



**CB&I**  
P.O. Box 1199  
366 Old Airport Road  
Laurens, SC 29360  
US  
Tel: +1 864 682 4000  
Fax: +1 864 683 5767  
www.CBI.com

10 CFR 21.21

October 18, 2013  
\*Revised October 25, 2013

U.S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, DC 20555-0001

**SUBJECT: INTERIM 10 CFR PART 21 REPORT REGARDING COMMERCIAL-GRADE DEDICATION NONCONFORMANCE**

The attachment to this letter provides an interim report in accordance with 10 CFR 21.21 pertaining to the identification of commercial grade dedication nonconformance. Specifically, CB&I Laurens did not establish adequate commercial-grade dedication program for material used in the AP1000 Safety Related Module Sleeves and R365 module assembly.

\*The attachment has been revised to add another location for these conditions that was subsequently identified.

Evaluation of reportability in accordance with 10 CFR Part 21 was not able to be completed within the 60-day evaluation period due to the substantial information gathering necessary to determine the extent and significance of the commercial-grade dedication nonconformance. This information gathering includes performance of surveys of material suppliers. It is currently expected that the information gathering and evaluation of these conditions will be completed by January 31, 2014. The discovery date of this condition is the initiation date of the corrective action program documentation identifying this issue, which was August 22, 2013.

If you have any questions pertaining to this information, please contact me at (864) 683-3943.

Sincerely,

A handwritten signature in black ink that reads 'Steven W. Smeal'.

Steven W. Smeal  
QA Manager

CB&I Laurens

cc: Regional Administrator, USNRC, Region II  
Marquis One Tower  
245 Peachtree Center Avenue N.E., Suite 1200  
Atlanta, GA 30303

Attachment

IE19

**SUBJECT: INTERIM 10 CFR PART 21 REPORT REGARDING COMMERCIAL-GRADE DEDICATION NONCONFORMANCE**

This report is being provided as an interim report in accordance with 10 CFR 21.21. The evaluation of reportability in accordance with 10 CFR Part 21 was not able to be completed within the 60 day evaluation period due to the substantial information gathering necessary to determine the extent and significance of the commercial-grade dedication nonconformance. This information gathering includes performance of surveys of material suppliers.

(i) Name and address of the individual or individuals informing the Commission.

Steven W. Smeal, QA Manager  
CB&I Laurens  
366 Old Airport Road  
Laurens, SC 29360

(ii) Identification of the facility, the activity, or the basic component supplied for such facility or such activity within the United States which fails to comply or contains a defect.

No basic components have been determined to fail to comply or contain a defect. This is an interim report. The deviations that are being evaluated are associated with commercial-grade material that was dedicated for Safety Related Pipe Sleeves for Stone & Webster, Inc.; 128 S. Tryon Street, Suite 1000; Charlotte, NC 28202 for Vogtle Units 3 & 4 and VC Summer Units 2 & 3. This commercial-grade material was delivered to the Vogtle Units 3 & 4 Jobsite in Waynesboro, GA, the VC Summer Units 2 & 3 Jobsite in Jenkinsville, SC, and the CB&I Lake Charles Module Shop in Lake Charles, LA. Also, the deviations that are being evaluated are associated with commercial-grade material that was dedicated for the Safety Related R365 Modules for Vogtle Unit 3 and VC Summer Unit 2. The R365 Modules are still in fabrication at CB&I Laurens.

Information added for the October, 2013 revision: The deviations that are being evaluated are also associated with commercial-grade material that was dedicated for components for use in the Mixed Oxide (MOX ) Fuel Reprocessing Facility under contract with MOX Services, LLC. This commercial-grade material was delivered to MOX Facility, Savannah River Job Site in Aiken, SC. Also, the deviations that are being evaluated are associated with commercial-grade materials that were dedicated for the MOX facility that are still in fabrication at CB&I Laurens.

(iii) Identification of the firm constructing the facility or supplying the basic component which fails to comply or contains a defect.

