



Canadian Nuclear  
Safety Commission

Commission canadienne  
de sûreté nucléaire

# Record of Proceedings, Including Reasons for Decision

In the Matter of

Applicant Ontario Power Generation Inc.

Subject Financial Guarantee and Licence Amendments  
for OPG's Class I Nuclear Facility Licences in  
Ontario

Public Hearing  
Date October 24, 2012

## RECORD OF PROCEEDINGS

Applicant: Ontario Power Generation Inc.

Address/Location: 700 University Avenue, Toronto, ON M5G 1X6

Purpose: Financial Guarantee and Licence Amendments for OPG's Class I Nuclear Facility Licences in Ontario

Application received: August 30, 2012

Date(s) of public hearing: October 24, 2012

Location: Canadian Nuclear Safety Commission (CNSC) Public Hearing Room, 280 Slater St., 14th. Floor, Ottawa, Ontario

Members present: M. Binder, Chair  
A. Harvey D.D. Tolgyesi  
M. J. McDill R. Velshi

Secretary: M.A. Leblanc  
Recording Secretary: T. Johnston  
Senior General Counsel: J. Lavoie

<b>Applicant Represented By</b>	<b>Document Number</b>
<ul style="list-style-type: none"><li>• A. Sweetman, Executive Vice President, Nuclear Projects, OPG</li><li>• J. Mauti, Vice President, Business Planning and Reporting, OPG</li><li>• R. Kwan, Assistant Deputy Minister, Ontario Ministry of Finance</li><li>• J. Keto, Director, Nuclear Decommissioning Organization OPG</li><li>• I. Rhoden, Manager, Funds Management Operations</li><li>• H. Roman, Manager, Safety Assessment and Licensing</li></ul>	CMD 12-H11.1 CMD 12-H11.1A
<b>CNSC staff</b>	<b>Document Number</b>
<ul style="list-style-type: none"><li>• P. Elder</li><li>• R. Barker</li><li>• D. Howard</li></ul>	CMD 12-H11
<b>Intervenors</b>	
Bruce Peninsula Environment Group	CMD 12-H11.2

**Licences: Amended**

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## INTRODUCTION

1. Ontario Power Generation Inc. (OPG) has requested that the Canadian Nuclear Safety Commission<sup>1</sup> (CNSC) accept the consolidated financial guarantee for the future decommissioning of its Class I nuclear facilities located in Ontario. In addition, OPG has requested licence amendments and updates to the Licence Conditions Handbooks (LCH), in order to update the references that pertain to the financial guarantee and the decommissioning plans for each of its Class I nuclear facility operating licences.
2. Subsection 24(5) of the *Nuclear Safety and Control Act*<sup>2</sup> (NSCA) gives the Commission the authority to require that a licensee provide a financial guarantee in a form that is acceptable to the Commission. CNSC Regulatory Guide *G-206*<sup>3</sup> provides guidance on the attributes of an acceptable financial guarantee in terms of liquidity, certainty and adequacy of value, and continuity.
3. The Commission requires that OPG establish and maintain an acceptable financial guarantee for the future decommissioning of its Class I nuclear facilities and report annually on the status and adequacy of the financial guarantee through the submission of a written report. OPG would retain ownership and responsibility for decommissioning costs of the following ten Class I nuclear facilities:
  - Darlington Nuclear Generating Station (NGS)
  - Pickering A NGS
  - Pickering B NGS
  - Western Waste Management Facility (WMF)
  - Pickering WMF WFOL
  - Darlington WMF WFOL
  - Radioactive Waste Operations Site-1 (RWOS-1)
  - Bruce A NGS
  - Bruce B NGS
  - Bruce Power Central Maintenance and Laundry Facility (CMF)
4. The scope of the financial guarantee includes the decommissioning activities related to the facilities noted above and the lifecycle management of all used fuel and low and intermediate level radioactive waste (L&ILW) associated with these facilities. Under an agreement with OPG, Bruce Power (BP) leases and operates the Bruce A and Bruce B NGSs and the Central Maintenance and Laundry Facility (CMF). However, OPG retains ownership of these facilities and retains the obligations for the future decommissioning of the Bruce A and B NGSs and BP's CMF.

