

Record of Proceedings, Including Reasons for Decision

In the Matter of

Applicant AREVA Resources Canada Inc

Subject Application to Renew the McClean Lake
Operation Uranium Mine Operating Licence and
Revoke the Midwest Uranium Mine Site
Preparation Licence

Hearing
Dates February 18, 2009 and April 30, 2009

RECORD OF PROCEEDINGS

Applicant: AREVA Resources Canada Inc.

Address/Location: P.O.Box 9204, 817-825 Street West, Saskatoon, Saskatchewan, S7K 3X5

Purpose: Application to renew the McClean Lake Operation Uranium Mine Operating Licence and revoke the Midwest Uranium Mine Site Preparation Licence

Application received: August 26, 2008

Dates of hearing: February 18, 2009 and April 30, 2009

Location: Canadian Nuclear Safety Commission (CNSC) Public Hearing Room, 280 Slater St., 14th. Floor, Ottawa, Ontario

Members present: M. Binder, Chair R. Barriault
C.R. Barnes D. Tolgyesi
A. Harvey

Senior General Counsel: J. Lavoie, (Day One) and L. Thiele (Day Two)

Secretary: M. Leblanc

Recording Secretary: S. Dimitrijevic

Applicant Represented By	Document Number
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CNSC staff	Document Number
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Intervenors	Document Number
See appendix A	
Others	Document Number
<ul style="list-style-type: none">• Saskatchewan Ministry of Advanced Education, Employment and Labour, represented by N. Crocker	

Licence: Renewed

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Introduction

1. AREVA Resources Canada Inc. (AREVA) has applied to the Canadian Nuclear Safety Commission¹ (CNSC) to renew the McClean Lake Operation Uranium Mine and Mill Operating Licence UMOL-MINEMILL-McCLEAN.04/2009 (licence). The licence authorizes the licensee to operate a uranium mine, a mill and other facilities necessary to support this operation. The licence also authorizes the licensee to possess, store, transfer, import, use and dispose of nuclear substances and radiation devices. AREVA has applied for a ten-year licence renewal.
2. The McClean Lake Operation is located in the Athabasca Basin of northern Saskatchewan. It includes an open pit mining area near Sue Lake, a mill and a mined-out JEB pit which has been converted to the tailings management facility (TMF), water treatment and other supporting facilities, and site infrastructure such as roads, electricity distribution and camp facilities.
3. In its application, AREVA asked the Commission to incorporate the care and maintenance activities at its Midwest Uranium Mine site (Midwest site) in the McClean Lake Operation operating licence, and revoke the existing Midwest Uranium Mine Site Preparation Licence, UMSL-EXCAVATE-MIDWEST.06/indf. AREVA also requested that the McClean Lake Operation operating licence include the full scope of the Mining Equipment Development Program activities (MED Program) as part of the licensed activities.

Issues

4. In considering the application, the Commission was required to decide, pursuant to subsection 24(4) of the Nuclear Safety and Control Act² (NSCA):
 - a) if AREVA is qualified to carry on the activity that the renewed licence would authorize; and
 - b) if, in carrying on that activity, AREVA would 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.

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 S.C. 1997, c. 9.

Public Hearing

5. The Commission, in making its decision, considered information presented for a public hearing held on February 18 and on April 30, 2009 in Ottawa, Ontario, as well as additional information and submissions filed after April 30, 2009. The public hearing was conducted in accordance with the *Canadian Nuclear Safety Commission Rules of Procedure*³. During the public hearing, the Commission received written submissions and heard oral presentations from CNSC staff (CMD 09-H3, CMD 09-H3.A, CMD 09-H3.B and CMD 09-H3.C) and AREVA (CMD 09-H3.1, CMD 09-H3.1A, CMD 09-H3.1B and CMD 09-H3.1C, CMD 09-H3.1D, CMD 09-H3.1E and CMD 09-H3.1F). The Commission also considered submissions from seven intervenors (see Appendix A for a detailed list of interventions).
6. During the Public Hearing Day Two, one of the intervenors, the Athabasca Regional Government (ARG), asked the Commission to postpone the hearing. The ARG asked for an additional period of time in order to consider and make a fully informed submission on the issues presented in the materials on the record. The Commission granted a 30-day period to the ARG to prepare a written submission. At the same time, the Commission decided to extend the operation of the existing licence for the McClean Lake Operation, issued to AREVA, for the period of 30 days.
7. In a submission dated May 28, 2009 (09-H3.7C), the ARG indicated that it had received the information it had requested, but that the ARG continued to seek more information based on its ongoing review of the information received. As a result of what the ARG viewed as the “incomplete record of consultation” and a need for more information regarding such things as the applicable “environmental regulatory process requirements,” an additional 30 days was requested to make further submissions.
8. As described in more detail in the section of this *Record of Proceedings* entitled “Duty of the Crown to Consult Aboriginal People,” the Commission is satisfied that its process has been adequate to address the concerns expressed relating to the impact communities receiving the information required and being able to speak to the matters in issue regarding the scope of this specific hearing. The Commission is satisfied that the intervenors have been informed of the Commission process and of the licensing action at issue, and have had a full opportunity to express their concerns and identify issues. The Commission has heard the intervenors, and has considered all of the submissions in making its decision. In this context, the Commission is satisfied that, to the extent that a duty to consult was engaged, it was fulfilled in this case respecting the licensing action by the Commission process and by the opportunities that were afforded for consultation within that process. As indicated in a letter dated June 15, 2009, the Commission determined that no further extension of time is warranted in this case. The Commission decided to continue with its deliberations on this matter.

³ S.O.R./2000-211.

Decision

9. Based on its consideration of the matter, as described in more detail in the following sections of this *Record of Proceedings*, the Commission concluded that AREVA is qualified to carry on the activity that the licence will authorize. The Commission also determined 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 and Mill Operating Licence issued to AREVA Resources Canada Inc. for its McClean Lake Operation located in the Athabasca Basin of northern Saskatchewan. The licence, UMOL-MINEMILL-McCLEAN.00/2017, is valid from July 1, 2009 to June 30, 2017 unless suspended, amended, revoked or replaced.

In addition, the Commission, pursuant to section 24 of the *Nuclear Safety and Control Act*, revokes the Midwest Uranium Site Preparation Licence UMSL-EXCAVATE-MIDWEST.06/indf.

10. The Commission includes in the licence the conditions recommended by CNSC staff as set out in the draft licence attached to CMD 09-H3. The Commission also decides to incorporate maintenance and caretaking activities at the Midwest site in the same operating licence.
11. With this decision, the Commission directs AREVA to prepare a status report on the safety performance of its facility following the midpoint of the eight-year licence term. The Commission requests that CNSC staff also prepare a report on the results of compliance activities carried out during the first half of the licence term and on the licensee's performance during that period. AREVA and CNSC staff shall present their reports at a public proceeding of the Commission, in approximately June 2013.

