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ANNUAL REPORT

2008-2009

Low-Level Radioactive Waste Management Office

Port Hope Office

196 Toronto Rd.
Port Hope, Ontario
L1A 3V5
Phone: (905) 885-9488
Fax: (905) 885-0273

Ottawa Office

1900 City Park Dr., Ste. 200
Ottawa, Ontario
K1J 1A3
Phone: (613) 998-9442
Fax: (613) 952-0760

E-mail: llrwmo@aecl.ca

Web: www.llrwmo.org



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Canada

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Management

Robert L. Zelmer

Director

Glenn G. Case

*Manager, Projects & Facilities
Development*

John C. Olsthoorn

*Manager, Stakeholder Relations
& Communications*

Paul Arthurs

Mark J. Gardiner *(Acting)*

*Manager, Operations & Environmental
Services*

Robert L. Zelmer *(Acting)*

*Manager, Business Management
& Operations*

Mr. T. Wallace
Director General
Electricity Resources Branch
Natural Resources Canada
580 Booth Street
Ottawa, Ontario
K1A 0E4

Mr. D. McCauley
Director
Uranium and Radioactive
Waste Division
Electricity Resources Branch
Natural Resources Canada
580 Booth Street
Ottawa, Ontario
K1A 0E4

Ms. J. Miller
Vice-President and General Manager
Decommissioning and Waste Management
Atomic Energy of Canada Limited
Chalk River Laboratories
Chalk River, Ontario
K0J 1J0

I am pleased to present the Annual Report of the Low-Level Radioactive Waste Management Office for the fiscal year ending March 31, 2009.

This report has been prepared in accordance with Section 5.2 of the Memorandum of Understanding, dated March 1990, between Natural Resources Canada (formerly Energy, Mines and Resources Canada) and Atomic Energy of Canada Limited for the operation of the Low-Level Radioactive Waste Management Office.

Sincerely,



R. L. Zelmer, P.Eng., RPP
Director

Director's Message

A major milestone was achieved this year with the completion of work in the Hamlet of Tulita, Northwest Territories (NT). Between September 2008 and January 2009, the Low-Level Radioactive Waste Management Office (LLRWMO) completed the transport of 867 cubic metres of uranium ore-contaminated soil out of the community to final disposal. The success of this project marked the resolution of a decades-old problem of managing contaminated soil in this northern community. Recognition of the success of this project, with words of appreciation for the work done by the LLRWMO, was received from several members of the Government of the Northwest Territories, the Mayor and Council of Tulita, and First Nations leaders. Subsequently, LLRWMO project staff received an internal Atomic Energy of Canada Limited (AECL) Voyageur award for the Tulita Disposal Project.



Gordon Yakeleya (right), a resident whose property was remediated, assists in the removal of the final bag of contaminated soil from Tulita, NT.

This past year also saw the fruition of the LLRWMO's effort over the past several years in successfully managing and directing the Port Hope Area Initiative (PHAI). In future, two agents will drive the strengthened initiative forward - the LLRWMO as it continues to manage established programs and interim facilities, and a newly established PHAI Management Office (PHAI-MO), which will be responsible for advancing the Port Hope and Port Granby projects through the next phase. These projects are now being positioned for the completion of licensing and commencement of the construction phase. Several government agencies have partnered together to ensure this large and complex initiative is completed in accordance with current federal practices and legislation. The construction phase for both projects will continue until the waste is remediated and safely contained in two new purpose-built facilities.

I extend to all our staff and our partners my congratulations on the significant contributions made this year to the long-term safe management of historic low-level radioactive waste in Canada, and my wishes for your ongoing success in the future. I also extend the LLRWMO's continuing support to our colleagues and partners as they enter an exciting new phase of the PHAI.

R.L. Zelmer, P.Eng., RPP
Director

Roles and Responsibilities of the LLRWMO

The Low-Level Radioactive Waste Management Office (LLRWMO) was established in 1982 to carry out the responsibilities of the federal government for the management of low-level radioactive waste in Canada. The Office is operated by Atomic Energy of Canada Limited (AECL) through a cost-recovery agreement with Natural Resources Canada (NRCan), the federal department that provides the funding, direction and priorities for the LLRWMO.

