



OFFICE OF WASTEWATER MANAGEMENT

WASHINGTON, D.C. 20460

DECISION MEMORANDUM

SUBJECT: Project-Specific Availability Waiver of American Iron and Steel Requirements to the San Francisco Public Utilities Commission in California for Polytetrafluoroethylene-Lined V-Loops

FROM: Andrew Sawyers, Director

Decision: The U.S. Environmental Protection Agency is hereby granting a project-specific 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 San Francisco Public Utilities Commission in California (Applicant) for polytetrafluoroethylene (PTFE)-lined V-loops. This waiver permits the use of these V-loops, manufactured outside of the United States, in the Biosolids Digester Facilities Project, because no domestic manufacturers produce alternatives that meet the technical specifications of the project.

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, or the Water Infrastructure Finance and Innovation Act that wishes to use the same product must apply for a separate waiver.

Rationale: 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. 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) 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 EPA] 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."

Background of Waiver Request: The Applicant provided information to the EPA asserting that there are no domestic manufacturers producing PTFE-lined V-loops in sufficient and reasonably available quantities and of a satisfactory quality. The technical specifications require the PTFE-lined V-loops to be made with type 321 stainless steel with stainless steel fittings and type 304

stainless steel braid. The V-loops will be used for ferric chloride service in the Applicant's Biosolids Digester Facility Project, which aims to replace and relocate the outdated existing solids treatment facilities with more reliable, efficient, and modern technologies and facilities.

Assessment of Waiver Request: The EPA conducted market research and a public comment period on the supply and availability of these PTFE-lined V-loops. 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, the EPA contacted twelve (12) manufacturers and suppliers of these PTFE-lined V-loops. One (1) of the manufacturers initially stated they could make the AIS-compliant PTFE-lined V-loops; however, upon further communications between the Applicant and manufacturer in June 2024, the manufacturer showed they are unable to meet the technical specifications of the PTFE-lined V-loops required for the project. The EPA received no (zero) public comments to the waiver request.

Finding: Since the Applicant established a reasonable basis to specify the products required for this project, and because the EPA substantiated the Applicant's claim through market research that this product is not available from a manufacturer in the United States, the San Francisco Public Utilities Commission in California is hereby granted a waiver from the AIS requirements. This waiver permits the use of PTFE-lined V-loops, as documented in the State of California's waiver request submittal on behalf of the Applicant dated May 3, 2024.

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.