

WASHINGTON, D.C. 20460

DECISION MEMORANDUM

SUBJECT: Project-Specific Availability Waiver of American Iron and Steel Requirements to the

Town of Clayton, North Carolina for 20-inch Plug Valves

FROM: Andrew Sawyers, Director

<u>Decision</u>: The U.S. Environmental Protection Agency is hereby granting a project-specific waiver pursuant to the "American Iron and Steel" (AIS) requirements of the Clean Water Act Section 608 under the authority of Section 608(c)(2) to the Town of Clayton, North Carolina (Applicant) for 20-inch plug valves. This waiver permits the use of these valves, manufactured outside of the United States, in the Sam's Branch Water Reclamation Facility project, because no domestic manufacturers produce alternatives that meet the technical specifications and schedule of the project.

This waiver applies only to the proposed project funded by the Clean Water State Revolving Fund (CWSRF). Any other jurisdiction with projects funded by either the CWSRF, the Drinking Water State Revolving Fund, or the Water Infrastructure Finance and Innovation Act that wishes to use the same product must apply for a separate waiver.

<u>Rationale</u>: Section 608 of the Clean Water Act requires CWSRF assistance recipients for treatment works projects to use specific iron and steel products that are produced in the United States. The EPA has the authority to determine whether it is necessary to waive this requirement based on certain circumstances set forth in Section 608(c) of the Clean Water Act. The provision states that, "[the requirements] shall not apply in any case or category of cases in which the Administrator [of the EPA] finds that $-\dots$ (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 the EPA asserting that there are no domestic manufacturers producing 20-inch plug valves in sufficient and reasonably available quantities and of a satisfactory quality. The plug valves will be used in the Applicant's new water reclamation facility, for the Equalization Tanks and the Equalization Pump Station, to meet the demand of future growth and ensure compliance with its discharge permit.

Assessment of Waiver Request: The EPA conducted market research and a public comment period on the supply and availability of these 20-inch plug 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 project. During market research, the EPA contacted twelve (12) manufacturers and suppliers of these plug valves. Two (2) of the manufacturers stated they could make the AIS-compliant 20-inch plug valves. One (1) manufacturer estimated a lead time of 38-42 weeks. One (1) manufacturer said that they could make the AIS-compliant valve, but the manufacturer did not specify a lead time. After contacting this manufacturer, the recipient received no response. However, the one (1) lead time provided is long enough that it would cause significant, undue delay to the project. The EPA received no (zero) public comments to the waiver request.

<u>Finding</u>: Since the Applicant established a reasonable basis to specify the products required for this project, and because the EPA substantiated the Applicant's claim through market research that this product is not available from a manufacturer in the United States, the Town of Clayton, North Carolina is hereby granted a waiver from the AIS requirements. This waiver permits the use of 20-inch plug valves, as documented in the State of North Carolina's waiver request submittal on behalf of the Applicant dated February 7, 2024.

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.