

April 15, 2015
EN 15-016

OFFICE OF ENFORCEMENT
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Chicago Bridge and Iron Company EA-14-085
Lake Charles, LA

Individual: Mr. Bryan J. Buchanan IA-14-040
Former Rigging Manager

Subject: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL
PENALTY - \$11,200

This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalty in the amount of \$ 11,200 will be issued on or about April 20, 2015, to the Chicago Bridge and Iron Company (CB&I). This action is based on a Severity Level (SL) II Problem involving deliberate misconduct on the part of CB&I officials and employees related to a dropped module incident that occurred at the company's Lake Charles, LA, fabrication facility on March 1, 2013. Additionally, a SL III Notice of Violation will be issued to the former Rigging Manager who was involved in the incident.

The actions stem from violations of 10 CFR 52.4, Deliberate Misconduct, by various CB&I officials and employees who attempted to cover up an incident involving the dropping of a submodule destined for Virgil C. Summer Nuclear Station. Immediately following the incident, the former Rigging Manager deliberately instructed subordinate employees to omit key information from incident investigation statements, including: (a) the sub-module had, in fact, dropped approximately 3.5 feet; (b) improper rigging equipment (nylon slings) had been used and had broken; and (c) the sub-module had sustained damage. The actions of the CB&I officials and employees also caused the company to be in violation of 10 CFR Part 50, Appendix B, Criterion XVI, Corrective Actions, for failing to promptly identify and correct a condition adverse to quality.

In accordance with the Enforcement Policy, a base civil penalty in the amount of \$11,200 is considered for a SL II problem. Because CB&I has been the subject of escalated enforcement actions within the last 2 years and because the violations were willful, the NRC considered whether credit was warranted for *Identification* and *Corrective Action*. Credit was not warranted for identification. However, credit for corrective action was warranted. The corrective actions included: (1) a 100 percent re-inspection of the submodule; (2) establishment of an Employee Concern Board as an alternative process to discuss disagreement between the CB&I-LC leadership and the Employee Concerns Program investigation conclusions; (3) significant and substantive improvements made to its corrective action program since June 2013; and (4) specific training for Rigging Department employees.

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The licensee was given the opportunity to respond in writing or request a PEC. CB&I participated in a PEC on January 22, 2015.

It should be noted that the company has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Mailing of Notice of Violation	April 20, 2015
Telephone Notification	April 20, 2015

The State of Louisiana will be notified.

DISTRIBUTION: EN-15-016, April 15, 2015

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