



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)

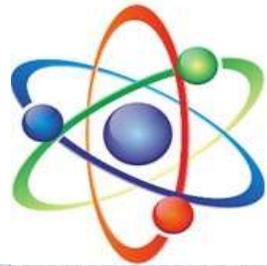




Challenges

- 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



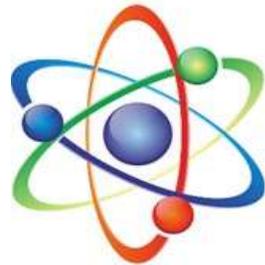


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NUCLEAR PROCUREMENT ISSUES CORPORATION

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

Image contribution: Flat Earth Society



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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

DELIVERING THE
NUCLEAR PROMISE



nuclear matters:
my work • my plant • my industry

Delivering the Nuclear Promise

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:

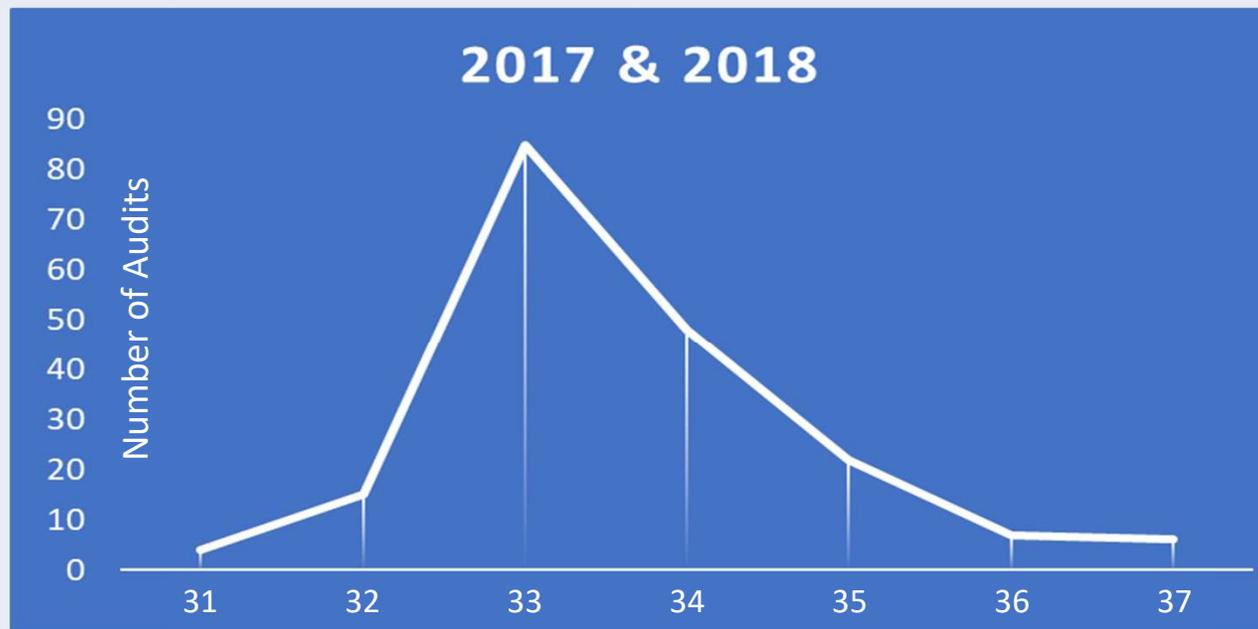
- All utility supplier audits (non-NUPIC) were already on a 36 month frequency.
- Establish NSSS & Fuels supplier audit frequencies at 36 months instead of 24 months (fixed years).
- All other supplier audits will be scheduled on a 33 month frequency instead of 30 months.
- Reduces the number of annual 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%



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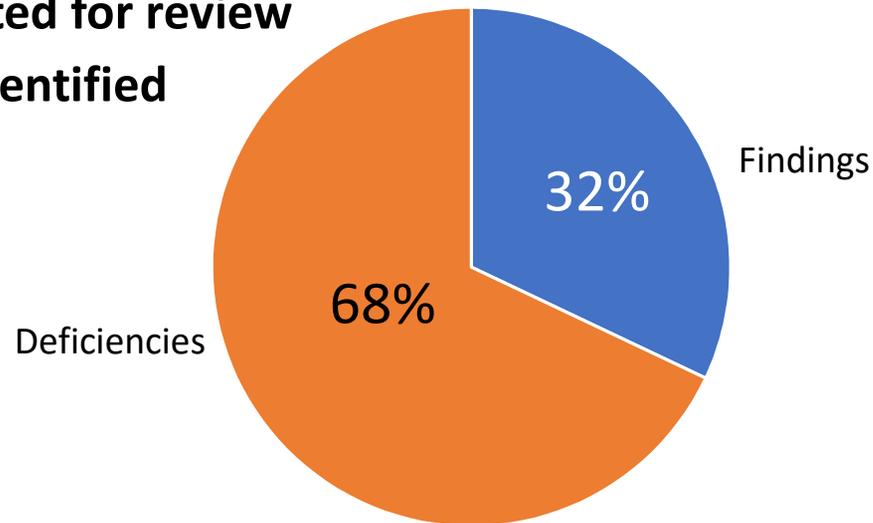
Efficiency Bulletin: 16-28b [Establish Common Finding/Deficiency Definition Used During Vendor Audits](#)