Responsibilities of the LLRWMO

The LLRWMO's activities fall within three major programs:

1) Historic Waste - The federal government exercises responsibility for the management of historic waste under the Historic Waste program. The LLRWMO carries out cleanup and long-term management of this waste on behalf of the federal government; its responsibilities are set out in the 1990 Memorandum of Understanding between NRCan and AECL. Historic waste contamination has been found at various locations in Canada, including British Columbia, Alberta, the Northwest Territories and Ontario, and historic waste artifacts have been recovered from numerous sites across the country.

2) Ongoing Waste - Producers and owners are responsible for the management of their radioactive waste. Under the Ongoing Waste program, the LLRWMO supports NRCan in its development and implementation of national policies and strategies for the management of this waste. The LLRWMO also assists NRCan in meeting its commitment to international organizations such as the International Atomic Energy Agency (IAEA) and the Nuclear Energy Agency (NEA) of the Organization for Economic Cooperation and Development (OECD).

3) Information - The LLRWMO addresses public information needs related to specific historic waste projects and to low-level radioactive waste management in general. The Office addresses information needs and inquiries of federal and provincial government agencies and individuals and communities across Canada as well as from interested parties worldwide.

What is low-level radioactive waste?

In Canada, low-level radioactive waste (LLRW) is defined by exclusion for policy purposes. If a waste is radioactive, but is neither nuclear fuel waste (also called high-level waste) nor uranium mine and mill tailings, then it is classed as LLRW. Most of Canada's LLRW consists of soil that became contaminated over the past 70 years. It includes contaminated soils and related wastes resulting from the very early operations of Canada's nuclear industry. The LLRW being produced today is the result of activities relating to nuclear energy generation, nuclear research and development, and the production and use of radioisotopes in medicine, education, research, agriculture and industry.

The Canadian Standards Association (CSA; www.csa.ca), in collaboration with industry, government and the Canadian Nuclear Safety Commission (CNSC), has developed a more extensive classification of LLRW. In this new classification, sub-level categories of LLRW include very-short-lived low-level radioactive waste (VSLLW) and very-low-level radioactive waste (VLLW). These sub-levels, as well as a broad description of radioactive waste management in Canada, are described in the 2008 Canadian National Report for the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management.

LLRW is grouped into two broad categories, as follows, for management purposes:

Ongoing Waste: LLRW that is generated from ongoing activities of organizations that are currently in operation, for example, nuclear electricity generators. Owners of ongoing waste are responsible for its management.

Historic Waste: LLRW that was managed in the past in a manner no longer considered acceptable but for which the owner cannot reasonably be held responsible and for which the federal government has accepted responsibility for its long-term management.

Historic Waste Program

MANAGEMENT OF HISTORIC WASTES

Quality, Safety and Compliance

In November 2006, the LLRWMO implemented an integrated Quality, Environment, Health and Safety Management program. This program ensures optimum control of the environmental impacts of LLRWMO activities, while protecting the health and safety of the public and operational staff. The program was structured to satisfy the following requirements:

ISO 9001:2000 – Quality

ISO 14001:2004 – Environment

CSA Z1000: 2006 – Health and Safety Standards

The program assists in the maintenance of regulatory compliance with AECL's Emergency Preparedness and Response, Radiation Protection, and Radioactive Materials Shipping Programs.

The scope of the ISO 9001:2000 registration includes:

- the management of historic low-level radioactive wastes and the resolution of related issues on behalf of the federal government;
- the assessment of low-level radioactive wastes produced by the nuclear industry and medical, industrial and research institutions;
- tracking and reporting on national and international developments pertaining to low level radioactive waste; and
- providing Canadians with appropriate information on low-level radioactive waste and related issues.

During the year, the LLRWMO provided quality oversight, environmental monitoring, and operational controls on all routine reporting activities.

