

OFFICE OF WATER

## **DECISION MEMORANDUM**

**SUBJECT:** Project Waiver of American Iron and Steel Requirements to the San Diego Public Utilities Commission in California for Swing Check and Check Valves

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 swing check and check valves. This waiver permits the use of these valves, produced outside the United States and in the specific sizes and quantities requested, in the Applicant's Pure Water San Diego, North City Pure Water Facility and Pump Station Projects, because no domestic manufacturers produce alternatives that meet the projects' technical specifications.

This is a product specific waiver and only applies to the use of the specified products for the proposed projects funded by the Water Infrastructure Finance and Innovation Act (WIFIA). Any other entity 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.

<u>Rationale:</u> 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 3, 4, and 8-inch wafer style check valves, and 1-inch to 2-inch swing check valves, in sufficient and reasonably available quantities and of a satisfactory quality. The projects require installation of these valves in several chemical and process systems. The valves allow the one-way flow of water that closes to prevent backflow within the process building which houses the reverse osmosis units and other important unit systems. The 1-inch to 2-inch check valves are in the chemical feed systems that support the treatment processes.

<u>Assessment of Waiver Request</u>: EPA conducted market research and a public comment period on the supply and availability of the valves. 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 projects. EPA received no public comments to the waiver request. For market research, EPA contacted 19 manufacturers and suppliers of swing check and check valves for water and wastewater applications. None (zero) responded indicating that they had potential domestic alternatives. Therefore, EPA agrees with the assessment that no domestic manufacturers produce available products meeting the projects' technical specifications.

<u>Finding</u>: Since the Applicant established a proper basis to specify the particular products are required for these projects, 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 in California is hereby granted a waiver from the AIS requirements for the Pure Water San Diego, North City Pure Water Facility and Pump Station Projects. This waiver permits the purchase of the specified swing check and check valves, as documented in the Applicant's waiver request submittal to WIFIA, dated January 18, 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.