



March 9, 2010

Leadership Changes & Implications

"Jobs" Legislation and Taxes

Trade and Manufacturing

Health Care Reform

Climate

February, 2010: MSCI Advocacy Newsletter

Welcome to the MSCI Advocacy Newsletter, a monthly medium through which MSCI aims to keep its members updated on federal legislative and regulatory issues of importance to the metals industry. The following issue covers a number of broad topics that will affect the metals industry and builds a framework upon which details may be added in the coming months. For additional information on these and other law-related topics, go to www.winston.com and click on "Publications" or "Newsletters" under the "Resources" tab. Or, visit MSCI's [policy agenda](#) for other updated materials.

Leadership Changes and Implications

For some time, Representative Charlie Rangel (D-NY), Chairman of the powerful House Ways & Means Committee, has faced allegations of ethics violations. Investigations by the House Committee on Standards have centered around the Chairman's personal income tax records, his compliance with federal election laws, and most recently, on trips that he took to the Caribbean that were at least in part underwritten by corporate interests. Until recently, Rangel had not been found guilty of any wrongdoing. However, just last week, the Committee on Standards issued a [statement and finding](#) that Chairman Rangel had, in fact, violated the House Gift Rules when he traveled to the Caribbean on a corporate-funded trip. Although Rangel had in the past denied knowledge of the corporate involvement, the Committee determined that his staff had knowledge and that he, whether actually aware of these facts or not, was responsible for the actions of his staff in their official capacity.



Long before the Committee on Standards issued this finding, House Republicans had unsuccessfully sought to have Rangel resign from his post as chairman. Once the committee released its statement, pressure mounted rather quickly within the Democratic caucus and Rangel on Wednesday wrote to Speaker Pelosi [requesting](#) a “leave of absence” as Ways & Means Committee Chairman. The Speaker granted his request and Representative Stark (D-CA) assumed temporary leadership of the committee, which lasted for less than 24 hours before Stark relinquished the chair to the next most senior member of the panel, Representative Sander Levin (D-MI).

Given that the Ways & Means Committee is responsible for all tax and most trade matters, the implications of a leadership change could be significant for the metals industry. Although Rangel only requested a “leave of absence”, most believe that he will not be able to return to his leadership position both for practical and political reasons. Representative Levin has a well developed record in the House as one of its more deliberative members. As a Representative from Michigan, he is very close to the auto industry and its direct and indirect interests. Most assume he will bring a more manufacturing centric approach to tax and trade policy than did the New York City focused Rangel.

Additionally, Levin is a friend of trade unions and has developed a reputation as somewhat of a protectionist while Chairman of the Ways & Means Trade Subcommittee. Many speculate that the stalled free trade agreements, particularly the agreement with South Korea, have little hope of final conclusion with Levin at the helm. If they do move, they would be filled with strong labor protections that Republicans would not be willing to accept. No matter what, expect Michigan to fare well as now both the Chairman and Ranking Republican (Dave Camp (R-MI)) members of the Committee are from Michigan.

"Jobs" Legislation & Taxes

Since last month, health care reform has gone to back room negotiations and press ops while jobs legislation has been the primary focus of both chambers. You will recall that the House passed a [\\$174 billion](#) jobs package in December that heavily emphasized safety net and infrastructure spending. Specifically, it included \$48 billion for infrastructure projects, \$27 billion for public sector jobs (lay-off prevention), \$41 billion for unemployment insurance extensions, \$12.3 billion for COBRA health care extensions, \$24 billion to support state Medicaid programs, \$2 billion for Energy Department loans for rapid deployment of renewable energy and electric transmission projects, \$1 billion for low income housing and \$354 million for Small Business Administration loan programs. The House bill also



included a new "Buy America" provision, requiring that American made materials be used for construction, alteration, maintenance or repair of transportation or infrastructure projects funded by the bill. While the government can waive the requirement, this bill requires a much more transparent process than its sister provision in the 2009 Economic Stimulus Package.

The Senate was expected to follow in February after the President urged a jobs bill in his State of the Union address. Originally, Majority Leader Reid (D-NV) charged Majority Whip Durbin (D-IL) and Democratic Policy Committee Chairman Byron Dorgan (D-ND) to come up with a plan that could achieve 60 votes in the Senate and that would emphasize immediate job creation. At first, the Senate counterpart was rumored to be much smaller than the House version and would be broken into a series of bills that could more easily be digested and moved on the Senate floor. However, Senator Baucus (D-MT) and Senator Grassley (R-IA), Chairman and Ranking Republican members of the Senate Finance Committee, within whose jurisdiction such a bill naturally falls, had a backup plan in the works.