Goals of the LLRWMO Historic Waste Program

- *To clean up and manage for the long term, Canada's historic wastes including the historic waste found in the Port Hope, Clarington and Greater Toronto Areas, Ontario, in Fort McMurray and Fort Fitzgerald, Alberta and at various locations in the Northwest Territories*
- *To perform interim remedial work and ongoing monitoring as required at contaminated sites to protect human health and the environment, prior to the availability of long-term management facilities*
- *To seek opportunities for the resolution of historic waste management needs in the long term*
- *To provide technical assessments and advice to NRCan for the development of government policies for the management of historic wastes*

Historic Waste Program

MANAGEMENT OF HISTORIC WASTES

Facilities and Licensing

The LLRWMO manages LLRW at several large and numerous small historic waste sites located throughout Canada, including locations in Ontario, Alberta and the Northwest Territories. Small volumes of material requiring licensing are transported to the LLRWMO storage buildings at AECL's Chalk River Laboratories (CRL), whereas larger volumes (typically not requiring licensing) are managed at or near their sites of origin.

At some of the historic waste sites, materials have been placed in interim storage pending the

development and implementation of long-term management solutions. The LLRWMO conducts ongoing monitoring, inspection and maintenance at these interim storage sites. The historic waste at these sites includes uranium- or radium-contaminated soil, building materials and other contaminated items.

To enable it to carry out its responsibilities for interim LLRW management and associated technical activities, the LLRWMO currently holds five licences issued by the CNSC for various facilities and equipment. The following table summarizes the licences and their descriptions:

FACILITY	LICENCE NUMBER & TYPE	DESCRIPTION	EXPIRATION DATE
Port Hope Laboratory	20004-7-11.2 Nuclear Substances & Radiation Devices Licence	Licence for the LLRWMO Laboratory in Port Hope, Ontario	Sept 30, 2011
Pine Street Extension Temporary Storage Site	WNSL-W1-182.0/2011, Waste Nuclear Substance Licence	Licence for the Pine Street Extension Temporary Storage Site in Port Hope, Ontario	Dec 31, 2011
Port Hope Waste Management Facility	WNSL-W1-344-1.4/ind, Waste Nuclear Substance Licence	Licence for the Pine Street Extension Consolidation Site, Strachan Street Consolidation Site & Sewage Treatment Plant Temporary Storage Site in Port Hope, Ontario	Indefinite from date of issue
Historic Waste Remediation Operations	WNSL-W2-2202.1/2016, Waste Nuclear Substance Licence	Historic low-level radioactive waste management at Canadian sites.	Nov 30, 2016
X-Ray Fluorescence Analysis	20004-15-11.0 Nuclear Substances & Radiation Devices Licence	Licence issued for x-ray fluorescence analyzer used or stored at LLRWMO Field Services Office Laboratory in Port Hope, Ontario	Apr 30, 2011

Program Highlights

- **Northern Transportation Route (NTR): (1992 - Present)**
 - Sites characterization
 - Fort McMurray cleanup
 - Interim Waste Management of Fort Smith, Sawmill Bay and Tulita.
 - Tulita Disposal Project
- **Port Hope Area: (1982 - Present)**
 - Sites characterization, consolidation and licences
 - Siting Task Force support
 - Interim Waste Management
 - Port Hope Area Initiative
- **Toronto Area: (1982-1996)**
 - Malvern mound siting
 - Malvern Remedial Project
 - GTA sites Interim Waste Management
- **Surrey, BC: (1984 - 2000)**
 - Site interim waste management
 - Surrey Siting Task Force support
 - Surrey Disposal Project

Historic Waste Program

NORTHERN TRANSPORTATION ROUTE

Background

In the early 1990s, the LLRWMO identified a number of uranium ore-contaminated sites along the Northern Transportation Route (NTR), a 2,200-km route used in the past to transport uranium ore and concentrates from the Northwest Territories (NT) to northern Alberta. The NTR extends from the Port Radium Mine site on Great Bear Lake, via a system of lakes and rivers (including Great Bear and Great Slave Lakes, and the Great Bear, Mackenzie, Slave and Athabasca Rivers) south to Fort McMurray, Alberta.

