

# Record of Proceedings, Including Reasons for Decision

In the Matter of

Applicant 588972 Alberta Limited, operated as  
Enviropac

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Subject Review by the Commission of the  
Designated Officer Order Issued to  
588972 Alberta Limited on September 15,  
2006 and Licensing Actions

Hearing Dates December 14, 2006 and February 7, 2007

**RECORD OF PROCEEDINGS**

Applicant: 588972 Alberta Limited, operated as Enviropac

Address/Location: 2236 - 80 Ave NW, Edmonton, Alberta, T6P 1N2

Purpose: Review by the Commission of the Designated Officer Order issued to 588972 Alberta Limited on September 15, 2006 and licensing actions

Order confirmed in part: December 14, 2006

Dates of proceeding: December 14, 2006 and February 7, 2007

Location: Canadian Nuclear Safety Commission (CNSC) Public Hearing Room, 280 Slater St., 14th. Floor, Ottawa, Ontario

Members present: L. J. Keen, Chair  
J. A. Dosman  
M. J. McDill

Secretary: M.A. Leblanc  
Recording Secretary: M. Young  
General Counsel: J. Lavoie/S. Maislin Dickson

<b>Applicant Represented By</b>	<b>Document Number</b>
• R. Masnyck, President and Chief Executive Officer	CMD 06-H159.1
• D. MacDonald, employee of 588972 Alberta Limited	CMD 06-H159.1A
<b>CNSC staff</b>	<b>Document Number</b>
• R. Jammal	CMD 06-H159
• P. Fundarek	CMD 06-H159.A
	CMD 06-H159.B

**Designated Officer Order:** Replaced by Commission Order  
**Storage License:** Suspended in whole  
**Processing Licence:** Suspended in whole  
**Calibration Licence:** Suspended in whole  
**Date of Decision:** May 16, 2007

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## Introduction

1. 588972 Alberta Limited, operated as Enviropac and located in Edmonton, Alberta, currently holds three licences issued by the Canadian Nuclear Safety Commission<sup>1</sup> (CNSC):
  - a storage licence 12127-2-09.1, issued January 1, 2006;
  - a licence to process unsealed nuclear substances 12127-3-09.0, issued October 1, 2004; and
  - a calibration licence 12127-4-09.0, issued October 1, 2004.
2. An inspection of the Enviropac premises conducted by CNSC staff on March 1, 2005 identified many health, safety and security issues of non-compliance. As a result of this non-compliance, CNSC Inspector Order 195 was issued on March 2, 2005. One of the conditions of Order 195 prohibited the acquisition and transfer of nuclear substances and radiation devices.
3. In September 2006, it was decided by the CNSC Directorate of Nuclear Substance Regulation management that an inspection should be carried out to verify the operations at the Enviropac premises. CNSC staff had been unable to obtain a proper inventory from Enviropac, and had information that Enviropac had received, and continued to receive, radiation devices and nuclear substances, contrary to written commitments to CNSC staff that it would cease doing so.
4. On September 14, 2006, CNSC Inspectors were refused entry by Enviropac to the premises identified on the CNSC Licences, namely 2236 – 80 Avenue, Edmonton, Alberta. CNSC Inspectors assisted the City of Edmonton police by providing the information necessary for a Warrant to Search, Identifier Number 06-125614, for the premises for the purpose of verifying compliance with the *Nuclear Safety and Control Act*<sup>2</sup> (NSCA), pursuant to paragraph 30(1)(c) of the NSCA.
5. During its inspection on September 14, 2006, CNSC staff identified with certainty that Enviropac had carried out, and continued to carry out, unlicensed activities, including the servicing of radiation devices, manufacturing of sealed sources, manufacturing of radiation devices and the transfer of licensable material to unlicensed users.
6. During this inspection and as noted in previous inspections, radiation dose rates measured around the premises were found to be elevated. CNSC staff was concerned that the elevated dose rates posed a risk to the public, in addition to all of the other unlicensed activities identified. CNSC staff identified a number of nuclear substances and radiation devices that were improperly labelled, were improperly stored and that were releasing radiation with dose rates significantly in excess of regulatory limits.

