



## OFFICE OF WASTEWATER MANAGEMENT

WASHINGTON, D.C. 20460

### **DECISION MEMORANDUM**

**SUBJECT:** Project Waiver of American Iron and Steel Requirements to City of San Diego in San Diego, California for ½" – 2" Stainless Steel Pressure Tubing

**FROM:** Andrew D. Sawyers, Director  
Office of Wastewater Management

**Decision:** 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 33 U.S.C. § 3914(c)(2) to the City of San Diego in San Diego, California (Applicant) for ½" to 2" Stainless Steel Pressure Tubing. This waiver permits the use of this product, produced outside the United States, and in the specific size requested, at the Pure Water San Diego Program Phase 1: North City Project because AIS-compliant ½" to 2" stainless steel pressure tubing that meets the project's specifications is not currently available.

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 WIFIA at 33 U.S.C. § 3914, WIFIA loan recipients 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 this requirement based on certain circumstances set forth in 33 U.S.C. § 3914(c)(2). The applicable 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 . . . iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality."

**Background of Waiver Request:** The Applicant provided information to the EPA asserting that there are no domestic manufacturers producing Stainless Steel Pressure Tubing in sufficient and reasonably available quantities and of a satisfactory quality. The project requires a seal water system for proper function of the pumps. This system will experience pressures of up to 300 PSI and will be in a corrosive environment. Due to the pressures in this seal water system and corrosion protection requirements, the engineer has determined that the piping must be high-pressure stainless steel tubing with compression fittings.

**Assessment of Waiver Request:** The EPA conducted market research and a public comment period on the supply and availability of stainless steel pressure tubing. 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, the EPA contacted thirteen (13) manufacturers or suppliers. Eleven responded to email or phone inquiries, and the two (2) remaining companies did not respond. Of the eleven (11) responsive manufacturers, only one provided potential alternatives that were AIS-compliant. The city followed up with the manufacturer and determined that they could not meet the order minimums required to procure the item. The EPA also posted the waiver request for a 15-day public comment period and received one comment from the same manufacturer reiterating the order minimums could not be met for the project. Therefore, the EPA agrees with the assessment that no domestic manufacturers produce stainless steel tubing meeting the project's specifications in sufficient quantities.

Finding: Since the Applicant established a proper basis to specify the stainless steel pressure tubing required for this project, and because the EPA substantiated the Applicant's claim that these products are not produced or readily available from a manufacturer in the United States, the City of San Diego in San Diego, California is hereby granted a waiver from the AIS requirements for the Pure Water San Diego Program Phase 1: North City Project. This waiver permits the purchase of the specified products as documented in the Applicant's waiver request submittal to WIFIA, dated January 30, 2025.

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](mailto:Nguyen.Dan-Tam@epa.gov).