



Clean Water
State Revolving Fund



American Iron and Steel (AIS) Requirements for SRF and WIFIA projects

AIS Compliance: Roles and Responsibilities Webinar

March 2, 2021

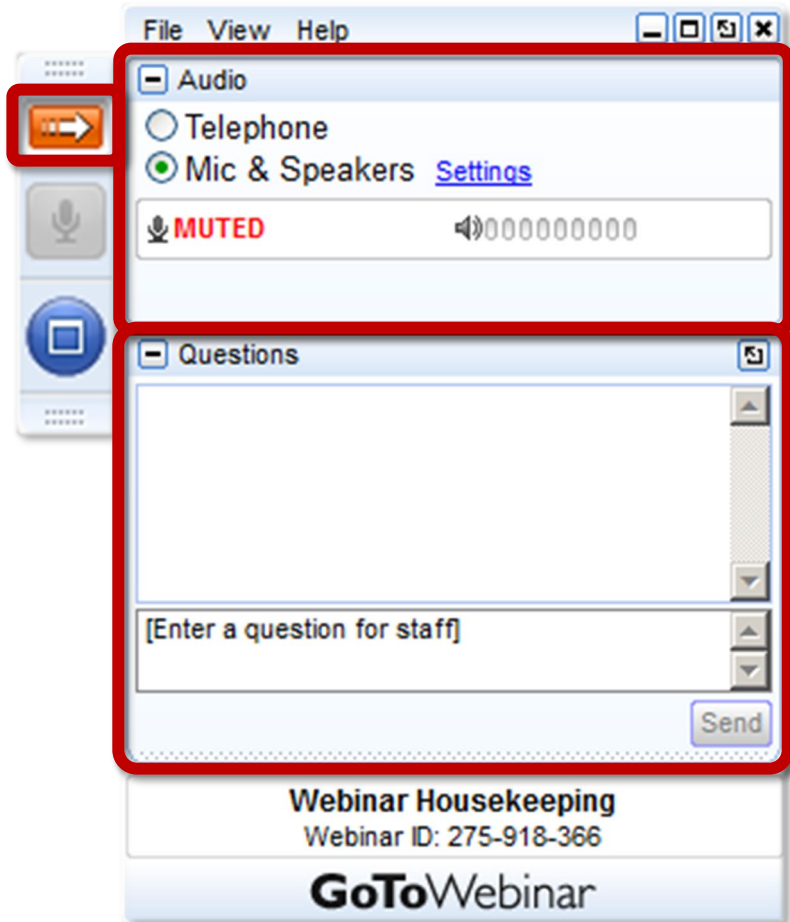
3:30 PM EST

Presented by
U.S. EPA

Training Logistics

- Presentation by EPA staff and Contractors:
 - Kiri Anderer, DWSRF Team, anderer.kirsten@epa.gov
 - Tim Connor, CWSRF Team, connor.timothy@epa.gov
 - Glen Boyd, Cadmus Group
- Questions addressed after the presentation.
- Slides will be posted on EPA's website.

Webcast Logistics



Your Participation

Join audio:

- Choose **Mic & Speakers** to use VoIP, OR
- Choose **Telephone** and dial using the information provided

Submit questions and comments via the **Questions** panel.

EPA staff will be responding to your written questions throughout the Webcast.

