

**RECORD OF COMMENTS:
 NATIONAL DEFENSE STOCKPILE MARKET IMPACT COMMITTEE
 REQUEST FOR PUBLIC COMMENTS ON THE POTENTIAL MARKET
 IMPACT OF PROPOSED DISPOSALS UNDER THE
 FY 2009 ANNUAL MATERIALS PLAN**

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(Due November 23, 2007)

COMMENT #	SOURCE	SIGNER(S) OF LETTER	DATE	NUMBER OF PAGES
1.	Eramet Marietta, Inc.	Nicholas A. Pyle, Government Relations	November 23, 2007	5
2.	Eramet Marietta, Inc.	Nicholas A. Pyle, Government Relations	November 23, 2007	5

*Comments as of November 26, 2007

Dated: October 16, 2007.

Jimmy L. Reaves,

Associate Deputy Chief, Research & Development.

[FR Doc. E7-20868 Filed 10-23-07; 8:45 am]

BILLING CODE 3410-11-P

DEPARTMENT OF AGRICULTURE

Forest Service

Forestry Research Advisory Council

AGENCY: Forest Service, USDA.

ACTION: Notice of meeting.

SUMMARY: The meeting room is changed for the Forestry Research Advisory Council. The meeting will take place in Berkeley, California, November 15-16, 2007. The purpose of the meeting is to discuss emerging issues in forestry research.

DATES: The meeting will be held November 15-16, 2007. On November 15 the meeting will be from 8 a.m. to 5 p.m., and on November 16 from 8-noon.

ADDRESSES: The meeting will be held at the Women's Faculty Club on the University of California Campus in Berkeley, California. Individuals who wish to speak at the meeting or to propose agenda items must send their names and proposals to Daina Apple, Designated Federal Officer, Forestry Research Advisory Council, USDA Forest Service Research and Development, 1400 Independence Ave., SW., Washington, DC 20250-1120. Individuals also may fax their names and proposed agenda items to (202) 205-1530.

FOR FURTHER INFORMATION CONTACT: Daina Apple, Forest Service Office of the Deputy Chief for Research and Development, (202) 205-1665.

SUPPLEMENTARY INFORMATION: The meeting is open to the public. Council discussion is limited to Forest Service, Cooperative State Research Education, and Extension Service staff and Council members. Persons wishing to bring forestry research matters to the attention of the Council may file written statements with the Council staff before or after the meeting.

Dated: October 18, 2007.

Jimmy L. Reaves,

Associate Deputy Chief, Research & Development.

[FR Doc. E7-20867 Filed 10-23-07; 8:45 am]

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DEPARTMENT OF COMMERCE

Bureau of Industry and Security

[Docket No. 071002551-7552-01]

National Defense Stockpile Market Impact Committee Request for Public Comments on the Potential Market Impact of Proposed Stockpile Disposals for Fiscal Year 2009

AGENCY: Bureau of Industry and Security, Commerce.

ACTION: Notice of inquiry.

SUMMARY: This notice is to advise the public that the National Defense Stockpile Market Impact Committee, co-chaired by the Departments of Commerce and State, is seeking public comments on the potential market impact of the proposed disposal levels of excess materials for the Fiscal Year (FY) 2009 Annual Materials Plan.

DATES: To be considered, written comments must be received by November 23, 2007.

ADDRESSES: Address all comments concerning this notice to Michael Vaccaro, U.S. Department of Commerce, Bureau of Industry and Security, Office of Strategic Industries and Economic Security, 1401 Constitution Avenue, NW., Room 3876, Washington, DC 20230, fax: (202) 482-5650 (Attn: Michael Vaccaro), e-mail: MIC@bis.doc.gov; or Peter Haymond, U.S. Department of State, Bureau of Economic and Business Affairs, Office of International Energy and Commodity Policy, Washington, DC 20520, fax: (202) 647-8758 (Attn: Peter Haymond), or e-mail: haymondp@state.gov.

FOR FURTHER INFORMATION CONTACT: David Newsom, Office of Strategic Industries and Economic Security, Bureau of Industry and Security, U.S. Department of Commerce, Telephone: (202) 482-7417.

