

## **OFFICE OF WASTEWATER MANAGEMENT**

WASHINGTON, D.C. 20460

## **DECISION MEMORANDUM**

SUBJECT: Project Waiver of American Iron and Steel Requirements to the East County Advanced

Water Purification Joint Power Authority for certain small-diameter stainless steel fittings

and globe valves, and Alloy 20 pipe, fittings, and diaphragm 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 and 33 U.S.C. § 1388 under the authority of 33 U.S.C. § 3914(c)(2) and 33 U.S.C. § 1388(c)(2) to the East County Advanced Water Purification Joint Power Authority in Santee, California (Applicant) for small-diameter stainless steel globe valves; stainless steel press-style and threaded fittings; and Alloy 20 pipe, fittings, and diaphragm valves (hereafter, referred to as valves, pipe, and fittings). This waiver permits the use of these products, produced outside the United States, and in the specific size requested, at the East County Advanced Water Purification project because no source of AIS-compliant valves, pipe, or fittings could be identified.

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) and the Clean Water State Revolving Fund (CWSRF). 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 WIFIA at 33 U.S.C. § 3914 and the Clean Water Act at 33 U.S.C. § 1388, WIFIA loan recipients and CWSRF assistance recipients for treatment works must use specific domestic iron and steel products that are produced in the United States. The EPA has the authority to determine whether it is necessary to waive these requirements based on certain circumstances set forth in 33 U.S.C. § 3914(c)(2) and 33 U.S.C. § 1388(c)(2). The applicable provisions state that 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."

<u>Background of Waiver Request</u>: The Applicant provided information to EPA asserting that there are no domestic manufacturers producing the specified valves, pipe, and fittings in sufficient and reasonably available quantities and of a satisfactory quality. Before requesting this waiver, the Applicant contacted

11 manufacturers or suppliers for one or more of the valves, pipe, and fittings. No manufacturer or supplier was able to deliver any of the requested products. These products are necessary for various aspects of the project, including the chlorine contact tank, the process building, and two chemical facilities.

Assessment of Waiver Request: EPA conducted market research and a public comment period on the supply and availability of these valves, pipe, and fittings. 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. For market research, EPA contacted 24 manufacturers or suppliers. Eight of the 24 responded to EPA's inquiries, none of whom could provide AIS-compliant valves, pipe, or fittings meeting the project's specifications. EPA also posted the waiver request for a 15-day public comment period. EPA received zero public comments. Therefore, EPA agrees with the assessment that no domestic manufacturers produce valves, pipe, and fittings meeting the project's specifications.

<u>Finding</u>: Since the Applicant established a proper basis to specify the valves, pipe, and fittings required for this project, and because EPA substantiated the Applicant's claim that these products are not produced or readily available from a manufacturer in the United States, the East County Advanced Water Purification Joint Power Authority is hereby granted a waiver from the AIS requirements for the East County Advanced Water Purification project. This waiver permits the purchase of the specified products as documented in the Applicant's waiver request submittal to WIFIA, dated February 29, 2024.

If you have any questions concerning the contents of this memorandum, please contact Dan-Tam Nguyen, Environmental Engineer, WIFIA Program, at Nguyen.Dan-Tam@epa.gov.