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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> CNSC Regulatory Guide G-206, *Financial Guarantees for the Decommissioning of Licensed Activities*, June 2000

### **Issues**

5. In considering the application, the Commission was required to decide:
  - a) if the proposed financial guarantee in the amount of \$14,221 M constituted an acceptable financial guarantee for the decommissioning of OPG's nuclear facilities located in Ontario; and
  - b) if OPG has fulfilled the requirements of the applicable licence conditions in the operating licences that it holds for its Class I nuclear facilities.
6. Furthermore, the Commission was required to decide, with respect to the licence amendments to OPG-operated facilities, pursuant to subsection 24(4) of the NSCA:
  - c) if OPG was qualified to carry on the activity that the amended licences would authorize; and
  - d) if, in carrying on that activity, OPG would make adequate provisions 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.

### **Public Hearing**

7. The Commission, in making its decision, considered information presented for a public hearing held on October 24, 2012 in Ottawa, Ontario. The public hearing was conducted in accordance with the *Canadian Nuclear Safety Commission Rules of Procedure*<sup>4</sup>. During the public hearing, the Commission received written submissions and heard oral presentations from CNSC staff (CMD 12-H11) and OPG (CMD 12-H11.1 and 12-H11.1A). The Commission also considered a written submission from one intervenor (CMD 12-H11.2).

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<sup>4</sup> Statutory Orders and Regulations (SOR)/2000-211.

## 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 OPG is qualified to carry on the activity that the amended licences would authorize. The Commission is of the opinion that OPG, in carrying on that activity, 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. Therefore,

the Commission, pursuant to section 24 of the *Nuclear Safety and Control Act*, accepts the Financial Guarantee provided by Ontario Power Generation Inc. for the future decommissioning of its Class I nuclear facilities located in Ontario.

the Commission, pursuant to section 24 of the *Nuclear Safety and Control Act*, amends the following licences currently held by Ontario Power Generation Inc.:

- Darlington NGS – PROL 13.18/2013
- Pickering A NGS – PROL 04.05/2013
- Pickering B NGS – PROL 08.20/2013
- Western WMF – WFOL-W4-314.02/2017
- Pickering WMF – WFOL-W4-350.01/2018
- Darlington WMF – WFOL-W4-355.00/2013

The amended licences, as follows,

- Darlington NGS – PROL 13.19/2013
- Pickering A NGS – PROL 04.06/2013
- Pickering B NGS – PROL 08.21/2013
- Western WMF – WFOL-W4-314.03/2017
- Pickering WMF – WFOL-W4-350.02/2018
- Darlington WMF – WFOL-W4-355.01/2013

remain valid until their respective expiry dates, unless suspended, amended, revoked, or replaced.

9. The Commission, pursuant to section 24 of the *Nuclear Safety and Control Act*, accepts the proposed change in the annual report submission date from January 31<sup>st</sup> to before March 1<sup>st</sup> of each year.
10. The Commission expects CNSC staff to continue to review OPG's annual report on the status of the financial guarantee, to ensure that the financial guarantee remains valid, and to report to the Commission on any deviation in the status of the financial guarantee, in the form of an Event Initial Report.

## ISSUES AND COMMISSION FINDINGS

11. In making its decision, the Commission considered issues related to the acceptability of the proposed financial guarantee.

