2016 Supply Chain Collaboration Event

Common Defects at Receipt

Common Defects at Receipt

Discussion Topics

- Receiving Process

- Supplier Performance

- Top 5 Common Defects Found At Receipt

- Example of Common Defects & What We Can Do Better

- Pluses and Minuses on Topics

Receiving Process

Our receiving process is established to ensure we receive quality compliant materials that support the completion of the WTP. Supplier support and performance is the key to reaching our Project Mission and Goals.

The next slide illustrates the process to ensure quality compliant material are received and the off ramps that occur when defects are found.

Receiving (Unsatisfactory, Overage, Shortage, and Damage (UOS&D) Process Flow Chart
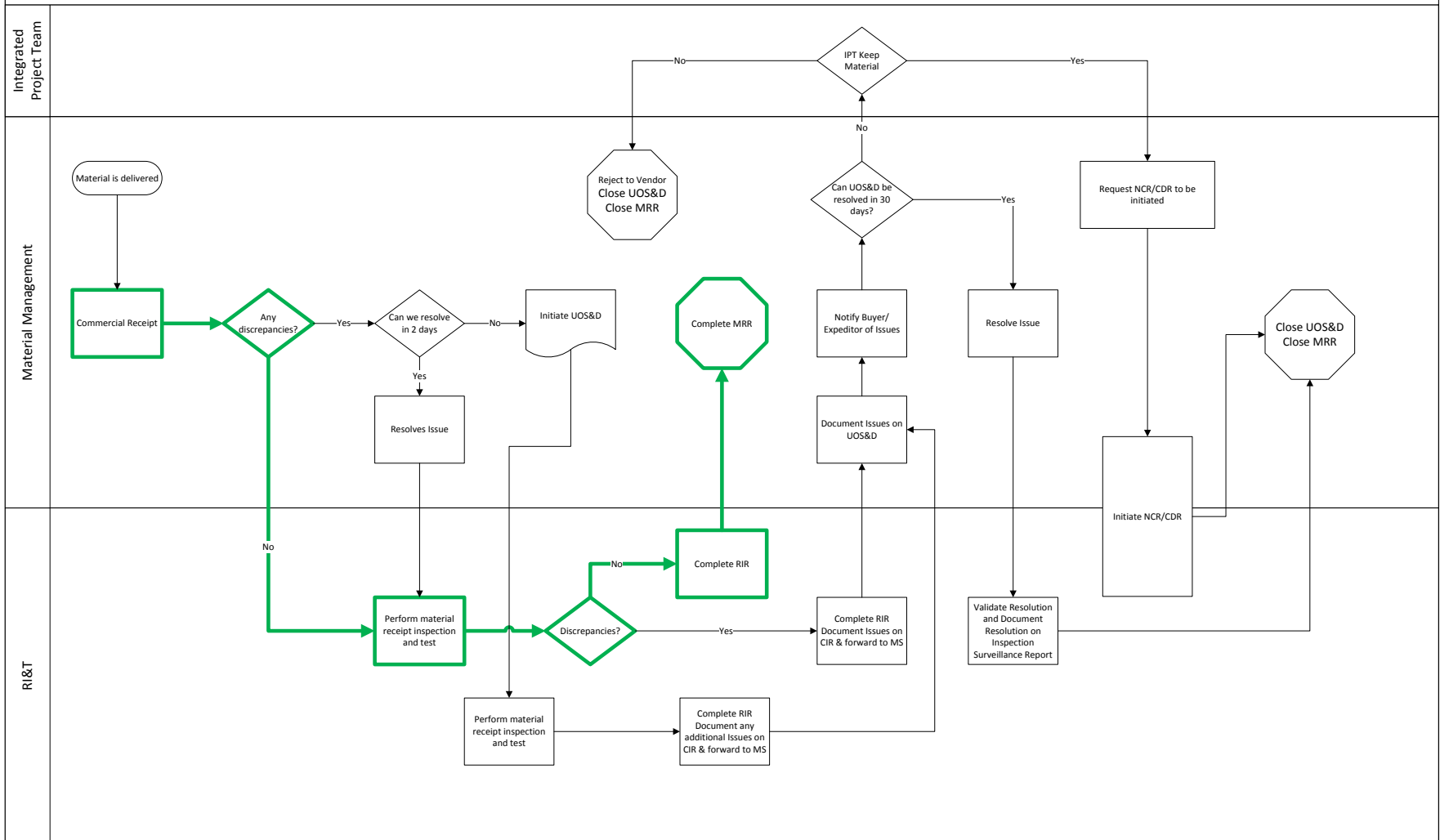
Supplier Performance Trending

Supplier performance affects our Project Mission and Goals. We measure that performance in multiple areas. These areas include schedule performance, technical performance and quality performance for each purchase order.

