



UNPROTECTED/NON-PROTÉGÉ

ORIGINAL/ORIGINAL

CMD: 22-H105

Date signed/Signé le : 17 MAY 2022

Reference CMD(s)/CMD(s) de référence : 21-H2, 20-H108

Issue Required Approval(s) for:

Délivrer l'approbation requise pour

Cameco Corporation

Cameco Corporation

**Application to Amend
the Cigar Lake Operation
Financial Guarantee
Instruments**

**Demande de modification
des instruments de
garantie financière pour
l'établissement de Cigar
Lake**

Hearing in writing based solely on
written submissions

Audience par écrit fondée uniquement
sur des mémoires

Scheduled for:
May 2022

Prévue pour :
Mai 2022

Submitted by:
CNSC Staff

Soumise par :
Le personnel de la CCSN

Summary

This CMD pertains to a request for a decision regarding:

- Cameco Corporation's (Cameco) application to amend the financial instruments of the Cigar Lake Operation Financial Guarantee (FG) as a result of Cameco and Orano Canada Inc. (Orano) acquiring Idemitsu Canada Resource's (Idemitsu) portion in the Cigar Lake Joint Venture.
- The proposed changes are of an administrative nature. There is no proposed change to the Cigar Lake licence, the Preliminary Decommissioning Plan and associated cost estimate, nor to operations at the facility. There is no change to the total amount of the FG, nor to the types of financial instruments used by Cameco and Orano.
- The amended FG instruments, if approved, would be reflected in a subsequent update to the Cigar Lake Licence Conditions Handbook (LCH-MINE-CIGAR.00/2031) at the staff level.

CNSC staff recommend the Commission take the following actions:

- Accept the proposed amendment to the financial instruments of the financial guarantee for Cameco's Cigar Lake Operation.
- Direct Cameco to submit revised financial instruments, as soon as possible and no later than within 90 days of the publication of a decision.

Résumé

Le présent CMD concerne une demande de décision au sujet de :

- La demande de Cameco Corporation (Cameco) pour modifier les instruments financiers de la garantie financière de l'établissement de Cigar Lake à la suite de l'acquisition par Cameco et Orano Canada Inc. (Orano) de la part d'Idemitsu Canada Resource (Idemitsu) dans la coentreprise de Cigar Lake.
- Les changements proposés sont de nature administrative. Aucune modification n'est proposée au permis de Cigar Lake, au plan préliminaire de déclassement et à l'estimation des coûts de déclassement, ni aux activités de l'installation. Il n'y a aucun changement au montant total du garantie financière, ni aux types d'instruments financier utilisés par Cameco et Orano.
- Les instruments de garantie financière modifiés, s'ils sont approuvés, seront reflétés dans une mise à jour du Manuel des conditions de permis de Cigar Lake (LCH-MINE-CIGAR.00/2031) au niveau du personnel.

Le personnel de la CCSN recommande à la Commission de prendre les mesures suivantes :

- Accepter la modification proposée aux instruments financiers de la garantie financière pour l'établissement de Cigar Lake.
- Demander à Cameco de soumettre des instruments financiers révisés, dès que possible et au plus tard dans les 90 jours suivant la publication de la décision.

The following items are attached:

- Current licence UML-MINE-CIGAR.00/2031
- Relevant section of the current Cigar Lake Licence Conditions Handbook LCH-MINE-CIGAR.00/2031
- Relevant section of the draft Cigar Lake Licence Conditions Handbook

Les pièces suivantes sont jointes :

- Le permis actuel UML-MINE-CIGAR.00/2031
- Les sections pertinentes du Manuel des conditions de permis actuel LCH-MINE-CIGAR.00/2031
- Les sections pertinentes de l'ébauche du Manuel des conditions de permis

Signed/signé le

17 May 2022

Kavita Murthy

Director General

Directorate of Nuclear Cycle and Facilities Regulations

Directrice générale de la

Direction de la réglementation du cycle et des installations nucléaires

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EXECUTIVE SUMMARY

CNSC staff would like to acknowledge that Cameco Corporation's (Cameco) Cigar Lake Operation is located on Treaty 10 territory, the Homeland of the Métis, and is within the traditional territories of the Dene, Cree, and Métis peoples.

In accordance with section 24(5) of the [Nuclear Safety and Control Act](#), a licence may contain a condition that the licensee provide a financial guarantee (FG) in a form acceptable to the Commission. Licence condition G.3 of the Canadian Nuclear Safety Commission (CNSC) issued licence for Cameco's Cigar Lake Operation requires that *"The licensee shall maintain a financial guarantee for decommissioning that is acceptable to the Commission"*.

