



Canadian Nuclear
Safety Commission

Commission canadienne
de sûreté nucléaire

Record of Proceedings, Including Reasons for Decision

In the Matter of

Applicant Denison Mines Inc.

Subject Application to Amend the Decommissioning
Licence for the Stanrock Decommissioned Mine
and Mill Site in Order to Install Berms at the
Outlet of the Halfmoon Wetland near Elliot Lake,
Ontario

Hearing Date September 17, 2010

RECORD OF PROCEEDINGS

Applicant: Denison Mines Inc.

Address/Location: 8 Kilborn Way, Elliot Lake, Ontario P5A 2T1

Purpose: Application to amend the Decommissioning Licence for the Stanrock Decommissioned Mine and Mill Site in order to install berms at the outlet of the Halfmoon Wetland near Elliot Lake, Ontario

Application received: August 30, 2010

Date of hearing: September 17, 2010

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

Members present: M. Binder, Chair

Secretary: K. McGee

Recording Secretary: M. Young

Licence: Amended

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Introduction

1. Denison Mines Inc. (Denison) has applied to the Canadian Nuclear Safety Commission¹ (CNSC) for an amendment to the Decommissioning Licence for its Stanrock Decommissioned Mine and Mill Site located in Elliot Lake, Ontario. The current licence is UMDL-MINEMILL-STANROCK.01/indf.
2. Denison requested authorization to install two berms to stabilize and reinforce the existing beaver dams at the outlet of the Halfmoon Wetland at the decommissioned Stanrock mine. The project, as described in Denison's project description, includes the following components:
 - construction of two berms consisting of north and south sections; and
 - use of the berms to contain the treatment sludge present in the marsh area and to raise the level of water in the marsh area.
3. The total duration of construction is expected to be approximately 30 days. The installation of the berms proposed by Denison would provide more stable containment for the treatment sludge located within the Wetland and, by virtue of a more reliable water cover, would attenuate gamma radiation fields.
4. The project was determined to require an environmental assessment (EA) under the *Canadian Environmental Assessment Act*² (CEAA). The CNSC issued the EA Guidelines for the project in December 2009³. A Screening EA was completed and the Commission concluded that the project, taking into account the appropriate mitigation measures, is not likely to cause significant adverse environmental effects. The Commission decided⁴ that, pursuant to paragraph 20(1)(a) of the CEAA, it could proceed with the consideration of a licence amendment under the *Nuclear Safety and Control Act*⁵.
5. Denison also requested administrative changes to the licence, including a change to Denison's address and the legal description of their licensed property, as well as an update to the documentation referenced in the licence.

Issue

6. In considering the application, the Commission was required to decide, pursuant to subsection 24(4) of the NSCA:

¹ 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 Statutes of Canada (S.C.) 1992, chapter (c.) 37.

³ Record of Proceedings on *Environmental Assessment Guidelines for the Proposed Installation of Berms at the Outlet of the Halfmoon Wetland near Elliot Lake, Ontario*, hearing date December 11, 2009.

⁴ Record of Proceedings on *Environmental Assessment Screening Regarding the Proposed Installation of Berms at the Outlet of the Halfmoon Wetland near Elliot Lake, Ontario*, hearing date September 17, 2010.

⁵ S.C. 1997, c. 9

- a) if Denison is qualified to carry on the activity that the amended licences would authorize; and
- b) if in carrying on that activity, Denison 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.

Hearing

7. The Commission, in making its decision, considered information presented for a hearing held on September 17, 2010 in Ottawa, Ontario. During the hearing, the Commission considered written submissions from CNSC staff (CMD 10-H115) and Denison (CMD 10-H115.1).

Decision

8. 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 Denison has met the conditions of subsection 24(4) of the NSCA. Therefore,

the Commission, pursuant to section 24 of the *Nuclear Safety and Control Act*, amends the Uranium Mine Decommissioning Licence UMDL-MINEMILL-STANROCK.01/indf. issued to Denison Mines Inc. for its Stanrock Decommissioned Mine and Mill Site located in Elliot Lake, Ontario. The amended licence, UMDL-MINEMILL-STANROCK.02/indf, remains valid indefinitely.

9. The Commission includes in the licence the conditions as recommended by CNSC staff in CMD 10-H115.

Issues and Commission Findings

Qualifications and Protection Measures

10. Denison stated that the project includes the following components:
 - construction of two berms – a north and south section; and
 - use of the berms to contain the treatment sludges present in the marsh area and to raise the level of water in the marsh area.

11. Denison explained that each berm will incorporate the existing beaver dam into the structure.
12. CNSC staff stated that, as part of the EA process, they conducted a technical safety review of the project. CNSC staff stated that the proposed activities will improve both short- and long-term site control and safety. CNSC staff stated that the proposed construction work is unlikely to have any significant adverse environmental impact and that Denison is qualified to undertake the proposed project.
13. CNSC staff also provided information regarding the administrative changes to the licence. CNSC staff stated that the change in address to Denison's corporate office is due to Denison moving its offices within the same building. CNSC staff stated that the legal description of the licensed property changed due to a sub-division of the land leases by the Ontario government, and that the actual lands and land area under the licence have not changed. CNSC staff also stated that Appendix B of the licence needs to be amended to include the Project Description for the proposed project, due to the addition of the two berms to the site. CNSC staff noted that, as a result, future geotechnical inspections will include these new structures.

Application of the *Canadian Environmental Assessment Act*

14. Before making a licensing decision, the Commission must be satisfied that all applicable requirements of the CEEA have been fulfilled.
15. CNSC staff reported that it had completed an Environmental Assessment (EA) determination and that there was a requirement for an EA pursuant to paragraph 5(1)(d) of the CEEA. A Screening EA was completed and the Commission concluded that the project, taking into account the appropriate mitigation measures, is not likely to cause significant adverse environmental effects. The Commission decided that, pursuant to paragraph 20(1)(a) of the CEEA, it could proceed with the consideration of a licence amendment under the NSCA.
16. The Commission is satisfied that all applicable requirements of the CEEA have been fulfilled.



Michael Binder
President,
Canadian Nuclear Safety Commission

SEP 17 2010

Date