



NUPIIC

THE FUTURE TODAY

NUCLEAR PROCUREMENT ISSUES COMMITTEE

“Did You Know?”



Brian L. Mervak

South Carolina Electric & Gas

Did You Know – NUPIC Created

- **NUPIC Created in 1989**
 - NUMARC 90-13 “Comprehensive Procurement Initiative”
 - NRC Generic Letter 91-05 – Failures in Licensee Commercial Grade dedication programs
 - EPRI NP-6630 – Guideline for Performing Performance Based Audits



Did You Know – Why NUPIC?

- Provide a means for members to share audits of common vendors, thus reducing inefficiency in individual utility audits
- Provide consistent quality audits and surveys meeting all member regulatory requirements
- Develop and maintain checklists and processes supporting members needs.
- Provide audit staffing and scheduling based on continued updates from audits performed



Did You Know – NUPIC 2016

- NUPIC Currently has 41 Members
 - 24 U.S. Nuclear Utilities
 - 12 International Utilities
 - 5 Decommissioned Utilities



NUPIC Savings

- 41 members can share 260 SR audits and 50 CG Surveys which are posted on the NUPIC database for immediate download.
- Typical cost to the average utility is to supply 5 audit team leads, 16 audit team members, and 5 Technical specialists.
- Typical resource saving to the utility member is \$1,000,000 per year
- Typical saving to vendor is ?



NRC Cooperation

- NRC observes NUPIC audits annually to ensure the process continues to perform at a high level and is effective
- NUPIC supports NRC in the area of 10 CFR 21 process verification and assuring that the Suppliers' corrective action process "connects" with the 10 CFR 21 evaluation process
- NRC attends NUPIC meetings and maintains communication on supplier quality issues



Memorandum of Understanding

- Sets forth the basic provisions to:
 - Provide a cooperative program for the evaluation of vendor performance
 - Provide a forum for discussion of procurement quality assurance issues
 - Provide an interface for procurement quality assurance activities
- Describes the NUPIC organizational makeup
- Describes NUPIC operation and meeting frequency
- Describes equitable and cooperative participation



NUPIC Charter

- Supplements the MOU
- Describes who can be a member
- Defines Member responsibilities
- Defines voting rights for members
 - 80% majority necessary to approve MOU and Charter changes
- Describes cooperation with EPRI
- Describes member audit commitments



Organizational Structure

- Steering Committee
 - Chair – Brian Mervak, SCE&G
 - Vice Chair – Mark Coren, Duke Energy
 - Secretary – David Soward, Xcel Energy
 - Treasurer - Greg Przyjemski, Talen Energy
 - Region 1
 - Region 2 – Steve Lusk, TVA
 - Region 3 – Tom Cannon, Bruce Power
 - Region 4 – Earl Mayhorn, AmerenUE
 - International – Dave Essensa, New Brunswick Power
- Member Utilities
- EPRI
- Standing Committees



NUPIC Standing Committees

- Vendor Interface Committee
- Process Management Committee
- Nuclear Fuel Committee
- IT Committee
- Member Performance Monitoring Committee
- Vendor Performance Monitoring Committee
- Vendor Performance Improvement Groups
- Training Committee
- ILAC Committee
- Learning Opportunity Review Committee



NUPIC Meetings

- February – Auditor Conference and General membership meeting
- June – Vendor Conference and General Membership meeting. NRC Vendor conference Biennially
- October – Joint Fuel Affinity group meeting and NUPIC General Business Meeting



What's New?

- Improving supplier Feedback – Your feedback is important to us and drives improvement
- NUPIC Inc. – Non-Profit LLC



What's New

- **Self Assessment** – Evaluation of significant NUPIC processes – driving improvement
- **Delivering the Nuclear Promise** – looking for efficiencies in NUPIC processes
 - Audit Frequency
 - Team Sizes
 - Auditing large suppliers
 - Auditing suppliers with multiple locations
 - Use of ILAC in lieu of Commercial Grade Survey



NUPIC Training

- February Annual Auditor Training Conference
 - Focus on training for NUPIC auditors on new processes, procedures, and various issues
 - Training in 2017 will be supported by EPRI JUTG (Procurement Engineering Organization)
 - Proposed training in 2018 to provide a workshop, such as Commercial Grade Dedication, with auditors, JUTG, and Manufacturers
- Annual NUPIC Lead Auditor Training



Radiological Audit Checklist

- Issued November 2015
 - RG 4.15 – Radiochemistry Analysis
 - RG 1.143 – Waste Management Systems
 - 10 CFR 71 – Packaging/Transport
 - 10 CFR 61 – Waste Disposal
- Developed as stand alone checklist or supplement to the NUPIC checklist



NUPIC Finding Resolution

- 16 Suppliers have findings open > 1 year
- 5 Suppliers with findings open > 2 years
- 2 Suppliers with findings open > 3 years



NUPIC Finding Resolution

- Lead Auditor/Utility follow-up responsibility improvement
 - Monitoring Lead Utility performance in audit follow up and closure of findings
 - Encouraging “smart” Findings
 - Initiating Lead Utility processes for finding escalation
 - NUPIC process to escalate finding resolution to the NUPIC Steering Committee
 - Escalation communication through utility and supplier senior management
 - Encouraging use of industry resources (EPRI, NSCSL) to support suppliers in resolving difficult issues.
- This is a NUPIC Member Performance Measure



NUPIC Finding Resolution

- Supplier Responsibility
 - Understand each finding before the audit exit
 - Challenge findings if there is disagreement
 - Be conscientious in responding to the lead utility and resolving the issues
 - Be sincere and pursue each issue as an improvement opportunity
- This is a NUPIC Vendor Performance Measure



NEI 14-05A - ILAC

- NEI 14-05A Rev. 0 – Guidelines for the use of Accreditation in Lieu of Commercial Grade Surveys for Procurement of Laboratory Calibration and Test Services, March 2015
 - Includes International accredited suppliers
 - Includes Test services
- AmerenUE SER Issued April 1, 2016 by NRC; ML14322A535





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Questions

25th Annual Vendor Conference

