SPT 2021 IN

OTTAWA, September 10, 2021

STATEMENT OF REASONS

Concerning the preliminary determination with respect to the dumping of

CERTAIN SMALL POWER TRANSFORMERS ORIGINATING IN OR EXPORTED FROM AUSTRIA, CHINESE TAIPEI, AND SOUTH KOREA

DECISION

Pursuant to subsection 38(1) of the *Special Import Measures Act*, the Canada Border Services Agency made a preliminary determination on August 27, 2021 respecting the dumping of certain small power transformers originating in or exported from Austria, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei), and South Korea.

Cet *Énoncé des motifs* est également disponible en français.
This *Statement of Reasons* is also available in French.

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Canada

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SUMMARY OF EVENTS

[1] On February 23, 2021, the Canada Border Services Agency (CBSA) received a written complaint from Transformateurs Delta Star Inc., Northern Transformer, PTI Transformers Inc., and PTI Transformers L.P. (hereinafter, the "complainants") alleging that imports of certain small power transformers (SPT) originating in or exported from Austria, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei), and South Korea (hereinafter "named sources") have been dumped, have caused injury and are threatening to cause injury to Canadian producers of SPT.[1]

[2] On March 16, 2021, pursuant to paragraph 32(1)(a) of the *Special Import Measures Act* (SIMA), the CBSA informed the complainants that the complaint was properly documented. The CBSA also notified the governments of the named sources that a properly documented complaint had been filed with the CBSA.

[3] The complainants provided evidence to support the allegations that SPT from the named sources have been dumped and that this dumping has caused injury and is threatening to cause injury to the domestic industry producing like goods.

[4] On April 15, 2021, pursuant to subsection 31(1) of SIMA, the CBSA initiated an investigation respecting the dumping of SPT from the named sources.

[5] Upon receiving notice of the initiation of the investigation, the Canadian International Trade Tribunal (CITT) commenced a preliminary injury inquiry, pursuant to subsection 34(2) of SIMA, into whether the evidence discloses a reasonable indication that the alleged dumping of the above-mentioned goods has caused injury or retardation or is threatening to cause injury to the Canadian industry producing the like goods.

[6] On June 14, 2021, pursuant to subsection 37.1(1) of SIMA, the CITT made a preliminary determination that there is evidence that discloses a reasonable indication that the dumping of SPT from the named sources has caused injury or is threatening to cause injury to the domestic industry.[2]

[7] On July 7, 2021 the CBSA notified interested parties that the preliminary stage of the investigation will be extended pursuant to subsection 39(1) of SIMA.

[8] On August 27, 2021, as a result of the CBSA's preliminary investigation and pursuant to subsection 38(1) of SIMA, the CBSA made a preliminary determination of dumping of SPT from the named sources.

[1] Exhibit 2 (NC) – Small Power Transformers Complaint
[2] Canadian International Trade Tribunal; Certain Small Power Transformers Determination and Reasons (June 14, 2021), PI-2021-001

[9] On August 27, 2021, pursuant to subsection 8(1) of SIMA, provisional duty was imposed on imports of dumped goods that are of the same description as any goods to which the preliminary determination applies, and that are released during the period commencing on the day the preliminary determination was made and ending on the earlier of the day on which the CBSA causes the investigation in respect of any goods to be terminated pursuant to subsection 41(1) of SIMA or the day the CITT makes an order or finding pursuant to subsection 43(1) of SIMA. Where an exporter's estimated margin of dumping was found to be insignificant, provisional duty does not apply.

PERIOD OF INVESTIGATION

[10] The Period of Investigation (POI) is July 1, 2019 to December 31, 2020.

PROFITABILITY ANALYSIS PERIOD

[11] The Profitability Analysis Period (PAP) is January 1, 2019 to December 31, 2020.

INTERESTED PARTIES

Complainants

[12] The contact information of the complainants are as follows:

Northern Transformer Corporation
245 McNaughton Road East
Maple, ON, L6A 4P5

PTI Transformers Inc.
1155 Park Street
Regina, SK, S4N 4Y8
PTI Transformers L.P.
101 Rockman Street Winnipeg, MB, R3T 0L7

Transformateurs Delta Star Inc.
860 Lucien Beaudin
Saint-Jean-sur Richelieu, QC, J2X 5V5

Northern Transformers Corporation

[13] Northern Transformers Corporation (Northern) is a manufacturer of SPT that has been located in Maple, Ontario, since 2016. Northern manufactures power transformers throughout the range covered by the scope of this complaint, and up to 200 mega volt amperes (MVA) and 240 kilo volts (kV).[3]

[14] Northern was founded in 2012 when new ownership led by Giovanni Marcelli purchased the assets of Northern Transformer Inc., which was originally incorporated in Concord, Ontario in 1981 by Eric Borgenstein, Doug Hazelton and William Kemp.[4]

PTI Transformers Inc.

[15] PTI Transformers Inc. and PTI Transformers L.P. (collectively, "PTI"), is the largest fully Canadian-owned manufacturer of power transformers in Canada. PTI produces power transformers at two facilities in Regina and Winnipeg. The Regina factory can produce SPT to as large as 40 MVA. The Winnipeg facility is a modern plant producing SPT throughout the range covered by this complaint, as well as up to 750 MVA.[5]

[16] PTI was founded in 1989 in Regina, Saskatchewan. In 2015, PTI acquired the former CG Power Winnipeg transformer production facility and has been in operation since 1979. The Winnipeg facility was first established in 1946 when Pioneer Electric began producing small distribution transformers. The facility changed ownership over the years, from Pioneer to Schneider Electric, Pauwels Canada, and CG Power Systems Canada before its acquisition by PTI.[6]

Transformateurs Delta Star Inc.

[17] Transformateurs Delta Star Inc. (Delta Star Canada) is a wholly owned subsidiary of Delta Star Inc., which is an employee-owned company, with its headquarters located in the United States of America (USA). Delta Star Inc. has three production facilities between the USA and Canada, the Canadian facility is located in Saint-Jean-sur-Richelieu, Québec. The facility in Québec is capable of producing the full range of transformers which are the subject of this complaint, as well as larger transformers of up to 175 MVA and 345 kV.[7]

[3] Exhibit 2 (NC) – Small Power Transformers Complaint, Paras. 75-77.
[4] Exhibit 2 (NC) – Small Power Transformers Complaint, Paras. 75-77.
[5] Exhibit 2 (NC) – Small Power Transformers Complaint, paras. 73-74.
[6] Exhibit 2 (NC) – Small Power Transformers Complaint, paras. 73-74.
[7] Exhibit 2 (NC) – Small Power Transformers Complaint, paras. 78-81.

Other Canadian Producers

[18] The following Canadian producers also manufacture SPT:

Transformateurs Pioneer Ltée.
612, Bernard Road
Granby, QC
J2J 0H6
Tel: (450) 378-9018

Stein Industries Inc.
19 Artisans Crescent
London, ON N5V 5E9
Tel: (519) 659-3659

Transformateurs Pioneer Ltée.