SUPPLEMENTARY INFORMATION:

Background

Under the authority of the Strategic and Critical Materials Stock Piling Act of 1979, as amended (50 U.S.C. 98, *et seq.*), the Department of Defense (DOD), as National Defense Stockpile Manager, maintains a stockpile of strategic and critical materials to supply the military, industrial, and essential civilian needs of the United States for national defense. Section 3314 of the Fiscal Year (FY) 1993 National Defense Authorization Act (NDAA) (50 U.S.C. 98h-1) formally established a Market Impact Committee (the Committee) to "advise the National Defense Stockpile Manager on the projected domestic and

foreign economic effects of all acquisitions and disposals of materials from the stockpile * * *." The Committee must also balance market impact concerns with the statutory requirement to protect the Government against avoidable loss.

The Committee is comprised of representatives from the Departments of Commerce, State, Agriculture, Defense, Energy, Interior, the Treasury, and Homeland Security, and is co-chaired by the Departments of Commerce and State. The FY 1993 NDAA directs the Committee to consult with industry representatives that produce, process, or consume the materials contained in the stockpile.

In Attachment 1, the Defense National Stockpile Center (DNSC) lists the proposed quantities that are enumerated in the stockpile inventory for the FY 2009 Annual Materials Plan. The Committee is seeking public comments on the potential market impact of the sale of these materials. Public comments are an important element of the Committee's market impact review process.

The quantities listed in Attachment 1 are not disposal or sales target quantities, but rather a statement of the proposed maximum disposal quantity of each listed material that may be sold in a particular fiscal year by the DNSC. The quantity of each material that will actually be offered for sale will depend on the market for the material at the time of the offering as well as on the quantity of each material approved for disposal by Congress.

Submission of Comments

The Committee requests that interested parties provide written comments, supporting data and documentation, and any other relevant information on the potential market impact of the sale of these commodities. All comments must be submitted to the address indicated in this notice. All comments submitted through e-mail must include the phrase "Market Impact Committee Notice of Inquiry" in the subject line.

The Committee encourages interested persons who wish to comment to do so at the earliest possible time. The period for submission of comments will close on November 23, 2007. The Committee will consider all comments received before the close of the comment period. Comments received after the end of the comment period will be considered, if possible, but their consideration cannot be assured.

All comments submitted in response to this notice will be made a matter of public record and will be available for

public inspection and copying. Anyone submitting business confidential information should clearly identify the business confidential portion of the submission and also provide a non-confidential submission that can be placed in the public record. The Committee will seek to protect such information to the extent permitted by law.

The Office of Administration, Bureau of Industry and Security, U.S. Department of Commerce, displays public comments on the BIS Freedom of Information Act (FOIA) Web site at <http://www.bis.doc.gov/foia>. This office does not maintain a separate public inspection facility. If you have technical difficulties accessing this Web site, please call BIS's Office of

Administration at (202) 482-1900 for assistance.

Dated: October 5, 2007.

Christopher A. Padilla,
Assistant Secretary for Export Administration.

Attachment 1

PROPOSED FY 2009 ANNUAL MATERIALS PLAN

Material	Unit	Quantity	Footnote
Aluminum Oxide, Abrasive	ST	5,500	(1)
Bauxite, Metallurgical Jamaican	LDT	2,000,000	(1)
Beryl Ore	ST	1,000	(1)
Beryllium Metal	ST	40	
Beryllium Copper Master Alloy	ST	300	(1)
Chromium, Ferro	ST	150,000	
Chromium, Metal	ST	1,000	
Cobalt	LB Co ..	3,000,000	(1)
Columbium Metal Ingots	LB Cb ..	20,000	(1)
Diamond Stones	ct	520,000	(1)
Germanium	Kg	8,000	
Manganese, Battery Grade, Natural	SDT	20,000	(1)
Manganese, Battery Grade, Synthetic	SDT	3,000	(1)
Manganese, Chemical Grade	SDT	25,000	(1)
Manganese, Ferro	ST	100,000	
Manganese, Metallurgical Grade	SDT	250,000	
Mica, All	LB	17,000	(1)
Platinum	Tr Oz ...	9,000	(1)
Platinum-Iridium	Tr Oz ...	3,000	(1)
Talc	ST	1,000	
Tantalum Carbide Powder	LB Ta ..	8,000	(1)
Tin	MT	6,000	(1)
Tungsten Metal Powder	LB W ...	300,000	(1)
Tungsten Ores & Concentrates	LB W ...	8,000,000	
VTE, Quebracho	LT	6,000	
VTE, Wattle	LT	200	(1)
Zinc	ST	30,000	(1)

¹ Actual quantity will be limited to remaining inventory.

