



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

May 9, 2018

Mr. Dealis W. Gwyn
Licensing Manager
CB&I AREVA MOX Services
P.O. Box 7097
Aiken, SC 29804-7097

SUBJECT: RECEIPT OF NOTIFICATION OF CHANGE IN OWNERSHIP

Dear Mr. Gwyn:

I am writing with respect to a letter we received from Kerry David, President and Chief Legal Officer of Chicago Bridge & Iron Company N.V. (CB&I) dated May 8, 2018. In that letter, CB&I provided information regarding a pending transaction with McDermott International, Inc. (McDermott) which would result in a change of ownership of CB&I AREVA MOX Services, (MOX Services) which holds the U.S. Nuclear Regulatory Commission (NRC) construction authorization for construction of a Mixed Oxide Fuel Fabrication Facility (MFFF). Specifically, CB&I states that the parent company of MOX Services will become a subsidiary of McDermott.

Notwithstanding this change in ownership, CB&I states that the transaction will have no impact on the control or influence over MOX Services by virtue of the proxy arrangements in place that have been approved by the Department of Energy/National Nuclear Security Administration. In support of this conclusion, CB&I makes observations regarding the terms of the existing proxy arrangements and attached selected portions of the Proxy Agreement with respect to membership interests of Shaw Project Services Group, LLC, as well as the first amendment to that Proxy Agreement.

Section 184 of the Atomic Energy Act of 1954 requires prior written consent from the NRC for the transfer of control of any license to any person whether such transfer takes place directly or indirectly. In addition, NRC regulations in Title 10 of the *Code of Federal Regulations (10 CFR)*, Part 70.36 state:

No license granted under the regulations in this part and no right to possess or utilize special nuclear material granted by any license issued pursuant to the regulations in this part shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person unless the Commission shall after securing full information, find that the transfer is in accordance with the provisions of the Act, and shall give its consent in writing.

At this time the NRC is unable to determine that the transaction described above would not constitute a transfer of control that requires prior NRC approval. We note that while CB&I relies on the terms of the proxy arrangements to support the conclusion that there would be no transfer of control, we were only provided portions of the Proxy Agreements. At a minimum, we would require the complete Proxy Agreements and the purchase agreement, and any other documents that you deem relevant to/informative of the transaction in order to begin a review of

the transaction. As of this time, we have received no information regarding any other ownership transactions relating to MOX Services.

In accordance with the *Code of Federal Regulations* Section 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's ADAMS. ADAMS is accessible from the NRC Web site at: <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions, please contact me by telephone at (301) 415-8740, or via e-mail to David.Tiktinsky@nrc.gov.

Sincerely,

/RA/

David Tiktinsky, Senior Project Manager
Fuel Manufacturing Branch
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

Docket No. 70-3098

RECEIPT OF NOTIFICATION OF CHANGE IN OWNERSHIP
DATED: May 9, 2018

DISTRIBUTION: FCSE r/f

ADAMS Accession No.: ML18129A405

*** via e-mail**

OFFICE	FCSE/FMB	OGC	FSCE/FMB
NAME	DTiktinsky	LClark*	RJohnson
DATE	05/ 9/18	05/9 /18	05/9/18

OFFICIAL RECORD COPY