In subsequent years the LLRWMO has surveyed the potential historic transfer points along the NTR,

removed and consolidated contaminated soil at temporary storage sites along the route, from residential properties in Fort Smith and Tulita, NT and from nine different remediated sites in Fort McMurray, Alberta. The contaminated material was then placed in engineered storage mounds where annual inspections are conducted by the LLRWMO as necessary to ensure a safe environment for local residents.

In 2006, in Tulita, NT, the LLRWMO packaged uranium impacted soil into 755 bulk bags in anticipation of the transfer of the contaminated material to an acceptable location for the long term.

2008-2009 Activities

Tulita

The LLRWMO achieved a major milestone in FY 2008-09 with the transfer of bagged uranium-ore contaminated soil from a temporary interim storage stockpile in Tulita, NT to a disposal site in the U.S.. The successful conclusion of the Tulita Disposal Project fulfills a long-standing commitment by the Government of Canada to remove historic waste from this community.

In 2008, between September and November, 755 bulk bags containing an estimated 867 cubic metres of uranium-impacted soil was removed from Tulita and transported by road and barge to a marine terminal in Hay River, NT. From there, it was transported by rail to a licensed Hazardous and Radioactive Waste Treatment and Disposal Facility in Idaho. The final shipment of the waste was received at the U.S. facility in January 2009.

The completion of the project was the result of a concerted effort by the LLRWMO to investigate alternative management options outside the Northwest Territories when the original option became unavailable. The LLRWMO spent significant effort in managing the execution of this project, overcoming the challenges presented by the remote location, seasonal workforce and sparse resources and providing for contingency planning. Throughout the project the LLRWMO worked

closely with federal, territorial, First Nations, Metis and municipal agencies and with the U.S. Nuclear Regulatory Commission and disposal site to ensure compliance with the waste acceptance criteria.

Recognition of the success of this project, with words of appreciation for the work done by the LLRWMO on behalf of the Government of Canada, was received from members of the Legislative Assembly of the Government of the Northwest Territories, the Mayor and Council of Tulita, First Nations leaders, and stakeholders at all levels of government. The successful completion of the project was also recognized by AECL, through a Voyageur Award to project staff.

Other NTR Sites

The annual monitoring of LLRWMO-managed sites along the NTR continued in 2008-2009 with monitoring and inspection of the Fort McMurray waste storage facility, the Fort Smith Landfill cell and the Fort Fitzgerald area, ensuring that these inventories had no impact on the public and the surrounding environment.

The LLRWMO is also participating with NRCan and Indian and Northern Affairs Canada (INAC) in discussions on the final remediation of the Sawmill Bay (former Distant Early Warning [DEW] Line site), which was also contaminated during uranium ore transportation from the 1930s to the 1960s.

Historic Waste Program

PORT HOPE AREA

The Port Hope area contains more than 1.5 million cubic metres of Canada's historic LLRW. The LLRW dates back to the 1930s when radium was extracted from pitchblende ores at a refinery in the municipality, for medical and industrial applications. The LLRW is primarily soil contaminated with early waste material from the refinery. Some remains in situ (awaiting further remediation); the remainder is stored in several interim storage locations in the area, pending a long-term management solution.

INTERIM WASTE MANAGEMENT PROGRAM

Background

Since 1989, the LLRWMO has overseen the interim management of historic LLRW in the Port Hope area on behalf of the federal government. Currently, LLRW is consolidated at four licensed LLRWMO sites, two licensed Cameco-operated facilities, three small unlicensed consolidation sites and ten major unlicensed sites. The LLRWMO conducts regular inspection and ongoing monitoring of its sites and any sites that are discovered during routine construction. A major part of the support provided by the LLRWMO over the past 20 years is the Interim Waste Management Program, which has three components: The *CMP*, *PCP* and *EMP*. Support under these three programs will continue to be provided by the LLRWMO as new facilities are constructed and final remediation of sites is completed during future phases of the Port Hope Area Initiative (PHAI).