[19] Transformateurs Pioneer Ltée. (Pioneer) is a subsidiary of Spire Power Solutions (Spire). Spire provides a full range of solutions to meet the most demanding needs of the commercial, industrial, and utility markets for power and distribution transformers.[8] As a part of Spire, Pioneer designs and manufactures liquid-filled transformers for unique applications.[9] Pioneer submitted a letter expressing its support to the complaint.[10]

Stein Industries Inc.

[20] Stein Industries Inc. (Stein) designs and manufactures power and distribution transformers, preventive auto transformers, transit rectifier power transformers along with transformer rectifiers for electrostatic precipitators. It also offer expertise and guidance in designing to the customer's specifications and requirements.[11] Stein submitted a letter expressing its support to the complaint.[12]

Trade Union

[21] Northern's workforce is represented by Unifor.[13]

[22] PTI's Winnipeg workforce is represented by the United Steel Workers.[14]

[8] https://spirepowersolutions.com/about/
[9] https://pioneertransformers.com/about/
[10] Exhibit 2 (NC) – Small Power Transformers Complaint, Exhibit 5-7 – Public.
[11] https://steinindustriesinc.com/
[12] Exhibit 1 (PRO) – Small Power Transformers Complaint, Exhibit 5-6 – Confidential.
[13] Exhibit 2 (NC) – Small Power Transformers Complaint, para. 99.
[14] Exhibit 2 (NC) – Small Power Transformers Complaint, para. 101.

Importers

[23] The CBSA identified 12 potential importers of the subject goods from CBSA import documentation. The CBSA sent an Importer Request for Information (RFI) to all potential importers of the goods.[15] Upon review of the Exporter Dumping RFIs, additional potential importers were identified and subsequently sent the CBSA's Importer RFI . Eight companies provided a response to the Importer RFI.

Exporters

[24] The CBSA identified 10 potential exporters, vendors and producers of the subject goods from CBSA import documentation and from information provided by the Canadian producers. All of the potential exporters were asked to respond to the CBSA's Dumping RFI.[16]

[25] Five companies provided responses to the CBSA's Dumping RFI.

[26] Of the responses received, four were considered substantially complete submissions for purposes of a preliminary determination. These submissions and results have been summarized in the *Preliminary Results of the Dumping Investigation* section, found below.

[27] Respondents who have not provided complete submissions have been informed that their information may be used for the purposes of a final determination only if a complete response is provided in a timely fashion, bearing in mind the time limits of the investigation.

PRODUCT INFORMATION

Product Definition[17]

[28] For the purpose of this investigation, subject goods are defined as:

Liquid dielectric transformers having a top power handling capacity equal to or greater than 3,000 kilovolt amperes (kVA) (3 megavolt amperes (MVA)), and less than 60,000 kilovolt amperes (kVA) (60 megavolt amperes (MVA)), and having a nominal high voltage rating of greater than 34.5 kilovolts (kV), whether assembled or unassembled, complete or incomplete, originating in or exported from the Republic of Austria, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei), and the Republic of Korea.

[15] Exhibit 23 (NC) – RFI sent to importers
[16] Exhibit 22 (NC) – Dumping RFI
[17] Exhibit 2 (NC) – Small Power Transformers Complaint, para. 4.

Additional Product Information[18]

[29] For greater clarity, the subject goods include but are not limited to transformers manufactured to meet CSA standard C88-16, "Power transformers and reactors," and superseding or equivalent standards, and similar proprietary specifications and standards that may be established by a customer for power transformers whether or not expressly based on or incorporating CSA C88-16.

[30] Incomplete SPT are subassemblies consisting of the active part and any other parts attached to, imported with, or invoiced with the active parts of the SPT. The "active part" of the SPT 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, and/or the mechanical frame for an SPT.

[31] The product definition encompasses all SPT regardless of name designation, including but not limited to: Generation Station/Generator Step-Up Transformers, Step-Down Transformers, Auto-Transformers, Interconnection Transformers, Voltage Regulator Transformers, High-voltage Direct Current ("HVDC") Transformers, and Mobile Transformers.

[32] The subject goods do not include reactors, as reactors are not like SPT. Reactors are used at the terminal end of a transmission line to neutralize the reactive power generated by the line capacitance. Rather than transform voltage from one level to another, as SPT do, reactors reduce voltage drop by consuming reactive power. Reactors, therefore, have very different end uses than SPT. Reactors are also produced differently than SPT. Reactors contain, in general, only one winding and are based on a completely different core concept than SPT. SPT, on the other hand, typically have more than one winding.

[33] For greater clarity, the subject goods also do not include fully assembled mobile substations but do include SPT that are designed to be incorporated into mobile substations.

Product Characteristics

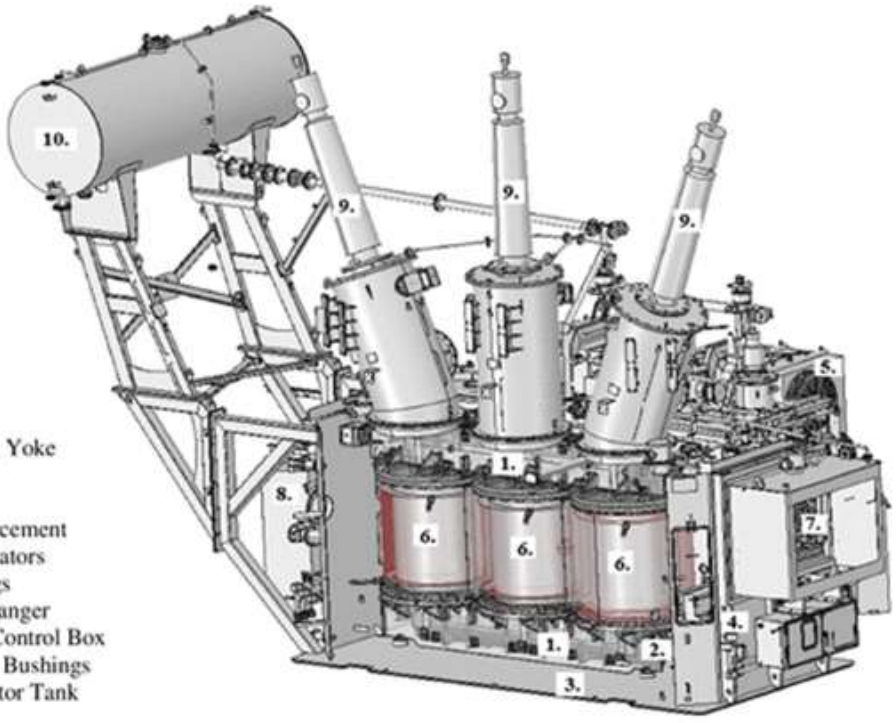
[34] All SPT are capital goods that are made to order from a customer's specifications based on the customer's particular needs. They are used to increase, maintain or decrease electric voltage in high voltage transmission and distribution systems. Broadly speaking, the distribution of electricity requires transformers to first increase (or "step-up") the voltage from the source of generation (e.g., a hydro dam) so that it can be transmitted more efficiently at higher voltages; and to second decrease (or step-down) voltage for purposes of distribution to users. SPT are also used to connect different parts of transmission and distribution networks.