[FR Doc. E7-20860 Filed 10-23-07; 8:45 am]
BILLING CODE 3510-33-P

DEPARTMENT OF COMMERCE

International Trade Administration

Notice of Charter Renewal

SUMMARY: The Department of Commerce Chief Financial Officer and Assistant Secretary for Administration has renewed the charter for the U.S. Travel and Tourism Advisory Board (Board) for a 2-year period, through September 21, 2009. The Board is a federal advisory committee under the Federal Advisory Committee Act (5 U.S.C. App. 2).

SUPPLEMENTARY INFORMATION: The U.S. Travel and Tourism Advisory Board was first established on September 21, 2005, by the Secretary of Commerce, pursuant to his duties as authorized by law, in accordance with the Federal Advisory Committee Act, and with the

concurrence of the General Services Administration.

Pursuant to Department of Commerce authority under 15 U.S.C. 1512, the Board shall advise the Secretary of Commerce on matters relating to the U.S. travel and tourism industries. The Board shall act as a liaison among the stakeholders represented by the membership and shall provide a forum for those stakeholders on current and emerging issues in the travel and tourism industry, ensuring regular contact between the government and the travel and tourism sector. The Board shall advise the Secretary on government policies and programs that affect the U.S. travel and tourism industry, offer counsel on current and emerging issues, and provide a forum for discussing and proposing solutions to industry-related problems.

The U.S. Travel and Tourism Advisory Board consists of up to fifteen members appointed by the Secretary of Commerce. Members represent

companies and organizations in the travel and tourism industry from a broad range of products and services, company sizes and geographic locations. The Board plans to maintain this broad balance in order to incorporate the views of the wide range of travel and tourism oriented industries. Prior membership included representatives of the hotel, airline, restaurant, retail, amusement park, and guided tour industries, as well as representatives of city and state tourism and convention bureaus.

The Board will function solely as an advisory body, and in compliance with the provisions of the Federal Advisory Committee Act, its implementing regulations, and applicable Department of Commerce policies.

FOR FURTHER INFORMATION CONTACT: Kate Worthington, Deputy Director, Office of Advisory Committees, (202) 482-4260.

From: "Nicholas A. Pyle" <npyle@attglobal.net>
To: "'Nicholas A. Pyle'" <npyle@attglobal.net>, <mic@bis.doc.gov>, <haymond@state.gov>, "'Frank Bjorklund'" <Frank.Bjorklund@eramet-mn-us.com>
Date: Fri, Nov 23, 2007 1:02 PM
Subject: RE: MIC 2009 Chrome Metal

Resending with revised subject line - no other changes.

November 23, 2007

Michael Vaccaro, Co-Chair

Stockpile Market Impact Committee

Office of Strategic Industries and Economic Security

Bureau of Industry and Security

U.S. Department of Commerce - Room 3876

14th Street and Constitution Avenue, N.W.

Washington, D.C. 20230

Re: National Defense Stockpile Market Impact Committee -

Comments on the Proposed Stockpile Disposals Chrome Metal in FY 2008

Federal Register Notice October 26, 2007 - Docket ID 071002551-7552-01

To Michael Vaccaro:

As the only U.S. producer of Electrolytic Chrome (ElCr) and a vacuum degassed (Vacuum Grade) chrome, Eramet Marietta objects to the proposal in the FY 2009 Annual Materials Plan Revisions seeking to sell up to 1,000 tons per year of chromium metal from the Defense National Stockpile. While no actual data is available for domestic consumption of high purity chrome we estimate total US Consumption of Vacuum Grade high purity chrome at between 1,000 and 1,200 metric tons per year. This means DNS sales levels are 83% of domestic consumption.

