

IN RESPONSE, PLEASE
REFER TO: M090603

June 12, 2009

MEMORANDUM TO: R. W. Borchardt
Executive Director for Operations

FROM: Annette Vietti-Cook, Secretary **/RA/**

SUBJECT: STAFF REQUIREMENTS MEMORANDUM – BRIEFING ON
NEW REACTORS – COMPONENT FABRICATION AND
OVERSIGHT, 9:30 A.M. AND 1:30 P.M., WEDNESDAY, JUNE 3,
2009, COMMISSIONERS' CONFERENCE ROOM, ONE WHITE
FLINT NORTH, ROCKVILLE, MARYLAND (OPEN TO PUBLIC
ATTENDANCE)

The Commission was briefed by an industry panel, the NRC staff, and a peer regulator on new reactor fabrication and oversight. Representatives from the Nuclear Energy Institute (NEI), Westinghouse, Mitsubishi Heavy Industries, Ltd., and Invensys Process Systems discussed the industry's efforts to maintain the integrity of the supply chain, historical quality issues, and challenges facing vendors and engineering, procurement, construction contractors (EPCs) in a global nuclear market. The NRC staff provided an overview of the new reactor vendor inspection program and discussed vendor oversight, lessons learned, and global regulatory cooperation in vendor oversight. A representative from the Autorité de Sûreté Nucléaire (ASN) provided an overview of the French regulatory oversight of nuclear vendors, insights on international cooperation among regulators in vendor inspections and lessons learned related to vendor oversight from the French regulatory perspective.

The staff should continue to maintain a focus on the global supply chain, vendor oversight, and quality of components for the operating and new reactors, working with industry, vendors, and international regulators to prevent counterfeit, fraudulent, and substandard items. The staff should continue to seek insights from other industries' and countries' efforts to ensure quality and regulate fabricated components, and inform the Commission of the legal constraints of relying on vendor inspection results of other foreign regulators.

The staff should consider increasing the number of suppliers/vendors that are inspected each year and inform the Commission if additional resources are needed to achieve the appropriate number of vendor inspections.

cc: Chairman Jaczko
Commissioner Lyons
Commissioner Klein
Commissioner Svinicki
OGC
CFO
OCA
OIG
OPA
Office Directors, Regions, ACRS, ASLBP (via E-Mail)
PDR