



NUPIC Update

Presented by: Mark Coren

NUPIC Chairman

Manager, Vendor Quality





Welcome to Jacksonville
28th Annual NUPIC Vendor Meeting





NUPIC, Circa 1989

NUPIC provides for the evaluation of suppliers and is a cost-effective method for maintaining the utilities' Approved Suppliers List.

NUPIC strives to improve the supplier assurance processes through cooperative efforts while minimizing utility O&M costs and ensuring plant reliability, safety, and improving performance.



NUPIC Objectives

- Cooperative program for performing and sharing joint supplier audits/surveys including Industry Issues.
- Audits/Surveys are evaluated by each member and serve as a basis for maintaining suppliers on the ASL
- Forum for sharing procurement and supplier quality issues
- Secure website with information on 800 + suppliers with 400+ supported by Joint Audits/Surveys
- Perform approximately 110 Joint Audits/Surveys annually





NUPIC Key Benefits

- Industry-wide standardized approach to conducting performance based supplier audits
- Diverse audit teams from domestic and international utilities
- Technical Specialist participation is required
- Feedback from Peer Review and Supplier Feedback is used to continuously improve.
- Existing infrastructure for information and resource sharing, which can be expanded
- Foundation in place for new plant technologies (i.e. Small Modular Reactors)

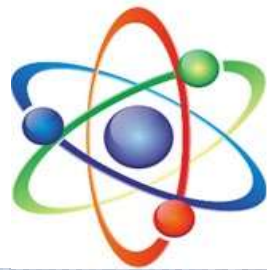




Challenges

- Increased use of new and international suppliers
- Complex regulations, standards and guidance for procurement
- Need to effectively communicate these requirements through purchase orders and contracts
- Increased manufacturing pressures to meet utility demands (i.e. outages)
- Costs associated with suppliers maintaining 10 CFR 50, Appendix B Quality Programs
- Reducing everyone's costs to remain competitive while ensuring product quality



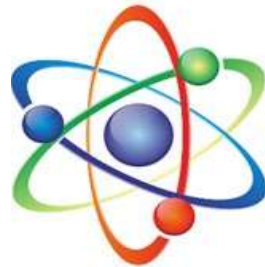


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NUCLEAR PROCUREMENT ISSUES CORPORATION

NUPIC Membership heading into 2020 = 38
26 U. S. Domestic
12 International

Image contribution: Flat Earth Society



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NUCLEAR PROCUREMENT ISSUES CORPORATION





2019 Steering Committee Members


Mark Coren – Chairman 


David Soward – Vice-Chairman 

Roger Mills – Secretary 


Mike Buel – Treasurer 

Mihai Dudu – International 

Greg Przyjemski – Region 1 

Jon Talbot – Region 2 

Gerri Hercik – Region 3 

Earl R. Mayhorn – Region 4 





Delivering the Nuclear Promise

- Multi-year strategy to transform the industry and ensure viability for the customer and the environment.
- Strengthen the industry's commitment to excellence in safety and reliability, assure future viability through efficiency improvements, and drive regulatory and market changes to recognize the value of nuclear.
- Analyze common cost drivers and redesign programs and process to improve efficiency and effectiveness.

Goals:

- Maintain the highest levels of safety
- Redesign fundamental process to significantly improve operations efficiencies and effectiveness
- Gain full recognition in electricity pricing
- Fully leverage innovative technology to capitalize on efficiencies



Delivering the Nuclear Promise

Efficiency Bulletin: 16-28a

Minimize NUPIC Vendor Audit Frequencies

Efficiency Bulletin: 16-28b

Establish Common Finding/Deficiency Definition Used During Vendor Audits



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Efficiency Bulletin: 16-28a [Minimize NUPIC Vendor Audit Frequencies](#)

This initiative utilizes the regulatory allowance to audit suppliers at a frequency of 36 months. Additionally flexibility will be achieved by the adoption of an SER that allows a grace period of up to 25 percent.

- [Maximize audit frequency for NSSS, Fuel, and all other vendors to 36 months.](#)
 - Utilities must adopt a 25% or 90 day grace period to allow for extension of expiration dates.
- [Reduce resources required to maintain the Approved Suppliers List](#)

Implementation:

NUPIC elected to support with a compromise:

