

Happy New Year!

NUPIC begins 2012 with an improved checklist, a new Steering Committee, plans in place for auditor training, planning underway for a joint NUPIC/NRC Vendor Conference this summer, plans for a 2012 NUPIC Self Assessment and the expectation of a retooled website to share much of the results with all of you. 2011 was a year of change for our organization, and coming through it we now have products ready to implement that should make this year our most effective one yet.

Our mission statement, as it states on our website, is that "The NUPIC Organization will strive to improve the supplier assurance processes through cooperative efforts while minimizing utility O & M costs and improving plant performance." Every change that we debated, discussed, and resolved in 2011 supports that mission.

- Revision 16 of the NUPIC Checklist now includes improved guidance for auditors in evaluating the controls in place for using accreditations in lieu of performing a survey of calibration service suppliers. The APS Safety Evaluation Report allows the use of certain accreditations in lieu of an audit or survey with certain conditions. The acceptance of commercial grade calibration services for use in safety related applications is still considered to be commercial grade dedication even though the acceptance is based on possession of accreditation. The commercial grade dedication process (i.e., documented technical evaluation, identification of critical characteristics, and method of acceptance) would be applied to these services with the accreditation being used as the acceptance method in lieu of a commercial grade survey. Section 3 and 5 of Revision 16 of the NUPIC Audit Checklist, which is posted on the NUPIC website, contains the specific requirements that will be assessed in this area by future NUPIC audits.
- Expectations for stronger internal audit programs have been effectively communicated. And an industry working group is now in place to consider the impact of cyber-security regulations to be addressed later this year in Revision 17 and 18 of the checklist.
- At the Fall 2011 NUPIC Meeting a new NUPIC Steering Committee was installed, led by a new Chairperson. An engaged membership challenged the new Steering Committee to bring to full implementation plans for industry supplier auditor training, an upgraded website, and improved communications with NUPIC Members and Suppliers.
- To start the year, NUPIC Auditors will gather in February in San Antonio, TX, to be instructed in the use of Revision 16 of the checklist, and to align the organization. Alignment will include the positions on standards being presented by regulators, feedback that has been received from suppliers and lessons learned in 2011. The new "Missed Opportunity Process" is a key to developing the auditor conference agenda.
- In June the Joint NUPIC/NRC Vendor Conference expects to set records for involvement by suppliers, NUPIC Members, and regulators. To be held in Baltimore MD the week of June 24, access to industry experts and support from regulatory agencies and utility members should be unprecedented. The 2011 Conference successfully established a working partnership between these participants that we will build on this year.
- The Steering Committee is in the process of planning the 2012 NUPIC Self Assessment. One element of the self assessment is to perform management observations of NUPIC audit teams. As a supplier you may be asked to support a larger team due to the management person accompanying the team. We currently have about 10 volunteers to perform these observations. I will be in touch with each supplier to brief them on this process.

- And of course the NUPIC Website; with funding secure and performance of our database administrator proven, expectations are high for a step change improvement in the ability to communicate and disseminate our data.
- Challenges ahead for NUPIC continue to be new personnel entering the NUPIC audit arena, software dedication and changes to 10CFR21. As a supplier, I encourage you to agree to larger audit teams that facilitate training of these new auditors. The software dedication guideline is under development by an EPRI led task group and changes to 10CFR21 are in the making by an NRC led task group.

The organizational partnerships NUPIC has established with the NRC, NEI, EPRI, ASME and our international members will be carefully tended to the benefit of us all.

Throughout the year I will continue this dialogue with you, and hope for your feedback to me directly, or any member of the NUPIC Steering Committee. We must all succeed for any of us to succeed. I'm anxious to begin 2012 as I hope you are. It continues to be a great time for nuclear throughout the world, and we should all be ready to do our part.

With best wishes for a prosperous New Year,

Darlene Stimart
NUPIC Chair