



Department of Energy
Washington, DC 20585

ASSISTANT SECRETARY OF ENERGY
FOR ENERGY EFFICIENCY AND RENEWABLE ENERGY

MEMORANDUM OF DECISION

SUBJECT: Determination of inapplicability (waiver) of section 1605 of the American Reinvestment and Recovery Act of 2009 (Recovery Act Buy American provisions) to EERE-funded projects for (1) surface mounting time switches with 24-hour program dials and single-pole-double-throw switches; (2) HVAC units with 8.375' W x 9.5' H x 2.72' D – *Only* when the application requires an HVAC unit with a height of 10' or less due to documented space constraints; (3) low temperature thermostats with a temperature range of 15-55 degrees Fahrenheit and manual reset; (4) Programmable DDC controllers for LON protocol, where an existing LON system exists that will not interface with other protocols without the input of extensive time and expense equal to or greater than the cost of the controllers themselves; and (5) Hardware necessary for implementation of Honeywell Enterprise Buildings Integrator (EBI) software for integration of water management and HVAC systems including: Customized Dell PowerEdge T610 Computer Server; Honeywell XL50UMMIPC-CBLON; Echelon LPR-10 #42100R; Sloan – MCR231-D; Sloan – MCR140A.

Under the authority of Recovery Act, Pub. L. 111-5, section 1605(b)(2), the head of a Federal department or agency may issue a "determination of inapplicability" (a waiver of the Buy American provision) if the iron, steel, or relevant manufactured good is not produced or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality ("nonavailability"). On September 17, 2010, the authority of the Secretary of Energy to make all inapplicability determinations was delegated to the Assistant Secretary for Energy Efficiency and Renewable Energy (EERE), for EERE projects under the Recovery Act. Pursuant to this delegation the Assistant Secretary, EERE, has concluded that (1) surface mounting time switches with 24-hour program dials and single-pole-double-throw switches; (2) HVAC units with 8.375' W x 9.5' H x 2.72' D – *Only* when the application requires an HVAC unit with a height of 10' or less due to documented space constraints; (3) low temperature thermostats with a temperature range of 15-55 degrees Fahrenheit and manual reset; (4) Programmable DDC controllers for LON protocol, where an existing LON system exists that will not interface with other protocols without the input of extensive time and expense equal to or greater than the cost of the controllers themselves; and (5) Hardware necessary for

implementation of Honeywell Enterprise Buildings Integrator (EBI) software for integration of water management and HVAC systems including: Customized Dell PowerEdge T610 Computer Server; Honeywell XL50UMMIPC-CBLON; Echelon LPR-10 #42100R; Sloan – MCR231-D; Sloan – MCR140A qualify for the "nonavailability" waiver determination.

EERE has developed a robust process to ascertain in a systematic and expedient manner whether or not there is domestic manufacturing capacity for the items submitted for a waiver of the Recovery Act Buy American provision. This process involves a close collaboration with the United States Department of Commerce National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership (MEP), in order to scour the domestic manufacturing landscape in search of producers before making any nonavailability determinations.

The NIST MEP has 59 regional centers with substantial knowledge of, and connections to, the domestic manufacturing sector. MEP uses their regional centers to 'scout' for current or potential manufacturers of the product(s) submitted in a waiver request. In the course of this interagency collaboration, MEP has been able to find exact or partial matches for manufactured goods that EERE grantees had been unable to locate. As a result, in those cases, EERE was able to work with the grantees to procure American-made products rather than granting a waiver.

Upon receipt of completed waiver requests for the five products in the current waiver, EERE reviewed the information provided and submitted the relevant technical information to the NIST MEP. The MEP then used their network of nationwide centers to scout for domestic manufacturers. The NIST MEP reported that their scouting process did not locate any domestic manufacturers for these exact or equivalent items.

