

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**CANADIAN NUCLEAR SAFETY COMMISSION**  
**AND**  
**SASKATCHEWAN MINISTRY OF ENVIRONMENT**

WHEREAS the Canadian Nuclear Safety Commission (CNSC) and Saskatchewan Ministry of Environment (SMOE) have responsibilities related to the regulation of uranium mining and milling facilities in the Province of Saskatchewan;

WHEREAS in March 1996, the Atomic Energy Control Board (AECB) and Saskatchewan Environment and Resource Management (SERM) entered into a memorandum of understanding<sup>1</sup> to collaborate on the implementation, application and administration of regulations and requirements related to the decommissioning and reclamation, including the provision of financial assurances, for uranium mining and milling facilities in Saskatchewan;

WHEREAS the AECB and SERM have, generally, had their respective legislative powers/authorities replaced by the CNSC and SMOE;

WHEREAS owners/operators of uranium mining and milling facilities in Saskatchewan are responsible for the decommissioning and reclamation of their facilities and any and all related costs;

WHEREAS the owners/operators of uranium mining and milling facilities in Saskatchewan are required to provide and maintain acceptable assurance/financial guarantee(s) to ensure the implementation of decommissioning and reclamation plans approved by the CNSC and the Minister of Environment;

WHEREAS the CNSC uses the term financial guarantee and SMOE uses the term financial assurance, for simplicity the term “financial assurance” is used in this document.

WHEREAS it is not intended to require the owners/operators of uranium mining facilities in Saskatchewan to provide separate and distinct financial assurances in response to federal and provincial requirements; and

WHEREAS it is desirable that the CNSC and SMOE hereby agree to collaborate in the implementation, application and administration of regulations and requirements

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<sup>1</sup> Correspondence from J. McManus (AECB) to S. Kramer (SERM) re: *Memorandum of Understanding between Saskatchewan and AECB*, March 18, 1996 (e-Doc 3816864).

related to the decommissioning and reclamation, including the provision of financial assurances, for uranium mining and milling facilities in Saskatchewan, in accordance with the following:

THEREFORE, CNSC and SMOE concur with the following:

A. ASSESSMENTS, APPROVALS, LICENSING, AND DISAGREEMENTS

1. Upon receipt by the CNSC and/or SMOE of an application for an approval of a decommissioning and reclamation plan, including proposed financial assurance of a uranium mining or mining facility in Saskatchewan, the CNSC and SMOE will each (i) assess the technical adequacy of the application, including conceptual or detailed decommissioning and reclamation plans, (ii) assess the accuracy of the cost estimates provided by applicants with respect to decommissioning and reclamation plans, (iii) assess the liquidity, certainty of value, adequacy of value and continuity of proposed financial assurances, and (iv) review proposals for release of funds comprising, or released from financial assurances. The CNSC and SMOE will each keep the other apprised of the status of this work, and the resulting conclusions.
2. When staff of the SMOE and CNSC each conclude that a particular decommissioning and reclamation plan, including proposed financial assurances, satisfies the requirements of their respective agencies, the conclusion of each party will be documented and communicated forthwith to the other.
3. Where submissions of decommissioning and reclamation plans, including proposed financial assurances (including periodic reviews of these) of the CNSC and SMOE require that a decision or action be taken by appointed members of the CNSC (hereinafter, "the Commission") or the Saskatchewan Minister of Environment (hereinafter, "the Minister") with respect to the approval of proposed decommissioning and reclamation plans or financial assurances for the SMOE, or with respect to the proposed financial guarantee for the CNSC, the conclusions of the CNSC and SMOE staff referred to in paragraph 2 above shall not be construed, for the purposes of this agreement, as binding on the Commission or the Minister. In such instances, the conclusions will constitute and be the basis for relevant reports or recommendations to the Commission or the Minister. If the Minister or the Commission disagrees with these reports or recommendations, or identifies issues that require further study by CNSC and SMOE staff, a review process analogous to that described in paragraph 1 above will be adopted by the staff of the CNSC and SMOE in order to co-ordinate further staff responses to the Commission and the Minister.
4. Should staff of the CNSC and staff of SMOE be unable to agree within a reasonable period of time on one or more essential points concerning the acceptability, or unacceptability of decommissioning and reclamation plans or

financial assurance proposals, CNSC and SMOE staff will document their respective areas of disagreement and the reason therefor, and will submit this documentation to the Assistant Deputy Minister (ADM) of SMOE and the Director-General (DG) of the Directorate of Nuclear Cycle and Facilities Regulation (DNCFR) of the CNSC. The ADM of SMOE and DG/DNCFR of the CNSC may employ any means mutually agreed upon, such as the retention of consultants or specialist expertise, in order to reach agreement. The costs incurred for such measures will be borne equally by the CNSC and SMOE.