### Cost Estimates

12. OPG reported that it provided cost estimates prepared by external consultants for the five NGSs (Darlington, Pickering A, Pickering B, Bruce A, and Bruce B), used fuel management, L&ILW management, and three waste management facilities (Pickering, Western and Darlington). In its submission, OPG detailed the cost estimates for the decommissioning of each facility.
13. OPG submitted the following final cost estimates for January 1, 2013, which total \$14,221 M:
  - Five OPG-owned NGSs, \$3,828 M;
  - Used fuel management, \$8,431 M;
  - L&ILW management, \$1,897 M;
  - Three OPG-owned WMFs, \$57 M;
  - Decommissioning RWOS-1 and CMF, \$8 M.
14. OPG reported that the initial estimates were produced in constant dollars and then escalated based on the University of Toronto's Institute of Policy Analysis Economic Forecasting Series. OPG added that a discount rate of 3.25% above the Ontario Consumer Price Index was applied to determine the present value of future costs which represented the final cost estimate.
15. CNSC staff reported that the revised cost estimate for the proposed financial guarantee increased since the last review, in 2007, due to the continued operation of the Darlington NGS after refurbishment, changes in other NGS shutdown dates, changes in decommissioning, program and economic assumptions, and due to the addition of decommissioning costs associated with the RWOS-1 and CMF.
16. The Commission enquired about the degree of accuracy for the proposed financial guarantee of \$14, 221 M. The OPG representative stated that the estimates would become more accurate when the associated activities are in the nearer future. The OPG representative explained that contingency costs were built into all of the capital costs, consultants were hired, and the estimates were reviewed by all involved parties (Nuclear Waste Management Organization, OPG, and the Ontario Ministry of Finance) and their respective consultants. The OPG representative stated that they have not considered any advancement in technology that would reduce the cost of decommissioning so that their estimate is as conservative as possible. CNSC staff stated that the consultants used actual decommissioning projects to help model their estimates in terms of cost factors, and that contingency amounts vary from 5 to 20 percent. CNSC staff explained that the further out in the future the project is, the higher the applied contingency is to those cost estimates.

17. The Commission asked if a sensitivity analysis model existed and if there is a simple way to estimate the total financial guarantee. The OPG representative responded that the Nuclear Waste Management Organization (NWMO) runs a model for OPG and sensitivity analyses are done on a regular basis. CNSC staff added that the model sensitivity analysis used was the best model for OPG and that \$14, 221 M was the best estimate based on the information that was available at the time. CNSC staff expressed confidence in OPG's financial guarantee.
18. The Commission asked if the escalation factors, in regards to the real rate of 3.25%, are updated or adjusted annually or on some other frequency and how these adjustments are reflected in the cost estimates of the financial guarantee. The OPG representative responded that the financial indicators are obtained from external consultants and updated on a five-year cycle. The OPG representative added that the actual performance of the funds is updated annually and, at that time, the CNSC has the ability to request that the guarantee be increased if there is an associated underage. The OPG representative stated that if the Nuclear Funds perform as expected, OPG will be over-guaranteed.
19. The Commission asked for more information on the 3.25% recommended discount, more specifically compared to other licensees' financial guarantee cost estimates and if there was much variation amongst consultants' recommendations. CNSC staff responded that it is difficult to do a direct comparison because the financial guarantee is structured differently from others. CNSC staff added that there is a standard methodology followed by the consultants and there was not a lot of variation amongst consultants' discount recommendations.
20. The Bruce Peninsula Environmental Group questioned, in its submission, whether OPG has supplied all of the additional nuclear waste volumes to its external consultants. The Commission asked for more information on these consultants. The OPG representative responded that all additional nuclear waste volume figures were provided to the consultants and each of the several consultants was hired on a competitive basis. The OPG representative further responded that the primary consultant reviewed the entire financial guarantee and OPG staff was satisfied with the information provided. The representative from the Ontario Ministry of Finance responded that the Province of Ontario, pursuant to the ONFA, did a review of the cost estimates provided by OPG and this review was done to ensure that its rights and obligations were satisfied.