Currently, the Cigar Lake Operation is owned by a joint venture consisting of Cameco, Orano Canada Inc (Orano), Idemitsu Canada Resources (Idemitsu), and Tokyo Electric Power Company (TEPCO), licensed by the CNSC, and operated by Cameco. On May 3, 2022, Cameco and Orano notified CNSC staff that they would be acquiring Idemitsu's portion in the Cigar Lake Joint Venture. As a result of the change to ownership, there is a change to the percentage of the FG borne by Cameco and Orano. TEPCO has confirmed they will not be participating in the transaction.

The FG amendments requested in Cameco's application are administrative in nature. There is no proposed change to the Cigar Lake licence, the Preliminary Decommissioning Plan and associated cost estimate, nor to operations at the facility, but Idemitsu's portion of the FG will be assumed by Cameco and Orano. The Commission has not delegated to CNSC staff the authority to approve matters related to FGs, therefore, these changes require Commission approval.

Cameco made a formal [announcement](#) of the transaction on May 10, 2022, with an expected closure date on or about May 18, 2022.

Based on CNSC staff review and assessment of Cameco's submitted information, CNSC staff recommend that the Commission:

- accept the proposed amendment to the financial instruments of the financial guarantee for the Cigar Lake Operation
- direct Cameco Corporation to submit to the Commission, as soon as possible and no later than within 90 days of the publication of a decision, the revised financial instruments that are acceptable to the Commission.

Referenced documents in this CMD are available to the public upon request, subject to confidentiality and proprietary considerations.

1 OVERVIEW

1.1 Background

CNSC staff would like to acknowledge that Cameco Corporation's (Cameco) Cigar Lake Operation is located on Treaty 10 territory, the Homeland of the Métis, and is within the traditional territories of the Dene, Cree, and Métis peoples.

Operated by Cameco, the Cigar Lake Operation is joint venture owned by Cameco (50%), Orano Canada Inc. (Orano) (37%), Idemitsu Canada Resources Ltd. (Idemitsu) (8%) and Tokyo Electric Power Company Resources Inc. (TEPCO) (5%). The Cigar Lake Operation is located approximately 660 kilometres north of Saskatoon, Saskatchewan (figure 1.1). The First Nations communities of Wollaston Lake and Hatched Lake, the closest permanent communities, are located approximately 80 kilometres east of the facility.

Figure 1.1: Location map



All operating uranium mines and mills in Canada are regulated at both the provincial and federal levels. At the provincial level, the Saskatchewan Ministry of Environment issues an “Approval to Operate a Pollutant Control Facility Licence”, and the Saskatchewan Ministry of Labour Relations and Workplace Safety conducts facility inspections. At the federal level, the CNSC, Environment and Climate Change Canada, and Employment and Social Development Canada regulate uranium mines and mills. In addition, under the [Nuclear Safety and Control Act](#) (NSCA), uranium mines and mills are issued a CNSC licence (table 1.1).

Table 1.1: Commission decisions for the Cigar Lake Operation, 2009 to present

CMD No.	Document Title	Date of Decision
21-H2	Record of Decision , Cameco Corporation, Application for the Renewal of the Uranium Mine Licence for Cigar Lake Operation	June 24, 2021
20-H108	Record of Decision , Cameco Corporation, Application for Acceptance of a Revised Financial Guarantee and Licence Modernization Amendment for Cameco Corporation’s Cigar Lake Operation	November 13, 2020
13-H5	Record of Proceedings , Cameco Corporation, Application for the Renewal of the Licence for Cigar Lake Project	April 3, 2013
09-H12	Record of Proceedings , Cameco Corporation, Application to Renew the Cigar Lake Project Uranium Mine Construction Licence	November 6, 2009
08-H144	Record of Proceedings , Cameco Corporation, Application to Amend the Cigar Lake Project’s Financial Guarantee	February 27, 2009

1.2 Highlights

The following is a summary of the regulatory review for the current financial guarantee (FG) for Cameco's Cigar Lake Operation:

- Cameco submitted an initial Preliminary Decommissioning Plan (PDP) and associated Preliminary Decommissioning Cost Estimate (PDCE) on August 23, 2017, following a 5-year cycle requirement.
- Comments from both CNSC staff and Saskatchewan Ministry of Environment (SMOE) staff were addressed by Cameco, leading CNSC staff to conclude the revised PDP (2019) [1] and PDCE (2019) [1] met the criteria of CNSC regulatory guides and documents.
- SMOE accepted Cameco's PDP and PDCE on May 7, 2019 [2], and the Commission accepted the current FG as part of the [Record of Decision](#) for [CMD 2020-H108](#), in November of 2020.

