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**Canadian Nuclear Association Comments on DIS-16-01: How the CNSC Considers Information of Costs and Benefits: Opportunities to improve Guidance and Clarity**

The Canadian Nuclear Association (CNA) believes that a cost-benefit analysis should be considered when looking at regulatory changes and our members appreciate having the opportunity to provide comments on the discussion paper.

Our members appreciate the flexibility the paper provides on how licensees can calculate and submit cost-benefit analysis but we do not think the discussion paper pays sufficient attention to the CNSC's responsibility to gather and analyze cost-benefits. Other government departments routinely conduct cost-benefit analysis to better inform their regulatory proposals and our members believe the CNSC should do so as well.

The CNA would like to offer the following comments on DIS-16-01:

1. While the discussion paper does state that the CNSC must apply cost-benefit information and analysis to produce a Regulatory Impact Analysis Statement (RIAS), the discussion paper fails to provide sufficient details on how it will gather, analyze and apply this information. The CNA believes this to be a critical omission because in our view, past impact statements have been superficial with only a few details on costs or measurable benefits.
2. In our view, the paper does not appear to recognize the need to provide adequate time for licensees to consider cost-benefit implications and offer alternative strategies.
3. CNA members appreciate analysis that demonstrates significant risk to any element of the CNSC's mandate to protect health, safety, security and the environment and subsequently accept their responsibility to fund improvements to reduce those risks. However, we believe that the paper lacks clarity on what type of decisions require cost-benefit analysis.
4. In our view, the discussion paper does not effectively clarify, through the examples in Section 2, how the CNSC considers cost-benefit information. Some examples appear to show that effectiveness and cost are not related while others appear to apply to a particular circumstance. Greater clarity and consistency on how the CNSC plans to apply cost-benefit information would be helpful.

5. Some of our members have expressed concerns that the discussion paper does not recognize the disclosure obligations of privately held corporations. While the CNSC needs to show how costs have been considered, some of our members are bound by legal disclosure protocols that mean some of the information in cost-benefit analysis would be deemed material in the investment community.

The CNA would like to make the following suggestions to address the concerns listed above:

1. The discussion paper should reflect the responsibilities both licensees and CNSC have with respect to considering cost-benefit analysis. This includes the CNSC introducing a full RIAS into the CNSC's documentation process, in keeping with best practises of other government departments and agencies and as outlined in a number of government policies and guidelines (Cabinet Directive on Streamlining Regulation, the "One for One" rule and the Canadian Cost-Benefit Analysis Guide).
2. Introduce a reasonable period of time before regulatory framework changes are issued for public review to allow adequate time for licensees to consider cost benefit implications and possibly propose alternative strategies.
3. The discussion paper should outline what type of decision would benefit from a cost-benefit analysis. Any new regulatory document should acknowledge that licensees who satisfy the CNSC's health, safety, security and environmental requirements for a specific issue are not obliged to present a cost-benefit study for that issue.
4. The discussion paper should provide more context and qualifiers around examples such as those cited in section 2. For instance, it would be helpful to know why the CNSC believes cost was relevant in one example and not in another.
5. Work with CNA members to develop guidance on how licensees can submit meaningful cost-benefit information to the CNSC while protecting commercially sensitive material.

The CNA would like to thank the CNSC for providing our members the opportunity to comment on this discussion paper and we look forward to the next steps. If you have any questions or require further information feel free to contact me directly at 613-237-4262 ext. 107.

Sincerely,



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