Issues and Commission Findings

12. In making its decision, the Commission considered a number of issues related 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. The Commission's findings, based on its consideration of all of the information and submissions available on the record for the hearing, are summarized below.

Operational Performance

13. The Commission examined AREVA's operational performance in order to establish the adequacy and effectiveness of AREVA's approach to safe operation at the McClean Lake Operation. The operational performance safety area has been divided in four sub-programs encompassing mine operations, mill operations, waste management and packaging and transport. CNSC staff rated all sub-programs and their implementation as meeting requirements.

Mine Operations

14. In its submission, AREVA provided information regarding its mining activities at the McClean Lake Operation. AREVA explained that mining activities are currently performed at the Sue site, which is located 14 km from the JEB mill, and includes the proposed Caribou project and pods for a project named McClean Underground.
15. AREVA also provided information regarding its MED Program, a developmental mining program used to evaluate the "hydraulic borehole" (jet boring) mining method, which is conducted using surface drilling. AREVA explained that the purpose of the MED Program is to evaluate whether it is technically and economically viable to use this alternative mining method on certain uranium deposits at the McClean Lake Operation. AREVA stated that the results of its future tests will determine the feasibility of the jet boring mining method.
16. CNSC staff provided information regarding the mining activities at the McClean Lake Operation over the licence period. CNSC staff stated that AREVA carried out mining operations in accordance with its licence. CNSC staff stated that a total of 52 inspections of mine operations were conducted by the CNSC and the Province of Saskatchewan during the licence period. CNSC staff stated that these inspections showed that AREVA was consistently in compliance for mine operations. CNSC staff also provided information regarding notable incidents during the licence period. CNSC staff noted that corrective actions were taken for each incident.
17. The Commission sought further information regarding the MED Program. AREVA described the technology involved, as well as the geological model for the project. AREVA stated that it expects its methods of backfilling will maintain geological stability as the project continues.

Mill Operations

18. In its submission, AREVA provided information regarding the milling activities at the JEB mill over the licence period. AREVA noted that although the JEB mill was environmentally assessed for a production rate of 24 million pounds of uranium concentrate (U₃O₈) per year, the current licence limit is 8 million pounds per year.

19. AREVA stated that in 2005, it received regulatory approval to expand the JEB mill and to receive and process high-grade ore. AREVA also provided information regarding the expansion of the JEB mill. AREVA noted that it intends to request a licence amendment in the future to increase the production limit.
20. CNSC staff provided information regarding the milling activities at the JEB mill over the licence period. CNSC staff stated that AREVA carried out milling operations in accordance with its licence. CNSC staff stated that a total of 52 inspections of mill operations were conducted by the CNSC and the Province of Saskatchewan during the licence period. CNSC staff stated that most of the action notices arising from the inspections were of low significance, and that AREVA addressed all of the action notices in a satisfactory manner.
21. CNSC staff stated that all of the proposed modifications to the mill operations were sufficiently described and supported for CNSC staff to conduct the necessary reviews. CNSC staff stated that the inspections and evaluations it conducted during the construction and commissioning of the JEB mill expansion were completed satisfactorily. CNSC staff noted that its regular inspections verified that preventative maintenance was being scheduled and carried out.
22. CNSC staff also provided information regarding notable incidents during the licence period, including an acid spill, cross-contamination between potable water and a mill process solution and elevated radioisotope concentrations in air at one location. CNSC staff noted that the health, safety, radiological, environmental and security consequences of these incidents were minor and that corrective actions were taken in each case.

Waste Management

23. AREVA provided information regarding the waste management activities at the McClean Lake Operation over the licence period. AREVA described the JEB tailings management facility tailings optimization and validation program. AREVA further stated that it estimates that the licensed capacity for the JEB tailings management facility will be reached by the end of 2014, and that it is currently reviewing further tailings management options.
24. AREVA provided information regarding the JEB and Sue water treatment plants. AREVA provided data regarding the concentrations of arsenic, nickel, radium and uranium in the water treatment plants and noted that the values are consistently well below regulatory limits. AREVA stated that there were no exceedances of regulatory discharge limits from the water treatment plants during the licence period, nor any violations with respect to the *Mining Metal Effluent Regulations*. AREVA noted that one action level was exceeded at both the Sue water treatment plant in 2005 and at the JEB water treatment plant in 2006 (action levels, if reached, signify a potential loss of control in operations). AREVA stated that in each case, the incident was reported to the CNSC and the Saskatchewan Ministry of Environment, and that an action plan was developed to prevent future occurrences.

25. AREVA also provided information regarding its waste rock management program. AREVA stated that it categorizes and segregates two types of waste rock: clean waste rock and special waste. AREVA described how it disposes of and monitors the waste rock. AREVA also provided information on its reclamation and re-vegetation activities that will aid in the future decommissioning of the McClean Lake site.
26. CNSC staff stated that AREVA carried out waste management operations in accordance with its licence. CNSC staff stated that its inspections over the licence period demonstrated that AREVA was consistently in compliance for waste management.
27. CNSC staff also provided information regarding the Midwest site. CNSC staff noted that minimal maintenance activities occurred during the review period, including repair to pond liners, road grading for maintenance of site access and maintenance of the site security gate. CNSC staff noted that AREVA satisfactorily addressed all action notices from CNSC or Province of Saskatchewan inspections during the licence period.
28. The Commission sought further information regarding the future use of the water treatment plants. AREVA responded that although the water treatment plants are currently running at near capacity to process lower grade ore, the treatment results are well below regulatory limits. AREVA stated that, as it starts to process higher grade ore, the water quantity in the water treatment plants will decrease and the water quality will improve. CNSC staff confirmed that the water treatment plants are in compliance with the limits in the licence. CNSC staff stated that it expects these levels will continue to be met in the future.

Packaging and Transport

29. CNSC staff informed the Commission on its inspection of the McClean Lake Operation regarding compliance with the *Packaging and Transport of Nuclear Substances Regulations*⁴ for Class 7 materials. CNSC staff stated that all requirements had been met.
30. CNSC staff further informed the Commission that it consistently assessed aspects of packaging and transport during regular facility inspections and that it found that the necessary processes and systems were in place. CNSC staff noted that AREVA responded to all action notices in a satisfactory and timely manner.
31. In addition, CNSC staff stated that AREVA reported no dangerous occurrences under Section 19 of the *Packaging and Transport of Nuclear Substances Regulations* during the licence period.

⁴ S.O.R./2000-208.

Conclusions on Operational Performance

32. Based on the above information, the Commission concludes that facility operations are effectively controlled with the safety programs in place and that they do not pose an unreasonable risk to the health and safety of persons, the environment and national security. The Commission is satisfied that the continued operation of the facility with the safety programs in place will not pose unreasonable risk to the health and safety of persons or the environment.

