



Canadian Nuclear
Safety Commission

Commission canadienne
de sûreté nucléaire

Record of Proceedings, Including Reasons for Decision

In the Matter of

Applicant Cameco Corporation.

Subject Application to Amend the McArthur River
Uranium Mine Operating Licence

Hearing
Date March 22, 2012

RECORD OF PROCEEDINGS

Applicant: Cameco Corporation

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

Purpose: Application to amend the McArthur River Uranium Mine Operating Licence

Application received: November 26, 2010

Date of hearing: March 22, 2012

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

Members present: M. Binder, Chair

Secretary: M. Leblanc
Recording Secretary: D. Carrière

Licence: Amended

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Introduction

1. Cameco Corporation (Cameco) has applied to the Canadian Nuclear Safety Commission¹ (CNSC) for an amendment to the Uranium Mine Operating Licence for its McArthur River Operation located in northern Saskatchewan. The current licence, UMOL-MINE-McARTHUR.01/2013, expires on October 31, 2013.
2. Cameco is requesting to amend Appendix A of the licence to reflect a change in the Province of Saskatchewan's surface lease agreement referenced in the CNSC licence.

Issue

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 Cameco is qualified to carry on the activity that the amended licence would authorize; and
 - b) if, in carrying on that activity, Cameco 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

4. 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 March 22, 2012 in Ottawa, Ontario. During the hearing, the Commission considered written submissions from Cameco (CMD 12-H109.1) and CNSC staff (CMD 12-H109).

Decision

5. 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 Cameco 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 Operating Licence UMOL-MINE-McARTHUR.01/2013 issued to Cameco Corporation for its McArthur River Operation located in northern Saskatchewan. The amended licence, UMOL-MINE-McARTHUR.02/2013, is valid until October 31, 2013.

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, chapter (c.) 9.

Issues and Commission Findings

Qualifications and Protection Measures

6. Cameco is requesting an amendment to Appendix A of its operating licence to correctly reflect the current surface lease agreement with the Province of Saskatchewan. CNSC staff reported that a surface lease agreement was initially signed by Cameco and the Province of Saskatchewan in 1999, and was referenced in McArthur River's operating licences between 1999 and 2004. CNSC staff added that the surface lease agreement and Appendix A of the licence were amended in 2004 to reflect a smaller surface area. CNSC staff reported that, in December 2010, Cameco applied to the Province of Saskatchewan to return the boundary of the surface lease to the original lease issued in 1999 to accommodate potential future activities and infrastructure.
7. CNSC staff reported that the Province of Saskatchewan has accepted Cameco's application and the surface lease agreement was changed to reflect the new surface area. CNSC staff reported having reviewed Cameco's licence amendment request and explained that future activities and infrastructure would be subject to the necessary regulatory reviews and authorizations where appropriate by the CNSC. CNSC staff also stated that the proposed licence amendment is administrative in nature and has no effect on the health and safety of persons and the environment.
8. The Commission is of the opinion that the changes will have no adverse impact on potential or established Aboriginal or Treaty rights and therefore the duty to consult with Aboriginal groups does not arise in relation to the proposed licence amendment.

Application of the *Canadian Environmental Assessment Act*

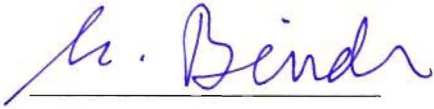
9. Before making a licensing decision, the Commission must be satisfied that all applicable requirements of the *Canadian Environmental Assessment Act*³ (CEAA) have been fulfilled.
10. The Commission is of the opinion that there is no requirement for an EA pursuant to subsection 5(1) of the CEAA in relation to the proposed licence amendment.

Conclusion

11. The Commission has considered the information and submissions from Cameco and CNSC staff and is satisfied that the requested amendment is administrative in nature and will not adversely impact the safety of the McArthur River Operation and the health and safety of persons and the environment. The Commission is also satisfied that Aboriginal consultation is not necessary in relation to the proposed amendment.

³ S.C. 1992, c. 37.

12. The Commission is also satisfied that all applicable requirements of the CEEA have been fulfilled.



Michael Binder
President,
Canadian Nuclear Safety Commission

MAR 22 2012

Date