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<sup>1</sup> In this *Record of Proceedings*, the *Canadian Nuclear Safety Commission* is referred to as the “CNSC” when referring to the organization and its staff in general, and as the “Commission” when referring to the tribunal component.

<sup>2</sup> S.C. 1997, c. 9.

7. On September 15, 2006, a CNSC Designated Officer, pursuant to his authority under paragraph 37(2)(f) and subsection 35(1) of the NSCA, issued an Order to Enviropac. The Designated Officer Order (Order) required Enviropac to immediately comply with specific actions and measures identified in the Order. Pursuant to the Order, Enviropac was prohibited from carrying out any licensed activities under any of its CNSC licences.
8. On September 20, 2006, pursuant to subsection 37(6) of the NSCA, the Designated Officer referred the Order to the Commission for review to confirm, amend, revoke or replace the Order. The purpose of the review is to provide the person named in or subject to the Order with an opportunity to be heard by the Commission.
9. CNSC staff also recommended that the Commission, in its review, consider including additional conditions in the Order. CNSC staff also recommended that the Commission amend, on its own motion, the storage licence and revoke the calibration licence and the licence to process unsealed nuclear substances.
10. Pursuant to paragraph 40(1)(d) of the NSCA, the Commission provided an opportunity to be heard to Enviropac, as the person subject to and named in the Order.
11. As described in the *Record of Proceedings*<sup>3</sup> from the opportunity to be heard on December 14, 2006, the Commission confirmed the Order in part, but decided to adjourn the hearing to a later date, February 7, 2007, to consider the proposed amendment to the Order and the licensing matters, at the request of the licensee. During the hearing, Enviropac stated that it did not take issue with the four terms of the Order.
12. Enviropac subsequently submitted its review of CNSC staff's proposed amendment to the Order and licensing matters. In its submission, Enviropac did not oppose the proposed amendment of the storage licence and proposed revocation of the calibration licence and the licence to process unsealed nuclear substances. To assist in the preparation of a decommissioning plan, Enviropac proposed an amendment to the Order for the Commission's consideration.
13. Following the proceeding of February 7, 2007, CNSC staff provided supplementary information (CMD 07-H159.B) to the Commission on March 14, 2007. This information detailed an investigation into a sealed source that was last documented to be in the possession of Enviropac and was discovered at a scrap metal recycling facility, as well as a security violation at the Enviropac site. Based in large part on these developments, CNSC staff provided the Commission with revised recommendations concerning the licensing issues and regulatory action to be taken with regard to the licensee.
14. This *Record of Proceedings* describes the Commission's consideration of the proposed amendments to the Order, the proposed revocation of Enviropac's licences, the proposed direction to a Designated Officer, the proposed issuance of an Emergency Order and the reasons for the decision.

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<sup>3</sup> Review by the Commission of the Designated Officer Order Issued to 588972 Alberta Limited on September 15, 2006, December 15, 2006

### Issues

15. In its review of the Order, the Commission is required to amend, revoke or replace the Designated Officer Order issued on September 15, 2006 and confirmed in part by the Commission on December 14, 2006, pursuant to subsection 37(6) of the NSCA.
16. The Commission was also asked to determine whether it would, on its own motion, revoke the storage licence 12127-2-09.1, revoke the calibration licence 12127-4-09.0, and revoke the licence to process unsealed nuclear substances 12127-3-09.0, pursuant to section 25 of the NSCA and paragraph 8(2)(a) of the *General Nuclear Safety and Control Regulations*<sup>4</sup>.
17. The Commission was requested to direct a Designated Officer to seize all nuclear substances and prescribed equipment currently listed in the three CNSC licences issued to Enviropac, pursuant to subsection 9(1) of the *General Nuclear Safety and Control Regulations*.
18. The Commission was also requested to decide whether to issue an Emergency Order to direct CNSC staff to arrange, through the services of a person or persons licensed by the CNSC, the handling, storage, servicing and transfer of all nuclear substances and prescribed equipment from the site of licensed activities with the intention of removing all licensed materials from the Enviropac site, pursuant to subsection 47(1) of the NSCA.