Radiation Protection

33. Evaluating the adequacy of provisions for protecting the health and safety of persons, the Commission considered the past performance and future plans of AREVA in the area of radiation protection.
34. AREVA provided information regarding its radiation protection program and presented data on workers' radiation doses for the expiring licence period. AREVA explained that its radiation protection program, which aims to keep doses ALARA (As Low As Reasonably Achievable), includes various monitoring techniques, including dosimetry and ventilation monitoring, radioactive contamination control, and sampling for uranium in urine. AREVA stated that radiation doses for mine and mill workers at McClean Lake remained well below regulatory limits during the licence period. AREVA noted that the involvement of miners in certain activities during the licence period, such as mill feed activities and ore haulage between the Sue and JEB sites, likely caused the recent increase in the doses received by the mine workers.
35. CNSC staff stated that AREVA's radiation protection program and its implementation met requirements over the licence period. CNSC staff explained that no workers received an effective dose in excess of regulatory limits and no action levels were exceeded during the licence period. CNSC staff further noted that all action items arising from compliance inspections were addressed to CNSC staff's satisfaction.
36. CNSC staff also provided radiation protection information for the MED Program. CNSC staff stated that the program in place is adequate to keep radiation doses ALARA. CNSC staff noted that the average effective doses for MED Program workers are approximately 25 times lower than those for the Sue open pit mine.
37. The Commission inquired about the increase in collective dose at the Sue mine from 2006 to 2008. AREVA responded that the increase in collective dose was associated with the mining activities performed during this period. AREVA noted that the collective dose per tonne of uranium mined was lower in 2008 than in previous years. AREVA further stated that the collective dose to workers at the Sue mine is well below regulatory limits.

38. In its intervention, the Northern Saskatchewan Environmental Quality Committee (EQC) expressed the view that AREVA should commit to continuous improvement in the area of keeping doses ALARA for the purpose of the protection of health and safety of persons and the environment. AREVA responded that it agrees with the philosophy of continuous improvement, and noted that it is an important part of maintaining its ISO 14001 certification.
39. Based on the above information and considerations, the Commission concludes that AREVA has made, and will continue to make, adequate provision for the protection of workers and the public from radiation at the McClean Lake Operation.

Non-Radiological Health and Safety

40. Evaluating the adequacy of provisions for protecting the health and safety of persons, the Commission considered the past performance and future plans of AREVA in the area of non-radiological health and safety.
41. With respect to the protection of persons at the McClean Lake Operation, AREVA stated that it has obtained its certification for the Occupational Health and Safety Management Assessment Series OHSAS 18001 Standard. This standard provides requirements for an occupational health and safety management system to enable an organization to control its occupational health and safety (OHS) risks and to improve its performance. AREVA further stated that it has achieved a 63% reduction in incident frequency and is one of the safest mining operations in Saskatchewan. AREVA also provided information on occupational health and safety for the MED Program.
42. CNSC staff stated that both the Occupational Health and Safety (OH&S) program and its implementation have been rated as meeting requirements. CNSC staff informed the Commission that the Saskatchewan Ministry of Advanced Education, Employment and Labour (Saskatchewan Labour) evaluated AREVA's OH&S program and found it to be satisfactory. CNSC staff added that Saskatchewan Labour has conducted regular compliance inspections and has indicated that the level of compliance was normal. CNSC staff further stated that all contraventions, action notices and recommendations under the NSCA had been adequately addressed by the licensee.
43. CNSC staff also stated that AREVA has made, and continues to make, adequate provision for the health and safety of workers involved in the MED Project.
44. The Commission sought more details about the increased number of lost-time injuries at the McClean Lake Operation. AREVA responded that the lost-time injuries have been associated exclusively with AREVA's contractors. A representative of the Province of Saskatchewan explained that companies are held accountable and are responsible for the safety of contractors.

45. The Commission further asked CNSC staff about the monitoring of the safety training and workers' health and safety statistics. CNSC staff responded that it follows this issue in cooperation with the provincial government.
46. The Canadian Nuclear Workers Council and the Communications, Energy and Paperworkers Union of Canada, Local 48S (CEP Local 48S), expressed support for AREVA's health and safety culture, including the Occupational Health and Safety Committee. The Commission sought further information in this regard. A representative of the Province of Saskatchewan concurred that AREVA has an excellent safety record at the McClean Lake Operation.
47. Based on this information, the Commission is satisfied that AREVA has made, and will continue to make, adequate provision for the protection of persons from conventional hazards at the McClean Lake Operation.

Environmental Protection

48. To determine whether AREVA will make adequate provisions to protect the environment while carrying out the proposed activities at the McClean Lake Operation, the Commission considered the potential for the continued facility operations to adversely affect the environment.
49. AREVA provided information regarding its environmental protection program, which is comprised of an Environmental Management System (EMS) and an Environmental Monitoring Program (EMP), which includes air quality, surface water hydrogeology, water quality, terrestrial monitoring, aquatic ecology and groundwater monitoring. AREVA stated that its EMS is designed to meet the needs of the ISO 14001 standard. AREVA noted that it has met the ISO 14001 standard since 2000. AREVA also provided information on environmental protection for the MED Program.
50. CNSC staff stated that it rated both the environmental protection program and its implementation as meeting requirements. CNSC staff noted that AREVA addressed and closed all of the action notices arising from CNSC staff's compliance inspections during the licence period. CNSC staff concurred that AREVA's ISO 14001 registration is in good standing.

Effluent Monitoring

Air

51. AREVA provided information regarding its air quality monitoring. AREVA stated that the air monitoring results of its EMP have shown that the air quality has consistently been within acceptable limits and consistent with historic data.

52. CNSC staff stated that AREVA monitors the mill stack emissions and the air quality downstream of the mill. CNSC staff reported that emissions remained acceptable over the licence period. CNSC staff noted that there were no environmental consequences of four minor exceedances of the provincial air quality limits during the licence period. CNSC staff further noted that corrective actions have been taken to minimize a recurrence.
53. The Commission sought further information on the environmental effects of the MED Program. AREVA responded that it has high-volume samplers in the area, and it does not anticipate that there will be any significant releases to the air. CNSC staff concurred that the air emissions are small, and noted that the releases will be monitored and reported.

Water

54. AREVA stated that its surface water monitoring program was established to monitor the effects of mining and milling activities. AREVA explained that it monitors lakes surrounding the mining site, and that the results are consistent with observed annual precipitation and natural variability.
55. AREVA stated that its surface water quality monitoring encompasses aquatic systems directly associated with the release of treated effluent from the McClean Lake Operation. AREVA stated that the primary study area for McClean Lake is located entirely within the Collins Creek drainage basin. AREVA noted that it has committed to meet the Saskatchewan Surface Water Quality Objectives in Collins Creek. AREVA reported that the results of its surface water quality monitoring have shown that concentrations of contaminants of concern in the primary study area, including arsenic, nickel, radium, uranium, selenium and molybdenum, remain considerably below the original predictions from the environmental assessment for the McClean Lake Operation.
56. AREVA further stated that surface water quality monitoring has shown that the technology implemented for removing molybdenum and selenium within the tailings preparation circuit has consistently provided favourable results.
57. AREVA also provided information regarding its groundwater monitoring program. AREVA stated that the results have shown that mining and milling activities have not significantly affected groundwater quality. AREVA further stated that it will be monitoring the groundwater around the MED Program.
58. CNSC staff reported that there were no unauthorized effluent discharges from the McClean Lake Operation during the licence period, and that treated effluent releases were within effluent limits and met toxicity test requirements.

