



Canadian Nuclear
Safety Commission

Commission canadienne
de sûreté nucléaire

Record of Proceedings, Including Reasons for Decision

In the Matter of

Applicant AREVA Resources Canada Inc.

Subject Request for Acceptance of the Project-Specific
Guidelines Scoping Document for the Receipt
and Processing of McArthur River Ore at the
McClellan Lake Operation Project

Hearing Date October 21, 2010

RECORD OF PROCEEDINGS

Applicant: AREVA Resources Canada Inc.

Address/Location: P.O. Box 9204 – 817, 45th Street West, Saskatoon,
Saskatchewan S7K 3X5

Purpose: Request for Acceptance of the Project-Specific Guidelines Scoping
Document for the Receipt and Processing of McArthur River Ore
at the McClean Lake Operation Project

Application received: November 5, 2009 and April 8, 2010

Date of hearing: October 21, 2010

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

Members present: M. Binder, Chair

Secretary: K. McGee
Recording Secretary: S. Dimitrijevic

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Introduction

1. AREVA Resources Canada (AREVA) has applied to the Canadian Nuclear Safety Commission¹ (CNSC) for an amendment to the operating licence for their McClean Lake Operation (UMOL-MINEMILL-McCLEAN.00/2017). The amended licence would allow AREVA to operate the high grade ore circuit and to include the transport, receipt and processing of uranium slurry from the McArthur River Mine.
2. Before the Commission can consider authorizing the proposed activity to go forward pursuant to the *Nuclear Safety and Control Act*² (NSCA), the Commission must, in accordance with the requirements of the *Canadian Environmental Assessment Act*³ (CEAA), make a decision on an environmental assessment (EA) of the proposal.
3. CNSC is the sole responsible authority⁴ (RA) for this EA, with Fisheries and Oceans Canada, Environment Canada, Natural Resources Canada and Health Canada providing technical expertise as Federal Authorities (FAs). As a responsible authority under the CEAA, the Commission must first determine the *scope of the project, factors and scope of factors*. To assist the Commission in this regard, CNSC staff and the Saskatchewan Ministry of the Environment prepared a draft project-specific Environmental Assessment Guidelines Scoping Document (EA Guidelines) for the preparation of an environmental impact statement (EIS) in consultation with other government departments, the public, Aboriginal groups and other stakeholders. The draft EA Guidelines are presented in the CNSC staff document CMD 10-H117 and meet the requirements of both the Saskatchewan environmental impact assessment process and the federal process as this is a joint review.

Issue

4. In considering the Guidelines, the Commission was required to decide, pursuant to subsections 15(1) and 16(3) of the *Canadian Environmental Assessment Act*⁵ (CEAA) respectively on:
 - 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.
5. The Commission also considered whether it would, pursuant to subsection 17(1) of the CEAA, delegate the conduct of technical studies to AREVA.

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. 1997, c 9.

³ Statutes of Canada, S.C. 1992, c.37.

⁴ Responsible Authority in relation to an EA is determined in accordance with subsection 11(1) of the CEAA.

⁵ Statutes of Canada, S.C. 1992, c.37.

6. Furthermore, the Commission considered whether or not it will consider the completed EA Screening Report in a public or abridged proceeding.

Hearing

7. Pursuant to section 22 of the NSCA, the President of the Commission established a Panel of the Commission to review the request. The Commission, in making its decision, considered information presented for a hearing held on October 21, 2010 in Ottawa, Ontario. During the hearing, the Commission considered written submissions from CNSC staff (CMD 10-H117) and AREVA (CMD 10-H117.1).

Decision

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

the Canadian Nuclear Safety Commission, pursuant to section 15 and 16 of the CEAA, approves the attached Environmental Assessment Guidelines Scoping Document "*Receipt and Processing of McArthur River Ore at the McClean Lake Operation Project*" presented in the CNSC staff document CMD 10-H117.

9. The Commission decides that, pursuant to subsection 17(1) of the CEAA, the conduct of technical support studies will be delegated to AREVA Resources Canada.
10. Furthermore, the Commission decides that it will not make a decision at this time on whether the completed EA Screening Report will be considered by the Commission for approval at a public hearing or as an abridged hearing. Instead, the Commission will await the completion of the Environmental Impact Statement and EA Screening Report and evaluate the nature and sources of the comments received as well as the proposed licensing process prior to deciding on the hearing format.

Issues and Commission Findings

Qualifications and Protection Measures

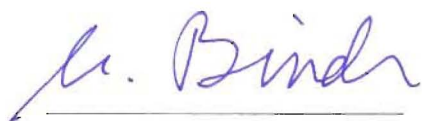
11. Pursuant to subsection 18(1) of the CEAA, the CNSC is required to ensure the conduct of a screening EA and the preparation of a screening report before the Commission make its decision on amendments related to AREVA's application.