By mid-February, Baucus and Grassley released their bill which included a series of both jobs measures and "Grassley Plan" to ensure that incentives currently on the books would remain available to individuals and industries that rely on them. The Baucus-Grassley struck a [bi-partisan balance](#) by including various provisions of interest to both sides of the aisle. Specifically, it included:

- ❖ Employer Tax Exemption & Credit: An exemption from social security payroll taxes for every worker hired in 2010 that has been unemployed for at least 60 days. The exemption is for up to 6.2% of wages and an additional \$1,000 income tax credit for every new employee retained for 52 weeks.
- ❖ Depreciation: An extension of the 2008 and 2009 section 179 expensing thresholds so that taxpayers may elect to write-off up to \$250,000 of certain capital expenditures (subject to a phase-out once expenditures exceed \$800,000) in 2010 in lieu of depreciating those costs over time.
- ❖ Build America Bonds: A provision to extend Build America tax credit bonds for certain school and energy projects, and to create flexibility for the use of the program. Tax credit bonds provide the bond holder a federal tax credit in lieu of interest.



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- ❖ Transportation Extension: An extension of the highway and transit programs through 2010 – just long enough to buy time for a comprehensive transportation reauthorization bill.
- ❖ Tax Credit Extensions: Extension of various tax credits for one year, including the research and development credit, the 15-year recovery period for leasehold, restaurant, and retail improvements, the new markets tax credit, the active finance exception under Subpart F, the CFC look-through rules, credits for home efficiency and alternative fuel vehicles, and credits for biodiesel, renewable diesel and other alternative fuels.
- ❖ Pension Funding Relief: Temporary, targeted funding relief for single employer and multiemployer pension plans that suffered significant losses in asset value due to the steep market slide in 2008.
- ❖ Safety Net Provisions: An extension of current law, including increased unemployment benefits, through May 31, 2010, extension of the 65-percent COBRA premium subsidy for terminated workers through May 31, 2010, and various health care related extensions.
- ❖ Foreign Account Tax Compliance. A comprehensive set of measures to reduce offshore tax avoidance by giving the IRS new administrative tools to detect, deter and discourage such abuses. See the above linked background document for more detail.

Unlike the House bill, this Senate package does not include large spending items such as enhanced Medicaid reimbursement for states; these provisions were expected as amendments on the Senate floor.

At the last moment when Baucus and Grassley thought they had a bi-partisan agreement that could move quickly off the Senate floor, Majority Leader Reid interjected and replaced the package with a much scaled back \$15 billion jobs bill of his own that borrowed only a few key items from Baucus-Grassley, promising to return later to a broader package. The move infuriated many Republicans, but the bill passed the Senate with relative ease, providing for payroll tax relief for businesses that hire new workers (\$13 billion over ten years), an extension of the Highway Trust Fund and an extension of the "Build America Bonds" program that was created by last year's economic stimulus law. The House passed a slightly modified version of the same bill last Thursday by a seven vote margin. Many in the House Progressive and Congressional Black Caucuses had reservations about voting for the bill out of frustration that the Senate has yet to move on a broader jobs package.



The broader \$150 billion [Senate package](#) is now on the floor being debated. As of Thursday night, debate roared on and members from both sides of the aisle sought to attach just about every priority measure they could by filing and offering amendments.

Conspicuously missing from the discussion to date is the extension of the Estate Tax. The Estate Tax law lapsed on the first of the year without Senate action. Until lapsing, federal tax laws provided for a \$3.5 million exemption and assets in excess of the \$3.5 million were taxed at a 45% rate. Republicans and some Democrats have pushed for a permanent 0% estate tax. The majority of the Congress does not support that approach but does seek permanence in the law and some sort of modification in the structure. The House passed a permanent extension of the current estate tax law in December. In the Senate, Senators Lincoln (D-AR) and Kyl (R-AZ) are pushing for permanent extension and a reduced rate of 35% with a \$5 million exemption. Any Senate legislation is sure to be retroactive so as to apply to all estates between January 1 and enactment.

Resources:

Find a summary of House jobs bill [here](#).

