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Response to Commission
Request for Information

Réponse à une demande
d'information de la Commission

Cameco Corporation

Cameco Corporation

**Cameco Corporation's Port
Hope Conversion Facility
Financial Guarantee**

**Garantie financière pour
l'installation de conversion
de Port Hope de la
corporation Cameco**

Public Hearing in Writing

Audience publique par écrit

Submitted by:
CNSC Staff

Soumise par :
Le personnel de la CCSN

Signed/signé le

15 March 2024



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Background

In this Commission Member Document (CMD), Canadian Nuclear Safety Commission (CNSC) staff will provide a response in writing to the question from the Commission (CMD 23-H107Q) with respect to the hearing in writing [CMD 23-H107](#) concerning the request from Cameco Corporation (Cameco) to revise the financial guarantee for Cameco's Port Hope Conversion Facility (PHCF).

The question from the Commission directed to CNSC staff, as well as staff's response, can be found in the next section.

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

Staff Response

The Commission's questions, including any quoted text from the original CMD, have been reproduced below in the shaded boxes to provide suitable context for CNSC staff's responses. To facilitate staff responses, clarifying text or annotations may be added if the question has been broken down into multiple parts.

#1	Clarify, in detail, CNSC staff's engagement and consultation efforts with Indigenous Nations and communities, particularly the Mississauga First Nation, with respect to this matter.
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Regulatory Framework Context

[CMD 23-H107](#) pertains to a request for a decision regarding revision to the financial guarantee (FG) for Cameco Corporation's Port Hope Conversion Facility (PHCF).

Cameco currently maintains a FG of \$128.6 million which was approved by the Commission during the last PHCF licence renewal hearing in 2016. The increase in the cost estimate takes the following into consideration: increase in labour rates on direct costs between 2016 and 2022; progress of the Vision In Motion project, including demolition of the buildings at the Centre Pier, accumulated waste disposal and changes to infrastructure at the Main Site; costs attributed to Cameco for the Centre Pier remediation and harbour retaining wall and; indirect costs including contingency, engineering and construction management less some minor decreases in the direct costs. For planning and cost estimation purposes, the proposed waste management strategy for the final disposal of waste from decommissioning at a designated long term waste management facility constructed at the Blind River Refinery (BRR) site remains unchanged from the previous version of the Preliminary Decommissioning Plan (PDP) submitted in 2016.

Cameco's proposed financial guarantee is consistent with CNSC REGDOC-3.3.1 *Financial Guarantees for Decommissioning of Nuclear Facilities and Termination of Licensed Activities* [1].

Based on the information reviewed, including the information received in Cameco's revised PDP for PHCF, CNSC staff have determined that the request is an administrative change and is not likely to cause any new adverse impacts to Indigenous and/or treaty rights. This conclusion is consistent with previous conclusions on other FG approvals before the Commission. However, CNSC staff conducted engagement related to Cameco's revised FG and associated PDP for PHCF, as discussed later in this response.

The CNSC REGDOC 2.11.2 *Decommissioning* [2] provides the regulatory requirements that planning for decommissioning take place throughout the lifecycle of a nuclear facility. Two types of decommissioning plans are required at different points during the lifecycle:

- PDP – developed during operations to provide the basis for cost estimation for decommissioning and putting sufficient funds for decommissioning aside before a

decision to decommission the facility is made. The PDP is developed for planning purposes only and is not meant to be implemented.

- Detailed Decommissioning Plan (DDP) – developed when a licensee decision to decommission is made and becomes a basis of the licensee’s application to the CNSC for a Licence to Decommission. As per REGDOC 2.11.2, there are specific requirements and expectations that the licensee will consult and engage the public, and local Indigenous Nations and Communities regarding the development of their DDP. Within the content of the DDP the licensee must include a summary report of Indigenous and public consultations undertaken, including issues tracking and how they are dispositioned.

At this point Cameco’s PHCF is in its operation lifecycle stage and a decision to decommission has not been made. Therefore, Cameco is required to maintain a PDP and FG for decommissioning.

The requirements for public information and indigenous engagement related to a PDP and financial guarantee for decommissioning are set in the CNSC REGDOC 2.11.2

Decommissioning:

- a public consultation plan, including a public information program and avenues for public participation as per the requirements and guidance of REGDOC-3.2.1, *Public Information and Disclosure*
- an Indigenous engagement plan as per the requirements and guidance of REGDOC-3.2.2, *Indigenous Engagement*

and considered by the CNSC staff in the assessment of the Cameco PHCF PDP and cost estimate submissions.