[18] Exhibit 2 (NC) – Small Power Transformers Complaint, paras. 5-9.

[35] SPT use electromagnetic induction between circuits to increase, decrease or transfer the output voltage levels being transmitted. Induction occurs when the electromagnetic field caused by electricity moving through a conductor crosses a second electrical conductor and generates a voltage in the second conductor even though the two conductors are not directly connected. This requires a fluctuating magnetic field generated by alternating current entering into an input conductor.

[36] SPT all share certain basic, key physical characteristics. All SPT have at least one "active part" where the electromagnetic induction occurs. This consists of a core, winding, electrical insulation between the windings, and a clamping system to hold the internal assembly together. The internal assembly is placed into a metal tank that is filled with an insulating media and has a cooling system attached. A diagram showing the major internal components of an SPT follows:

Figure 1 - SPT Showing Major Internal Components



1. Core Bracing Yoke
2. Metal Core
3. Tank Base
4. Tank Reinforcement
5. Cooling Radiators
6. Coil Windings
7. Load Tap Changer
8. Mechanical Control Box
9. High-voltage Bushings
10. Oil Conservator Tank

[37] The core of an SPT is made of grain-oriented silicone steel and is laminated with an inorganic coating. The silicone steel is layered in pieces and shaped into the legs and yokes of the core. Cores typically consist of two, three, four, or five legs depending on the number of phases, capacity, and transport restrictions. SPT below 10 MVA may sometimes use wound cores in some applications where the core laminations are wound around the windings instead of stacked into legs and yokes.

[38] Upon the core are windings made of copper conductor covered in insulation paper and/or enamel coating to insulate the turns from one another. They provide both electrical power input and output. There are typically windings for each voltage level and there can also be one or more windings for voltage regulation. Winding can be done through layer winding, helical winding, disc winding or interleaved disc winding. The winding method employed depends on the capacity, voltage and tap range of each SPT as specified.

[39] The core and windings are placed in a tank, which protects the active parts of the SPT. The tank must be strong enough to withstand an internal pressure of a full vacuum and external factors such as weather. The tank is usually filled with fluid (typically oil) for cooling and insulation. The size of the tank varies depending on the size of the core, required voltage clearances, number of windings and type of regulation, which itself is a function of the energy being transformed and customer specification.

[40] Lastly, all SPT possess a cooling system which ensures that heat is dissipated and prevents exceeding the specified temperature rise in the SPT. The cooling method is determined by the customer's requirements and use. SPT can employ several different cooling systems including: natural oil cooling/natural air cooling (often abbreviated as "ONAN"), natural oil cooling/forced air cooling ("ONAF"), forced oil cooling/forced air cooling ("OFAF"), directed oil cooling/forced air cooling ("ODAF"), and forced oil cooling/forced water cooling ("OFWF"). Other insulating fluids, such as ester-based fluids or silicone, will have the 'O' abbreviation substituted with other characters identifying the fluid (i.e. K or L).

[41] A number of raw materials are common to the construction of all SPT. The most significant raw materials used are copper, electrical (magnetic) steel, tank steel, and insulation material. Oil is also a very important insulation element often included in the sale of the SPT or purchased separately by the customer.

[42] Within the class of goods of SPT, there are 16 common customizable features or product characteristics, which can be manufactured to correspond to specified customer criteria. The precise specification required for each of these features may significantly affect the overall cost of producing the required transformer.

[43] The most common customizable features are:

- Maximum MVA rating;
- Type;
- Voltage;
- Basic impulse level (BIL) voltage;
- Number of windings;
- Number of phases (either 1 or 3 phase);
- Impedance;
- Regulation by tap changer;
- Noise level;
- Load losses (expressed in kilowatts);
- No load losses (expressed in kilowatts);
- Cooling class;
- Overload capability requirement;
- Frequency;
- Type of current to be transformed (AC current or DC current)

Production Process[19]

[44] The production of SPT normally has five main steps, which entails: (1) design; (2) core fabrication; (3) coil fabrication and coil-and-core assembly; (4) tanking; and (5) testing.

1. Design

[45] The first step in the production process is the design of the SPT. As a customized product, engineers must set out the electrical and mechanical design of the SPT, subject to customer approval. The engineer prepares mechanical drawings, detailed and transport drawings, schematics control designs, cabling diagrams and control cabinet diagrams.

2. Core fabrication

[46] After the design phase, the manufacturing phase begins. The first step in the manufacturing phase is creating the core of the SPT. The core is made by cutting laminated electrical steel sheets and stacking them one upon the other in a well-defined way. The stacked sheets are then pressed together, and positioning equipment is used to set the core in an upright position. As noted above, SPT below 10 MVA may sometimes use wound cores where the core laminations are wound around the windings instead of stacked, although the functionality of the transformer remains the same.

3. Coil fabrication and coil-and-core assembly

[47] The next step is to prepare the windings (coil fabrication) and coil-and-core assembly. The windings are fabricated from copper wire and covered with insulation paper. They are dried to eliminate all moisture contents. The particular winding method employed can vary depending on the particular SPT design. The core-and-coil assemblies are held together by a specific design system.

4. Tanking

[48] The tank is usually painted inside and out to prevent corrosion. After assembly, the unit is dried a second time to eliminate any moisture. The coil-and-core assembly is then placed into a steel tank. The tank is equipped with a cooling system. The cooling media is the electrical insulating fluid. The cooling system used depends on the application of the SPT as specified by the customer.

[19] Exhibit 2 (NC) – Small Power Transformers Complaint, paras. 33-38.

5. Testing

[49] After the manufacturing steps are complete, the SPT is subjected to rigorous testing in accordance with the applicable standards defined by the customer before it is sent for delivery to the customer. For purposes of testing prior to shipment to the customer, the cooling media (usually insulating oil) must be added to the tank. However, for purposes of shipping, the cooling media is often drained and refilled on site with a local supply due to the added weight. In the case of imported SPT from the named sources, which must be shipped a much longer distance overseas and loaded and offloaded at ocean ports, the Complainants understand that the cooling media (e.g. insulating oil) is drained at the foreign factory and refilled onsite in Canada from a local supply.