The Senate jobs [bill](#)

Trade and Manufacturing

As mentioned in the past newsletter, Secretary Geithner enhanced his rhetoric recently by saying that he was optimistic in his [testimony](#) before the Senate Budget Committee that China would begin letting its currency appreciate, despite the fact that Chinese officials have long denied any wrongdoing in their policies with regard to currency. This did not satisfy a large group of senators who wrote last week to Commerce Secretary Locke claiming that China's currency practices are [effectively a subsidy](#) and urged prompt action against Chinese imports. Many see this as a sign that the issue is heating up in the Congress and within the Administration that the Congress will see a variety of proposals in 2010 aimed at China on both trade and currency. Signing the letter were Senators Charles Schumer (D-NY), Lindsey Graham (R-SC), Robert Byrd (D-WV), Carl Levin (D-MI), Barbara Mikulski (D-MD), Russ Feingold (D-WI), Susan Collins (R-ME), Olympia Snowe (R-ME), Sam Brownback (R-KA), Jim Bunning



(R-KY), Debbie Stabenow (D-MI), Ben Cardin (D-MD), Sherrod Brown (D-OH), Bob Casey (D-PA) and Arlen Specter (D-PA).

In recent closed door meetings at the House Ways & Means Committee, senior staff expressed concern about the currency issue and indicated a level of frustration that the Congress has been raising the issue for years and China has yet to do anything in response. The staff seemed to feel that the only way the appropriate amount of pressure can be exerted on China is by major U.S. multi-national companies with a presence in that country to stand up and make their position known. They also realize that the balance between diplomacy and pressure for revaluation is tricky for the President.

As you will recall, President Obama, in the State of the Union Address made a bold new commitment to double America's exports over the next five years and to create millions of jobs in the process. According to the [International Trade Administration \(ITA\)](#) at the Department of Commerce, exports accounted for almost 13 percent of GDP in 2008. This is up from less than five percent from fifty or so years ago. The ITA estimates that six million jobs are dependent on manufacturers being able to export their products abroad where more than ninety percent of the world's consumers reside.

Most recently, United States Trade Representative Ron Kirk issued a statement upon delivery of the [President's 2010 Trade Policy Annual Report to Congress](#). In his statement, he strongly supported the export growth agenda, saying "Ninety-five percent of the world's consumers live outside the United States, and the President's trade agenda will help to get American workers and businesses access to as many of those customers as possible - in ways that affirm our rights in the global trading system and that reflect American values on worker rights, the environment, and open dialogue here at home ... The priorities in this Agenda can work to strengthen the rules-based global trading system on which the nations of the world depend, while opening markets and ensuring that American businesses and workers receive the economic benefits of trade."

The following is a list of links and documents related to the export growth plan. Some of these were included in the last issue.

- ❖ The "Export Control Practitioner's Group" blue print for doubling exports in the form of a [letter and proposal](#) to the White House. The group is made up of trade associations, businesses and legal practitioners.
- ❖ Commerce Secretary Gary Locke's [Back to Basics: A Blueprint for Exports-Driven Job Growth](#)"



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- ❖ Commerce Secretary Gary Locke's [keynote](#) address at the U.S.-China Business Council's "Forecast 2010" conference where he announced the Obama Administration's first cabinet-level trade mission to China and Indonesia in May.

Requiring congressional action and strong commitment by the President, free trade agreements must be concluded with Panama, Colombia and South Korea. Such agreements are unlikely to receive the attention desired by Republicans and business interests. With the assumption of power of the House Ways & Means Committee by labor-friendly Representative Levin (D-MI), most observers believe that the climb to FTA conclusion just got a lot tougher. As referenced above, Chairman Levin's emphasis will be primarily on ensuring strong labor protections in any agreement—something that could, in addition to a current lack of momentum, further stymie the process.

Finally, in addressing the broader theme of job creation and retention, Representative Lipinski (D-IL) last week introduced the bipartisan [National Manufacturing Strategy Act, H.R. 4692](#), "to help American manufacturing rebound from recent job losses and to ensure it is equipped to thrive in the 21st Century". The thrust of the legislation is to require the administration, in consultation with a new "Manufacturing Strategy Board" to analyze the American manufacturing sector and to develop a strategy to increase competitiveness globally. Underlying the bill is a strong sense of fear about the erosion of our manufacturing presence as a percentage of our economy and the rapid growth and competitiveness of Chinese manufacturers in areas where they previously did not compete.