*NGS Decommissioning Plans Cost Estimates*

21. OPG reported that the latest NGS end-of-life dates assumed for the 2013-2017 CNSC financial guarantee submission are the most conservative estimates, based on financial planning information and an estimated nominal safe storage period of 30 years prior to the initiation of dismantling activities. OPG added that the latest assumptions include a possible extra year of generation from the Pickering WMF.



22. OPG explained that the cost estimates were prepared by TLG Services (TLG), a U.S. based consultant, for its Class I nuclear facilities. CNSC staff explained that the cost estimates would take into account the application of work difficulty factors that would recognize conditions such as work site access and the As Low As Reasonably Achievable (ALARA) approach to radiation protection. CNSC staff added that the estimating process also considered facility infrastructure, local labour rates and costs, and prior removal of waste inventories.
23. CNSC staff stated that OPG has included the decommissioning of the RWOS-1 and CMF in their cost estimates. CNSC staff added that a decommissioning cost estimate for the Spent Solvent Treatment Facility would be developed in the 2017 financial guarantee application, should it remain under the licence.
24. The Commission enquired on the relative trade-off, when end-of life dates are delayed, between increased costs caused by extra nuclear waste generation and the relative offset by deferred decommissioning. The OPG representative responded that for an additional year of generation, the decommissioning costs would decrease and the volume of nuclear waste would increase at the end of each individual year. The OPG representative added that the total decommissioning cost for NGSs would only increase once the extra year of generation occurs and the additional waste arises.

#### *Used Fuel Management Plans and Cost Estimates*

25. CNSC staff reported that OPG is following the Adaptive Phase Management (APM) approach, in relation to used fuel management, that was developed by the Nuclear Waste Management Organization and approved by the Government of Canada in 2007. The APM approach considered alternative plans for used fuel long-term storage such as temporary shallow storage at the central site and deep geological waste repositories (DGR). CNSC staff added that alternative used fuel storage could be available by 2035 and the DGR by 2065. CNSC staff also added that OPG is proposing the most financially conservative option which predicts an earliest in-service date for a used fuel DGR of 2035.
26. OPG stated that the cost estimates for the used fuel DGR were prepared by external engineering consultants and independently reviewed by the Nuclear Waste Management Organization.
27. The Commission asked for clarification regarding the 2065 in-service date for the DGR as 2035 was the understood target date. CNSC staff responded that the financial guarantee estimate is based on having a fully operational DGR by 2035 but that this was considered as the most costly option.
28. The Commission sought clarification regarding the mention of a new strategy for emptying used fuel wet bays and if this change has been included in the financial guarantee. The OPG representative and CNSC staff responded that the mentioned

strategy is not new; however, the strategy was revised and further clarified. CNSC staff noted that the strategy was considered in the financial guarantee and that it did not cause a significant change in the cost structure due to the existing infrastructure.

29. The Commission sought information regarding OPG's intentions to reduce the timeline of 10 years for emptying used fuel wet bays into dry storage. The OPG representative responded that, currently, there is no intention to transfer the wet bays to dry storage before 10 years as the change in strategy would require a complete redesign of the dry canisters followed by CNSC approval. The OPG representative explained that the current financial guarantee and decommissioning plans included the costs for the strategy of emptying used fuel wet bays into dry storage after 10 years. The OPG representative added that studies are presently ongoing and, in light of the Fukushima events, if an improved strategy is developed they would present it before the Commission.
30. The Commission asked if the shallow storage will be a temporary solution to used fuel management or if it may replace the deep geological repository as permanent storage. CNSC staff responded that, in the NWMO's APM approach, the option of having an interim central storage is being considered. CNSC staff further explained that the option of using an interim shallow or centralized repository does not add to the overall costs because it allows for more time to build the deep geological repository.