12. The Application includes AREVA's proposal to transport a total of 9 million pounds of uranium ore concentrate (U_3O_8) from the McArthur River Mine to be processed at McClean Lake JEB Mill, over a three-year period. No construction activities are associated with this proposal as both facilities already have the necessary infrastructure. In its application, AREVA explained that the ore slurry would be loaded into IP-2 certified drop-proof transport containers. AREVA estimated that two transportation units would leave McArthur River daily, for 300 days per year. Each unit would consist of a truck and two trailers, with each trailer carrying two IP-2 containers.
13. The distance between the McArthur River Mine and McClean Lake JEB Mill is about 920 km. The transport would use existing provincial highways and is estimated to last about 17 hours each way. According to the review by the Saskatchewan Watershed Authority, the trucks would cross more than two hundred streams, pass by nearly four hundred other water bodies and pass through several communities.
14. With respect to public involvement, CNSC staff reported that a public registry had been established for this EA in the Canadian Environmental Assessment Registry (CEAR) under identification number 10-01-53814. Due to the length of the route and use of public highways, notification letters were sent to 28 Aboriginal groups. The public and Aboriginal groups were provided with an opportunity to comment on the draft EA Guidelines from June 24 to July 27, 2010. Notices of the consultation period were placed on the CEAR on-line and on the CNSC website. The Métis Local #37 and The Athabasca Land Use Office c/o Prince Albert Grand Council have commented on the draft Guidelines. The expressed interest did not bring up any potential or established rights issues. In addition five other organizations or municipalities provided comments on the draft EA Guidelines.
15. CNSC staff noted that public comments indicate an interest in transportation logistics and how the proposed ore haul transportation route could affect local communities. CNSC staff added that the EA would include the assessment of environmental effects of malfunctions or accidents that may occur, as well as the evaluation of any cumulative environmental effects that are likely to result from the project in combination with other projects or activities that have been, or would be, carried out.
16. The draft EA Guidelines "*Receipt and Processing of McArthur River Ore at the McClean Lake Operation Project*" contains draft statements of scope for the approval of the Commission. The draft EA Guidelines also contain recommendations and instructions for the approach to be used in completing the EA, including those for the conduct of further public and stakeholder consultations. Since the Saskatchewan Ministry of the Environment and CNSC will conduct a joint environmental assessment based on the *Canada-Saskatchewan Agreement on Environmental Assessment Cooperation (2005)*, the Guidelines have been prepared to meet the requirements of both the Saskatchewan Environmental Impact Assessment and the federal process.

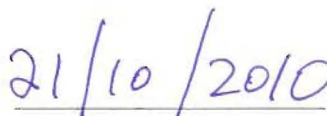
17. CNSC staff recommended to the Commission that the preparation of a screening report follow the simple screening track. CNSC staff also recommended that the technical studies be delegated to AREVA. If the Commission accepts this recommendation, AREVA will prepare and submit an Environmental Impact Statement (EIS). The Saskatchewan Ministry of the Environment (MOE), CNSC and identified FAs will review the EIS. The Saskatchewan MOE will conduct a minimum 30-day public review and Technical Review Comments will be addressed by AREVA with the Environmental Impact Statement revised as necessary.

Application of the *Canadian Environmental Assessment Act*

18. Before making a licensing decision, the Commission must be satisfied that all applicable requirements of the CEAA have been fulfilled.
19. 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 receipt and processing of McArthur River ore at the McClean Lake operation, which is considered a proposed operation in relation to a physical work. Therefore, the proposed undertakings constitute a “project” as defined in Section 2 of the CEAA. Since the amendment of a licence is listed in the *Law List Regulations*⁶ established under the CEAA, there is a “trigger” for this project pursuant to the subsection 5(1)(d) of the CEAA. There are no identified exclusions for the project, pursuant to the section 7 of the CEAA and Schedule I of the *Exclusion List Regulations, 2007*⁷ under the CEAA.
20. Since there is both a ‘project’ and a ‘trigger’ for AREVA’s proposal, pursuant to subsection 18(1) of the CEAA, the CNSC is required to ensure the conduct of a screening EA and the preparation of a screening report before an approval related to AREVA’s proposal can be considered under the NSCA.
21. The Commission is satisfied that all applicable requirements of the CEAA have been fulfilled.



Michael Binder
President,
Canadian Nuclear Safety Commission



Date

⁶ Statutory Orders and Regulations, S.O.R./94-636

⁷ Statutory Orders and Regulations, S.O.R./2007-108