



FACT SHEET

Commerce Initiates Antidumping Duty (AD) Investigation of Large Power Transformers (LPTs) from the Republic of Korea (Korea)

- On August 3, 2011, the Department of Commerce (Commerce) initiated an AD investigation of imports of LPTs from Korea.
- For the purpose of AD investigations, dumping occurs when a foreign company sells a product in the United States at less than normal value.
- The petitioners for this investigation are ABB Inc. (NC, VA, MO), Delta Star Inc. (VA, CA), and Pennsylvania Transformer Technologies, Inc. (PA).
- The scope of this investigation covers large liquid dielectric power transformers having a top power handling capacity greater than or equal to 60,000 kilovolt amperes (60 megavolt amperes), whether assembled or unassembled, complete or incomplete.

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

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

- LPTs have a top rating of 60 or more mega-volt amperes (MVA) and are typically used in high voltage electrical power transmission systems to increase, transfer, or decrease the output voltage levels being transmitted to minimize the power lost during transmission.
- The LPTs subject to this investigation are currently classifiable under subheadings 8504.23.0040, 8504.23.0080 and 8504.90.9540 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.
- From 2008 to 2010, imports of LPTs from Korea increased 100 percent by quantity (in actual units). In 2010, imports of LPTs from Korea were valued at an estimated \$415 million.

NEXT STEPS

- The U.S. International Trade Commission (ITC) is scheduled to make its preliminary injury determination on or about August 29, 2011.

- If the ITC determines that there is a reasonable indication that imports of LPTs from Korea are materially injuring, or threatening material injury to, the domestic industry, the investigation will continue, and Commerce will be scheduled to make its preliminary determination in December 2011.

Alleged Dumping Margins:

COUNTRY	MARGINS
KOREA	43.01 – 60.81 percent

CASE CALENDAR:

EVENT	AD INVESTIGATIONS
Petitions Filed	July 14, 2011
DOC Initiation Date	August 3, 2011
ITC Preliminary Determination*	August 29, 2011
DOC Preliminary Determination**	December 21, 2011
DOC Final Determinations**	March 5, 2012
ITC Final Determination***	April 19, 2012
Issuance of Orders****	April 26, 2012

* If the ITC makes a negative preliminary determination of injury, the investigation is terminated.

**These deadlines may be extended under the governing statute.

***This will take place only in the event of a final affirmative determination from Commerce.

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IMPORT STATISTICS:

KOREA	2008	2009	2010
Quantity (units)	207	273	404
Value (US\$)	278,411,676	327,182,553	414,722,181

Source: U.S. Bureau of Census, accessed through Global Trade Atlas. (HTSUS 8504.23.0040 and 8504.23.0080)

Some HTSUS subheadings include basket categories and may cover both subject and non-subject merchandise.