The LLRWMO operates the CMP in cooperation with the Municipality of Port Hope under an

agreement established in 1989. The purpose of the program is to minimize the spread of soils contaminated with historic LLRW and to minimize the permeation of radon and its decay products from these soils into buildings in Port Hope.

The LLRWMO also operates the PCP, which responds to inquiries regarding the radiological status of properties and provides information to property owners, their real estate agents, or their lawyers.

The LLRWMO regularly monitors the environment in the vicinity of major licensed and unlicensed historic LLRW sites in Port Hope through the EMP. The monitoring results from the licensed sites are reported to the CNSC on an annual basis.

To achieve these program requirements, the LLRWMO operates a sample preparation and analysis laboratory in Port Hope, Ontario.

Interim Waste Management Components:

(CMP) - Construction Monitoring Program (PCP) - Property Compliance Program

(EMP) - Environmental Monitoring Program

2008-2009 Activities

Construction Monitoring Program

During 2008-2009, staff from the LLRWMO removed 101 cubic metres of contaminated soil from remediated properties and responded to 209 requests for CMP services, often related to service line connections, proposed additions, or interruptions of water services.

Property Compliance Program

Under the PCP, the LLRWMO conducted property surveys and issued a total of 507 radiological status letters during the fiscal year. Approximately 136 of these letters dealt with properties outside of Port Hope, mostly in the Greater Toronto Area and other areas in southern Ontario.

Historic Waste Program

PORT HOPE AREA

continued...

Environmental Monitoring Program

The LLRWMO conducted environmental monitoring at both licensed sites and unlicensed sites in Port Hope throughout the year. Parameters measured included radon in air, gamma radiation,

radium/uranium/arsenic in ground and surface water, and groundwater levels. An annual inspection of the licensed sites was also performed by the CNSC.

PORT HOPE AREA INITIATIVE

Background

The Port Hope Area Initiative (PHAI) is a community-based program for the development and implementation of a safe, local, long-term management solution for the historic LLRW in the Municipalities of Port Hope and Clarington (Port Granby). The PHAI represents a commitment by the Government of Canada to address the community-recommended solutions to this long-standing problem by providing cleanup and long-term management of the LLRW in this area. It will complete the original work started by the Federal Provincial Task Force on Radioactivity, which undertook the original remediation activities prior to the establishment of the LLRWMO in 1982.

In 2001, NRCan and the municipalities entered into a Legal Agreement and began the project for the management of historic LLRW within the communities, in above ground facilities designed to last several hundred years. Currently the LLRW is located at unremediated sites and at interim storage facilities and consolidation sites, as well as several smaller sites. The PHAI comprises two remediation projects: the Port Hope Project and the Port Granby Project.

The projects are moving forward in a phased approach; both projects are approaching the end of Phase 1.

The PHAI comprises the following three phases:

Phase 1: Environmental Assessment, Preliminary Design Engineering and Regulatory Approval

Phase 2: Construction and Cleanup

Phase 3: Long-term Monitoring and Maintenance

2008-2009 Activities

PHAI Management Transition

The imminent conclusion of Phase 1 brings to fruition the LLRWMO's effort since 2001 in successfully managing and directing the PHAI. This project is now being positioned for the commencement of the construction and cleanup phase. Several government agencies have partnered together to ensure that this large and complex phase of the project is completed in accordance with current federal practices and legislation.

In future, two agents will move the strengthened initiative forward - the LLRWMO as it continues to manage established programs and interim facilities,

and a newly established PHAI Management Office (PHAI MO), which is responsible for completing the planning elements and managing the Port Hope and Port Granby Projects during the upcoming construction phase.

The construction phase will span several years and involve facility construction and site remediation. Thereafter, ongoing monitoring of the facilities will take place to ensure that there is no impact on public health and the environment in the future.

The PHAI activities are the responsibility of the PHAI MO beginning in 2009/10. The LLRWMO continues to provide ongoing administrative, technical and financial management support to the PHAI MO.

Historic Waste Program

PORT HOPE AREA

continued...

PHAI - Environmental Assessments

When the responsible authorities (NRCan and CNSC) accepted the Port Hope Project Environmental Assessment (EA) in March 2007, one of the conditions identified in the Screening Report was a follow-up program. Currently, EA follow-up recommendations are being developed.

