



Canadian Nuclear
Safety Commission

Commission canadienne
de sûreté nucléaire

Summary Record of Decision

In the Matter of

Applicant AREVA Resources Canada Inc.

Subject Application to Renew the McClean Lake
Operation Uranium Mine Operating Licence

Public Hearing
Date(s) June 7 and 8, 2017

SUMMARY RECORD OF DECISION

Applicant: AREVA Resources Canada Inc.

Address/Location: P.O. Box 9204 – 817 – 45th Street West, Saskatoon, SK S7K 3X5

Purpose: Application to renew the McClean Lake Operation Uranium Mine Operating Licence

Application received: August 22, 2016

Date(s) of public hearing: June 7 and 8, 2017

Location: Kikinahk Friendship Centre, 320 Boardman Street, La Ronge, Saskatchewan

Members present: S. McEwan, Chair
R. Seeley S. Demeter
S. A. Soliman D. D. Tolgyesi

Secretary: M.A. Leblanc
Recording Secretary: P. McNelles
Senior General Counsel: L. Thiele

Applicant Represented By	Document Number
V. Martin, President and Chief Executive Officer D. Huffman, Vice President, Health, Safety, Environment and Regulatory Relations T. Van Lambalgen, Vice President, Corporate Affairs & General Counsel E. Pacquet, Vice President, Operations & Projects V. Laniece, General Manager, McClean Lake Operation T. Searcy, Manager, Regulatory Relations C. Inglis-McQuay, Senior CSR Advisor G. Lafleur, Manager, Northern Affairs	CMD 17-H9.1 CMD 17-H9.1A CMD 17-H9.1B
CNSC staff	Document Number
R. Jammal, H. Tadros, M. Rinker, R. Lojk, S. Akhter, A. McAllister, B. Dowsley, E. Dagher, C. Ducros, K. Glenn, A. Levine and J. McManus	CMD 17-H9 CMD 17-H9.A CMD 17-H9.B
Intervenors	Document Number
See appendix A	

Others	
Environment and Climate Change Canada: K. Corcoran	
Province of Saskatchewan, Population Health Unit: J. Irvine	
Saskatchewan Ministry of the Environment: T. Moulding and B. England	
Saskatchewan Ministry of Labour Relations and Workplace Safety: K. Coates and L. Kaskiw	

Licence: Renewed

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INTRODUCTION

1. AREVA Resources Canada Inc. (AREVA) has applied to the Canadian Nuclear Safety Commission¹ for a 12-year renewal of the Uranium Mine Operating Licence for its McClean Lake Mine and Mill Operation (MLO). The current operating licence, UMOL-MINEMILL-McCLEAN.01/2017, expires on June 30, 2017.
2. This *Summary Record of Decision* provides a summary of the Commission's consideration and decision on this matter, with reasons to follow in a detailed *Record of Decision*, to be published at a later date.
3. The MLO is located in the Athabasca Basin of northern Saskatchewan, approximately 750 kilometres north of Saskatoon. The MLO includes the JEB milling area, Sue mining area, the tailings management facility (TMF), and the undeveloped McClean, Midwest and Caribou ore deposits. The construction of the MLO commenced in 1994, and the McClean Lake Mill was commissioned in 1999. Mining and milling of uranium ore from five open-pit mines had been completed and conventional mining has not been carried out at the MLO since 2008. Mill tailings have been deposited in the JEB TMF, and the MLO mill expansion project was completed to provide the necessary radiation protection features in order for the mill to receive and process undiluted high-grade uranium ore.
4. On July 1, 2009, the Commission issued an eight-year Uranium Mine and Mill Operating Licence, as described in the 2009 *Record of Decision*². That licence was amended by the Commission in October 2012 to increase the annual production limits of uranium concentrate (U₃O₈) from 3,629,300 kg to 5,909,090 kg, to authorize the operation of the high-grade ore slurry receiving circuits, and to adopt the new licence format, with a Licence Conditions Handbook (LCH), as indicated in the 2012 *Record of Decision*³. In February 2016, AREVA applied to increase its annual production rate to 10,909,090 kg. CNCSC staff reviewed that application, and after determining that the proposed production increase was within the licensing basis⁴ and that the health and safety of workers and the environment would remain protected, accepted the requested production increases in May 2016.
5. The current licence authorizes AREVA's McClean Lake Operation to produce up to 10,909,090 kg of uranium concentrate per year, along with associated operations.