Cameco's May 3, 2022 application requests the Commission's approval of the proposed amendments to portions of the amounts of Cameco's and Orano's financial instruments [3]. The application does not impact the total value of the FG for Cameco's Cigar Lake Operation, the types of financial instruments used by Cameco and Orano, nor the PDP and associated PDCE.

Cameco made a formal [announcement](#) of the transaction on May 10, 2022, with an expected closure date on or about May 18, 2022.

1.3 Overall Conclusions

CNSC staff assessed Cameco's request and conclude that:

- Cameco's proposed FG for the Cigar Lake Operation meets the requirement identified in CNSC's REGDOC-3.3.1 [Financial guarantees for decommissioning of nuclear facilities and termination of licensed activities](#).

1.4 Overall Recommendations

CNSC staff recommend the following to the Commission:

- accept the proposed change to the financial instruments of the financial guarantee for Cameco Corporation's Cigar Lake Operation
- direct Cameco Corporation to submit to the Commission, as soon as possible and no later than within 90 days of the publication of a decision, revised financial instruments that are acceptable to the Commission.

2 MATTERS FOR CONSIDERATION

Cameco requested that the Commission accept a change to the financial instruments of the Cigar Lake FG as a result of Cameco and Orano acquiring Idemitsu's portion in the Cigar Lake Joint Venture. The FG amendments requested in Cameco's application are administrative in nature. There is no proposed change to the Cigar Lake licence, the Preliminary Decommissioning Plan and associated cost estimate, nor to operations at the facility.

2.1 Cameco Corporation's Application

2.1.1 Cigar Lake Operation Financial Guarantees

As per licence condition G.3 of the CNSC licence issued for the Cigar Lake Operation, Cameco is required to have in place an FG that is acceptable to the Commission for the decommissioning of its licensed facilities. The CNSC's requirements and guidance related to FGs are found in CNSC's REGDOC-3.3.1, *Financial guarantees for decommissioning of nuclear facilities and termination of licensed activities*. The CNSC has requirements related to liquidity, certainty of value, adequacy of value, and continuity.

FGs are based on the most up-to-date PDPs and associated PDCEs. PDPs and the associated PDCEs are reviewed and assessed by CNSC staff for acceptance every 5 years, or when there are significant changes to a facility. The most recent Cigar Lake PDP and PDCE was submitted in 2017 and reviewed by CNSC staff. The PDP and PDCE was included in CMD 20-H108. There are no changes to the PDP, PDCE nor to the total amount of the FG associated with this application.

Cameco is required to submit an updated PDP and PDCE for review before the end of 2022, as part of the standard 5-year review cycle identified in the current Licence Conditions Handbook, LCH-MINE-CIGAR.00/2031 [5]. Should CNSC staff find these documents to be acceptable, the resulting revised FG will come before the Commission for approval.

2.1.2 Cameco's and Orano's Proposed Financial Guarantee Changes

The current FG for the Cigar Lake Operation was considered and approved by the Commission in November 2020 (CMD 20-H108 and DEC 20-H108), and confirmed in the subsequent Cigar Lake licence renewal in June 2021 ([CMD 21-H2](#) and [DEC 21-H2](#)).

The FG for Cigar Lake is spread amongst the 4 owners in proportion to their ownership of the mine. Cameco and Orano now intend to acquire between them the entire ownership stake of Idemitsu, and on closure of this transaction, they will increase the values of their respective FG components to cover Idemitsu's current portion of the FG. The total amount of the FG will not change. Cameco and Orano have further indicated that the type of instruments currently used by Cameco and Orano (Letters of Credit [LOC] and a Security Bond, respectively) will not change. Because the Commission has not delegated to CNSC staff the authority to approve matters related to FGs, these changes require Commission approval.

The current and intended future ownership breakdown for the Cigar Lake mine is shown in table 2.1 below.

