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MICHIGAN'S PROGRESS**

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September 4, 1990

Mr. E. William Brach, Chief  
Vendor Inspection Branch  
Division of Reactor Inspection and Safeguards  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555

Dear Mr. Brach:

As we discussed at the recent meeting between yourself, NUMARC and the Nuclear Procurement Issues Committee (NUPIC), we have revised several of our documents and copies are now available.

I have enclosed copies of the NUPIC Memorandum of Understanding, the NUPIC Charter, the Steering Committee Charter, the Joint Audit Procedure, the Member Audit Procedure and the Compliance Committee Procedure. A copy of our Audit Checklist was provided at the meeting.

Should you have any questions regarding the documents, please contact either Steve White (508) 779-6711 or myself at (517) 788-2392.

Sincerely,

David Jones  
Secretary/Treasurer  
Nuclear procurement Issues Committee

CC SCWhite

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*For Add:  
41  
Brenn Hohen  
Mr. Col*

# NUPIC

MEMORANDUM OF UNDERSTANDING

REVISION 1, 10/17/89

APPROVED  DATE 10/24/89  
CHAIRMAN



NUCLEAR PROCUREMENT ISSUES COMMITTEE  
MEMORANDUM OF UNDERSTANDING

1. PURPOSE

This Memorandum sets forth the basic provisions by agreement of the member licensed utilities or their designated service organizations for the establishment of an organization to accomplish the following objectives:

- A. Provide a cooperative program for the evaluation of vendor/supplier performance.
- B. Provide a forum for discussion of procurement Quality Assurance issues.
- C. Provide an interface for procurement Quality Assurance activities.

II. ORGANIZATION

The organizational structure of the Nuclear Procurement Issues Committee (NUPIC) will consist of a designated representative from each member utility. The designated representative will attend meetings and will serve as the primary interface for all matters related to NUPIC activities. The designated representative will have sufficient authority to vote on matters brought before the membership and to commit appropriate resources to support NUPIC activities.

NUPIC will be governed by a steering committee which will consist of Regional Representatives from each of the five USNRC Regions and the NUPIC Chairman, Vice Chairman, and Secretary/Treasurer.

- A. The Steering Committee Regional Representatives will be elected annually by the designated member utility representatives within their respective Regions.
- B. The Steering Committee Regional Representatives will nominate individuals from the general membership to serve as NUPIC Chairman, Vice Chairman, and Secretary/Treasurer. These positions will be elected annually by majority vote of the full membership.
- C. The Steering Committee may establish standing committees and/or working groups as necessary to assist in the performance of NUPIC activities.

Such committees/groups will be comprised of designated personnel appointed by the Steering Committee.

### III. OPERATION

NUPIC will schedule meetings on a frequency established and agreed upon by majority vote of the full membership. The agenda for the meetings will be determined by the Steering Committee so as to assist in the achievement of the following goals which support the NUPIC objectives.

#### A. Provide a Cooperative Program for the Evaluation of Vendor/Supplier Performance:

- Perform joint audits
- Exchange the results of individual utility audits
- Develop methodologies to monitor vendor/supplier performance

#### B. Provide a Forum for Discussion of Procurement Quality Assurance Issues:

- Exchange vendor/supplier performance information
- Discuss concerns resulting from Quality Assurance regulatory information
- Assist vendors/suppliers in the resolution of member concerns

#### C. Provide an Interface for Procurement Quality Assurance Activities:

- Maintain interfaces with industry groups
- Maintain an interface with NUMARC to coordinate communication/dialogue with the NRC
- Maintain an interface with NUMARC to provide input and feedback on industry positions/commitments regarding procurement Quality Assurance issues

### IV. PARTICIPATION

NUPIC relies upon the support and involvement of the member utilities. The Steering Committee will assure that all members provide such support in an equitable and cooperative manner in accordance with the NUPIC Charters. The Steering Committee may provide for participation by non-utility organizations as related to applicable procurement Quality Assurance issues/activities.



V. MEMBERSHIP AGREEMENT

Concurrence with this Memorandum acknowledges the following conditions:

- A. Acceptance of all provisions of the NUPIC Memorandum of Understanding.
- B. Commitment to equally share all costs incurred in support of NUPIC, as approved by the full membership.
- C. Evaluation and use of all information and results of joint and/or member audits provided by NUPIC or its membership is the responsibility of each member utility.

NUPIC MEMORANDUM OF UNDERSTANDING

CONCURRENCE: \_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Name Title

\_\_\_\_\_  
Company

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, ZIP Code, Country


\_\_\_\_\_  
Telephone Number and FAX Number

ACKNOWLEDGEMENT: \_\_\_\_\_  
NUPIC Chairman Date

# NUPIC

CHARTER

REVISION 1, 7/18/90

APPROVED  DATE 7/18/90  
CHAIRMAN



## NUPIC CHARTER

### I. PURPOSE

The purpose of this Charter is to describe the NUPIC organization and member responsibilities. It is intended to supplement the NUPIC Memorandum of Understanding.