Considering the confidential content of the PDP and the cost estimate for decommissioning, Cameco has developed and made publicly available a summary of the [PHCF 2023 PDP](#). The summary PDP provides information on the selected decommissioning strategy, high level planning and phases of decommissioning of the PHCF, decommissioning end-state objectives, proposed financial guarantee and the amount breakdown for major decommissioning activities including public consultations and indigenous engagement.

In the PDP, Cameco has committed that, once a decision to decommission the PHCF is made, Cameco will develop Public Information and Indigenous Engagement programs and conduct consultations in support of the development of the DDP and an application for a licence to decommission.

The PDP is assessed and accepted by the CNSC staff based on regulatory requirements. The purpose of the PDP is to provide the basis for the cost estimate for decommissioning for establishing a FG. The PDP must indicate the strategy for waste management and disposal of waste from decommissioning. For planning and cost estimation purposes only, in their PDP, Cameco is proposing to construct a near surface disposal facility at the BRR site after shutting down and decommissioning the PHCF. Based on the assessment of the PDP, CNSC staff have concluded that the PDP meets the criteria and guidance set

in CNSC REGDOC-2.11.2, *Decommissioning* and CSA, N294-19, *Decommissioning of Facilities Containing Nuclear Substances*, 2019 [3].

At this point, Cameco continues to operate the PHCF and BRR and has no intention to decommission either facility anytime soon. Cameco has not submitted an application for a Licence to Decommission, nor a DDP. In the future, when Cameco decides to decommission the PHCF, Cameco would need to develop a DDP in consultation with potentially impacted communities and seek approval from the Commission. In addition, should Cameco wish to construct a new waste management facility at the BRR site, Cameco would be required to submit a licence application to the CNSC which would trigger the CNSC's regulatory review and consultation processes and requirements. Should Cameco propose a project in the future for waste management at the BRR site CNSC staff will conduct deep and thorough consultation with Mississauga First Nation (MFN) and all potentially impacted Indigenous Nations and communities in relation to the proposed project.

Further, a hearing to consider an application for construction of any major nuclear project (including a waste storage facility) would be held, where Indigenous Nations and communities and the public would be able to express their views on the application through interventions to the Commission and financial support through the CNSC's Participant Funding Program.

Indigenous Engagement

On November 12, 2023, CNSC staff sent out a notice regarding Cameco's proposed FG for the PHCF via the cnsccinfo@ccsn.gc.ca email account to the subscriber's list and posted it on the CNSC website. CNSC staff also notified Indigenous Nations and Communities as part of regular meetings as per the CNSC's Terms of Reference for long-term engagement with the Indigenous Nations in closest proximity and with direct interest in the PHCF.

As part of a regular meeting, on December 8, 2023, MFN raised with CNSC staff that they had specific concerns with regards to Cameco's PHCF PDP, specifically that part of the PDP includes construction of a waste management facility at the BRR. As part of the meeting CNSC staff responded to MFN's concerns and questions, and clarified that the PDP is a preliminary plan at this time and there is no specific project proposal to construct a waste management facility at the BRR. CNSC staff subsequently followed up by email with a more detailed response explaining the scope of the PHCF PDP and what the process would be including deep consultations with MFN should Cameco develop a DDP and submit a license application to site and construct a new waste management facility at the BRR. Following the discussion with MFN, CNSC staff notified Cameco of the concerns that MFN had raised and recommended that Cameco follow-up directly with MFN to discuss their concerns and work towards addressing them and clarifying Cameco's plans for decommissioning and waste management facilities at the BRR.

Subsequently, Commission Registry staff received a letter from MFN on December 12, 2023 (dated December 1, 2023) [4], in which MFN identified concerns regarding the proposed revision to the PHCF PDP and FG and the related consultation and regulatory process, and that they would not have time to intervene prior to the submission deadline

set by the Commission. MFN requested that the CNSC delay the hearing and deadline for interventions, ensure that they could apply for participant funding to support their submission, and that the hearing be held with oral interventions rather than in writing only. Commission Registry staff also received a letter of support from Serpent River First Nation (SRFN) dated December 3, 2023 [5], indicating the Nation's agreement with the concerns raised by MFN, and support for their requests.

Both letters submitted by MFN and SRFN were sent to the email of a CNSC staff member who was on long-term leave at the time. As a result, CNSC staff were unaware of MFN and SRFN's letters until it was raised in the next regularly scheduled meeting between CNSC staff and MFN on the 21st of December. At this meeting, CNSC staff had follow-up discussions with MFN leadership and representatives on MFN's concerns and questions regarding long-term waste management planning at the BRR in relation to the PHCF and Cameco's PDP and FG. CNSC staff responded to their concerns and committed to continuing dialogue on this matter. On January 9, 2024, CNSC Registry staff granted an extension to MFN and all other interested intervenors. CNSC staff followed up with MFN to offer funding support through the Participant Funding Program (PFP) and offered to provide any additional information or answer any additional questions to support MFN's preparation of their submission to the Commission. SRFN was provided the same PFP opportunity and extension for interventions but did not submit an intervention by the new deadline.

