



National Electrical Manufacturers Association

The association of electrical equipment
and medical imaging manufacturers
www.nema.org

December 20, 2023

Radhika K. Fox
Assistant Administrator for Water
Office of Water
Environmental Protection Agency
William Jefferson Clinton Federal Building
1200 Pennsylvania Avenue NW
Room 3219
Washington, DC 20460

Re: EPA-HG-OW-2023-0396, Request for Information Regarding Products and Categories of Products Used in Water Infrastructure Programs

Dear Administrator Fox:

The National Electrical Manufacturers Association (NEMA) appreciates the opportunity to submit the following comments to the Environmental Protection Agency's (EPA) Office of Water concerning the current domestic market for products and components of drinking, agricultural, and wastewater treatment and delivery systems. Specifically, this letter seeks to provide recommendations and industry perspective in response to the questions put forth in the request for information issued by EPA on November 20, 2023, docket number EPA-HQ-OW-2023-0396.

NEMA commends EPA for taking action to understand the current state of the domestic market for water infrastructure products and assess the present and future availability of products and systems that comply with Build America, Buy America (BABA) requirements included in the Infrastructure Investments and Jobs Act (IIJA). As the leading U.S. trade group representing electrical equipment and medical imaging manufacturers, NEMA shares the Administration's fundamental goal of using taxpayer dollars to create good-paying American jobs and shore up domestic supply chains. Our nearly 325 Member companies provide a range of products for high-performance buildings, electric vehicles, and the utility sectors. The electroindustry provides some 1.6 million American manufacturing jobs, resulting in over \$201 billion in annual U.S. GDP contributions. While NEMA supports swift implementation of the IIJA and BABA domestic preference requirements for infrastructure projects that receive federal financial assistance, we also recognize the limited availability of domestically produced materials exacerbated by ongoing supply chain and workforce disruptions.

Over the past two years, NEMA has consistently been raising key issues with respect to agencies' implementation of BABA requirements—chief among them being the crucial importance of having a clear, consistent set of rules across agencies that account for the supply chain realities faced by U.S. manufacturers as they work to comply with the law. Many of the global supply chains that are vital to BABA's success cannot be re-shored immediately, and the federal government must provide continued support and regulatory certainty for U.S. manufacturers as they navigate the practical and logistical impediments for re-orienting supply

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chains and make the requisite long-term investments to re-shore, near-shore, or friend-shore operations and assets.

As EPA evaluates the domestic market for BABA-covered products in water infrastructure, NEMA urges the agency to undertake a market-based, phased approach to implementing BABA requirements that is similar to the targeted waiver processes adopted by the Federal Highway Administration (FHWA) and National Telecommunications and Information Administration (NTIA) for EV chargers and the Broadband Equity, Access, and Deployment (BEAD) program, respectively. In the case of EV chargers, FHWA created a phase-in period for applying BABA requirements, allowing the agency to obtain and monitor market data and industry feedback on domestic production capacity as domestic preference requirements gradually take effect. With respect to the BEAD program, NTIA issued a limited BABA waiver for certain items and components used to build broadband networks that are not made in the U.S. in sufficient quantities, which it intends to review annually. In short, NEMA strongly encourages EPA to follow suit and adopt a BABA implementation process for water infrastructure products and systems wherein the agency conducts regular check-ins with industry stakeholders and bases decisions on industry feedback and robust market data. Ultimately, NEMA believes that taking such a tailored and strategic approach to growing U.S. manufacturing capacity and strengthening supply chain capabilities will foster responsible right-shoring, drive investments in new markets and expand existing ones, and help achieve the overarching goals of IJJA by ensuring industry has the support and flexibility it needs to navigate near-term challenges and modernize our nation's infrastructure.

The following products have been identified by NEMA members companies as products that are critical to water and wastewater project that may require waivers of BABA requirements:

1. Adjustable speed drives
2. Construction transformers
3. Data converters
4. Direct Current (DC) power supplies
5. Electrical connectors
6. Flowmeters
7. Human Machine Interface (HMI) displays and touchscreens
8. Industrial ethernet switches
9. Industrial Personal Computers (PCs)
10. Industrial routers; including industrial cellular routers, industrial remote maintenance routers, and industrial cybersecurity routers
11. Industrial wireless radios
12. Interface modules
13. Lead acid and lithium-ion batteries
14. Load interrupter switches
15. Measurement instruments; including level, pressure, flow, temperature, and weighing meters
16. Motor control centers
17. Overvoltage protectors
18. Panel boards
19. Printed circuit board assemblies (PCBAs)

20. Programmable logic controllers
21. Remote Input/Output (I/O) systems
22. Safety switches
23. Signal conditioners
24. Supervisory Control and Data Acquisition (SCADA) systems and servers
25. Surge suppressors
26. Switchboards
27. Terminal blocks
28. Uninterruptible power supplies
29. Valves
30. Variable frequency drives

NEMA encourages EPA to solicit further stakeholder input on these products. Some products may benefit from a waiver where manufacturing in the U.S. is required but the 55% domestic content requirement is phased in over time, similar to waivers other agencies have issued. Others could benefit from clearer guidance from EPA on whether they are considered a subcomponent, component, or manufactured product. Additional guidance from EPA on how the agency will be defining and assessing kits and systems is needed. Another productive approach would be to allow components and materials to be sourced from countries with which the U.S. has a free trade agreement. This brief 30-day comment period limits the amount of data that can be collected and submitted in comments, additional time would be beneficial to provide the most complete response possible.

NEMA appreciates EPA's efforts to gather the most comprehensive and current information available on the state of the domestic market for BABA-covered products used in water infrastructure, and we urge the agency to consider establishing an ongoing public engagement process that extends beyond the formal comment period for this particular request for information to enable industry stakeholders the opportunity to provide continued feedback on domestic availability of water infrastructure products moving forward. To further discuss the agency's implementation of BABA requirements for infrastructure projects, NEMA requests a meeting with the appropriate team members in the EPA Office of Water. We appreciate your consideration of the following comments and please contact Madeleine Bugel, Director of Government Relations, at Madeleine.Bugel@nema.org with any questions you may have.

Sincerely,



Madeleine Bugel
Director, Government Relations
National Electrical Manufacturers Association