

# DEPARTMENT OF THE ARMY OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY ACQUISITION LOGISTICS AND TECHNOLOGY 103 ARMY PENTAGON WASHINGTON DC 20310-0103

SAAL-ZP

**Agency:** Department of Army, National Guard Bureau

Common Government-wide Accounting Code: 021

**Waiver Summary:** The Department of the Army, National Guard Bureau, is proposing to issue a nonavailability partial waiver of the manufactured products requirements of Section 70914 of the Build America, Buy America Act (BABA) included in the Infrastructure Investment and Jobs Act (Pub. L. 117- 58) for a domestically assembled photovoltaic (PV) system for the construction project of the National Guard Readiness Center in Reno, Nevada.

**Waiver Type:** Project specific partial Non-Availability Waiver for a domestically assembled photovoltaic (PV) solar power generation system.

**Applicability:** This is a proposed non-availability waiver of the manufactured product requirements that requires the final photovoltaic system to be domestically assembled. Solar modules where final assembly occurs outside the United States are not eligible for coverage under this waiver. "Final Assembly" means all operations involved in the transformation of individual solar cells and all other module components into a fully functional encapsulated module. For recipient expenditures to be covered by this waiver, the solar modules will need to be installed by June 30, 2026. "Installed by" means modules being permanently fastened to an outdoor support structure at the project site. The waiver will apply to eligible expenditures incurred on or after the Effective Date of the final waiver for the period that the waiver is active.

**Waiver Level and Scope:** Project-level waiver for a single project. No other project or award will utilize the waiver.

Waiver Justification: The Nevada National Guard is requesting a project-specific partial waiver for the construction project of the National Guard Readiness Center in Reno, Nevada. This waiver permits the use of Photovoltaic systems (PV) components manufactured outside of the United States, however, requires domestic assembly. PV systems convert energy from the sun and generate electricity via solar panels using an inverter combined with electrical and other mechanical hardware. Leadership in Energy and Environmental Design (LEED) Silver certification is directed by the National Guard Bureau for new construction and this part is critical to meeting that certification. No PV system was found during extensive market research that meets design requirements while also being BABA-compliant.

**Length of the Waiver:** The proposed waiver will be in effect from the effective date of the final waiver through November 01, 2025, the anticipated completion of the project.

2. Background

- a. The Buy America preference in section 70914 of the Build America, Buy America
- b. Act included in the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58), requires all iron, steel, manufactured products, and construction materials used for infrastructure projects under Federal financial assistance awards be produced in the United States.
- c. Under section 70914(b), 2 CFR 184.7, and in accordance with the Office of Management and Budget's (OMB) Oct 25, 2023, implementation guidance memorandum on the subject (M-24-02), an agency may waive the application of the Buy America preference, in any case in which it finds that: types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality. All waivers must have a written explanation for the proposed determination; provide a period of not less than 15 calendar days for public comment on the proposed waiver; and submit the proposed waiver to the Office of Management and Budget Made in America Office for review to determine if the waiver is consistent with policy.

# 3. Project Summary:

- a. The National Guard Readiness Center project in Reno, Nevada, which began on February 16, 2021, involves the construction of a substantial addition and alteration spanning 59,650 square feet. This facility is designed to meet the Nevada Army National Guard's (NVARNG) training, administrative, and logistical requirements. The project aims to address the current training space deficiencies, as the existing facility is operating at over 200% capacity. With a total project cost of approximately \$47 million, funding is allocated under the Military Construction Cooperative Agreement (MCCA), with an anticipated completion date of November 01, 2025.
- b. Significant construction activities will enhance the operational capacity of the NVARNG, facilitating improved training and support for its personnel. Among the proprietary systems required for this project is the photovoltaic system, which encompasses various components sourced from multiple countries, including the United States, Canada, and France. The photovoltaics system is integral to the building's energy conservation.
- 4. <u>Manufactured Products</u>: Listed are the categories of manufactured products included in the PV system for which the BABA requirements apply and are proposed to be waived with a total value of \$116,907.28:
  - (1) Photovoltaic Collectors
  - (2) Cap Sockets
  - (3) Cap Plugs

#### 5. Anticipated Impact if No Waiver is Issued:

- a. Since no BABA-compliant alternatives exist, denying this waiver would result in the project not achieving a LEED Silver certification as directed by National Guard Bureau. Granting this waiver is crucial to ensuring the project's completion and maintaining the facility's energy saving standards.
- b. The existing Army de minimis waiver has been expended with other noncompliant BABA material and was insufficient to resolve all the product non-compliance issues. A partial Non-Availability Waiver is necessary due to challenge of sourcing BABA-compliant PV Systems.

# 6. Description of Efforts Made to Avoid the Need for a Waiver

- a. Within the past six months, extensive market surveys and outreach efforts have been conducted with multiple suppliers. These manufacturers have confirmed that they are unable to provide a complete BABA-compliant Photovoltaic system that meets the necessary specifications. The contractors have thoroughly explored options to comply with BABA requirements but have concluded that no domestic manufacturers can deliver a complete Photovoltaic system.
- b. Efforts to procure BABA-compliant alternatives included outreach to numerous PV system vendors, all of which confirmed they could not supply a complete PV system that meets BABA requirements. Due to the lack of any compliant alternatives, no cost comparison can be made, as no BABA-compliant PV systems are known to exist.
- c. The Department of Energy verified their most current market research confirms the market situation has not changed substantially from when DOE obtained a solar module wavier, and contacts at NREL, Sandia, and LBNL reported in April 2025 that they had found no BABA-compliant commercial-scale PV systems installed to date.

### 7. Assessment of Cost Advantage of a Foreign-Sourced Product

a. Under OMB M-24-02, agencies are required to assess "whether a significant portion of any cost advantage of a foreign-sourced product is the result of the use of dumped steel, iron, or manufactured products or the use of injuriously subsidized steel, iron, or manufactured products," as appropriate, before granting a Non-Availability Waiver. The Nevada National Guard has determined that this assessment is not applicable to this waiver, as the basis for the waiver is not related to the cost of foreign-sourced products. Instead, the waiver is being requested due to the non-availability of a fully compliant BABA PV system, as outlined in the project specifications.

#### 8. Description of Award.

- Recipient Name and/or Unique Entity Identifier: Administration, Nevada Department of – V7NCCQPM9918
- b. Federal Financial Assistance Identification Number (FAIN): W9124X-21-2-2001
- c. Federal Financial Assistance Listing Name: Military Construction National Guard
- d. Federal Financial Assistance Listing Number: 12.400
- e. Awarding Agency Common Government-wide Accounting Classification (CGAC) Code: 012
- f. Federal Financial Assistance Funding Amount:
  - 1) Construction \$21,600,000.00
  - 2) Construction Obligated \$16,813,413.75
  - 3) Design \$2,108,370.00
  - 4) Design Obligated \$2,041,181.25
  - 5) Total Project Cost \$23,708,370.00
  - 6) Total Project Cost Obligated \$18,854,595.00
- g. Total Cost of Infrastructure Expenditures:
  - 1) Federal Appropriated Funds 23,708,370.00
  - 2) State Appropriated Funds 23,300,470.00
  - 3) Total 47,008,840.00

#### 9. Solicitation for Comments:

- a. The proposed waiver will be posted on the Department of the Army and the National Guard Bureau's public facing webpages and a notice of the proposed waiver will also be posted to the Made in America website to satisfy the requirement to publish any Build America, Buy America Act Project Waiver and provide the public with fifteen (15) days to submit comments.
- b. Public comments on this waiver should be submitted to via the link on the respective webpages.