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December 18, 2013

U.S. Nuclear Regulatory Commission
Attn: Edward H. Roach, Chief, Mechanical Vendor Inspection Branch, Office of New Reactors
Mail Stop T7-D24
Washington, DC 20555-0001

SUBJECT: RESPONSE TO NRC NOVEMBER 25, 2013 REQUEST FOR ADDITIONAL INFORMATION ON CB&I LAURENS RESPONSE TO NRC INSPECTION REPORT NUMBER 99901432/2013-201 - NON 9990143/2013-201-04

Sir:

Please note below CB&I Laurens response for requested additional information on NRC Inspection Report Number 99901432/2013-201 - NON 9990143/2013-201-04.

NRC's request for clarification on CB&I Laurens response on NON 9990143/2013-201-04:

“We have reviewed your letter and found that it is not fully responsive to one of the NONs discussed in IR 99901432/2013-201. Specifically, your response to NON 99901432/2013-201-04 stated the Chicago Bridge & Iron's Laurens Quality Manual has been amended to include a requirement for a triennial commercial-grade survey and an annual evaluation of all active suppliers of safety related materials and services. Surveys are conducted for the purpose of verifying adequate controls for acceptance of critical characteristics the dedicating entity wishes to take credit of commercial suppliers. Commercial-grade surveys should be conducted at sufficient frequency to ensure that the process controls applicable to the critical characteristics of the item procured continue to be effectively implemented. Factors to be considered in determining the frequency of commercial grade surveys include the complexity of the item, frequency of procurement, receipt inspection, item performance history, and knowledge of changes in the vendor's controls. The survey frequency should not exceed the survey frequency established for Title 10 of the Code of Federal Regulation (10 CFR) Part 50, Appendix B, suppliers. Please clarify your response to indicate what type of controls you will be performing on your commercial suppliers.”

IE09

CB&I Laurens reply for additional information requested on CB&I Laurens response to NON 99901432/2013-201-04:

CB&I Laurens shall establish written procedures in the CB&I commercial grade dedication program to conduct surveys of commercial suppliers at sufficient frequency to ensure that the process controls applicable to the critical characteristics of the item procured continue to be effectively implemented.

The procedures will include consideration of the complexity of the item, frequency of procurement, receipt inspection, item performance history, and knowledge of changes in the vendor's controls for determining the frequency of the surveys, with a limit such that the frequency of survey will not exceed three years (Triennial).

An initial survey of a commercial supplier shall be completed and approved before the vendor is allowed to begin supplying the applicable materials or services.

Commercial suppliers providing items for commercial grade dedication by CB&I Laurens will be surveyed to verify that adequate processes and controls are in place to ensure acceptance of the critical characteristics. CB&I Laurens contractual documentation to commercial suppliers will state the vendors Quality Manual (or Quality Management System description) and details regarding the item's critical characteristics, documentation requirements, and surveillance requirements.

Additionally, commercial suppliers will be subject to a documented, annual evaluation and semi-annually evaluation and the monitoring of NCR progress and closure. This annual evaluation will consist of communication with vendor to identify any changes in quality management, quality system/manual, review of quality documentation, certificates of conformance, non-conformance/corrective action, review audits results (ASME or NRC) and review of surveillance/receiving inspection reports.

CB&I Laurens QA/QC Manager will analyze the results of the annual evaluation for deficiency/trends in the commercial supplier's quality management system, procedure and/or processes as applicable and the appropriate action will be taken. This action will vary depending on the changes that have occurred and include; The addition of a restriction to the supplier on the Approved Vendors List (AVL); re-survey of the supplier for verification of the applicable critical characteristics; or removal from the (AVL).

Also semi-annually, the CB&I Laurens QA/QC Manager will complete a documented review of the Vendor's Non Conformance Report (NCR) log to identify any suppliers developing trends that could be adverse to quality and initiate corrective action.

On a weekly basis, CB&I Laurens QA/QC Manager will provide follow-up correspondence to supplier personnel responsible for pending disposition and closure of NCR to ensure a timely closure and to identify NCR's open in excess of 30 days.

The CB&I Laurens Quality Manual, procedures and quality forms will be amended to include detailed requirements for triennial commercial grade surveys, annual / semi-annually evaluation and monitoring of commercial suppliers. The additional changes to the commercial grade dedication program described above will be completed by January 31, 2013.

If you have any questions pertaining to this information, please contact me at (864) 683-3986.

Sincerely,



George W. Kenney
QA/QC Manager
CB&I Laurens

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

Kamlesh Panwala, Director Quality, CB&I Fabrication & Manufacturing
Joe Harrison, General Manager, CB&I Laurens