

Protocol for the Port Hope Project Licensing Activities

Revision 1.0

Date: December 15, 2008

PROTOCOL FOR THE PORT HOPE PROJECT LICENSING ACTIVITIES

PREAMBLE

WHEREAS Canada has entered into a Legal Agreement for the cleanup of radioactive waste in the Port Hope area and, through Natural Resources Canada (NRCan), is responsible for the oversight of and funding for the Port Hope Area Initiative (PHAI);

AND WHEREAS Atomic Energy of Canada Limited (AECL) has applied for and will be the licensee on behalf of the Crown;

AND WHEREAS the Canadian Nuclear Safety Commission (CNSC) has regulatory and statutory responsibilities under the *Nuclear Safety and Control Act* (NSCA) and its regulations and is responsible for assessing the licence application and for issuance of a licence to AECL to allow the project to proceed;

AND WHEREAS the CNSC is a quasi-judicial administrative tribunal;

AND WHEREAS nothing in this Protocol fetters the powers of Designated Officers, Inspectors or the Commission when it comes to making regulatory decisions or taking regulatory action in the public interest, transparently and independent of any undue influence;

AND WHEREAS nothing in this Protocol is to be construed or interpreted as affecting the jurisdiction and discretion of the CNSC in any assessment of any application for licensing purposes under the NSCA;

AND WHEREAS all parties to the Protocol understand that, there will be no compromise in the protection of the health, safety and security of Canadians, as well as the environment. The parties also recognize the independence of the CNSC, as the Canada's federal nuclear regulator, will be maintained.

1.0 PURPOSE OF THIS PROTOCOL

The purpose of the Protocol for the Port Hope Project licensing activities is to establish the administrative framework, target timelines and service standards for the remaining activities of the federal regulatory process in relation to the Port Hope Project, including the submission of the technical information to support an application for a Waste Nuclear Substance Licence and the regulatory review of this technical information.

The Protocol and the attached Annex I establish the milestones, current target timelines, which supersede all previous timelines established in preceding agreements, and the service standards for each milestone remaining in the licensing of the Port Hope Project.

These have been established on the basis of a number of assumptions, some of which relate to activities of participants to this project that are not signatories to this agreement. Should events unfold in a manner that is different from what has been assumed, the milestones will have to be revised, following the processes outlined in this Protocol.

2.0 CONTEXT

In March 2001, a Legal Agreement was executed between the Crown, as represented by NRCan, and the Municipality of Clarington, the Town of Port Hope, and the Township of Hope for the Port Hope Area Initiative (PHAI). The latter two municipalities subsequently amalgamated to form the Municipality of Port Hope.

The Legal Agreement defines the scope, process, responsibility and timeline for cleaning up historic low-level radioactive waste situated in the Port Hope area. These wastes arose from the activities of a former federal Crown Corporation (Eldorado Nuclear) and its private sector predecessors.

Article 2 of the Legal Agreement laid out the PHAI project in three phases:

Phase 1: The planning phase, involving environmental assessment and regulatory review of the PHAI,

Phase 2: The implementation phase, involving facility construction and contaminated sites remediation, and

Phase 3: The post-closure phase, involving ongoing monitoring and maintenance of the PHAI-built facilities over the long-term.

Funding for the activities identified in this Protocol leading to the end of the Phase 1 activities has been assured by NRCan.

During Phase 1, for the purposes of the environmental assessment and licensing, the PHAI scope was divided along municipal boundaries into two distinct projects: the Port Hope Project and the Port Granby Project. The Environmental Assessment for the Port Hope Project was completed in March 2007. This Protocol focuses on the licence document submission and regulatory review for the Port Hope Project. The federal regulatory process in relation to the Port Granby Project is outlined in a separate Protocol.

An application for a Waste Nuclear Substance Licence for the Port Hope Project was submitted in December 2004. The scope of the application included the construction and operation of a long-term waste management facility (LTWMF) in Port Hope, the clean up of low-level radioactive wastes already existing in numerous locations in the Municipality, and consolidation of these wastes in the LTWMF.

3.0 PARTIES & CHAMPIONS

The parties to the Protocol have the following roles and responsibilities with respect to the licensing of the Port Hope Project:

- Canadian Nuclear Safety Commission (CNSC) has regulatory and statutory responsibilities under the *Nuclear Safety and Control Act* (NSCA) and its regulations and is responsible for assessing the licence application and for issuance of a licence to AECL to allow the project to proceed.
- Natural Resources Canada (NRCan) – on behalf of the federal Government, provides funding and policy direction for the Port Hope Area Initiative - Port Hope Project.
- Atomic Energy of Canada Limited (AECL) – is a Crown corporation, owned by the Government of Canada and is the designated proponent on behalf of Canada for completing the project. AECL is the license applicant for the Port Hope Project.

Champions of this Protocol representing each party are as follows:

Don Howard

Director, Wastes and Decommissioning Division, CNSC

Marcia Blanchette

Advisor, Uranium and Radioactive Waste Division, NRCan

Christine Fahey

Senior Director, PHAI Transition Project, AECL

Each party will identify alternates in the event that the primary Champion is unavailable.

4.0 EFFECTIVE LIFE OF THE PROTOCOL

This Protocol will come into effect upon the date of the signing of the Protocol by all three parties to the Protocol. This Protocol will terminate on the date that the Commission Secretariat announces the Notice of Hearing in respect of the application for issuance of a licence to AECL for the Port Hope Project.

