

NUPIC and New Plant Issues

NUPIC
*Nuclear Procurement
Issues Committee*



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NUPIC Background

- ❑ Formed in 1989
- ❑ Membership
 - 32 US members
 - 11 International members (Brazil, Canada(4), Korea, Mexico, Taiwan, Slovenia, Spain and Sweden)

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NUPIC Objectives

- ❑ Cooperative program for performing and sharing joint supplier audits
- ❑ Audits are evaluated by each member and serve as basis for maintaining suppliers on Approved Suppliers List
- ❑ Forum for sharing procurement and supplier quality issues

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NUPIC Information

- ❑ Secure website with information on 800 suppliers with 400 supported by joint audits
- ❑ NUPIC audits are performed for suppliers with 5 or more member users
- ❑ Perform approximately 150 joint audits annually

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NUPIC Advantages

- ❑ Industry-wide standardized approach to conducting performance based supplier audits
- ❑ Diverse audit teams from different utilities
- ❑ Technical specialist participation required

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NUPIC Advantages

- ❑ Feedback from peer reviews and supplier feedback
- ❑ Existing infrastructure for information and resource sharing can be expanded
- ❑ Foundation in place for performing new plant supplier audits

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Challenges

- ❑ Increased use of new and international suppliers
- ❑ Complex regulations, standards and guidance for procurement
- ❑ Need to effectively communicate these requirements through contracts
- ❑ Increased manufacturing pressure for existing suppliers

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Fraudulent Materials

- ❑ Beginning to see an increase in fraudulent products
- ❑ Not a new issue
- ❑ Industry addressed in early 90's through Comprehensive Procurement Initiative
- ❑ Heightened industry awareness of potential for fraudulent items

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Fraudulent Item Detection

- ❑ Increased engineering involvement in procurement processes
- ❑ Emphasized technical verification of product quality
- ❑ Developed commercial grade dedication process
- ❑ Enhanced tests and inspections
- ❑ Implemented performance based supplier audits

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NUPIC New Plant Activities

Audits

- ❑ Developing process to incorporate new plant scope into NUPIC audits and implementing in 2008
- ❑ Identified additional suppliers that may be added to the NUPIC schedule

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NUPIC New Plant Activities

Audits

- ❑ Evaluating Checklist for enhancements
 - sub-tier supplier oversight
 - fraudulent item detection
 - stability of supplier QA program and operations

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NUPIC New Plant Activities

Training

- ❑ Provided Lessons Learned training at February 2008 NUPIC Auditor Conference
- ❑ Evaluating standardized lead auditor training and qualification methodology

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NUPIC New Plant Activities

Training

- ❑ Training for suppliers/contractors:
 - NUPIC vendor meetings
 - NEI initiatives
 - EPRI training
 - NIAC opportunities

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NUPIC New Plant Activities

Industry Interfaces

- ❑ NIAC - Major objective is to enhance sub-tier supplier oversight
- ❑ EPRI JUTG - Collaborate and develop joint solutions for procurement related issues
- ❑ Plan to explore coordination of sub-tier oversight with major suppliers

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NUPIC New Plant Activities

Surveillance

- ❑ Identify suppliers and major components for joint oversight
- ❑ Develop templates/checklists for oversight of manufacturing, engineering, specific components, modular construction

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NUPIC New Plant Activities

Surveillance

- ❑ Define standard requirements for qualification/certification of surveillance personnel (NQA1, N45.2.6, etc.)
- ❑ Modular construction - Need to learn more about process and how to perform oversight

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