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NRC Report

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OUTLINE

- ✓ The Vendor Inspection Program
- ✓ Refocusing NRC Vendor Inspections
- ✓ Recent Inspection Results
- ✓ Industry Implications
- ✓ NRC NUPIC Audit Observation
- ✓ A Plug for Safety Culture

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Vendor Inspection Program

- The VIP Plan
  - Overall Approach
  - Goals
  - Priorities
  - Performance Metrics
  - Resource Management Strategies
- Reorganization
- Identification of Vendors
- Selection of Vendors

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Vendor Identification

Current NRC Sources of Vendor Information

- ✓Reporting systems Part 21, 50.72, 50.73
- ✓Industry and standards organizations
- ✓Communication with licensees, applicants, and engineering, procurement, and construction (EPC) contractors
- ✓Allegations

Initiatives

- ✓RIS requesting voluntary identification
- ✓NRC public web site
- ✓NRC internal database

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Vendor Selection

Consideration of….

- ✓ Prior NRC Inspection Experience
- ✓ NUPIC Results
- ✓ Scope of Supply
- ✓ Complexity of Product or Service
- ✓ Susceptibility to Counterfeiting or Cyber Security Issues
- ✓ Industry Experience with Product or Service
- ✓ New or Advanced Technology
- ✓ Oversight by Other Entities (ASME, Foreign Regulators)
- ✓ Significance to Pending Regulatory Actions

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Refocusing NRC Vendor Inspections

- ✓ Focus on inspection of activities in progress: including product design, fabrication, testing, inspection
- ✓ Enhance disciplinary review (mechanical, structural, electrical, digital I&C)
- ✓ Increased use of NRC technical specialists
- ✓ More emphasis on Targeted ITAAC including detailed design work and qualification testing
- ✓ Increase inspection activity (20 inspections 2012/30 inspections 2013)

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Recent Inspection Results

- ✓Commercial grade items are not adequately dedicated
- ✓Failure to meet design requirements
- ✓Failure to appropriately control or dedicate software
- ✓Failure to provide appropriate oversight of subcontractors
- ✓M&TE used outside of their calibrated range for safety related testing
- ✓Configuration changes to a component undergoing test without an assessment

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Recent Inspection Results

SUMMARY

- ✓Inadequate design control
- ✓Inadequate dedication of CGIs
- ✓Inadequate dedication of software
- ✓Inadequate technical evaluations of conditions adverse to quality
- ✓Inadequate justification for substitution of materials of construction

CHALLENGES

- ✓ Engineering Involvement
- ✓ Licensee Oversight

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Industry Implications

- ✓ More emphasis on assuring technical adequacy of items and services through enhanced auditing and oversight activities
- ✓ More emphasis on Technical Specialists resources supporting industry auditing and oversight activities
- ✓ Need to assure suppliers understand AND implement NRC and procurement requirements
- ✓ Enhanced communication between the NRC, licensees, and suppliers performing SR activities in support of existing sites and new construction
- ✓ Evaluating holding licensees accountable for vendor performance issues

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NRC NUPIC Audit Observation

- ✓ June 11 - 15, 2012
- ✓ Led by Xcel Energy
- ✓ Curtiss-Wright Electro-Mechanical Corporation
  1000 Wright Way
  Cheswick, PA 15024
- ✓ NRC Trip Report will be issued by July 6, 2012

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A Plug for Safety Culture

The Commission defines **Nuclear Safety Culture** as the core values and behaviors resulting from a collective commitment by leaders and individuals to emphasize safety over competing goals to ensure protection of people and the environment.

Consider safety culture at construction sites and vendors facilities throughout the supply chain

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Summary

- Rigorous vendor oversight is crucial to maintaining the integrity of the global supply chain
- Engineering involvement in the procurement and dedication process is essential
- There is no substitute for effective licensee oversight

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Questions

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http://www.nrc.gov/reactors/new-reactors/oversight/quality-assurance/vendor-insp.html

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