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 Canadian Nuclear Safety Commission Record of Proceedings, Including Reasons for Decision – *Application to Renew the McClean Lake Operation Uranium Mine Operating Licence and Revoke the Midwest Uranium Mine Site Preparation Licence*, AREVA, 2009.

³ Canadian Nuclear Safety Commission Record of Proceedings, Including Reasons for Decision – *Application to Amend the Uranium Mine Operating Licence for the McClean Lake Operation*, AREVA, 2012.

⁴ The licensing basis for a regulated facility or activity is to achieve the level of protection of the health, safety, and security of the public and workers, and the protection of the environment that were identified in environmental and human health risk assessments that were carried out in support of the licence application (LCH, Licence Condition G.1).

Additionally, the current licence authorizes AREVA to process uranium ore slurry from Cameco Corporation's Cigar Lake Operation, also located in northern Saskatchewan.

6. AREVA's renewal application for the operating licence would allow AREVA to continue its operations authorized by the licence, which include the following activities:
 - Operation and modification of a nuclear facility for the mining of uranium and the production of uranium concentrate
 - Mine a nuclear substance (uranium ore) and produce a uranium concentrate
 - Import, possess, use, store, transfer and dispose of nuclear substances and uranium devices

AREVA does not propose new activities for this facility.

7. AREVA also requested the Commission's approval of a revised financial guarantee, based on the 2016 update to the Preliminary Decommissioning Plan (PDP).

Issues

8. In considering the application, the Commission was required to decide:
 - a) what environmental assessment review process to apply in relation to this application
 - b) if AREVA is qualified to carry on the activity that the licence would authorize
 - c) if, in carrying on that activity, AREVA will 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

Public Hearing

9. 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 information presented for a public hearing held on June 7 and 8, 2017 in La Ronge, Saskatchewan. The public hearing was conducted in accordance with the *Canadian Nuclear Safety Commission Rules of Procedure*⁵. During the public hearing, the Commission considered written submissions and heard oral presentations from AREVA (CMD 17-H9.1, CMD 17-H9.1A, CMD 17-H9.1B) and CNSC staff

⁵ Statutory Orders and Regulations (SOR)/2000-211.

(CMD 17-H9, CMD 17-H9.A, CMD 17-H9.B). The Commission also considered oral and written submissions from 10 intervenors (see Appendix A for a list of interventions). The hearing was webcast live via the CNSC website, and video archives are available for a three-month period following the hearing. Recordings of the hearing are also available in Cree and Dene.

DECISION

10. Based on its consideration of the matter, the Commission concludes that AREVA is qualified to carry on the activity that the licence will authorize. The Commission is of the opinion that AREVA, in carrying on that activity, will 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. Therefore,

the Commission, pursuant to section 24 of the *Nuclear Safety and Control Act*, renews the Uranium Mine Operating Licence issued to AREVA Resources Canada Inc., for its McClean Lake Operation located in the Athabasca Basin in Saskatchewan. The renewed licence, UMOL-MINEMILL-McCLEAN.00/2027 is valid for a 10-year period, from July 1, 2017 until June 30, 2027, unless suspended, amended, revoked or replaced.

11. The Commission includes in the licence the conditions as recommended by CNSC staff in CMD 17-H9, with the following revised licence condition 9.2:

The licensee shall, where the effluent concentration reaches or exceeds the discharge limits specified in the *Metal Mining Effluent Regulations*⁶ as amended from time to time, immediately investigate and take corrective action to ensure that the effluent concentration is maintained below the discharge limits.

12. The Commission notes that CNSC staff can bring any matter to the Commission as applicable. The Commission directs CNSC staff to inform the Commission on an annual basis of any changes made to the Licence Conditions Handbook (LCH).
13. The Commission authorizes the delegation of authority with respect to licence conditions 3.2 and 3.3 as recommended in section 4.9 of CMD 17-H9.
14. The Commission accepts AREVA's revised financial guarantee for the decommissioning of the MLO for the amount of C\$107,241,000, as well as the financial instruments used for the financial guarantee.