2017

Findings vs Deficiencies

75 audits were selected for review

259 Total Issues identified



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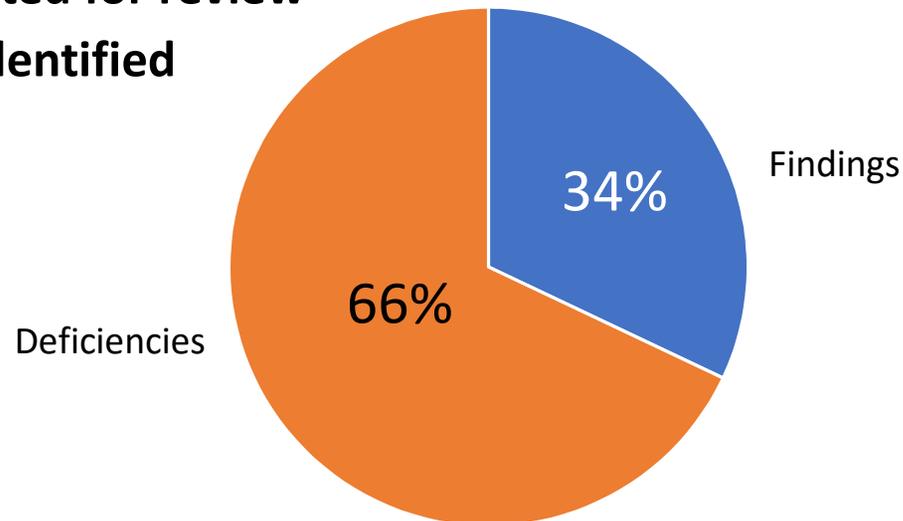
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2018

Findings vs Deficiencies

82 audits were selected for review

322 total issues identified



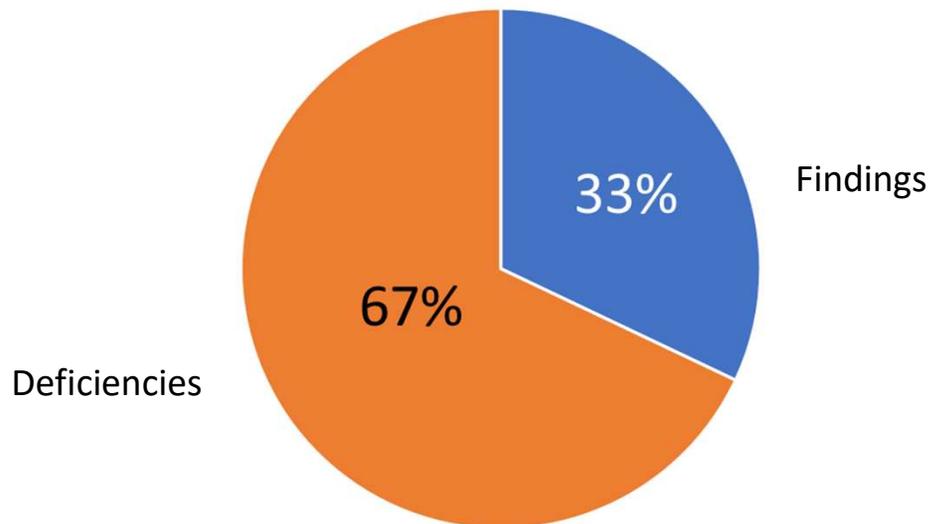
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Two Year Look

Findings vs Deficiencies

Really Consistent!!!



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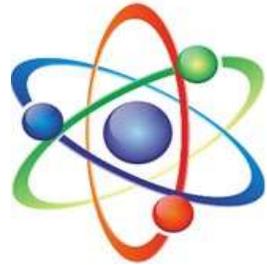
Summary:

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.



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New Reactor Technologies

NRC presentations CFSI

NIAC

Hot Topics: Auditor Independence & Reverse Engineering

FLEX Equipment

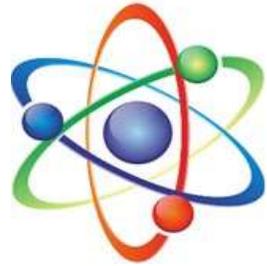
Travel Safety

ILAC

NuScale Small Modular Reactors

Decommissioning

Acceptance of Safety Integrity Level (SIL) Equipment



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Questions

