



Delivering the Nuclear Promise
Efficiency Bulletins EB 16-28a and EB 16-28b

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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.

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- 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

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Efficiency Bulletin: 16-28a

Minimize NUPIC Vendor Audit Frequencies

Efficiency Bulletin: 16-28b

Establish Common Finding/Deficiency Definition Used During Vendor Audits



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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:

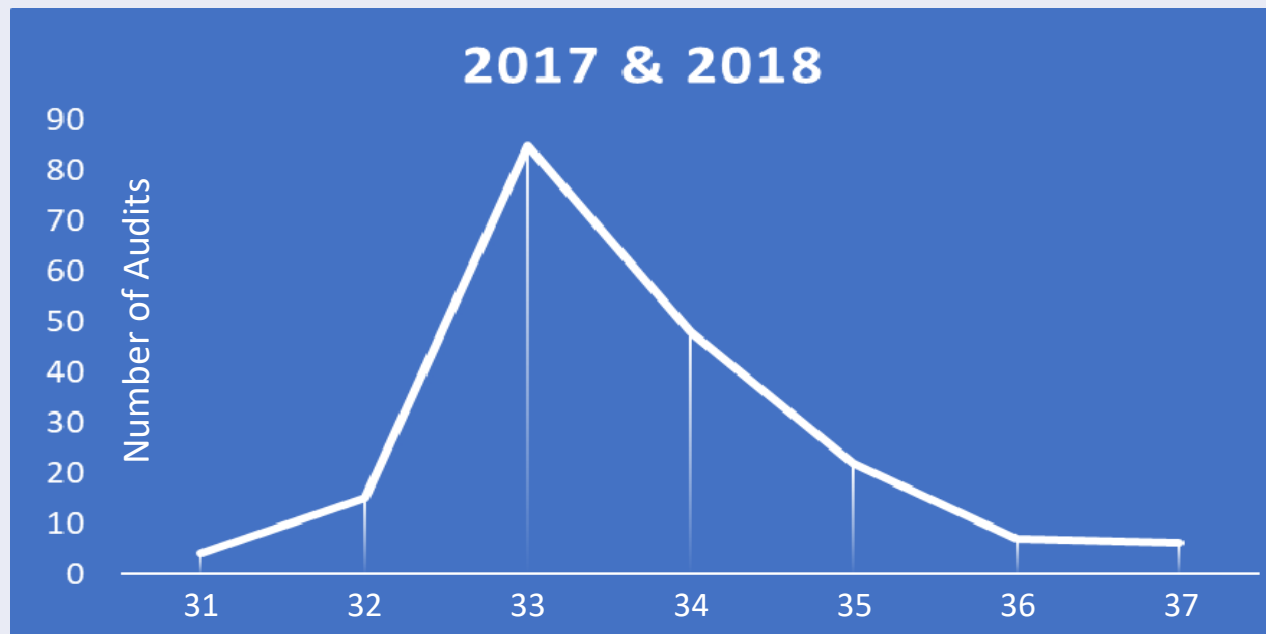
- [All utility supplier audits \(non-NUPIC\) were already on a 36 month frequency.](#)
- [Establish NSSS & Fuels supplier audit frequencies at 36 months instead of 24 months \(fixed years\).](#)
- [All other supplier audits will be scheduled on a 33 month frequency instead of 30 months.](#)
- [Reduces 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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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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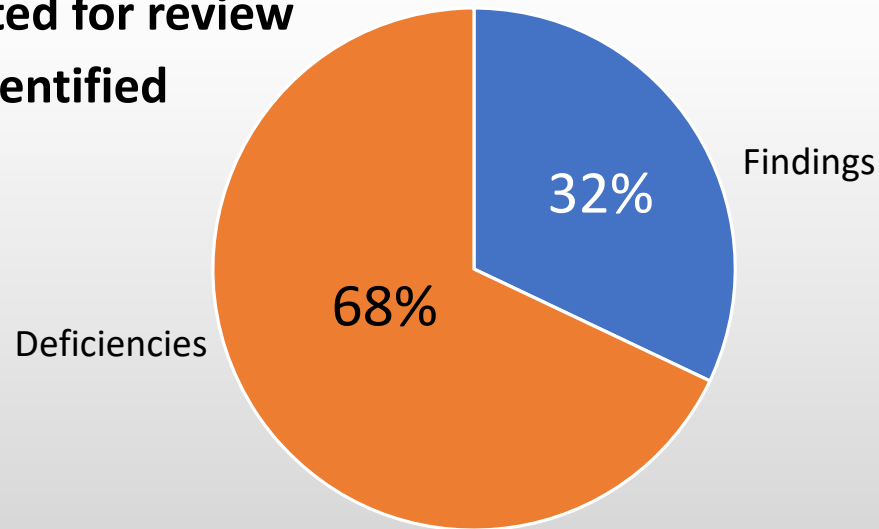
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2017

