

Record of Proceedings and Decision

In the Matter of

Applicant Saskatchewan Research Council

Subject Application to Amend the Class IA Non-Power
Reactor Operating Licence in Order to Maintain
a Financial Guarantee

Hearing
Date August 7, 2007

RECORD OF PROCEEDINGS

Applicant: Saskatchewan Research Council

Address/Location: 125-15 Innovation Blvd., Saskatoon, SK S7N 2X8

Purpose: Application to amend the Class IA Non-Power Reactor Operating Licence in order to maintain a financial guarantee

Application received: March 13, 2007

Date of hearing: August 7, 2007

Location: Canadian Nuclear Safety Commission (CNSC), 280 Slater St., Ottawa, Ontario

Members present: L.J. Keen, Chair

Secretary: M.A. Leblanc
Recording Secretary: M. Young

Licence: Amended
Date of Release of Decision: August 15, 2007

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Introduction

1. Saskatchewan Research Council (SRC) has applied to the Canadian Nuclear Safety Commission¹ (CNSC) for an amendment to its Class IA Non-Power Reactor Operating Licence (NPROL) for its SLOWPOKE-2 facility located in Saskatoon, Saskatchewan. The current operating licence is NPROL-19.03/2013.
2. SRC has requested that the Commission acknowledge the change in trustee for the administration of the financial guarantee for the future decommissioning of its SLOWPOKE-2 facility and amend its operating licence to reflect this change.

Issues

3. In considering the application, the Commission was required to decide, pursuant to subsection 24(4) of the *Nuclear Safety and Control Act*² (NSCA):
 - a) if SRC is qualified to carry on the activity that the amended licence would authorize; and
 - b) if, in carrying on that activity, SRC would make 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.
4. The Commission was also asked to acknowledge that Concentra Trust has been the trustee for the SRC decommissioning trust fund since December 30, 2004. The Commission was asked to do so by executing the document *Amendment #1 to Trust Agreement*.

Hearing

5. Pursuant to section 22 of the NSCA, the President of the Commission established a Panel of the Commission to review the application. In establishing the process, a standing panel on procedural matters determined that it was not necessary to hold a public hearing on the matter, and the hearing was conducted by a panel of one commission member, based on written submissions.
6. The Panel of the Commission (hereafter referred to as the Commission), in making its decision, considered written information presented for a hearing held on August 7, 2007 in Ottawa, Ontario. The Commission received a written submission from CNSC staff (CMD 07-H138).

¹ 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.

² S.C. 1997, c. 9.

Decision

7. Based on its consideration of the matter, the Commission decides to acknowledge Concentra Trust as the trustee for the SRC decommissioning fund and to execute the *Amendment #1 to Trust Agreement*.
8. In addition, based on its consideration of the matter, the Commission concludes that SRC is qualified to carry on the activity that the amended licence will authorize. The Commission is of the opinion that SRC, in carrying on that activity, will make 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. Therefore,

the Commission, pursuant to section 24 of the *Nuclear Safety and Control Act*, amends the Class IA NPROL-19.03/2013 issued to Saskatchewan Research Council for its SLOWPOKE-2 facility located in Saskatoon, Saskatchewan. The amended licence, NPROL-19.04/2013, remains valid until June 30, 2013, unless suspended, amended, revoked or replaced.

9. The Commission includes in the licence the conditions as recommended by CNSC staff in CMD 07-H138.

Issues and Commission Findings

10. In making its licensing decision, the Commission considered a number of issues relating to SRC's qualification to carry out the proposed activities and the adequacy of the proposed measures for protecting the environment, the health and safety of persons, national security and international obligations to which Canada has agreed.

