



UNITED STATES
NUCLEAR REGULATORY COMMISSION
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August 31, 2022

MEMORANDUM TO: Chris G. Miller, Director
Division of Reactor Oversight
Office of Nuclear Reactor Regulation

FROM: Kerri A. Kavanagh, Branch Chief
Quality Assurance Vendor Inspection Branch
Division of Reactor Oversight
Office of Nuclear Reactor Regulation

SUBJECT: TRIP REPORT BY THE NUCLEAR REGULATORY
COMMISSION STAFF OF THE ELECTRIC POWER
RESEARCH INSTITUTE JOINT UTILITY TASK GROUP
PROCUREMENT FORUM

Kerri Kavanagh Signed by Kavanagh, Kerri
on 08/31/22

On August 2 - 4, 2022, Aaron Armstrong and Andrea Keim of the Office of Nuclear Reactor Regulation, Division of Reactor Oversight, attended the Electric Power Research Institute (EPRI) Joint Utility Task Group Procurement Forum in Clearwater, Florida. The procurement forum provides open communication for EPRI members and their suppliers to discuss issues related to procurement engineering. The purpose of the staff's participation was to inform industry stakeholders on current regulatory guidance and trends in inspection findings with potential impact on procurement issues. The trip report of the staff's participation and observations is enclosed.

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SUBJECT: TRIP REPORT BY THE NUCLEAR REGULATORY COMMISSION STAFF
OF THE ELECTRIC POWER RESEARCH INSTITUTE JOINT UTILITY TASK
GROUP PROCUREMENT FORUM DATED AUGUST 31, 2022

Enclosure:
Trip Report

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TRIP REPORT BY THE NUCLEAR REGULATORY COMMISSION STAFF OF THE ELECTRIC
POWER RESEARCH INSTITUTE JOINT UTILITY TASK GROUP PROCUREMENT FORUM

Subject

This trip report documents the participation and observations made by members of the Nuclear Regulatory Commission's (NRC's) Office of Nuclear Reactor Regulation (NRR), Division of Reactor Oversight (DRO), during the Electric Power Research Institute (EPRI) Joint Utility Task Group (JUTG) Procurement Forum held on August 2 - 4, 2022, in Clearwater, Florida.

Background/Purpose

The JUTG, sponsored by EPRI, was formed in 1989. The purpose of the JUTG is to provide open communication amongst utilities and suppliers to discuss issues related to procurement engineering. The JUTG is comprised of procurement engineering, quality assurance, and management personnel from various utilities and equivalent positions from suppliers.

The purpose of the NRC staff's participation at this forum was to inform industry stakeholders on current regulatory guidance and trends in inspection findings with potential impact on procurement issues. Additionally, the NRC staff identifies and addresses issues of concern that need clarification regarding regulatory compliance for implementation of procurement processes.

Discussion

Topics of regulatory interest discussed during the forum included procurement engineering concepts, reverse engineering, procurement oversight of sub-suppliers, commercial-grade dedication methodologies, additive manufacturing, parts obsolescence issues and industry development of Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.69 risk informed procurement activities and industry knowledge management transfer issues. These were presentations provided by licensees, EPRI representatives and major suppliers to the nuclear industry. All the questions and clarifications that were raised during the presentations were not new to the NRC staff.

The NRC staff provided an update which included trends in inspection findings. The NRC staff also discussed issues noted during an inspection with the implementation the NRC's revised safety evaluation (SE) for implementing the Nuclear Energy Institute's (NEI's) 14-05A, "Guidelines for the Use of Accreditation in Lieu of Commercial Grade Surveys for Procurement of Laboratory Calibration and Test Services," Revision 1. The NRC staff also discussed the draft Inspection Procedure (IP) 71111 Attachment 21N.03 on commercial-grade dedication. In addition, the NRC staff presented the Office of Inspector General audit report findings on Counterfeit Fraudulent and Suspect Items (CFSI) and the associated special inquiry report. The NRC also discussed the agency's corrective actions in response to the reports. The slides from the staff's presentation are publicly available in Agencywide Documents Access and Management System (ADAMS) via accession number ML22199A222.