



Canadian Nuclear
Safety Commission

Commission canadienne
de sûreté nucléaire

Record of Proceedings, Including Reasons for Decision

In the Matter of

Applicant Best Theratronics Ltd.

Subject Application to Amend the Class 1B Nuclear
Processing Facility Operating Licence

Hearing Date January 30, 2015

RECORD OF PROCEEDINGS

Best Theratronics: Best Theratronics Limited

Address/Location: 413 March Road, Ottawa, Ontario, K2K 0E4

Purpose: Application to amend the Class 1B Nuclear Processing Facility Operating Licence

Applications received: January 19 and 27, 2015

Date of decision: January 30, 2015

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

Members present: M. Binder, Chair

Licence: Amended

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1.0 INTRODUCTION

1. Best Theratronics Limited (BTL) has applied to the Canadian Nuclear Safety Commission¹, under subsection 24(2) of the *Nuclear Safety and Control Act*² (NSCA), for an amendment to its Class 1B Nuclear Processing Facility Operating Licence for its medical device manufacturing company located in Ottawa, Ontario. The current licence, NSPFOL 14.00/2019, expires on June 30, 2019.
2. BTL is a medical device manufacturing company that was initially a part of Atomic Energy of Canada Ltd. (AECL), which then became a Crown corporation under the name “Theratronics”. In the 1990s the company was purchased by MDS Nordion Inc. In 2008, the company was sold by MDS Nordion Inc. to a private investor and became BTL. BTL manufactures medical equipment including cobalt-60 (Co60) radiation cancer treatment units, as well as caesium-137 (Cs137) and x-ray-based blood irradiators. The licensed activities include the operation of a cyclotron(s)/accelerator, the operation of a nuclear substance processing facility, and the operation of a radioactive source teletherapy machine.
3. The BTL licence was issued after the Commission hearing held on May 8, 2014. At the time of hearing, a financial guarantee was not established. Consequently, the Commission required BTL to have a financial guarantee for the future decommissioning of the facility in place by January 31, 2015³. In its current application, BTL asks for an amendment of their operating licence to extend the date to have a financial guarantee from January 31, 2015 to April 30, 2015. In addition, BTL proposed that the non-safe state component of its financial guarantee be implemented through a letter of credit, rather than through a surety bond as proposed initially.
4. CNSC staff has reviewed the request and is of the opinion that the proposed licence amendments would not authorize any new activities at the BTL facility and would not cause any new risks to workers, the public or the environment.

Issue

5. In considering the application, the Commission was required to decide, pursuant to subsection 24(4) of the NSCA:
 - a) if BTL is qualified to carry on the activity that the amended licence would authorize; and
 - b) if in carrying on that activity, BTL 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.

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.

³ Licence Condition 1.3 of the NSPFOL 14.00/2019.

Hearing

6. 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 written submissions from BTL (CMD 15-H104.1) and CNSC staff (CMD 15-H104).

2.0 DECISION

7. 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 BTL 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 Class 1B Nuclear Processing Facility Operating Licence NSPFOL 14.00/2019 issued to Best Theratronics Ltd. to provide that an acceptable financial guarantee for the future decommissioning of its Ottawa facility is in place by April 30, 2015. The amended licence, NSPFOL 14.01/2019, is valid until June 30, 2019.

8. With this decision, the Commission directs BTL to present its revised proposal for a financial guarantee at a proceeding of the Commission well in advance of the April 30, 2015 deadline, at which time the Commission will consider its acceptability.

3.0 ISSUES AND COMMISSION FINDINGS

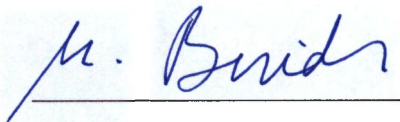
9. BTL informed the Commission that the purpose of its request was to allow BTL time to present a revised proposal for a financial guarantee to the Commission for approval. It would also provide additional time for CNSC staff to review and comment on a revision of the type of financial vehicle for the non-safe state component of the financial guarantee (the use of a letter of credit rather than a letter of credit and a surety bond) before it is presented to the Commission for its consideration of acceptability.
10. CNSC staff informed the Commission that it had reviewed BTL's request and was of the opinion that the proposed licence amendment would not authorize new activities at the BTL facility. Consequently, there would be no changes that would impact the environment, the health and safety of persons or the maintenance of national security.
11. CNSC staff recommended that BTL be asked to present to the Commission, prior to April 30, 2015, a revised proposal of financial guarantee that will include a letter of credit to an amount sufficient to place the facility in safe storage, and a schedule for the implementation of the remainder of the financial guarantee over the next two years, using a letter of credit rather than a previously proposed surety bond.

12. The Commission considered restricting the testing and operating of cyclotrons/accelerators at energies over 1 MeV, until a financial guarantee for the future decommissioning of the facility is in place. In this regard, the Commission understands that, according to licence conditions 16.1 and 16.2 of the BTL operating licence, any Class I accelerator shall be operated or dismantled only in accordance with a commissioning or dismantling plan approved by the Commission or a person authorized by the Commission. Consequently, no further restrictions are necessary.
13. CNSC staff recommended that the Commission allow the applied-for amendment by extending the date to provide an acceptable financial guarantee from January 31, 2015 to April 30, 2015. Licence Condition 1.3 would read:

“The licensee shall maintain a financial guarantee for decommissioning acceptable to the Commission by April 30, 2015.”

4.0 CONCLUSION

14. The Commission has considered the information and submissions from BTL and CNSC staff and decided to accept the recommendation by CNSC staff to amend the licence to extend the required date for having an acceptable financial guarantee from January 31, 2015 to April 30, 2015.
15. The Commission expresses its displeasure with the lateness of the application for amendment, which was filed just days prior to the date stated in the licence, as well as the limited information provided by the licensee in support of its application. The Commission directs BTL to present its revised proposal for a financial guarantee at a proceeding of the Commission well in advance of the April 30, 2015 deadline, at which time the Commission will consider its acceptability.
16. The Commission is satisfied that the requested amendment would not authorize new activities at the BTL facility, and will not adversely impact 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.



Michael Binder
President,
Canadian Nuclear Safety Commission

JAN 30 2015

Date