



## **Supplementary Information**

### **Presentation from Martin Flood**

In the Matter of the

#### **Canadian Nuclear Laboratories (CNL)**

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Application from the CNL to amend its Chalk River Laboratories site licence to authorize the construction of a near surface disposal facility

#### **Commission Public Hearing Part 2**

**May 30 to June 3, 2022**

## **Renseignements supplémentaires**

### **Présentation de Martin Flood**

À l'égard des

#### **Laboratoires Nucléaires Canadiens (LNC)**

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Demande des LNC visant à modifier le permis du site des Laboratoires de Chalk River pour autoriser la construction d'une installation de gestion des déchets près de la surface

#### **Audience publique de la Commission Partie 2**

**30 mai au 3 juin 2022**

CNSC INTERVENTION  
BY  
MARTIN FLOOD  
TO  
CANADIAN NUCLEAR SAFETY COMMISSION

ON

CANADIAN NUCLEAR LABORATORIES APPLICATION  
TO AMEND ITS CHALK RIVER LABORATORIES SITE  
LICENSE TO AUTHORIZE THE CONSTRUCTION OF A  
NEAR SURFACE DISPOSAL FACILITY (NSDF)

## INTRODUCTION

### RECOMMENDATION

MOVE THE NSDF WELL AWAY FROM THE OTTAWA RIVER

- THE SCIENTIFIC RATIONAL
- THE HUMAN FACTOR
- COMMON SENSE
- MANDATE OF THE CANADIAN NUCLEAR SAFETY COMMISSION

## INTRODUCTION (Continued)

### FOUR ASPECTS TO CONSIDER IN THE HUMAN FACTOR:

1. FLAWED BUSINESS MODEL
2. COMPETENCY OF THE PROPONENT
3. TRUST IN THE PROPONENT
4. UNKNOWN RISKS

## INTRODUCTION (continued)

### BUSINESS MODEL FOR MAJOR PROJECTS

- DESIGN, BUILD, OPERATE
- OWNER MUST REMAIN IN CHARGE
- OWNER SETS IRON CLAD CRITERIA AT EACH STAGE
- GOVERNMENT OWNED COMPANY OPERATED (Go Co) MODEL

## FLAWED BUSINESS MODEL

### WHO ARE THE PLAYERS IN THIS NSDF PROJECT?

- OWNER – FEDERAL GOVERNMENT, THROUGH NATURAL RESOURCES CANADA, THROUGH ATOMIC ENERGY OF CANADA LTD. (AECL)
- PROPONENT – CANADIAN NATIONAL ENERGY ALLIANCE (CNEA) THROUGH ITS SUBSIDIARY CANADIAN NUCLEAR LABORATORIES (CNL)
- MAJOR PRIVATE SECTOR ENTITIES OF CNEA – SNC LAVALIN, JACOBS ENGINEERING, FLUOR

## FLAWED BUSINESS MODEL (continued)

### Go Co CONTRACT SIGNED BETWEEN FEDERAL GOVERNMENT AND CNEA

- CONTRACT NOT MADE PUBLIC
- WHAT ARE THE IRON CLAD CRITERIA SET BY AECL ON BEHALF OF THE OWNERS, THE FEDERAL GOVERNMENT?
- CRITICAL CRITERIA UNKNOWN
- SOME MAJOR FLAWED CRITERIA
  - NO LIABILITY ON THE PART OF CNEA
  - NO LEVERAGE FOR THE OWNER TO HOLD THE CONTRACTOR TO ACCOUNT
  - PRIVATE SECTORS FIRST PRIORITY IS TO ITS BOTTOM LINE AND ITS SHAREHOLDERS
  - NO FINANCIAL ACCOUNTABILITY THROUGH THE PUBLIC ACCOUNTS OF CANADA
  - COMPOSITION OF CONSORTIUM CHANGED WITHIN FIVE YEARS

## FLAWED BUSINESS MODEL (continued)

### RESULTS AT THE END OF THE DESIGN STAGE:

- DEEPLY FLAWED CHOICE OF SITE FOR NSDF
- NO CONSULTATION WITH THE GENERAL PUBLIC OR AFFECTED MUNICIPALITIES – UNLIKE DGR AND NEWFOUNDLAND AND LABRADOR
- UNILATERAL DECISIONS TO MOVE NUCLEAR WASTE FROM OTHER LOCATIONS TO CHALK RIVER – 140 MUNICIPALITIES SAID NO
- IGNORING GUIDELINES FROM IAEA
- PRIVATE SECTOR FOREIGN COMPANIES IN CHARGE OF NUCLEAR WASTE IN CANADA
- AECL, ON BEHALF OF THE OWNER. CLEARLY NOT IN CHARGE



## FLAWED BUSINESS MODEL (Results continued)

- DESPITE ALL RULES, AND LAWS, THE PROPONENT HAS FAR TOO MUCH AUTHORITY
- HAS AECL SIGNED AWAY ITS OWNERSHIP AUTHORITY
- HAS AECL IN-HOUSE EXPERTISE TO MANAGE THE PROJECT
- THE PRIVATE SECTORS FIRST PRIORITY IS TO ITS BOTTOM LINE AND ITS SHAREHOLDERS
- THE RESULT IS A DISASTER WAITING TO HAPPEN AT THE CONSTRUCTION STAGE UNDER THE PRESENT Go Co MODEL