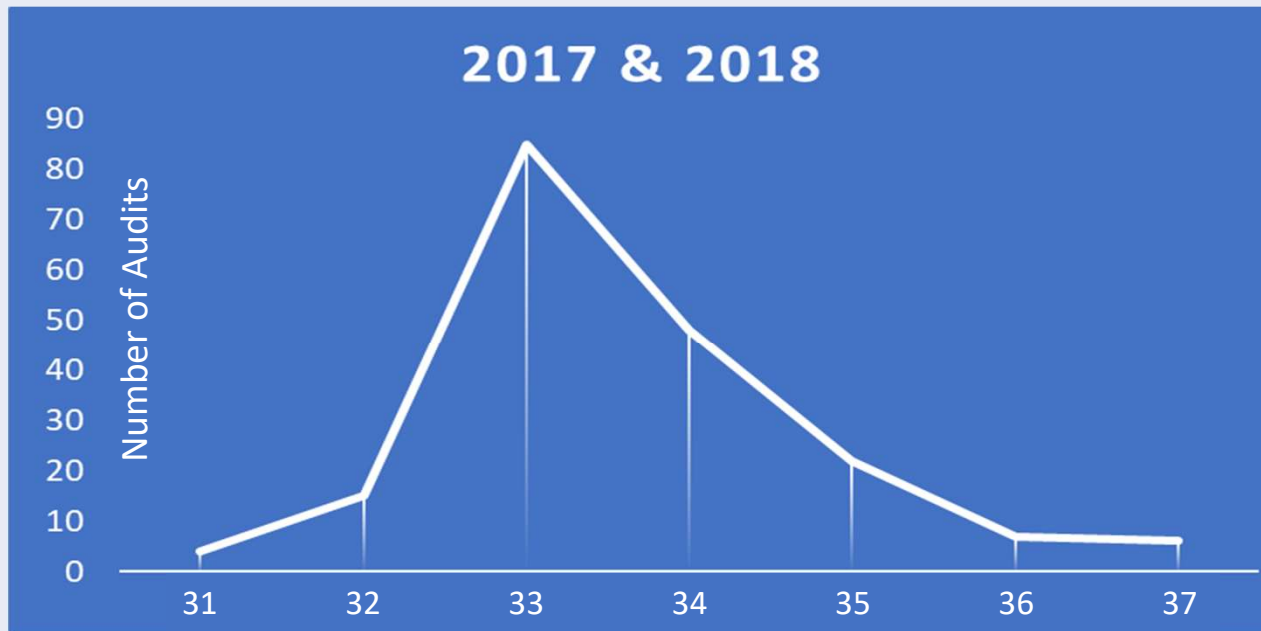
- [All utility supplier audits \(non-NUPIC\) were already on a 36 month frequency.](#)
- [Establish NSSS & Fuels supplier audit frequencies at 36 months instead of 24 months \(fixed years\).](#)
- [All other supplier audits will be scheduled on a 33 month frequency instead of 30 months.](#)
- [Reduces the number of annual NUPIC audits from 110 to approximately 95 \(-15\)](#)

Note: No negative impact on safety due to the increase in audit frequency. The 36 month frequency still meets the regulatory requirement.

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Efficiency Bulletin: 16-28a [Minimize NUPIC Vendor Audit Frequencies](#)

30 mo.	31 mo.	32 mo.	33 mo.	34 mo.	35 mo.	36 mo.	37 mo. +
0	2%	8%	45%	26%	12%	4%	3%



Delivering the Nuclear Promise

Efficiency Bulletin: 16-28b Establish Common Finding/Deficiency Definition Used During Vendor Audits

- The initiative provides a standard graded approach for the industry to meet quality assurance program commitments for identification and follow-up for issues identified during audits of safety-related materials and services.
 - Consistently and properly classify issues based upon their significance.
 - Concentrate audit team and supplier resources on corrective actions that improve the quality standards.
 - Reduce audit team and supplier resources spent conducting and supporting follow-up and closure of low risk issues.

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Efficiency Bulletin: 16-28b [Establish Common Finding/Deficiency Definition Used During Vendor Audits](#)

Definitions:

- **Finding:** Any defect, characteristic, noncompliance or activity that detracts from the quality of products and/or services and is a condition that could have a credible impact to the intended function of the products and/or services provided. It also includes undesirable or abnormal pattern of events, failures, problems, and programmatic issues.
- **Deficiency:** A deviation in the implementation of a Quality Assurance Program requirement or deviation in the implementation of a QA procedure, including inadequate/conflicting procedures.

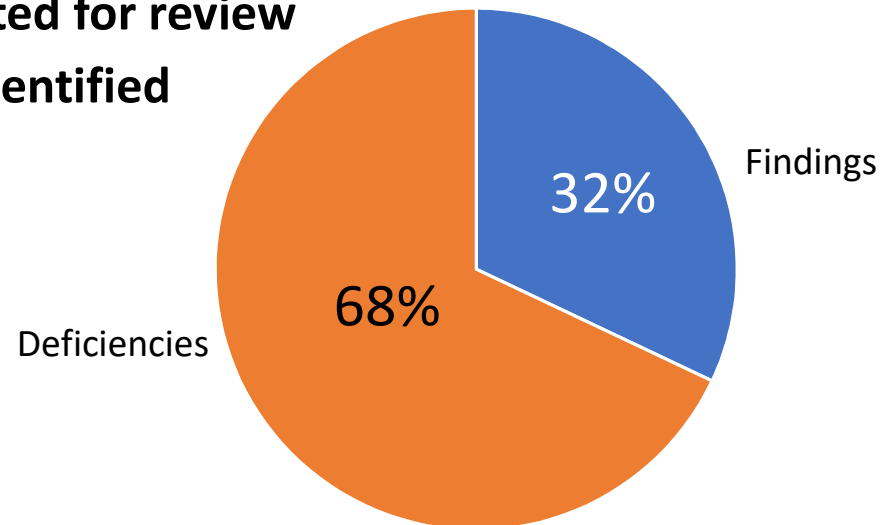
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2017