### Proceeding

19. The proceeding was conducted in accordance with Part 6 of the *Canadian Nuclear Safety Commission Rules of Procedure*<sup>5</sup>. The President of the Commission decided that it would not be prejudicial to Enviropac and would be in the public interest to carry out the proceeding in a public forum and thus the public was invited to observe the proceeding.
20. The Panel of the Commission (hereafter referred to as the Commission), in making its decision, considered information presented for a proceeding held on December 14, 2006 and February 7, 2007 in Ottawa, Ontario. During the proceeding, the Commission considered written submissions from CNSC staff (CMD 06-H159, CMD 06-H159.A and CMD 06-H159.B), including the Designated Officer Order, and Enviropac (CMD 06-H159.1 and CMD 06-H159.1A). The Commission also heard oral presentations from CNSC staff and Enviropac, who participated via teleconference.
21. Following the continuation of the proceeding on February 7, 2007, CNSC staff issued a supplementary CMD to the Commission on March 14, 2007. This supplementary CMD included revised recommendations for the Commission's consideration.

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<sup>4</sup> S.O.R./2000-202.

<sup>5</sup> S.O.R./2000-211.

22. Enviropac was provided with an opportunity to be heard with respect to the additional information by submitting additional representations to the CNSC Secretariat on or before April 30, 2007. Enviropac did not submit any additional information and on May 16, 2007, the Commission completed its deliberations on the matter based on the evidence available for reference on the record.

### Decision

23. Based on its consideration of the matter, as described in more detail in the following sections of this *Record of Proceedings*, the Commission concludes that Enviropac is no longer qualified to carry on the activities that the licences authorize. Therefore,

the Commission, pursuant to subsection 37(6) of the *Nuclear Safety and Control Act*, replaces the Designated Officer Order issued to 588972 Alberta Limited on September 15, 2006 and confirmed in part by the Commission on December 14, 2006, with the Commission Order attached to this *Record of Proceedings*.

The Commission, pursuant to section 25 of the *Nuclear Safety and Control Act* and subsection 8(2) of the *General Nuclear Safety and Control Regulations*, suspends in whole storage licence 12127-2-09.1, licence to process unsealed nuclear substances 12127-3-09.0 and calibration licence 12127-4-09.0, issued to 588972 Alberta Limited and operated as Enviropac.

The Commission, pursuant to subsection 9(1) of the *General Nuclear Safety and Control Regulations*, directs a Designated Officer to seize all nuclear substances and prescribed equipment currently listed in the three CNSC licences issued to Enviropac.

The Commission, in accordance with paragraph 34(b) of the *Nuclear Safety and Control Act*, decides that it will, once the inventory of nuclear substances has been completed, apply to the Federal Court to obtain an order for the disposal of all nuclear substances and prescribed equipment seized by the Designated Officer, and directs CNSC staff to file the necessary documentation in accordance with the *Federal Courts Rules*<sup>6</sup>.

24. The Commission replaces the Designated Officer Order with the Commission Order attached to this *Record of Proceedings*. The Commission Order includes conditions that prohibit Enviropac from conducting any and all activities relating to the powers, rights and privileges granted under its licences, including handling or servicing any nuclear substances or prescribed equipment; provide the CNSC with full and unfettered access at all times to the Enviropac premises; and prohibit Enviropac from interfering with the CNSC's possession, transfer, transport and storage of nuclear substances and prescribed equipment

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<sup>6</sup> SOR/98-106.

located on the Enviropac premises. The Commission Order also requires that Enviropac submit to the CNSC staff a monthly report on its compliance activities that have been taken under the Commission Order.