In support of WTP Project Health initiatives, the WTP Supplier Quality organization has taken the discussed data and developed supplier performance metrics.

The metrics measure various aspects of shop surveillance discoveries, discoveries upon receipt and discoveries during installation.
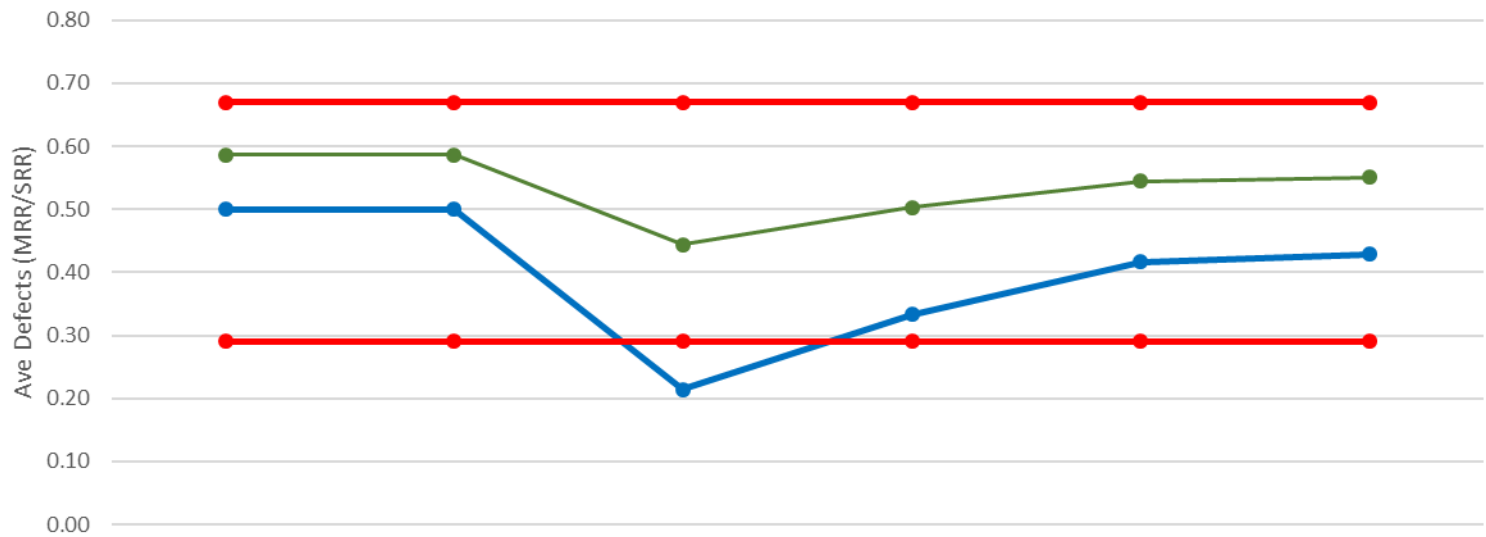
Supplier Performance Metrics - WTP

The inputs to these metrics consist of validated defects. We analyze the data monthly to determine if improvement opportunities exist.

The end result provides us with data to present to project management and gives us a vehicle to discuss any trending issues with our supply base.