#### *Low and Intermediate Level Waste Management Plans and Cost Estimates*

31. OPG stated that, currently, L&ILW generated from OPG's NGSs is stored at the Western WMF, and for the purpose of cost estimation, it would be transferred to a L&ILW DGR with an anticipated design volume of 200,000m<sup>3</sup> that is predicted to be in service by 2018. OPG added that until the permanent repository is in service, cost estimates for L&ILW would include all costs associated with temporary storage until the end of the 2017 financial guarantee year.
32. CNSC staff stated that, following removal of L&ILW to the repository, decommissioning of the L&ILW storage area at the Western WMF is predicted by OPG to occur between 2042 and 2047.

#### *Nuclear Waste Management Facility Decommissioning Plans and Cost Estimates*

33. OPG stated that the estimated cost to decommission Pickering, Western, and Darlington WMFs, RWOS-1 and CMF was based on facility infrastructure present at the end of 2013 and included the removal of stored waste.

*Conclusion on Cost Estimates*

34. Based on the above information, the Commission is satisfied that the cost estimates submitted by OPG meet the CNSC financial guarantee requirements.

**Decommissioning Plans and Financial Guarantee**

35. CNSC staff reported that OPG has provided updated decommissioning plans for all of its Class I nuclear facilities. Following a review, CNSC staff reported that the decommissioning plans were acceptable and consistent with CNSC regulatory guides *G-219, Decommissioning Planning for Licensed Activities*<sup>5</sup> and Canadian Standard Association (CSA) standard N294-09, *Decommissioning of Facilities Containing Nuclear Substances*<sup>6</sup>. CNSC staff added that the proposed financial guarantee met regulatory requirements of the CNSC regulatory guide *G-206, Financial Guarantees for the Decommissioning of Licensed Activities*<sup>3</sup>,
36. OPG proposed that the financial guarantee for \$14,221 M be provided as \$1,535 M from the provincial guarantee and \$12,686 M from the Nuclear Funds consisting of the funds from the Ontario Nuclear Funds Agreement (ONFA) and the *Nuclear Waste and Fuel Act*<sup>7</sup> (NFWA) Trust. OPG added that revised values will be provided in the legal agreements proposed to be finalized prior to December 31, 2012.
37. OPG explained that the portion of the financial guarantee that is funded by the Nuclear Funds consists of the ONFA Segregated funds and the NFWA Trust funds. The ONFA Segregated Funds are made up of the Decommissioning Segregated Fund (DSF) and the Used Fuel Segregated Fund (UFSF) and are held in third-party custodian trustee accounts. The NFWA trust funds were established, within the UFSF funds in 2002, to meet the requirement of the NFWA. OPG added that the CNSC has access to the ONFA funds through a legal agreement between the CNSC, OPG and the Province of Ontario, and that OPG would not have access to any of the assets of the segregated funds to satisfy any of OPG's or its related parties' liabilities other than as prescribed under the ONFA and the NFWA.
38. The Commission enquired if there are any restrictions associated with transferring money from one fund to the next. The OPG representative responded that, as soon as the liability for a certain element is fully funded, money could then be transferred between funds.
39. The OPG representative stated that if the value of the Nuclear Funds is not sufficient to cover the present value of OPG's decommissioning plans, the Provincial guarantee would cover the residual balance of the financial guarantee requirement and would be made out payable to the CNSC by the Province of Ontario. The OPG representative

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<sup>5</sup> CNSC Regulatory Guide G-219, *Decommissioning Planning for Licensed Activities*, June 2000.

<sup>6</sup> CSA Standard N294-09, *Decommissioning of Facilities Containing Nuclear Substances*, 2009.

<sup>7</sup> S.C. 2002, c. 23.

further explained that the CNSC would have access to the provincial guarantee that is provided through a provincial guarantee agreement between the CNSC and the Province of Ontario.

40. The Commission asked if there was maximum liability coverage on behalf of the Province of Ontario. The OPG and the Ontario Ministry of Finance representatives responded that there is no liability limit in the ONFA and the Province of Ontario is committed to OPG and required to support the financial guarantee requirements of the CNSC.