### **Issues and Commission Findings**

25. In making its decision, the Commission considered the following information from CNSC staff concerning the performance of the licensee:
- CNSC staff has been unable to obtain a complete inventory of nuclear substances and radiation devices located at the premises of Enviropac, despite promises made by the licensee;
  - on September 14, 2006, CNSC Inspectors, accompanied by City of Edmonton police officers, attended at the premises located at 2236 – 80 Avenue, Edmonton, Alberta and in executing the warrant observed evidence of activities that were contrary to the NSCA, including the servicing of radiation devices, manufacturing of sealed sources, manufacturing of radiation devices and the transfer of licensable material to unlicensed users;
  - Enviropac did not implement basic requirements for the proper storage of various types of radiation sources;
  - during an inventory inspection of the premises by CNSC staff in October 2006, a small number of radiation devices were observed to be stored on shelves in an unsafe configuration and could not be accessed by CNSC staff for the purposes of completing the inventory;
  - during the inspection of the premises by CNSC staff in October 2006, CNSC staff noted sealed sources that were improperly shielded and stored, including neutron sources in lead shielding, several discrete sealed sources in a container designed for one, and exterior dose rates that were above the conditions specified in the licence;
  - Enviropac did not ensure adequate protective measures were in place for the activities being carried out and caused or allowed the servicing of radiation devices, the manufacturing of radiation devices and the manufacturing of sealed sources without the appropriate licence from the CNSC;
  - Enviropac sold cobalt-60 foil markers in excess of the exemption quantity to a company that was not licensed by the CNSC to receive nuclear substances, contrary to section 26 of the NSCA and section 13 of the *General Nuclear Safety and Control Regulations*;
  - Enviropac is significantly in arrears with respect to payments required under the CNSC's cost recovery fees regulation, last determined to be \$117,900.00 for all three licenses;



- on February 9, 2007, AltaSteel of Edmonton, Alberta reported to the CNSC that a load of scrap steel originating from Maple Leaf Metal Industries, also of Edmonton, Alberta, contained a 74 gigabecquerel (GBq) Cesium 137 (Cs-137) sealed source, bearing serial number CSV E48;
  - CNSC staff were able to trace this sealed source to the 2004 inventory report records of Enviropac; however the sealed source was not part of Enviropac's 2005 inventory report record nor could Enviropac account for the transfer of sealed source CSV E48; and
  - during an inspection of the premises by CNSC staff the week of February 26, 2007, CNSC staff determined that the security system was not in compliance with the Designated Officer Order issued on September 15, 2006 and confirmed in part by the Commission on December 14, 2006. The security system was not completely operational until March 8, 2007.
26. During the proceeding on February 7, 2007, the Commission asked if the employees at Enviropac were registered nuclear energy workers (NEWs) and wore dosimeters. CNSC staff responded that employees were registered NEWs, were registered with the National Dose Registry and wore dosimeters. CNSC staff noted that the most recent National Dose Registry information on the Enviropac employees is not yet available.
27. Taken together, this evidence leads the Commission to conclude that Enviropac has not taken all reasonable precautions to protect the environment, the health and safety of persons, maintain security and fulfill other obligations as set out in paragraph 12(1) of the *General Nuclear Safety and Control Regulations*, made pursuant to the NSCA. The Commission concludes that this evidence demonstrates that Enviropac is not able to make adequate provision for the health and safety of persons, protection of the environment or maintenance of security for nuclear substances and prescribed equipment. The Commission concludes that this evidence demonstrates that Enviropac is no longer qualified to carry out any licensed activities.

#### *Orphaned Sealed Source*

28. In its most recent submission (CMD 06-H159.B), CNSC staff detailed its investigation into a discovered sealed source that was last documented to be in the possession of Enviropac. CNSC staff reported that a load of scrap steel originating from Maple Leaf Metal Industries, a non-CNSC licensee, alarmed radiation detectors at the site of AltaSteel Ltd. (AltaSteel). CNSC staff recounted that, following the identification of the load of scrap steel containing a sealed source, AltaSteel personnel immediately isolated the truck containing the source in a safe, secure manner to protect workers and the general public until the sealed source could be removed. CNSC staff further explained that a CNSC-licensed consultant was contacted to remove and identify the source, which was found to be a 74 GBq Cs-137 sealed source.