Presentation Topics

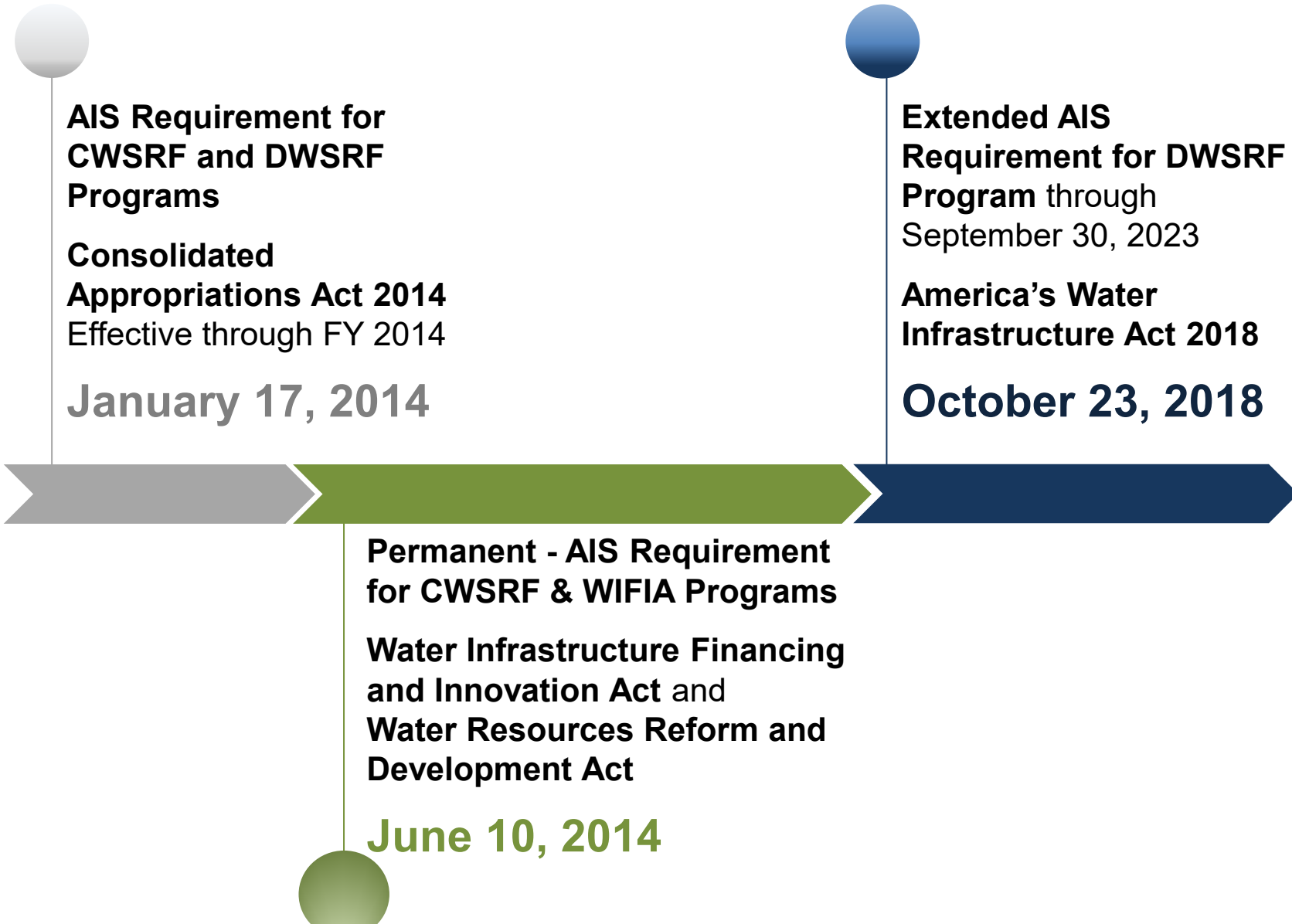
- ◉ Background
- ◉ AIS Requirements
- ◉ Roles & Responsibilities (R&R)
 1. Certification Letter
 2. Waiver
- ◉ When Products are Delivered
- ◉ Best Practices
- ◉ Common Issues
- ◉ Key Takeaways
- ◉ AIS Resources



Background – What is AIS?

- ⦿ The "American Iron and Steel" provision requires assistance 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 term “iron and steel products” means products made primarily of iron or steel

Background – AIS Timeline



**AIS Requirement for
CWSRF and DWSRF
Programs**

**Consolidated
Appropriations Act 2014**
Effective through FY 2014

January 17, 2014

**Permanent - AIS Requirement
for CWSRF & WIFIA Programs**

**Water Infrastructure Financing
and Innovation Act and
Water Resources Reform and
Development Act**

June 10, 2014

**Extended AIS
Requirement for DWSRF
Program through
September 30, 2023**

**America's Water
Infrastructure Act 2018**

October 23, 2018

Compliance Under the AIS Requirement

1. Certification Letter

- Letter asserting that all manufacturing processes for the purchased product occurred in the U.S.

2. Waiver

- EPA has authority to waive the AIS requirement and to issue waivers for a case or category of cases