The responsible authorities, led by NRCan, will prepare a screening report based on the Port Granby EA, which will summarize the government's conclusions on the environmental effects of the Port Granby Project and will define the necessary mitigation measures to be implemented. The anticipated conclusion of the report is that the Port Granby Project is not likely to result in significant adverse environmental effects.

The EA for the Port Granby Project will be submitted to the CNSC Tribunal in FY 2009/2010 period and the EA Screening Report produced and released in 2009/2010.

PHAI - Licensing

In late 2008, NRCan, the CNSC and AECL formally established an expedited approach to PHAI licensing. Protocols were developed to establish the administrative framework, target timelines and service standards for the remaining activities of the regulatory process for the Port Hope and Port Granby Projects.

The two protocols were completed in December 2008, and accepted by AECL, NRCan and the CNSC.

The LLRWMO, the PHAI Transition team and technical consultants devoted considerable time in FY 2008-09 to the development of licensing documents for the Port Hope Project. A series of draft licensing documents were submitted to the CNSC during the year and the expectation at fiscal

year end was that all relevant documentation would be complete and the licensing submission made by April 2009.

A CNSC licensing hearing for the Port Hope Project is expected in late summer of 2009. A licensing hearing for the Port Granby Project is expected in the spring of 2010.

PHAI - Communication and Information

The LLRWMO continued to build and maintain a high-level of awareness in the community about the PHAI through its ongoing interaction with the public and other stakeholders.

The Project Information Exchange (PIE) office maintains communication with its stakeholders through the LLRWMO web site, media interviews, presentations to and discussions with elected officials, First Nations, community groups, real estate agents, and the general public.

PHAI - Property Value Protection Program

The Property Value Protection (PVP) Program was launched in October 2001 as a requirement under the Legal Agreement for the PHAI. It is designed to compensate owners of residential, commercial or industrial properties, in designated parts of the municipalities of Port Hope and Clarington, if they realize a financial loss on the sale or rental of their property or experience mortgage renewal difficulties as a result of the PHAI. The program has played a major role in maintaining property values and stabilizing the local real estate market.

During the year, four requests for pre-sale appraisals were approved and carried out, five claims for loss on sale were processed, and in those cases, claims related to project effects were approved.

Historic Waste Program

TORONTO AREA

Background

The LLRWMO provides radiological inspections and assessments (and removal where required) on public and private properties, providing the owners with information, guidance and support regarding the remediation of their properties.

A number of properties in the Greater Toronto Area are currently under licensing exemption by the CNSC. Contact with the owners of these sites and provision of information on their obligations is regularly provided by CNSC staff in accordance with the Nuclear Safety and Control Act (NSCA). The property owners have agreed to contact the CNSC and the LLRWMO in the event that they wish to renovate, excavate or construct in the areas that have been identified to them as mildly contaminated. The LLRWMO provides technical



Regular environmental monitoring of the Malvern area (Toronto, ON) is conducted by LLRWMO staff.

guidance and takes possession of contaminated materials on a site-specific basis. Contamination at these sites resulted from past radium recovery and radio-luminescent dial painting activities. If warranted, the costs of such waste recovery projects are shared between the LLRWMO and the property owner. Annual inspections of these sites by the CNSC, attended by the LLRWMO, ensure they are being safely managed and that the owners continue to be aware of the regulatory oversight.

In 1990, contaminated soil was removed from a site in the urban community of Malvern in Toronto, Ontario and in 1995-1996 the LLRWMO undertook a full-scale remediation of development lands and residential property sites in Malvern that contained radium-contaminated soil and artifacts.

2008-2009 Activities

Malvern

The LLRWMO monitors the Passmore Avenue Temporary Storage Site under a cost recovery program with the Province of Ontario. Environmental monitoring over the last 14 years shows that the storage of mildly radium-contaminated soil is not adversely impacting the local environment. The results for the 2008-09 program were consistent with earlier results.

