

WASHINGTON, D.C. 20460

## **DECISION MEMORANDUM**

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

of Graham, North Carolina for Small-Diameter Stainless Steel Pipe and Fittings

**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 City of Graham, North Carolina (Applicant) for small-diameter stainless steel pipe and fittings. This waiver permits the use of this pipe and associated fittings, manufactured outside of the United States, in the City of Graham Wastewater Treatment Plant Expansion project, because no domestic manufacturers produce alternatives that meet the technical specifications 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 products 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 small-diameter stainless steel pipe and fittings in sufficient and reasonably available quantities and of a satisfactory quality. The small-diameter stainless steel pipe and fittings must be 150-pound pressure rated. The pipe and associated fittings will be used for process air in the biological nutrient removal basins and the digesters,

for return activated sludge at the pump stations, and for potable water at various facilities of the treatment plant.

Assessment of Waiver Request: The EPA conducted market research and a public comment period on the supply and availability of the pipe and associated 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. During market research, the EPA contacted fifteen (15) manufacturers and suppliers of the pipe and associated fittings. One (1) of the manufacturers initially stated they could make the AIS-compliant fittings. Upon further communications between the Applicant and manufacturer in March 2024, the manufacturer showed they were unable to meet the technical specifications of the fittings, except for pipe nipples. The Applicant will move forward with using the AIS-compliant pipe nipples. The EPA received one (1) public comment to the waiver request. The public commenter was the manufacturer that previously determined it could not meet the technical specifications of the project for AIS-compliant fittings, except for the pipe nipples discussed previously.

<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 these products are not available from a manufacturer in the United States, the City of Graham, North Carolina is hereby granted a waiver from the AIS requirements. This waiver permits the purchase of small-diameter stainless steel pipe and fittings, as documented in the State of North Carolina's waiver request submittal on behalf of the Applicant dated February 15, 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.