## FLAWED BUSINESS MODEL (continued)

### HOW DID THIS HAPPEN?

#### AUDITOR GENERAL SPECIAL EXAMINATION OF AECL 2017:

- AECL BOARD MEMBERS – LESS THAN FULL COMPLEMENT - INTERIM MEMBERS
- NO PRESIDENT OR CEO IN PLACE AT CRITICAL POINTS
- NO RISK MANAGEMENT SYSTEM IN PLACE
- INEXPERIENCED CONTRACTING TEAM
- THESE SHORTCOMINGS RESULT IN POOR DECISIONS BY AECL IN LETTING THE CONTRACT TO CNEA

## FLAWED BUSINESS MODEL (continued)

### CHOICE OF SITE FOR THE NSDF:

- MORE THAN 10,000 ACRES AVAILABLE
- 60,000 ADDITIONAL ACRES ABUTTING AECL PROPERTY – GARRISON PETAWAWA AND FOREST RESEARCH STATION
- CHOSEN SITE NOT IN COMPLIANCE WITH IAEA
- RIDGE SLOPING AWAY FROM THE RIVER
- NO NEED FOR USE OF PUBLIC ROADS
- PROXIMITY TO MAJORITY OF THE WASTE

## FLAWED BUSINESS MODEL (Continued)

### CONCLUSION

- MITIGATE THE RISK
- MOVE THE SITE FOR THE NSDF WELL AWAY FROM THE RIVER

## COMPETENCY OF THE PROPONENT

SOME HISTORY OF QUESTIONABLE PERFORMANCE BY THE PROPONENT:

- CUTTING CORNERS IN PREPARATION OF THE EA
- APPLYING FOR CHANGES ON THE NUCLEAR WASTE PROJECT AT PORT HOPE
- SUBSTANDARD PERFORMANCE ON THE OTTAWA LIGHT RAIL PROJECT – SNC LAVALIN
- HISTORY OF NON COMPLIANCE WITH GOVERNMENT CONTRACTS, ENVIRONMENTAL OFFENCES, EMPLOYEE SAFETY OFFENCES – JACOBS ENGINEERING, FLUOR – MILLIONS IN FINES

## COMPETENCY OF THE PROPONENT (Continued)

### CONCLUSION

MITIGATE THE RISK

MOVE THE NSDF WELL AWAY FROM THE OTTAWA RIVER

## TRUST IN THE COMPONENT

- CLAIMS OF PROVEN TECHNOLOGY – GEOMEMBRANE – 550 YEARS
- CLAIMS OF BEST PRACTICES
- CLAIMS OF STATE OF THE ART
- CLAIMS OF MONITORING NSDF FOR 300 YEARS
- NOT PLAYING BY THE RULES:
  - HISTORY OF GOVERNMENT CONTRACTING OFFENCES  
ENVIRONMENTAL OFFENCES, SAFETY OFFENCES – JACOBS  
ENGINEERING, FLUOR-MILLIONS OF DOLLARS IN FINES
  - ILLEGAL ACTIVITIES AT THE INTERNATIONAL LEVEL – SNC LAVALIN
  - SNC LAVALIN IGNORING CANADIAN ELECTION FUNDING RULES
  - QUESTIONABLE ATTITUDES TOWARD THE PUBLIC

## TRUST IN THE COMPONENT (continued)

TRUST IS IMPORTANT

NEED FOR TRUST IN THE CONTRACTOR

- KNOWS HOW TO DO THE JOB
- WILL DO WHAT IT SAYS IT WILL DO
- WILL DO IT ON TIME
- WILL DO IT RIGHT THE FIRST TIME
- WILL ALWAYS DO IT WITHOUT THE NEED TO HAVE A THIRD PARTY CONSTANTLY LOOKING OVER ITS SHOULDER



## TRUST IN THE COMPONENT (continued)

### CONCLUSION

- MITIGATE THE RISK
- MOVE THE NSDF WELL AWAY FROM THE RIVER

## UNKNOWN RISKS

- SCIENCE IS IMPORTANT
- SCIENCE ITSELF, HOWEVER, IS BASED ON ASSUMPTIONS
- EXAMPLE OF BRITISH COLUMBIA FLOODING
- DAMS UPRIVER FROM CHALK RIVER
- HUMAN ERROR IS INEVITABLE
  - CHALK RIVER ACCIDENTS 1952, 1956
  - CHERNOBYL IN UKRAINE
  - FUKUSHIMA IN JAPAN
  - THREE MILE ISLAND IN USA
- WAR AND TERRORISM
  - NEW YORK CITY
  - UKRAINE

## CONCLUSION & RECOMMENDATION

- TO MANY OF US, IT IS CLEAR THAT THE FEDERAL GOVERNMENT HAS ABDICATED ITS RESPONSIBILITY IN THIS MATTER TO A CONSORTIUM OF PRIVATE SECTOR COMPANIES
- MUCH IS BEING SAID BY MANY INTERVENORS THAT WOULD WARRANT THAT THIS PROPOSAL BE SENT BACK TO THE DRAWING BOARD
- IN THE EVENT THAT YOU, THE COMMISSIONERS, CHOOSE TO APPROVE THE PROJECT, I WOULD URGE YOU TO AT LEAST MITIGATE THE VERY REAL RISK OF CONTAMINATION OF THE OTTAWA RIVER

I URGE YOU TO RECOMMEND THAT THE  
SITE BE MOVED WELL AWAY FROM THE  
RIVER

COMMON SENSE WOULD SAY THIS IS THE  
PRUDENT THING TO DO

OTHER SITES ARE AVAILABLE AND HAVE  
NOT BEEN CONSIDERED---60,000 ACRES