⁶ Metal Mining Effluent Regulations (SOR/2002-222)

15. The Commission takes notice of the selenium management program at the MLO, and instructs CNSC staff to report on the progress related to the selenium management plan and selenium effluent as part of the annual *Regulatory Oversight Report*.
16. The Commission considers the environmental review that was conducted by CNSC staff to be acceptable and thorough. The Commission also encourages AREVA and CNSC staff to align future environmental reviews and analysis with the ten-year licence period.
17. For any future licence renewal or licence amendment applications which may be submitted for this facility, the Commission directs CNSC staff to include in the staff recommendations either an appendix listing notable non-compliance incidents at the MLO, or to provide more detailed information on specific examples of non-compliances at that facility.
18. With this decision, the Commission directs CNSC staff to report annually on the performance of the MLO as part of an annual *Regulatory Oversight Report*. CNSC staff shall present this report at a public proceeding of the Commission, where members of the public will be able to participate.

ISSUES AND COMMISSION FINDINGS

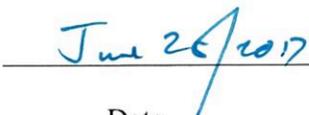
19. In making its licensing decision, the Commission considered a number of issues relating to AREVA's qualification to carry out the proposed activities and the adequacy of the proposed measures for protecting the environment, the health and safety of persons, national security and international obligations to which Canada has agreed.
20. The Commission notes that an EA under the NSCA and associated regulations was appropriate for this licence renewal application. The Commission further notes that the NSCA provides a strong regulatory framework for the protection of the environment, and is satisfied that AREVA will continue to make adequate provisions for the protection of the environment and the health and safety of persons.
21. After consideration of the evidence provided by AREVA, CNSC staff and the intervenors, the Commission came to the decision that a 10-year licence is appropriate to ensure that this facility will continue to make the necessary provision to protect the health and safety of people and the environment. The Commission notes that a 10-year licence is consistent with current practices regarding the term of the licences issued to similar facilities. The Commission is also of the view that AREVA and CNSC staff can structure the cycle of environmental reviews to correspond to the ten-year licence period.
22. The Commission acknowledges the work done with respect to the research on the caribou populations near the MLO, as well as the identification, monitoring and control

of nuclear and hazardous substances, including releases to the water. The Commission also expresses its appreciation for the contributions from other federal and provincial organizations, and its appreciation for the representatives of those agencies who attended this hearing.

23. On the evidence provided, the Commission is satisfied with the level of Aboriginal engagement and consultation that was undertaken in relation to this licence renewal. The Commission expresses its appreciation for the information provided by the intervenors representing Indigenous groups.
24. In coming to its decision, the Commission examined the information submitted by AREVA and CNSC staff's assessment of the performance of the MLO with respect to the 14 safety and control areas (SCAs) and several other matters of regulatory interest, over the current licence period. In addition, the Commission considered the information provided by the intervenors in their respective interventions. The detailed findings of, and the Commission's consideration of this matter will be presented in a comprehensive *Record of Decision*, to be published at a later date.



Alexander (Sandy) McEwan
Panel Chair,
Canadian Nuclear Safety Commission



Date

Appendix A – Intervenors

Ya'thi Néné Lands and Resources Offices, represented by M. Dawe, V. Fern and M. Denechezhe	17-H9.11 17-H9.11A 17-H9.11B
Saskatchewan Environmental Society, represented by A. Coxworth and H. Carlson	17-H9.6 17-H9.6A
Philip D. McLoughlin	17-H9.12 17-H9.12A
Buffalo River Dene Nation and the Birch Narrows Dene Nation: Chief E. Morisson - Buffalo River Dene Nation Elder P. Sylvestre - Member of Birch Narrows Dene Nation A. Lalji – Miller Thompson – Legal Counsel to the Buffalo River Dene and the Birch Narrows Dene Nations S. Joseph, Associate at Miller Thompson and Legal Counsel to Buffalo River and Birch Narrows Dene Nations	17-H9.8
Cameco corporation, represented by L. Mooney and K. Nagy	17-H9.7 17-H9.7A
Kineepik Métis Local Inc. (#9), represented by V. Natomagan	17-H9.3
David Parker	17-H9.2 17-H9.2A
UNIFOR Local 48, represented by A. Laventure and D. Daigneault	17-H9.4
Canadian Nuclear Workers' council, represented by D. Shier	17-H9.5 17-H9.5A
Saskatchewan Mining Association	17-H9.9