

**Department of Energy**  
**Build America, Buy America Act**  
**Proposed Project Specific Non-availability Waiver**  
**for Distribution System Battery Energy Storage Systems (BESS) and Associated**  
**Components.**  
**BABA WAV 2025-01**

**Proposed Waiver Summary:** The United States Department of Energy (DOE) Grid Deployment Office, Building Technologies Office, and Office of State and Community Programs are proposing a combined project specific nonavailability waiver of the manufactured products 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) applicable to four federal financial assistance awards. This proposed limited nonavailability waiver would allow the recipients to purchase non-compliant Distribution System Battery Energy Storage Systems (BESS) and associated components.

**Waiver Type:** Nonavailability waiver of the BABA manufactured product requirements for the Distribution System BESS and associated components needed for each award.

**Duration:** The effective date of this waiver is from date of issue until December 2028.

**Applicability:** The waiver will apply to eligible expenditures incurred by the four recipients or subrecipients listed below, on or after the effective date of the final waiver for the period that the waiver is active.

**Description of Market Research and Justification:** The four recipients and subrecipients listed below conducted market research and extensive industry outreach to identify BABA-compliant Distribution System BESS. In some cases, this included issuing requests for proposals, followed by industry outreach to multiple manufacturers. The recipients determined that no manufacturer could provide a BABA-compliant product at the size, type, and voltage required for each of the projects. DOE Technical Project Officers and Building Technologies staff confirmed, through online searches and consultation with industry experts, that there do not appear to be any BABA-compliant Distribution System BESS manufactured in the U.S. that provide the specifications needed for each of the projects.

**1. Colorado Energy Office – Platte River Power Authority**

**Recipient:** Colorado Energy Office (JLVGQ4E7RD53)

**Sub-Recipient:** Platte River Power Authority (U1J7ERTJ3NU6)

**Total estimated project cost related to infrastructure:** \$553,000

**Estimated total cost of the products being waived:** \$469,000

**Funding Mechanics:** Funding for the infrastructure project is made available through both the 2022 and 2023 Funding Opportunity Announcement Bipartisan Infrastructure Law (BIL) - Preventing Outages and Enhancing the Resilience of the Electric Grid Formula Grants to States and Indian Tribes (DE-FOA-0002736). The location of the project is in Estes Park, Colorado.

**Description of products being waived:** This waiver proposes to waive one 5MW/20MWh lithium iron phosphate battery system. (PSC 6140 and NAICS 335911/35912).

## **2. City Public Service Board, San Antonio TX**

**Recipient:** City Public Service Board (CPS Energy) (N6AVFBEGT9K3)

**Total estimated project cost related to infrastructure:** \$37,700,000

**Estimated total cost of the products being waived:** \$33,000,000

**Description of Products Being waived:** This waiver proposes to waive two Distribution BESS, one 20 MWh and one 40MWh NAICS. (PSC 6140 and NAICS 335910).

**Funding Mechanics:** Funding for the infrastructure project is made available through the 2023 Funding Opportunity Announcement for Grid Resilience and Innovation Partnerships (GRIP) – Bipartisan Infrastructure Law (BIL) – Smart Grid (DE-FOA-0002740). The location of the project is San Antonio, Texas. Planned procurement winter 2024. Estimate installation by fall 2025 and spring 2026.

## **3. City of Madison, Wisconsin**

**Recipient:** Slipstream Group, Inc. (M5PTTWHDPVV3)

**Total estimated project cost related to infrastructure:** \$7,840,000

**Estimated total cost of products being waived:** \$435,000

**Funding Mechanics:** Funding for the infrastructure project is made available through the Connected Communities Funding Opportunity Announcement DE-FOA-0002206. The location of the project is Madison, Wisconsin. The period of performance of this award is 18 months, from October 2024 to April 2026. Purchase of the items is expected by December 2024.

**Description of Covered Items:** This waiver proposes to waive a 430 kWh and a 238 kWh behind-the-meter stationary battery and associated electrical components (NAICS 335311).

## **4. Matchbook Learning Centers**

**Recipient:** Matchbook Learning Centers (HSDKWLPIKXC7)

**Total estimated project cost related to infrastructure:** \$5,320,798

**Estimated total cost of products being waived:** \$273,596

**Funding Mechanics:** Funding for the infrastructure project is made available through the 2022 Funding Opportunity Announcement for Energy Improvements at Public K-12 School Facilities – Bipartisan Infrastructure Law (BIL) – Renew America’s Schools. The location of the project is Indianapolis, Indiana. The period of performance of this award is one year, from January 4, 2024 to September 30, 2025. Installation of the items is expected by November 2024.

**Description of Covered Items:** This waiver proposes to waive one 50kW/186kWh Battery Energy Storage System (NAICS code 335911, manufactured product)

**Impact Absent the waiver:** Absent this waiver, these four projects would not be able to be completed. Specifically for the Matchbook Learning Centers project, the project would not be able to be completed given that Battery Energy Storage System is essential to storing excess PV energy, demand reduction strategies, and providing a resilient resource to use the facility as an emergency shelter as required in the scope of the DOE grant. Specifically for the City of Madison Wisconsin project, the goal of this effort is to demonstrate how Grid Interactive Efficient Buildings (GEB) can be cost-effective at scale. The subject equipment of the request for waiver, behind-the-meter (BTM) batteries, represent a key component to GEB systems. BTM batteries at the individual or household level, combined with the right incentives, can unlock demand-side flexibility and ease system integration of electricity from wind and

solar energy. There are critical-path timelines already in place for the project, including when the BTMs must be installed, and the availability of solely domestic product is outside this timetable.

**Assessment of Cost Advantage of 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 products 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:** The proposed waiver will be posted on DOE’s public facing webpage on October 8, 2024 and a notice of the proposed waiver was also posted to the Made in America website on October 8, 2024, to satisfy the requirement to publish any Build America, Buy America Act Project Waiver and provide the public with fifteen (15) calendar days to submit comments. DOE is seeking public and industry comments from all interested parties and encouraging current manufacturers of the covered items to submit comments regarding potential availability of compliant products from domestic manufacturers.

Comments should be submitted to the appropriate Contracting Officer listed below:

- Platte River 5MW/20MWh Distribution System BESS: Comments must be submitted by email to the DOE Contracting Officer for this award at [BABAWaiverComment@netl.doe.gov](mailto:BABAWaiverComment@netl.doe.gov). Please put “**BABA WAV 2025-01 - Platte River**” in the subject line of the email.
- City Public Service Board 20MWh/40MWh Distribution System BESS: Comments must be submitted by email to the DOE Contracting Officer for this award at [BABAWaiverComment@netl.doe.gov](mailto:BABAWaiverComment@netl.doe.gov). Please put “**BABA WAV 2025-01 - CPS**” in the subject line of the email.
- City of Madison Wisconsin 430 kWh and 238 kWh behind-the-meter stationary battery: Comments should be submitted to the Contracting Officer for this award, Liz Parrish, at [Elizabeth.Parrish@ee.doe.gov](mailto:Elizabeth.Parrish@ee.doe.gov). Please put “**BABA WAV 2025-01 – Madison**” in the subject line.
- Matchbox Learning Center 50kW/186kWh BESS: Comments should be submitted to the Contracting Officer for this award, Liz Parrish, at [Elizabeth.Parrish@EE.DOE.Gov](mailto:Elizabeth.Parrish@EE.DOE.Gov). Please put “**BABA WAV 2025-01 – Matchbook**” in the subject line.