Sales in FY 2006, resulted in a significant negative downward impact on the US market price. Incidentally, it was the Eramet Marietta plant operated by

Elkem Metals that supplied a great portion of the current inventory of Vacuum Grade electrolytic chrome metal to the stockpile. The DNS added approximately 788,031 pounds of VG in FY 1991, 2,157,571 pounds in FY 1992, 1,598.826 pounds in FY 1993 and the last acquisition was for 1,841,851 pounds in FY 1994.

The current inventory of Chromium Metal in the Defense National Stockpile was one of the last four items in deficit. VG is a critical and strategic metal that is a major component of gas turbine engines and essential in several aircraft and aerospace applications. The price of aluminothermic chrome metal (ATCr) from the NDS impacts the price and volume of products as in some cases it is interchangeable with VG chrome products produced in Marietta, Ohio. ATCr price fluctuations are somewhat of a "double edged sword" for Eramet as we produce approximately 3000 NT of electrolytic chrome metal and at times in the past have purchased up to 900 NT per year of ATCr. The company is both a seller and buyer. The purchased ATCr is used as a feedstock for the production of CrAl briquettes.

Chrome metal has a range of grades, depending on the use, which range from 98.5% Chrome content to 99.995% Chrome content. The ability to use each of these grades is very dependent not only on the chrome content but also levels of detrimental trace elements that are present in the material for certain applications. Due to this fact each offering from the DLA must be evaluated based on the possible uses for the grade being sold and in some cases may limit the market and encourages discounting on price. In the most recent offering the analytical data on the metal being sold indicated it was not suitable for welding applications. This quality factor reduced available market and had a significant impact on the market price. Another issue to consider is the use of the chrome in the production of nickel based super alloys for aircraft gas turbine engines. These are very special aerospace applications, which require an extensive and expensive qualification process, which typically includes the engine manufacturer. This is not economically feasible for a short-term supplier from several production sources such as the DNS.

The National Materials Advisory Board, Commission on Engineering and Technical Systems and the National Research Council, a branch of the National Science Foundation issued a report in 1995 which concluded that the U.S. should maintain its reserves of Chromium Metal. The general conclusions and recommendation of NRC report (NMAB-480) is summarized as follows "the Committee recommends that the National Defense Stockpile maintain and continually upgrade to industry standards a sufficient quantity of high purity chromium metal to meet the industry's needs in the event of an emergency." The report cites the lack of domestic alternatives, supplier reliability and several scenarios for the disruption of supplies. A copy of the study was included in past submissions to the Market Impact Committee.

Current inventories of chromium metal in the Defense National Stockpile could accommodate the U.S. aerospace and aircraft industries for less than two years. The committee report suggests this material is available in sufficient quantities to allow for start-up of new production facilities in the event of an emergency. We take exception to the quality assumptions and applicability of the lower grade chrome metal containing sulfur greater than 50 parts per million and nitrogen greater than 60 parts per million in the proposed sale material.

World demand for high purity chromium languishes at approximately 20,000 tons per year. The majority of this demand is met with ATCr production of 17,000 tons from various foreign sources. Eramet Marietta produces about 3,000 tons of high electrolytic chromium metal a year, of this less than 1,200 is degassed vacuum grade. We are very concerned that our limited U.S. market share would be severely impacted by continued sales of up to 1,000 tons, or a third of the sole U.S. producer annual output of Chrome Metal or the equivalent of 83% of its production of Electrolytic Chrome.

Eramet strongly urges the Market Impact Committee recommend a reduction in Department of Defense Chromium Metal sales authority. We suggest a segregation of lots between degassed and undegassed chromium and that sales of degassed material be limited to 100 tons per year, about 10% of domestic consumption. We would prefer that no chromium be sold, or that aluminothermic (ATCr) materials be sold first. Quantities for total annual sales should be limited to not more than 300 tons and that it be restricted to not more than 1/3 VG (100 tons) and 2/3rds (200 tons) be ATCr or Electrolytic Chrome. Degassed chromium should be analyzed by an independent laboratory to ascertain the grade and quality of the product. This step is motivated by the knowledge that DLA's electrolytic degassed chromium was produced in the late 1980s or early 1990s, so subject to potential contamination or "obsolescence". This process will allow the DLA to determine a "floor price" by product type. We would also recommend that the DNS sell poorer quality material with high sulfur and nitrogen first. Finally, we would request an option for the right of first refusal for the purchase of any sales in order to prevent market disruption.