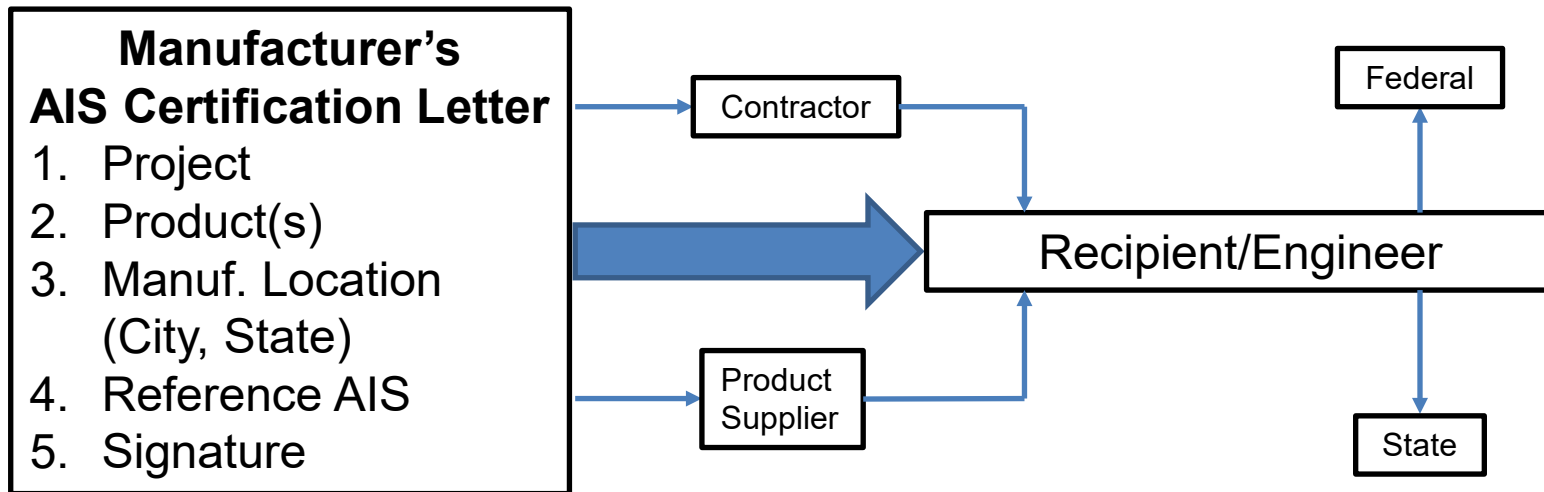


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WHO IS RESPONSIBLE FOR AIS COMPLIANCE?



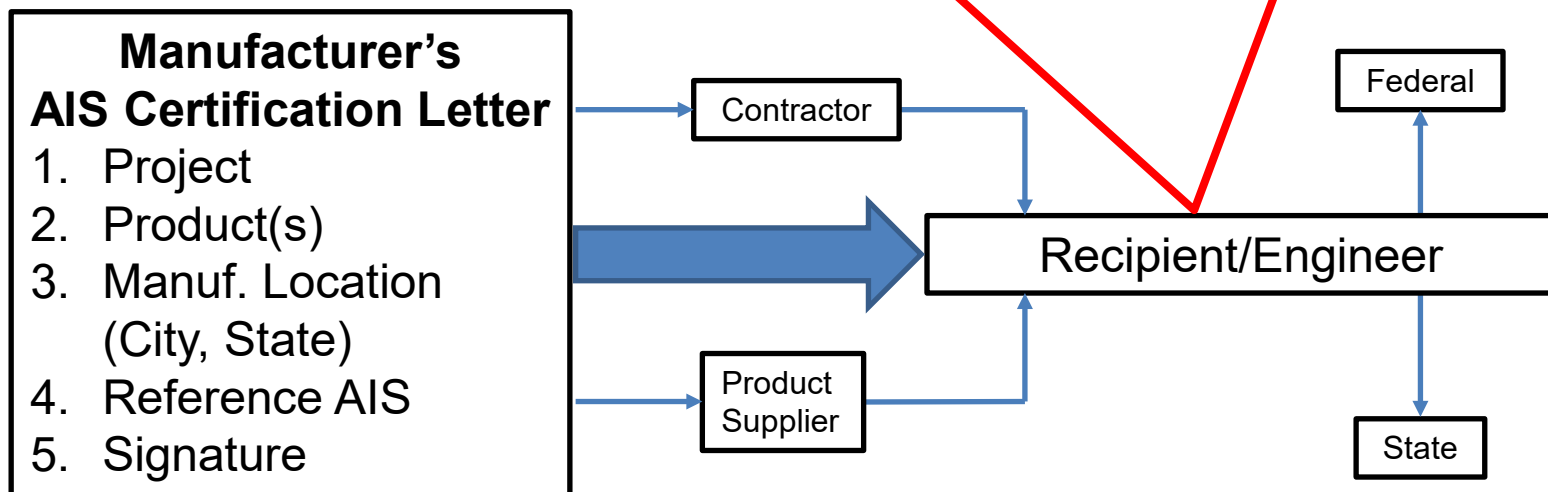
1. Certification Letter Approach Overview



- **AIS certification letter must indicate that the product was delivered to the project site.**
 - **Prospective certification letters (“going to provide AIS-compliant materials”) do not meet compliance requirements on their own.**