Product Use[20]

[50] All SPT are used to transform voltage from one level to another as a result of the electromagnetic induction coils. There are three types of applications for SPT in terms of how they transform voltages. SPT can be applied as a Generation Station Unit, as an Auto-Transformer or as a Substation Transformer. Generation Station Units are primarily used to step voltage from a generating station up to a high voltage transmission grid. Depending on the secondary voltage, an Auto-Transformer is sometimes used after the generator transformer to further step up the voltage. Auto-Transformers are also used to interconnect systems operating at different voltage classes. The third use of an Auto-Transformer is to gradually step voltage down to the substation units. Auto-Transformers work in both the step-up and step-down operations. Substation Transformers step the voltage down to the distribution grid. In general, the difference between Auto-Transformers and Substation Transformers is in the design. Substation Transformers are galvanically separated whereas an Auto-Transformer is based on common winding in two voltage systems.

Classification of Imports

[51] Prior to 2019, imports into Canada of the subject goods were normally classified under the following tariff classification numbers: 8504.22.00.20 and 8504.23.00.00.

[52] Since 2019, imports into Canada of the subject goods are normally classified under the following tariff classification numbers: 8504.22.00.20 and 8504.23.00.10.

[53] Incomplete SPT and parts and components thereof may also be imported under the following tariff classification numbers: 8504.90.90.10, 8504.90.90.82 and 8504.90.90.90.

[20] Exhibit 2 (NC) – Small Power Transformers Complaint, paras. 30-31.

[54] The listing of tariff classification numbers is for convenience of reference only. The tariff classification numbers may include non subject goods. Also, subject goods may fall under tariff classification numbers that are not listed. Refer to the product definition for authoritative details regarding the subject goods.

LIKE GOODS AND SINGLE CLASS OF GOODS

[55] Subsection 2(1) of SIMA defines "like goods" in relation to any other goods as goods that are identical in all respects to the other goods, or in the absence of any identical goods, goods the uses and other characteristics of which closely resemble those of the other goods.

[56] In considering the issue of like goods, the CITT typically looks at a number of factors, including the physical characteristics of the goods (such as composition and appearance), their market characteristics (such as substitutability, pricing, distribution channels and end uses) and whether the domestic goods fulfill the same customer needs as the subject goods.

[57] In its past inquiry involving *Liquid Dielectric Transformers*, the CITT determined that domestically produced power transformers with a top power handling capacity of 60 MVA or greater constituted a single class of "like goods" in relation to the subject goods.[21] This position was maintained in the *Liquid Dielectric Transformers* Expiry Review in 2018, as indicated by its Order and Reasons.[22]

[58] While all SPT have similar characteristics and uses, they are capital goods that are made to order from a customer's specifications based on the customer's particular needs. The goods produced in the named sources are used to increase, maintain or decrease electric voltage in high voltage transmission and distribution systems. Both the goods in Canada and in the named sources are produced following substantially the same production process and follow the same key steps of design. Given the same specifications, the goods produced by the complainants are completely substitutable with the subject goods imported from the named sources.

[59] Although the goods produced by the Canadian industry may or may not be considered identical in all respects to the subject goods imported from the named sources, the CBSA has concluded that the Canadian goods closely resemble the subject goods. Further, after reviewing the raw material used to produce the goods, the production process, the physical characteristics of the goods, the end-uses and all other relevant factor, the CBSA is of the opinion that the subject goods constitute only one class of goods.

[21] CITT Statement of Reasons, Liquid Dielectric Transformers Finding No.NQ-2012-001, November 20, 2012, paragraphs 51 and 52.
[22] CITT Statement of Reasons, Liquid Dielectric Transformers Expiry Review No.RR-2017-002, May 31, 2018, paragraphs 17 and 18.

THE CANADIAN INDUSTRY

[60] The domestic industry is comprised of the three complainants, as well as Transformateurs Pioneer Ltée. and Stein Industries Inc., who support the complaint.[23] Based on the available evidence, the CBSA is satisfied that the complainants and the supporting producers account for all known production of like goods produced in Canada.

IMPORTS INTO CANADA

[61] During the preliminary phase of the investigation, the CBSA refined the estimated volume and value of imports based on information from CBSA import entry documentation and other information received from exporters and importers.

[62] The following table presents the CBSA's analysis of imports of SPT for the purposes of the preliminary determination:

Imports of Certain Small Power Transformers
(POI : July 1, 2019 – December 31, 2020)

Origin or Source	**Estimated % of Total Imports** (by Volume)
Austria	4.2%
Chinese Taipei	6.3%
South Korea	33.3%
All Other Countries	56.3%
Total Imports	**100%**

INVESTIGATION PROCESS

[63] Regarding the investigation, information was requested from all known and potential exporters, producers, vendors and importers, concerning shipments of SPT released into Canada during the POI.

[23] Exhibit 2 (NC) – Small Power Transformers Complaint

[64] The governments and the exporters/producers were notified that failure to submit all required information and documentation, including non-confidential versions, failure to comply with all instructions contained in the RFI, failure to permit verification of any information or failure to provide documentation requested during the verification visits may result in the margins of dumping and the assessment of anti-dumping duties on subject goods being based on facts available to the CBSA. Further, they were notified that a determination on the basis of facts available could be less favorable to them than if complete, verifiable information was made available.

[65] Several parties requested an extension to respond to their respective RFIs. The CBSA reviewed all requests and all exporters that requested an extension were granted an extension of time that still provided CBSA adequate time to review their responses for purposes of the preliminary determination of the investigation.

[66] After reviewing the RFI responses, supplemental RFIs (SRFIs) were sent to respondents who submitted complete submissions in order to clarify information provided in the responses and request additional information, where necessary.

[67] For the responding party that did not provide complete information, deficiency letters were sent in order to notify the party that information was missing and that without the missing information being furnished, a preliminary determination would be made on the basis of facts available.

[68] The preliminary determination is based on the information available to the CBSA at the time of the preliminary determination. During the final phase of the investigation, additional information may be obtained and responding parties information may be verified, the results of which will be incorporated into the CBSA's final decision, which must be made by November 25, 2021.

PRELIMINARY RESULTS OF THE DUMPING INVESTIGATION

[69] The following presents the preliminary results of the investigation into the dumping of SPT from the named sources.

Normal Value

[70] Normal values are generally estimated based on the domestic selling prices of like goods in the country of export, in accordance with the methodology of section 15 of SIMA which relies on domestic prices, or one of the methodologies of section 19. Where the methodology of subsection 19(b) is used, it is based on the aggregate of the cost of production of the goods, a reasonable amount for administrative, selling and all other costs, plus a reasonable amount for profits.

Export Price

[71] The export price of goods sold to importers in Canada is generally estimated in accordance with the methodology of section 24 of SIMA based on the lesser of the adjusted exporter's sale price for the goods or the adjusted importer's purchase price. These prices are adjusted where necessary by deducting the costs, charges, expenses, duties and taxes resulting from the exportation of the goods as provided for in subparagraphs 24(a)(i) to 24(a)(iii) of SIMA.