Background

11. In its submission, CNSC staff indicated that the financial guarantee for the SLOWPOKE-2 facility was accepted by the Commission on February 3, 2005. CNSC staff explained that the financial guarantee consists of a CNSC *Financial Security and Access Agreement* between the CNSC and the SRC together with an executed *Trust Agreement* between the CNSC, SRC and the Co-operative Trust Company of Canada. CNSC staff noted that the financial guarantee is in the form of a trust fund with an initial deposit of \$500,000 made in June 2004, and with annual payments of \$260,000 from June 2005 to June 2009.

12. CNSC staff further stated in its submission that it was notified on February 22, 2005 that, as of January 1, 2005, the Co-operative Trust Company of Canada was operating under the new business name of Concentra Financial Services Association (Concentra Financial). CNSC staff also stated that the Minister of Finance authorized Concentra Financial to continue executing arrangements entered into by the Co-operative Trust Company of Canada for a period of five years or until such time as the arrangement is either completed or transferred to another trust company.
13. CNSC staff noted in its submission that the CNSC, SRC and Concentra Financial agreed to make the *Trust Agreement* effective June 30, 2004 to reflect the date of the initial payment. CNSC staff explained that the date change meant that the agreement was effective under the trustee's old name, Co-operative Trust Company of Canada, and Concentra Financial could continue to act as the trustee for a period of five years.
14. CNSC staff further stated in its submission that on April 25, 2005, the Legislative Assembly of Saskatchewan enacted the *Concentra Trust Act, 2005*, which removed Concentra Financial as trustee and appointed Concentra Trust, a wholly owned subsidiary of Concentra Financial, as successor trustee. CNSC staff stated that the legislation was made retroactive to December 30, 2004, meaning that Concentra Trust has been the trustee as of December 30, 2004.

Acknowledgement of Concentra Trust as Trustee

15. In its submission, CNSC staff stated that SRC requested that the Commission acknowledge that Concentra Trust has been the trustee for the SRC decommissioning trust fund since December 30, 2004.
16. CNSC staff stated that the acknowledgement of Concentra Trust as the trustee would not alter the previously accepted financial guarantee, and would be a purely administrative change.

Amendment Request

17. In its submission, CNSC staff stated that SRC requested an amendment to its NPROL to reflect that the Co-operative Trust Company of Canada is no longer the trustee for the SRC decommissioning fund.
18. CNSC staff stated that it reviewed SRC's request and determined that the proposed licence amendment does not change SRC's operation of the SLOWPOKE-2 facility, nor does it change the previously approved financial guarantee.

Application of the *Canadian Environmental Assessment Act*

19. Before making a licensing decision, the Commission must be satisfied that all applicable requirements of the *Canadian Environmental Assessment Act*³ (CEAA) have been fulfilled. The Commission determined that there was no requirement for an Environmental Assessment pursuant to subsection 5(1) of the CEAA. Therefore, the Commission is satisfied that all applicable requirements of the CEAA have been fulfilled.

Conclusion

20. The Commission has considered the information and submissions as presented in the material available for reference on the record.
21. The Commission decides to acknowledge Concentra Trust as the trustee for the SRC decommissioning fund and to execute the *Amendment #1 to Trust Agreement*.
22. The Commission is satisfied that the applicant meets the requirements of subsection 24(4) of the *Nuclear Safety and Control Act*. That is, the Commission is of the opinion that SRC is qualified to carry on the activity that the amended licence will authorize and that it will make 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.
23. The Commission therefore amends, pursuant to section 24 of the *Nuclear Safety and Control Act*, the Class IA NPROL-19.03/2013 issued to Saskatchewan Research Council for its SLOWPOKE-2 facility located in Saskatoon, Saskatchewan. The amended licence, NPROL-19.04/2013, remains valid until June 30, 2013, unless suspended, amended, revoked or replaced.
24. The Commission includes in the licence the conditions recommended by CNSC staff as set out in the draft licence attached to CMD 07-H138.

Linda J. Keen,
President
Canadian Nuclear Safety Commission

Date of Release of Decision: August 15, 2007

³ S.C. 1992, c. 37.