



UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Washington, D.C. 20230

C-122-854
CVD Investigation
Public Document
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June 8, 2015

MEMORANDUM TO: The File

FROM: Dana S. Mermelstein *DSM*
Program Manager, Office 1
AD/CVD Operations

RE: Countervailing Duty Investigation of Supercalendered Paper from Canada

SUBJECT: *Ex Parte* Phone Call with the Maine Congressional Delegation

On May 26, 2015, Assistant Secretary (A/S) Paul Piquado spoke by telephone with Senators Susan Collins and Angus King, and Congressman Bruce Poliquin, at their request, to discuss the countervailing duty (CVD) investigation of imports of supercalendered paper from Canada. During the call the Senators and Congressman expressed general support for the investigation, but also questioned A/S Piquado about the Department's decision to limit its examination to two Canadian producers/exporters of supercalendered paper (i.e., Port Hawkesbury Paper and Resolute Forest Products). The Senators and Congressman expressed concern that limiting examination in this manner would result in an all others rate being applied to Irving Paper Limited and Catalyst Paper (separate Canadian firms which employ a significant number of Maine workers) that does not accurately reflect these two companies' actual receipt or non-receipt of government subsidies. Senators Collins and King, and Congressman Poliquin urged the Department to therefore select both Irving Paper Limited and Catalyst Paper for investigation, in addition to Port Hawkesbury and Resolute Forest Products. The Senators and Congressman also asked whether a mechanism existed whereby interested producers/exporters in the proceeding could pay the Department to review their operations and/or the Department might retain an outside provider to conduct reviews.

A/S Piquado reviewed the considerations leading to the Department's decision to limit its analysis to Port Hawkesbury and Resolute Forest Products, including the scope of the Department's ongoing activities, the large number of producers/exporters of supercalendered paper, the requirement to examine cross-owned companies, and the compressed statutory investigation timeframe. A/S Piquado noted that, due to the transparent nature of the process, when conducting respondent selection the Department did not prejudge which programs may potentially be countervailable, the companies that may have benefited from them, or the extent of subsidization that the Department might ultimately find for each respondent. In addition, A/S Piquado stated that, because CVD investigations were a quasi-judicial process, and thus an inherently governmental function, no mechanism existed for firms to pay the Department to conduct a review of their operations or for an external party to conduct reviews. He assured the Senators and Congressman that the Department would continue to conduct the investigation in accordance with statutory and regulatory requirements, and that the Department would update them as the investigation proceeded.

The following individuals participated in the teleconference:



Maine Congressional Delegation

Senator Susan Collins

Senator Angus King

Congressman Bruce Poliquin

U.S. Department of Commerce

Paul Piquado Assistant Secretary for Enforcement and Compliance (E&C)

Ronald Lorentzen Principal Deputy Assistant Secretary for E&C

Gary Taverman Associate Deputy Assistant Secretary for AD/CVD Operations

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