The next two slides provide examples of the metrics we have currently implemented for receipt activities.
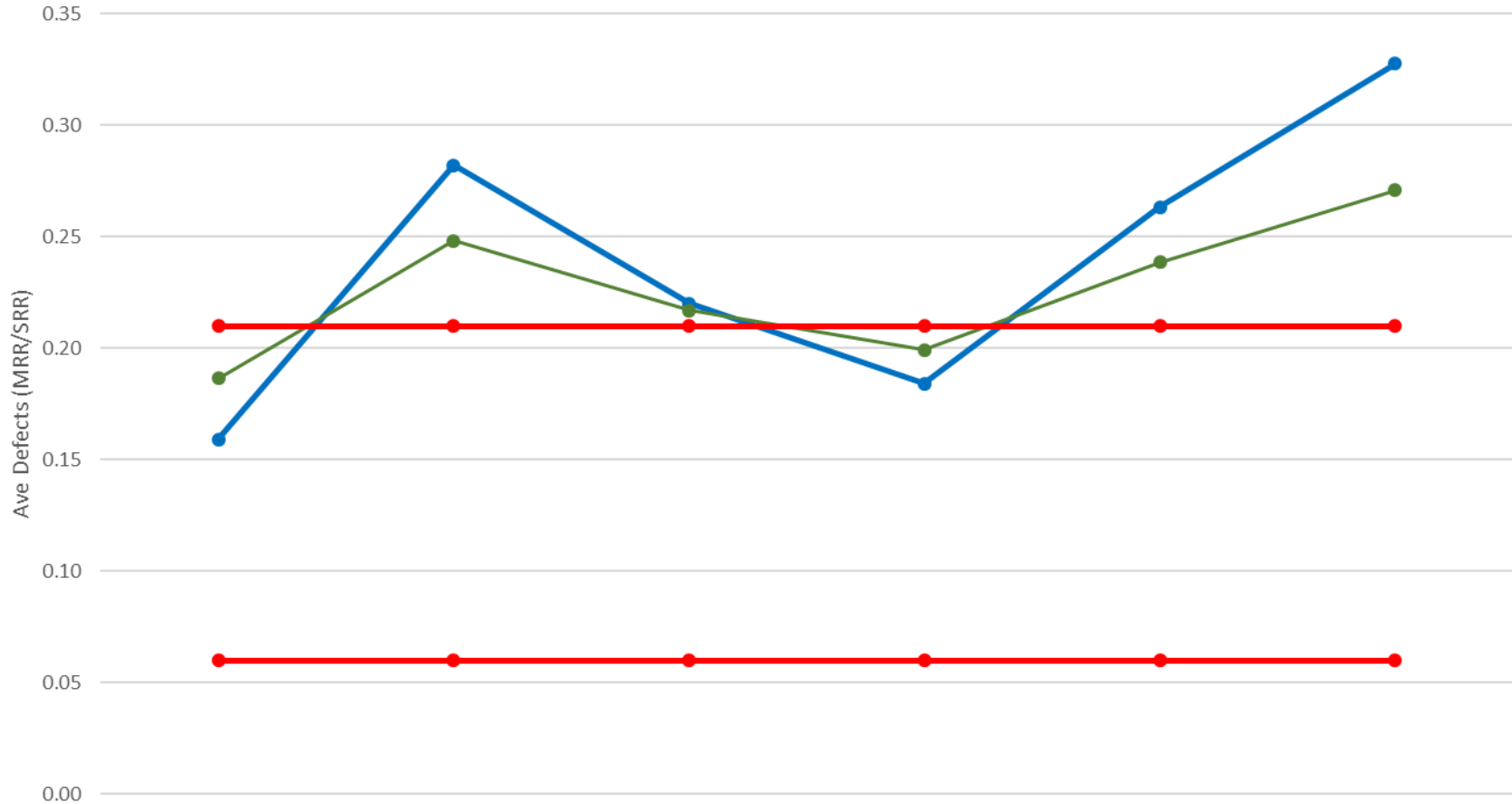
Supplier Performance Metrics
Defects at Receipt Levels 1-4 – SPD Codes/Month

