



Canadian Nuclear  
Safety Commission

Commission canadienne  
de sûreté nucléaire

# Record of Proceedings, Including Reasons for Decision

In the Matter of

Proponent Cameco Corporation

Subject Project Specific Guidelines Scoping Document  
for the Proposed Millennium Mine Project

Hearing Date September 20, 2010

## **RECORD OF PROCEEDINGS**

Proponent: Cameco Corporation

Address/Location: 2121 – 11<sup>th</sup> Street West, Saskatoon, Saskatchewan S7M 1J3

Purpose: Project Specific Guidelines Scoping Document for the Proposed Millennium Mine Project

Application received: August 4, 2009

Date of hearing: September 20, 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

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## Introduction

1. Cameco Corporation (Cameco) has notified the Canadian Nuclear Safety Commission<sup>1</sup> (CNSC) of its intention to develop an underground uranium mine “Millennium” located in the Athabasca basin of Northern Saskatchewan.
2. The project will consist of an underground uranium mine located approximately 36 kilometres northeast of Cameco Corporation’s Key Lake Operation. No milling would take place on-site. Ore and associated waste materials would be transported to a licensed mill along a new 21-kilometre access road that would connect to the existing road network between Cameco’s Key Lake Operation and Cameco’s McArthur River mine site. The proposed Millennium mine would produce 150,000 to 200,000 tonnes of ore annually for six to seven years.
3. Before the Commission can consider authorizing the proposed project to go forward pursuant to the *Nuclear Safety and Control Act*<sup>2</sup> (NSCA), the Commission must be satisfied that all requirements of the *Canadian Environmental Assessment Act*<sup>3</sup> (CEAA) have been fulfilled.
4. The CEAA requires that an EA be completed if there is both a “project” and a prescribed action by a federal authority (commonly referred to as a “trigger”). The proposal involves the development of an underground mine. This is an undertaking in relation to a physical work and as such is a “project” for the purposes of the CEAA.
5. The CNSC issues licences for activities involved in Cameco’s proposal under the authority of Section 24(2) of the NSCA, which is prescribed in the *Law List Regulations*<sup>4</sup>. Therefore, there is a “trigger” for an EA. The project is not of a type listed in the *Exclusion List Regulations*<sup>5</sup> of the CEAA. The project is of a type listed on the *CEAA Comprehensive Study List Regulations*<sup>6</sup>, and, as such, the type of EA is a comprehensive study.
6. The project is also subject to a Project Agreement overseen by the Major Projects Management Office (MPMO) and is jointly being reviewed by the Province of Saskatchewan.
7. The Commission is a responsible authority<sup>7</sup> (RA) for this EA. As a responsible authority under the CEAA, the Commission must first determine the *scope of the project* and the *scope of the assessment for the project*. To assist the Commission in this regard, CNSC staff and the Province of Saskatchewan jointly produced a draft federal-provincial *Project Specific Guidelines Scoping Document* (Guidelines) in consultation with other government departments, the public and other stakeholders.

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<sup>1</sup> 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> Statutes of Canada (S.C.) 1997, chapter (c.) 9.

<sup>3</sup> S.C. 1992, c.37.

<sup>4</sup> Statutory Orders and Regulations (SOR) /94-636.

<sup>5</sup> SOR/2007-108.

<sup>6</sup> SOR/94-638.

<sup>7</sup> Responsible Authority in relation to an EA is determined in accordance with subsection 11(1) of the CEAA.

8. The draft Guidelines, *Project Specific Guidelines Scoping Document - Millennium Mine Project*, contain draft statements of scope for the approval of the Commission. The draft Guidelines also contain recommendations and instructions for the approach to be used in completing the EA, including for the conduct of further public and stakeholder consultations. The draft Guidelines are presented in the CNSC staff document CMD 10-H113.

#### Issues

9. In considering the Guidelines, the Commission was required to decide, pursuant to subsections 15(1) and 16(3) of the CEAA respectively:
  - a) the *scope of the project* for which the EA is to be conducted; and
  - b) the *scope of the factors* to be taken into consideration in the conduct of the EA.
10. The Commission also considered whether it would, pursuant to subsection 17(1) of the CEAA, delegate the conduct of technical support studies to Cameco and the writing of the technical report to CNSC staff or the proponent.

#### Hearing

11. Pursuant to section 22 of the NSCA, the President of the Commission established a Panel of the Commission to review the application. The Commission, in making its decision, considered information presented for a hearing held on September 20, 2010 in Ottawa, Ontario. The hearing was conducted in accordance with the Commission's process for determining matters under the CEAA. During the hearing, the Commission considered written submissions from CNSC staff (CMD 10-H113) and Cameco (CMD 10-H113.1).

#### **Decision**

12. Based on its consideration of the matter, as described in more detail in the following sections of this *Record of Proceedings*,

the Canadian Nuclear Safety Commission, pursuant to sections 15 and 16 of the CEAA, approves the *Project Specific Guidelines Scoping Document - Millennium Mine Project*.

