

DEPARTMENT OF COMMERCE**Foreign-Trade Zones Board****[B-54-2018]****Foreign-Trade Zone (FTZ) 75—
Phoenix, Arizona; Notification of
Proposed Production Activity;
Microchip Technology, Inc.
(Semiconductor Devices and Related
Products); Chandler and Tempe,
Arizona**

Microchip Technology, Inc. (Microchip) submitted a notification of proposed production activity to the FTZ Board for its facilities in Chandler and Tempe, Arizona. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on August 28, 2018.

Microchip already has authority to produce semiconductor devices and related products within Subzone 75H. The current request would add foreign status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Microchip from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, for the foreign-status materials/components noted below, Microchip would be able to choose the duty rates during customs entry procedures that apply to: Field programmable microcontrollers; application-specific processors; related memory products; and, application development tools (duty rate ranges from duty-free to 3%). Microchip would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include: In-circuit debuggers; rubber caps; evaporative air coolers; antennas; plastic boxes, cases, crates, stoppers, lids and caps; memory modules—not incorporating a cathode ray tube; brushless DC electric motors; power supply, output < 50 watts; static converters; transformers; relay contactors; lamp-holder plugs; lamp sockets; electrical equipment for switching of electrical circuits; servo drive boards (for test floor probers); infrared lamps; printed circuit assemblies; coaxial cables; and, electrical conductors with fitted

connections (duty rate ranges from duty-free to 5.3%). The request indicates that certain materials/components are subject to special duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decision requires subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is October 15, 2018.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: August 29, 2018.

Andrew McGilvray,
Executive Secretary.

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DEPARTMENT OF COMMERCE**International Trade Administration****[A-580-867]****Large Power Transformers From the
Republic of Korea: Notice of Final
Results of Antidumping Duty Changed
Circumstances Review**

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

SUMMARY: The Department of Commerce (Commerce) finds that Hyundai Electric & Energy Systems Co., Ltd. (HEES) is the successor-in-interest to Hyundai Heavy Industries Co., Ltd. (HHI) and that HHI's current cash deposit rate is the applicable rate for all entries of the subject merchandise exported by HEES. In addition, we determine that facts presented in this changed circumstances review (CCR) warrant the retroactive application of the cash deposit rate to the effective date of the first entry by HEES.

DATES: Applicable September 5, 2018.

FOR FURTHER INFORMATION CONTACT: John C. McGowan, AD/CVD Operations, Office VI, Enforcement and Compliance,

International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-3019.

SUPPLEMENTARY INFORMATION:**Background**

On August 31, 2012, Commerce published in the **Federal Register** an antidumping duty order on large power transformers (LPTs) from the Republic of Korea (Korea).¹ HHI was one of the producers/exporters reviewed in the less-than fair-value investigation and has been reviewed in each subsequent administrative review of the *Order*. During the 2014-2015 administrative review, covering the period August 1, 2014, through July 31, 2015, Commerce assigned HHI an antidumping duty rate of 60.81 percent, finding that the application of total adverse facts available (AFA) was warranted.² In addition, during the 2015-2016 administrative review, covering the period August 1, 2015, through July 31, 2016, Commerce continued to assign HHI an antidumping duty rate of 60.81 percent, finding that the application of total AFA was warranted.³

Pursuant to section 751(b)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.216(d), on December 4, 2017, Commerce self-initiated a CCR regarding HHI's new spin off company, HEES, based on information obtained: (1) During the course of the 2014/2015 and 2015/2016 administrative reviews; (2) *via* public search and a phone conversation with a representative retained by ABB Inc.'s (ABB's or the petitioner's) counsel; and (3) from U.S. Customs and Border Protection (CBP) data.⁴

On May 31, 2018, Commerce issued the *Preliminary Results* of this CCR, in which it determined that: (1) HEES is the successor-in-interest to HHI; (2) HHI's current cash deposit rate is the rate applicable for all entries of LPTs exported by HEES; and (3) the application of the cash deposit rate applicable to HEES shall be made

¹ See *Large Power Transformers from the Republic of Korea: Antidumping Duty Order*, 77 FR 53177 (August 31, 2012) (the *Order*).