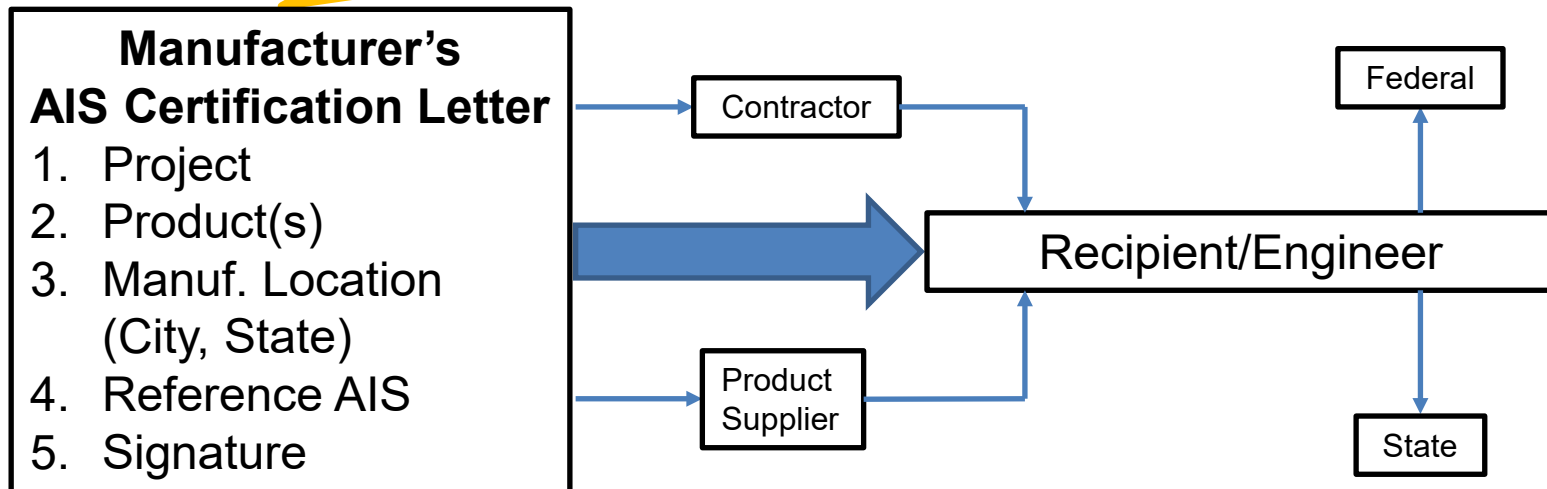
1. Certification Letter – R&R Assistance Recipient & Engineer

- **Due Diligence – Identify availability of AIS products**
- **Communicate need for AIS compliance**
- **Collect and maintain AIS letters**
- **Procure and ensure delivery of AIS products**
- **Include AIS language in contracts and bid documents**

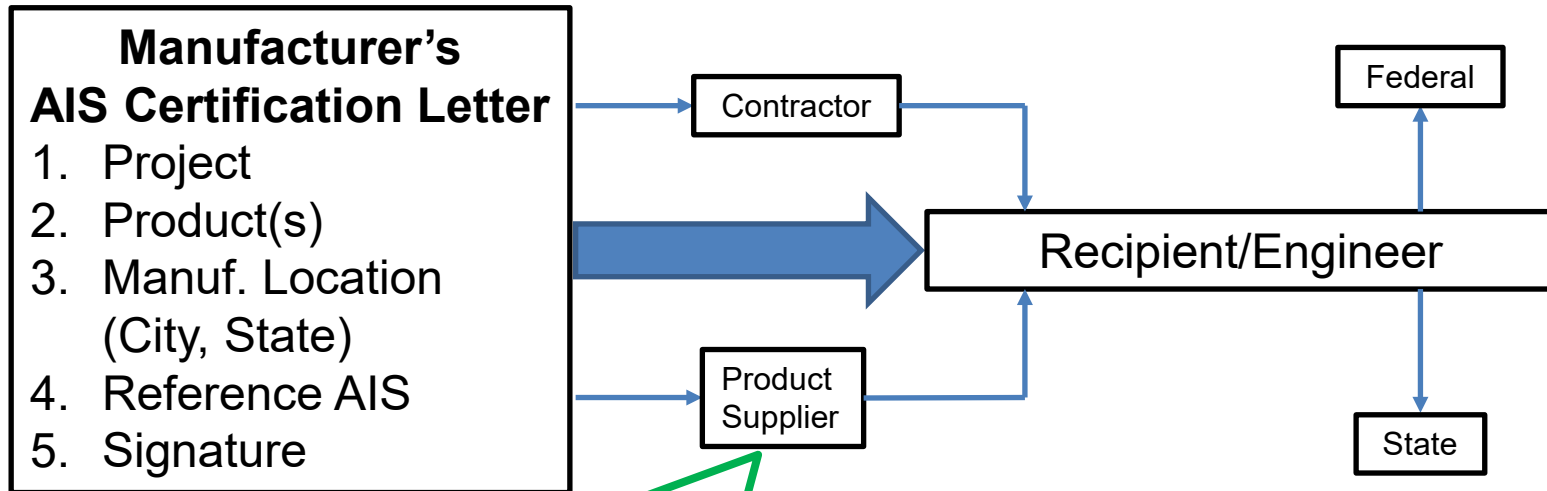


1. Certification Letter – R&R Manufacturer

- Provide accurate product information
- Notify contractor or supplier of products with long lead times
- Procure and supply AIS-compliant products
- Provide AIS certification letters
- Provide other product information



