



Clean Water
State Revolving Fund



LUNCH AND LEARN

AMERICAN IRON AND STEEL (AIS) REQUIREMENTS FOR STATE REVOLVING FUNDS

AIS compliance for Stainless Steel Nuts and Bolts used in Couplings, Flanges, Restraints, Saddles, and Joints.

Presented by U.S. EPA

May 20, 2020

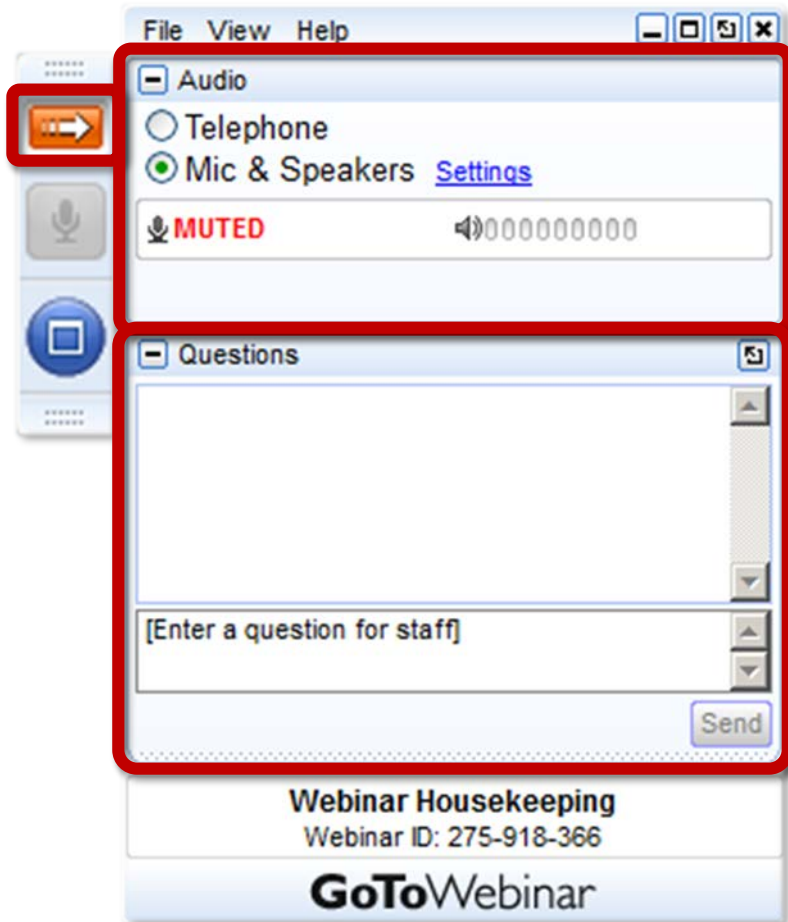
Training Logistics

- ◉ Presentation by EPA staff and Contractors including:
 - Office of Wastewater Management
 - ◉ Timothy Connor and Jessica Glenn
 - Office of Ground Water and Drinking Water
 - ◉ Brandon Mediate and Jorge Medrano
 - Cadmus Group
 - ◉ Derek Sullivan

- ◉ Questions will be addressed at the end of the presentation.

- ◉ Slides from today's presentation will be posted on EPA's website.

Webcast Logistics



Your Participation

Join audio:

- Choose **Mic & Speakers** to use VoIP, OR
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Submit questions and comments via the **Questions** panel.

We will answer all questions at the end of today's presentation.

Training Objectives

- ◉ AIS Background
- ◉ Stainless Steel Nuts and Bolts
 - What are Stainless Steel Nuts and Bolts?
 - Expiration of National Waiver
 - Compliance
 - Minor Components Waiver
 - De Minimis Waiver
 - Project-specific Waivers
- ◉ Answer Questions and Solicit Feedback from Community