² See *Large Power Transformers from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2014-2015*, 82 FR 13432 (March 13, 2017) (2014/2015 Final Results).

³ See *Large Power Transformers from the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2015-2016*, 83 FR 11679 (March 16, 2018) (2015-2016 Final Results).

⁴ See *Large Power Transformers from the Republic of Korea: Initiation of Antidumping Duty Changed Circumstances Review*, 82 FR 57210 (December 4, 2017) (*Initiation Notice*).

retroactively to the effective date of the first entry by HEES.⁵

On July 6, 2018, Hyundai submitted comments regarding the *Preliminary Results*.⁶ On July 13, 2018, ABB submitted its rebuttal brief.⁷

Scope of the Order

The scope of this *Order* 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.

The LPTs subject to this *Order* 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 *Order* is dispositive.

Analysis of Comments Received

The issue raised in the case and rebuttal briefs by parties to this CCR is addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice.⁸ A list of the topics

discussed in the Issues and Decision Memorandum is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and it is available to all parties in the Central Records Unit, Room B8024, of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn/>. The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

Final Results of Changed Circumstances Review

Based on the record evidence and our analysis of the comments received, Commerce continues to find that applying HHI’s current cash deposit rate of 60.81 percent retroactively to the effective date of the first entry of HEES, HHI’s successor-in-interest, is warranted.⁹

Instructions to U.S. Customs and Border Protection

As a result of this determination, Commerce will instruct CBP to collect estimated antidumping duties for all shipments of the subject merchandise produced and/or exported by HEES and entered, or withdrawn from warehouse, for consumption on or after the date of the first entry made by HEES at the 60.81 percent rate established in the 2014–2015 and 2015–2016 antidumping duty administrative reviews. This cash deposit requirement shall remain in effect until further notice.

Notification to Interested Parties

This notice serves as a reminder to parties subject to administrative protective orders (APOs) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.306. Timely written notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Regarding Successor-In-Interest Analysis: Large Power Transformers from the Republic of Korea,” dated concurrently with this notice (Issues and Decision Memorandum).

⁹ See Issues and Decision Memorandum.

We are issuing and publishing this final results notice in accordance with sections 751(b) and 777(i) of the Act, and 19 CFR 351.216, 351.221(b)(5), and 351.221(c)(3).

Dated: August 28, 2018.

Gary Taverman,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of Interested Party Comments
 - Comment:* Whether Retroactive Application of a Cash Deposit Rate to a Successor-in-Interest Is Permitted by Law and Consistent With Commerce’s Practice
- V. Recommendation

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–090]

Certain Steel Wheels 12 to 16.5 Inches in Diameter From the People’s Republic of China: Initiation of Less-Than-Fair-Value Investigation

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

DATES: Applicable August 28, 2018.

FOR FURTHER INFORMATION CONTACT: Paul Stolz or Jonathan Cornfield at (202) 482–4474 or (202) 482–3855, respectively; AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petition

On August 8, 2018, the U.S. Department of Commerce (Commerce) received an antidumping duty (AD) Petition concerning imports of certain steel wheels 12 to 16.5 inches in diameter (certain steel wheels) from the People’s Republic of China (China), filed in proper form on behalf of Dexstar Wheel, a division of Americana Development, Inc. (the petitioner), which is a domestic producer of certain

⁵ See *Large Power Transformers from the Republic of Korea: Notice of Preliminary Results of Antidumping Duty Changed Circumstances Review*, 83 FR 24973 (May 31, 2018) (*Preliminary Results*) and the accompanying Preliminary Decision Memorandum.

⁶ HHI and HEES are collectively referred to as Hyundai. See Letter from Hyundai to Commerce, “Large Power Transformers from Korea: Hyundai’s Case Brief,” dated July 6, 2018.

⁷ See Letter from the petitioner to Commerce, “Large Power Transformers from the Republic of Korea: Petitioner’s Rebuttal Brief,” dated July 13, 2018.

⁸ See Memorandum to Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, “Final Results of Changed Circumstances Review