59. The Commission sought clarification regarding the effluent discharge limits in Appendix D of the proposed licence. CNSC staff explained that these limits are based on the *Metal Mining Effluent Regulations*⁵. CNSC staff stated that other contaminants not listed in the *Metal Mining Effluent Regulations* are subject to either action levels or administrative levels found in the McClean Lake Operation's Environmental Codes of Practice. CNSC staff provided the Commission with a table containing this information.
60. The Commission inquired about the absence of selenium on the table. CNSC staff responded that it has not identified any concerns with respect to the effluent loadings for selenium, and as such there is currently no requirement for administrative or action levels. CNSC staff noted that selenium continues to be monitored and CNSC staff will act accordingly should selenium become a potential concern.
61. The Commission sought further information on the environmental effects of the MED Program. AREVA responded that it has not observed any impact on groundwater chemistry and further noted that the water treatment plants are capable of handling the contaminant levels generated from the MED Program.

Environmental Monitoring

62. AREVA stated that its monitoring has demonstrated that the McClean Lake Operation is having negligible effects on the terrestrial and aquatic environment. AREVA stated that it provides reports to the Province of Saskatchewan and Environment Canada on the environmental effects of the facility every three years. AREVA stated that there were 29 reportable spill-related incidents over the previous licence period. AREVA noted that it resolved the matters in a timely manner and that there was no negative impact on the environment.
63. AREVA further stated that it will be undertaking a monitoring program to confirm the predicted results that the MED Program, with mitigation measures in place, will not cause significant long-term effects.
64. CNSC staff stated that environmental conditions in the effluent receiving drainage have been extensively monitored over the licence period, and that Environmental Effects Monitoring has shown that there are no confirmed mine-related effects on biota.
65. CNSC staff further stated that the EMP includes the Midwest site monitoring program. CNSC staff reported that the monitoring activities at the Midwest site are adequate for the care and maintenance of the site.

⁵ S.O.R./2002-222.

66. The Commission inquired about the monitoring of Sink Lake. AREVA responded that Sink Lake is within the scope of the EMP and that the results for all contaminants have been within the predicted and approved levels from the environmental assessment. AREVA noted that when the McClean Lake Operation is closed, the contaminant levels at Sink Lake will revert back to or near baseline levels.

Impact of Operations on the Environment

67. In its intervention, the Métis Nation of Saskatchewan (MN-S) expressed the need for traditional knowledge to be shared with AREVA. The MN-S explained that traditional knowledge would help AREVA understand the impact that the McClean Lake Operation and other facilities have had on traditional resource users. In its intervention, the Athabasca Regional Government (ARG) also expressed concerns regarding the consideration of aboriginal and traditional knowledge at any stage of the project. The Commission asked for further information in this regard. CNSC staff responded that environmental assessments (EAs) include traditional knowledge as part of the “valued ecosystem components” studied during EAs. CNSC staff stated that it has committed to having future discussions with the MN-S and ARG on this subject, and noted that it is an opportunity to improve environmental protection in northern Saskatchewan. AREVA stated that it is confident that its operations have not had a significant impact on the environment, and that it would welcome further input from the MN-S, ARG and other northern groups.
68. In its intervention, the ARG expressed concerns about cumulative environmental effects from ongoing exploration activities and major development projects in the vicinity of local communities in northern Saskatchewan. This intervenor is of the view that integrating projects in one central location can have a significant effect on the environment.

Conclusion on Environmental Protection

69. Based on the information presented above, the Commission is satisfied that AREVA is making adequate provision to protect the environment at the McClean Lake Operation. The Commission is of the view that adequate monitoring is performed to determine the effects of the operations on the environment.

Quality Management

70. The Commission examined AREVA’s quality management program to ensure that facility operations are adequately monitored and controlled and do not pose an unreasonable risk to the health and safety of persons or the environment.

71. AREVA provided information regarding its quality management program. AREVA explained that its Integrated Quality Management System (IQMS) applies to all regulated activities performed by employees or contractors at the McClean Lake Operation. AREVA described the IQMS, which includes Change Control and Design Control Procedures.
72. CNSC staff stated that AREVA made significant progress with its IQMS following a 2004 audit that found that AREVA was below requirements for the implementation of its quality management program. CNSC staff explained that follow-up desktop reviews and inspections have resulted in the closure of all action items from the 2004 audit, except for finalizing the implementation of a procurement control program.
73. CNSC staff stated that satisfactory progress has been made with regards to the implementation of the procurement control program, and that both the quality management program and its implementation have been rated as meeting requirements.
74. Based on the above information, the Commission is satisfied that facility operations with the quality assurance measures in place do not pose an unreasonable risk to the health and safety of persons or the environment.

Training

75. The Commission considered information regarding the training of employees at the McClean Lake Operation.
76. AREVA explained that the training program is organized in a decentralized system with trainers attached to specific departments. AREVA stated that the Training Group, which manages the training records, developed, documented and implemented the five-phase McClean Lake Systematic Approach to Training (SAT) based on the internationally accepted "ADDIE" model (Analysis, Design, Development, Implementation and Evaluation).
77. CNSC staff stated that the training program at the McClean Lake Operation meets requirements. CNSC staff further stated that the program implementation is below requirements because the implementation of the SAT is not complete. CNSC staff stated that it expects AREVA to complete its implementation in 2009.
78. CNSC staff noted that it conducted several inspections of the training program during the licence period and two action notices remain to be completed. CNSC staff further noted that it expects AREVA to address these action notices in 2009. CNSC staff stated that it is satisfied with AREVA's progress to date.
79. The Commission sought further information regarding an increase in annual training hours at the site. AREVA responded that the increase is due to the increased focus on the SAT.

80. The CEP Local 48S expressed support for the steps AREVA has taken with regards to training.
81. The Commission is satisfied that AREVA has an acceptable SAT program in place and has made significant progress for its implementation. The Commission is of the view that AREVA should prioritize its resources in order to meet its goal of fully implementing its training program by the end of 2009.

