

May 31, 2017

BY ELECTRONIC FILING

Mr. Brad Botwin
Director, Industrial Studies
Office of Technology Evaluation
Bureau of Industry and Security
U.S. Department of Commerce
Room 1093
1401 Constitution Avenue, NW
Washington, DC 20230
Steel232@bis.doc.gov

Re: ***Section 232 National Security Investigation of Imports of Steel***: Written Comments of
Trinity Meyer Utility Structures, LLC

Dear Mr. Botwin:

On behalf of Trinity Meyer Utility Structures, LLC (“Meyer”), we hereby submit the following written comments to the Department of Commerce (the “Department”) in response to the Department’s Notice Request for Public Comments and Public Hearing on Section 232 National Security Investigation of Imports of Steel.¹

I. IMPORTS OF STEEL TRANSMISSION TOWERS THREATEN TO IMPAIR U.S. NATIONAL SECURITY

Meyer is a U.S. manufacturer of steel transmission towers made to connect to the national power grid. Transmission towers provide support for electrical power generation projects and are crucial components to the country’s infrastructure. Because power generation is a critical element in the infrastructure of the United States, the displacement of domestic transmission towers by imports is a threat to U.S. national security.

Imports of steel, including imports of steel electrical transmission towers and their components, are currently surging into the U.S. market and displacing domestic transmission towers. As a result, U.S. transmission tower manufacturers like Meyer are experiencing negative effects due to imports of steel electrical transmission towers and parts of such towers. For these reasons, Meyer urges the Department to find that steel imports, including transmission tower

¹ Bureau of Industry and Security, *Notice Request for Public Comments and Public Hearing on Section 232 National Security Investigation of Imports of Steel*, 82 Fed. Reg. 19,205 (Dep’t Commerce Apr. 26, 2017) (“Notice”).

imports, are threatening to impair the national security, and that an adjustment of these imports is necessary to prevent them from impairing U.S. national security.

II. NATIONAL SECURITY SHOULD BE BROADLY DEFINED

Under Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. § 1862), the Department examines whether imports of an article threaten to impair national security.² If the Department finds that an article is “being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security,” the President of the United States must determine whether he agrees with the finding and, if so, must determine “the nature and duration of the action that, in the judgment of the President, must be taken to adjust the imports of the article and its derivatives so that such imports will not threaten to impair the national security.”³ Importantly, Section 232 contemplates a broad definition of “national security.” For example, the statute provides that threats to national security are tied to threats to the “economic welfare” of the United States and of individual domestic industries.⁴ In the past, the Department has stated that threats to national security include threats to industries “critical to the minimum operations of the economy and government,”⁵ and those industries and resources “needed to produce domestically goods and services necessary to ensure U.S. national security.”⁶

In the Department’s current assessment of whether steel imports threaten to impair the national security, the agency should define “national security” broadly to include downstream steel products critical to the country’s infrastructure, including the national power grid. As Secretary Wilbur Ross, Jr. stated recently, “steel is an important factor in our infrastructure as it relates to national defense . . .”⁷ The national power grid, in particular, is a vulnerable component of our infrastructure that impacts the state of U.S. national security, and threats to it by transmission tower imports should be considered threats to national security. The national grid is both “critical to the minimum operations of the economy and government” and “needed to produce domestically goods and services necessary to ensure U.S. national security.”⁸ Indeed, steel transmission towers provide the vital link between power production and power usage. Transmission lines carry electricity at high voltages over long distances from power plants to communities.⁹ Accordingly, the Department in this investigation should define “national security” broadly, and determine that steel imports threaten U.S. national security by displacing domestic steel used in electric transmission.

² Notice, 82 Fed. Reg. at 19,205.

³ 19 U.S.C. § 1862(c)(1)(A).

⁴ 19 U.S.C. § 1862(d).