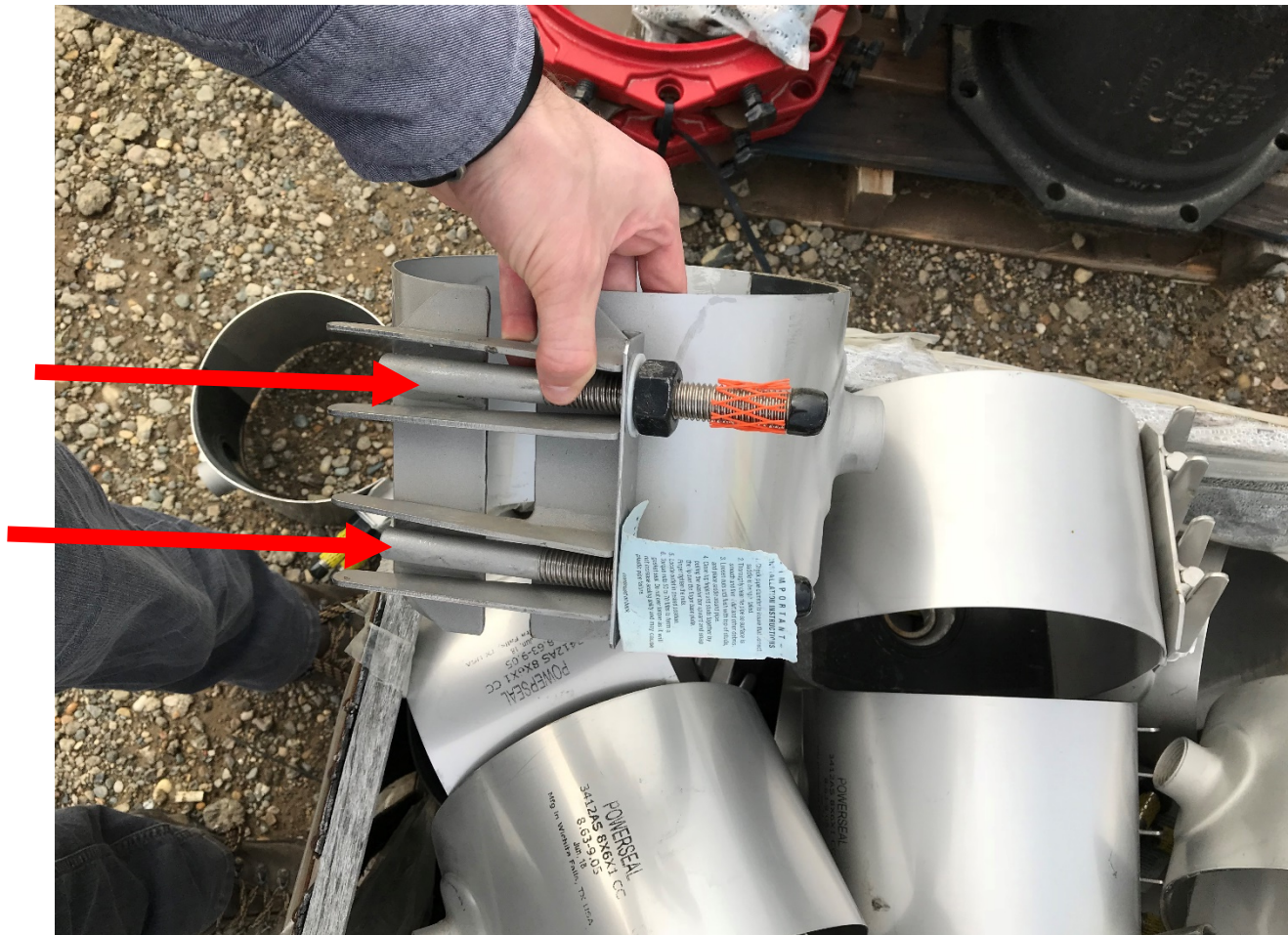
Background – What is AIS?

- ◉ The "American Iron and Steel" provision requires SRF loan recipients to use iron and steel products that are produced in the United States for the construction, alteration, maintenance, or repair of a public water system or treatment works (Consolidated Appropriations Act of 2014 P.L. 113-76).
- ◉ The AIS requirement applies to listed products greater than 50% iron or steel by materials cost.
- ◉ As a reminder, the AIS requirement is permanent for Clean Water State Revolving Fund (SRF) projects and extended through 2023 for Drinking Water SRF projects.
- ◉ For any project that uses SRF money, the entire project must comply with AIS.

What are Stainless Steel Nuts and Bolts?

- ◉ When EPA refers to Stainless Steel Nuts and Bolts in this presentation they are referring to Stainless Steel Nuts and Bolts Used in Pipe Couplings, Restraints, Joints, Flanges, and Saddles.
- ◉ These are specialty nuts and bolts used in the applications listed above.
- ◉ Typically provided in the same shipment as the coupling, restraint, joint, flange or saddle.

What are Stainless Steel Nuts and Bolts?





Expiration of Stainless Steel Nuts and Bolts Waiver

- On February 18, 2015, EPA issued the Short-Term National Product Waiver for Stainless Steel Nuts and Bolts Used in Pipe Couplings, Restraints, Joints, Flanges, and Saddles.
- At the time, product manufacturers and suppliers informed EPA of insufficient availability of these domestically produced SS Nuts and Bolts.
- EPA has conducted annual market research to determine the availability of these SS Nuts and Bolts.
- Based on EPA's market research this waiver was granted one year extensions in 2016 and 2017.

Expiration of Stainless Steel Nuts and Bolts Waiver

- ◉ In 2018 EPA granted a final extension, for 18 months, until February 24, 2020.
- ◉ Market research indicated that adequate domestic supply could be available.





AIS Compliance for SS Nuts and Bolts

- All Pipe Couplings, Restraints, Joints, Flanges, and Saddles purchased after February 24, 2020 must have SS Nuts and Bolts that comply with AIS.
- Products purchased on or before February 24, 2020 are covered by the waiver and therefore do not need to comply.

