

OFFICE OF WATER

DECISION MEMORANDUM

- SUBJECT: Availability-Based Project Waiver of American Iron and Steel Requirements for Earthquake Resistant Ductile Iron Pipe for the Los Angeles Department of Water and Power, CA City Trunk Line North Unit 1 Project Waiver Number 09-DW-0007
- FROM: Jennifer L. McLain, Director Office of Ground Water and Drinking Water

The U.S. Environmental Protection Agency (EPA) is hereby granting an availability-based project-specific waiver pursuant to the American Iron and Steel (AIS) requirements to the Los Angeles Department of Water and Power (LADWP), California, for the purchase of approximately 15,000 feet of 54-inch earthquake resistant ductile iron pipe (ERDIP) for the Los Angeles City Trunk Line (LACTL) North Unit 1 Project. This waiver permits the use of approximately 15,000 feet of non-domestic 54-inch ERDIP, because no known domestic manufacturers produce a product that meets the project's technical specifications. This project-specific waiver only applies to the use of the specified product for the referenced project funded by the Drinking Water State Revolving Fund (DWSRF). Any other project funded by either the Drinking Water or Clean Water State Revolving Fund (SRF) that wishes to use the same product must request a separate waiver based on the specific project circumstances.

<u>Rationale:</u> The AIS provision requires DWSRF assistance recipients to use specific domestic iron and steel products if the project is funded through an SRF assistance agreement unless EPA determines that it is necessary to waive this requirement. EPA has the authority to issue waivers in accordance with section 1452(a)(4)(C)(ii) of the Safe Drinking Water Act. The provision states in part: "[the requirements] shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency...finds that...iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality."

This project involves the replacement of a section of the LACTL that has severely corroded over the last 105 years. In 2016, the LADWP's Asset Management Group assessed the condition of all the trunk lines in the water distribution system. The LACTL ranked among the top 32 percent of the highest risk trunk lines. Moreover, a fault displacement characterization study commissioned by LADWP has shown that the project crosses the active San Fernando, Mission Hills, and Northridge fault zones. As a result of these findings, LADWP required the use of ERDIP, consistent with the goals of the City of Los Angeles' Resilience by Design report and Sustainability Plan, as well as LADWP's Requirements for the Water System's Seismic Resilient Pipe Network. The project will require approximately 15,000 feet of 54-inch ERDIP.

The LADWP conducted research to find a domestic manufacturer of 54-inch ERDIP and provided information to EPA demonstrating that no manufacturers produce this pipe domestically.

EPA conducted market research on the supply and availability of 54-inch ERDIP and concluded that there are no domestic manufacturers of these products that meet the project's technical specifications. Per statutory requirement, the waiver request was posted on EPA's AIS website for the mandatory 15-day public comment period, and the Agency received one comment from a manufacturer stating they had a potential domestic alternative. The manufacturer was one that LADWP initially investigated and that did not respond during EPA's market research. The LADWP reviewed the proposed alternative and concluded that the product does not meet the project's technical specifications.

EPA is granting an availability-based waiver from the AIS requirements to the Los Angeles Department of Water and Power, California for the City Trunk Line North Unit 1 Project with respect to approximately 15,000 feet of 54-inch earthquake resistant ductile iron pipe. This waiver permits the purchase of approximately 15,000 feet of 54-inch earthquake resistant ductile iron pipe using DWSRF funds as documented in the State of California's waiver request submittal on behalf of the assistance recipient, dated June 29, 2020.

<u>Legal Authority:</u> Legal authority for the AIS requirements for DWSRF projects is included under the Safe Drinking Water Act, under the authority of section 1452(a)(4).

If you have questions concerning the contents of this memorandum, please contact Jorge Medrano, Environmental Engineer, Drinking Water Protection Division, at medrano.jorge@epa.gov or (202) 564-1968.