CNSC staff have been actively engaging and working towards developing a long-term relationship with MFN for several years. The topics have included BRR operations, BRR licence renewal and CNSC's Independent Environmental Monitoring Program (IEMP). As part of MFN's intervention regarding the 2021 BRR licence renewal, MFN expressed concerns regarding the storage of waste at the BRR site. As part of the November 2021 licence renewal hearing in response to MFN's intervention and the Commission's questions both CNSC staff and Cameco answered questions and provided detailed information regarding Cameco's current BRR PDP including the concept of a long-term waste management facility at the BRR. Prior to, and following, the Commission hearing for the BRR licence renewal, CNSC staff have continued to follow-up with MFN with regards to the issues, concerns and recommendations they raised in their intervention to the Commission and to initiate discussions on developing a Terms of Reference (ToR) for long-term engagement and engagement work plan.

More recently, CNSC staff held a meeting with representatives from MFN in May 2023 to discuss the BRR licence renewal and a potential ToR as well as to initiate discussions regarding MFN's potential interest in applying for capacity funding through the CNSC's new Indigenous and Stakeholder Capacity Fund. CNSC staff have provided MFN with a ToR template and offers to apply for funding to support the development of the ToR and work plan. Part of the goal of the ToR and work plan is to work collaboratively with MFN to address the concerns, recommendations and requests that MFN raised in their intervention to the Commission regarding the BRR licence renewal. A ToR would also provide a forum for MFN to outline their priorities and areas of interest in order for CNSC staff to engage accordingly including Cameco's BRR and PHCF FG. CNSC staff are currently waiting for a response from MFN with regards to next steps.

CNSC staff are committed to continuing to develop their relationship with MFN and have ongoing discussions regarding MFN's interests, and concerns they raise in relation to CNSC-regulated activities in their territory. CNSC remain responsive and eager to work closely with MFN. CNSC staff will continue to engage with MFN on their concerns with regards to the PHCF PDP, the IEMP program, the health and safety of people and the environment, regulatory or policy updates, and the CNSC's licensing and oversight.

In addition to the specific engagement with MFN on the PHCF FG and associated PDP, CNSC staff included updates and discussions on Cameco's PHCF as part of regular meetings as per the CNSC's Terms of Reference for long-term engagement with the Indigenous Nations in closest proximity and with direct interest in the PHCF including the Mississaugas of Scugog Island First Nation, Curve Lake First Nation, Hiawatha First Nation and the Métis Nation of Ontario. No concerns or questions were raised in relation to Cameco's request to revise the FG for the PHCF as part of these discussions and updates. CNSC staff remain committed to ongoing discussions and relationship building with all Nations and Communities with an interest in the PHCF.

Conclusion

CNSC staff's conclusion remains unchanged, and CNSC staff conclude, in accordance with [CMD 23-H107](#) that:

- The revised preliminary decommissioning plan provides a credible cost estimate for the future decommissioning of PHCF, and
- The proposed financial guarantee is adequate for the future decommissioning of PHCF.

References

1. Canadian Nuclear Safety Commission, [REGDOC-3.3.1, *Financial Guarantees for Decommissioning of Nuclear Facilities and Termination of Licensed Activities*](#), Ottawa, Canada, 2021.
2. Canadian Nuclear Safety Commission, [REGDOC-2.11.2, *Decommissioning*](#), Ottawa, Canada, 2021.
3. CSA Group, CSA N294-19 Decommissioning of facilities containing nuclear substances, 2019.
4. Letter from Bob Chiblow, Chief, Mississauga First Nation (MFN) to Denis Saumure (CNSC), *URGENT – Notice of Failure to Consult and Request for Suspension of Hearing in Writing for Cameco’s Port Hope Conversion Facility*, December 12, 2023 (dated December 1, 2023) (e-Doc 7192489).
5. Letter from Kerri Commanda, A/Chief, Serpent River First Nation (SRFN) to Denis Saumure (CNSC) dated December 3, 2023 (e-Doc 7192474).

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.

Glossary Term	Glossary Definition
BRR	Blind River Refinery
Cameco	Cameco Corporation
CMD	Commission Member Document
CNSC	Canadian Nuclear Safety Commission
DDP	Detailed Decommissioning Plan
FG	Financial Guarantee
IEMP	Independent Environmental Monitoring Program
MFN	Mississauga First Nation
PDP	Preliminary Decommissioning Plan
PFP	Participant Funding Program
PHCF	Port Hope Conversion Facility
SRFN	Serpent River First Nation
ToR	Terms of Reference