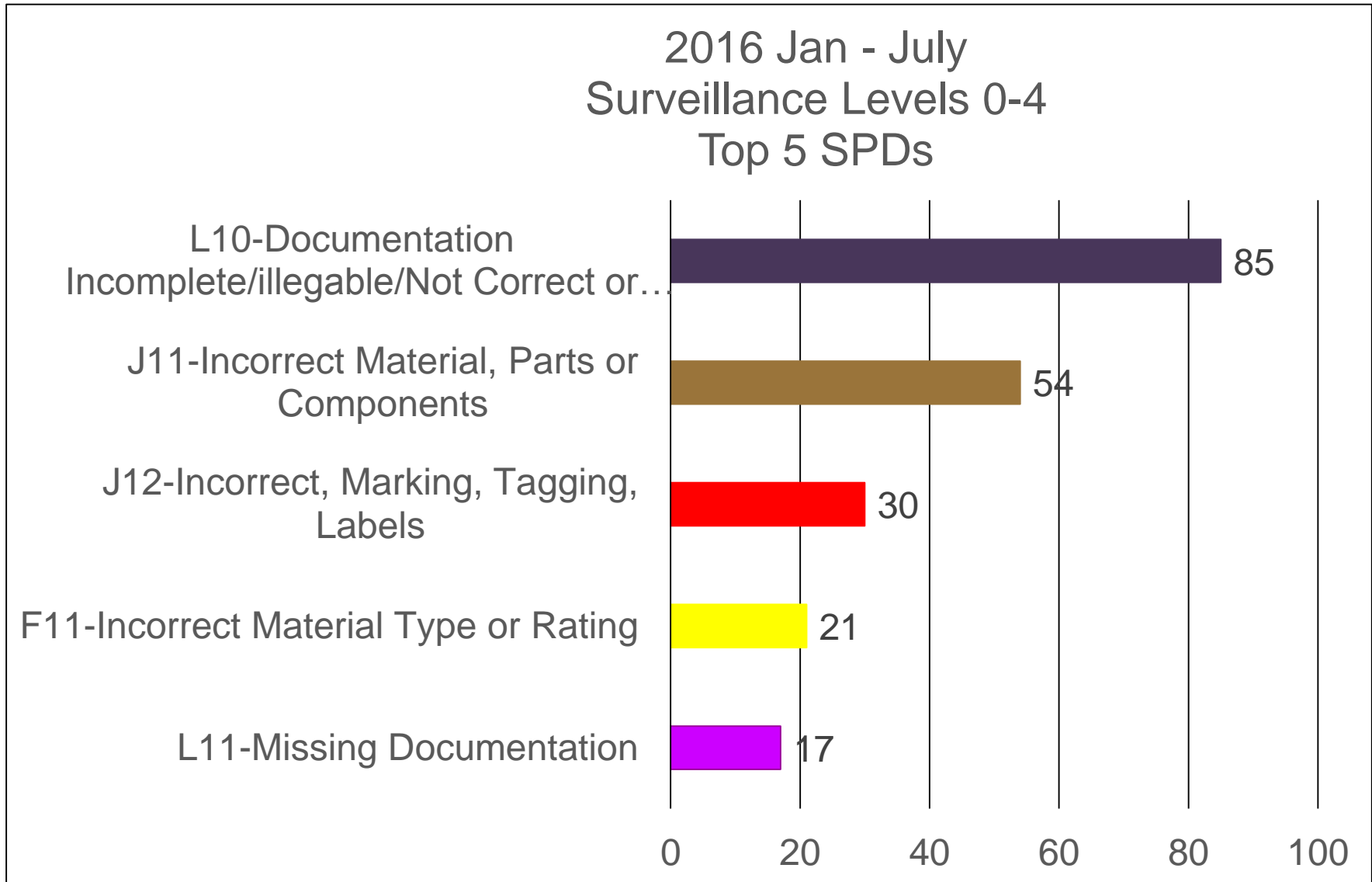|	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Def/MRR	0.50	0.50	0.21	0.33	0.42	0.43
Running Ave	0.59	0.59	0.44	0.50	0.55	0.55
Upper Control	0.67	0.67	0.67	0.67	0.67	0.67
Lower Control	0.29	0.29	0.29	0.29	0.29	0.29

Supplier Performance Trending-Continued
Defects at Receipt Levels 0 – SPD Codes/Month

	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Def/MRR	0.16	0.28	0.22	0.18	0.26	0.33
Running Ave	0.19	0.25	0.22	0.20	0.24	0.27
Upper Control	0.21	0.21	0.21	0.21	0.21	0.21
Lower Control	0.06	0.06	0.06	0.06	0.06	0.06