Understanding that MIC all too often fails to act on industry requests Eramet has sought Congressional assistance and a legislative mandate to limit and specify disposals. Presently language is under consideration in S. 1458, the FY 2008 Defense Authorization Bill to limit chrome metal sales and specify type and for offered for sale. That language is included with these comments as attachment I-A.

In conclusion, our comments on chromium illustrate the limited scope of the proposal to sell this material given the findings of the National Research

Council, the harm to the domestic industry and our concerns about the DLA's ability to sell poor quality materials into depressed markets. We have stated terms with which the sole U.S. producer could survive with the direct competition from sales by the Federal Government. We ask the Market Impact Committee to reduce the request to the FY 2009 Annual Materials Plan and suspend FY 2008 disposal authority of chromium metal. Eramet welcomes an opportunity to meet with the Market Impact Committee to discuss chromium metal disposal from the Defense National Stockpile.

Sincerely,

By Email Submission:

Nicholas A. Pyle, Government Relations

Eramet Marietta, Inc.

Contact Address:

1223 Potomac Street, NW

Washington, DC 20007

202-333-8190

Facsimile - 202-337-3809

npyle@attglobal.net

National Defense Authorization Act for Fiscal Year 2008

SEC. 3306. RESTRICTION ON DISPOSAL OF CHROME METAL.

(a) TEMPORARY QUANTITY RESTRICTIONS- During fiscal years 2008 through 2011, the disposal of chrome metal in the National Defense Stockpile may not exceed the following quantities:

- (1) During fiscal year 2008, 500 short tons of aluminothermic grades of chrome metal.
- (2) During fiscal year 2009, 500 short tons of aluminothermic grades of chrome metal.
- (3) During each of the fiscal years 2010 and 2011, 500 short tons of highest grade electrolytic chrome metal (vacuum grade) only after all quantities of aluminothermic and lesser grades of electrolytic chrome are disposed of from inventories.

From: "Nicholas A. Pyle" <npyle@attglobal.net>
To: <mic@bis.doc.gov>, <haymond@state.gov>, "Frank Bjorklund"
<Frank.Bjorklund@eramet-mn-us.com>, "'Nicholas A. Pyle'" <npyle@attglobal.net>
Date: Mon, Nov 26, 2007 9:09 AM
Subject: MIC 2009 HCFeMn

November 23, 2007

Michael Vaccaro, Co-Chair

Stockpile Market Impact Committee

Office of Strategic Industries and Economic Security

Bureau of Industry and Security

U.S. Department of Commerce - Room 3876

14th Street and Constitution Avenue, N.W.

Washington, D.C. 20230

Re: National Defense Stockpile Market Impact Committee

Comments on the Proposed Stockpile Disposals Ferromanganese in FY 2009

Federal Register Notice October 26, 2007 - Docket ID 071002551-7552-01

To Michael Vaccaro:

Eramet Marietta Inc. is the sole domestic producer of High Carbon Ferromanganese (HCFeMn). The company, located in Marietta, Ohio, submits comments to the Market Impact Committee (MIC) to oppose the Department of Defense's proposed FY 2009 Annual Materials Plan (AMP) with disposals of 100,000 tons per year of HCFeMn.

Our concern is that the 100,000 tons of HCFeMn tendered in FY 2007, the tender for FY 2008 and proposals to sell in 2009 will cause a decline in prices. The domestic market for HCFeMn is approximately 300,000 tons per year. The proposed level of sales represents one third of the domestic demand. It is a real concern to have a third of the domestic market controlled by an entity that has no regard for price, profit or loss, only an obligation to move tonnages of material. It is the job of the Market

Impact Committee to ensure that DNS sales not precipitate price declines and upset domestic industries. There was a time when DNS sales were limited to ten percent of the domestic market. DNS sales of High Carbon Ferrochrome (HCFeCr) lead to a collapse of prices and the closure of the sole United States producer leaving United States dependent on offshore sources and remaining stockpile sales for it's HCFeCr needs a critical ingredient of stainless steel.

