



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 Florida Keys Aqueduct Authority in Key West, Florida for Alloy 2507 Stainless Steel Super Duplex Pipes, Flanges, and Fittings

FROM: Andrew D. Sawyers, Director
Office of Wastewater Management

Decision: The U.S. Environmental Protection Agency (EPA) is hereby granting a project waiver pursuant to the “American Iron and Steel” (AIS) requirements of 33 U.S.C. §3914 under the authority of §3914(c)(2) to the Florida Keys Aqueduct Authority (Applicant) for alloy 2507 stainless steel super duplex pipes, flanges, and fittings. This waiver permits the use of these pipes, flanges, and fittings, and in the specific sizes requested, produced outside the United States, in the Applicant's New Kermit H. Lewin Reverse Osmosis Facility. The Facility is a component of the Applicant's Florida Keys Water Supply Rehabilitation project. This waiver permits this use 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 for the proposed project funded by the Water Infrastructure Finance and Innovation Act (WIFIA). Any other entity with a project funded by either WIFIA or the State Revolving Funds (SRFs) that wishes to use the same products must apply for a separate waiver.

Rationale: According to 33 U.S.C. §3914, WIFIA loan recipients must use specific domestic iron and steel products that are produced in the United States if the project is funded through WIFIA. EPA has the authority to determine whether it is necessary to waive this requirement based on certain circumstances set forth in 33 U.S.C. §3914(c)(2). 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.”

Background of Waiver Request: The Applicant provided information to EPA asserting that there are no manufacturers producing alloy 2507 stainless steel super duplex pipes, flanges, and fittings, in sufficient and reasonably available quantities and of a satisfactory quality. These alloy 2507 products are needed for the corrosive brackish and saltwater environments where they will be installed. This project is a major component to the infrastructure system providing drinking water for the Lower Keys.

Assessment of Waiver Request: EPA conducted market research and a public comment period on the supply and availability of these pipes, flanges, and 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. EPA received no public comments to the waiver request. For market research, EPA contacted 12 potential manufacturers and suppliers of alloy 2507 stainless steel super duplex pipes, flanges, and fittings for water and wastewater applications. None (zero) responded indicating that they had potential domestic alternatives. Therefore, EPA agrees with the assessment that no domestic manufacturers produce available products meeting the project's technical specifications.

Finding: Since the Applicant established a proper basis to specify that these products are required for this project, and because EPA substantiated the Applicant's claim that these products are not available from a manufacturer in the United States, the Florida Keys Aqueduct Authority in Key West, Florida is hereby granted a waiver from the AIS requirements for the New Kermit H. Lewin Reverse Osmosis Facility. This waiver permits the purchase of the specified pipes, flanges, and fittings, as documented in the Applicant's waiver request submittal to WIFIA, dated April 27, 2022.

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.