

December 5, 2011

MEMORANDUM TO: Richard A. Rasmussen, Chief  
Electrical Vendor Branch  
Division of Construction Inspection  
& Operational Programs  
Office of New Reactors

FROM: Kerri A. Kavanagh, Senior Reactor Engineer */RA/*  
Quality Assurance Branch  
Division of Construction Inspection  
& Operational Programs  
Office of New Reactors

SUBJECT: SUMMARY OF THE NOVEMBER 30, 2011, PUBLIC MEETING WITH  
WESTINGHOUSE TO DISCUSS LESSONS LEARNED ASSOCIATED  
WITH OVERSIGHT OF VENDORS

On November 30, 2011, the U.S. Nuclear Regulatory Commission (NRC) staff held a public meeting with Westinghouse Electric Company (WEC) in Rockville, Maryland. Westinghouse is a supplier to the United States operating fleet of nuclear reactors and under Engineering, Procurement, Construction contracts to provide four AP1000s to Southern Nuclear and South Carolina Electric and Gas, respectively. The associated meeting notice is available through the NRC's Agencywide Documents and Management System (ADAMS) under accession number ML11322A023. The WEC presentation slides from the meeting are also available in ADAMS under accession number ML11334A105.

The purpose of the meeting was to discuss WEC's lessons learned and associated corrective actions concerning oversight of vendors. The basis of this discussion was the recent NRC inspection of Obayashi Corporation (Obayashi) in Tokyo, Japan. Obayashi is a design partner to Westinghouse providing design services in support of the AP1000 design finalization project. The NRC inspection report of Obayashi is available in ADAMS under accession number ML11286A106.

During the meeting, WEC briefly described its oversight of suppliers and their additional enhancements to supplier oversight that have been implemented over the past 18 months. These added enhancements include additional surveillances, supplier quality readiness reviews, management review and supplier scorecards, and supplier quality development. WEC stated that these enhancements have been applied to the 346 safety-related suppliers on its Quality Supplier List. WEC has not formally evaluated the effectiveness of the enhancements to its supplier oversight.

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WEC acknowledged that there were differences in the rigor of oversight of suppliers providing “soft products”, such as design services, versus suppliers of components, piping, valves, etc., and that this issue needs to be addressed in the WEC corrective actions.

Based on WEC management review of information received from the enhancements, WEC has developed lessons learned regarding the oversight process and the performance of their quality assurance personnel. These lessons learned included: 1) defining standards/expectations in purchase orders; 2) procedure adherence and implementation; 3) systematic monitoring and trending; and 4) WEC executive engagement and intervention.

During the closed portion of the meeting WEC described the root cause evaluation performed as a result of the NRC inspection at Obayashi. WEC also described the extent of condition review that WEC is performing based on the identified root causes. The NRC staff requested that WEC inform the NRC when the extent of condition is complete and its results available for review. Enclosed is a list of attendees.

Enclosure:  
As stated

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Enclosure:  
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**NRO-002**

<b>OFFICE</b>	NRO/DCIP/CQAB	NRO/DCIP/CEVB: BC
<b>NAME</b>	KKavanagh	RRasmussen
<b>DATE</b>	12/5/2011	12/5/2011

**OFFICIAL RECORD COPY**

List of Attendees

Public Meeting with Westinghouse to Discuss Supplier  
Quality Oversight Update

November 30, 2011

<u>NAME</u>	<u>ORGANIZATION</u>
Bill Freebairn	Nucleonics Week (Participated by telecom)
Zachary Ashcraft	SCE&G (Participated by telecom)
Brian Whitley	South Nuclear
Laura Dudes	U.S. Nuclear Regulatory Commission
John Tappert	U.S. Nuclear Regulatory Commission
Kerri Kavanagh	U.S. Nuclear Regulatory Commission
Richard Rasmussen	U.S. Nuclear Regulatory Commission
Jeffrey Jacobson	U.S. Nuclear Regulatory Commission
Patrick Castleman	U.S. Nuclear Regulatory Commission
Gary Brassart	Westinghouse
Sandy Rupprecht	Westinghouse
Jamie Vasquez	Westinghouse
Joel Josten	Westinghouse (Participated by telecom)
Mike Melton	Westinghouse (Participated by telecom)

Enclosure