Table 2.1: Current and intended future ownership of the Cigar Lake uranium mine*

Party	Ownership		Financial Instrument	Financial Guarantee (Cdn)	
	Current	Revised		Current	Revised
Cameco	50.025%	54.547%	BNS LOC: OSB67120GWS	\$20,155,075	\$22,949,220
			CIBC LOC: SGBT753911	\$10,755,375	\$10,755,375
Orano	37.1%	40.453%	Security Bond: BDTO-860159-020	\$22,924,090	\$24,996,138
Idemitsu	7.875%	0%	MUFG: 104-LC-900006	\$4,865,960	n/a
TEPCO	5%	5%	SMBC: LCO CB/LG/16-006	\$3,089,500	\$3,089,500
TOTAL	100%	100%		\$61.79 million	\$61.79 million

* Source: Cameco's letter of application [3]

The ownership breakdown of Cameco's Cigar Lake Operation is not included in the current Cigar Lake licence, UML-MINE-CIGAR.00/2031 [4], nor in the current licence conditions handbook (LCH) [5].

The LCH does however contain the following table and text which makes reference to Idemitsu's portion of the FG. If this request is approved, the LCH would be revised to remove Idemitsu, and to show the amended instruments for the Cigar Lake FG and updated financial instrument values.

Source	Document Title	CNSC e-Access Document Number	Prior Notification Required
Cameco	Mining Facility Licensing Manual	4026013	Yes
Cameco	Preliminary Decommissioning Plan and Cost Estimate	5329312	Yes
Cameco	BNS: LOC OSB67120GWS, \$20,155,075.00	6439700	Yes
Cameco	CIBC: LOC SBT753911, \$10,755,375.00	5329312	Yes
Orano	Security Bond: BDTO-860159-020, \$22,924,090.00	6461171	Yes
Idemitsu	MUFG: 104-LC-900006, \$4,865,960.00	6439709	Yes
TEPCO	SMBC: LCO CB/LG/16-006, \$3,089,500.00	6471957	Yes

2.2 Other Considerations

The Government of Saskatchewan, under *The Mineral Industry Environmental Protection Regulations*, 1996, also requires that mining and milling projects be covered by FGs. FGs in Saskatchewan are subject to the Memorandum of Understanding (MoU) between the CNSC and the Government of Saskatchewan on this matter [6]. The MoU between the CNSC and the Province allows a single PDP and financial assurance, subject to consultation and mutual acceptance. The Saskatchewan Ministry of the Environment (SMOE) is the beneficiary of FGs for Saskatchewan sites and is the owner of the lands. SMOE has also been informed of the proposed change by Cameco and Orano and has indicated that they are satisfied with Cameco's proposed FG.

3 OVERALL CONCLUSIONS AND RECOMMENDATIONS

3.1 Overall Conclusions

CNSC staff conclude that:

- Cameco's FG continues to meet the requirements of CNSC's REGDOC-3.3.1 [*Financial guarantees for decommissioning of nuclear facilities and termination of licensed activities.*](#)

3.2 Overall Recommendations

CNSC staff recommend the following to the Commission:

- accept the proposed amendment to the financial instruments of the financial guarantee for the Cigar Lake Operation
- direct Cameco Corporation to submit to the Commission, as soon as possible and no later than within 90 days of the publication of a decision, revised financial instruments that are acceptable to the Commission.

REFERENCES

1. Correspondence from Mr. Trent Hamilton (Cameco) to Mr. Glenn Groskopf (CNSC), Confidential and Proprietary, Cigar Lake Operation Preliminary Decommissioning Plan and Cost Estimate, dated June 12, 2019 (e-Doc 5329312).
2. Correspondence from Mr. C. McGuire (SMOE) to Mr. T. Hamilton (Cameco), Completed Review of Cameco Corporation Submission, dated May 7, 2019 (e-Doc 6332199).
3. Correspondence from Mr. R.L. Mooney (Cameco) to Mr. D. Saumure (CNSC), Confidential and Commercially Sensitive: Amendment to Cigar Lake Operation Financial Guarantee Instruments, dated May 3, 2022 (e-Doc 6789910).
4. Uranium Mine Licence, Cameco Corporation, Cigar Lake Operation, UML-MINE-CIGAR.00/2031, July 24, 2021 (e-Doc 6327190).
5. Licence Conditions Handbook, LCH-MINE-CIGAR.00/2031, Cigar Lake Operation, Uranium Mine Licence, September 24, 2021 (e-Doc 6327196).
6. Memorandum of Understanding between Saskatchewan and AECB, Atomic Energy Control Board, September 1996 (e-Doc 3816864).

GLOSSARY

For definitions of terms used in this document, see [REGDOC-3.6, Glossary of CNSC Terminology](#), which includes terms and definitions used in the [Nuclear Safety and Control Act](#) and the Regulations made under it, and in CNSC regulatory documents and other publications.

Additional terms and acronyms used in this CMD are listed below.

