

United States Senate

WASHINGTON, DC 20510

February 9, 2022

The Honorable Gina Raimondo
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

The Honorable Katherine Tai
Ambassador
U.S. Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Secretary Raimondo and Ambassador Tai:

We write to express our concerns about the threat posed to domestic production of grain-oriented electrical steel (GOES). Since the United States has only one remaining producer of GOES, we urge you to revisit the findings of the Department of Commerce's report from October 15, 2020, on "The Effect of Imports of Transformers and Transformer Components on the National Security" and take appropriate action before there is further damage to our domestic production.

As Senators representing the communities where the last American GOES is made, we have raised, for years, the threat posed by the complete loss of manufacturing fundamental to the integrity of our electrical grid and transformer supply chain. Therefore, we were pleased when the report was released to the public and revealed that, pursuant to an investigation under Section 232 of the Trade Expansion Act of 1962 into the national security threat posed by imports of cores, core parts, and laminations, the Department of Commerce found that these GOES products were "being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security."

Unfortunately, no action has been taken in response to these findings by the Department of Commerce. Specifically, the Section 232 report found that in 2019 over 95 percent of imported down-stream GOES products came from Canada and Mexico, yet neither country has actual GOES production. In other words, our two biggest trading partners are importing GOES from abroad rather than the United States. As such, the Department of Commerce offered seven recommendations to remediate the national security threat posed by these imports. Of note is the first option, which suggested that the United States negotiate with Canada and Mexico to either reduce their exports of down-stream GOES products to the United States, or utilize more U.S. GOES in the production of those products. We believe this option is a constructive starting point to address the ongoing national security threat, and ask that you engage with your counterparts in Canada and Mexico as a first step.

With 1,400 union jobs in GOES manufacturing and our national security at stake, we believe it is vital to the national interest that the United States take steps to retain domestic GOES production for the long-term. We appreciate your support for American manufacturing and its relationship to our national security interests, and thank you for your consideration of our request.

Sincerely,



Rob Portman
U.S. Senator



Sherrod Brown
U.S. Senator



Robert P. Casey Jr.
U.S. Senator