Emergency Preparedness

82. The Commission examined the capabilities of AREVA to respond to an emergency situation at the McClean Lake Operation.
83. AREVA described its emergency preparedness program, which is comprised of emergency response planning, training and awareness, equipment maintenance and inspections, emergency drills and exercises, and hazard control. AREVA explained that an emergency response plan has been established and is maintained in order to respond to various types of emergencies, including incidents of personal injury, environmental emergencies and uncontrolled releases of hazardous materials.
84. CNSC staff informed the Commission that the emergency preparedness program and its implementation have been rated as meeting requirements. CNSC staff stated that the emergency preparedness program is referenced in the Mining Facility Licensing Manual, and that the Emergency Response Plan is integrated with the Quality Assurance Management System.
85. AREVA provided information regarding its Emergency Response Plan, which is available at six strategic locations on site, as well as on the AREVA company safety Web site. AREVA also stated that safety and hazard awareness training is provided to all personnel during their initial site orientation.
86. CNSC staff stated that AREVA has up-to-date emergency response plans to respond to on-site and off-site emergencies. CNSC staff also noted that the McClean Lake Operation is party to a mutual assistance agreement with other mine sites to ensure sufficient numbers of trained personnel can be made available to respond to an emergency situation should the need arise.
87. AREVA further stated that it maintains an emergency response team of approximately 28 members who are trained to respond to emergency situations. AREVA explained that exercises are conducted periodically to determine the adequacy of site emergency preparedness and the effectiveness of the Emergency Response Plan.
88. CNSC staff reported that it has assessed AREVA's emergency exercises with satisfactory results. CNSC staff noted that minor procedural deviations were observed and some opportunities for improvement to training were identified.

89. Based on the above information, the Commission is satisfied that the continued operation of the facility with the emergency management programs and measures in place will not pose an unreasonable risk to the health and safety of persons, national security or the environment.

Fire Protection

90. The Commission examined AREVA's performance in the area of fire protection and its ability to respond to a fire emergency situation at the McClean Lake Operation.
91. AREVA described its fire protection program. AREVA stated that it has been making new additions to its fire protection program in order to adhere to the *National Building Code of Canada*⁶ and the *National Fire Code of Canada*⁷. AREVA noted that it has made various improvements to the program since 2005.
92. CNSC staff stated that AREVA has extensive fire detection and suppression systems in place, as well as a fully trained and equipped fire-fighting and emergency response team, as required in the fire protection program.
93. AREVA stated that it has complied with the requirement to have third-party audits conducted on a biannual basis. AREVA noted that, in addition to the *National Fire Code of Canada* audits, Province of Saskatchewan inspectors are on site approximately 12 times per year, and that routine internal audits are conducted. AREVA stated that further improvements are required as a result of the latest third-party review, which was conducted in June 2008. AREVA stated that it is currently working to address these areas to ensure that all elements of the *National Fire Code of Canada* are adequately addressed. AREVA stated that it expects to complete the majority of the outstanding items by June 2009 and the remaining items by the end of the year.
94. CNSC staff stated that it has reviewed the third-party review reports, which have shown that AREVA is complying with the design modification requirements of its licence. CNSC staff noted, however, that several non-compliances with the operational requirements of the *National Fire Code of Canada* have been identified. CNSC staff further noted that some of the findings from 2008 were previously identified in 2006.
95. CNSC staff informed the Commission that as a result of the increased risk due to deficiencies identified in the third-party inspections and AREVA's lack of timely resolution of these deficiencies, the fire protection program and its implementation have been rated as below requirements. CNSC staff noted that AREVA has developed a comprehensive correction action plan to address the findings of the 2008 review.

⁶ National Building Code of Canada 2005.

⁷ National Fire Code of Canada 2005.

96. The Commission sought further information regarding the work done to complete the actions resulting from the findings that were identified in 2006. AREVA stated that prior to 2005, the facility had been operating under the *Saskatchewan Fire Code Regulations*⁸, not the *National Fire Code of Canada*, and as such, there was an extensive list of items to complete. AREVA noted that it has focused on the key items and is working towards completing the remaining items by the end of the year. CNSC staff concurred that it takes time to implement the requirements of the *National Fire Code of Canada* and stated that it is confident that the work will be completed.
97. The MN-S, in its intervention, expressed concerns that the fire protection program was below requirements.
98. Based on the information presented, the Commission is satisfied that the continued operation of the facility with the fire protection program in place will not pose an unreasonable risk to the health and safety of persons, national security or the environment. The Commission is of the view that AREVA should prioritize its resources in order to meet its commitment to achieving full compliance with the requirements related to operational fire safety by the end of 2009.

Nuclear Security

99. With respect to site physical security issues, the Commission was provided with a separate, protected CMD 09-H3.A for its consideration.
100. The Commission concludes that AREVA has made adequate provisions for ensuring the physical security of the facility, and is of the opinion that AREVA will continue to make adequate provisions during the proposed licence period.

Safeguards

101. The CNSC's regulatory mandate includes ensuring conformity with measures required to implement Canada's international obligations under the *Treaty on the Non-Proliferation of Nuclear Weapons*⁹. Pursuant to the Treaty, Canada has entered into safeguards agreements with the International Atomic Energy Agency (IAEA). The objective of these agreements is for the IAEA to provide credible assurance on an annual basis to Canada and to the international community that all declared nuclear material is in peaceful, non-explosive uses and that there is no undeclared nuclear material or activities in this country.

⁸ F-15.001 Reg 1

⁹ INFCIRC/140

102. CNSC staff stated that over the licence period, AREVA provided CNSC staff with all reports and information necessary for safeguards pertaining to the McClean Lake Operation. CNSC staff informed the Commission that AREVA has satisfactory procedures in place to facilitate the prompt access of the IAEA inspectors upon request. CNSC staff noted that no access requests from the IAEA were received during the licence period. CNSC staff stated that AREVA's safeguards program and its implementation meet requirements.
103. Based on the information received, the Commission is satisfied that AREVA has made, and will continue to make, adequate provisions in the areas of safeguards and measures necessary for implementing international agreements to which Canada has agreed.

Decommissioning Plan and Financial Guarantee

104. CNSC staff stated that a financial guarantee for the McClean Lake and Midwest sites is provided in the form of letters of credit to Saskatchewan Environment. CNSC staff noted that these letters of credit are in good standing.
105. CNSC staff informed the Commission that it reviewed the updated Preliminary Decommission Plan (PDP) and associated cost estimate that were provided in April 2009. CNSC staff stated that it has found the PDP and cost estimate of \$43.1 million Canadian to be acceptable. CNSC staff noted that the financial guarantee amount was adjusted to reflect the postponement of AREVA's Caribou Project.
106. CNSC staff noted that a proposed condition of the licence is that AREVA must review the PDP at least every five years and maintain an adequate financial guarantee.
107. The Commission is of the opinion that the revised PDP and financial guarantee, as proposed, are acceptable. The Commission notes that any changes to AREVA's cost estimate shall be brought forward to the Commission for consideration.

Public Information

108. The Commission considered information regarding AREVA's public information program and its effectiveness as set out in CNSC Regulatory Guide G-217¹⁰ as well as in the *Uranium Mines and Mills Regulations*¹¹.