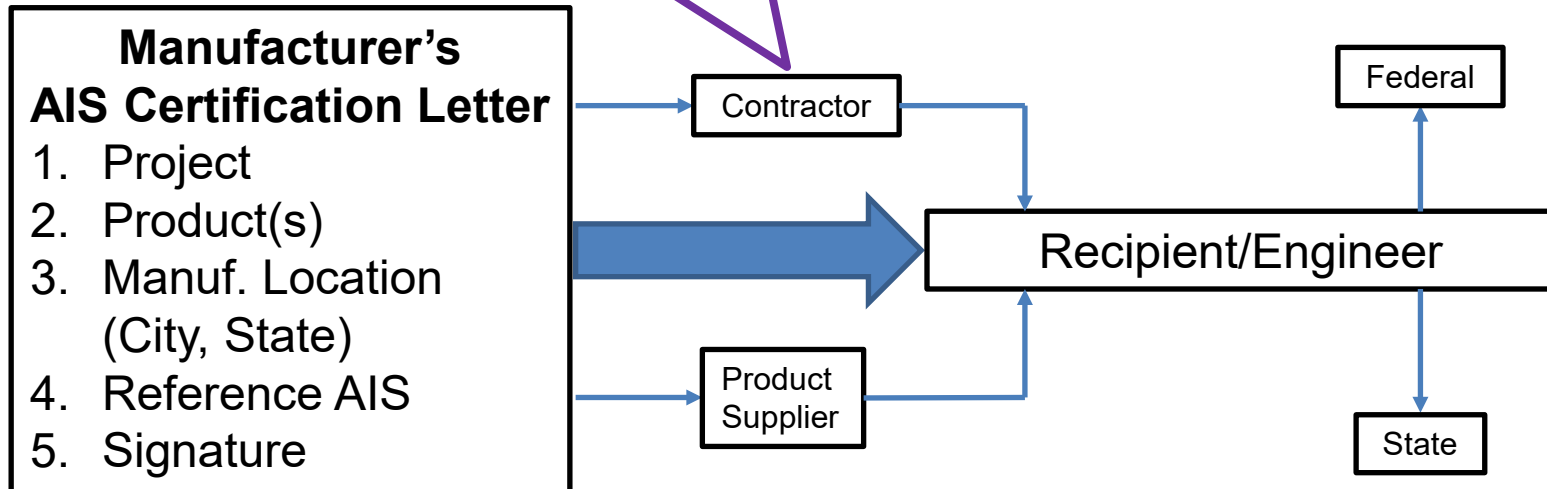
1. Certification Letter – R&R Product Supplier



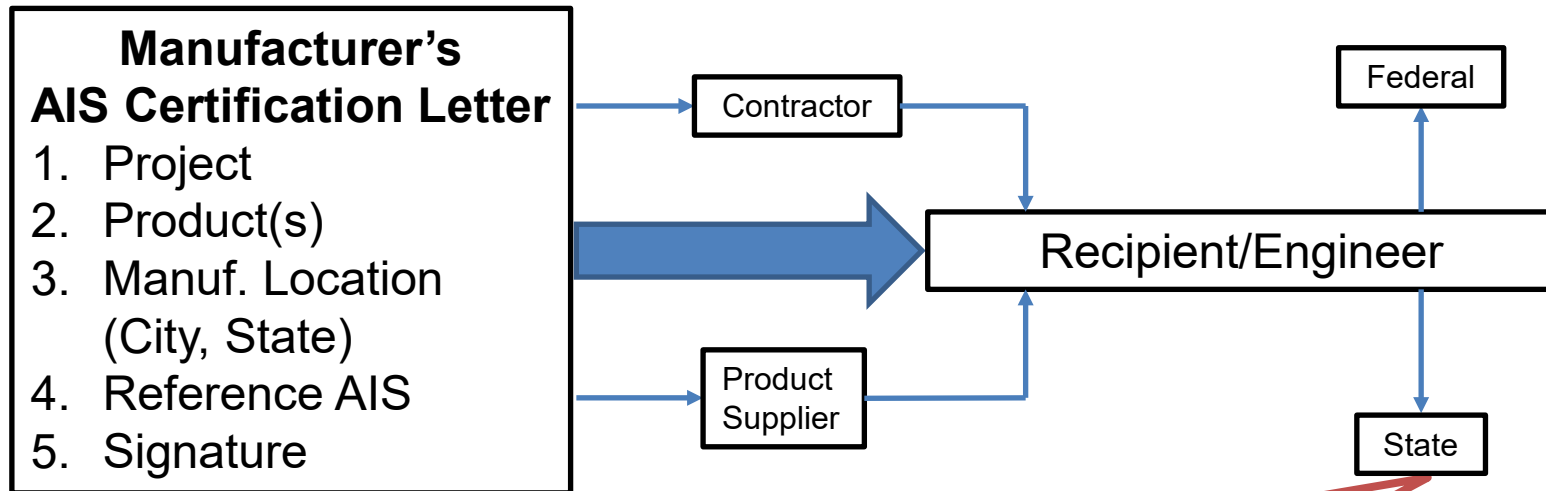
- **Provide accurate product information**
- **Procure and supply AIS-compliant products**
- **Obtain AIS certifications from manufacturers (best practice)**
- **Notify Recipient of potential issues ASAP**