5.0 TIMELINES

The dates and target timelines for submission of the technical information to support application for a Waste Nuclear Substance Licence and the review process service standards are detailed in Annex I.

In addition to the exchange of submission and response correspondence described in Annex I, the parties agree to meet, as necessary, to clarify intentions and facilitate common understandings, with the aim of achieving the target timelines.

6.0 REPORTING

The Champions will jointly produce a one-page dashboard-style report on a monthly basis demonstrating progress, status of activities and items of concern/risk to completion. The report shall be submitted to the Executive Management Committee (Section 9.0) within 3 working days of the end of each calendar month that falls within the life of this Protocol.

7.0 EXTERNAL COMMUNICATIONS

Throughout the duration of this Protocol, all parties agree that communications will be open and transparent and that information destined for public release will be coordinated through the designated Champions (or alternates, where designated) with support from each party's communications division. Further, these communications will be done in coordination with, and in consideration of, each party's communications protocols.

8.0 ISSUES RESOLUTION

The parties to this Protocol will use their best efforts to resolve any differences of opinion in the interpretation or application of this Protocol in an effective and timely manner.

Issues relating to the submission of the technical information to support application for a Waste Nuclear Substance Licence and the regulatory review will be resolved through direct discussions and collaboration between the Champions. Those that cannot be resolved will be jointly referred to the Executive Management Committee.

In the event that issues remain outstanding after discussion by the Executive Management Committee, they will be referred to the signatories of this Protocol.

9.0 EXECUTIVE MANAGEMENT COMMITTEE

The parties to the Protocol agree to form an Executive Management Committee comprised of senior management representatives from the three parties to the Protocol. The Executive Management Committee will receive and review the monthly dashboard reports and will also serve to resolve issues. Where an issue cannot be resolved through the Champions, the Executive Management Committee agrees to meet within three working days of notification of the dispute with the intention of expeditiously resolving the impasse.

The members of the Executive Management Committee are set out as follows:

Peter Elder

Director General
Directorate of Nuclear Cycle and Facilities Regulation
Canadian Nuclear Safety Commission

Dave McCauley

Director
Uranium and Radioactive Waste Division
Natural Resources Canada

Joan Miller

Vice-President & General Manager
Decommissioning and Waste Management
Atomic Energy of Canada Limited

Each party will identify alternates in the event that the primary committee member is unavailable.

10.0 MAJOR PROJECTS MANAGEMENT OFFICE INITIATIVE

The Parties to this Protocol acknowledge that the Major Projects Management Office (MPMO), a division of NRCan, has been engaged to assist with ensuring that the Port Hope Project progresses in a timely and predictable manner.

The MPMO will assist by:

1. Acknowledging that the roles and responsibilities, and milestones and service standards, as defined in this Protocol, provide a framework for monitoring and tracking progress;
2. Ensuring that the information contained in the monthly reports, prepared by the Champions, is advanced to the MPMO's Deputy Ministers Committee for information purposes; and
3. Facilitating access to the appropriate senior level committee established through the MPMO Initiative, if the issues resolution process defined in Section 8.0 is unsuccessful. The President of AECL, or his delegate, may participate in committee meetings where the Port Hope Project is to be discussed at the invitation of the Chair of the Committee.

11.0 FUTURE REVISIONS OF THE PROTOCOL

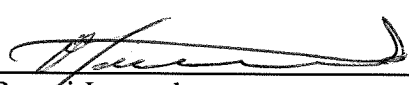
Revisions of this Protocol will be coordinated by the Champions and must be approved by the parties who have signed the Protocol.

Revisions may include:

1. Adjustments to the time table; and
2. Other revisions as required.

12.0 PROTOCOL AGREEMENT

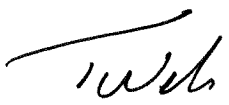
The parties hereto have signed the Protocol, in counterpart, on the dates indicated below.



Ramzi Jammal
Executive Vice President and
Chief Nuclear Operator
Canadian Nuclear Safety Commission

08/12/16


Date



Tom Wallace
Director General
Electricity Resources Branch
Natural Resources Canada

08/12/16

Date



William Pilkington
Senior Vice President and
Chief Nuclear Officer
Atomic Energy of Canada Limited

08/12/17

Date

Annex I

Table 1: Key Milestones, Descriptions/Activity, and Service Standards for the Port Hope Project

Milestone	Description/Activity	Lead	Service Standard / Completion Date
Submission of technical information to support application for a Waste Nuclear Substance Licence	Water Treatment Strategy	AECL	January 31, 2009
	Scope of Licensing Manual (including hold-point conditions)	AECL	January 31, 2009
	EA Follow-up Program Plan	AECL	March 31, 2009
	Licensing Manual	AECL	April 30, 2009
Review process of technical information to support application for a Waste Nuclear Substance Licence	Conformity Review	CNSC	3 working days ¹ for cursory review
	Review of Submission and Response Issued to AECL	CNSC	20 working days
	Acknowledgment of receipt of CNSC comments	AECL	3 working days for cursory review
	Response or submission of revision to CNSC Comments	AECL	20 working days
	Review of resubmission or response received and Response Issued to AECL	CNSC	5 working days
Process for issues resolution	Review of outstanding issues by Champions	CNSC NRCAN AECL	3 working days
	Joint referral to Executive Management Committee of unresolved issues	CNSC NRCAN AECL	End of 3 rd working day following start of review by Champions
	Executive Management Committee	CNSC NRCAN AECL	Convened within 3 working days of notification of dispute with intent to resolve

¹ All working days are intended to be consecutive.