

# Grey, Clark, Shih and Associates, Limited

- Public Affairs - International Trade -

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April 25, 2024

**NON-CONFIDENTIAL VERSION**

**SUBMITTED BY E-MAIL**

SIMA Registry and Disclosure Unit  
Trade and Anti-Dumping Programs Directorate  
Canada Border Services Agency  
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Dear Sir/Madam,

**Re: Comments on Western Alliance Tubulars' support for  
Tenaris Canada's Request for re-investigation of  
OCTG 1 and Seamless Casing anti-dumping findings**

This is a response to the filing of Western Alliance Tubulars Ltd. (WAT) and Moosomin First Nation through Moosomin Economic Development Corporation (MEDC) posted April 19, 2024.

Exceed (Canada) Oilfield Equipment Inc. (Exceed) notes the further support for Tenaris' request of March 22, 2024 for an anti-competitive re-investigation of normal values and subsidies of Seamless Casing and OCTG 1 products from China. Exceed reiterates the concerns expressed in its letter of April 9, 2024

Exceed has limited its comments to Tenaris and WAT submissions. The submissions of Tenaris promote a very unique and peculiar type of re-investigation.

Exceed's concerns have not changed, and Exceed sees much to support in the replies of Major Pipe & Supply Ltd. and Imex Canada Inc. Exceed considers that the predictability and stability of the current indexed system is working well in terms of predictability and avoiding the need for retroactive assessments.

OCTG prices are dependent on price fluctuations for hot-rolled coil and semi-fabricated. Pricing of these fluctuates and follows cycles. Please see substrate costs in MEPS attached as Annex 1 Confidential. Exceed submits that PipeLogix – while not perfect – captures change. While it is not ideal and prices are on the high side, the stability and predictability it provides it worthwhile.

Annex 2 Confidential contains the most recent edition of PipeLogix. It shows further decline in the prices of OCTG – and more are predicted. These prices reflect increasing U.S. sales and sharp declines in imports. The supply demand balance seems to be right to moderate oversupply.

The effects of cycles impact prices. Tenaris appears to want to maintain normal values at the top of the cycle even when North America and the rest of the world is in the valley if CBSA accepted Tenaris' proposal. Would Tenaris advise the CBSA of reductions in prices or seek re-investigations in a declining market? This is the basic flaw in putting the fox in charge of the hen house.

The current indexed approach to enforcement is designed to minimize staleness. Essentially, prices from the highest priced market in the world (inflated by illegal 25% Section 232 tariffs) is locked in as a surrogate. Adjustments to the system should be based on universal audited change – not the experience of parties related to the main beneficiary of the system. The Tenaris proposal suggests that distributor discounts in the U.S. have been seriously diluted. This is a dubious proposition which does not reflect evidence of an industry-wide trend; rather, it is focused on the Tenaris family.

The current system is self-updating and alleviates the need for retroactive assessments or reporting market changes. There is no need to report changes as CBSA reflects these and imposes them on Chinese exporters (and Canadian importers).

SIMA is designed to address and remedy injury to production in Canada. It is not designed to protect:

- production of OCTG in Mexico;
- production of OCTG in Argentina;
- production of OCTG anywhere else that Tenaris has a plant.

All of these countries, and more, are hosts to production by Tenaris affiliates.

Exceed submits Tenaris Canada's request of March 22, 2024 for re-investigation of OCTG 1 and Seamless Casing anti-dumping findings in a manner which would rely on U.S. surrogates related to Tenaris and/or Evraz should be denied.

Yours truly,

A handwritten signature in black ink, appearing to read 'Peter Clark', with a stylized, cursive script.

Peter Clark

Encl.