

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 Inland Empire Utilities Agency in Chino, California for Stainless Steel Fittings
- FROM: Andrew Sawyers, Director Office of Wastewater Management

<u>Decision</u>: 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 Inland Empire Utilities Agency in Chino, California (Applicant) for small diameter, stainless steel fittings. This waiver permits the use of these fittings, manufactured outside of the United States, in the Recycling Plant No. 5 Expansion and Solids Treatment Facility project because no domestic manufacturers produce alternatives that meet the project's technical specifications.

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, and/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. 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 EPA] finds that $- \ldots$ (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 EPA asserting that there are no domestic manufacturers producing ¹/₄-inch to 3-inch diameter Schedule

40 stainless steel pipe fittings in sufficient and reasonably available quantities and of a satisfactory quality. The project requires these fittings for the Regional Water Recycling Plant No. 5 Liquids Treatment Expansion and Solids Treatment Facility project. The fittings will be installed in the hydrogen sulfide removal, RAS (Return Activated Sludge) pumps, pressure gauges, MBR (Membrane Bioreactors) filtrate pumps, MBR compressed air, acid cleaning, seal water, non-potable water, potable water, high pressure air, lube oil, and digester overflow systems. The fittings should be 316L stainless steel, Schedule 40, with butt weld, threaded or grooved ends. Flanges shall be Class 150#, flat face, stainless steel, Grade F316L. The project requires 3,195 stainless steel fittings ranging in size from ¼-inch to 3-inch diameter.

<u>Assessment of Waiver Request</u>: EPA conducted market research and a public comment period on the supply and availability of ¼-inch to 3-inch diameter Schedule 40 stainless steel pipe 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, EPA contacted eighteen (18) manufacturers and suppliers of stainless-steel fittings. Two manufacturers indicated to EPA that they could provide AIS-compliant stainless-steel fittings that meet the required specifications. However, as documented in multiple email communications, the project engineer made determinations for each manufacturer's product that they do not meet the specifications of the project. Therefore, EPA agrees with the assessment that no domestic manufacturers produce available products meeting the project's performance-based specifications.

<u>Finding</u>: Since the Applicant established a proper basis to specify particular products required for this project, and because EPA substantiated the Applicant's claim through market research that these products are not available from a manufacturer in the United States, the Inland Empire Utilities Agency in California is hereby granted a waiver from the AIS requirements. This waiver permits the purchase of ¹/₄-inch to 3-inch stainless steel fittings, as documented in the California Water Board's waiver request submittal on behalf of the Applicant dated February 4, 2021.

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.