

load on the affected generator sets to 70% or higher of nameplate rating, and thereby reduce fuel consumption by approximately 70,000 gallon per month. This represents a saving of \$246,000 per month or \$2.96m per year at the current fuel price of \$3.52 per gallon. This saving will automatically be passed on to the rate-payers as required by the rate setting process.

With the ability to operate generators at loads of 70% or more, fewer generators need to be on-line to supply demand. This will result in lower running hours per engine and as a result, lower maintenance cost per year. Savings in engine maintenance cost as a result of the radiator replacement project is expected to be at least \$876,000 per year.

Power plant-1 continues to be CUC's main power plant on the main island of Saipan. This radiator replacement project will reduce fuel consumption and overall engine run hours—by allowing generator loads to be operated at optimum levels. This in turn will reduce fuel and maintenance cost and provide some relief to rate payers in the CNMI, by way of electricity rate reduction.

If for some reason the design of the radiators is ineffective, the current radiators are in such a severely decayed state that they cannot be reconnected one de-commissioned. If the project does not proceed on schedule, or if there is any flaw in the design, CNMI may be forced to resort to back-up power, similar to the 2008 scenario.

The project to replace the radiators involves two 13.0MW-18V 52/55B and three 7.2MW-18V 40/54A diesel engines. \$2,400,000 dollars in ARRA grant funds are allocated to the project. The proposed price of the only US manufacturer to come forward with a bid was \$3 million dollars, including freight to Saipan. The proposed price by the manufacturer of the radiators used in the prior installation was \$2,167,060. The total installation cost for the radiators is approximately \$225,000.

In addition to the price concerns, the only US bidder revealed that its largest previous project was for engines with continuous rating of less than 2.0MW. In addition, the foreign manufacturer is the supplier of choice for the 24 island countries who are members of the Pacific Power Association. All these island utilities have similar type of temperatures and salty environment as in the CNMI. All 24 island countries operate diesel engines to generate electricity.

CFR 2 176.110, entitled "Evaluating proposals of foreign iron, steel, and/or manufactured goods", states that if "the

award official receives a request for an exception based on the cost of certain domestic iron, steel, and/or manufactured goods being unreasonable, in accordance with § 176.80, then the award official shall apply evaluation factors to the proposal to use such foreign iron, steel, and/or manufactured goods."

Per that section, the total evaluated cost = project cost estimate + (.25 × project cost estimate).

The total cost of the project including the foreign manufactured radiators is \$2,317,060. The total evaluated cost is \$2,392,060 + (.25 × \$2,392,060) or \$2990075. The minimum cost for the project with US collectors is \$3,225,000, a cost increase of 34.8%. Thus, the diesel engine radiators needed for this project that are domestically manufactured will increase the cost of the overall project by more than 25 percent.

In light of the foregoing, and under the authority of section 1605(b)(3) of Public Law No. 111-5 and the Re-delegation Order dated April 25, 2011, with respect to Recovery Act projects funded by EERE, on October 24, 2011, the Acting Assistant Secretary issued a determination of inapplicability (unreasonable cost waiver) of section 1605 of the American Reinvestment and Recovery Act of 2009 (Recovery Act Buy American provisions) to the to the Commonwealth Utilities Corporation's (CUC) located in the Commonwealth of the Northern Mariana Islands (CNMI), recipient of the EECBG grant DE-EE0000762, for 5 diesel engine radiators to be installed at the CUC's main power plant located in Saipan, CNMI. This waiver applies only to this project.

This waiver determination was made pursuant to the delegation of authority by the Secretary of Energy to the Acting Assistant Secretary for Energy Efficiency and Renewable Energy with respect to expenditures within the purview of his responsibility. Consequently, this waiver applies only to EERE projects carried out under the Recovery Act; and only to this project specifically, waiver requests, even for the same or similar items, will be handled individually, because individual factors apply to each project.

Authority: Pub. L. 111-5, section 1605.

Issued in Washington, DC on December 6, 2011.

Henry Kelly,

Acting Assistant Secretary for Energy Efficiency and Renewable Energy, U.S. Department of Energy.

[FR Doc. 2011-33407 Filed 12-28-11; 8:45 am]

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DEPARTMENT OF ENERGY

Office of Energy Efficiency and Renewable Energy

Nationwide Categorical Waivers Under Section 1605 (Buy American) of the American Recovery and Reinvestment Act of 2009 (Recovery Act)

AGENCY: Office of Energy Efficiency and Renewable Energy, U.S. Department of Energy (DOE).

ACTION: Notice of Limited Waivers.