1. Certification Letter – R&R Contractor

- Communicate need for AIS-compliant products
- Procure AIS-compliant products
- Obtain AIS certification letters
- Verify and ensure AIS-compliant products are delivered and installed



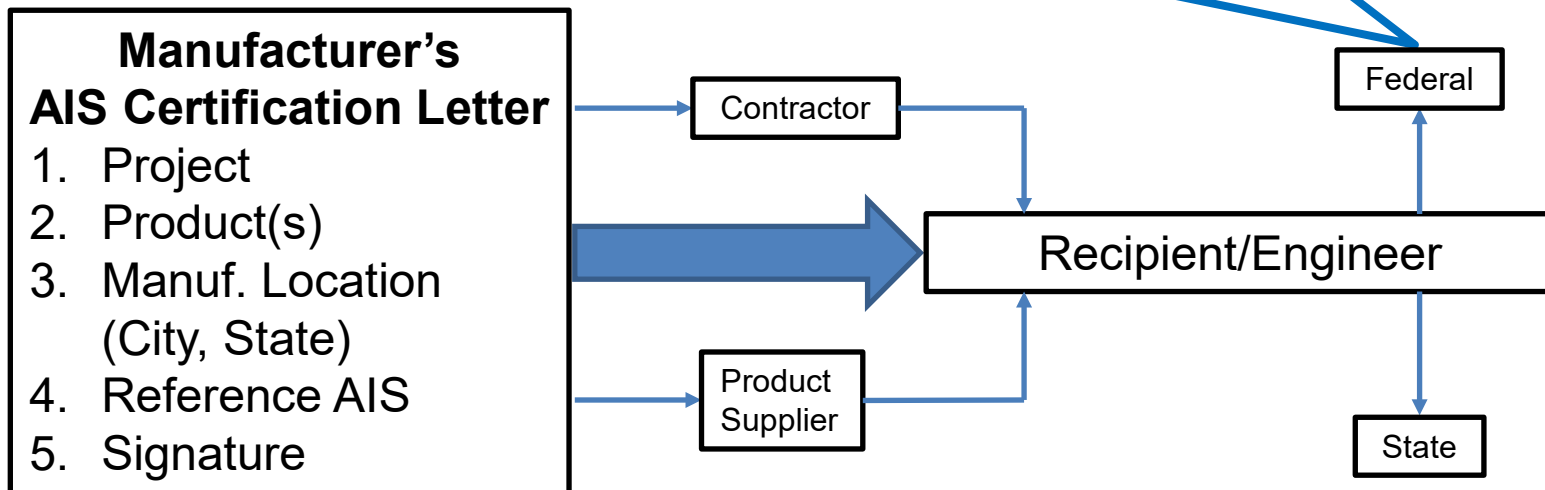
1. Certification Letter – R&R State SRF Program