Other Toronto Area Properties

A number of properties in the Greater Toronto Area are currently under licensing exemption by the CNSC. Annual inspections by the CNSC, attended by the LLRWMO, ensure that they are being safely

managed and that the owners are aware of the regulatory requirements. The owners have been instructed to contact the CNSC and the LLRWMO if they wish to renovate, excavate or construct on areas identified as mildly contaminated.

The LLRWMO had discussions with the Ontario Realty Corporation (ORC) regarding a property, in the Toronto area, which is part of the West Donlands Development project. The property contains soil contaminated with radium and uranium. A strategy to use an existing LLRWMO license for excavation, packaging, interim storage and transfer of the waste to a terminal, from where it would be shipped to a disposal site in the U.S., is being pursued with the CNSC and the ORC.

Historic Waste Program

ARTIFACT RECOVERY

Background

The LLRWMO provides technical advice on the identification and management of radium and other radioactive artifacts found on public and private properties throughout Canada. Where necessary,

the artifacts are characterized, removed and stored at licensed LLRWMO sites.

As the primary point of contact for technical advice, the LLRWMO has responded to numerous inquiries from locations in Canada and offshore.

Activities 2008-2009

Some Highlights of the LLRWMO's Activities were:

- Radium dials recovered from various locations in Canada were shipped to the interim consolidation site in Toronto, to be characterized and prepared for transfer to the licensed LLRWMO warehouses at the AECL's Chalk River site, Chalk River, ON.
- LLRWMO staff tested an area of the museum archives in the National Aviation Museum (located in Ottawa, ON) from which radium

dials had been transferred to another off-site storage facility. The storage area showed no evidence of any radioactive contamination, but radium-bearing dials and instruments were discovered in other storage areas within the museum's archive.

- LLRWMO staff assisted in the donation of a private collection of uranium ore samples from the Republic of Congo, Africa, to the Haileybury School of Mines (located in Haileybury, ON) for research and display purposes.

Ongoing Waste Program

Background

Electrical utilities, nuclear research organizations, nuclear fuel manufacturers, and the producers and users of medical and other radioisotopes continue to generate LLRW. These producers are responsible for the wastes they produce.

The LLRWMO assists NRCAN by providing technical input when NRCAN develops policies and

strategies for the long-term management of this ongoing waste.

The LLRWMO also assists NRCAN, on request, in activities with international organizations such as the International Atomic Energy Agency (IAEA) and the Nuclear Energy Agency (NEA) of the Organisation for Co-operation and Economic Development (OECD).

2008-2009 Activities

The LLRWMO contributed to the Canadian National Report for the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, October 2008, and reviewed the national reports submitted by Germany, Italy, Korea and Switzerland.

The English version of the report "Inventory of Radioactive Waste in Canada", which describes the inventories of all classes of radioactive wastes in Canada to December 31, 2007, was completed by fiscal year's end. The electronic version of the

report will be distributed at the International Joint Convention (IJC) meeting in May 2009. For the first time, a new definition and classification of sub-level categories within LLRW, in accordance with the Canadian Standards Association, was integrated into the report.

At the request of NRCAN, the LLRWMO will publish the radioactive waste inventory report every three years (instead of five) in support of the triennial meeting of the International Joint Convention and the publication of the IJC Report.

Information Program

Background

The LLRWMO provides information about LLRW and its management in Canada, with offices in Port Hope and Ottawa. Public inquiries received by telephone, letter, e-mail, through the web site and in person, from across Canada and abroad, are responded to on a daily basis.

In the Port Hope area, the LLRWMO ensures significant community awareness of project activities and status through its Project Information Exchange (PIE) office and ongoing communication with all stakeholders through a variety of mechanisms.

2008-2009 Activities

In support of the work done by the LLRWMO in Tulita, NT, a broad range of communications activities was carried out in conjunction with NRCan, INAC, the Government of the Northwest Territories, the Hamlet of Tulita, NT, Sahtu Land and Water Board and other corporate entities. Fact sheets, letters, e-mails, phone calls and personal visits were used to keep federal, territorial, First Nations and community officials, and local residents, apprised of activities during the successful removal of LLRW from a temporary storage site in the community.