Top 5 Common Defects Found At Receipt

2016 Jan - July
Surveillance Levels 0-4
Top 5 SPDs

Defect	Count
L10-Documentation Incomplete/illegable/Not Correct or…	85
J11-Incorrect Material, Parts or Components	54
J12-Incorrect, Marking, Tagging, Labels	30
F11-Incorrect Material Type or Rating	21
L11-Missing Documentation	17

Example of Documentation Incomplete / Illegible / Not Correct or Traceable
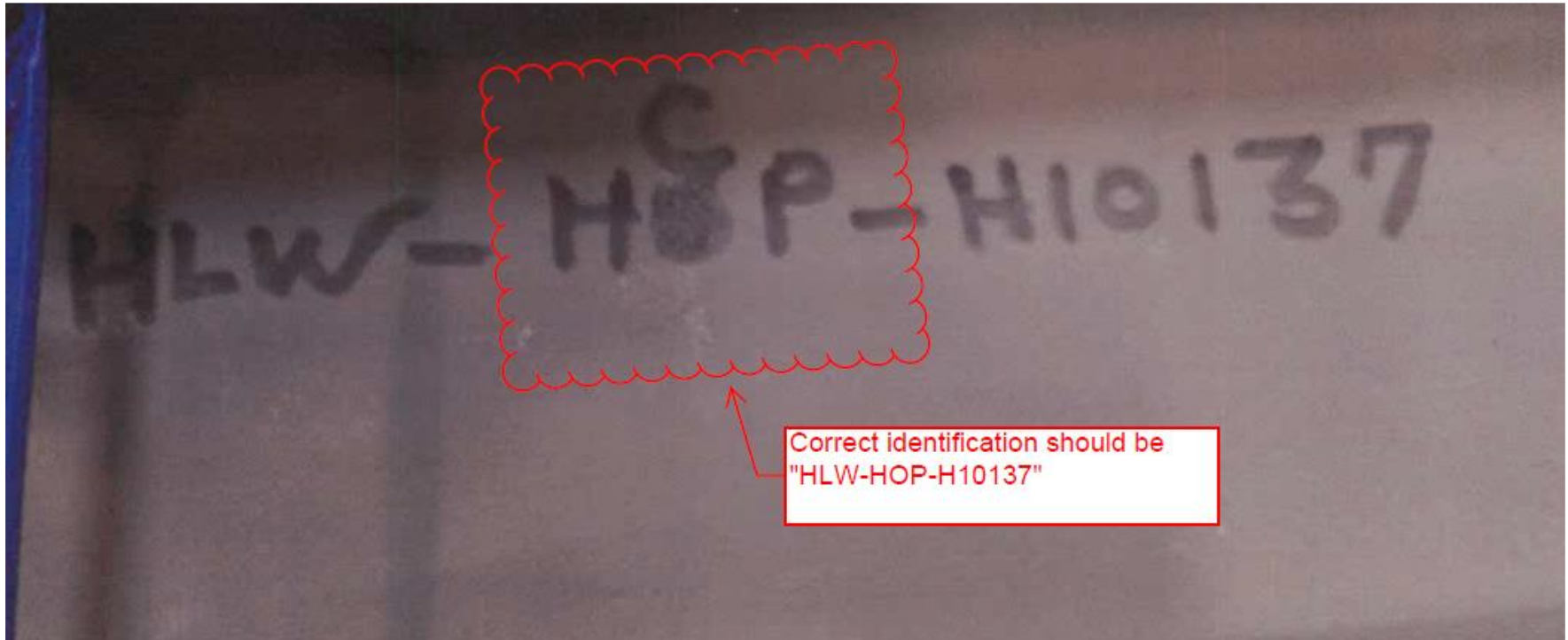
Example of Incorrect Material, Parts or Components.