¹⁰ Canadian Nuclear Safety Commission Regulatory Guide G-217, *Licensee Public Information Programs*, January 2004

¹¹ S.O.R./2000-206

109. AREVA stated that its public information program operates in a variety of manners. AREVA described its ongoing consultation activities, its general community level consultation and informational meetings, and its consultation and informational meetings related to its licence renewal application. AREVA stated that the primary goal of its public consultation and information program is to ensure that the environment, health and safety issues that may arise as a result of AREVA's activities are effectively communicated to the public.
110. AREVA noted that its public information and consultation activities include the AREVA Web site, monthly community updates, newsletters, public meetings and site tours.
111. CNSC staff stated that it has assessed AREVA's public information program and determined that it meets the criteria of Regulatory Guide G-217, *Licensee Public Information Programs* and the *Uranium Mines and Mills Regulations*. CNSC staff noted that AREVA must continue to strive to communicate effectively and respond to the concerns of stakeholders and impact communities in a timely manner.
112. The Commission sought further information regarding AREVA's visits to northern communities. AREVA stated that it contacts key representatives in communities to arrange meetings. AREVA explained that, due to the travel time between each community, it typically holds meetings of three hours in length. AREVA noted that although the turnout can sometimes be limited, it meets with community leaders.
113. The Commission inquired as to whether AREVA follows up with members of the public who have questions or comments at meetings. AREVA stated that it makes an effort to provide an answer to any questions it receives at meetings. AREVA added that it provides informal opportunities for the public to bring forward any comments or concerns. CNSC staff stated that it takes note of any questions that it cannot answer and makes a commitment to follow up at a later date.
114. In its intervention, the EQC expressed concerns regarding the level of public consultation with northern communities conducted by AREVA. AREVA responded that it provides many opportunities and invitations to meet with specific leadership in northern Saskatchewan, and remains open to any further discussion.
115. Raymond Laliberté, an intervenor, expressed the view that AREVA has provided adequate public information in his community of Buffalo Narrows. The Commission asked AREVA to describe its relationship with small businesses in northern Saskatchewan. AREVA responded that it has recently established a program to engage small businesses in order to develop opportunities.
116. In its intervention, the MN-S stated that it has had a positive dialogue with AREVA but feels that it does not have sufficient capacity to participate in a meaningful way. The MN-S expressed the view that further work should be done in order to assist the MN-S in understanding the McClean Lake Operation.

117. In its intervention, the ARG expressed the view that the main goals of AREVA's public information program are only to provide information and to promote a better understanding of activities at the McClean Lake site, but not to engage meaningful consultation with the impacted communities. The ARG concluded from opinions gathered by leaders and members of impacted communities that AREVA's consultations were inadequate. The ARG added that AREVA had not considered to directly engaging local communities in the planning and decision-making process.
118. Based on the information presented, the Commission is satisfied that AREVA has in place an adequate public information program. However, based on the concerns expressed by some intervenors, the Commission invites AREVA to provide meaningful information in a clear and understandable manner to northern communities that are impacted by the McClean Lake Operation. The Commission also invites AREVA to respond to concerns expressed by impacted northern communities in a clear and rapid manner.

Duty of the Crown to Consult Aboriginal People

119. Two interventions raised particular issues with respect to the duty on the Crown to consult aboriginal people and, where appropriate, accommodate their protected interests. The MN-S and the ARG indicated that they felt that there was a duty to consult that applied with respect to this licence renewal by the Commission.
120. The MN-S indicated in its intervention that Métis hunting, fishing and trapping activities are conducted in the region of the licensed site and are therefore affected by the mine operation. The MN-S recommended that the licence be renewed for one year only, and that the Commission assist the MN-S by imposing obligations on AREVA, the provincial Crown and the federal government to provide resources and funding to develop participatory information-sharing processes and consultative processes.
121. The ARG¹² submitted that the disclosure and consultation done by AREVA with respect to this licensing action had not been adequate to meet the standard required to fulfill the Crown's duty to consult. The ARG's written request to reschedule its intervention from April 30, 2009 to a subsequent hearing day was reiterated during the ARG's oral intervention at Day 2 of the hearing. The additional request, dated May 1, 2009 but provided to the Commission on April 30, reiterated the request for adjournment and rescheduling of the hearing, on the basis that AREVA and CNSC staff had either failed to provide, or the ARG had had inadequate time to consider, matters as the documents forming the record in this matter, such as:

¹² The ARG is comprised of three Athabasca Denesuline First Nations – Fond du Lac, Black Lake and Hatchet Lake – and four Athabasca region municipalities – Camsell Portage, Uranium City, Stony Rapids and Wollaston Lake. Together, the group has organized itself as the ARG and has agreed on a vision by which it seeks to collectively manage the use of the land and resources of the region “on behalf of all residents of the Athabasca Region”.

- the past performance of AREVA;
 - the environmental assessment information about the Caribou Project; and
 - whether this licensing action was a ‘trigger’ under the *Law List Regulations* for an environmental assessment.
122. In delivering this written request, counsel for the ARG indicated that the ARG was requesting an additional 30 days.
123. AREVA objected to this extension of time, on the basis that the ARG had been provided the information it required, and that prejudice would be caused to AREVA by such an extension. By decision dated May 8, 2009, the Commission provided the ARG with an additional 30 days to provide written submissions with respect to the licensing action. The Commission extended the current operating licence by one month to facilitate this additional time, which imposed a deadline of June 8 for the additional submissions.
124. In a submission dated May 28, 2009, the ARG indicated that it had received the information it had requested, but that the ARG continued to seek more information based on its ongoing review of the information received. As a result of what the ARG viewed as the “incomplete record of consultation” and a need for more information regarding such things as the applicable “environmental regulatory process requirements,” an additional 30 days was requested to make further submissions.
125. In its submission dated June 8, 2009, provided to meet the deadline imposed notwithstanding the fact that a further extension was being sought, the ARG addressed the following issues:
- the duty to consult and accommodate the ARG’s interests;
 - the inadequacy of AREVA’s consultation;
 - the mandate of the Commission to consider the consultation issue; and
 - the ARG’s view of the legality of the revocation of the licence for the Midwest site and the incorporation of care and maintenance activities at the Midwest site in the operating licence for the McClean Lake Operation.
126. Generally, the ARG made reference to Treaties 8 and 10, and expressed the view that AREVA is the delegate of the provincial Crown for the purpose of consultation. The ARG suggests that both AREVA and the provincial Crown have failed in their duties to consult and accommodate the interests of the ARG. Regarding the Commission, the ARG submits that its role is to consider whether the Crown has satisfied its constitutional duty respecting consultation and accommodation of Aboriginal interests; it submits there is no evidence of Crown consultation here.