Cameco	Cameco Corporation
CNSC	Canadian Nuclear Safety Commission
FG	Financial Guarantee
Idemitsu	Idemitsu Canada Resources Ltd.
LOC	Letter of Credit
MoU	Memorandum of Understanding
NSCA	Nuclear Safety and Control Act
Orano	Orano Canada Inc.
PDCE	Preliminary Decommissioning Cost Estimate
PDP	Preliminary Decommissioning Plan
SMOE	Saskatchewan Ministry of Environment
TEPCO	Tokyo Electric Power Company Resources Inc.

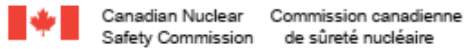
A. BASIS FOR THE RECOMMENDATIONS(S)

A.1 Regulatory Basis

The regulatory basis for the recommendations presented in this CMD is as follows:

- Cameco Corporation's financial guarantee meets the requirement identified in CNSC's REGDOC-3.3.1 [*Financial Guarantees for Decommissioning of Nuclear Facilities and Termination of Licensed Activities*](#)

CURRENT LICENCE



**URANIUM MINE LICENCE
CAMECO CORPORATION
CIGAR LAKE OPERATION**

I) LICENCE NUMBER: UML-MINE-CIGAR.00/2031

II) LICENSEE: Pursuant to section 24 of the *Nuclear Safety and Control Act*, this licence is issued to:

**Cameco Corporation
2121 – 11th Street West
Saskatoon, Saskatchewan S7M 1J3
Corporate Number 332981-0**

III) LICENCE PERIOD:

This licence is valid from July 1, 2021 to June 30, 2031, unless otherwise suspended, amended, revoked or replaced.

IV) LICENSED ACTIVITIES:

This licence authorizes the licensee to:

- a) prepare a site for and construct, operate, modify and decommission a nuclear facility (hereinafter "the facility") at a site known as the Cigar Lake Operation in the province of Saskatchewan as shown on the drawing referenced in appendix A to this licence;
- b) mine a nuclear substance (uranium ore);
- c) possess, transfer, import, use, store, and dispose of nuclear substances; and
- d) possess, transfer, import, use prescribed equipment that is required for or associated with laboratory studies, field studies, fixed gauge usage and borehole logging devices in relation to (a) and (b).

e-Doc 6327069 (Word)
e-Doc 6327190 (PDF)

V) EXPLANATORY NOTES:

- a) Nothing in this licence shall be construed to authorize non-compliance with any other applicable legal obligation or restriction.
- b) Unless otherwise provided for in this licence, words and expressions used in this licence have the same meaning as in the *Nuclear Safety and Control Act* and its associated Regulations.
- c) The UML-MINE-CIGAR.00/2031 Licence Conditions Handbook (LCH) identifies the criteria that will be used by Canadian Nuclear Safety Commission staff to assess the licensee's compliance with the conditions listed in this licence. The LCH also provides information regarding delegation of authority and applicable version control of documents comprising compliance verification criteria.

VI) CONDITIONS:**G. GENERAL****G.1 Licensing Basis for Licensed Activities**

The licensee shall conduct the activities described in Part IV of this licence in accordance with the licensing basis, defined as:

- (i) the regulatory requirements set out in the applicable laws and regulations;
- (ii) the conditions and safety and control measures described in the facility's or activity's licence and the documents directly referenced in that licence;
- (iii) the safety and control measures described in the licence application and the documents needed to support that licence application;

unless otherwise approved in writing by the Canadian Nuclear Safety Commission (hereinafter "the Commission").

G.2 Notification of Changes

The licensee shall give written notification of changes to the facility or its operation, including deviation from design, operating conditions, policies, programs and methods referred to in the licensing basis.

G.3 Financial Guarantee

The licensee shall maintain a financial guarantee for decommissioning that is acceptable to the Commission.

G.4 Public Information and Disclosure

The licensee shall implement and maintain a public information and disclosure program.

1. MANAGEMENT SYSTEM**1.1 Management System**

The licensee shall implement and maintain a management system.

2. HUMAN PERFORMANCE MANAGEMENT**2.1 Training Program**

The licensee shall implement and maintain a training program.

3. OPERATING PERFORMANCE**3.1 Operations Program**

The licensee shall implement and maintain an operating program, which includes a set of operating limits.

3.2 Reporting Requirements

The licensee shall implement and maintain a program for reporting to the Commission or a person authorized by the Commission.

3.3 Nuclear Substances and Radiation Devices

The licensee shall implement and maintain a program for nuclear substances and radiation devices.

