

October 21, 2025

The Honorable Howard W. Lutnick  
Secretary of Commerce  
Attn: Mr. Stephen Astle  
Director, Defense Industrial Base Division  
Office of Strategic Industries and Economic Security  
Bureau of Industry and Security  
U.S. Department of Commerce  
14th and Constitution Ave., NW  
Washington, DC 20230

**Re: Comments on the Request for Inclusion of Equipment for Use in the  
LNG/Petrochemical Industry in the Scope of the Section 232 Measures on Steel  
and Aluminum**

Dear Secretary Lutnick:

The Compressed Gas Association (“**CGA**” or the “**Association**”) respectfully submits the following comments in response to the request for inclusion (the “**Request**”) of certain types of gas liquification and separation equipment within the Section 232 measures on steel and aluminum derivative products submitted by the Committee on Pipe and Tube Imports (“**CPTI**”) on September 22, 2025. Specifically, CPTI seeks the inclusion of goods imported as modular structures under the following HTS codes for use in the LNG/petrochemical industry:

- 8418.69.01.80
- 8419.40.00.80
- 8419.50.50.00
- 8419.60.10.00
- 8421.39.01.40

CGA supports the Trump Administration’s efforts to grow the U.S. manufacturing sector and expand job opportunities for American workers. We do not believe that granting CPTI’s Request will further those goals. Thus, and for the reasons stated below, CGA urges the Bureau of Industry and Security of the U.S. Department of Commerce (“**BIS**”) to deny CPTI’s Request. If BIS grants the Request, then consistent with the scope of CPTI’s Request, BIS must limit the scope of the inclusion to equipment imported as modular structures for use in the liquified natural gas (“**LNG**”) /petrochemical industry.

### **A. CGA’s History and Membership**

For over a hundred years, CGA has served as the leading trade group representing the industrial, medical, food, and specialty gases and equipment industries. Headquartered in McLean, Virginia, CGA represents over 165 companies, ranging from multinational corporations to family-owned businesses. CGA members support over 34,000 U.S. jobs, operate over 900 facilities across the United States, and contribute more than \$50 billion to the American economy each year.

CGA’s membership spans every corner of the industry, including manufacturers, distributors, suppliers, and transporters of gases, cryogenic liquids, and related equipment. These companies play a critical role in producing and handling industrial, medical, food, and specialty gases in both compressed and liquefied forms. The full list of CGA member companies is available on its website: <https://www.cganet.com/about-us/cga-members/>

Compressed gases are the invisible backbone of countless products that Americans use every day. Collectively, CGA members supply industries that drive 24% of the U.S. gross domestic product, and every job in the compressed gas industry generates five additional jobs across other sectors. In short, CGA’s members play a unique and critical role in the U.S. economy.

### **B. Consistent with CPTI’s Request, BIS Should only Consider the Inclusion of Gas Liquefaction and Separation Equipment Used in the LNG/Petrochemical Industry**

CPTI’s Request lists five HTS codes for potential inclusion in the scope of the Section 232 steel and aluminum tariffs. However, CPTI does not request that all items imported under these codes face tariffs. Instead, CPTI specifically limited the scope of its Request to “articles that are imported as modular structures used in the construction of liquefied natural gas (“LNG”) facilities and petrochemical plants.”<sup>1</sup>

Thus, by its own terms, CPTI’s Request does not pertain to any imported item that is not used in the LNG/petrochemical industry. CGA would like to highlight this clear and specific limitation, and confirm that BIS will not include goods imported under the five HTS codes listed in the Request that are not imported as modular structures for use in the LNG/petrochemical industry within the scope of Section 232 steel and aluminum tariffs. Indeed, CPTI’s Request would provide no basis for this manner of broad-based tariff inclusion.

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<sup>1</sup> Request, page 2.

**C. BIS Should Not Impose Broad Section 232 Tariffs on All Items Imported Under the Five Identified HTS Codes Because Insufficient U.S. Production Capacity Exists to Meet U.S. Demand**

The United States currently lacks sufficient capacity to meet domestic demand for the equipment that falls under the five HTS codes CPTI has identified. Thus, U.S. companies that rely on this equipment have no choice—at least in the short- and medium-term—but to import these products from foreign producers. CPTI does not dispute these facts. In its Request, CPTI openly states that “CPTI is not aware of any sources for domestic production of these derivative products.”<sup>2</sup> That being so, tariffs on these goods would only serve to drive up costs for the U.S. businesses, critical industries, and medical facilities that use compressed gas equipment to serve American consumers every day.

The size of the U.S. market for the equipment that falls under the five HTS codes CPTI has identified is approximately \$700 million annually. Given that little domestic supply for these products exists, the vast majority of that \$700 million in equipment must be imported. A 50% tariff on these goods would represent close to \$350 million in tariff fees. New costs of this scale will create massive and unnecessary financial burdens for U.S. companies in the compressed gas industry.