Findings vs Deficiencies

75 audits were selected for review

259 Total Issues identified



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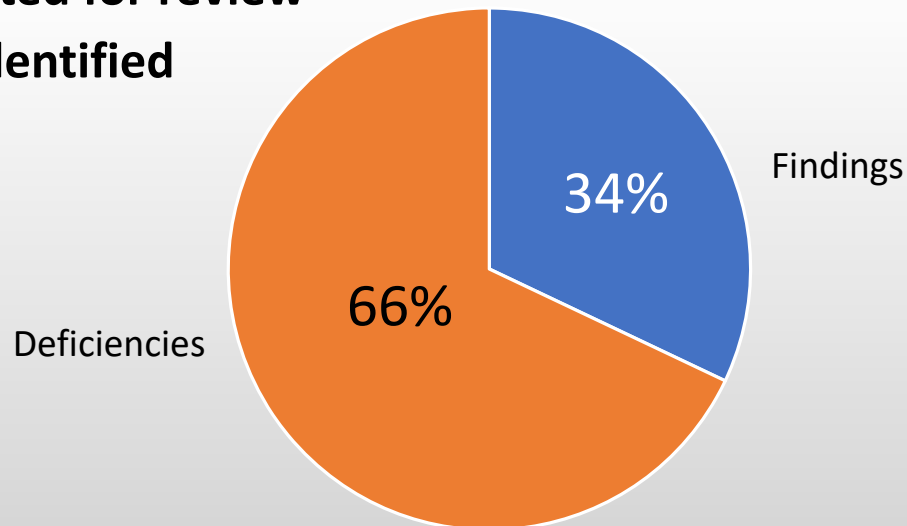
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2018

Findings vs Deficiencies

82 audits were selected for review

322 total issues identified

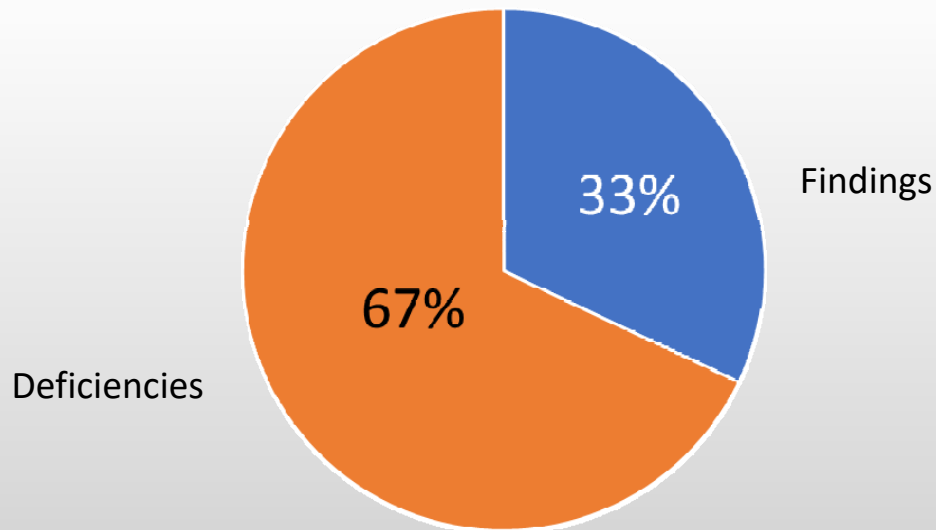


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Two Year Look Findings vs Deficiencies

Really Consistent!!!



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Summary:

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- 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.



Question?