

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

JUN 2 5 2019.

DECISION MEMORANDUM

SUBJECT: Project Waiver of American Iron and Steel Requirements to Binghamton-Johnson City,

NY for Multiple Stainless Steel Valves and Fittings

FROM: Andrew D. Sawyers, Director

Office of Wastewater Management

The U.S. Environmental Protection Agency (EPA) hereby grants a project waiver pursuant to the "American Iron and Steel" requirements of the Clean Water Act Section 608 under the authority of Section 608(c)(2) to the cities of Binghamton and Johnson City, New York for the purchase of stainless steel fusible link valves, fire-safe ball valves, check valves, and compression valves and stainless steel fittings. This waiver permits the use of stainless steel valves and some fittings manufactured outside of the United States for the methanol feed system in the Binghamton-Johnson City Joint Sewage Treatment Plant restoration and rehabilitation project because no domestic manufacturers produce alternatives that meet the project's technical specifications. This is a project specific waiver and only applies to the use of the specified products for the proposed project funded by the Clean Water State Revolving Fund (CWSRF). Any other jurisdiction with projects funded by either the Clean Water or Drinking Water State Revolving Fund (DWSRF) that wishes to use the same products must apply for a separate waiver.

Rationale: According to Section 608 of the Clean Water Act, CWSRF assistance recipients must use specific domestic iron and steel products that are produced in the United States if the project is funded through the SRFs. 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)(2) 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 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</u>: Binghamton-Johnson City (BJC) requested waiver of the AIS requirements for multiple stainless steel valves and fittings products relating to their methanol feed system, and the EPA responds to the applicant claims as follows:

BJC provided information to the Agency asserting that there are no manufacturers producing stainless steel fusible link valves, fire-safe ball valves, check valves, and compression valves in the United States in sufficiently and reasonably available quantities to meet the specifications of the project. The project specifications require that all valves used in the methanol system have stainless steel bodies. The fusible link valves shall also have stainless steel ball, stem, and arming mechanisms. The fire-safe ball valves must be three-piece, full port, blowout-proof anti-static stem, have ASME B16.11 socket weld connections, and be fully compliant with API 608, "Metal Ball Valves". The specifications require that the check valves be swing type manufactured of Type 316 or 316L stainless steel, factory inspected and tested per API 598. The

specifications for the compression piping system require that 1-inch diameter and smaller ball valves have three-piece, full port, blowout-proof stem, and self-adjusting floating ball, ASTM A351 Grade CF8M stainless steel body, ball, and stem, PTFE seats, Type 304 stainless steel handle, nut, and stem washer. They must also have end style Schedule 10S compression fitting and be rated for services to 400 psi (2750 kPa).

The EPA conducted market research on the supply and availability of the stainless steel valves. The Agency's market research identified no domestic manufacturers that produce any of the fusible link valves, fire-safe ball valves, check valves, and compression valves. The EPA contacted all known manufacturers or suppliers of these stainless steel valves. None of the manufacturers contacted produce these valves domestically in the sizes required or to meet the specifications of the product.

BJC also provided information to the Agency asserting that there are no manufacturers producing the required stainless steel fittings for the methanol feed system. BJC asserted that there are no manufacturers producing multiple sized stainless steel 45-degree and 90-degree bends, couplings, nipples, union, bushing, adapters, tees, reducers, and flanges in the United States in sufficiently and reasonably available sizes and quantities to meet the specifications of the project. This includes compression bends, adapters, tees, and a reducing tee.

The EPA conducted market research on the supply and availability of the stainless steel fittings. The Agency's market research identified no domestic manufacturers that produce most of the fittings to meet the specifications of the project. The EPA contacted all known manufacturers or suppliers of the multiple stainless steel fittings, including compression fittings. No manufacturers were identified that produce these stainless steel fittings in the United States, except for the butt weld reducers, and the flanges. One manufacturer identified can produce the required butt weld reducers and the required blind flanges, slip-on flanges and weld neck flanges. These items are not waived.

During the 15-day public comment period, one manufacturer indicated that they could produce the butt weld reducers and the multiple types of flanges. It was determined that it was the same manufacturer that was identified during the research period. An email was sent to identified manufacturers and national trade associations concurrent with the 15-day public comment period, alerting them to the waiver and requesting that they provide comments within 15 days. There were two responses to the email. Neither could produce the necessary stainless steel fittings in sufficient quantity or quality to meet the specifications for the project. The EPA concluded that the applicant's claims are supported by available evidence for all stainless steel valves and fittings, except the butt weld reducers, and the flanges.

Since the applicant established a proper basis to specify products required for this project, and since the EPA substantiated the applicant's claims through market research that the products are not available from manufacturers in the United States, Binghamton-Johnson City is hereby granted waiver from the AIS requirements for the products listed herein, with the exception of the butt weld reducers, and the blind flanges, slip-on flanges, and weld neck flanges. This waiver permits the purchase of stainless steel fusible link valves, fire-safe ball valves, check valves, and compression valves, and stainless steel fittings as requested by the recipient on April 29, 2019. The butt weld reducers, blind flanges, slip-on flanges, and weld neck flanges are not waived from the American Iron and Steel Requirement.

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.