

Northern Border Regional Commission
Project Specific Non-Availability Waiver
Build America Buy America Product Waiver: air source heat pump

1. Summary

Agency: Northern Border Regional Commission (NBRC)

Common Governmentwide Accounting Classification (CGAC):
NBRC: 573

Waiver: NBRC is issuing a project-specific nonavailability waiver of the manufactured product 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 Affordable Housing, Education and Development (AHEAD), Inc. This limited non-availability waiver would allow the recipient to purchase and use a non-compliant air source heat pump.

Applicability: This waiver action would permit the use of an air source heat pump. This product will be obtained by AHEAD for renovations to their building in Whitefield, New Hampshire, and incorporated into the subject project, prior to the expiration date of the waiver.

Waiver Type: Nonavailability waiver of the BABA domestic content standard manufactured product requirements for an air source heat pump.

Summary of Items Covered in Waiver: air source heat pump

Waiver Justification Summary: The air source heat pump incorporated into the design are unavailable from a fully BABA-compliant manufacturer.

Length of the Waiver: This waiver will be in effect upon approval and will remain in effect until September 30, 2027 the estimated remainder of the project's construction schedule.

2. Background

The Buy America Preference set forth in section 70914 of the Build America, Buy America 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.

Under section 70914(b), the Agency may waive the application of the Buy America Preference, in any case in which it finds that: applying the domestic content procurement preference would be inconsistent with the public interest; 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; or the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25%. All waivers must have a written explanation for the proposed determination; provide a period of not less than 15 days for public comment on the waiver; and submit the waiver to the Office of Management and Budget Made in America Office for review to determine if the waiver is consistent with policy.

3. Description of Award

Title of Project: Affordable Housing, Education and Development (AHEAD), Inc.

Infrastructure Project Description and Location: The project is located in Whitefield, NH. They are intending to renovate an existing building. The rehabilitation will construct a new layout of the second and third stories creating four residential units with a commercial space remaining on the ground floor.

Description of Project: This project involves the rehabilitation of an iconic cornerstone building in Whitefield's downtown facade. In its current state the building has 3 residential units and one, street level, commercial unit. AHEAD plans to fully rehabilitate the interior and exterior of the property. This will also create a new floor plan for the second and third stories adding an additional residential unit making it four residential and one commercial. The project is being worked on by a wide variety of stakeholders including local economic groups, the Town of Whitefield, a group of local investors, and NeighborWorks America who is contributing funds to support 85 hours of services from a consultant who specializes in rural Mainstreet revitalization. While the project at 12 King Square is the focal point, the consultant will work with stake holders, and the entire community to create a larger scale economic revitalization plan for the Whitefield downtown area.

Recipient Name: Affordable Housing, Education and Development (AHEAD), Inc.

Unique Entity Identifier: FENWF2HUMHES

Federal Award Identification Number (FAIN)
NBRC: FAIN24GNH05

Federal Financial Assistance Listing Number and Name:
NBRC: 90.601 Northern Border Regional Development

Federal Financial Assistance Funding Amount:
NBRC award amount: \$750,000.00

Total Cost of Infrastructure Expenditure
\$2,449,640.00

4. Description of Covered Items

Manufactured Products: The waiver seeks an exception to the Buy America requirements for the following manufactured products:

- ASHP System
 - NAICS: 333415
 - PSC: 4130

The ASHP unit shall consist of casing, compressors, fans, filters, disconnect, and evaporator coils of nonferrous construction with aluminum plate fins mechanically bonded to seamless copper tubes with all joints brazed. Each complete unit must have a factory operating charge of refrigerant and oil and separate cooling coil circuits and expansion devices for each compressor in the unit. The ASHP must provide rough-in wall boxes for wall mounted evaporators. Must include air cooled condenser with multiple, direct drive, low speed propeller fans, coil construction of aluminum fins, mechanically bonded to copper tubes, unit mounted, weatherproof disconnect switch. The unit control system shall include high and low temperature safety cut out, low ambient fan controls to permit operation to -20 degrees F, capacity control compressor sequencer and control of supplemental heating. The cooling load is slightly less than 6,000 BTU/Hr., while the smallest traditional air-cooled condenser available is 18,000 BTU/Hr.

5. Waiver Justification Summary

Anticipated Impact if No Waiver is Issued: Absent a waiver issued, the recipient would be unable to move forward with project as alternative HVAC systems do not provide the heating and cooling necessary for the extreme weather in this geographic location.

Description of Efforts Made to Identify Domestic Products: Air source heat pumps (ASHP) provide the highest energy efficiency of any presently known HVAC systems as they rely on electricity. Research was conducted starting in the beginning of 2026 through May by the grantee and WV Engineering Associates.

Given the existing building construction, a fully ducted HVAC system was not viable. The specified wall-mounted ASHPs (i.e., mini-splits) satisfied both heating and cooling needs without adding cost and complexity to the building renovation. ASHPs provide both heating and cooling, which reduces the amount of equipment, service, and cost. Further, most of the space HVAC loads are small for this project, which is a good fit for ASHPs because they come in a wide variety of capacities. Traditional air conditioning equipment that may meet BABA compliance is very limited in capacity and is not a good fit for this project.

In addition, NBRC's outreach included their own internet searches but did not yield anything to the contrary of the grantees research.

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. NBRC'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 waiver will be posted for fifteen days on NBRC's public facing webpage and the Made in America website to satisfy the requirement to publish any Build America, Buy America Act Project Waiver and provide the public with the opportunity to submit comments. Comments can be emailed to Rdourmashkin@nbr.gov.