

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

OFFICE OF WATER

DECISION MEMORANDUM

SUBJECT: Project Waiver of American Iron and Steel Requirements to the San Diego Public Utilities

Commission in California for Ductile Iron Flanges

FROM: Andrew D. Sawyers, Director

Office of Wastewater Management

<u>Decision</u>: The U.S. Environmental Protection Agency (EPA) is hereby granting a project waiver pursuant to the "American Iron and Steel" (AIS) requirements of 33 U.S.C. §3914 under the authority of §3914(c)(2) to the San Diego Public Utilities Commission (Applicant) for 60-inch ductile iron flanges. This waiver permits the use of these flanges, produced outside the United States and in the specific sizes and quantities requested, in the Applicant's North City Water Reclamation Plant (NCWRP) Expansion and North City Pure Water Facility (NCPWF) Influent Pump Station and Pipeline project because no domestic manufacturers produce alternatives that meet the project's technical specifications.

This is a product specific waiver and only applies to the use of the specified products for the proposed project funded by the Water Infrastructure Finance and Innovation Act (WIFIA). Any other jurisdiction with projects funded by either WIFIA or the State Revolving Funds (SRFs) that wishes to use the same products must apply for a separate waiver.

Rationale: According to 33 U.S.C. §3914, WIFIA loan recipients must use specific domestic iron and steel products that are produced in the United States if the project is funded through WIFIA. EPA has the authority to determine whether it is necessary to waive this requirement based on certain circumstances set forth in 33 U.S.C. §3914(c)(2). The provision states that, "[the requirements] shall not apply in any case or category of cases in which the Administrator [of the Environmental Protection Agency] finds that—...(2) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality."

<u>Background of Waiver Request</u>: The Applicant provided information to EPA asserting that there are no manufacturers producing 60-inch diameter ductile iron flanges in sufficient and reasonably available quantities and of a satisfactory quality. These flanges are required at the replacement of an existing 60-inch diameter raw sewage Reinforced Concrete Pipe (RCP) pipeline with a new 60-inch diameter ductile iron pipeline. This pipeline connects both the existing influent pump station and a new pump station's raw sewage pipeline to the existing NCWRP Headworks. The project requires 60-inch Class D ductile iron flanges per AWWA C20.

Assessment of Waiver Request: EPA conducted market research and a public comment period on the supply and availability of the flanges. The basis of evaluation included thorough review of the waiver request submission, examination of domestic manufacturer catalogs or other technical data and marketing materials, personal communication with domestic manufacturers, inquiries of state staff, and outreach to contractors and engineers with expertise and familiarity with the project. EPA received no public comments to the waiver request. For market research, EPA contacted 17 manufacturers and suppliers of 60-inch diameter ductile iron flanges for water and wastewater applications. None responded indicating that they had potential domestic alternatives. Therefore, EPA agrees with the assessment that no domestic manufacturers produce available products meeting the project's specifications.

<u>Finding</u>: Since the Applicant established a proper basis to specify the particular products required for this project, and because EPA substantiated the Applicant's claim, that these products are not available from a manufacturer in the United States, the San Diego Public Utilities Commission is hereby granted a waiver from the AIS requirements for the North City Water Reclamation Plant Expansion and NCPWF Influent Pump Station and Pipeline project. This waiver permits the purchase of the specified 60-inch diameter ductile iron flanges, documented in the Applicant's waiver request submittal to WIFIA, dated February 17, 2022.

If you have any questions concerning the contents of this memorandum, please contact Timothy Connor, Chemical Engineer, Water Infrastructure Division, at connor.timothy@epa.gov or (202) 566-1059.