In addition to the MEP collaboration outlined above, the EERE Buy American Coordinator worked with labor unions, trade associations and other manufacturing stakeholders to scout for domestic manufacturing capacity or an equivalent product for each item contained in this waiver. EERE also conducted significant amounts of independent research to supplement MEP's scouting efforts, including utilizing the solar experts employed by the Department of Energy's National Renewable Energy Laboratory. EERE's research efforts confirmed the MEP findings that the goods included in this waiver are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality.

The nonavailability determination is also informed by the inquiries and petitions to EERE from recipients of EERE Recovery Act funds, and from suppliers, distributors, retailers and trade associations—all stating that their individual efforts to locate domestic manufacturers have been unsuccessful.

Specific technical information for the manufactured goods included in this non-availability determination is detailed below:

(1) Surface mounting time switches with 24-hour program dials and single-pole-double-throw switches;

(2) HVAC units with 8.375' W x 9.5' H x 2.72' D – *Only* when the application requires an HVAC unit with a height of 10' or less due to documented space constraints;

The grantee must be able to document that the space requires a unit of this size, and maintain that documentation in accordance with the standard documentation requirements of the Buy American provisions of the Recovery Act.

(3) Low temperature thermostats with a temperature range of 15-55 degrees Fahrenheit and manual reset.

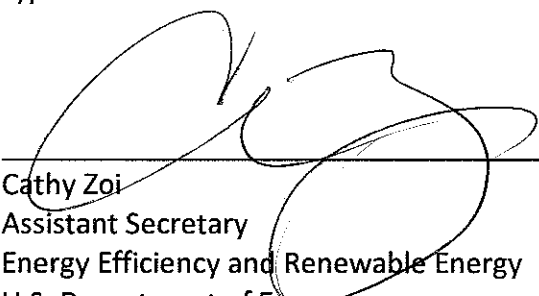
(4) Programmable DDC controllers for LON protocol, where an existing LON system exists that will not interface with other protocols without the input of extensive time and expense equal to or greater than the cost of the controllers themselves.

(5) Hardware necessary for implementation of Honeywell Enterprise Buildings Integrator (EBI) software for integration of water management and HVAC systems including: Customized Dell PowerEdge T610 Computer Server; Honeywell XL50UMMIPC-CBLON; Echelon LPR-10 #42100R; Sloan – MCR231-D; Sloan – MCR140A.

In light of the foregoing, and under the authority of section 1605(b)(2) of Public Law 111–5 and Redelegation Order 00-002-01C, dated November 10, 2009, with respect to Recovery Act projects funded by EERE, I hereby issue a “determination of inapplicability” (a waiver under the Recovery Act Buy American provision) for (1) surface mounting time switches with 24-hour program dials and single-pole-double-throw switches; (2) HVAC units with 8.375' W x 9.5' H x 2.72' D – *Only* when the application requires an HVAC unit with a height of 10' or less due to documented space constraints; (3) low temperature thermostats with a temperature range of 15-55 degrees Fahrenheit and manual reset; (4) Programmable DDC controllers for LON protocol, where an existing LON system exists that will not interface with other protocols without the input of extensive time and expense equal to or greater than the cost of the controllers themselves; and (5) Hardware necessary for implementation of Honeywell Enterprise Buildings Integrator (EBI) software for integration of water management and HVAC systems including: Customized Dell PowerEdge T610 Computer Server; Honeywell XL50UMMIPC-CBLON; Echelon LPR-10 #42100R; Sloan – MCR231-D; Sloan – MCR140A, meeting the specifications detailed above in (1) through (5).

This waiver determination is pursuant to the delegation of authority by the Secretary of Energy to the Assistant Secretary for Energy Efficiency and Renewable Energy with respect to expenditures within the purview of her responsibility. Consequently, this waiver applies only to EERE projects carried out under the Recovery Act.

Furthermore, I reserve the right to revisit and amend this determination based on new developments or changes in the domestic manufacturing capacity for these five product types.



Cathy Zoi
Assistant Secretary
Energy Efficiency and Renewable Energy
U.S. Department of Energy

Date: 11/5/10