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Westinghouse Electric Company's Challenges with Vendors and Sub-tier Suppliers

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Re-commencement of nuclear construction has amplified challenges in procurement QA

- Program and performance control:
 - New suppliers
 - Suppliers reintroduced to nuclear
 - Sub-tier suppliers
 - First of a kind scope
- Developing and cultivating suppliers'
 - Human Performance Programs
 - Nuclear Safety Culture
 - Commercial grade dedication programs
- Implementing an oversight program that can effectively oversee 600+ suppliers



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Operating Experience has Driven Proactive Process Improvements

1. Layers of oversight/graded approach
 - Aimed at prediction and prevention
 - Also provides for detection and containment
2. Moving oversight earlier in value stream
 - Supplier Audit and QSL Improvement Program
 - Supplier Quality Readiness Reviews
 - Proactive Surveillance program & W/H points
3. Systematic monitoring, measuring & trending
 - Supplier performance metrics – multiple dimensions
 - Supplier Dashboard and rankings
 - Bi-Weekly Senior Management Reviews (SQEC)
 - Strengthened oversight of suppliers' CAPs
4. Focused NSC training and Monitoring



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Proactive Surveillance

- Performance based
 - Risk informed
 - Technical
 - Behaviors
- Compliance based
 - Purchase order requirements
 - Regulatory requirements
- Scheduled and unscheduled
 - Should be a planned event for our personnel but not for the supplier
 - Need to observe candid and routine behaviors, practices and controls
- Results shall be documented
 - Findings shall be Codified & Trended

Proactive Surveillance is NOT necessarily:

- An inspection
 - Although, we can specify inspection as a Proactive Surveillance tool
- A witness / hold point
 - Although, we can specify WHP as a Proactive Surveillance tool
- An Audit
 - Although we can specify audit as a Proactive Surveillance tool

Goal = Integrated Team - Collaboration on data Analysis / trends. Identify Risk Areas Focus oversight

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Measure and Analyze Supplier Quality Dashboard

- Routine (monthly) tracking of multiple dimensions of **Quality Performance** to identify trends for suppliers:
 - Systematic process to identify & predict declining scores
 - Data driven identification of suppliers requiring additional attention and action

Underlying data used on a monthly basis to:

- Trend and identify any declining performance
- Predict and determine actions to avoid issues

Provide systematic identification of supplier ranking/score for enhanced actions, attention and management reviews

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Success Factors / Lessons Learned

- Oversight and control of suppliers is critical to project & industry success
- Strategy for Oversight
 - Integrate layers of oversight with engineering, licensing and SCM oversight
 - Establish oversight early in the value stream
 - Multiple processes with proactive oversight
- Supplier Selection & Risk Planning/Mitigation
 - Apply a risk informed, performance based approach. Be picky
 - Performance data to enable prediction & prevention, before & after selection
 - Coach and mentor your suppliers to increase assurance of conformance
 - Frequent review w/ Systematic monitoring & trending & adjusting
- Procurement Processes
 - Believe it - safety culture and quality culture are directly proportional
 - Incentivize and motivate compliant performance
 - Maintain a manageable QSL
- Be self-critical and drive internal process improvements

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Questions?



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