4. SAFETY ANALYSIS**4.1 Safety Analysis Program**

The licensee shall implement and maintain a safety analysis program.

5. PHYSICAL DESIGN**5.1 Design Program**

The licensee shall implement and maintain a design program.

6. FITNESS FOR SERVICE**6.1 Fitness for Service Program**

The licensee shall implement and maintain a fitness for service program.

7. RADIATION PROTECTION**7.1 Radiation Protection Program**

The licensee shall implement and maintain a radiation protection program, which includes a set of action levels. When the licensee becomes aware that an action level has been reached, the licensee shall notify the Commission within 24 hours.

8. CONVENTIONAL HEALTH AND SAFETY**8.1 Conventional Health and Safety Program**

The licensee shall implement and maintain a conventional health and safety program.

9. ENVIRONMENTAL PROTECTION**9.1 Environmental Protection Program**

The licensee shall implement and maintain an environmental protection program, which includes a set of action levels. When the licensee becomes aware that an action level has been reached, the licensee shall notify the Commission within 24 hours.

10. EMERGENCY MANAGEMENT AND FIRE PROTECTION**10.1 Emergency Preparedness Program**

The licensee shall implement and maintain an emergency preparedness program.

10.2 Fire Protection Program

The licensee shall implement and maintain a fire protection program.

11. WASTE MANAGEMENT**11.1 Waste Management Program**

The licensee shall implement and maintain a waste management program.

11.2 Decommissioning Plan

The licensee shall maintain a decommissioning plan.

12. SECURITY**12.1 Security Program**

The licensee shall implement and maintain a security program.

13. SAFEGUARDS AND NON-PROLIFERATION**13.1 Safeguards Program**

The licensee shall implement and maintain a safeguards program.

14. PACKAGING AND TRANSPORT**14.1 Packaging and Transport Program**

The licensee shall implement and maintain a packaging and transport program.

SIGNED at OTTAWA, this 24th day of June, 2021.

Velshi,
Rumina

Digitally signed by Velshi, Rumina
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Reason: I am the author of this document
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Rumina Velshi, President
on behalf of the Canadian Nuclear Safety Commission

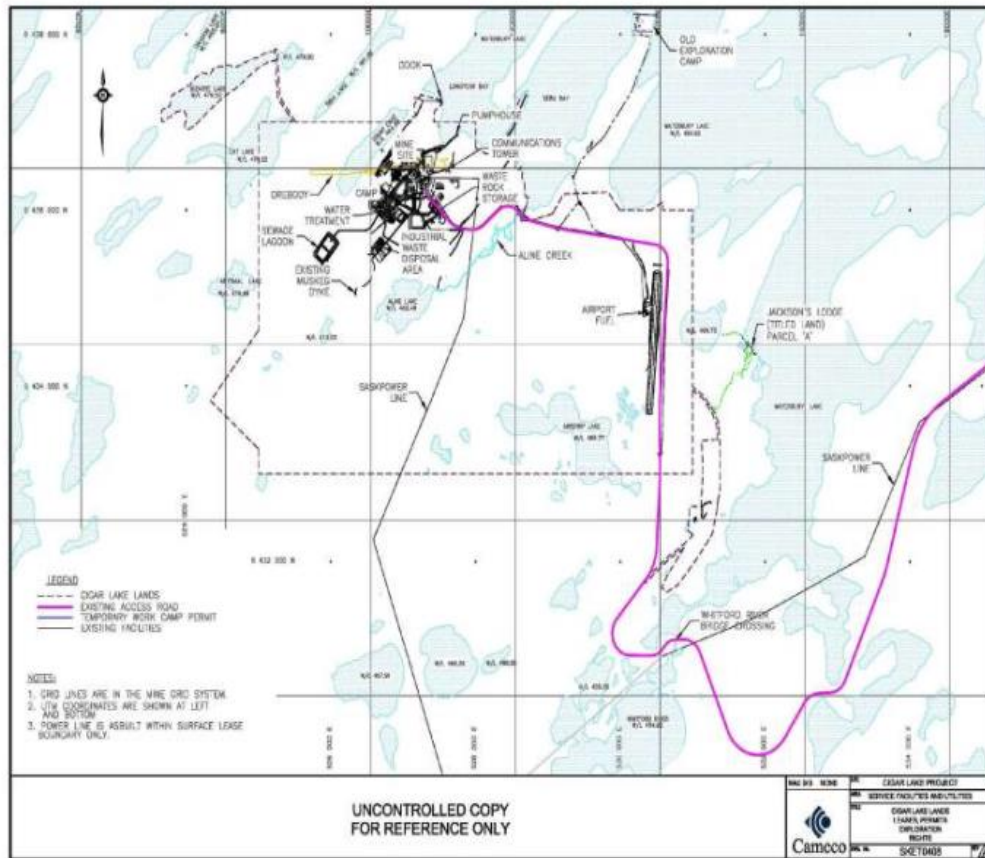
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APPENDIX A