AIS Compliance for SS Nuts and Bolts

- ⦿ How does EPA define “purchased”?
 - The SRF loan recipient must have placed a purchase order for these products prior to February 24, 2020.
- ⦿ What is a “purchase order”?
 - An invoice or similar commitment to purchase these products.



AIS Compliance for SS Nuts and Bolts

- ◉ How does the compliance process work?
 - The SRF loan recipient orders a product in an AIS-compliant configuration.
 - The manufacturer (or distributor) supplies the product along with an AIS Certification Letter.
 - AIS Certification Letters should contain 5 elements:
 1. A reference to the product delivered
 2. A reference to the project where the product will be installed
 3. A reference of the American Iron and Steel requirement
 4. The location (city and state) of manufacture
 5. A signature of a company representative
 - The SRF loan recipient then maintains these certification letters in the project file.



AIS Compliance for SS Nuts and Bolts

- For example, a drinking water project orders an AIS-compliant tapping saddle.
- This tapping saddle contains SS Nuts and Bolts referenced here.
- The saddle manufacturer provides an AIS certification letter certifying their product meets the requirements of AIS.
- If the saddle manufacturer does not manufacture the SS Nuts and Bolts they can provide a certification from the SS Nuts and Bolts manufacturer along with their own certification letter.



Stainless Steel Nuts and Bolts and the Minor Components Waiver

- ◉ The Minor Components Waiver is intended for use by manufacturers.
- ◉ The Minor Components Waiver allows manufacturers to use non-domestically produced components within an otherwise domestically produced iron or steel product for up to 5% of the total materials cost of the product.

Stainless Steel Nuts and Bolts and the Minor Components Waiver

- The SS Nuts and Bolts referenced in this training are generally greater than 5% of the product materials cost and therefore not applicable for inclusion under the Minor Components Waiver.
- If you think you have a situation where these SS Nuts and Bolts could be included in the Minor Components Waiver please contact EPA to discuss at SRF_AIS@epa.gov.





Stainless Steel Nuts and Bolts and the De Minimis Waiver

- ◉ The De Minimis Waiver is intended for use by SRF loan recipients.
- ◉ The De Minimis Waiver allows SRF loan recipients to use non-domestically produced, incidental products.
- ◉ All incidental products included under de minimis must be less than 5% of the total materials cost.
- ◉ Any single incidental product included under de minimis must be less than 1% of the total materials cost.

Stainless Steel Nuts and Bolts and the De Minimis Waiver

- The SS Nuts and Bolts referenced in this training are generally not considered incidental products, and therefore not applicable for inclusion under the De Minimis Waiver.
- If you think you have a situation where these SS Nuts and Bolts could be included in the De Minimis Waiver please contact EPA to discuss at SRF_AIS@epa.gov.





Stainless Steel Nuts and Bolts and Project-Specific Waivers

- ◉ Project-specific waivers are intended for SRF loan recipients.
- ◉ Project-specific waivers allow an SRF loan recipient to use a non-domestic product in their project.
- ◉ SRF loan recipients must apply and receive EPA approval before using the non-domestic product in their project.
- ◉ Any waiver applications received by EPA after a non-domestic product has been installed will likely be denied.
- ◉ Project-specific waivers are only good for a specific project and product. SRF loan recipients cannot use another project-specific waiver for their project.



Stainless Steel Nuts and Bolts and Project-Specific Waivers

- ◉ If a project needs a product with these previously mentioned SS Nuts and Bolts but cannot find a domestically made, AIS-compliant version, the SRF loan recipient can apply for a project-specific waiver from EPA.
- ◉ The SRF loan recipient should first contact their state SRF coordinator who will help with the waiver request and submit the request to EPA for review.
- ◉ Questions on this process can be submitted directly to the EPA AIS team at SRF_AIS@epa.gov



Stainless Steel Nuts and Bolts and Project-Specific Waivers

- ◉ SRF loan recipients can also request informal market research to help identify an AIS-compliant product before applying for a waiver.
- ◉ EPA provides this informal market research free of charge. Please contact the EPA AIS team at SRF_AIS@epa.gov for more information.

Review

- ◉ The National Product Waiver for Stainless Steel Nuts and Bolts Used in Pipe Couplings, Restraints, Joints, Flanges, and Saddles **expired on February 24, 2020**.
- ◉ All products purchased on or before February 24, 2020 are covered by the waiver.
- ◉ All products purchased after February 24, 2020 must comply with AIS.
- ◉ **Minor Components waiver** likely won't cover these SS Nuts and Bolts as they are typically greater than 5% of the materials cost of the product.
- ◉ **De Minimis waiver** likely won't cover these as they are generally not incidental.
- ◉ If a project cannot locate an AIS-compliant product, the loan recipient can apply for a **Project-Specific waiver**. Market research is also available, contact EPA at SRF_AIS@epa.gov

Questions?

- EPA's AIS team can be reached at SRF_AIS@epa.gov

