

18 June 2019

Mr Reuben McGovern
Anti-Dumping Commission
Level 35, 55 Collins Street
Melbourne VIC 3000

PUBLIC DOCUMENT

Dear Reuben,

Investigation 507 – Power Transformers exported from the People’s Republic of China WTC Response to GE Submission dated 13 June 2019 - Document 507-030

Wilson Transformer Company (WTC) has reviewed Hunt & Hunt’s submission dated 13 June for GE Grid Australia Pty Ltd (GE AU) and GE High Voltage Equipment (Wuhan) Co Ltd (GE Wuhan) in relation to the Anti-Dumping Commission (ADC) investigation 507 and wishes to make the following observations –

1. WTC strongly rejects the claims by GE AU that it has not suffered any loss due to the export of power transformers from GE Wuhan as WTC was not a genuine competitor for contracts won by GE AU based on the four criteria detailed on page 1 of the submission.
2. WTC has:
 - Supplied 220kV power transformers to the Australian market since the early 1970s including 100MVA Generator Transformers during the 1970s.
 - Supplied 330kV power transformers to the Australian market since the late 1970s.
 - Supplied many 150MVA 220kV system transformers with 150% overload requirements to the Victorian network since 1984 and many other 220kV power transformers to Victoria, Tasmania, and New Zealand. This included 2x225MVA Generator Transformers in direct competition with GE (Alstom) for the Energy Australia Yallourn power station.
 - Supplied two 255 MVA 220kV power transformers to windfarms in Victoria in 2019 and multiple other 220kV units in the last 2 years.
 - Supplied 275kV power transformers to Queensland, South Australia, Malaysia (240MVA in the late 1990s) and Scotland.
 - Supplied 330kV power transformers to NSW and Western Australia including a 550MVA 550/132kV unit in 2015.
3. In the 2009-2012 period, WTC upgraded the Glen Waverley power transformer plant such that –
 - The lifting capacity increased to 220T and the air skate capacity >300T was introduced
 - A second Micafil vapour phase drying plant was added
 - A new modern test facility with Haefely test and measurement equipment was established all housed in a Faraday cage
 - The core processing facility was replaced and now includes a modern Georg 1000mm cutting line and large Georg building table
 - New winding equipment in a pressurised winding shop was introduced

- A new mechanical fabrication shop was added to ensure a quality product
 - The product range and throughput capacity was increased.
4. In response to the invalid claims by GE Wuhan and GE AU as to why WTC was not selected as the supplier, we advise –

Transaction 1 – Multiple Transformers 201-300MVA (201-300kV)

– Core construction design technology and not a proven supplier in MVA/kV rating

Transaction 2 – 1 x large transformers 201-300MVA (300kV +)

– Core construction design technology and not a proven supplier in MVA/kV rating

- In most specifications, the customer does not specify the internal core structure. WTC's normal three phase power transformers have 3 limb step lapped and fully mitered cores. Notwithstanding this, WTC has offered 5 limb core designs to some customers to address transport height limitations. This is a preference by the Victorian Transmission Company for 225MVA 220kV transformers. Such cores can be cut in-house and stacked on WTC's core building table, or purchased complete.
- WTC cannot substantiate if it was invited to bid or not without knowledge of the project (redacted from GE submission). The obvious project where we were not invited to tender was for a WA generator, where the customer specification, possibly influenced by WTC's competitors, precluded WTC.
- WTC competes with GE on many major projects and has been successful against GE in the complex replacement of 7x135MVA 220kV GTs for the Meridian Energy Manapouri underground Power Station, the replacement of the 2x225MVA 220kV GTs for the Energy Australia Yallourn Power Station, and in many other projects.
- GE competed for the period tender for Western Power which included large transformers (550 MVA, 250 MVA – 330kV Tx), won by WTC.
- GE's claim that WTC does not have the proven design technology and capability to manufacture these transformers is naïve and not valid.

Transaction 3 – Multiple small transformers (10-50MVA) (<50kV)

– WTC not a member of customers established panel

- WTC would like to know where such a panel exists.
- WTC is an established member of more customer panels than any other power transformer manufacturer supplying the Australian market. If GE is a member and WTC is not, then it is highly likely that GE's original submission was at dumped pricing.

Transaction 4 – Multiple small transformers (10-100MVA) (101-145kV)

– Turn-key project where WTC was not invited to tender

- These circumstances unfortunately do exist.

Transaction 5 – 1 x large transformers (301+ MVA) (201-300kV)

– Established panel of which WTC was not a member and not a proven supplier

- Please refer to WTC's comments under transactions 1 and 2 above.

Transaction 6 – 1 x large transformers (201+ MVA) (201-300kV)

– Specific internal core construction and not a proven supplier in MVA/kVA rating

- Please refer to WTC’s comments under transactions 1 and 2 above.

Transaction 7 – Multiple large transformers (201+ MVA) (201-300kV)

– Specific internal core construction and not a proven supplier in MVA/kVA rating

- Please refer to WTC’s comments under transactions 1 and 2 above.

Transaction 8 – Multiple small transformers (10-50MVA) (<50kV)

– WTC was not a member of the customers established panel

- Please refer to WTC’s comments under transactions 3 above.

No doubt the ADC will come to their own conclusions as a result of their detailed investigation of the claims by Hunt & Hunt on behalf of GE AU and GE Wuhan.

Many of the comments made in the 13 June 2019 letter from Hunt & Hunt on behalf of GE regarding WTC’s internal core construction design technology and WTC’s proven MVA/kV capability in certain ranges are patently incorrect, misinformed and bordering on slanderous.

At WTC, we promote ourselves as the “Transformer People” through our commitment to the industry, the development of facilities and the capability of our engineering, manufacturing and service people. As an Australian owned and managed company, we are proud of our achievements.

The in-service record of WTC power transformers in this region is second to none, and this includes the ranges referred to in the Hunt & Hunt GE letter.

WTC strongly refutes the assertions of Hunt & Hunt (allegedly on behalf of GE) that WTC is not a “proven supplier of large transformers”. This claim is completely baseless and lacks any substance, as demonstrated by WTC’s successful position in the industry as a reliable and quality supplier of power transformers (large and small). WTC anticipates the Commission will view the Hunt & Hunt submission as a mere attempt to justify injurious dumping during the investigation period.

WTC would be pleased to provide more detailed information to the ADC on any matter referred to in this letter if it would assist.

Yours sincerely,



Robert Wilson
Executive Chairman