### II. ORGANIZATION

- A. The NUPIC membership shall consist of licensed utilities or designated service organizations only. Vendors/suppliers and consultants may not hold membership, nor represent a member at meetings.
- B. Each member shall have one vote on all issues brought before the membership.
- C. All issues brought to a vote before NUPIC shall be decided by a majority vote of the membership in attendance.

### III. RESPONSIBILITIES

- A. Each member shall be responsible for regular and active attendance at NUPIC meetings. If unable to attend, the member should provide for a designated alternate with sufficient authority to vote on matters brought before the membership and to commit appropriate resources to support NUPIC activities.
- B. Each member shall be responsible to lead at least two (2) and participate in at least four (4) other NUPIC joint audits per year.
- C. Each member shall be responsible to perform at least two (2) NUPIC member audits per year. These audits shall be distributed to NUPIC members upon request or submitted to a data center authorized by NUPIC for report distribution.
- D. Each member shall be responsible to assure that all NUPIC audits lead by their organization comply with the applicable NUPIC audit procedures.
- E. Each member representative shall be responsible to maintain current revisions of NUPIC documents.



NUPIC CHARTER

- F. Each member representative shall be responsible to support the Steering Committee by their participation, if elected, and other committees as appointed by the NUPIC Steering Committee.
- G. Each member representative shall be responsible to monitor the status of NUPIC audits led by their company so as to keep the membership informed, as required.

# NUPIC

## STEERING COMMITTEE CHARTER

REVISION 0, 7/18/89

APPROVED

*[Handwritten Signature]*

DATE

*7/18/89*

CHAIRMAN



NUPIC  
STEERING COMMITTEE CHARTER

1. PURPOSE

The purpose of this Charter is to describe the organizational structure and responsibilities of the NUPIC Steering Committee. It is intended to supplement the NUPIC Memorandum of Understanding.

II. ORGANIZATION

- A. The NUPIC Steering Committee shall consist of the NUPIC Chairman, the Vice Chairman, the Secretary/Treasurer and Regional Representatives from each of the five USNRC Regions.
- B. The Steering Committee Regional Representatives shall be elected by majority vote of the member utility representatives within the respective regions.
- C. The Steering Committee Regional Representatives shall nominate individuals to serve as NUPIC Chairman, Vice Chairman, and Secretary/Treasurer. These positions shall be elected by majority vote of the full membership.
- D. The term of office for all members of the Steering Committee shall be one year. Steering Committee members may serve more than one term subject to annual reelection.
- E. In the event a Steering Committee member is unable to fulfill the responsibilities defined in this Charter, the Steering Committee shall call a vote to elect a new member.
- F. A Steering Committee member may be removed from office at any time by a majority vote of the Steering Committee. A replacement representative shall be elected, as appropriate, by the regional or full membership.
- G. All Steering Committee decisions shall be made by majority vote of the Steering Committee membership.

### III. RESPONSIBILITIES

#### A. Chairman

The Chairman shall be responsible to:

1. Direct all of the business of NUPIC.
2. Preside over all NUPIC Meetings.
3. Establish and maintain interfaces with other organizations, (e.g. NUMARC, EEI and Owners Groups).
4. Provide formal approval of all NUPIC documents after review and concurrence by the Steering Committee.
5. Perform all duties incident to the office of Chairman and other duties as may be assigned by the Steering Committee.

#### B. Vice Chairman

The Vice Chairman shall be responsible to:

1. In the absence of the Chairman, perform all duties of the Chairman.
2. Perform other duties as may be assigned by the Chairman or Steering Committee.

#### C. Secretary/Treasurer

The Secretary/Treasurer shall be responsible to:

1. Record the minutes of all NUPIC meetings: provide distribution of minutes and associated materials to the NUPIC membership within thirty days.
2. Maintain the NUPIC files, including custody of membership records, procedures, charters, specifications, checklists, and other necessary documents.
3. Acquire sufficient bonding to cover all funds and securities of NUPIC.



4. Establish and maintain administrative controls of all funds and securities of NUPIC. This shall include custody and responsibility of all money due and payable to NUPIC from any source whatsoever and the deposit of such money in the name of NUPIC in those banks, trust companies, or other depositories selected by the Steering Committee.
5. Provide periodic Treasurer's Reports to the NUPIC membership.
6. Perform all duties incident to the office of Secretary/Treasurer and other duties as may be assigned by the Chairman or Steering Committee.

D. Steering Committee Regional Representatives

The Steering Committee Regional Representatives shall be responsible to:

1. Represent their respective regional members at the Steering Committee level.
2. Monitor the status of regional members participation, interface directly with regional members regarding compliance with the provisions of the NUPIC Memorandum of Understanding, NUPIC Charter, and other procedures.

E. Steering Committee Representatives

In addition to the responsibilities previously noted, all NUPIC Steering Committee Representatives shall be responsible to:

1. Maintain and assure compliance with the NUPIC Charter.
2. Establish short/long term goals so as to achieve the NUPIC objectives.
3. Appoint and direct subcommittees, as necessary, to accomplish NUPIC goals.
4. Identify potential topics and activities for NUPIC consideration or discussion.