



NUPIC

THE FUTURE TODAY

NUCLEAR PROCUREMENT ISSUES COMMITTEE

SEA OF CHANGE



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Nuclear Industry is Challenged

- Renewable Energy (Subsidized)
- Low Cost of Natural Gas
- Changing Regulatory Environment
- High Nuclear Administrative Cost



Utility Audit Resources

- Audit Team Member Salaries
- Travel Expenses
- Frequency of Audits
- Audit Preparation
- Audit Follow up
- Database maintenance
- Additional audit/surveillance



Supplier Audit Resources

- Audit initial planning, dates, etc
- Audit personnel processing
- Pre audit QA Manual, Procedures
- Worksite preparation
- Internal Pre-audit preparation
- Audit week resources
- Audit follow-up, corrective actions, closeout



NUPIC = Audit Quality

- Industry recognized audit checklist
- Nuclear Utility certified Lead Auditors
- Nuclear Utility and Qualified Contract Auditors
- Qualified Technical Specialists (Utility/EPRI Trained)
- Annual Auditor Training
- NUPIC Lead Auditor Training
- Member Audit Report and Closeout Peer reviews



NUPIC = BIG SAVINGS



- 41 members can share 260 SR audits and 50 CG Surveys which are posted on the NUPIC database for immediate download.
- Typical cost to the average utility is to supply 5 audit team leads, 16 audit team members, and 5 Technical specialists.
- Typical resource saving to the utility member is \$1,000,000 per year
- Significant supplier savings (one audit vs. many)
- NIAC Provides Similar Industry savings



New In 2017 – Extended Audit Intervals

- Audit Intervals for NSSS and Nuclear Fuel Suppliers are being extended from 24 to **36 months**.
- Audit Intervals for all others being extended from 30 months to **33 month minimum**
- 2017 NUPIC schedule reflects these changes (with some allowance for Transition)



New in 2017 – Finding vs. Deficiency

- **Audit Finding** – Significant condition which could impact hardware/service quality
 - Similar to a SCAQ in regulation
 - Requires follow-up, cause, and corrective actions, verification



New in 2017 – Deficiency

- **Audit Deficiency** – Does not reach the significance of a finding.
 - Entered in the Supplier's Corrective Action Process
 - Documented in the audit report, no follow-up
 - Verified on future audit



Proposal-Graded Scope Audit

- NSSS, Fuel, and Large/Multiple Location Manufacturers
- Perform full scope audit at primary location “QA Headquarters” every cycle
- Perform limited scope audit at other locations on alternate cycles

Graded Scope Audit Opportunities

- Full scope audit of “administrative” criteria at the primary location where these functions take place. Covers all criteria each cycle.
- Limited scope audit at manufacturing locations to focus on their key implementing criteria.
- Maximize audit resources and improve audit focus.



New Opportunities



- Standardized Purchase Order technical requirements for ordering standard components
- Standardized Purchase Order QA Requirements (Don't rewrite regulatory requirements already imposed)



New Opportunities

- Reducing customer intervention in manufacturing and services (Customer reviews, Surveillances)
- Incorporation of Joint and Utility Fuel inspections into the NUPIC audit process.



New Opportunities

- Enhanced Auditor and Lead Auditor training through development of Computer Based Training based on the INPO SAT (Systematic Approach to Training) process



NUPIC Successes

- 2018 Joint JUTG and NUPIC Training to cover both Regulatory and Technical aspects of audits
- Checklist and process improvements to maximize Performance Based auditing
- NUPIC Taking over responsibility for NEI 14-05 NRC reporting and oversight requirements



NUPIC Successes

- Continued Positive NRC Observations
- Improvement of “Missed Opportunity” review process



QA Manual Opportunity

- Post QA Manuals on the NUPIC Website for use by all members...single point distribution



What are your
suggestions?





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QUESTIONS



26th Annual Vendor Conference