Findings vs Deficiencies

75 audits were selected for review
259 Total Issues identified



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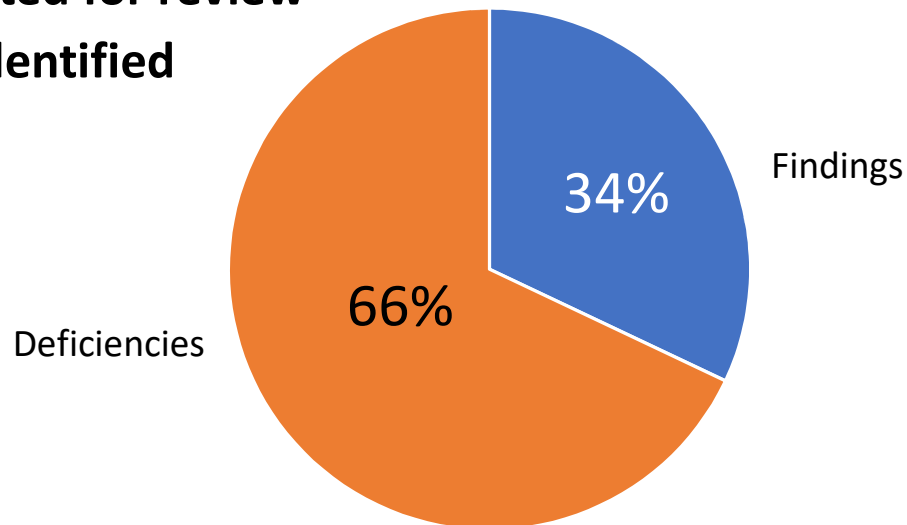
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2018

Findings vs Deficiencies

82 audits were selected for review

322 total issues identified



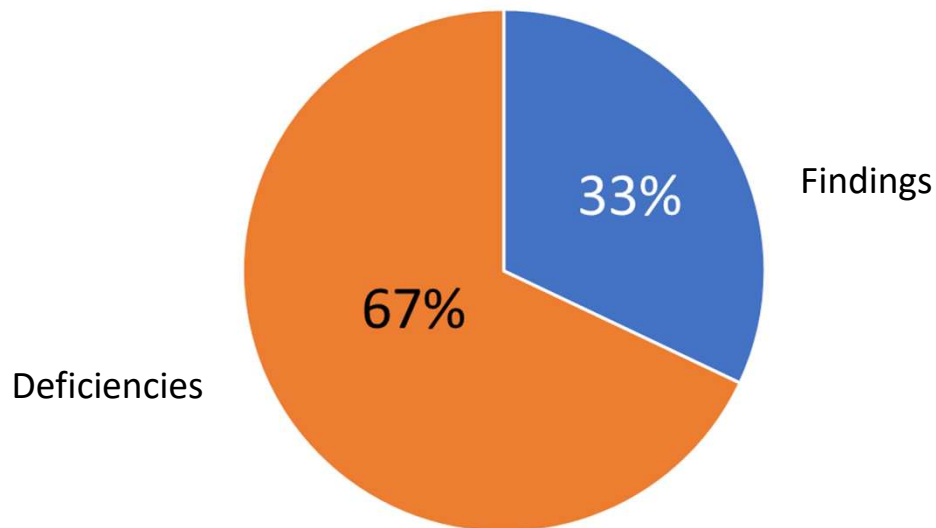
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Efficiency Bulletin: 16-28b [Establish Common Finding/Deficiency Definition Used During Vendor Audits](#)

Two Year Look

Findings vs Deficiencies

Really Consistent!!!



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Summary:

Efficiency Bulletin: 16-28a [Minimize NUPIC Vendor Audit Frequencies](#)

- Reduced the total number of audits scheduled each year by NUPIC
- Therefore reducing overall costs to maintain the ASL
- Reduction in “FTE” Full Time Equivalents.

Efficiency Bulletin: 16-28b [Establish Common Finding/Deficiency Definition Used During Vendor Audits](#)

- The number of audit findings issued that require follow-up has decreased due to the introduction of this EB.
- Deficiencies are required to be entered in the supplier’s Corrective Action program and will be evaluated during the next audit as part of the CAP review.



New Reactor Technologies

NRC presentations CFSI

NIAC

Hot Topics: Auditor Independence & Reverse Engineering

FLEX Equipment

Travel Safety

ILAC

NuScale Small Modular Reactors

Decommissioning

Acceptance of Safety Integrity Level (SIL) Equipment



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Questions

