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10 CFR 21.21

November 5, 2014

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

SUBJECT: UPDATED INTERIM 10 CFR PART 21 REPORT REGARDING DEVIATIONS OF MODULES AND SUB-MODULES SUPPLIED FOR AP1000 PROJECTS

The attachment to this letter provides an updated interim report in accordance with 10 CFR 21.21 pertaining to the identification of deviations associated with modules and sub-modules being supplied as structural components for the V. C. Summer Unit 2 & 3 and Vogtle Unit 3 & 4 nuclear projects, which was previously submitted to the NRC by letter dated May 2, 2014. The deviations that are being evaluated are associated with qualification of welding of structural modules and sub-modules supplied for construction.

Evaluation of reportability in accordance with 10 CFR Part 21 was not able to be completed within the identified evaluation period due to the need to perform qualification of the welding processes used and the substantial number of nonconformances that remain to be resolved and evaluated. It is currently planned that the conditions that remain to be evaluated will be resolved by May 4, 2015. It is expected that welding qualification will be completed that establishes acceptability of the welds performed and that this will resolve these conditions as "not reportable."

Also, please note that previous notifications under 10 CFR 50.55(e) associated with the welding qualification issues were provided to the NRC by the affected combined operating licensees, Southern Nuclear Corporation and South Carolina Electric & Gas Company, as documented in event notification (EN) reports EN 50441 and EN 50442 on September 10, 2014. Based on evaluations completed thus far, no defect or substantial safety hazard has been found.

If you have any questions pertaining to this information, please contact Curtis Castell, Licensing Manager, at 980-321-8314.

Sincerely,

Don DePierro
Senior Vice President

cc: Regional Administrator, USNRC, Region II

Attachment

TE19
NRC

UPDATED INTERIM 10 CFR PART 21 REPORT REGARDING DEVIATIONS OF MODULES
AND SUB-MODULES SUPPLIED FOR AP1000 PROJECTS

This report is being provided as an interim report in accordance with 10 CFR 21.21.

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

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(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 welding of structural modules and sub-modules supplied for construction of V. C. Summer Unit 2 & 3 and Vogtle Unit 3 & 4 nuclear projects.

(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 welding of structural modules and sub-modules supplied for construction of V. C. Summer Unit 2 & 3 and Vogtle Unit 3 & 4 nuclear projects. The affected modules and sub-modules are being supplied by CBI Lake Charles, 3191 West Lincoln Rd., Lake Charles, LA 70605.

(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 deviations that are being evaluated are associated welding of structural modules and sub-modules supplied for construction of V. C. Summer Unit 2 & 3 and Vogtle Unit 3 & 4 nuclear projects.

As a result of root cause analysis investigations at CB&I Lake Charles, it was discovered that there were some welding procedure qualification records (PQRs) that had not been completed or have been completed incorrectly. After completion and acceptance of the necessary PQRs, the evaluation of these conditions under Part 21 can be completed. It is currently expected that the evaluation of these conditions will be completed by May 4, 2015.

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

The discovery dates of these deviations span back to December 23, 2013, and include conditions as currently identified in nonconformance reports that were generated based on the root cause analysis investigations and subsequent corrective actions.

(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. The deviations that are being evaluated are associated welding of structural modules and sub-modules supplied for construction of V. C. Summer Unit 2 & 3 and Vogtle Unit 3 & 4 nuclear projects.

(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.

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 welding of structural modules and sub-modules supplied for construction of V. C. Summer Unit 2 & 3 and Vogtle Unit 3 & 4 nuclear projects.

It is planned that PQRs will be completed that establish acceptability of the welds performed. This is expected to resolve these conditions as "not reportable." After completion and acceptance of the PQRs, and other actions as needed to resolve the nonconformances, the evaluation of these conditions under Part 21 can be completed. It is currently expected that the evaluation of these conditions will be completed by May 4, 2015.

(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.

Resolution of the welding qualification is expected to result in acceptability of the welds. Therefore, no additional action, beyond completion of the qualification process, is needed at this time.

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

Not applicable.