



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 Duplex Stainless Steel Fittings, Gate Valves and Steam Trap Condensate Cooler

FROM: Andrew Sawyers, Director

Decision: The U.S. Environmental Protection Agency 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 San Francisco Public Utilities Commission in California (Applicant) for duplex stainless steel fittings, forged steel and cast steel gate valves, and a steam trap condensate cooler. This waiver permits the use of these products, 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 products 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 0.5 inch through 6 inch duplex stainless steel fittings, 0.5 inch through 2 inch forged steel valves and 2 inch through 12 inch cast steel gate valves, or steam trap condensate coolers in sufficient and reasonably available quantities and of a satisfactory quality. These products will be used in the Biosolids Digester Facilities Project that

will replace and relocate the outdated existing solids treatment facilities. The new facilities will produce higher quality biosolids, capture and treat odors, and maximize biogas utilization and energy recovery. In addition, the project will locate the digesters farther away from existing residences and make visual improvements in and around the Southeast Treatment Plant.

Assessment of Waiver Request: The EPA conducted market research and a public comment period on the supply and availability of these products. 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 seven (7) potential manufacturers for the stainless steel fittings, nine (9) manufacturers and suppliers for the forged steel and cast steel gate valves, and seven (7) for the steam trap and condensate cooler. Two of the manufacturers for both the duplex stainless steel fittings and gate valves initially stated they could make the AIS-compliant products. Upon further communications between the Applicant and manufacturers in July 2023, the manufacturers showed they were unable to meet the technical specifications for the required products. The EPA received one (1) public comment pertaining to the duplex stainless steel fittings. Upon further communication between the Applicant and commenting manufacturer in August 2023, they were unable to provide duplex stainless steel fittings that were AIS-compliant.

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 these products are 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 purchase of duplex stainless steel fittings, forged steel and cast steel gate valves, and a steam trap condensate cooler, as documented in the State of California's waiver request submittal on behalf of the Applicant dated June 20, 2023.

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.