5. Should the ADM of SMOE and the DG/DNCFR of the CNSC, not achieve an acceptable resolution through the process described in 4. above, they will document their areas of concern and the reasons therefor, and will forward this documentation to the Deputy Minister of SMOE and the Executive Vice-President and Chief Regulatory Operations Officer of the CNSC.
6. Steps 1. to 5. above will be repeated as necessary throughout the lifetimes of individual uranium mining and milling facilities in response to applications or modified proposals with respect to decommissioning and reclamation plans, including financial assurances, and the costing of such decommissioning and reclamation plans.

## B. FINANCIAL ASSURANCES AND DISBURSEMENTS

7. CNSC REDGOC-3.3.1, *Financial Guarantees for Decommissioning of Nuclear Facilities and Termination of Licensed Activities* states that where the province has a legislative framework in place, as the province of Saskatchewan does for uranium mines, the financial guarantee may be payable to a provincial entity qualified to decommission the mine if this arrangement is approved by the Commission. As the Province of Saskatchewan, through SMOE, has a legislative framework in place for the provision of financial assurances, the financial assurances for decommissioning and reclamation for uranium mine and milling facilities in Saskatchewan are payable to and held by SMOE.
8. Disbursements, in whole or in part, of monies realized from or comprising financial assurances will be only approved by CNSC and SMOE for the purposes of reimbursing legitimate costs incurred during implementation of approved decommissioning and reclamation plans; or in order to return surplus monies or assets to the owner/operator of a uranium mining and milling facility in Saskatchewan. All such disbursements will require prior approvals from both the CNSC and SMOE, and will be subject to applicable regulations and other regulatory requirements.
9. In the event that the owner/operator is unwilling or unable to complete decommissioning and reclamation activities approved by the CNSC and SMOE in a timely manner, disbursements may also be made, subject to relevant legislation or documentation, to another party for purposes of funding the implementation of approved decommissioning and reclamation plans.
10. The CNSC and SMOE will ensure that copies of requests received by the CNSC and

SMOE from the owners/operators of uranium mining and milling facilities in Saskatchewan with respect to approval of disbursements from financial assurances are also provided to the other party.

11. Upon receipt by either CNSC or SMOE of a request for the disbursement of funds comprising, or monies realized from, a financial assurance established to ensure the decommissioning and reclamation of a uranium mining and milling facility, SMOE and CNSC will consult with each other regarding the request. If both CNSC and SMOE are satisfied that the request for disbursement should be approved, as received or with conditions, they will consult further with each other with the intent to ensure that any approvals issued by either party in response to the request for disbursement is consistent with any approval issued by the other party in response to the same or a comparable request. If acceptable to CNSC and SMOE, one document may constitute an approval for both CNSC and SMOE purposes.
12. Should the staff of the CNSC and the staff of SMOE be unable to agree within a reasonable period of time with respect to conditions which are to govern a disbursement, for the purpose of implementation of approved decommissioning and reclamation activities in accordance with paragraph 8, above, of monies comprising, or realized from, the financial assurances provided for a uranium mining and milling facility, the matter will be dealt with by a process analogous to that described in paragraphs 4 and 5 above with respect to decommissioning and reclamation and financial assurance plans.

C. SPECIAL CIRCUMSTANCES

13. Should an owner/operator of a uranium mining and milling facility in Saskatchewan default on its obligations to satisfactorily implement the approved decommissioning and reclamation plan, the CNSC and SMOE will consult to determine mutually acceptable follow-up actions. Such actions may include, but will not necessarily be restricted to, the approval of other parties to oversee or implement the approved decommissioning and reclamation plan in accordance with the requirements of the CNSC and SMOE. Any provisions agreed upon by the CNSC and SMOE with respect to the administration or implementation of the approved decommissioning and reclamation plan by agents acceptable to the CNSC and SMOE will be arranged to be sufficiently independent of the regulatory functions of the CNSC and SMOE as to not constitute a conflict of interest for either party.

SIGNED, this \_\_\_\_\_ day of \_\_\_\_\_, 2024

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Dr. Timothy Berube  
Acting President  
Canadian Nuclear Safety Commission

SIGNED, this \_\_\_\_\_ day of \_\_\_\_\_, 2024

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Veronica Gelowitz  
Deputy Minister  
Saskatchewan Ministry of Environment