29. CNSC staff stated that it conducted a thorough search for information on the ownership of this sealed source through a review of the National Sealed Source Registry, the database of CNSC licensees and records submitted by licensees for compliance purposes. CNSC staff stated that the sealed source was legally transferred to Enviropac in March 1999 and was in Enviropac's annual inventory records as recently as July 2004. CNSC staff noted that the annual inventory records submitted in August 2005 did not include the sealed source, and Enviropac has been unable to provide any records of transfer of the sealed source from its inventory to any other person.
30. CNSC staff further stated that it visited the site of Maple Leaf Metal Industries to attempt to determine how, when and why the sealed source ended up at that location, as well as evaluate the potential for inadvertent exposure to workers and members of the public from the sealed source. CNSC staff reported that it was not possible to determine the previous location of the sealed source prior to its discovery at AltaSteel.
31. CNSC staff stated that it assessed the potential personnel exposures as a result of the orphaned sealed source. CNSC staff explained that it conducted a dose reconstruction for the driver of the truck containing the sealed source, as well as for workers in each of the two scrap metal yards where the source was known to have been located. CNSC reported that, for the known exposure situations, the radiation dose to any person was well below the regulatory public dose limit prescribed in the *Radiation Protection Regulations*<sup>7</sup> and this event did not represent a significant risk to any member of the public.
32. CNSC staff stated that, due to the poor record-keeping and tracking of nuclear substances by Enviropac, there could have been a reasonable probability that one or more unknown additional Cs-137 sealed sources could be out of regulatory control. After verification, CNSC staff reported that, with the assistance of a CNSC-licensed contractor, the additional Cs-137 sealed sources were confirmed to be under regulatory control at the Enviropac site.
33. CNSC staff stated that it could not determine with certainty the circumstances behind Enviropac's loss of control of the sealed source. CNSC staff was of the opinion that this event further demonstrated that Enviropac has not been able to make adequate provision for the health and safety of persons, protection of the environment or maintenance of security for nuclear substances and prescribed equipment.

#### *Security of the Site*

34. CNSC staff stated that while conducting a site visit during the week of February 26, 2007, CNSC staff found that, due to an operational failure, the security system was not in compliance with the Order issued on September 15, 2006 and confirmed in part by the Commission on December 14, 2006. CNSC staff reported that despite numerous efforts to have Enviropac rectify the situation, the security system was not completely operational until March 8, 2007.

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<sup>7</sup> S.O.R./2000-203.

35. CNSC staff stated that it inspected the site on March 8, 2007 to assess compliance with the security requirements and remind Enviropac of its obligation under the Order to ensure that there was no unauthorized removal of nuclear substances and radiation devices from the site.
36. CNSC staff stated that this contravention of the Order demonstrated that it is no longer assured that Enviropac can maintain safe storage of nuclear substances and prescribed equipment onsite. CNSC staff was of the opinion that the continued storage of nuclear substances and prescribed equipment at the Enviropac site represents a significant risk to members of the public.

*CNSC Staff Plan for the Remediation of the Enviropac Site*

37. In its submission, CNSC staff proposed a three-phase plan to carry out the full remediation of the site with a view of returning it to unrestricted use within a reasonable timeframe. CNSC staff explained that its plan includes short-term (Phase 1), medium-term (Phase 2), and long-term (Phase 3) objectives, with status reports to update the Commission on the progress of the plan.
38. CNSC staff stated that Phase 1 would include the identification of the high-risk sources at the Enviropac site, the development and implementation of a plan for the safe transportation of those sources to a licensee qualified to possess and store them, and the provision for the safe storage at the site of the qualified licensee until final arrangements can be made for their eventual disposition. CNSC staff explained that the implementation of this phase would significantly reduce the risk posed by the high-risk sources currently stored at the Enviropac site, will increase the margin of safety for members of the public in the vicinity of the site, and eliminate the potential for further loss of control of the high-risk sources.
39. CNSC staff stated that Phase 2 would include the removal of the sealed sources in the fixed and portable gauges, as well as all other significant nuclear substances, in a manner similar to Phase 1.
40. CNSC staff stated that Phase 3 would include the confirmation that all radioactive materials have been removed. CNSC staff noted that any remaining nuclear substances would be removed using accepted decommissioning practices. CNSC staff added that a final decommissioning report would be prepared to identify all actions taken during the remediation of the site.
41. The Commission accepts Phases 1 and 2 of the proposed remediation plan. The Commission is of the opinion that the completion of Phases 1 and 2, in the short-term, should render the site into a safe state and will ensure that provisions are made such that the site does not pose an unreasonable risk to the health and safety of persons or the environment. The Commission is of the opinion that it is not necessary at this time for CNSC staff to conduct Phase 3, as returning the site to unrestricted use would entail a full decommissioning, which can be addressed following the completion of Phases 1 and 2.