127. On June 8, 2009, a submission was filed from the Saskatchewan Ministry of Justice and Attorney General in which the Attorney General of Saskatchewan asserted the province's constitutional authority to manage the resources in Saskatchewan, "including the authority to allocate both mineral resources and surface lands." The Attorney General is, according to the submission, "obligated to respect the hunting, fishing and trapping rights of First nations" and also "recognizes that Métis people have Aboriginal rights to hunt, fish and trap for food throughout northern Saskatchewan on the same terms as Treaty Indians." The position of the province is that it is cognizant of its constitutional obligations regarding the duty to consult, and that any issues with respect to the discharge of that duty by the province, are beyond the constitutional bounds of the Commission's jurisdiction and should be dealt with by Saskatchewan.
128. AREVA objected to the ARG receiving a further extension of time, noting its efforts to provide all the information the ARG has sought, and to meet with the members of the groups making up the ARG. AREVA noted the meetings that had been conducted and its efforts to satisfy the ARG's information requests, and indicated that the most recent requests for further information were not relevant or crucial to the Commission's decision on the licence renewal for the McClean Lake Operation.
129. Given the submissions that have been made and the issues before the Commission on this licensing matter, it is necessary for the Commission to provide some general comments respecting its view of the role of the Commission with regard to the duty to consult Aboriginal peoples, and to apply that reasoning to the arguments raised in this application. The Commission is mindful of the role that Parliament has set for it, and the scope of that role. Its licensing function is in respect of matters of nuclear safety and the regulation thereof. While the Commission has the authority from Parliament to answer questions of law pertaining to its mandate, as indicated by its statutory powers, it does not have powers beyond those given to it by Parliament. As an agent of the Crown, the Commission is called upon to make a decision with respect to this licensing matter and it is incumbent on the Commission to ensure that its decision accords with the honour of the Crown.
130. The duty to consult stems from the Crown's relationship with Aboriginal peoples, in recognition of rights as reflected in section 35 of the *Constitution Act, 1982*¹³. This duty must be discharged in a manner that upholds the honour of the Crown and seeks to promote the reconciliation of Aboriginal and non-Aboriginal interests. The Commission must itself act in accordance with the Constitution and its imperatives. The Commission is of the view that, for project-related matters which may cause concern to rights-holders about potential impacts, which are within the authority of the Commission to address and perhaps accommodate, the Commission has the jurisdiction to deal with consultation on behalf of the Crown, and its process is the appropriate forum in which to deal with such issues.

¹³ *The Constitution Act, 1982*, being Schedule B to the Canada Act 1982 (U.K.), 1982, c. 11.

131. In this matter, while the MN-S and the ARG have indicated that there is a duty to consult that has not been respected, the specific concerns that were raised relate mostly to information and the ability of the members of the impact communities to understand the information relevant to the operations of the licensed facility. The intervenors did not provide information about specific rights that could be affected by the renewal of the licence for the McClean Lake Operation.
132. The mines and mills at the McClean Lake Operation have been operating for over ten years, and were the subject of a joint federal-provincial environmental assessment (EA) in the 1990's. The findings of this assessment process led to the establishment of the EQCs that are in place today, as a means to provide information to impacted communities. The licensing action to renew the licence for the McClean Lake Operation and to include the activities currently authorized by the licence for the Midwest site would not authorize new or additional activities.
133. This is not to say that the renewal of a licence should not engage the CNSC and AREVA in consultative efforts and dialogue with the impact communities and rights-holders in order to address matters of concern and to seek reconciliation of differences. However, in this case, the submissions of the intervenors did not indicate that there were specific unresolved impacts on rights, which could be addressed within the authority of the Commission's powers.

Funding

134. The intervenors have sought funding, or to have the Commission compel the province or AREVA to take certain actions with respect to their capacity concerns. The Commission itself does not have the authority to provide such capacity, and its authority over licensees relates to the purposes of the *Nuclear Safety and Control Act*. In regards to the consultative efforts and obligations of the province of Saskatchewan, it is not the role of the Commission to oversee matters over which it has no authority, such as resource allocation matters, which are not engaged by the Commission's licensing decision.

Conclusion on Duty of the Crown to Consult Aboriginal People

135. The Commission is satisfied that its process has provided an invitation to the intervenors to make submissions and participate in the regulatory process, and the Commission hearing process provided a forum in which concerns could be expressed and dealt with. In this matter, in response to concerns about the licensing action and knowledge gaps with respect to the information provided and understanding of the matters in issue, the Commission granted an extension of time to the ARG to provide it with time to seek, obtain and make submissions on the matters before the Commission. This has also provided the possibility for more discussions and engagement by the CNSC staff and AREVA, with the ARG in particular.

136. The Commission is satisfied that its process has been adequate to address the concerns expressed relating to the impact communities receiving the information required and being able to speak to the matters in issue regarding the scope of this specific hearing. The Commission is satisfied that the intervenors have been informed of the Commission process and of the licensing action at issue, and have had a full opportunity to express their concerns and identify issues. The Commission has heard the intervenors, and has considered all of the submissions in making its decision. In this context, the Commission is satisfied that, to the extent that a duty to consult was engaged, it was fulfilled in this case respecting the licensing action, by the Commission process and by the opportunities that were afforded for consultation within that process.
137. As indicated in a letter dated June 15, 2009, the Commission has determined that no further extension of time is warranted in this case.

Cost Recovery

138. CNSC staff reported to the Commission that AREVA is in good standing with the Canadian Nuclear Safety Commission's *Cost Recovery Fees Regulations*¹⁴, with respect to the payment of licensing fees for its McClean Lake Operation and the Midwest Project.

Application of the *Canadian Environmental Assessment Act*

139. Before making a decision, the Commission must be satisfied that all applicable requirements of the *Canadian Environmental Assessment Act*¹⁵ (CEAA) have been fulfilled.
140. CNSC staff informed the Commission that the renewal or revocation (in this case the Midwest licence) of a licence, under subsection 24(2) of the NSCA, is not listed as a "trigger" under the *Law List Regulations*¹⁶, and therefore an environmental assessment pursuant to the CEAA is not required.
141. With respect to the inclusion of care and maintenance of the inactive Midwest site in the licence for the McClean Lake Operation, the activities are already authorized by the CNSC and will remain unchanged under the renewed licence for the McClean Lake Operation. As such, an environmental assessment pursuant to the CEAA is not required.

¹⁴ S.O.R./2003-212.

¹⁵ S.C. 1992, c. 37.

¹⁶ S.O.R./94-636.

142. CNSC staff determined that the activities related to the MED Program remain within the scope of the 1991 Environmental Impact Statement Panel Review determination for mining the McClean Lake ore pods and, according to Subsection 74(3) of the CEEA, no further environmental assessment of the program is required.
143. In its intervention, the ARG expressed the view that the accumulation of ongoing exploration activities and major development projects occurring in Northern Saskatchewan may trigger an environmental assessment as per the CEEA.
144. Based upon the above information, the Commission is satisfied that an environmental assessment is not required before the Commission may consider and make a decision on this licence renewal application for the McClean Lake Operation under the NSCA. The Commission notes that an EA determination will be made for any further licensing requests that may come before the Commission which involve activities that are not covered in the current licence. The Commission further notes that cumulative effects of the proposed activities are taken into consideration for each EA. The Commission is also of the view that no EA on all of the milling and mining activities done in Northern Saskatchewan is necessary since EAs only involve proposed (new) projects.