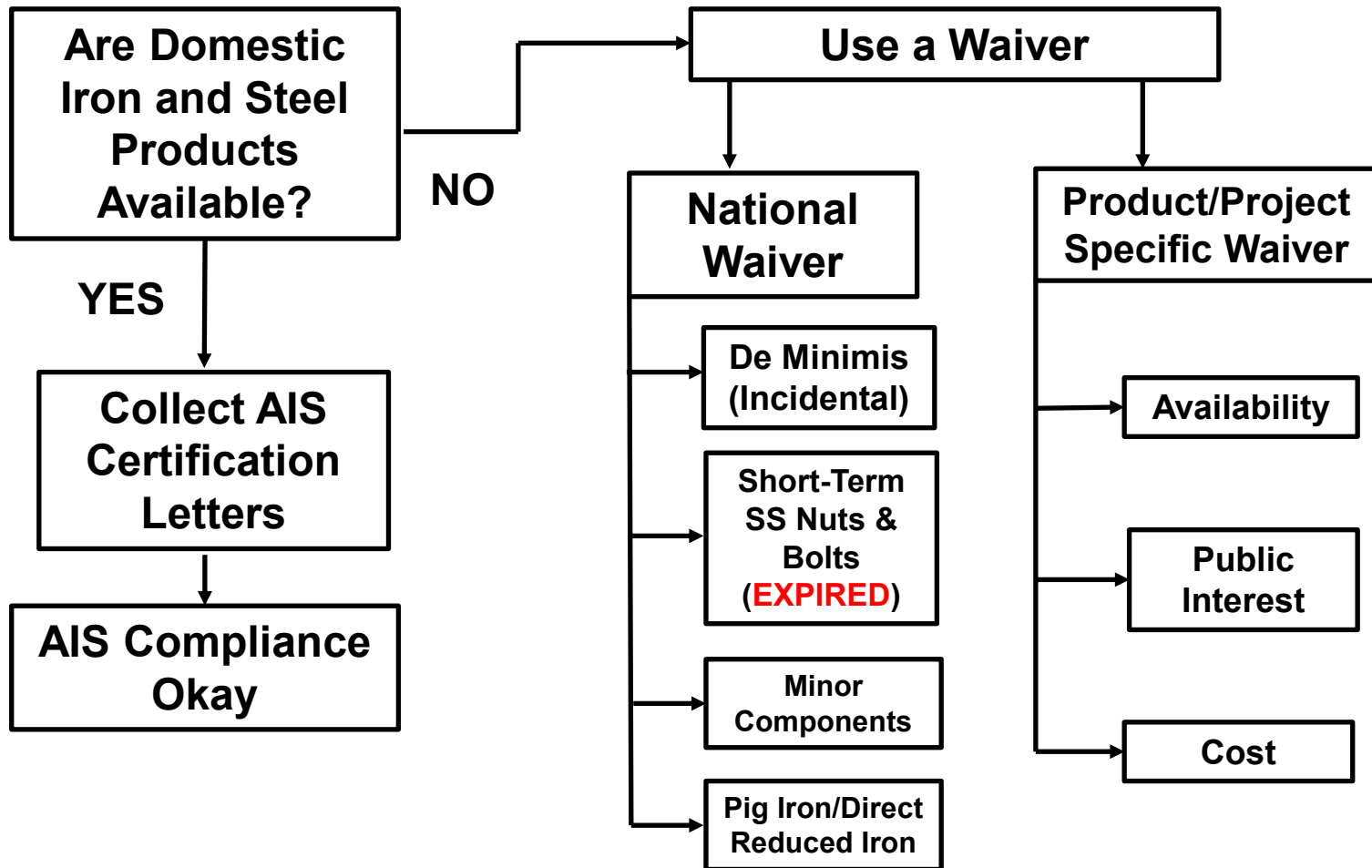
- **Provide technical assistance and training**
- **Reinforce AIS requirements**
- **Oversee AIS implementation**
- **Ensure AIS language in assistance agreements**
- **Conduct project inspections as best practice**
- **Address non-compliance issues**

