

Department of Energy
Build America, Buy America Act
Project-Specific Nonavailability Waiver
for SCR Catalyst Modules and Induced Draft Fan Hub Rebuild Kit

Waiver Summary: The United States Department of Energy (DOE) Office of Clean Energy Demonstration (OCED) is issuing a project-specific nonavailability waiver of the manufactured products and construction materials domestic preference requirements of section 70914 of the Build America, Buy America Act (BABA) included in the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58) as applied to one federal financial assistance award for Buckeye Power, Inc. (Buckeye). This limited project-specific waiver allows Buckeye to purchase the non-compliant Selective Catalytic Reduction (SCR) Catalyst Modules and induced draft (ID) fan hub rebuild kits.

Duration of the waiver: The effective date of this waiver is from date of issue through the project performance period (estimated October 2030).

Applicability: The waiver will apply to eligible expenditures incurred by the recipient on or after the effective date of the final waiver for the period of the project performance.

Recipient: Buckeye Power, Inc. (ZZHGEWNLFM63); federal award number DE-CD0000170

Total estimated project cost related to infrastructure: \$92,987,055

Waiver Type: Non-availability waiver of the BABA manufacturer product requirement for the products listed below.

Waiver Level: Project-specific waiver for one award.

Funding Mechanics: Funding for the infrastructure project is made available through Broad Agency Announcement DE-FOA-0003605 (Restoring Reliability: Coal Recommissioning and Modernization). The location of the project's proposed equipment installation includes Cardinal Power Plant Unit 1 and 2, located in Brilliant, Ohio. The period of performance of this award is approximately 4 years, from August, 2026 to October, 2030.

Description of Covered Items:

- Selective Catalytic Reduction (SCR) catalyst modules, designed to reduce nitrogen oxides (NOx) emissions from a fossil fuel-fired power generation combustion process. (NAICS: 423610-87, PSC: 6635)
 - o Buckeye will use the catalyst modules to reduce nitrogen oxides (NOx) emissions from their coal-fired power generation combustion process, to ensure compliance with environmental air emissions permits. The catalyst functions passively and is planned for 16,000 hours of operational life which can be reduced by multiple start-ups or other events. It is not a piece of equipment that operates, functions independently, or is intended to be rebuilt, repaired, or otherwise reused.
- Induced Draft Hub Rebuild Kit for Two Stage Variax (Variable Pitch Axial) (NAICS: 333413, PSC code is 4140)

- Buckeye will perform three Induced Draft (ID) fan refurbishments from 2026 through 2030 on proprietary 2240B fans located at the Cardinal Plant. This preventative maintenance is performed every six years to replace wear components and reshape the rotors, which are powered by 13,000 HP motors. The rebuilding work requires utilizing specialized hub kits to replace critical parts, including blade bearings, internal regulating materials, tightening tubes, balancing block sets, Teflon rings, and seals.

Market Research and Justification:

SCR Catalyst Modules

The recipient completed exhaustive due diligence activities beginning in 2018, until July 2026 to support this project. To evaluate domestic catalyst suppliers for its coal-fired power plant, Buckeye Power performed affirmative and continuous due diligence by investigating vendor availability and issuing requests for proposals every 18 to 24 months. The evaluation process involved researching US-based manufacturers and contacting major suppliers, specifically to assess their compliance with Build America, Buy America standards.

The ultimate outcome of Buckeye Power's market research was the finding that there are currently no BABA-compliant domestic catalyst manufacturers. Cormetech, the only headquartered US manufacturer, performs final assembly domestically but utilizes foreign-sourced materials, confirming that BABA compliance is impossible because catalyst-grade titanium dioxide is not produced in the United States. Additionally, several prominent manufacturers, have exited the coal-fired power plant catalyst market altogether. Consequently, Buckeye Power concluded that obtaining BABA-compliant catalysts is currently unfeasible, meaning any domestic-sourcing goals would require formal BABA waiver approvals to proceed.