#### *Financial Guarantee Increase*

41. OPG stated that the proposed 2013 to 2017 financial guarantee requirement increased from the previous 2008 to 2012 guarantee. OPG explained that the increase was a result of updated economic assumptions, such as changes in the escalation factors and changes in assumptions used in the cost estimates for decommissioning, used fuel management, and the DGR programs.
42. OPG reported that the total financial guarantee requirement will increase from \$14,221 M in 2013 to \$16,313 M in 2017. The provincial guarantee would be set at \$1,535 M to cover the years 2013 to 2017. However, CNSC staff stated that the monetary requirement from the provincial guarantee would reduce from \$1,535 M to \$1,263 from 2013 to 2017 respectively.
43. OPG reported that the financial guarantee would increase over the next five years as nuclear waste increases and the number of discounting years decrease, while the ONFA nuclear funds would increase due to planned contributions, disbursements, and projected returns in market investments. CNSC staff added that OPG would continuously update its decommissioning liabilities to account for any changes in its decommissioning or waste management plans, waste quantities or cost estimates.

#### *Nuclear Funds Growth*

44. The Commission enquired as to why the Nuclear Fund growth was less than projected in OPG's 2008 to 2012 financial guarantee. The OPG representative responded that the financial markets have suffered negatively since 2008 but that the Nuclear Funds are invested on a long-term basis in solid sectors of the economy. The OPG representative added that their investments are split between equities, interest-bearing investments, and infrastructure that have performed well and above expectations since the existence of the fund.

45. The Bruce Peninsula Environment Group (BPEG), in its intervention, questioned how OPG would be able to increase the Nuclear Funds. The Commission asked for more information on this topic. The OPG representative responded that the contributions made to the segregated funds meet ONFA requirements and any shortfalls are accounted for over the remaining operative lives of the NGSs. A representative from the Ontario Ministry of Finance added that the life of the NGS would then affect the timeframe in which the payment schedules are made, and that the Province of Ontario was satisfied with the payment schedules submitted by OPG as they met ONFA requirements. The OPG representative also responded that there is no target date to replace the provincial guarantee but that the Nuclear Funds are invested in the market as a whole and are expected to increase in the long-term.
46. The Commission asked how financial overruns will be accounted for by OPG if the decommissioning costs increase and the provincial guarantee has been replaced. The OPG representative responded that contingencies exist for each estimate involved for the different elements of the liability.
47. The Commission enquired on the circumstances when an action would be triggered by the CNSC that the provincial guarantee needs to be increased. CNSC staff responded that, in the past, OPG self-reported the difference in their liability and financial guarantee and sought assistance. CNSC staff explained that they provided advice to OPG, taking into account that the financial guarantee is run like a pension fund.
48. The Bruce Peninsula Environmental Group expressed concerns on the expected outcome in a worst-case scenario of a severe market crash or economic downfall. The OPG representative responded that, despite previous economic disruptions, the Nuclear Funds have continued to perform at or above projected standards. In the worst-case scenario, it was stated that the Government of Ontario would assume responsibility and provide the required provincial guarantee to meet the overall liability.

#### *Overseeing of Funds*

49. OPG stated that the Nuclear Funds would be overseen by a dedicated committee of the OPG Board of Directors and by the Board of the Ontario Financing Authority (OFA). CNSC staff stated that the OFA, representing the Province of Ontario, have reviewed and confirmed OPG's working assumptions in relation to its economic forecasts. CNSC staff stated that OFA hires its own expert consultant to ensure that the review process is credible. OPG added that changes in baseline reference plans or cost estimates would have to be approved by the Ontario Minister of Finance.

*Conclusion on Decommissioning Plans and Financial Guarantee*

50. Based on the above information, the Commission is satisfied with the decommissioning plans and financial guarantee provided by OPG.