[72] Where there are sales between associated persons and/or a compensatory arrangement exists, the export price is estimated based on the importer's resale price of the imported goods in Canada to unrelated purchasers, less deductions for all costs incurred in preparing, shipping and exporting the goods to Canada that are additional to those incurred on the sales of like goods for use in the country of export, all costs included in the resale price that are incurred in reselling the goods (including duties and taxes) or associated with the assembly of the goods in Canada and an amount representative of the average industry profit in Canada as provided for in paragraphs 25(1)(c) and 25(1)(d) of SIMA.

Margin of Dumping

[73] The estimated margin of dumping by exporter is equal to the amount by which the total estimated normal value exceeds the total estimated export price of the goods, expressed as a percentage of the total estimated export price. All subject goods imported into Canada during the POI are included in the estimation of the margins of dumping of the goods. Where the total estimated normal value of the goods does not exceed the total estimated export price of the goods, the margin of dumping is zero.

[74] Further information regarding each respondent who submitted a response is detailed below.

Austria

Siemens Energy Austria GmbH

[75] Siemens Energy Austria GmbH (SE AT) is a producer and exporter of subject goods, located in Linz, Austria. During the POI, 100% of the volume of subject goods from Austria were exported by SE AT to Canada and were sold to a related importer, Siemens Energy Canada Ltd.

[76] SE AT provided a response to the Dumping RFI on May 25, 2021, however, due to issues identified by the SIMA disclosure officer regarding the public version of confidential documents, the submission was not added to the exhibit listing until June 11, 2021. Upon review, it was determined that SE AT's initial response to the RFI was incomplete and SE AT was issued a letter of deficiency on June 28, 2021. The letter noted deficiencies and advised SE AT to provide a revised RFI response as soon as possible to ensure that the CBSA has sufficient time to review, analyze and verify the information provided.

[77] A full resubmission of the Dumping RFI was received from SE AT on July 6, 2021. A review of the resubmission revealed that deficiencies still remained which prevented the CBSA from estimating normal values and export prices in accordance with the methodologies provided in sections 15 to 28 of SIMA. As such, on August 6, 2021, the CBSA issued a correspondence to SE AT outlining essential information that was still outstanding. Consequently, for purposes of the preliminary determination, information provided by SE AT remains incomplete and has not been considered by the CBSA.

[78] As a result, the normal values and export prices were estimated on the basis of facts available. In establishing the methodology for estimating normal values and export prices, the CBSA analyzed all the information on the administrative record, including the complaint filed by the domestic industry, the CBSA's estimates at the initiation of the investigation and information submitted by exporters of SPT from the named sources.

[79] The CBSA decided that the normal values estimated for the exporter whose submission was substantially complete for the preliminary determination, rather than the information provided in the complaint or estimated at initiation, would be used to establish the methodology for estimating normal values since it reflects exporters' actual trading practices during the POI.

[80] As no other exporter or producer from Austria provided a response that was substantially complete, the CBSA examined the difference between the estimated normal value and the estimated export price for each individual transaction for Chinese Taipei and South Korea, and considered that the highest amount (expressed as a percentage of the export price), was an appropriate basis for estimating normal values. This methodology limits the advantage that an exporter may gain from not providing necessary information requested as part of the dumping investigation.

[81] As a result, for the purposes of the preliminary determination, normal values of subject goods exported from Austria by SE AT were estimated based on the highest amount by which an estimated normal value exceeded the estimated export price, on an individual transaction for Hyundai Energy and Electric Systems during the POI.

[82] The CBSA considered that the information submitted on the CBSA customs entry documentation will be the best information on which to estimate the export price of the goods as it reflects actual import data.

[83] Using the above methodologies, for the preliminary determination, the estimated margin of dumping for SE AT is 78.4%, expressed as a percentage of the export price.

Chinese Taipei

Shihlin Electric & Engineering Corporation

[84] Shihlin Electric & Engineering Corporation (SEEC) was established in 1955 and is a publicly traded corporation listed on the Taiwan Stock Exchange. Headquartered in Taipei, SEEC manufactures transformers in Chinese Taipei and Vietnam. SEEC also manufactures breakers, switchgear, factory automation control products and automotive and motorcycle parts at facilities located in Chinese Taipei and China. SEEC sells its transformers both domestically as well as to other markets around the world.

[85] SEEC manufactured and exported 100% of the volume of subject goods from Chinese Taipei imported into Canada during the POI. While the subject goods were exported directly to SEEC's customers in Canada, some of the transactions involved documentation listing Shihlin Electric USA Company Limited (SEUSA), a wholly-owned subsidiary of SEEC located in Pasadena, California.

[86] SEEC provided a substantially complete response to the CBSA's Dumping RFIs as well as a supplemental RFI. Substantially complete responses to the Dumping RFI were also received from SEEC's Canadian customers as well as SEUSA. However, it should be noted that a response from one of SEEC's Canadian customers was received too late to be taken into consideration for purposes of the preliminary determination. However, information in that late submission will be considered for purposes of the final decision.

[87] Based on the information and supporting documentation available, the CBSA found that SEUSA was not the importer for SIMA purposes for any of the importations of subject goods from SEEC that occurred during the POI.

[88] During the PAP, SEEC did not have any sales of like goods in their domestic market. As a result, normal values were estimated using the methodology of paragraph 19(b) of SIMA, based on the aggregate of cost of production of the subject goods, a reasonable amount for administrative, selling and all other costs, and a reasonable amount for profits. Domestic selling prices were adjusted to deduct the cost of delivery, where applicable, in accordance with section 7 of *Special Import Measures Regulations* (SIMR). While domestic sales were made on credit terms other than cash discounts, there was insufficient information to adjust prices in accordance with subsection 21(2) of SIMA for purposes of the preliminary determination.

[89] The reasonable amounts for profits were estimated in accordance with subparagraph 11(1)(b)(ii) of the SIMR, based on the weighted average profit made on profitable domestic sales of goods of the same general category sold during the PAP.

[90] As all of the subject goods exported by SEEC were imported by unrelated Canadian customer during the POI, export prices for the subject goods were estimated in accordance with section 24 of SIMA, based on the lesser of the exporter's selling price and the importer's purchase price, adjusted by deducting the costs, charges and expenses incurred in preparing the goods for shipment to Canada and resulting from the exportation and shipment of the goods. As export sales were also made on credit terms other than cash discounts, prices were adjusted in accordance with subsection 27(2) of SIMA.

[91] The total estimated normal value compared to the total estimated export price results in an estimated margin of dumping of 17.2% for SEEC, expressed as a percentage of the export price.

South Korea

Hyundai Electric & Energy Systems Co., Ltd.

[92] Hyundai Heavy Industry was incorporated in Ulsan, Korea in 1972, and was initially engaged in the construction of large ocean vessels, but has since diversified into other business lines. In April 2017, their Electro Electric Systems division was spun off into a separate corporate entity called Hyundai Electric and Energy Systems Co., Ltd. (Hyundai Energy) which is the entity that produces and exports the subject goods.