LOCATION OF CAMECO'S OPERATION AT CIGAR LAKE

The location of the Cameco's operation at Cigar Lake is shown on Drawing SKET0408, Rev A.

e-Doc 6327069 (Word)
e-Doc 6327190 (PDF)



e-Doc 6327069 (Word)
e-Doc 6327190 (PDF)

CURRENT RELEVANT SECTIONS OF LICENCE CONDITIONS HANDBOOK

Canada's Nuclear Regulator



e-Doc 6327194 (Word)
e-Doc 6327196 (PDF)

LICENCE CONDITIONS HANDBOOK

LCH-MINE-CIGAR.00/2031

**CIGAR LAKE OPERATION
URANIUM MINE LICENCE**

UML-MINE-CIGAR.00/2031

Revision 3



Canadian Nuclear
Safety Commission

Commission canadienne
de sûreté nucléaire

Canada

G.3 Financial Guarantee

The licensee shall maintain a financial guarantee for decommissioning that is acceptable to the Commission.

Preamble

The licensee is responsible for all costs of decommissioning at the facility. All such costs are included in the licensee's decommissioning cost estimates and are covered by the licensee's financial guarantee for decommissioning. The licensee's decommissioning cost estimate is provided in the facility's preliminary decommissioning plan. The facility's current financial guarantee is covered by specific financial instruments as listed below.

Compliance Verification Criteria

Licensing Basis Publications

Source	Document Title	Document Number
CSA Group	Decommissioning of facilities containing nuclear substances	N294-19

Licensee Documents that Require Notification of Change

Source	Document Title	CNSC e-Access Document Number	Prior Notification Required
Cameco	Mining Facility Licensing Manual	4026013	Yes
Cameco	Preliminary Decommissioning Plan and Cost Estimate	5329312	Yes
Cameco	BNS: LOC OSB67120GWS , \$20,155,075.00	6439700	Yes
Cameco	CIBC: LOC SBT753911, \$10,755,375.00	5329312	Yes
Orano	Security Bond: BDT0-860159-020, \$22,924,090.00	6461171	Yes
Idemitsu	MUFG: 104-LC-900006, \$4,865,960.00	6439079	Yes
TEPCO	SMBC: LCO CB/LG/16-006, \$3,089,500.00	6471957	Yes

The financial guarantee for decommissioning the Cigar Lake Operation shall be reviewed and revised by the licensee every 5 years; when required by the Commission; or following a revision of the preliminary decommissioning plan that significantly impacts the financial guarantee. The next financial guarantee update is expected in 2022.

GENERAL

Cigar Lake Operation
Licence Conditions Handbook

Effective Date: September 24, 2021
LCH-MINE-CIGAR.00/2031

The licensee shall submit a written report to the Commission confirming that the financial instruments continue to meet the acceptance criteria of subsection 5.1 of CNSC's Regulatory Guide G-206, *Financial Guarantees for the Decommissioning of Licensed Activities* (or s.3 of CNSC's REGDOC-3.3.1, *Financial Guarantees for Decommissioning of Nuclear Facilities and Termination of Licensed Activities* following implementation by the licensee). Any change to the type of financial instrument requires prior notification to the CNSC. The licensee shall submit this report by the end of March of each year, or at any time as the Commission may request.

Guidance

Guidance Publications

Source	Document Title	Document Number
CNSC	Financial Guarantees for the Decommissioning of Licensed Activities	G-206
CNSC	Decommissioning Planning for Licensed Activities	G-219

GENERAL

e-Doc 6327194 (Word)
e-Doc 6327196 (PDF)

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Cigar Lake Operation
Licence Conditions Handbook