13. The Commission decides that it will delegate the conduct of technical support studies to the proponent, Cameco.

### **Issues and Commission Findings**

#### **Type of Environmental Assessment Required**

14. The project is of a type identified in the *Comprehensive Study List Regulations*. Therefore, pursuant to subsection 18(1) of the CEEA, the CNSC is required to ensure that a comprehensive study environmental assessment of the project is performed and a comprehensive study report is prepared before the Commission can make a licensing decision under the NSCA to allow the project to proceed in whole or in part.
15. Based on the information received, the Commission concludes that a Comprehensive Study EA of the project is required pursuant to the CEEA.

#### **Consultations on the Draft Guidelines**

16. As part of its review of the adequacy of the draft Guidelines, the Commission took account of the views of the public and other stakeholders. In this regard, the Commission considered whether the consultations carried out thus far by CNSC staff and the proponent provided the public and other stakeholders with adequate opportunity to become informed and express their views about the EA.
17. CNSC staff stated that all comments received during the above consultations were taken into consideration in the preparation of the draft Guidelines. Information on the disposition of each comment was attached as Addendum C and D of CMD 10-H113.

#### *Public Consultation*

18. With respect to public consultation on the draft Guidelines, CNSC staff reported that it had established a public registry for the assessment as required by Section 55 of the CEEA, including the identification of the EA in the Canadian Environmental Assessment Registry (CEAR).
19. CNSC staff stated that the public review of the draft Guidelines was led by the Province of Saskatchewan. The public was provided with an opportunity to comment on the draft Guidelines between May 13 and June 22, 2010. CNSC staff explained that the review involved radio and newspaper advertisements, and mail outs were sent to Aboriginal groups, northern Saskatchewan communities, and interest groups. CNSC staff further stated that notices were posted on the CNSC and CEAR Web sites, as well as a project-specific provincial Web site. CNSC staff stated that seven submissions were received. CNSC staff included the federal/provincial responses to those comments attached as Addendum C of CMD 10-H113. Many revisions to the Guidelines were made on the basis of the comments received.

20. CNSC staff noted that, in order to meet new CEAA requirements that came into force on July 12, 2010, a second public review period was provided to allow the public to comment on the project and the conduct of the comprehensive study. CNSC staff stated that this review took place between July 20 and July 29, 2010, with notices posted on the CNSC and CEAR Web sites, and no comments were received.

#### *Aboriginal Engagement*

21. CNSC staff explained that Aboriginal groups with a potential interest in the project were notified on October 21, 2009 about the requirement for the CNSC to conduct an EA on the proposed Millennium project and upcoming funding opportunities to participate in the EA. CNSC staff noted that a letter was sent on January 21, 2010, to describe the EA and Licensing processes, as well as participation opportunities.
22. CNSC staff stated that six Aboriginal groups were awarded participant funding from the Canadian Environmental Assessment Agency (CEA Agency) for the scoping phase of the EA. CNSC staff noted that comments from three groups were received. CNSC staff included the federal/provincial responses to those comments attached as Addendum D of CMD 10-H113. Many revisions to the Guidelines were made on the basis of the comments received.
23. CNSC staff indicated that discussions with Aboriginal groups on potential impacts are ongoing. CNSC staff provided information regarding meetings that have taken place with the Canoe Lake Cree First Nation, the English River First Nation and the Métis Nation-Saskatchewan (Northern Region II). CNSC staff stated that they will continue to engage with interested Aboriginal groups and members of the public to share information and address concerns.

#### *Government Consultation*

24. CNSC staff reported that, in accordance with the *CEAA Regulations Respecting the Coordination by Federal Authorities of Environmental Assessment Procedures and Requirements*<sup>8</sup>, CNSC staff identified Transport Canada (TC), Fisheries and Oceans Canada (DFO), Environment Canada, Natural Resources Canada and Health Canada as Federal Authorities (FAs). CNSC staff noted that TC and DFO may become RAs for the EA in the future, once Cameco submits design plans such that those Departments can determine whether or not they would require issuing permits and/or approvals under their legislation.
25. CNSC staff stated that the project is considered to be a Major Resource Project under the Major Resource Project Initiative led by the MPMO, and, as such, is subject to a Project Agreement overseen by the MPMO. CNSC staff further stated that the project is jointly being reviewed by the Province of Saskatchewan and that the

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<sup>8</sup> SOR/97-181.

*Environmental Assessment Act* (Saskatchewan)<sup>9</sup> applies to the project.

#### *Conclusion on the Guidelines Consultation*

26. The Commission is satisfied that the public, Aboriginal groups and other stakeholders have been adequately consulted during the preparation of the draft Guidelines. The Commission is satisfied that CNSC staff has taken an active role in consultation. The Commission is satisfied that the comments received have been adequately described in the Guidelines attached to CMD 10-H113.