[93] Hyundai Corporation (Hyundai Corp) was incorporated in 1976 as a general trading house, and over time expanded to handle international trade and distribution services for a wide range of products. Both Hyundai Energy and Hyundai Corp are directly or indirectly controlled by the same person (via family members) i.e. the Chung family, as such, the two companies are considered related for purposes of SIMA.

[94] Hyundai Energy manufactured and exported subject goods representing 43.8% of the total volume of subject goods imported into Canada from South Korea during the POI . All of the subject goods exported by Hyundai Energy were imported either by the related Canadian importer Hyundai Canada, through Hyundai Corporation, or directly by an associated importer, Remington. The CBSA examined a number of relevant factors to identify the exporter, and found that Hyundai Energy is the exporter for purposes of SIMA.

[95] Hyundai Energy provided a substantially complete response to the CBSA's Dumping RFI as well as a supplemental RFI. Hyundai Energy did not have sales of like goods in their domestic market. As a result, normal values were estimated using the methodology of paragraph 19(b) of SIMA, based on the aggregate of cost of production, a reasonable amount for administrative, selling and all other costs, and a reasonable amount for profits. As domestic sales were made on credit terms other than cash discounts, prices were also adjusted in accordance with subsection 21(2) of SIMA.

[96] The reasonable amount for profits was estimated in accordance with subparagraph 11(1)(b)(ii) of SIMR, based on the weighted average profit made on profitable domestic sales of goods of the same general category sold during the PAP.

[97] Since Hyundai Energy is related to Hyundai Corp and its importer, Hyundai Canada, a reliability test was performed to determine whether the section 24 export prices between Hyundai Energy and Hyundai Canada were reliable as envisaged by SIMA. This test was conducted by comparing the section 24 export price with the section 25 export price. As export sales were also made on credit terms other than cash discounts, prices were also adjusted in accordance with section 27 of SIMA.

[98] The reliability test revealed that the estimated export price in accordance with section 24 of SIMA was unreliable and, therefore, export price was estimated in accordance with section 25.

[99] Remington is an exclusive agent for Hyundai Energy that did not provide a response to the Importer RFI. Remington has previously been found to be not operating at arm's length with Hyundai Energy's predecessor, Hyundai Heavy Industry.[24] As no information was submitted by Remington, the CBSA was unable to apply the provisions of sections 24 or 25 of SIMA and conduct a reliability test for transactions involving Remington. As such, for purposes of the preliminary determination, the CBSA estimated export prices for those transactions by adjusting the normal value for each Remington importation of subject goods during the POI by a factor derived from the highest amount by which a normal value exceeded an export price on an individual transaction by a cooperating exporter in South Korea. In this case, the highest estimated margin of dumping was 78.4%, found on the transaction between Hyundai Energy and Hyundai Canada.

[100] The total estimated normal values compared to the total estimated export prices, results in an estimated margin of dumping of 78.4% for Hyundai Energy, expressed as a percentage of the export price.

IEN Hanchang Co., Ltd.

[101] IEN Hanchang Co., Ltd. (Hanchang) is a producer and exporter of subject goods. Hanchang's head office, along with its main production facility capable of producing subject goods, is located in Busan, South Korea. Exports of subject goods by Hanchang represents 2.1% of the volume of subject goods exported to Canada during the POI.

[24] Certain *Liquid Dielectric Transformers*, Statement of Reasons of the New Final Determination (March 21, 2014), AD/1395 (CBSA) at para 75 ("Although HHI's other importer, Remington, is not related to HHI, confidential information provided by HHI and Remington shows that Remington is not operating at arm's length with HHI. The CBSA has therefore, determined that HHI and Remington are associated and a reliability test was performed to determine whether the section 24 export prices between HHI and Remington were reliable as envisaged by SIMA.") https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ad1395/ad1395-i13-fd2-eng.html

[102] Hanchang provided a substantially complete response to the CBSA's Dumping RFI. Hanchang did not have sales of like goods in their domestic market. As a result, normal values were estimated using the methodology of paragraph 19(b) of SIMA, based on the aggregate of cost of production, a reasonable amount for administrative, selling and all other costs, and a reasonable amount for profits. Since Hanchang did not have domestic sales of like goods or goods of the same general category, a reasonable amount for profits was estimated in accordance with subparagraph 11(1)(b)(iv) of the SIMR, based on the weighted average profit on the sales of goods of the same general category made by producers, other than the exporter, in the country of export.

[103] During the POI, subject goods exported to Canada by Hanchang were sold to an unrelated importer, as well as, an affiliated trading company HC Transformer & Switchgear (HC TNS). Due to the relationship between Hanchang and HC TNS, the CBSA examined a number of relevant factors to identify the exporter, and found that Hanchang is the exporter for the purposes of SIMA.

[104] Export prices were estimated using the methodology of section 24 of SIMA, based on the lesser of the exporter's selling price and the importer's purchase price, adjusted by deducting the costs, charges and expenses incurred in preparing the goods for shipment to Canada and resulting from the exportation and shipment of the goods. As export sales were also made on credit terms other than cash discounts, prices were adjusted in accordance with subsection 27(2) of SIMA.

[105] The total estimated normal value compared to the total estimated export price results in an estimated margin of dumping of 0.0% for Hanchang, expressed as a percentage of the export price.

ILJIN Electric Co., Ltd.

[106] ILJIN Electric Co., Ltd (ILJIN KR) was established in 1968 and has been listed on the Korean Stock Exchange since August 2008. ILJIN KR produces and sells equipment used in power generation, transmission, and transformation of electric power and distribution to global markets. ILJIN KR focuses on the production of transmission and distribution equipment, which includes transformers, as well as extra high voltage cables.

[107] ILJIN KR manufactured and exported subject goods representing 40.6% of the total volume of subject goods imported into Canada from South Korea during the POI. All of the subject goods exported by ILJIN KR were imported by ILJIN Electric USA. Inc. (ILJIN USA), a wholly-owned subsidiary of ILJIN KR located in the Houston, Texas. All of the subject goods imported by ILJIN USA were resold unrelated customers in Canada and were shipped directly from ILJIN KR to ILJIN USA's customer in Canada.

[108] Both ILJIN KR and ILJIN USA provided substantially complete responses to the CBSA's Dumping RFIs as well as supplemental RFIs.

[109] During the PAP, ILJIN KR did not have any sales of like goods in their domestic market. As a result, normal values were estimated using the methodology of paragraph 19(b) of SIMA, based on the aggregate of cost of production of the subject goods, a reasonable amount for administrative, selling and all other costs, and a reasonable amount for profits. Domestic selling prices were adjusted to deduct the cost of delivery, where applicable, in accordance with section 7 of SIMR. As domestic sales were made on credit terms other than cash discounts, prices were also adjusted in accordance with subsection 21(2) of SIMA.