**Licence Amendment**

51. OPG requested that its six Class I nuclear facility operating licences (Darlington, Pickering A, and Pickering B NGSs and Darlington, Pickering, and Western WMFs) be amended to reference the revised financial guarantee and be updated to reference the licence conditions regarding the revised decommissioning plans.
52. CNSC staff reviewed OPG's licence amendment application and advised the Commission that OPG has provided the information required by the NSCA.
53. CNSC staff stated that, upon review of OPG's request, it is of the opinion that OPG is qualified to carry out the activity that the amended licences would authorize and that OPG 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.
54. OPG stated that they would continue to submit an annual report in accordance with its licences which would identify any material changes in the decommissioning or waste management plans, the waste quantities or the cost estimates which could impact the financial guarantee requirements. OPG proposed that the annual report submission date be changed from on or before January 31<sup>st</sup> to before March 1<sup>st</sup> of each year to accommodate reporting based on actual financial year-end results.

*Conclusion on Licence Amendment*

55. Based on the above information, the Commission finds OPG's licence amendment application acceptable. The Commission also accepts the change to the annual report submission date.

**Aboriginal Consultation**

56. CNSC staff stated that the duty to consult did not arise in relation to the proposed licence amendment as the requested licence amendments were administrative in nature and did not cause adverse impacts to Aboriginal or treaty rights.
57. The Commission concurs with CNSC staff in that the Duty to consult does not arise in relation to the proposed licence amendment.

### **Application of the *Canadian Environmental Assessment Act 2012***

58. Before making a licensing decision, the Commission must be satisfied that all applicable requirements of the *Canadian Environmental Assessment Act, 2012*<sup>8</sup> (CEAA, 2012) were fulfilled.
59. CNSC staff reported that, in relation to the CEAA, 2012, OPG's proposed licence amendments were not classified as a "designated project" pursuant to the *Regulations Designating Physical Activities* made under paragraph 84(a) of the CEAA, 2012. Therefore, the CNSC was not considered a responsible authority pursuant to paragraph 15(a) of the CEAA, 2012 and no federal environmental assessment (EA) was required.
60. Based on the information provided, the Commission is satisfied that no environmental assessment is required pursuant to the CEAA, 2012.

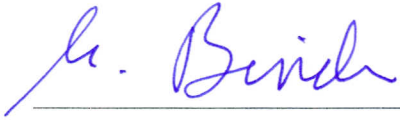
### **CONCLUSION**

61. The Commission has considered the information and submission of the CNSC staff as presented in the material available for reference on the record.
62. The Commission is satisfied that the financial guarantee submitted by OPG is acceptable. The Commission therefore accepts the financial guarantee, provided by Ontario Power Generation Inc., for the future decommissioning of its Class I facilities located in Ontario, consisting of the proposed ONFA Funds and NFWA Trust in the amount of \$12,686 M and, the Guarantee by the Province of Ontario in the amount of \$1,535 M.
63. The Commission is satisfied that no environmental assessment is required as of the CEAA, 2012 in relation to the proposed licence amendment.
64. Furthermore, the Commission concludes that OPG meets the requirements of subsection 24(4) of the *Nuclear Safety and Control Act*, in that OPG is qualified to carry on the activity that the amended licences 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.
65. The Commission therefore, amends, pursuant to section 24 of the *Nuclear Safety and Control Act*, the following licences currently held by Ontario Power Generation Inc.:
  - Darlington NGS
  - Pickering A NGS
  - Pickering B NGS
  - Western WMF
  - Pickering WMF
  - Darlington WMF

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<sup>8</sup> *Canadian Environmental Assessment Act, 2012* S.C. 2012, c. 19, s.52.

66. The amended licences remain valid until their respective expiry dates, unless suspended, amended, revoked or replaced.
67. The Commission expects CNSC staff to continue to review OPG's annual report on the status of the financial guarantee, to ensure that the financial guarantee remains valid, and to report to the Commission on any deviation in the status of the financial guarantee, in the form of an Event Initial Report.



Michael Binder  
President,  
Canadian Nuclear Safety Commission

DEC 19 2012

Date