To the extent that a goal of the Section 232 tariffs is to spur the growth of domestic industries, we note that there are no near- or medium-term prospects to increase the domestic production of goods imported under the five HTS codes CPTI has identified. The planning, financing, construction, and outfitting of plants to manufacture this equipment in the United States would take several years and many millions of dollars in investment. Thus, an expansion of Section 232 tariffs to the five HTS codes CPTI has identified would not cause a shift to domestic sources of these goods. No such domestic sources exist. Tariffs on these goods would simply increase costs for our members, and ultimately, for U.S. consumers.

**D. BIS Should Not Impose Section 232 Tariffs on Items Imported Under the Five Identified HTS Codes Because These Tariffs Would Drive Up Consumer Prices on an Array of Critical Consumer Goods**

To protect American consumers from price increases on consumer goods they use every day, BIS should refuse to expand the Section 232 tariffs to cover the five HTS codes CPTI has

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<sup>2</sup> Request, page 4.

identified. CGA member companies rely on equipment imported under the five HTS codes CPTI has identified to produce gasses for an array of consumer needs, including:

- **Oxygen for critical medical needs**, including oxygen for emergency resuscitation, anesthesia, intensive care/life support, and hyperbaric oxygen therapy;
- **Oxygen for industrial purposes**, including for steel production, metal fabrication and welding, oxy-fuel cutting, metal manufacturing, refining, bleaching, and wastewater treatment;
- **Nitrogen for industrial purposes**, including purging and blanketing,<sup>3</sup> fire suppression, shielding gas in welding and heat treatment, and electronics manufacturing;
- **Nitrogen for food and beverage purposes**, including for packing of food like potato chips and beverage dispensers;
- **Nitrogen for medical purposes**, including cryopreservation, powering equipment, and pharmaceutical production;
- **Argon for industrial purposes**, including for metal fabrication, production, welding, and processing, and for use in high-temperature industrial processes;
- **Argon for electronics**, including for semiconductor production and lighting;
- **Argon for consumer goods**, including for food packaging and windows;
- **Xenon**, for automotive headlights, projectors, microchip fabrication, lasers, propellant for high-tech uses, and an array of medical applications; and
- **Krypton**, for lighting, photography, lasers, semiconductor manufacturing, laser eye surgery, insulation, propellant, and an array of scientific and medical uses.

Section 232 tariffs on equipment imported under the five HTS codes CPTI has identified will raise the cost of production for each of the consumer goods and services listed above. These cost increases will be borne, at least in part, by American consumers.

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<sup>3</sup> Purging refers to the process of using nitrogen for cleaning or protecting items from oxidation. This process is common in the production of various products and for plant maintenance, including in the oil and gas industry, chemical manufacturing, materials manufacturing.

We also note that the list of products above includes pharmaceuticals and steel, which are themselves the subject of Section 232 investigations. If the goal of these investigations is to increase domestic U.S. manufacturing of steel and pharmaceuticals, then BIS should not impose tariffs on the very equipment that those sectors rely upon. Doing so will raise costs for U.S. pharmaceutical and steel manufacturers, lessening their incentives and ability to invest domestically, and undercutting a core goal of the Section 232 process.

**E. BIS Should Not Impose Section 232 Tariffs on the Basis of CPTI’s Application Because it Is Not Clear that CPTI Is Qualified To Speak on Behalf of U.S. Pipe and Tube Manufacturers**

In the Request, Schagrin Associates identifies CPTI as “a trade association representing the steel pipe and tube industry in the United States,” and “a leading industry association.”<sup>4</sup> The Request also states that “[b]ecause CPTI is an industry association composed of producers of steel articles within the United States, it is permitted to submit inclusion requests under the Interim Final Rule.”<sup>5</sup> However, CPTI does not reference a single one of its members in the submission. What is more, CPTI does not appear to have any website where one might find a membership list. We also note that the address listed for CPTI in the Request—900 Seventh Street NW, Suite 500, Washington, DC 20001—is precisely the same address as Schagrin Associates, CPTI’s legal counsel in this matter.

These are not the hallmarks of a “leading industry association.”

In its Request, CPTI presents no evidence that it accurately and fully represents the interests of the U.S. pipe and tube industry. It follows that BIS should not expand the scope of the Section 232 steel and aluminum tariffs on the basis of CPTI’s Request.

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For the reasons set out above, we respectfully request that BIS reject CPTI’s Request. If BIS accepts the Request, we urge BIS to limit the application of tariffs to products imported as modular structures for use in the LNG/petrochemical sector, which would be consistent with the scope of CPTI’s Request.

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<sup>4</sup> Request, page 1.

<sup>5</sup> Request, page 1.

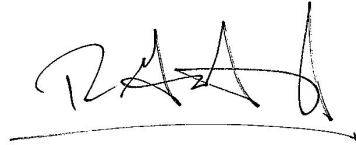
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—The Honorable Howard W. Lutnick—

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Sincerely,

Compressed Gas Association

A handwritten signature in black ink, appearing to read 'R. Gottwald', with a horizontal line underneath.

Rich Gottwald  
President and Chief Executive Officer