[110] The reasonable amount for profits was estimated in accordance with subparagraph 11(1)(b)(ii) of SIMR, based on the weighted average profit made on profitable domestic sales of goods of the same general category sold during the PAP.

[111] As all of the subject goods from ILJIN KR were imported during the POI by a related party, ILJIN USA, a reliability test was performed to determine whether the export prices estimated based on section 24 of SIMA were reliable as envisaged by SIMA. This test was conducted by comparing the estimated section 24 export prices with export prices estimated in accordance with section 25 of SIMA. As export sales were also made on credit terms other than cash discounts, prices were also adjusted in accordance with subsection 27(2) of SIMA.

[112] The CBSA also deducted an amount from export prices estimated under sections 24 and 25 of SIMA to account for lump-sum payments made by the exporter to the related importer at the end of each year of the PAP. The lump-sum payments effectively represented a discount to the export price of subject goods imported by ILJIN USA from ILJIN KR and the deduction was made to arrive at the true price paid by the importer for the subject goods.

[113] The reliability test revealed that the export prices estimated in accordance with section 24 of SIMA were unreliable and, therefore, export prices were estimated in accordance with section 25 of SIMA.

[114] The total estimated normal value compared to the total estimated export price results in an estimated margin of dumping of 16.7% for ILJIN KR, expressed as a percentage of the export price.

All Other Exporters – South Korea

[115] For exporters of subject goods originating in or exported from South Korea that did not provide a response to the Dumping RFI or did not furnish sufficient information, the normal values and export prices were estimated on the basis of facts available.

[116] In establishing the methodology for estimating normal values and export prices, the CBSA analyzed all the information on the administrative record, including the complaint filed by the domestic industry, the CBSA's estimates at the initiation of the investigation and information submitted by exporters of SPT from the named sources.

[117] The CBSA decided that the normal values estimated for the exporter whose submission was substantially complete for the preliminary determination, rather than the information provided in the complaint or estimated at initiation, would be used to establish the methodology for estimating normal values since it reflects exporters' actual trading practices during the POI. The CBSA first considered whether the information from the exporters of SPT from South Korea who provided substantially complete information was appropriate to use as the basis for estimating the margin of dumping for all other exporters in South Korea.

[118] The CBSA examined the difference between the estimated normal value and the estimated export price for each individual transaction for South Korea, and considered that the highest amount (expressed as a percentage of the export price), was an appropriate basis for estimating normal values. This methodology relies on information related to goods that originated in South Korea and limits the advantage that an exporter may gain from not providing necessary information requested in a dumping investigation as compared to an exporter that did provide the necessary information.

[119] As a result, based on the facts available, for exporters that did not provide a response or provided an incomplete response to the Dumping RFI, normal values of subject goods originating in or exported from South Korea were estimated based on the highest amount by which an estimated normal value exceeded the estimated export price, on an individual transaction for Hyundai Energy during the POI.

[120] The CBSA considered that the information submitted on the CBSA customs entry documentation will be the best information on which to estimate the export price of the goods as it reflects actual import data.

[121] Using the above methodologies, for the preliminary determination, the estimated margin of dumping for all other exporters in South Korea is 78.4%, expressed as a percentage of the export price.

Summary of Preliminary Results

[122] A summary of the preliminary results of the dumping investigation respecting all subject goods released into Canada during the POI are as follows:

Summary of Preliminary Results
Period of Investigation (July 1, 2019 – December 31, 2020)

Origin or Source	Estimated % Volume of Subject Goods as a Percentage of Total Imports	Estimated Margin of Dumping (as % of Export Price)
Austria	**4.2%**	**N/A**
Siemens Energy Austria GmbH	4.2%	78.4%
Chinese Taipei	**6.3%**	**N/A**
Shihlin Electric & Engineering Corporation	6.3%	17.2%
South Korea	**33.3%**	**N/A**
Hyundai Electric & Energy Systems	14.6%	78.4%
IEN Hanchang Co., Ltd.	2.1%	0.0%
ILJIN Electric Co., Ltd.	13.5%	16.7%
All Other Exporters	3.1%	78.4%
All Other Sources	**56.3%**	**N/A**
All Sources	**100%**	**N/A**

[123] It should be noted that the CBSA recognizes that the transformer industry's preferred measure of production volume and capacity is MVA. However, the MVA of SPTs were generally not reported in the CBSA's *Facility Information Retrieval Management System* (FIRM), therefore, in order to retrieve this information, the CBSA would have to call entries for each transaction and more specifically, request specification sheets for the individual transformer. Due to the volume of transactions from non-named sources, calling all imports was not practical and using a sample would result in using a methodology where the conversion to MVA for the remaining entries would be based on value.

[124] As a result, in conducting the negligibility test, the CBSA relied upon the units reported in the FIRM database since it was available for all imports during the POI. This is consistent with past practices as the CBSA used units of transformers imported into Canada as a measure of volume for the purposes of determining negligibility in *Liquid Dielectric Transformers*.

[125] Under section 35 of SIMA, if at any time before making a preliminary determination the CBSA is satisfied that the actual and potential volume of goods of a country is negligible, the CBSA is required to terminate the investigation with respect to goods of that country.

[126] Pursuant to subsection 2(1) of SIMA, the volume of goods of a country is considered negligible if it accounts for less than 3% of the total volume of goods that are released into Canada from all countries that are of the same description as the goods.

[127] The volume of subject goods from each of the named sources are above 3% of the total volume of goods released into Canada from all sources. Based on the definition above, the volumes of subject goods from these sources are therefore not negligible.

[128] If, in making a preliminary determination, the CBSA determines that the margin of dumping of the goods of a particular exporter is insignificant pursuant to section 38 of SIMA, the investigation will continue in respect of those goods but provisional duties will not be imposed on goods of the same description imported during the provisional period.

[129] Pursuant to subsection 2(1) of SIMA, a margin of dumping of less than 2% of the export price of the goods is defined as insignificant. The estimated margin of dumping for Hanchang, expressed as a percentage of the export price, is below 2%, and is, therefore, insignificant. As a result, the investigation will continue in respect of these goods but provisional anti-dumping duty will not be imposed on goods of the same description imported into Canada from Hanchang during the provisional period.

[130] The estimated margin of dumping for SE AT, SEEC, Hyundai Energy and ILJIN KR, expressed as a percentage of the export price, is above 2% and is, therefore, not insignificant. In respect of these goods, provisional anti-dumping duty will be imposed on goods of the same description imported during the provisional period.

[131] A summary of the estimated margins of dumping and provisional duties by exporter is presented in **Appendix 1**.

DECISION

[132] On August 27, 2021, pursuant to subsection 38(1) of SIMA, the CBSA made a preliminary determination of dumping respecting SPT originating in or exported from Austria, Chinese Taipei, and South Korea.