⁵ U.S. Department of Commerce, *The Effect of Imports of Iron Ore and Semi-Finished Steel on the National Security* (2001) (“Iron Ore and Semi-Finished Steel Report”) at 5.

⁶ See U Iron Ore and Semi-Finished Steel at 7; U.S. Department of Commerce, *The Effect of Imports of Gears and Gearing Products on the National Security* (1992).

⁷ See The White House, Office of the Press Secretary, *Press Briefing by Secretary of Commerce Wilbur Ross on the Memorandum Regarding the Investigation Pursuant to Section 232(B) of the Trade Expansion Act* (Apr. 20, 2017), available at <https://www.whitehouse.gov/the-press-office/2017/04/20/press-briefing-secretary-commerce-wilbur-ross-memorandum-regarding> (last accessed May 25, 2017).

⁸ See Iron Ore and Semi-Finished Steel Report at 5, 7.

⁹ See generally <https://www.trinitymeyer.com/EngineeredSolutions/EngineeredPoles> for a description of types of transmission towers.

III. STEEL IMPORTS SHOULD ENCOMPASS IMPORTS OF STEEL TRANSMISSION TOWERS

Pursuant to Section 232, if imports of an article are found to threaten to impair national security, the President takes action “to adjust the imports of the article and its derivatives so that such imports will not threaten to impair the national security.”¹⁰ Moreover, Secretary Ross recently stated that action against imports under Section 232 contemplates a broad definition of the product at issue.¹¹ In assessing the threat that steel imports pose to national security, the Department should not only include raw steel, but expressly extend the scope of steel imports to include steel transmission towers.

The transmission towers that Meyer produces are comprised of steel components.¹² Because these products are essentially derivatives of raw steel, and imports are negatively affecting the domestic industry, the Department should include transmission towers as part of this investigation and its recommendations for import restrictions. Again, it is appropriate to emphasize that these steel towers are essential in that they support the transmission lines that carry electricity at high voltages over long distances from power plants to local communities. The Department’s response to the national security threat caused by steel imports must take into account the threat caused by imported transmission towers and their components.

IV. RELIEF IS NEEDED TO PROTECT U.S. NATIONAL SECURITY

Because their aggressive infiltration now threatens the national security of the United States, and the Department must address imports of transmission towers and their components in this investigation. As such, Meyer respectfully requests that the Department recommend comprehensive relief under this Section 232 investigation such as a tariff or quota system for imports of steel transmission towers and their components.

V. CONCLUSION

In sum, the Department should determine that steel imports, including steel transmission tower imports, threaten to impair U.S. national security, and it should urge the President to take comprehensive action to adjust imports of all steel products, including steel transmission towers and their components, from all countries.

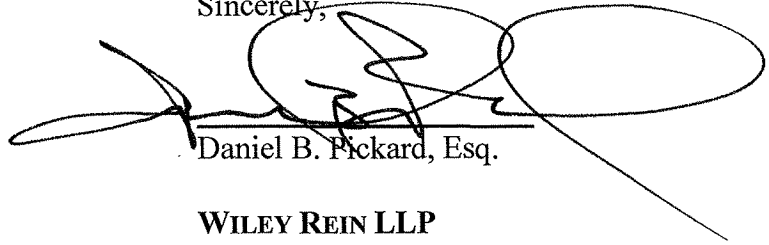
¹⁰ See 19 U.S.C. § 1862(c)(1)(A) (emphasis added).

¹¹ *Press Briefing by Secretary of Commerce Wilbur Ross on the Memorandum Regarding the Investigation Pursuant to Section 232(B) of the Trade Expansion Act.*

¹² See <https://www.trinitymeyer.com/EngineeredSolutions/EngineeredPoles>

If you have any questions regarding this submission, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daniel B. Pickard', is written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke extending to the left.

Daniel B. Pickard, Esq.

WILEY REIN LLP
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Washington, D.C. 20006

*Counsel to Trinity Meyer Utility Structures,
LLC*