



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

February 21, 2018

Mr. James W. Sabin
Executive Vice President
CB&I Global Operations Service
Chicago Bridge and Iron
One CB&I Plaza
2103 Research Forest Drive
The Woodlands, TX 77380

**SUBJECT: COMPLIANCE REVIEW OF CONFIRMATORY ORDER EA-12-189 & EA-13-196
ISSUED TO CHICAGO BRIDGE & IRON COMPANY**

Dear Mr. Sabin:

In a December 27, 2016, letter (Agencywide Documents Access and Management System (ADAMS) Accession No. ML17138A215) you requested that the U.S. Nuclear Regulatory Commission (NRC) staff consider closure of Confirmatory Order (CO) EA-12-189 and EA-13-196, issued to Chicago Bridge and Iron Company (CB&I) on September 25, 2014 (ADAMS Accession No. ML14248A445). In our June 13, 2017, response (ADAMS Accession No. ML17158B175), we requested additional information to aid in our review of CB&I's compliance with the requirements of the CO. CB&I provided that additional information on August 4, 2017 (ADAMS Accession No. ML17228A704).

As you noted in Attachment 1 to both your December 27, 2016, and August 4, 2017, letters, many of the requirements of the CO were one-time actions that CB&I has completed. The results of these actions were inspected by the NRC in May 2015 and documented in inspection report 99901425/2015-201 (ADAMS Accession No. ML15169A231). Completion of these actions satisfied the associated requirements of the order. Because there is no further action required of CB&I for these items, rescission or relaxation of these parts of the order is moot.

With respect to the remaining CO requirements that involve ongoing actions, Section IV of the Order states that the Director, OE, may, in writing, relax or rescind any of the above conditions upon demonstration by CB&I of good cause. This authority includes withdrawing order requirements upon demonstration of good cause.

In your August 4, 2017, letter CB&I stated that it has incorporated nuclear safety culture (NSC) program requirements into CB&I management systems and has, thus, addressed the core issues underlying the CO as evidenced by "a greatly reduced incidence of NSC and SCWE concerns." CB&I has also experienced a significant reduction in its work force that is involved in NRC-regulated activities, including completing all NRC-regulated activities at the CB&I Lake Charles facility. In addition, all American Society of Mechanical Engineers (ASME) Class III fabrication work at the CB&I Laurens, SC, facility is expected to be completed by the end of March 2018. The August 4 letter further noted that CB&I Services will continue to be involved in the onsite construction of Containment Vessels and Shield Wall Erection at Vogtle Unit 3 and

Unit 4, and that NRC-regulated work at the Vogtle construction site will continue until 2022 with a limited number employees.

Accordingly, the NRC staff has concluded that the material circumstances have substantively changed since the issuance of the CO on September 25, 2014, and that the underlying purpose of the CO has been largely met through the actions taken by CB&I to date. As a result, the staff has determined that certain CO requirements may be relaxed or withdrawn without resulting in an adverse impact on public health and safety.

Based on information provided in your December 27, 2016, and August 4, 2017, letters, the NRC has determined that CB&I has demonstrated good cause for relaxation or withdrawal of the remaining uncompleted or ongoing requirements of the CO. Pursuant to the authority granted to the Director, Office of Enforcement, the NRC hereby withdraws all uncompleted requirements of CO EA-12-189 and EA-13-196, subject to the following exceptions:

- (1) Work processes requirements of Section IV.C of the CO shall continue to be performed at those sites where employees are performing NRC-regulated work and are not covered by an NRC licensee employee concerns program (ECP) and/or NSC program (i.e., those situations where employees are not working under a contract executed under an owner's ECP and/or NSC program), until CB&I ceases all NRC-regulated work.
- (2) Requirements for records retention shall remain in effect until the retention period specified in the order expires. Records with no specified retention period, but required to be made available to the NRC upon request, shall be maintained for a period of two years from the date of this letter or two years from generation of the record, whichever is longer.

Though the NRC is relaxing the formal requirements of the order, all organizations in the nuclear industry are expected to maintain strong nuclear safety cultures. This includes periodic reinforcement of expectations regarding safety conscience work environment and wrongdoing (deliberate misconduct and willful violations) through leadership communications and continuing training.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390 "Public Inspections, Exemptions, Requests for Withholding," a copy of this letter and your response, should you provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

To the extent possible, any response should not include any proprietary information so that it can be made available to the Public without redaction. However, if proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request that such material be withheld from public disclosure, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim (e.g., explain why the disclosure of information would result in harm to the company, or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information).

J. Sabin

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Please contact Robert Fretz at (301) 287-9235 or John Burke at (301) 415-2343, or via electronic mail at Robert.Fretz@nrc.gov or John.Burke@nrc.gov if you have any questions or need assistance regarding this matter. Also, please reference docket numbers 99901432 and 99901425 on any correspondence sent to the NRC.

Sincerely,

/RA/

Anne T. Boland, Director
Office of Enforcement

J. Sabin

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SUBJECT: COMPLIANCE REVIEW OF CONFIRMATORY ORDER EA-13-196 ISSUED TO
CHICAGO BRIDGE & IRON COMPANY

DATED: 02/21/2018

Docket Nos. 99901432, 99901425

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