*Licence Suspension and Replacement of Designated Officer Order*

42. CNSC staff expressed the opinion that Enviropac is no longer qualified to carry out any licensed activities. CNSC staff recommended that the Commission revoke Enviropac's three CNSC licences; direct a Designated Officer to take possession of all nuclear substances and prescribed equipment currently on the three licences; and issue an Emergency Order to direct CNSC staff to arrange, through the services of a person or persons licensed by the CNSC, the handling, storage, servicing and transfer of all nuclear substances and prescribed equipment from the site of licensed activities with the intention of removing all licensed materials from the Enviropac site.
43. The Commission notes that this is a very serious and significant situation. The Commission concurs with CNSC staff's assessment and is of the opinion that Enviropac is no longer qualified to carry out any licensed activities under the NSCA. The Commission decides to suspend Enviropac's three licences in whole, rather than revoke them, pursuant to section 25 of the NSCA. In doing so, Enviropac shall remain a licensee while the site is rendered into a safe state and shall remain accountable for its responsibilities and obligations under the NSCA, including compliance with regulations and cost recovery.
44. Following its decision to suspend Enviropac's licences, the Commission considered the recommendation to direct a Designated Officer to seize all nuclear substances and prescribed equipment currently listed in the three licences, pursuant to subsection 9(1) of the *General Nuclear Safety and Control Regulations*. The Commission is of the opinion that such action is required because Enviropac is no longer qualified to carry out any licensed activities and because the current condition of the Enviropac site may result in an unreasonable risk to the health and safety of the public and the environment. Therefore, the Commission, pursuant to subsection 9(1) of the *General Nuclear Safety and Control Regulations*, directs a Designated Officer to seize all nuclear substances and prescribed equipment currently on the three licences issued to Enviropac.
45. Further to its decision to direct staff to seize all nuclear substances and prescribed equipment currently on the three licences issued to Enviropac, the Commission considered the recommendation from CNSC staff to issue an Emergency Order. The Commission notes that although this situation is serious, an Emergency Order is not necessary to achieve the desired result of limiting the risk at the site to a reasonable level.
46. The Commission is of the opinion that the Designated Officer Order previously issued to Enviropac can be replaced with a Commission Order that includes conditions to allow CNSC staff to carry out the necessary work outlined in Phase 1 and Phase 2 of its remediation plan.
47. Enviropac had proposed that the Commission amend the Designated Officer Order to allow it access to the premises under the supervision of a CNSC Officer or an authorized agent. Enviropac explained that access was required in order for it to evaluate the nuclear substances and radiation devices on the premises, which would assist in the preparation of a

decommissioning plan. The Commission notes that Enviropac's recommendation has not been incorporated into the Commission Order because, given that Enviropac is no longer qualified to carry out any licensed activity, it is also no longer qualified to prepare a decommissioning plan.

48. Furthermore, the Commission notes that the reporting requirements for licensees pursuant to section 29 of the *General Nuclear Safety and Control Regulations* enable the Commission to be informed of various situations and take appropriate actions. In this regard, the Commission adds a condition to the Commission Order that requires that Enviropac submit to CNSC staff a monthly report on the compliance activities that have been taken under the Commission Order.

### **Conclusion**

49. The Commission has considered the information and submissions from Enviropac and CNSC staff as presented in the material available for reference on the record for the proceeding.
50. The Commission is of the opinion that Enviropac is no longer qualified to carry out the activities that its three licences authorize. The Commission is of the opinion that Enviropac has not made adequate provision for the protection of the environment, the health and safety of persons and the maintenance of national security and measures required to implement international obligations to which Canada has agreed. The Commission is of the opinion that the continued operation of the facility poses an unreasonable risk to the health and safety of persons and the environment.
51. Therefore, the Commission, pursuant to section 25 of the *Nuclear Safety and Control Act* and subsection 8(2) of the *General Nuclear Safety and Control Regulations*, suspends in whole storage licence 12127-2-09.1, licence to process unsealed nuclear substances 12127-3-09.0 and calibration licence 12127-4-09.0, issued to 588972 Alberta Limited and operated as Enviropac.
52. In addition, the Commission, pursuant to subsection 37(6) of the *Nuclear Safety and Control Act*, replaces the Designated Officer Order issued to 588972 Alberta Limited on September 15, 2006 and confirmed in part by the Commission on December 14, 2006 with the Commission Order attached to this *Record of Proceedings*.
53. The Commission directs a Designated Officer to take possession of all nuclear substances and prescribed equipment currently on the three CNSC licences issued to Enviropac, pursuant to subsection 9(1) of the *General Nuclear Safety and Control Regulations*.
54. The Commission, in accordance with paragraph 34(b) of the *Nuclear Safety and Control Act*, will, once the inventory of nuclear substances has been completed, apply to the Federal Court to obtain an order for the disposal of all nuclear substances and prescribed equipment seized by the Designated Officer, and directs CNSC staff to file the necessary documentation in accordance with the *Federal Courts Rules*.