In the final quarter of the fiscal year, the LLRWMO provided significant support to federal authorities in their development of responses to five Auditor-General petitions and other public information requests.

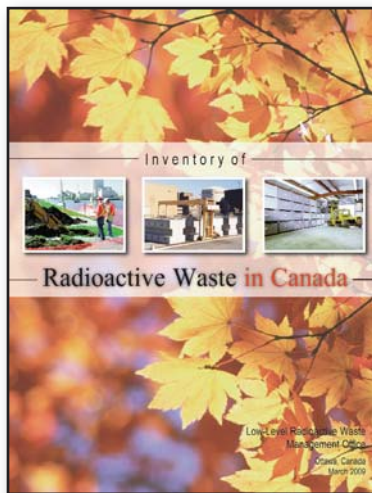
About 100 young professionals of the World Nuclear University toured the PHAI sites and received presentations on local nuclear issues. This was the first time the World Nuclear University event had

taken place in Canada and the LLRWMO was privileged to be featured in the curriculum.

The PHAI received international attention when the IAEA convened participants from around the world, together with local stakeholders, including the Mayors of Port Hope and Clarington, in Port Hope, July 2008. Roundtable discussions were held on “Decision Making and Stakeholder Involvement in Repository Development” with LLRWMO staff leading discussion groups and presentations.

The LLRWMO's web site received more than 35,000 visits throughout the 2008-2009 fiscal year, or well over 100 visits per day. Less than half of these visits originated in North America, showing the level of international interest in the work of the Office.

To facilitate communications after the PHAI management transition, information on LLRW management may now be obtained at: www.llrwmo.org (general LLRW enquiries) and www.phai.ca (PHAI enquiries).



The English version of the report "Inventory of Radioactive Waste in Canada" was completed by 2009 fiscal year's end.

Financial Review

NRCan funds the LLRWMO operations through a cost-recovery agreement (Memorandum of Understanding) with AECL. The LLRWMO's accounts and financial control systems conform to those of AECL.

Each fiscal year, the LLRWMO submits a business plan to NRCan for approval. The plan describes how the LLRWMO intends to carry out NRCan's priorities with the available funding. Each quarter, LLRWMO staff and representatives from NRCan's

Uranium and Radioactive Waste Division review and adjust the plan as necessary.

The financial statement in this annual report details the LLRWMO's financial performance for the fiscal year ending March 31, 2009. The table illustrates how funding provided by NRCan was allocated to the LLRWMO's mandated business lines in 2008-2009. For comparison, funding for 2007-2008 is also provided.

	Total Expenditure (\$ thousands)	
	2007-2008	2008-2009
Historic Waste Program		
Program Areas		
Port Hope Area Initiative		
Port Hope Interim Waste Management Program	548	418
Port Hope Area – Property Value Protection Program	245	360
Port Hope Area – Long-Term Management Projects	2,871	2,900
Port Hope Area – Transition Phase	—	509
Subtotal: Port Hope Area Initiative	3,664	4,187
Northern Sites Initiative		
Fort McMurray	24	26
Northern Transportation Route	140	1,355
Subtotal: Northern Sites Initiative	164	1,381
Other Historic Waste Initiatives		
Toronto (Malvern)	20	22
Historic Waste at Other Locations	176	58
Subtotal: Other Historic Waste Initiatives	196	80
Other Mandated Activities		
Ongoing Waste Program	29	83
Information Program	110	172
LLRWMO Restructure	63	16
Subtotal: Other Mandated Activities	202	271
Less Cost Recovery from Ontario for Toronto (Malvern)	(20)	(22)
Total expenditures for NRCan funding	4,206	5,897

Audit Statement

Atomic Energy of Canada Limited is audited annually by the Office of the Auditor General of Canada and KPMG LLP. The audit is conducted in accordance with generally accepted auditing standards. The review of the LLRWMO's financial statements falls within the scope of that audit and the opinions expressed in the AECL audit report are equally applicable to the LLRWMO's financial results.