Lipinski's bill is in line with a recent effort by a bi-partisan group of senators to get the President's attention on this. The group, which included senators from outside the "Rust Belt", [wrote to President Obama](#), calling for a "rational" and "comprehensive" manufacturing policy in the United States that commits an adequate amount for resources and coordination across the federal agencies that would lead to developing "a highly skilled and productive workforce, investing in new technologies and emerging technologies, ensuring stable capital markets, providing support for communities in transition, strengthening infrastructure, improving market access for U.S. exports and fostering entrepreneurial talent."

Trade Related Federal Register Notices:

- ❖ **74 FR 37690: Silicon Metal From the People's Republic of China: Extension of Time Limit for the Preliminary Results of Antidumping Duty Administrative Review**(see endnote ⁱ)



Health Care Reform

As discussed in our prior reports, President Obama called for a bi-partisan, bi-cameral health [care summit](#) that took place on February 25th at the White House. While most dubbed the event little more than theatre, it provided the President with an opportunity to debate his Republican foes toe to toe in front of the American people—a move that may or may not ultimately pay off for him politically. Although the President posted the ["White House Proposal"](#) online before the summit, most noted that it was almost identical to the House and Senate proposals that the Republicans have for a year now vehemently opposed. Republicans accused the Democrats of shutting them out of negotiations and attacked their plan as doing little to address cost. Democrats accused the Republicans of doing anything to obstruct health care reform progress regardless of the content of the legislation.

Theatrics aside, most agree that the President and the Democratic leadership in the Congress will now proceed without support from the Republican Party. The path to success is as complicated as it is simple. In essence, the House will have to accept the version of health care reform that the Senate passed last Christmas Eve without amendment. Any amending of the bill would send it back to the Senate for final passage where it would need 60 votes to prevail. With Senator Brown (R-MA) now in office, that is a virtual impossibility.

The problem is this. The House and Senate bills differ in at least three significant ways. First, the Senate bill does not have any version of a public option whereas the House has a "robust" option, permitting the federal government to compete directly with private insurers for the business of the millions of currently uninsured Americans. This is a chief priority for the progressive wing of the Democratic Party. Second, the House bill permits a "national" health insurance exchange whereas the Senate plan only permits state and regional exchanges. Some argue this is significant in that the larger national pool ensures a consistent product and better consumer bargaining power. And third, the House bill would pay for its package by placing a surtax on the highest income earners while the Senate would instead place the tax on so-called "Cadillac" health insurance plans.

To remedy this and ensure that Speaker Pelosi will retain enough votes in the House to pass the Senate version, the Senate must promise those House Democrats that they will "amend" the Senate bill after it becomes law through the "budget reconciliation" process, which requires a mere majority vote rather than a 60 vote supermajority. As the Democrats have at least 57 and maybe 59 votes for reform, they should have no problem passing certain amendments through reconciliation. However, this move



requires the trust of House Democrats that the Senate will actually live up to its word. And further, it requires an assurance by the parliamentarian in the Senate the most pressing concerns for House Democrats can be resolved e.g. modifying the surtax on Cadillac plans to the liking of trade and labor unions who argue that many of their own collectively bargained agreements would be penalized under the Senate legislation.

K Street is bubbling with varying points of view on whether the use of budget reconciliation may harm Democrats come election time in the polls. For his part, President Obama yesterday urged House Democrats not to change their votes from the last time the measure came to the floor of the chamber. While elections are closer now and vulnerable members are feeling political pressures from home, the President reminded them that “flip-flopping” may be just as politically dangerous as voting for a bill that they perceive is not well liked at home. Many in the Democratic party believe that the American people want reform and that much of what polls say people are “against” can be chalked up to misinformation. They argue that after reform has passed, Democrats should take it to their districts and states to explain the legislation in greater detail. Republicans, of course, counter that the people do understand the bill and simply don’t want it.

Further, the Republicans argue that using reconciliation is akin to a trick to subvert the will of Congress and should not be used for such landmark legislation. In retort, the Democrats point out numerous times over the years that the same process has been used to move substantial legislation, including most recently enacting then-President Bush’s \$1.7 trillion tax cut package with only majority vote. Just yesterday, Senate Majority Leader Reid pulled a video from the 2005 archives of Senator Gregg (R-NH) on the Senate floor saying, “We are using the rules of the Senate here. It is totally inappropriate for a Senator to come to this floor and represent that [reconciliation] is some sort of unethical act,” Gregg said on March 16, 2005, during remarks on the Senate floor. “The point is, if you’ve got 51 votes for your position, you win.” Right or wrong, one thing is for sure. The Senate Republicans will do everything they can to challenge the bill procedurally in the hopes of changing it just enough to scare off House Republicans from supporting the overhaul.