#### **Scope of the Project**

27. “Scope” under the CEAA is expressed in two parts: the *scope of the project* (i.e., the physical works and activities proposed) and the *scope of assessment* (i.e., the scope of the factors to be considered in assessing the effects of the project). This section addresses only the issues relating to the *scope of the project*. The issues related to the *scope of assessment* are discussed below in the section entitled Scope of the Assessment.
28. CNSC staff stated that, pursuant to section 15 of the CEAA, the proposed scope of the project for the purposes of the federal EA includes the physical works and activities associated with the site preparation, construction, operation and decommissioning (including closure and reclamation) and abandonment of:
- the underground uranium mine, including all associated facilities and ancillary works; and
  - a purpose-built access road up to its connection with the existing road network.
29. CNSC staff noted that the federal scope also includes the transportation of ore and mineralized waste rock to the Key Lake Mill, but does not include the milling of ore or the management of tailings.
30. Based on the information received, the Commission accepts CNSC staff’s recommendations concerning the *scope of the project* and approves the definition of the project scope as set out in section 2.3.3 of the draft Guidelines without change.

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<sup>9</sup> Statutes of Saskatchewan (S.S.) 1979-1980, c. E-10.1.



## Scope of the Assessment

31. The other part of “scope” under the CEAA is the *scope of the assessment* – otherwise described in the CEAA as the scope of the factors that will be considered in assessing the environmental effects of the project.
32. The draft Guidelines jointly prepared by CNSC staff and the Province of Saskatchewan identify all the assessment factors to be considered pursuant to subsection 16(1) of the CEAA. The mandatory factors comprise the environmental effects of the project, including those that may be caused by malfunctions or accidents and any cumulative environmental effects with other projects; the significance of the effects identified above; comments from the public that are received in accordance with the CEAA and its regulations; and measures that are technically and economically feasible that would mitigate any significant adverse environmental effects of the project.
33. Since the proposed project falls within the *Comprehensive Study List Regulations* of the CEAA, subsection 16(2) of the CEAA requires that the following factors are also included for consideration: the purpose of the project; alternative means of carrying out the project that are technically and economically feasible and the environmental effects of any such alternative means; the need for, and the requirements of, any follow-up program with respect to the project; and the capacity of renewable resources that are likely to be significantly affected by the project to meet present and future needs.
34. The environmental components that are most likely to be affected by the proposed project and should be considered in the comprehensive study were identified and enumerated in the draft Guidelines.
35. The valued ecosystem components for the assessment of environmental effects on the biophysical environment were identified and enumerated in the draft Guidelines. In addition, the draft Guidelines recommend that Cameco should consult a list of valued ecosystem components previously established by the Northern Saskatchewan Environmental Quality Committee.
36. The draft Guidelines state that the spatial boundaries used in the EA encompass the geographical areas of the environment that may be potentially affected by the project, or are relevant to the assessment of cumulative environmental effects. The draft Guidelines state that the temporal scope of the project includes the site study area (the project footprint), the local study area; and the regional study area.
37. The draft Guidelines also state that the temporal boundaries will encompass the entire lifespan of the project, including site preparation, construction, operation and decommissioning (including closure and reclamation) and abandonment.

38. Cameco will be required to prepare an Environmental Impact Statement (EIS) that follows the Guidelines and is developed with input from both provincial and federal expert advisors, as well as members of the public, Aboriginal groups and stakeholders. The EIS should contain a detailed description of activities and issues with respect to the scope of factors.
39. The draft Guidelines outline that the EIS will follow a defined structure and will include information related to: the project description; the description of the existing environment; public involvement; impact assessment; mitigation and contingency planning; monitoring; follow-up program; and decommissioning, reclamation and abandonment.

#### *Conclusion on the Scope of the Assessment*

40. Based on the above information, the Commission concludes that the scope of the assessment, as described in section 2.3.5 of the draft Guidelines, is appropriate for the purpose of the environmental assessment of the proposed project. The Commission is satisfied that the assessment factors defined for this project and the scope of those factors have been adequately described in the Guidelines appended to CMD 10-H113.
41. The Commission is satisfied that the structure, approach, and other instructions for conducting the environmental assessment, as described in the Guidelines attached to CMD 10-H113, are acceptable.

#### **Conclusion**

42. The Commission has considered the submissions of CNSC staff and Cameco as presented for reference on the record for the hearing.
43. The Commission, pursuant to sections 15 and 16 of the CEAA, approves the *Project Specific Guidelines Scoping Document - Millennium Mine Project*, presented in CMD 10-H113.
44. The Commission decides that, pursuant to subsection 17(1) of the CEAA, the conduct of technical support studies will be delegated to Cameco.
45. In light of recent amendments to the CEAA as part of the *Jobs and Economic Growth Act*<sup>10</sup>, the approval by the Commission of the Guidelines and the delegation to Cameco to carry out the technical studies and prepare the EIS, the next steps in this matter will be the review of the EIS by the RAs, who will prepare the Comprehensive Study Report to be submitted to the federal Minister of the Environment. The federal Minister of the Environment will then issue the Comprehensive Study Report for

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<sup>10</sup> S.C. 2010, c.12.

comments from the public, Aboriginal groups and stakeholders, and later release an EA Decision Statement. The Commission does not make a decision regarding the EIS. As part of its EA Decision Statement, the federal Minister of the Environment can then refer the project to the Commission for a licensing decision, pursuant to the NSCA, to be considered at a public hearing of the Commission.



SEP 21 2010

Michael Binder  
President,  
Canadian Nuclear Safety Commission

Date