



May 31, 2017

Mr. Brad Botwin
Director, Industrial Studies
Office of Technology Evaluation
Bureau of Industry and Security
U.S. Department of Commerce
1401 Constitution Avenue, NW, Room 1093
Washington, DC 20230

RE: REQUEST FOR COMMENT: "SECTION 232 INVESTIGATION ON THE EFFECT OF IMPORTS OF STEEL ON U.S. NATIONAL SECURITY" (DOCUMENT #: 2017-08499)

Mr. Botwin

Algoma is a fully-integrated, advanced steel manufacturer. We manufacture steel from start to finish at our steelworks in Sault Ste. Marie, Ontario at the hub of the Great Lakes on the North Eastern border of Michigan's Upper Peninsula. Algoma makes significant value contributions to both the Canadian and U.S. economies. Our steel is used in countless sectors including in the energy sector to make casing, line pipe and pressure vessels; our armor plate is used in the defense industries in both Canada and the U.S.; and our high strength sheet is used in structural and safety automotive applications.

Algoma values this opportunity to provide comments in response to the U.S. Department of Commerce's request for public comments on the Section 232 Investigation on The Effect of Imports of Steel on U.S. National Security. Canada and the United States have an intrinsically linked interest in maintaining the health of the North American steel sector and our shared national security, and in our opinion, must work closely together to achieve our common goals.

The integrated steel supply chains between the U.S. and Canada have allowed specialization up and down the steel supply chain improving competitiveness and the availability of highly skilled middle-class jobs in both nations. Both Canada and the U.S. operate in terms of fair-market principles and there are no anti-dumping or countervailing duties in place in either nation against the other. In terms of steel; trade between the two nations is balanced. During 2016, nearly 10 million metric tonnes of steel crossed the U.S. Canadian border with a value of nearly CAD\$12 billion. Canadian exports to the U.S. totaled CAD\$5.87 billion, while U.S. exports to Canada totaled CAD\$5.96 billion.

The North American steel markets, specifically those of Canada and the U.S. have been linked for many years. The supply chains for raw materials, semi-finished products and finished goods are interwoven in many industries including automotive, oil and gas and construction. In our case nearly all of the iron ore used in our steelmaking operation in Sault Ste. Marie is sourced from a mine in Michigan's Upper Peninsula only 200 miles from our facility. Many of our customers are located in the Midwestern states of Michigan, Minnesota, and Wisconsin where we can offer a logistical advantage given our strategic location at the hub of the Great Lakes. The integrated North American steel market also extends to defense materials as we know first-hand. We value our ability to serve as an important supplier of armor steel plate to the U.S. Armed Forces directly as well as American manufactures in the defense sector.

Algoma is a member of the Canadian Steel Producers Association and we fully support the submission of Canada's Steel Association. Algoma believes the steel trade relationship between Canada and the U.S. does not pose a threat to U.S. national security. Canada and the U.S. share common security and economic interests and a balanced steel trading relationship provides mutual benefit to both economies. As a result Algoma requests that Canada receive a full national exemption, excluding all Canadian steel products from any new measures including tariffs, quotas, tariff rate quotas or others implemented as a result of the Section 232 National Security Investigation of Imports of Steel.

Sincerely,



Kalyan Ghosh
President & Chief Executive Officer