

Final Results and Partial Rescission of Countervailing duty Expedited Reviews: Certain Softwood Lumber Products from Canada, 67 FR 67388 (November 5, 2002) (*November Final Results*). A notice of final results for these three companies was issued on May 7, 2003. See *Final Results of Countervailing duty Expedited Reviews: Certain Softwood Lumber Products from Canada*, 68 FR 24436 (May 7, 2003) (*May Final Results*).

In addition, on May 8, 2003, the Department published another notice of preliminary results for 28 Group 1 companies (14 in Round 1 and 14 in Round 2). See *Preliminary Results and Partial Rescission of Countervailing Duty Expedited Reviews: Certain Softwood Lumber Products from Canada*, 68 FR 24717 (May 8, 2003) (*May Preliminary Results*). Companies that requested an analysis of whether they benefitted from subsidies bestowed on their inputs, acquired in arm's length transactions, were not included in the preliminary results notice. The Department also addressed outstanding methodological issues related to Group 1 companies. See *May Preliminary results*.

This notice includes the preliminary results for 16 Group 2 companies (13 in Round 1 and three in Round 2). We are not including in this notice any of the following 15 Group 2 companies that requested an analysis of whether they benefitted from subsidies bestowed on their inputs. They are: Apollo Forest Products Ltd., Aspen Planers Ltd., Downie Timber Ltd., Dunkley Lumber Ltd., Gorman Bros. Lumber Ltd., Liskeard Lumber Ltd., Mill & Timber Products Ltd., North Enderby Timber Ltd., Riverside Forest Products Ltd., Selkirk Specialty Wood Ltd., Slocan Forest Products Ltd., Tembec Inc., Tolko Industries Ltd., and Uphill Wood Supply Inc. (the above companies are in Round 1), and Bridgeside Hilga Forest Industries Ltd. (which is in Round 2).

Furthermore, this preliminary results do not include the following three Group 2 companies: Jackpine Engineered Wood Products Inc. and Jackpine Forest Products Ltd. (in Round 1), and 9027-7971 Quebec Inc. (in Round 2), because the reviews of these three companies have been rescinded in an earlier notice (See *May Preliminary results*).

We received various comments from interested parties subsequent to the Department's *Initiation/Round 1*, *August Preliminary Results, Initiation/Round 2*, and the *November Final Result*. All general methodological issues related to both Group 1 and Group 2, and company-specific issues

pertaining to Group 1 companies have been addressed in the notices of Group 1's preliminary results and final results. See *August Preliminary Results, November Final Result*, "Issues and Decision Memorandum" dated concurrently with the *November Final Results* notice, *May Preliminary Results, May Final Results*, and the "Issues and Decision Memorandum" dated concurrently with the *May Final Results* notice. In this preliminary results notice, we are addressing only petitioners' and respondents' comments concerning the Group 2 companies covered in these results.

Partial Rescission

We did not receive any responses from South East Forest Products Ltd. (South East Forest), a respondent in Round 2. We contacted a South East Forest company official who confirmed that the company will no longer participate in these expedited reviews. See Department's March 31, 2003, memorandum to the file regarding *Expedited Reviews in the Countervailing Duty Order on Softwood Lumber from Canada* (C-122-839), which is on file in room B-099 of the Central Records Unit of the Main Commerce Building (CRU). Because South East Forest did not provide the necessary information, we are not able to proceed with an expedited review of this company. Therefore, we are rescinding the expedited review for South East Forest.

On April 14, 2003, Teal Cedar Products Ltd., another respondent in Round 2, withdrew its request for review. West Fraser Mills Ltd., a respondent in Round 1, also withdrew its request for an expedited review on June 12, 2003. Therefore, we are rescinding the expedited review for Teal Cedar Products Ltd. and West Fraser Mills Ltd.

In addition, Lukwa Mills Ltd. (Lukwa), another Round 2 company, did not respond to our supplemental questionnaire. We contacted the general manager of the company who told us that Lukwa is shutting down and there is no staff to work on the response. Because Lukwa did not provide the necessary information, we are also unable to proceed with an expedited review of this company. Therefore, we are rescinding the expedited review for Lukwa. See Department's May 6, 2003, memorandum to the file regarding *Expedited Reviews in the Countervailing Duty Order on Softwood Lumber from Canada* (C-122-839), which is on file in CRU.

Finally, the Department is also rescinding a Group 1 company, Kootenay Innovate Wood Inc.

(Kootenay), which initially indicated a possible cross-ownership with a Group 2 company, Kalesnikoff Lumber Co. Ltd. (Kalesnikoff). The Department did not include Kootenay in the *May Preliminary Results*. Rather, it postponed the analysis of Kootenay until these preliminary results for Group 2 companies so a consolidated subsidy rate for Kootenay and Kalesnikoff could be calculated. See *May Preliminary Results*.

However, during the Group 2 expedited review, Kalesnikoff stated that it is not cross-owned with Kootenay. After further analysis we have determined that cross-ownership between Kootenay and Kalesnikoff does not exist. Additionally, Kootenay stated in its application and later confirmed in a supplemental questionnaire response that it did not have any sales of subject merchandise to the United States during the POR. In accordance with the Department's practice, companies that did not ship subject merchandise during the period covered by the investigation or administrative review are not eligible to participate in that segment of the proceeding. See, e.g., *Final Results and Partial Rescission of Countervailing Duty Administrative Review: Stainless Steel Sheet and Strip from the Republic of Korea* (68 FR 13267; March 19, 2002). Moreover, the application to request an expedited review specifically listed exports of subject merchandise to the United States during the POR as one of the eligibility requirements. Because there is no information on the record indicating that Kootenay exported subject merchandise to the United States during the POR, we are rescinding the expedited review with respect to Kootenay.

Companies Reporting Cross-Ownership

The following companies reported that they are cross-owned with other companies that produce and/or manufacture subject merchandise: Canadian Forest Products Ltd. (Canfor) reported that it is cross-owned with Lakeland Mills Ltd. (Lakeland), and the Pas Lumber Company Ltd. (The Pas); Greenwood Forest Products Ltd. (Greenwood) reported that it is cross-owned with GFP Enterprise Ltd. (GFP); Commonwealth Plywood Co. Ltd. (Commonwealth) reported that it is cross-owned with three companies that produce and/or manufacture subject merchandise: Les Entreprises Atlas (1985) Inc., Bois Clo-Val Inc., and the W.C. Edwards Company Ltd.; Shawwood Lumber Inc. (Shawwood) and Lukwa reported that the two companies jointly cross-own a logging company; R. Fryer Forest Products Ltd. (Fryer) reported