MSCI has officially joined the *Start Over Coalition*, a group of 460 other organizations and companies opposing the bill passed by the House and Senate on the grounds that it would increase health care costs, jeopardize employer coverage, and dramatically increase the budget deficit when all costs are considered. For more information on the *Start Over Coalition* and to send your own *Start Over* letter to the president and your senators and elected representatives, [click here](#). It is important that you make



your voice heard now since the President has set a March 18th date for Senate and House action on health care. We've made it easy to send a letter on our *Start Over* page.

Materials may be found at the following links:

[House Health Care Bill](#)

[House Bill Summary](#)

[Various House Background Materials](#)

[Senate Bill Summary](#)

Climate

Climate legislation is no more certain to pass the Congress now than it was a month ago. However, significant signals have been sent in the past few weeks to indicate that the climate issue is far from dead and that the Senate is likely to see some action before the spring is out. Senators Kerry (D-MA), Lieberman (I-CT) and Graham (R-SC) continue to assure the press and the interest groups in Washington that they are working diligently on a draft proposal that they believe will be a blue print for 60 votes in that chamber. As discussed in prior newsletters, the bill is almost certain to include a title dedicated to offshore drilling for oil and gas and another for nuclear power – each in an effort to secure moderate and republican votes. Senator Murkowski (R-AK), the Ranking Republican member of the Senate Energy Committee, is working with Senator Graham to make sure that many of the offshore drilling provisions that were unsuccessful last year in the Energy Committee are resurrected in this climate bill. The main thrust of the provisions, as reported, are to provide revenue sharing for coastal oil producing states. What is less certain about the content of this tri-partisan measure is how it will handle carbon emissions.

In a series of interviews, the three negotiators have leaked a few key observations about emissions. Unlike many in the Republican caucus, Senator Graham has insisted that we must place a price on carbon in order to ensure meaningful emissions reductions. Like many of his Republican and moderate Democrat colleagues, the three have acknowledged that an “economy-wide” cap and trade program may not be possible at this time. The three have instead suggested that, unlike the House-passed bill, which does establish an economy wide cap and trade program, they would likely take a



sector by sector approach. To begin, many expect that only utilities will be placed under a cap and trade program. Large manufacturers may also be regulated this way in the future, but not in the early years and not unless they far exceed the 25,000 ton emission threshold. Other sectors, such as the transportation sector, would have a carbon tax or carbon fee imposed and would never be subjected to a cap and trade program. While all speculative, the three Senators have done nothing to refute that this is their likely approach.

Dividing emissions regulation into a sector by sector approach has both advantages and disadvantages. While it allows manufacturing state Democrats to claim victory by protecting home state jobs, it also runs the risk of fragmenting a rather fragile coalition of disparate interests that was instrumental in climate legislation through the House. Some cite recent membership defections from U.S. CAP as signs of the process unraveling while others emphasize that the coalition of companies still has 26 members with near \$2 trillion in market cap and that their sticking together despite major differences in their specific views on climate legislation is testament to the survival power of this issue. To Senator Graham, the greatest threat of the moment is that the health care reform process will end in bitter partisanship that will poison productive climate progress.

Whatever the content of the emissions title, most observers expect that the first draft to be released will present little more than "principles". Nobody expects it to include legislative language to the level of detail considered last year by the Senate Environment and Public Works Committee. Instead, it is anticipated to be something more than the [broad outline](#) released in December before the United Nations meetings, but something far short of legislation.

Additionally, the EPA continues to move ahead with its rule writing process to regulate carbon. As you will recall, on December 15th, the EPA published its so-called "endangerment finding". The document is an official finding by the agency that greenhouse gases threaten public health, triggering a duty upon the agency to begin to regulate such gases from "mobile sources" (automobiles) under its Clean Air Act authority. The finding officially took effect on January 14th and rules on "tail pipe" emissions are expected as soon as this month.

While the finding does not immediately require the EPA to similarly regulate "stationary sources" (factories, power plants, etc.), once the tailpipe standards are released, stationary sources could automatically be required to install BACT, or "Best Available Control Technology". The EPA is expected to release guidance on BACT well before the tailpipe standard is finalized. The EPA also intends to propose a "tailoring rule" which will shield stationary source facilities that emit less than 25



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million tons per year of GHG emissions from the requirement. Most recently, to the surprise of many and relief of others, EPA Administrator Jackson wrote a [letter to Senator Rockefeller](#) (D-WV), noting that despite its authority to do so, the EPA will not regulate any power plants or other major stationary sources until at least the second half of next year and in most cases much later.

