

Waiver Number: 2026-16

Issued: June 22, 2026

Expires: June 30, 2030

Department of Energy
Build America, Buy America Act
Partial Project-Specific Waiver
for a 15kW Hybrid Inverter

Waiver Summary: The United States Department of Energy (DOE) Office of Clean Energy Demonstrations (OCED) is issuing a partial project-specific 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 Wisconsin Office of Sustainability and Clean Energy (WI OSCE). This limited partial project-specific waiver applies to the domestic content standard of the manufactured product requirement for BABA and allows WI OSCE to purchase the 15kW inverter that is not fully BABA compliant.

Duration of the Waiver: The effective date of this waiver is from date of issue to June 30, 2030.

Applicability: The waiver applies to eligible expenditures incurred by the recipient on or after the effective date of the final waiver for the period that the waiver is active.

Recipient: State of Wisconsin (UEI: EQL7FFLJRC99)

Total estimated project cost related to infrastructure: \$8,201,198

Waiver Type: Partial waiver applicable to the domestic content standard of BABA manufactured product requirements for the product listed below.

Waiver Level: Project-specific waiver for one award.

Funding Mechanics: Funding for the infrastructure project is made available through Bipartisan Infrastructure Law Energy Improvement in Rural or Remote Areas DE-FOA-0002970. There are twenty-nine project sites for the project's proposed equipment installation which include Washburn Town Hall & Garage Microgrid; Grand View New Garage Microgrid; Grand View WWTP Microgrid; Kelly Town Hall & Garage Microgrid; Drummond Town Hall Microgrid; Drummond Well #1; Drummond Fire Hall Microgrid; Drummond Town Garage Microgrid; Mason Fire Microgrid; Mason Ambulance Microgrid; Port Wing Town Hall Microgrid; Port Wing Fire Hall Microgrid; Port Wing Town Garage Microgrid; Port Wing Well #1 Microgrid; Bayfield County Forestry Garage Microgrid; Clover Town Hall & Garage Microgrid; Grand View Town Hall/Fire Hall/Garage Microgrid; Mason Town Hall & Garage Microgrid; Port Wing WWTP Microgrid; Mason WWTP Microgrid; Bayfield County Cable Garage Microgrid; Bayfield County Iron River Garage Microgrid; Bayfield County Mason Garage Microgrid; Bayfield County Port Wing Garage Microgrid; Bayfield Russell Garage Microgrid; Bayfield County Grand View Garage Microgrid; Bayfield County Courthouse / Jail Microgrid Expansion; Red Cliff Health Clinic; Red Cliff Transportation Center, in Bayfield County, WI. The period of performance of this award is approximately six years, from November 2024 to June 2030.

Description of Covered Items: This waiver covers a 15K-2P-N Hybrid Solar Inverter. These are hybrid solar-battery inverters (15 kW) for grid-connected and emergency backup operations, along with generator and 3rd party advanced economic control.

This technology falls under NAICS code 6117. Associated PSC code is 238210.

WI OSCE will utilize a Hybrid Solar Inverter for grid-connected and emergency backup operation along with generator and 3rd party advanced economic control.

Country of origin: U.S.; however, some components are made outside the U.S.

Market Research and Justification: The recipient is requesting a partial waiver for the BABA domestic content standard. The award Recipient completed exhaustive due diligence activities from December 2025 to February 2026 to support this project. The project developer contacted major distributors including EcoDirect and ShopSolar, as well as renewable energy developer Americus Energy, to inquire about quotes for Build America, Buy America (BABA) compliant hybrid inverters. Despite these inquiries, the U.S.-based suppliers were unable to identify any BABA-compliant hybrid solar inverters that meet the project's technical specifications, due to foreign-sourced components. The award Recipient's independent research similarly concluded that no BABA-compliant hybrid solar-battery inverters exist that satisfy the specific technical and performance criteria.

Technical due diligence activities performed by the Integrated Energy Systems Office on behalf of DOE from May 4, 2026, to May 12, 2026, confirmed this market research from WI OSCE. This comprehensive assessment included evaluating the availability and viability of identifying and utilizing BABA compliant hybrid inverter products. Based on these findings and the technical analysis, while certain inverter components are manufactured in America, none are currently configured as a complete hybrid solar-battery inverter system that can meet two of the project's critical technical specifications, which are legitimate concerns:

1. **Backup Generator Integration:** Integration with existing or planned fuel-based backup generators is an essential functionality for project sites, given stakeholder priorities. AC-coupled systems are designed to operate independently, and while all battery storage systems now generally offer compatibility to operate in parallel with solar generation, few fuel-based backup generators offer this necessary parallel compatibility. This makes integration with AC-coupled solar installations a significant technical challenge, potentially leading to project stoppage.
2. **Specialized Controller Integration:** Essential compatibility with specialized controllers such as muGrid's "Redcloud" economic dispatch controller is required for four sites. Implementing AC-coupled systems would necessitate uncompensated Research and Development (R&D) by muGrid to achieve this integration, presenting another substantial technical barrier.

Mandating the Recipient to integrate multiple BABA-compliant components to achieve equivalent functionality for these specific requirements would necessitate a complete system redesign, leading to significant increases in cost and project delays beyond allowable thresholds, and would substantially compromise the project's resilience goals. Therefore, we are seeking a partial waiver of the BABA domestic contents standard due to the inclusion of foreign-sourced components.

Impact Absent the Waiver: Absent this waiver, the Recipient's project may not progress, as the covered items (hybrid inverters) are a key enabling technology to support modernization efforts, and no BABA-compliant alternative can meet the critical technical specifications for backup generator and specialized

controller integration today. Without the ability to utilize appropriate hybrid solar-battery inverters that meet these essential integration requirements, the project would be forced to redesign using BABA-compliant AC-coupled solar and battery inverters. This alternative introduces the noted significant technical challenges, directly impacting the project's ability to achieve its resilience objectives.

Given that many of the projects are small-budgeted town halls and highway garages, an unexpected cost of \$5,000 to \$20,000 per project for the inverters (due to the lack of BABA-compliant alternatives meeting valid technical needs, necessitating either non-grant funding or a technically compromised redesign) could very well stop the project entirely, or at minimum delay it for years until another source of funding can be secured.

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” most relevant for unreasonable cost waivers. 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 but rather the unavailability of required compatible products in the U.S. market.

Solicitation for Comments: The Applicant’s waiver request was posted on the DOE’s public facing webpage, and a notice of the waiver request was also posted to the OMB’s Made in America website to satisfy the required fifteen (15) day public comment period. The comment period for the waiver was from June 22, 2026, to July 07, 2026. No comments were received during the public comment period for this waiver. Therefore, the waiver will be implemented as proposed without any additional changes.