Example of Common Defects & <u>What We Can Do Better</u>

Example of Incorrect Marking, Tagging, Labels

Correct identification should be "HLW-HOP-H10137"

Example of Common Defects & <u>What We Can Do Better</u>

Example of Incorrect Material Type or Rating
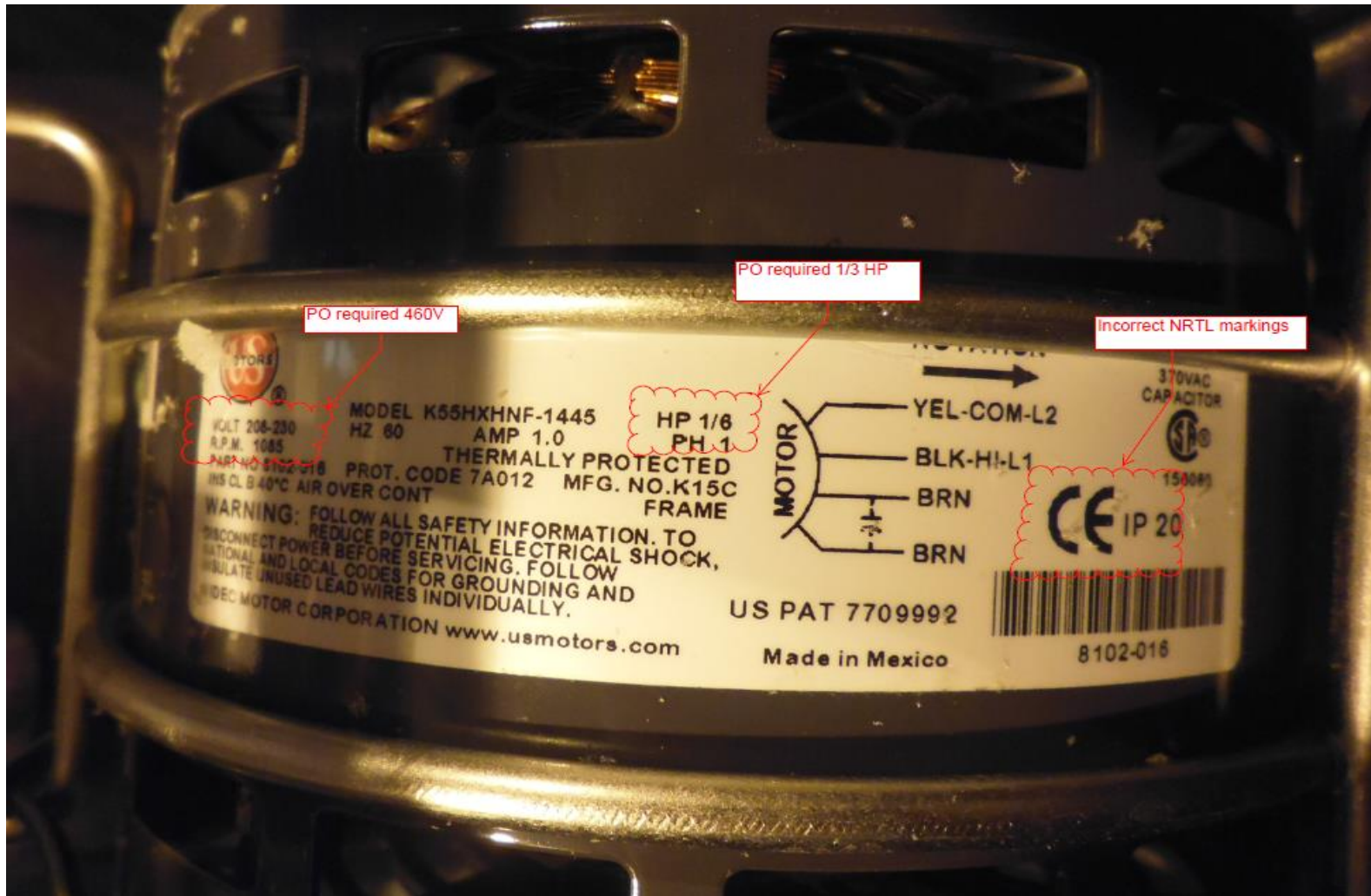
Examples of Missing Documentation

- NDE reports (RT, VT, PT reports)

- PMI records

- Supplier Deviation Document Requests

- Commercial Grade Dedication Records

- G-321-V not provided for Line items delivered

- Weld Maps

- Test Reports (Electrical and Mechanical)

Plus and Delta on Topics

Were the topics beneficial?

What topics can we address next time?

How does defects at receipt impact you?

What can we do better to limit defects at receipt?