



KYLE PITSOR

Vice President, Government Relations

June 22, 2017

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

Submitted electronically to Aluminum232@bis.doc.gov

Re: Section 232 National Security Investigation of Imports of Aluminum

Dear Mr. Botwin,

As the trade association representing U.S. manufacturers of electrical and medical imaging equipment, the National Electrical Manufacturers Association (NEMA) provides the attached comments on the Department's Solicitation of Public Comments for the Section 232 National Security Investigation of Imports of Aluminum, published in the Federal Register on May 9 and amended on June 2.

NEMA, founded in 1926 and headquartered in Arlington, Virginia, represents nearly 350 electrical and medical imaging manufacturers. Our combined industries account for more than 400,000 American jobs and more than 7,000 facilities across the U.S. Domestic production exceeds \$117 billion per year and exports top \$50 billion.

Please find our detailed comments attached. Our member companies count on your careful consideration of these comments and look forward to an outcome that meets their expectations.

If you have any questions, please contact Craig Updyke of NEMA at 703-841-3294 or craig.updyke@nema.org.

Sincerely,

A handwritten signature in black ink that reads "Kyle Pitsor". The signature is written in a cursive, flowing style.

Kyle Pitsor
Vice President, Government Relations

Attachment

NEMA Comments for Section 232 National Security Investigation of Imports of Aluminum

Executive Summary

The National Electrical Manufacturers Association (NEMA) represents, among other electrical product manufacturers, U.S. manufacturers of building wire and cable, magnet wire, overhead transmission lines, and electrical connectors that use aluminum as an electrical conductor. As such, NEMA member companies desire secure, reliable sources for aluminum and support fair and open trade. NEMA shares concerns with others about the state of the U.S. domestic aluminum manufacturing industry and especially global overcapacity and overproduction that are divorced from market principles.

Discussion

NEMA Member companies rely on secure, fairly priced supplies of raw materials and inputs, including primary and semi-finished aluminum products. This enables manufacture of aluminum electrical wires and cables for buildings and transmission lines, coil windings for motors and transformers (known as magnet wire), and electrical connectors. These products are sold as finished products or incorporated as components into other industrial and commercial products and applications. Consequently the health and continued viability of the domestic aluminum industry is important to NEMA Members.

According to the U.S. Geological Survey, U.S. production of primary aluminum decreased for the fourth consecutive year, declining by about 47% in 2016 to the lowest level since 1951. USGS also reports that U.S. import reliance increased in 2016. Electrical applications account for 8 percent of domestic consumption of aluminum, according to USGS.

Several NEMA Members report they are reliant on Canadian and Mexican sources of supply for aluminum shapes, extruded tubes and rod, and especially for certain alloys that are a challenge to fabricate efficiently. NEMA supports maintenance of market access for this fairly traded aluminum. A fair market supporting importation and domestic production of aluminum ensures that aluminum users can manage and balance their global purchases. In turn, users' final products can be priced competitively and delivered on-time.

Global overcapacity of aluminum production, which is driven by governments' industrial policies rather than market-based principles and investments, is a concern to NEMA as a threat to the viability of U.S. manufacturers of primary aluminum and semi-finished aluminum products.

NEMA encourages the Commerce Department and the President to identify targeted actions that will promote secure and reliable sources of aluminum and maintain market access for fairly-traded imports.