1. Certification Letter – R&R Federal EPA

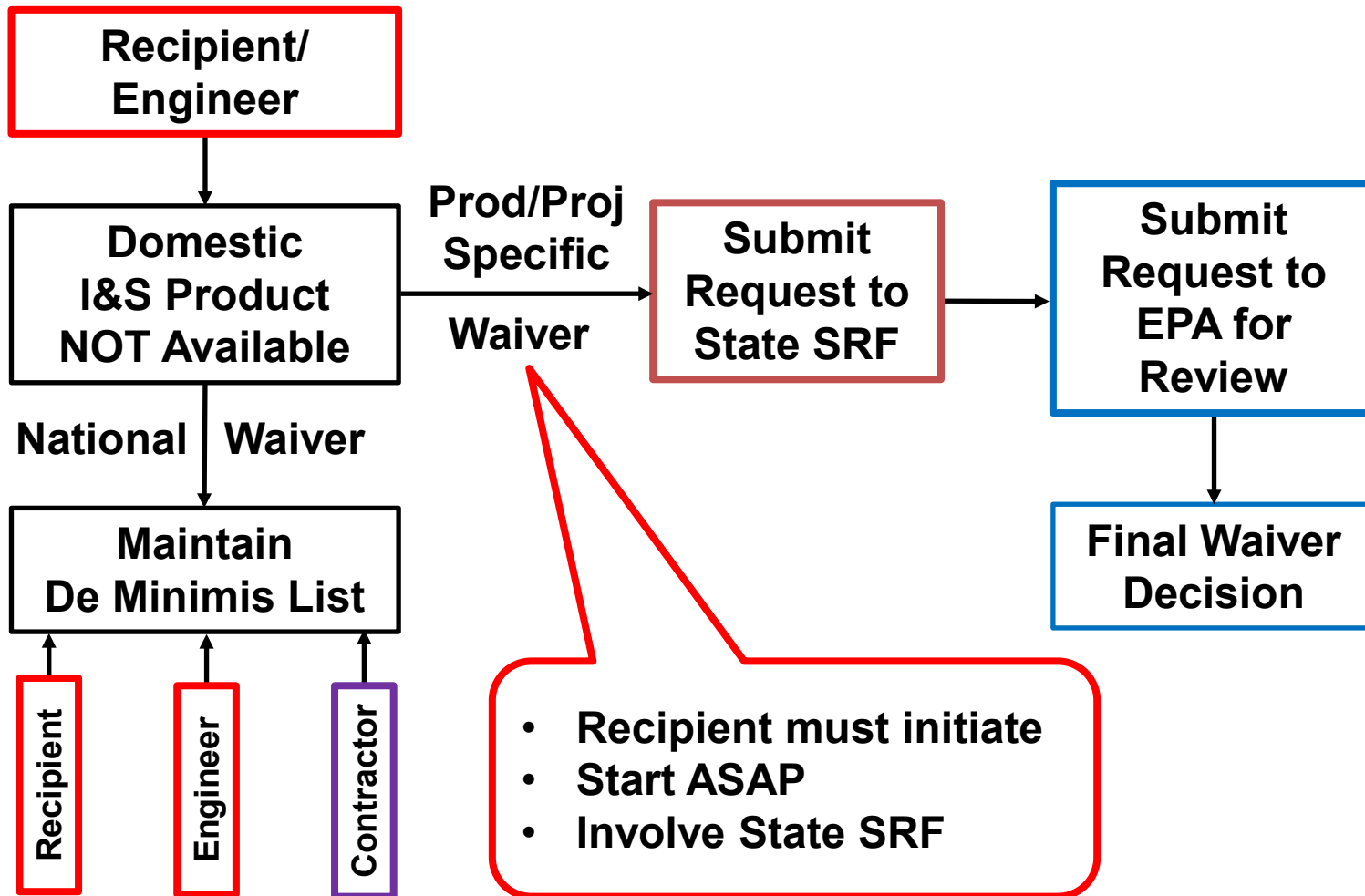
- Communicate AIS requirement
- Provide outreach, education, and training
- Assist in proper implementation of AIS requirement
- Conduct informal AIS site visits and desk reviews
- Technical assistance through SRF_AIS@epa.gov



2. Waiver Approach Overview



2. Product/Project Waiver – R&R Project Team



What to Expect When Products Delivered to Project Site?

- **Project Manager Construction or Engineering Firm**
 - Assign individual responsible for inventory and product acquisition
 - Front line of compliance – should be trained in AIS requirements
- **If delivered product appears questionable**
 - Conduct in-depth review of delivered products
 - Consider possible rejection of delivered product
 - Initiate State SRF involvement, if needed
- **At the end of SRF-funded project**
 - Deliver AIS certification letters to Assistance Recipient

Compliance Best Practices

- Some recipients maintain a spreadsheet of iron and steel products required for the project.
 - Column to flag if product needs to be AIS-compliant.
 - Column to flag if product is potentially unavailable.
 - This can trigger a more intensive due diligence effort, including contacting the state and EPA to request research assistance and/or waiver.
 - Incidental items could be included under de minimis
 - Can trigger the beginning of de minimis tracking
 - Column to track status of certification letter
- Process is not required; however, sites that have these lists tend to be more prepared for AIS site visits.

Common Compliance Issues

1. Supplier-written certification letters are not appropriate for compliance.
 - Suppliers should not be assuming liability for a manufacturers' product.

2. Prospective certification letters without a final certification letter or additional documentation.
 - EPA has seen prospective letters for products that are different than what was actually delivered/installed.

3. Not collecting certification letters during material procurement and not verifying compliance before installation.

4. Waiting too long to start looking for AIS-compliant products.
 - Some AIS-compliant products have much longer lead times. Procrastination is not a valid reason for a waiver.

Key Takeaways

- ⦿ AIS certification letters provided by the manufacturer
- ⦿ Plan early for the collection of AIS certification letters
- ⦿ Verify AIS-compliant products delivered to project site and match certification letters
- ⦿ State and EPA contacts are available to assist during implementation of SRF-funded projects



Where can I find EPA AIS resources?

- Website: <http://www.epa.gov/cwsrf/state-revolving-fund-american-iron-and-steel-ais-requirement> (Or just search “SRF AIS”)
- Website Contents
 - Guidance: Implementation memorandum and subsequent Q&A documents to assist SRF recipients in complying with AIS requirements
 - Training Materials
 - Waivers: Information about project-specific and national waivers, and the waiver process



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THANK YOU!

AIS Questions:

- SRF_AIS@epa.gov

EPA AIS website:

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