55. The Commission also expects CNSC staff to contact the owner of the Enviropac site in order to provide all of the pertinent information concerning this matter, including the CMDs submitted for this proceeding and associated transcripts.
56. With this decision, the Commission notes that all licensees are responsible for complying with the requirements described in the NSCA. The Commission also notes that non-compliance with all of the requirements under NSCA is not acceptable. The Commission expects that Enviropac understands the severity of this matter and the responsibilities it has under the NSCA.

Linda J. Keen  
President,  
Canadian Nuclear Safety Commission

Date of decision: May 16, 2007

Date of release of Reasons for Decision: June 28, 2007

**ORDER BY THE CANADIAN NUCLEAR SAFETY COMMISSION UNDER  
PARAGRAPH 37(6) OF THE NUCLEAR SAFETY AND CONTROL ACT REPLACING  
AN ORDER BY A DESIGNATED OFFICER**

**CNSC Licence Numbers:** 12127-2-09.1 Use Type 906 (Storage)  
12127-3-09.0 Use Type 863 (Processing)  
12127-4-09.0 Use Type 879 (Calibration)

**Date of Commission Order:** 2007-06-20

**Date of Designated Officer (DO) Order:** 2006-09-15

**DO Order Confirmed by Commission:** 2006-12-14

**Company/Licensee and address:**

588972 Alberta Limited  
Operated as: Enviropac Incorporated  
2236 80 Avenue  
Edmonton, Alberta T6P 1N2

**Name (and title or position) of person(s) receiving the Order:**

Mr. Robert Masnyk  
President and Chief Executive Officer  
588972 Alberta Limited (o/a Enviropac Inc.)

**ORDER Number 07-1**

In order to prevent unreasonable risk to the environment and the health and safety of persons, the maintenance of national security and measures required to implement Canada's international obligations, the Commission replaces the Designated Officer Order dated September 15, 2006 and confirmed in part by the Commission on December 14, 2006 and the following actions and measures are ordered:

1. 588972 Alberta Limited (operated as Enviropac Inc.) shall immediately cease any and all activities relating to the powers, rights and privileges granted under CNSC Licences numbered 12127-09.1, 12127-3-09.0 and 12127-4-09.0 as all three licences are immediately suspended in whole.
2. 588972 Alberta Limited, its officers and employees, shall not enter into any agreement for the transfer or transfer any nuclear substances or prescribed equipment unless such agreement or transfer is approved in writing by the CNSC or ordered by the Federal Court of Canada.

3. Mr. Robert Masnyk and 588972 Alberta Limited shall provide the CNSC with full and unfettered access at all times to the premises of 588972 Alberta Limited located at 2236 – 80 Avenue, Edmonton, Alberta and shall take no action to limit such access.
4. Mr. Robert Masnyk and 588972 Alberta Limited shall allow and not interfere with the CNSC's possession, transfer, transport or storage of the nuclear substances and prescribed equipment located at 2236-80 Avenue, Edmonton, Alberta.
5. Mr. Robert Masnyk and 588972 Alberta Ltd shall maintain security of the premises at 2236 – 80 Avenue, Edmonton, Alberta so as to ensure the safety and security of persons and protection of the environment regarding the nuclear substances and prescribed equipment stored at the premises.
6. Mr. Robert Masnyk on behalf of 588972 Alberta Limited shall submit to the Commission a report by the 15<sup>th</sup> of each calendar month on the compliance activities that have been taken under the Order in the preceding calendar month.

DATED at OTTAWA, this        day of June, 2007

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Linda J. Keen, President,  
On behalf of the Canadian Nuclear Safety Commission