No basic components have been determined to fail to comply or contain a defect. This is an interim report. The deviations that are being evaluated are associated with commercial-grade material that was dedicated for Safety Related Pipe Sleeves for Stone & Webster, Inc.; 128 S. Tryon Street, Suite 1000; Charlotte, NC 28202 for Vogtle Units 3 & 4 and VC Summer Units 2 & 3. This commercial-grade material was delivered to the Vogtle Units 3 & 4 Jobsite in Waynesboro, GA, the VC Summer Units 2 & 3 Jobsite in Jenkinsville, SC, and the CB&I Lake Charles Module Shop in Lake Charles, LA. Also, the deviations that are being evaluated are associated with commercial-grade material that was dedicated for the Safety Related R365 Modules for Vogtle Unit 3 and VC Summer Unit 2. CB&I Laurens is the firm that supplied the materials currently under review.

SUBJECT: INTERIM 10 CFR PART 21 REPORT REGARDING COMMERCIAL-GRADE DEDICATION NONCONFORMANCE

Information added for the October 25, 2013 revision: The deviations that are being evaluated are also associated with commercial-grade material that was dedicated for components for use in the Mixed Oxide (MOX) Fuel Reprocessing Facility under contract with MOX Services, LLC. This commercial-grade material was delivered to the MOX Facility, Savannah River Job Site at Aiken SC. CB&I Laurens is the firm that supplied the materials currently under review.

(iv) Nature of the defect or failure to comply and the safety hazard which is created or could be created by such defect or failure to comply.

No basic components have been determined to fail to comply or contain a defect. This is an interim report. The condition being evaluated is that CB&I Laurens did not perform an engineering evaluation and consider qualitative factors (e.g., supplier performance, historical quality controls, complexity of item, and safety significance of the item) for the selection of the sampling plan's sample size used for dedicating commercial-grade seamless pipes to provide reasonable assurance that when used as basic components they will perform their intended safety function.

Information added for the October 25, 2013 revision: The condition being evaluated is also that CB&I Laurens did not properly evaluate sub-tier supplier qualifications in performance of commercial grade dedication for materials to be used as basic components for the Mixed Oxide Fuels (MOX) reprocessing plant in Aiken, SC to provide reasonable assurance that when used as basic components they will perform their intended safety function.

(v) The date on which the information of such defect or failure to comply was obtained.

The discovery date of this condition is the initiation date of the corrective action program documentation identifying this issue, which was August 22, 2013

(vi) In the case of a basic component which contains a defect or fails to comply, the number and location of these components in use at, supplied for, being supplied for, or may be supplied for, manufactured, or being manufactured for one or more facilities or activities subject to the regulations in this part.

No basic components have been determined to fail to comply or contain a defect. This is an interim report.

(vii) The corrective action which has been, is being, or will be taken; the name of the individual or organization responsible for the action; and the length of time that has been or will be taken to complete the action.

The material that was not appropriately processed in accordance with the applicable requirements for commercial-grade dedication is being identified and evaluated. The evaluation process involves substantial information gathering, including performance of surveys of the material suppliers.

SUBJECT: INTERIM 10 CFR PART 21 REPORT REGARDING COMMERCIAL-GRADE  
DEDICATION NONCONFORMANCE

Evaluation of reportability in accordance with 10 CFR Part 21 was not completed within the 60 day evaluation period due to the substantial information gathering necessary to determine the extent and significance of the commercial-grade dedication nonconformance. It is currently expected that the information gathering and evaluation of these conditions will be completed by January 31, 2014. There is currently no evidence that suggests the material could produce a defect or cause a substantial safety hazard if it is used for its intended purpose.

(viii) Any advice related to the defect or failure to comply about the facility, activity, or basic component that has been, is being, or will be given to purchasers or licensees.

None.

(ix) In the case of an early site permit, the entities to whom an early site permit was transferred.

Not applicable.