Licence Length and Interim Reporting

145. AREVA requested that the licence be renewed for a period of 10 years. AREVA indicated that, regardless of the length of the licence term, it would be required to apply for Commission approval to make any changes to mining activities, mill processes or waste management processes. AREVA noted that the public would be informed of the proposed changes and may have the opportunity to intervene.
146. AREVA further requested that the Commission amend the McClean Lake operating licence to incorporate the care and maintenance activities at its Midwest site, and revoke the existing Midwest Uranium Site Preparation Licence UMSL-EXCAVATE-MIDWEST.06/indf. AREVA also requested an amendment to the McClean Lake operating licence to include the full scope of the MED Program as part of the licensed activities.
147. CNSC staff recommended that the licence be renewed for a period of eight years. CNSC staff noted that the proposed licence length meets the criteria of CMD 02-M12¹⁷. CNSC staff further recommended that an update be provided to the Commission following the mid-point of the licence term.
148. The Commission sought further information regarding CNSC staff's eight-year licence recommendation. CNSC staff responded that the eight-year period works well with the lifecycle of the facility and CNSC staff's compliance program. CNSC staff further stated that the periodic safety review for the facility would be within the eight-year licence period.

¹⁷ Commission Member Document CMD 02-M12, *New Staff Approach Used to Recommending Licence Period*.

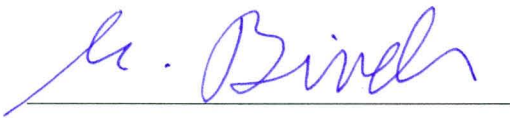
149. The Commission requested that AREVA provide further details regarding its future plans for the McClean Lake Operation. AREVA discussed its mining plans, which include the feasibility of the MED Program; the environmental assessment and licence application for the Caribou ore body; the Midwest project, which is currently undergoing an environmental assessment; an economic feasibility study for the McClean Underground project; and additional exploration of the McClean Lake site. AREVA also provided information regarding its milling activities, including using the stock piles from the Sue Mines. AREVA further stated that it will be working to determine the best option for an additional tailings management facility. AREVA noted that each activity will require further licensing action from the Commission.
150. Several intervenors supported the license renewal for the McClean Lake Operation, but suggested that the license be renewed for a period of five years as it would allow for further public involvement and transparency.
151. The MN-S recommended that the Commission not grant a licence for a period greater than one year until the MN-S is provided with sufficient capacity to inform Métis citizens of the issues surrounding AREVA's application. The MN-S cited inadequate fire protection and uncertainties concerning the MED Program as further reasons for a one-year licence.
152. In its intervention, the EQC stated that although it supports AREVA's application to incorporate the care and maintenance of the Midwest site into the McClean Lake Operation licence, it is of the opinion that the Midwest site should have a separate licence once it becomes operational. The Commission sought further information in this regard. CNSC staff responded that this issue would be assessed at the time of the licensing for the Midwest site. CNSC staff noted that it expects the Midwest site to be included in the McClean Lake Operation licence in a manner similar to the other mine projects associated with the McClean Operation, such as the Sue Mine. CNSC staff explained that this approach allows for consistency in programs and controls.
153. The ARG, in its intervention, opposed a licence renewal for an eight- or ten-year period. The ARG further stated that it opposed the incorporation of the care and maintenance of the Midwest site into the McClean Lake Operation licence and the associated revocation of the Midwest licence. The ARG is of the view that, according to the NSCA, a licence may not be transferred, and that each licence must be dealt with separately.
154. The Commission is satisfied that the effect of revoking the licence for the Midwest site and including those same activities under the operating licence for the McClean Lake Operation licence does not in any way alter the activities that have previously been assessed and authorized for the Midwest site. The Commission notes that having the care and maintenance activities authorized in the licence for the McClean Lake Operation does not involve the transfer of a licence, which is prohibited under subsection 24(8) of the NSCA.

155. Based on the above information, the Commission agrees with CNSC staff's recommendation that an eight-year licence with a mid-term report is appropriate. The Commission adopts and includes the licence conditions as recommended by CNSC staff. The Commission requests that AREVA prepare a status report on the safety performance of its facility following the midpoint of the eight-year licence term. CNSC staff shall also prepare a report on the results of compliance activities carried out during the first half of the licence term and on the licensee's performance during that period. AREVA and CNSC staff shall present their reports at a public proceeding of the Commission, in approximately June 2013, with an opportunity for the public to submit comments.

Conclusion

156. The Commission has considered the information and submissions received from AREVA, CNSC staff and intervenors as presented in the material on the record.
157. The Commission concludes that an environmental assessment under the CEAA is not required before the Commission may make its decision with respect to the application for licensing action.
158. The Commission is satisfied that the applicant meets the requirements of subsection 24(4) of the *Nuclear Safety and Control Act*.
159. The Commission therefore renews, pursuant to section 24 of the *Nuclear Safety and Control Act*, the Uranium Mine Operating Licence issued to AREVA Resources Canada Inc. for its McClean Lake Operation located in the Athabasca Basin of northern Saskatchewan. The licence, UMOL-MINEMILL-McCLEAN.00/2017, is valid from July 1, 2009 to June 30, 2017.
160. The Commission includes in the licence the conditions recommended by CNSC staff, as set out in the draft licence attached to CMD 09-H3. The Commission also decides to incorporate maintenance and caretaking activities at the Midwest site in the same operating licence.
161. The Commission therefore revokes, pursuant to section 24 of the *Nuclear Safety and Control Act*, the Midwest Uranium Site Preparation Licence UMSL-EXCAVATE-MIDWEST.06/indf.

162. With this decision, the Commission directs AREVA to prepare a status report on the safety performance of its facility following the midpoint of the eight-year licence term. The Commission requests that CNSC staff also prepare a report on the results of compliance activities carried out during the first half of the licence term and on the licensee's performance during that period. AREVA and CNSC staff shall present their reports at a public proceeding of the Commission, in approximately June 2013.



Michael Binder
President
Canadian Nuclear Safety Commission

JUN 30 2009

Date

Appendix A – Intervenors

Intervenors	Document Number
Northern Saskatchewan Environmental Quality Committee, represented by F. McDonald	CMD 09-H3.2
Canadian Nuclear Workers Council and the Communications, Energy & Paperworkers Union of Canada, Local 48S, represented by D. Shier and K. Higgabottom	CMD 09-H3.3
Raymond Laliberte	CMD 09-H3.4
Athabasca Basin Development Limited Partnership (ABDLP)	CMD 09-H3.5
Métis Nation – Saskatchewan, R. Doucette	CMD 09-H3.6
Athabasca Regional Government, represented by B. Slusar and Chief Albert Mercredi	CMD 09-H3.7 CMD 09-H3.7A CMD 09-H3.7B CMD 09-H3.7C CMD 09-H3.7D
Saskatchewan Ministry of Justice and Attorney General	CMD 09-H3.8