Effective Date: September 24, 2021
LCH-MINE-CIGAR.00/2031

APPENDIX B LICENSEE DOCUMENTS THAT REQUIRE NOTIFICATION OF CHANGE

Document Title	e-Doc
Mining Facility Licensing Manual	6047900
Mining Facility Description Manual	6629072
Maintenance Program	6268098
Mining Operations Program	6103341
Process Operations Program	6103341
Environmental Management Program	6282800
Waste Management Program	6257688
Radiation Protection Program	6492988
Safety and Health Management Program	6268093
Security Program	6338224
Emergency Preparedness and Response Program	6380825
Quality Management Program	5942258
Training Development Program	6448955
Public Information Program	6283877
Transportation Program	6267627
Fire Protection Program	6268095
Preliminary Decommissioning Plan and Cost Estimate	5329312
BNS: LOC OSB67120GWS , \$20,155,075.00	6439700
CIBC: LOC SBTGT753911, \$10,755,375.00	5329312
Security Bond: BDTO-860159-020, \$22,924,090.00	6461171
MUFG: 104-LC-900006, \$4,865,960.00	6439079
SMBC: LCO CB/LG/16-006, \$3,089,500.00	6471957

APPENDIX B

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e-Doc 6327196 (PDF)

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PROPOSED RELEVANT SECTIONS OF LICENCE CONDITIONS HANDBOOK

Canada's Nuclear Regulator



e-Doc XXXX (Word)
e-Doc XXXX (PDF)

DRAFT

LICENCE CONDITIONS HANDBOOK

LCH-MINE-CIGAR.00/2031

**CIGAR LAKE OPERATION
URANIUM MINE LICENCE**

UML-MINE-CIGAR.00/2031

Revision XX



Canadian Nuclear
Safety Commission

Commission canadienne
de sûreté nucléaire

Canada

G.3 Financial Guarantee

The licensee shall maintain a financial guarantee for decommissioning that is acceptable to the Commission.

Preamble

The licensee is responsible for all costs of decommissioning at the facility. All such costs are included in the licensee's decommissioning cost estimates and are covered by the licensee's financial guarantee for decommissioning. The licensee's decommissioning cost estimate is provided in the facility's preliminary decommissioning plan. The facility's current financial guarantee is covered by specific financial instruments as listed below.

Compliance Verification Criteria

Licensing Basis Publications

Source	Document Title	Document Number
CSA Group	Decommissioning of facilities containing nuclear substances	N294-19

Licensee Documents that Require Notification of Change

Source	Document Title	CNSC e-Access Document Number	Prior Notification Required
Cameco	Mining Facility Licensing Manual	4026013	Yes
Cameco	Preliminary Decommissioning Plan and Cost Estimate	5329312	Yes
Cameco	BNS: LOC OSB67120GWS, \$22,949,220.00	6439700	Yes
Cameco	CIBC: LOC S8GT753911, \$10,755,375.00	5329312	Yes
Orano	Security Bond: BDTO-860159-020, \$24, 996, 138.00	6461171	Yes
TEPCO	SMBC: LCO CB/LG/16-006, \$3,089,500.00	6471957	Yes

The financial guarantee for decommissioning the Cigar Lake Operation shall be reviewed and revised by the licensee every 5 years; when required by the Commission; or following a revision of the preliminary decommissioning plan that significantly impacts the financial guarantee. The next financial guarantee update is expected in 2022.

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The licensee shall submit a written report to the Commission confirming that the financial instruments continue to meet the acceptance criteria of subsection 5.1 of CNSC's Regulatory Guide G-206, *Financial Guarantees for the Decommissioning of Licensed Activities* (or s.3 of CNSC's REGDOC-3.3.1, *Financial Guarantees for Decommissioning of Nuclear Facilities and Termination of Licensed Activities* following implementation by the licensee). Any change to the type of financial instrument requires prior notification to the CNSC. The licensee shall submit this report by the end of March of each year, or at any time as the Commission may request.

Guidance

Guidance Publications

Source	Document Title	Document Number
CNSC	Financial Guarantees for the Decommissioning of Licensed Activities	G-206
CNSC	Decommissioning Planning for Licensed Activities	G-219

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Cigar Lake Operation
Licence Conditions Handbook

Effective Date: Month XX, 2022
LCH-MINE-CIGAR.00/2031

APPENDIX B LICENSEE DOCUMENTS THAT REQUIRE NOTIFICATION OF CHANGE

Document Title	e-Doc
Mining Facility Licensing Manual	6047900
Mining Facility Description Manual	6629072
Maintenance Program	6268098
Mining Operations Program	6103341
Process Operations Program	6103341
Environmental Management Program	6282800
Waste Management Program	6257688
Radiation Protection Program	6492988
Safety and Health Management Program	6268093
Security Program	6338224
Emergency Preparedness and Response Program	6380825
Quality Management Program	5942258
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APPENDIX B

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