

NUCLEAR INDUSTRY ASSESSMENT CORPORATION SHARED AUDIT PROGRAM EXECUTIVE SUMMARY

This description is intended to provide you with an understanding of the Nuclear Industry Assessment Corporation (NIAC) and the NIAC Shared Audit Program.

NIAC was formed in 2015 as a result of an industry initiative to share the results of supplier assessments (audits) among industry companies, thereby reducing the number of external assessments on the supplier. The program is similar to the joint audit program operated by utilities through the Nuclear Procurement Issues Committee (NUPIC) except membership is limited to nuclear industry suppliers, joint assessments are not conducted and assessments are shared only with member companies which have a bona fide business relationship with the assessed supplier.

As a unified industry organization, NIAC provides a cost and quality effective program for the performance of assessments and the sharing of assessment results.

The NIAC Shared Audit Program is based on a standardized approach for the performance of supplier assessments, utilizing a standard assessment checklist approved by all members of NIAC. The assessment checklist delineates those criteria of 10CFR50 Appendix B, 10CFR21, 10CFR71 Subpart H, 10CFR72 Subpart G, ANSI N45.2, ASME NQA-1, ASME NCA-4000 and/or NCA-3300, which are applicable to nuclear suppliers for the item or service being supplied by that supplier.

NIAC members perform assessments on suppliers common to at least one other NIAC member with the results then shared by all NIAC members, which utilize the assessed supplier. Performing and sharing assessment results realize the following benefits:

- Supplier quality assurance programs are evaluated using a consistent basis.
- Standard methodology is utilized for the performance of supplier assessments.
- Member companies save on assessment costs by the sharing of assessment results.
- Suppliers save on assessment costs by a reduction in the number of assessments conducted.
- Interface and cooperation between industry peers is increased.

A ratio technique is used to assure that all NIAC member companies perform and receive assessments commensurate with their needs and resources. Thus, regardless of member company size or needs, each shares the burden of performing while enjoying the benefits of sharing, usually by each company performing one assessment for every three assessments received.

The NIAC Shared Audit Program is administered in accordance with the following general provisions: Assessments are usually performed by auditors from the assessing member's company and are performed and documented in accordance with the member company's QA program. Joint member assessments are not performed. NIAC member companies which have expressed an interest in the assessment report and which are customers of the assessed supplier are identified to the assessed supplier, who concurs with report distribution prior to conduct of the assessment. Any additional report distribution to other NIAC members after assessment performance is also subject to prior written consent of the assessed supplier. Member companies receive a copy of all assessment data, including the assessment report, assessment checklist and all identified findings and observations. The receiving member companies then evaluate the assessment report and associated data in accordance with their own QA programs to determine if the supplier is qualified for their particular needs.

NIAC membership is open to all suppliers of goods and services for the nuclear industry who maintain a 10CFR50 Appendix B quality program, and accept 10CFR Part 21.

Should you have any questions, please discuss them with your NIAC member auditor or contact one of the NIAC officers.