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VIA EMAIL

Mr. Brian Torrie
Director General
Regulatory Policy Directorate
Canadian Nuclear Safety Commission
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Dear Mr. Torrie:

Cameco Corporation's Comments on draft REGDOC-2.13.1, *Safeguards and Nuclear Material Accountancy*

Cameco Corporation (Cameco) has reviewed and prepared the following comments on the draft REGDOC-2.13.1, *Safeguards and Nuclear Material Accountancy* (the REGDOC) for the Canadian Nuclear Safety Commission (CNSC).

1.2 Scope

Although uranium ores are not within the International Atomic Energy Agency (IAEA) definition of nuclear material and are not subject to safeguards, and mines and mills are not within the IAEA definition of "facilities", IAEA considers safeguards to be technical measures applied to nuclear material and *activities*¹, including complementary access. Section **1.2 Scope** limits "safeguards" to monitoring and verifying nuclear material - hereby excluding complementary access from safeguarding.

If the intention of the REGDOC is to require uranium mines and mills to have a safeguard program to address IAEA complementary access, then the second paragraph of **1.2 Scope** on page 1 should be revised to: "The term "safeguards" refers to ...nuclear material *and activities initiated by the IAEA*, administered in Canada..." The first paragraph on page 2 should be revised to read "The following materials are not subject to *inspection, verification and detailed*

¹ <https://www.iaea.org/safeguards/basics-of-iaea-safeguards/iaea-safeguards-explained>

nuclear material accountancy in Canada” followed by a statement that complementary access may occur at uranium and thorium mines and mills.

If the intention is to exclude mines and mills from the safeguard program requirements – which we believe to be the better approach - then **4. Safeguard Programs** should expressly state this exclusion.

5. Safeguards Equipment and Seals

The requirement for licensees to install safeguards equipment at CNSC’s request suggests that all requests made by IAEA, even unreasonable or unachievable requests, must be satisfied without any consultation with the licensee. In addition, there is no guidance with respect to the classification of installation expenses as extraordinary expenses for which the IAEA would be responsible pursuant to Article 15 of the *Agreement Between the Government of Canada and the International Atomic Energy Agency for the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons*.

This topic should be discussed further at an industry-CNSC workshop with a focus on minimizing verification procedures in respect of nuclear material (which excludes uranium ores from which nuclear weapons or explosive devices could not readily be made).

6.1 Inspections

The guidance section states that CNSC may request licensees to accept unannounced inspections to in order to reduce IAEA’s verification activities. This statement requires clarification and an explanation as to why this is the case and in what circumstances would such a request be made of a licensee.

7.4 Inventory difference

The REGDOC does not provide details of the new report requirement after an investigations into an instance of non-zero inventory difference (ID) for nuclear material in item form. It would be useful if further details were provided on the details that should be included in the report and the circumstance when a report is necessary. For example, would a report be required if a non-zero ID is based on a clerical error such as a transposed number?

This topic should be discussed further at an industry-CNSC workshop.

8.1.1 Information security and electronic reporting

In our view, the REGDOC should be revised to specify that the new requirements for “measures” to prevent the compromise of information security and electronic reporting is limited to facilities within the scope of the application of CSA standard N290.7, *Cyber Security for Nuclear Power Plants and Small Reactor Facilities* for cyber security measures.

This topic should be discussed further at an industry-CNSC workshop.

8.1.2 Inventory change document

The REGDOC states that the shipper shall provide a copy of the Inventory Change Document (ICD) to the receiver with no specified format. Licensees may need the flexibility to change ICDs from .xml to .xls and vice versa.

This is another topic that could be discussed at an industry-CNRC workshop.

As you can read from many of the points raised above, Cameco believes there is a benefit to and would welcome the opportunity to attend an industry-CNRC workshop to discuss some of our concerns as indicated above.

If you have any questions with respect to the above, then please contact the undersigned at (306) 956-6685 or liam_mooney@cameco.com.

Sincerely,



R. Liam Mooney
Vice President
Safety, Health, Environment, Quality & Regulatory Relations
Cameco Corporation