

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

OFFICE OF WATER

DECISION MEMORANDUM

SUBJECT: Project Waiver of American Iron and Steel Requirements to the City of San Diego,

California for Small Diameter Stainless Steel Pipe Fittings

FROM: Andrew D. Sawyers, Director

Office of Wastewater Management

The U.S. Environmental Protection Agency (EPA) is hereby granting a project 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 San Diego, California (City), for ¾-inch to 2-inch diameter stainless steel pipe fittings. This waiver permits the use of the small diameter stainless steel fittings, manufactured outside of the United States, in the City's Pump Station No. 2 Power Reliability and Surge Protection Project, because no domestic manufacturers produce alternatives that meet the project's technical specifications.

This is a product specific waiver and only applies to the use of the specified products in the waiver request 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 that wishes to use the same products must apply for a separate waiver.

<u>Rationale</u>: 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."

The City provided information to the EPA asserting there are no manufacturers producing the following stainless steel fittings:

- ³/₄-inch to 1 ¹/₂-inch 90-degree bends
- 1-inch to 2-inch tees
- 1-inch to 2-inch unions
- 1 ½-inch to 2-inch couplings
- 3/4-inch to 1 1/2-inch bushing reducers

The EPA conducted market research on the supply and availability of ¾-inch to 2-inch swage ferrule design of Type 316 L 150# stainless steel fittings, of the double acting ferrule design, providing both a

primary seal and a secondary bearing force. 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. Of the nineteen manufacturers contacted, seventeen do not produce these ¾-inch to 2-inch diameter stainless steel fittings in the United States. Two manufacturers did not respond.

After conducting market research, EPA staff and contractors were also unable to find an AIS-compliant product that met the project's technical specifications. During public comment solicitation, EPA received no (zero) comments from manufacturers, suppliers, distributors or other entities.

EPA was unable to find any domestic manufacturer of the specified small diameter stainless steel pipe fittings and concluded that the City's claim is supported by available evidence. The City established a proper basis for the specific products required in this project. Because the EPA substantiated the City's claim, through market research, that these products are not available from a manufacturer in the United States, the City of San Diego is hereby granted a waiver from the AIS requirements. This waiver permits the purchase of the previously listed 3/4-inch to 2-inch stainless steel pipe fittings, documented in the State of California's waiver request submittal on behalf of the City dated May 14, 2020.

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.