

July 19, 2021

Document Control Desk
Director, Division of Fuel Management
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

SUBJECT: NAC International QA Program Update

REFERENCE: NAC International QA Program Approval for Radioactive Material Packages,
Docket 71-0018, Revision 10

Consistent with the QA Program approval requirements of 10 CFR Part 71 regulations (specifically 10 CFR 71.106), NAC International (NAC) hereby formally advises that the 2nd Edition, Revision 8 of the NAC QA Program, previously approved by the US NRC under Quality Assurance Program Approval (Form 311) No. 0018, Revision 10, dated August 6, 2015, has undergone two (2) revisions, neither of which reduced our commitments, in the past twenty-four (24) months as follows:

2nd Edition, Revision 9 (March 3, 2020)

1. Revised paragraph 1.2.3.1 to identify Storage & Transportation Projects as the primary SBU performing work in accordance with the NAC Quality Assurance Manual.
2. Revised paragraph 1.2.3.1.1 to delete reference to fabrication and construction management. Fabrication and construction management now reports to the Vice President, Engineering & Support Services.
3. Revised paragraph 1.2.3.1.1.1 to identify that the Project Manager may delegate to other qualified individuals from other departments (i.e., Fabrication and Construction) supporting project activities.
4. Revise paragraph 1.2.3.2.3 to identify the Vice President, Engineering & Support Services responsibilities.
5. Revise paragraph 1.2.3.2.4 to change the Vice President, Engineering to Vice President, Engineering & Support Services.
6. Revise Figure 1.1 NAC International Organization Chart to reflect organizational realignment.
7. Revise paragraph 2.1.2f to remove specific ASME Section III Code year and replace with "Edition as invoked by the applicable NAC design documents."
8. Revise paragraph 2.1.2l to remove specific Structural Welding Code year and replace with "Edition as invoked by the applicable NAC design documents."

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9. Revise paragraph 3.2.7 to change the Vice President, Engineering to Vice President, Engineering & Support Services.
10. Revise paragraph 4.1.4 add an exception for QA review and approval of purchase order changes involving cost, scheduling only, quantity, and T&Cs only.
11. Revise paragraph 7.1.7b to include testing services.
12. Section 19.0 – Exhibits 2-1 and 5-1 revised to reflect organization realignment and minor administrative changes.

2nd Edition, Revision 10 (July 6, 2020)

- 1) Add paragraph 7.1.8 as follows:

7.1.8 During exigent conditions, an extension of 25% may be applied to the triennial frequency for external audits/surveys where performance is not feasible. (Re: NRC ADAMS Accession No. ML 20132A321 and ML 20140A322)

- a. Exigent conditions include, but are not limited to:

1. Declaration of national emergency,
2. Severe localized or national weather conditions, or
3. Localized outbreak of a severe health concern to the public.

- b. The 25% extension is applicable to domestic and international suppliers.

- c. Prior to utilizing the exigent condition extension, NAC shall confirm that the supplier's quality assurance program, meeting 10CFR50 Appendix B, continues to be implemented. For commercial suppliers, NAC shall confirm programmatic controls related to the activity affecting quality continue to be maintained. Supplier program confirmation shall be documented on Exhibit 7-1.

- d. Receipt inspection and industry operating experience shall be reviewed on an ongoing basis as information becomes available. The review shall determine the effects on the supplier's continued qualification with adjustments being made as necessary, including corrective action. Receipt inspection and industry operating experience shall be documented on Exhibit 7-1.

- e. In the absence of receipt inspection and industry operating experience, annual supplier evaluations shall include the results of supplier-furnished documentation, nonconformance, and corrective action reporting; the results of previous source verifications, audits/surveys, and receipt inspections; operating experience of identical or similar products furnished by the same supplier; and the result of audits and inspections from other sources (e.g., ASME and NRC). Annual supplier evaluations shall be documented on Exhibit 7-1

- f. Priority shall be given to completing audits/surveys based on product/service safety significance, identified quality issues, and the order of the expiration of the triennial audit frequency. Audits/surveys shall be completed within the 25 percent grace period.
- g. During exigent conditions, if a contract change significantly modifies a supplier's scope, the supplier shall provide written justification that the change(s) are adequately addressed by its quality assurance program controls.
- h. Audits/Surveys performed during exigent conditions shall reset the clock for the particular activity. The date the activity is performed shall be the basis for the new triennial audit/survey frequency.

NAC also maintains quality implementation procedures that are occasionally revised. With these changes, we maintain full awareness of commitments made to the NRC as a basis for our 10 CFR 71 QA program approval and have made no procedural changes that affect any those commitments.

We trust that the foregoing is adequate to comply with the requirements of the noted Part 71 regulation. However, should you desire any additional information, I may be reached at bgreene@nacintl.com or 678-328-1233.

Sincerely,



Brad Greene
Vice President, Quality
NAC International