There are reasons for Eramet Marietta's objections to 100,000 ton per year of HCFeMn sales. The proposed sale of HCFeMn stockpiles would disrupt world and domestic manganese markets. The DLA sales of HCFeMn drive down prices and endanger the business operations of Eramet Marietta. A sale of 100,000 tons of HCFeMn threatens potential modernization investment projects at Eramet Marietta. Modernization projects include multi-million dollar equipment upgrades of furnaces and other facilities, which are required to keep the company competitively viable.

Eramet long ago realized that the Market Impact Committee consistently fails to direct the DoD limit disposals of HCFeMn which has served to allow the disruption of domestic markets and prices. Understanding this, Eramet is seeking Congressional assistance by legislative mandate to limit HCFeMn disposals. This year the United States Senate included special language in S.1548, the FY 2008 Defense Authorization Bill (Attachment I) which is presently in a House - Senate Conference. It is our understanding that Department of Defense incorrectly advised the Senate Armed Services Committee in comments to the proposed legislation there is no US producer of HCFeMn. Eramet and the predecessor owners of the facility in Marietta, Ohio: Elkem Metals Company and Union Carbide have continuously produced HCFeMn there since 1949. Eramet's HCFeMn is used mostly at the plant to produce down stream alloys but also as the sole source supplier to US Steel's Gary, Indiana facility. It is not clear where or how the Department of Defense sourced this false information which it provided to the Senate Armed Services Committee.

A viable domestic ferromanganese industry is vital to the United States economic security. Manganese is an essential ingredient in the production of steel. Steel cannot be produced without ferromanganese. The Eramet Marietta Inc. facility is the only operating ferromanganese production plant in the U.S. and Canada. A closure of the Marietta Plant would make the United States steel industry totally dependent on imports to supply this essential and strategic component of steel production. This could be critical during future global shortages and national emergencies. In addition, the United States industrial base would be further weakened and the unique technology and specialized human skills necessary to produce ferromanganese lost forever.

Eramet Manganese leads the world in manganese ferro-alloys production with an annual capacity in excess of 1.1 million tons. The company produces and sells the full range of manganese products to the steel industry: Mn Ore, HCFeMn, MCFeMn, LCFeMn, SiMn, and LCSiMn. In addition to manganese, Eramet produces and sells a variety of manganese compounds: Mn-Al briquettes, Electrolytic Manganese Dioxide, MnO, MnSO₄, Mn₃O₄, MnChloride and other chemical compounds. Non-manganese products from company affiliates include Electrolytic Chrome Metal, LC Ferrochrome, Molybdenum, Vanadium and Aluminum Hardeners. Eramet Manganese also engages in the recycling of petroleum catalysts, batteries and copper. Eramet's facilities for producing manganese ferro-alloys are in close proximity to world steel and aluminum markets. Materials are dispatched from eight sites in Europe, America and Asia. These diverse geographical locations ensure prompt distribution worldwide.

In conclusion, Eramet Marietta Inc. remains deeply concerned with the proposed quantities of DNS HCFeMn disposals for FY 2009 and how this will serve to undermine current operations and proposed plant investments. We request the DNS not offer sales above 50,000 tons of HCFeMn in FY 2008 and 2009 and all future annual disposals be limited to 50,000 tons.

Sincerely,

By Email Submission:

Nicholas A. Pyle, Government Relations

Eramet Marietta Inc.

1223 Potomac Street, NW

Washington, DC 20007

202-333-8190

Facsimile - 202-337-3809

Attachment I - Excerpt S. 1548

Attachment II - Graph HCFeMn Pricing

National Defense Authorization Act for Fiscal Year 2008

SEC. 3306. RESTRICTION ON DISPOSAL OF MANGANESE FERRO.

(a) TEMPORARY QUANTITY RESTRICTIONS- During fiscal years 2008 through 2010, the disposal of manganese ferro in the National Defense Stockpile may not exceed the following quantities:

- (1) During fiscal year 2008 , 50,000 short tons of all grades of manganese ferro.
- (2) During fiscal year 2009, 50,000 short tons of high carbon manganese ferro of the highest grade.
- (3) During each of the fiscal years 2010 and 2011, 75,000 short tons of high carbon manganese ferro of the highest grade.

(b) CONFORMING AMENDMENT- Section 3304 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 629) is repealed.

HC FeMn Pricing History

Platts Metals Week Mid Points

