



NRC Perspectives on Dedication and Counterfeit Products

EPRI JUTG Meeting
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TOPIC AREAS

1. Dedication: The NRC's Role and Expectations
2. EPRI JUTG's Role
3. Generic Communications
4. Recent Counterfeiting Concerns



Dedication: The NRC's Role and Expectations

- The NRC continues to expect that a Commercial-Grade Dedication (CGD) Program will effectively assure the quality of vendor products.
- The NRC recognized the increased reliance on CGD.
- The NRC is evaluating information sources on counterfeit products.



EPRI JUTG'S ROLE

- The EPRI JUTG has the expertise in Commercial-Grade Dedication.
- What is the JUTG considering:
 - Updating and Expanding the JUTG Templates?
 - Creating new JUTG Templates (i.e. for Software V&V, Digital I&C, etc...)?
 - Factor in Counterfeit Products?



EPRI JUTG'S ROLE (cont'd)

“[Regarding counterfeit parts in nuclear power plants,] the NRC depends on industry to be the first line of safety. It is well-known adage around my office that if there is something amiss at a commercial nuclear power plant, the plant owners and operators should find it first.”

- NRC Chairman Dale Klein



Generic Communications: Generic Letter 89-02 “Actions to Improve the Detection of Counterfeit and Fraudulently Marketed Products.”

- Focused on effectiveness of licensees’ **commercial grade dedication programs.**
- Shared NRC’s perspectives on ways to address concerns with dedication and counterfeit products:
 - Engineering involvement in the procurement process.
 - Product acceptance programs.
 - Dedication programs.



Generic Communications: IN 89-70, “Possible indications of Misrepresented Vendor Products.”

- IN 89-70 listed **common characteristics** of misrepresented products. Here are some:
 - Low cost and fast delivery – Too good to be true
 - The OEM is no longer in business
 - Product is marketed by one supplier and drop shipped from another
 - Unusual packaging
 - Missing or non-matching tag
 - Improper dimensions
 - Wear marks



Recent Counterfeiting Concerns

- Ladish Valves
- Square D Molded-Case Circuit Breakers
- Many recent non-nuclear examples in the news every day

 A Good Dedication Program is Vital.