National Energy Technology Laboratory (NETL) performed due diligence activities on behalf of DOE in July 2026 to confirm and augment the market research performed by Buckeye, including a thorough review of the industry interviews conducted, and requesting that the recipient also include in its market research analysis another well-known catalyst supplier that had been omitted (Haldor Topsoe). At DOE's request, Buckeye contacted another vendor to inquire about the manufacturer's capability to supply BABA compliant SCR catalysts for coal-fired power plants. The vendor responded that it had sold its proprietary SCR coal-fired and automotive catalyst business in 2017. Upon subsequent inquiry, the vendor confirmed that it also no longer manufactures plate-type SCR catalysts for the coal-fired power generation market, citing unfavorable market pricing and a reliance on globally sourced raw materials rather than domestic alternatives. Consequently, DOE determined Buckeye's market research to be comprehensive and sufficient, requiring no further inquiry.

Induced Draft Fan Hub Rebuild Kit:

The recipient completed exhaustive due diligence activities in March 2026 to July 2026 to support this project, including an evaluation of three manufacturer options and issuing a request for proposal to assess market opportunities, pricing, and potential options. Representatives from all three companies attended on-site briefings to review the required scope of work and the detailed bill of materials. Additionally, Buckeye Power followed up with direct inquiries regarding BABA compliance and invited TLT-Turbo representatives to the site on July 6, 2026, to assess its manufacturing capabilities. The research revealed that TLT-Turbo is not a viable option because it lacks the proprietary fabrication drawings and would require extensive time to conduct destructive analysis and testing on existing components. Similarly, another company's representatives officially confirmed that they are completely unable to provide the necessary parts or services. Ultimately, the chosen manufacturer was identified as

the only company capable of manufacturing the rebuild kits because it exclusively possesses the proprietary design specifications, tolerances, and intellectual property for the fans. The research also confirmed that the proprietary parts do not comply with BABA standards due to European sourcing, leaving Buckeye Power with no viable, BABA-compliant domestic alternatives, and thus requesting this nonavailability waiver.

National Energy Technology Laboratory (NETL) performed due diligence activities on behalf of DOE in July 2026 to confirm and augment the market research performed by Buckeye, including consultations and discussions with an industry expert regarding the completeness and acceptability of Buckeye's market research. It was determined that no additional market research was necessary due to several key factors: the critical operating nature of the ID fans (which are essential for boiler operation), the exclusive ownership of the design IP by a non-domestic supplier, the lack of experienced domestic providers capable of delivering a guaranteed solution, and the thoroughness of the market research already performed by Buckeye.

Impact Absent the waiver: Absent this waiver, the recipient's project may not progress, as the covered items are a key enabling technology to support the recipient's modernization efforts and no supplier can meet BABA today. Without the waiver, the Cardinal Plant cannot procure the proprietary fan hub rebuild kits, which are exclusively manufactured offshore and have no viable domestic substitutes, or the SCR catalysts. In regard to the rebuild kits, this restriction will prevent the critical six-year preventive maintenance required to reshape the rotors and replace wear components on the large 13,000-horsepower induced draft fans. Absent this essential maintenance, the ID fans, which are indispensable for continuously exhausting combustion products and maintaining furnace pressure, will face heightened operational risks and eventual failure, forcing an unscheduled unit shutdown. Such an outage directly undermines the program's primary goal to deliver cost-effective, near-term reliable generation resources to support regional reliability and national security priorities. In regard to the SCR catalysts, failing to meet these strict regulatory standards will force the generation unit offline, directly undermining the awarding program's primary goal of delivering reliable, near-term power. Removing this capacity from the grid threatens regional reliability and national security priorities by destabilizing the local bulk power system. Furthermore, an unavoidable shutdown of the facility will lead to immediate workforce reductions, directly contradicting the program's objective to support energy workforce stability. Ultimately, denying the waiver creates an insurmountable permitting barrier, preventing this upgraded coal facility from demonstrating cost-effective operations and stalling the entire project.

Assessment of Cost Advantage of a Foreign-Sourced Product: Under OMB M-24-02, agencies are expected 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 nonavailability waiver. DOE's analysis has concluded that this assessment is not applicable to this waiver as this waiver is not based on the cost of foreign-sourced products.

Solicitation for Comments: DOE is seeking public comments for all interested parties, including industry members and current manufactures of the covered products listed above regarding the potential availability of project-compliant products from domestic manufacturers. The proposed waiver is available for public comment for fifteen (15) calendar days. **Comments are due no later than November 4, 2026,** and must be submitted by email to the DOE Contracting Officer at BABAWaiverComment@netl.doe.gov. Please put "BABA WAV 20XX-## - Buckeye" in the subject line of the email.