Nevertheless, a total of 16 endangerment lawsuits were filed before the mid-February deadline. The suits came from industry groups, conservative think tanks, lawmakers, and even states (including the American Iron and Steel Association (AISI), Gerdau Ameristeel, the U.S Chamber of Commerce and the National Association of Manufacturing). Additionally, Senator Murkowski has filed a "[resolution of disapproval](#)" which, if successful, would prevent the EPA from taking further action under its Clean Air Act authority. The resolution stands little chance of success, but the Senator has 37 Republicans and 3 Democrats signed on to date. She needs 60 votes to prevail. Coal state Democrats, including Senator Rockefeller, this week introduced legislation that would delay EPA's authority for 2 years but would not preclude it entirely. This is seen as a compromise, but it is not yet clear whether others will sign on.

Finally, in the background, Senators continue to promote other alternative climate related measures. On Friday, the Senate Environment and Public Works Committee held a hearing on a three pollutant bill. Last month, a bi-partisan group of senators led by Senator Carper (D-DE) [introduced an alternative](#) to cap and trade that has been kicking around in concept years. The bill would seek to cut sulfur dioxide, nitrogen oxide and mercury emissions from power plants. Specifically, it would reduce sulfur dioxide emissions 80 percent over a decade, nitrogen oxide emissions by 53 percent, and mercury emissions by at least 90 percent by 2015. Senator Carper cites the EPA in stating that it would save at least 215,000 lives and \$2 trillion in healthcare costs by 2025. Carper argues that the three pollutant approach is the right path forward because the technology exists to achieve substantial reductions in emissions from these pollutants now while the same cannot be said for carbon capture and sequestration technologies.

Senator Cantwell (D-WA) also continues to promote her own "cap and dividend" approach to limiting carbon emissions. Her primary focus being the preclusion of a market-base trading platform for carbon dioxide, Senator Cantwell introduced with Senator Collins (R-ME) the "[Carbon Limits and Energy for America's Renewal \(CLEAR\) Act](#)" which would focus only on producers and importers of fossil fuel -- not power plants and manufacturers. The covered entities would be required to buy permits for carbon emissions through an auction mechanism. The revenue from the auction would primarily be



returned to energy consumers as an offset for the presumably higher energy costs. Twenty five percent of the revenue would go to investment in clean energy technology. The legislation aims to reduce emissions by 83% by 2050. Controversially, it also includes a collar on the price of carbon (both floor and ceiling).

Materials may be found at the following links:

[Winston & Strawn Briefing on Greenhouse Gas Emissions](#)

[House Climate Bill \(Passed\)](#)

[House Climate Bill Summary](#)

[Senate Environment and Public Works Committee Climate Bill](#)

[Senate Environment and Public Works Committee Climate Bill Summary / Differences](#)

[EPA Cost Analysis on Climate Measures](#)

[Senator Kerry's Climate Bill \(Concepts and Principles for Copenhagen\)](#)

[Senator Stabenow and Moderate Democrats' Climate Bill \(significant industry support\)](#)

[United Nations Framework Convention on Climate Change](#)

[Copenhagen Accord](#)

[Senator Cantwell "Cap & Dividend" Legislation](#)

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ⁱⁱ **Summary:** On July 29, 2009, the Department of Commerce (the “Department”) published its notice of initiation of an administrative review of the antidumping duty order on silicon metal from the People’s Republic of China (“PRC”). *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Deferral of Administrative Review*, 74 FR 37690 (July 29, 2009). The period of review is June 1, 2008, through May 31, 2009. As explained in the memorandum from the Deputy Assistant Secretary for Import Administration, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from February 5, through February 12, 2010. Thus, all deadlines in this segment of the proceeding have been extended by seven days. The revised deadline for the preliminary results of this review is now March 9, 2010. The Department has determined that it is not practicable to complete the instant administrative review within the original time limits mandated by section 751(a)(3)(A) of the Act because the Department needs additional time to analyze information pertaining to complex issues, including surrogate value information relating to certain raw material inputs. Therefore, in accordance with section 751(a)(3)(A) of the Act, the Department is extending the time period for completing the preliminary results of the instant administrative review until July 7, 2010, which is 372 days after the last day of the anniversary month of the date of publication of the order (365 days plus an additional seven days (*see* the Tolling Memorandum discussed above)). The deadline for the final results of this review continues to be 120 days after the publication of the preliminary results.