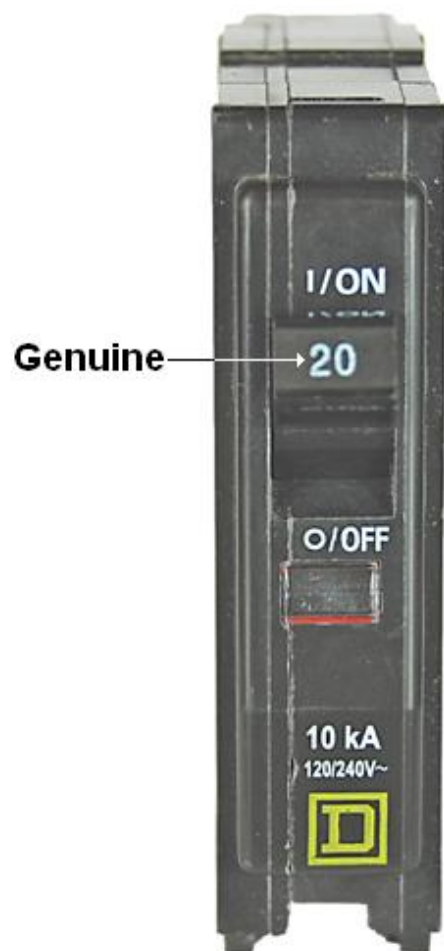
Ladish Valve



Counterfeit



Square D Breakers

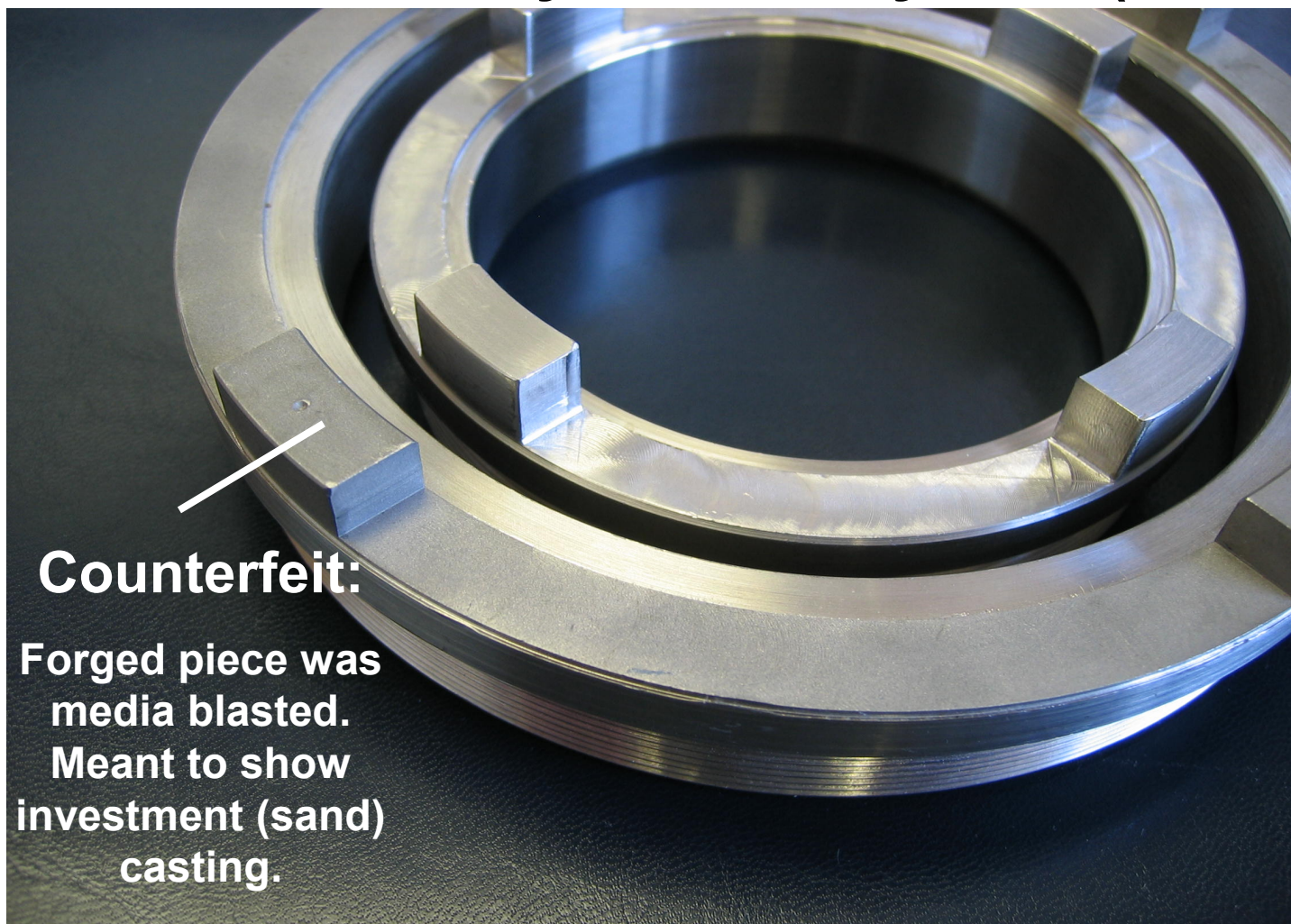


Press Release:

U.S. Consumer Product
Safety Commission
December 27, 2007,



Seat Ring from Masoneilan Dresser Valves destined for Safety Related system (1980's)





Generic Communications Listed in GL 89-02

Counterfeit Products	
Bulletin 87-02 (with supplements)	Fastener Testing to Determine Conformance with Applicable Material Specifications
Bulleting 88-05 (with supplements)	Nonconforming Material Supplied by Piping Supplies, Inc., at Folsom, New Jersey and West Jersey manufacturing Company at Williamstown, New Jersey
Bulletin 88-10	Nonconforming Molded-Case circuit Breakers
Information Notice 88-19	Questionable Certification of Class 1E Components
Information Notice 88-46	Licensee Report of Defective Refurbished Circuit Breakers
Inadequate Dedication	
Information Notice 87-66	Inappropriate Application of Commercial-Grade Components
Information Notice 88-35	Inadequate Licensee Performed Vendor Audits



Other Generic Communication on Counterfeiting

Information Notice 88-48 (with supplements)	Licensee Report of Defective Refurbished Valves
Generic Letter 89-02	Actions to Improve the Detection of Counterfeit and Fraudulently Marked Products
Information Notice 89-03	Potential Electrical Equipment Problems
Information Notice 89-39	List Of Parties Excluded From Federal Procurement Or Non-Procurement Programs
Information Notice 89-45 (with supplements)	Metalclad, Low-Voltage Power Circuit Breakers Refurbished With Substandard Parts
Information Notice 89-56	Questionable Certification Of Material Supplied To The Defense Department By Nuclear Suppliers
Information Notice 89-59 (with supplements)	Suppliers Of Potentially Misrepresented Fasteners
Information Notice 89-70 (with supplements)	Possible Indications Of Misrepresented Vendor Products



Other Generic Communication on Counterfeiting

(cont'd)

Information Notice 90-46	Criminal Prosecution Of Wrongdoing Committed By Suppliers Of Molded-Case Circuit Breakers And Related Components
Information Notice 90-57 (with supplements)	Substandard, Refurbished Potter & Brumfield Relays Represented As New
Generic Letter 91-05	Licensee Commercial-Grade Procurement and Dedication Programs
Information Notice 91-09	Counterfeiting Of Crane Valves
Information Notice 92-22	Criminal Prosecution And Conviction Of Wrongdoing Committed By A Commercial-Grade Valve Supplier
Information Notice 92-56	Counterfeit Valves In The Commercial Grade Supply System
Information Notice 92-68 (with supplements)	Potentially Substandard Slip-On, Welding Neck, And Blind Flanges
Information Notice 93-43	Use Of Inappropriate Lubrication Oils In Safety-Related Applications



Other Generic Communication on Counterfeiting

(cont'd)

Information Notice 93-73	Criminal Prosecution Of Nuclear Suppliers For Wrongdoing
Information Notice 95-12	Potentially Nonconforming Fasteners Supplied By A&G Engineering II, Inc.
Part 21 1995-212	Aerofin - Cardinal Industrial Products capscrews
Part 21 1996-06-4	Aerofin - Cardinal Industrial Products capscrews
Information Notice 96-40	Deficiencies In Material Dedication And Procurement Practices And In Audits Of Vendors
Part 21 1997-06-0 through 1997-06-3	Limitorque - counterfeit component
Information Notice 07-19	Fire Protection Equipment Recalls And Counterfeit Notices



Questions or Comments?

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References can be found on the NRC website:

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