78
Ningxia Guanghua Cherishment Activated Carbon Co., Ltd	Ningxia Guanghua Cherishment Activated Carbon Co., Ltd	72.52
Ningxia Huahui Activated Carbon Co., Ltd	Ningxia Huahui Activated Carbon Co., Ltd	72.52
Ningxia Mineral & Chemical Limited	Ningxia Baota Activated Carbon Co., Ltd	72.52
Shanxi DMD Corporation	China Nuclear Ningxia Activated Carbon Plant	72.52
Shanxi DMD Corporation	Ningxia Guanghua Activated Carbon Co., Ltd	72.52
Shanxi DMD Corporation	Shanxi Xinhua Chemical Co., Ltd	72.52
Shanxi DMD Corporation	Tonghua Xinpeng Activated Carbon Factory	72.52
Shanxi Industry Technology Trading Co., Ltd	Actview Carbon Technology Co., Ltd	72.52
Shanxi Industry Technology Trading Co., Ltd	Datong Forward Activated Carbon Co., Ltd	72.52
Shanxi Industry Technology Trading Co., Ltd	Datong Tri-Star & Power Carbon Plant	72.52
Shanxi Industry Technology Trading Co., Ltd	Fu Yuan Activated Carbon Co., Ltd	72.52
Shanxi Industry Technology Trading Co., Ltd	Jing Mao (Dongguan) Activated Carbon Co., Ltd	72.52
Shanxi Industry Technology Trading Co., Ltd	Xi Li Activated Carbon Co., Ltd	72.52
Shanxi Newtime Co., Ltd	Datong Forward Activated Carbon Co., Ltd	72.52
Shanxi Newtime Co., Ltd	Ningxia Guanghua Chemical Activated Carbon Co., Ltd	72.52
Shanxi Newtime Co., Ltd	Ningxia Tianfu Activated Carbon Co., Ltd	72.52
Shanxi Qixian Foreign Trade Corporation	Datong Locomotive Coal & Chemicals Co., Ltd	72.52
Shanxi Qixian Foreign Trade Corporation	Datong Tianzhao Activated Carbon Co., Ltd	72.52
Shanxi Qixian Foreign Trade Corporation	Ningxia Huinong Xingsheng Activated Carbon Co., Ltd	72.52
Shanxi Qixian Foreign Trade Corporation	Ningxia Yirong Alloy Iron Co., Ltd	72.52
Shanxi Qixian Foreign Trade Corporation	Ninxia Tongfu Coking Co., Ltd	72.52
Shanxi Qixian Foreign Trade Corporation	Shanxi Xiaoyi Huanyu Chemicals Co., Ltd	72.52
Shanxi Sincere Industrial Co., Ltd	Datong Guanghua Activated Co., Ltd	72.52
Shanxi Sincere Industrial Co., Ltd	Ningxia Guanghua Cherishmemt Activated Carbon Co., Ltd	72.52
Shanxi Sincere Industrial Co., Ltd	Ningxia Pingluo County YaoFu Activated Carbon Factory	72.52
Shanxi Xuanzhong Chemical Industry Co., Ltd	Ningxia Pingluo Xuanzhong Activated Carbon Co., Ltd	72.52
Tangshan Solid Carbon Co., Ltd	Datong Zuoyun Biyun Activated Carbon Co., Ltd	72.52
Tangshan Solid Carbon Co., Ltd	Ningxia Guanghua Activated Carbon Co., Ltd	72.52
Tangshan Solid Carbon Co., Ltd	Ningxia Xingsheng Coal and Active Carbon Co., Ltd	72.52
Tangshan Solid Carbon Co., Ltd	Pingluo Yu Yang Activated Carbon Co., Ltd	72.52
Tianjin Maijin Industries Co., Ltd	Hegongye Ninxia Activated Carbon Factory	72.52
Tianjin Maijin Industries Co., Ltd	Ningxia Pingluo County YaoFu Activated Carbon Plant	72.52
Tianjin Maijin Industries Co., Ltd	Yinchuan Lanqiya Activated Carbon Co., Ltd	72.52
United Manufacturing International (Beijing) Ltd	Datong Fu Ping Activated Carbon Co., Ltd	72.52
United Manufacturing International (Beijing) Ltd	Datong Locomotive Coal & Chemical Co. Ltd	72.52
United Manufacturing International (Beijing) Ltd	Xinhua Chemical Company Ltd	72.52
Xi'an Shuntong International Trade & Industrials Co., Ltd	DaTong Tri-Star & Power Carbon Plant	72.52
Xi'an Shuntong International Trade & Industrials Co., Ltd	Ningxia Huahui Activated Carbon Company Limited	72.52
PRC-Wide Rate		228.11

As discussed above in the ''Affiliation'' section, the WA Margin of Jacobi Carbons AB of 49.09 percent applies to exports made by Jacobi Tianjin.

Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Suspension of Liquidation

In accordance with section 733(d) of the Act, we will instruct U.S. Customs and Border Protection (''CBP'') to suspend liquidation of all entries of subject merchandise, entered, or

withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. We will instruct CBP to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the normal value exceeds U.S. price, as indicated above. The suspension of liquidation will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our preliminary affirmative determination of sales at less than fair value. Section 735(b)(2) of the Act requires the ITC to 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 certain activated carbon, or sales (or the likelihood of sales) for importation, of the subject merchandise within 45 days of our final determination.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Import Administration no later than seven days after the date of the final verification report is issued in this proceeding. *See* 19 CFR 351.309(c). Rebuttal briefs limited to issues raised in case briefs may be submitted no later than five days after the deadline date for case briefs. *See* 19 CFR 351.309(d). A list of authorities used and an executive summary of issues should accompany any briefs submitted to the Department. This summary should be limited to five pages total, including footnotes.

In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. If a request for a hearing is made, we intend to hold the hearing three days after the deadline of submission of rebuttal briefs at the U.S. Department of Commerce, 14th Street and Constitution Ave. NW., Washington, DC 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days after the date of publication of this notice. *See* 19 CFR 351.310(c). Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. At the hearing, each party may make an affirmative presentation only on issues raised in that party's case brief and may make rebuttal presentations only on arguments included in that party's rebuttal brief.

We will make our final determination no later than 135 days after the date of publication of this preliminary determination, pursuant to section 735(a)(2) of the Act.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

Dated: October 4, 2006.

David Spooner,

Assistant Secretary for Import Administration.

[FR Doc. 06–8622 Filed 10–10–06; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

A–570–848

Notice of Extension of the Preliminary Results of New Shipper Antidumping Duty Reviews: Freshwater Crawfish Tail Meat from the People's Republic of China

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

SUMMARY: The Department of Commerce (''Department'') is conducting new shipper antidumping duty reviews of freshwater crawfish tail meat from the People's Republic of China (''PRC'') in response to requests by Nanjing Merry Trading Co., Ltd. (''Nanjing Merry''), Leping Lotai Foods Co., Ltd. (''Leping Lotai''), Weishan Hongrun Aquatic Co., Ltd. (''Weishan Hongrun''), and Shanghai Strong International Trading Co., Ltd. (''Shanghai Strong''). These reviews cover shipments to the United States for the period September 1, 2005, to February 28, 2006, by these four respondents. For the reasons discussed below, we are extending the preliminary results of the new shipper reviews of Nanjing Merry, Leping Lotai, and Weishan Hongrun by an additional 90 days, and the new shipper review of Shanghai Strong by an additional 65 days, to no later than January 23, 2007.

EFFECTIVE DATE: October 11, 2006.

FOR FURTHER INFORMATION CONTACT: Erin Begnal or Mike Quigley; AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–1442 and (202) 482–4047, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department received timely requests from Nanjing Merry, Leping Lotai, Weishan Hongrun, and Shanghai Strong in accordance with 19 CFR 351.214(c) for new shipper reviews of the antidumping duty order on freshwater crawfish tail meat from the PRC. On May 5, 2006, the Department found that the requests for review with respect to Nanjing Merry, Leping Lotai, and Weishan Hongrun met all of the regulatory requirements set forth in 19 CFR 351.214(b) and initiated these new shipper antidumping duty reviews covering the period September 1, 2005, through February 28, 2006. *See Freshwater Crawfish Tail Meat From the People's Republic of China: Initiation of Antidumping Duty New Shipper Reviews*, 71 FR 26453 (May 5, 2006).

On May 31, 2006, the Department found that the request for review with respect to Shanghai Strong met all of the regulatory requirements set forth in 19 CFR 351.214(b) and initiated a new shipper antidumping duty review covering the period September 1, 2005, through February 28, 2006. *See Freshwater Crawfish Tail Meat From the People's Republic of China: Initiation of Antidumping Duty New Shipper Review*, 71 FR 30866 (May 31, 2006).

Extension of Time Limits for Preliminary Results

Section 751(a)(2)(B)(iv) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.214(i)(1) require the Department to issue the preliminary results of a new shipper review within 180 days after the date on which the new shipper review was initiated and final results of a review within 90 days after the date on which the preliminary results were issued. The Department may, however, extend the deadline for completion of the preliminary results of a new shipper review to 300 days if it determines that the case is extraordinarily complicated (19 CFR 351.214 (i)(2)).

The Department has determined that the review is extraordinarily complicated as the Department must gather additional publicly available information, issue additional supplemental questionnaires, and conduct verifications of the four respondents. Based on the timing of the case and the additional information that must be gathered and verified, the preliminary results of this new shipper review cannot be completed within the