PROVISIONAL DUTY

[133] Pursuant to subsection 8(1) of SIMA, provisional duty payable by the importer in Canada will be applied to dumped imports of SPT that are released from the CBSA during the period commencing on the day the preliminary determination is made and ending on the earlier of the day on which the CBSA causes the investigation in respect of any goods to be terminated, in accordance with subsection 41(1), or the day on which the CITT makes an order or finding. The CBSA considers that the imposition of provisional duty is needed to prevent injury. As noted in the CITT's preliminary determination, there is evidence that discloses a reasonable indication that the dumping of SPT has caused injury or is threatening to cause injury to the domestic industry.

[134] Imports of SPT from the named sources released by the CBSA on or after August 27, 2021, will be subject to provisional duties equal to the estimated margin of dumping, expressed as a percentage of the export price of the goods per exporter. **Appendix 1** contains the estimated margins of dumping and the rates of provisional duty.

[135] Importers are required to pay provisional duty in cash or by certified cheque. Alternatively, they may post security equal to the amount payable. Importers should contact their CBSA regional office if they require further information on the payment of provisional duty or the posting of security. If the importers of such goods do not indicate the required SIMA code or do not correctly describe the goods in the import documents, an administrative monetary penalty could be imposed. The imported goods are also subject to the *Customs Act*. As a result, failure to pay duties within the specified time will result in the application of the provisions of the *Customs Act* regarding interest.

[136] As noted above, there is only one exporter of subject goods from each of Austria and Chinese Taipei. In the event that goods from an exporter, other than SE AT in Austria and SEEC in Chinese Taipei, are released from customs after August 27, 2021, provisional anti-dumping duty will be assessed at a rate of 78.4% for Austria and 32.7% for Chinese Taipei, as a percentage of the export price of the goods. The 78.4% represents the highest amount by which the normal value exceeded the export price on an individual transaction for any substantially complete exporter during the POI, meanwhile, the 32.7% represents the highest amount by which the normal value exceeded the export price on an individual transaction for a substantially complete exporter from Chinese Taipei during the POI.

FUTURE ACTION

The Canada Border Services Agency

[137] The CBSA will continue its investigation and will make final decision by November 25, 2021.

[138] If the CBSA is satisfied that the goods were dumped, and that the margins of dumping were not found to be insignificant, a final determination will be made. Otherwise, the CBSA will terminate the investigation in respect of those goods and any provisional duty paid or security posted will be refunded to importers, as appropriate.

The Canadian International Trade Tribunal

[139] The CITT has begun its inquiry into the question of injury to the Canadian industry. The CITT is expected to issue its finding by December 24, 2021.

[140] If the CITT finds that the dumping has not caused injury, retardation or is not threatening to cause injury, the proceedings will be terminated and all provisional anti-dumping duty collected or security posted will be refunded.

[141] If the CITT makes a finding that the dumping has caused injury, retardation or is threatening to cause injury, anti-dumping duty in an amount equal to the margin of dumping will be levied, collected and paid on imports of SPT that are of the same description as goods described in the CITT's finding.

[142] For purposes of the preliminary determination of dumping, the CBSA has responsibility for determining whether the actual and potential volume of goods is negligible. After a preliminary determination of dumping, the CITT assumes this responsibility. In accordance with subsection 42(4.1) of SIMA, the CITT is required to terminate its inquiry in respect of any goods if the CITT determines that the volume of dumped goods from a country is negligible.

RETROACTIVE DUTY ON MASSIVE IMPORTATIONS

[143] Under certain circumstances, anti-dumping duty can be imposed retroactively on subject goods imported into Canada. When the CITT conducts its inquiry on material injury to the Canadian industry, it may consider if dumped goods that were imported close to or after the initiation of the investigation constitute massive importations over a relatively short period of time and have caused injury to the Canadian industry. Should the CITT issue a finding that there were recent massive importations of dumped goods that caused injury, imports of subject goods released by the CBSA in the 90 days preceding the day of the preliminary determination could be subject to anti-dumping duty.

UNDERTAKINGS

[144] After a preliminary determination of dumping by the CBSA, an exporter may submit a written undertaking to revise selling prices to Canada so that the margin of dumping or the injury caused by the dumping is eliminated. An acceptable undertaking must account for all or substantially all of the exports to Canada of the dumped goods.

[145] In view of the time needed for consideration of undertakings, written undertaking proposals should be made as early as possible, and no later than 60 days after the preliminary determination of dumping. Further details regarding undertakings can be found in the CBSA's Memorandum D14-1-9, available online at: **www.cbsa-asfc.gc.ca/publications/dm-md/d14/d14-1-9-eng.html.**

[146] Interested parties may provide comments regarding the acceptability of undertakings within nine days of the receipt of an undertaking by the CBSA. The CBSA will maintain a list of parties who wish to be notified should an undertaking proposal be received. Those who are interested in being notified should provide their name, telephone and fax numbers, mailing address and e-mail address to one of the officers identified in the "Information" section of this document.

[147] If undertakings were to be accepted, the investigation and the collection of provisional duties would be suspended. Notwithstanding the acceptance of an undertaking, an exporter may request that the CBSA's investigation be completed and that the CITT complete its injury inquiry.

PUBLICATION

[148] A notice of this preliminary determination of dumping will be published in the *Canada Gazette* pursuant to paragraph 38(3)(a) of SIMA.

INFORMATION

[149] This *Statement of Reasons* is posted on the CBSA's website at the address below. For further information, please contact the officers identified as follows:

Mail: SIMA Registry and Disclosure Unit
Trade and Anti-dumping Programs Directorate
Canada Border Services Agency
100 Metcalfe Street, 11th floor
Ottawa, Ontario K1A 0L8
Canada

Telephone: Matthew Lerette 343-553-1867
Aaron Maidment 343-553-1633

E-mail: simaregistry@cbsa-asfc.gc.ca

Web site: www.cbsa-asfc.gc.ca/sima-lmsi

Doug Band
Director General
Trade and Anti-dumping Programs Directorate

APPENDIX 1
SUMMARY OF ESTIMATED MARGINS OF DUMPING AND PROVISIONAL DUTIES PAYABLE

The following table lists the estimated margins of dumping and the provisional duty by exporter as a result of the decision mentioned above. Imports of subject goods released from the Canada Border Services Agency on or after August 27, 2021, will be subject to provisional duties at the rates specified below.

Originating in or Exported from	**Estimated Margin of Dumping** (as a % of Export Price)	**Total Provisional Duty Payable** (as a % of Export Price)
Austria		
Siemens Energy Austria GmbH	78.4%	78.4%
Chinese Taipei		
Shihlin Electric & Engineering Corporation	17.2%	17.2%
South Korea		
Hyundai Electric & Energy Systems Co., Ltd.	78.4%	78.4%
IEN Hanchang Co., Ltd.	0.0%*	0.0%*
ILJIN Electric Co., Ltd.	16.7%	16.7%
All Other Exporters	78.4%	78.4%

* Where the margin of dumping is considered insignificant, the investigation will continue but provisional duties will not be payable.