SUMMARY: The U.S. Department of Energy (DOE) is hereby granting a nationwide limited waiver of the Buy American requirements of section 1605 of the Recovery Act under the authority of Section 1605(b)(2), (iron, steel, and the relevant manufactured goods are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality), with respect to Recovery Act projects funded by EERE for (1) Multi-colored Full Wave Rectified strands of 5mm, conical shaped LED mini bulbs in molded sockets with 4" spacing between bulbs, UL listed with a minimum 50,000 hour lamp life; (2) Ancillary items needed for a T-12 to T-8 retrofit, including the ballast disconnects, ancillary wiring and welding materials where needed, and the spacing clip to accommodate T-8 bulbs into a T-12 fixture; and (3) Roof integrated flat plate collectors producing 1250 btu/square foot, where the installation requires a roof integrated solar collector to meet local historic preservation or local building standards.

DATES: *Effective Date:* 9/12/2011.

FOR FURTHER INFORMATION CONTACT: Benjamin Goldstein, Energy Technology Program Specialist, Office of Energy Efficiency and Renewable Energy (EERE), (202) 287-1553, Department of Energy, 1000 Independence Avenue SW., Mailstop EE-2K, Washington, DC 20585.

SUPPLEMENTARY INFORMATION: Under the authority of American Recovery and Reinvestment Act of 2009 (Recovery Act), Public Law 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"). The authority of the Secretary of Energy to make all inapplicability determinations was re-delegated to the Assistant Secretary for

Energy Efficiency and Renewable Energy (EERE), for EERE projects under the Recovery Act, in Redelegation Order No. 00-002.01E, dated April 25, 2011. Pursuant to this delegation the Acting Assistant Secretary, EERE, has concluded that: (1) Multi-colored Full Wave Rectified strands of 5mm, conical shaped LED mini bulbs in molded sockets with 4" spacing between bulbs, UL listed with a minimum 50,000 hour lamp life; (2) Ancillary items needed for a T-12 to T-8 retrofit, including the ballast disconnects, ancillary wiring and welding materials where needed, and the spacing clip to accommodate T-8 bulbs into a T-12 fixture; and (3) Roof integrated flat plate collectors producing 1250 btu/square foot, where the installation requires a roof integrated solar collector to meet local historic preservation or local building standards, are not produced or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality. The above items, when used on eligible EERE Recovery Act-funded projects, 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 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 four products in the current waiver, EERE reviewed the information provided and submitted the relevant technical information to the MEP. The MEP then used their network of nationwide centers to scout for domestic manufacturers. The 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 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 for these items have been unsuccessful.

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

(1) Multi-colored Full Wave Rectified strands of 5mm, conical shaped LED mini bulbs in molded sockets with 4" spacing between bulbs, UL listed with a minimum 50,000 hour lamp life.

Through market research and a referral to MEP no American made product was located. No decorative LED bulbs of any kind are made in the United States. In projects where decorative lights are used for extended periods of time, the energy savings is significant.

(2) Ancillary items needed for a T-12 to T-8 retrofit, including the ballast disconnects, ancillary wiring and welding materials where needed, and the spacing clip to accommodate T-8 bulbs into a T-12 fixture.

Extensive market research revealed these items are not manufactured domestically. The remaining items utilized in the retrofit, including bulbs, or in cases where the entire fixture is being replaced, the fixture as a whole, must be compliant with Buy American.

(3) Roof integrated flat plate collectors producing 1250 btu/square foot, where the installation requires a roof integrated solar collector to meet local historic preservation or local building standards.

This is reserved for cases in which a roof integrated collector is required, neither NREL nor MEP located domestic

producers of flat plate collectors that could meet this need. The remaining parts of each system must be compliant with Buy American. In light of the foregoing, and under the authority of section 1605(b)(2) of Public Law 111-5 and Redelegation Order 00-002-01E, 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) Multi-colored Full Wave Rectified strands of 5mm, conical shaped LED mini bulbs in molded sockets with 4" spacing between bulbs, UL listed with a minimum 50,000 hour lamp life; (2) Ancillary items needed for a T-12 to T-8 retrofit, including the ballast disconnects, ancillary wiring and welding materials where needed, and the spacing clip to accommodate T-8 bulbs into a T-12 fixture; and (3) Roof integrated flat plate collectors producing 1250 btu/square foot, where the installation requires a roof integrated solar collector to meet local historic preservation or local building standards.

Having established a proper justification based on domestic nonavailability, EERE hereby provides notice that on September 12, 2011, three (3) nationwide categorical waivers of section 1605 of the Recovery Act were issued as detailed supra. This notice constitutes the detailed written justification required by Section 1605(c) for waivers based on a finding under subsection (b).

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 his responsibility. Consequently, this waiver applies to all EERE projects carried out under the Recovery Act.

Authority: Pub. L. 111-5, section 1605.

Issued in Washington, DC on September 12, 2011.

Henry Kelly,

Acting Assistant Secretary, Energy Efficiency and Renewable Energy, U.S. Department of Energy.

[FR Doc. 2011-33416 Filed 12-28-11; 8:45 am]

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