

**Canadian Nuclear
Safety Commission**

**Commission canadienne de
sûreté nucléaire**

Public hearing

Audience publique

April 4th, 2013

Le 4 avril 2013

Hilton Garden Inn
90 22nd Street East
Saskatoon, Saskatchewan

Hilton Garden Inn,
90, 22^e rue Est
Saskatoon (Saskatchewan)

Commission Members present

Commissaires présents

Dr. Michael Binder
Dr. Moyra McDill
Mr. Dan Tolgyesi
Dr. Ronald Barriault
Ms. Rumina Velshi

M. Michael Binder
Mme Moyra McDill
M. Dan Tolgyesi
M. Ronald Barriault
Mme Rumina Velshi

Secretary:

Secrétaire:

Ms. Kelly McGee

Mme Kelly McGee

General Counsel :

Conseillère générale:

Ms. Lisa Thiele

Mme Lisa Thiele

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Saskatoon, Alberta

--- Upon commencing at 8:33 a.m./

L'audience débute à 8h33

OPENING REMARKS

MS. MCGEE: Bonjour, Mesdames et Messieurs.
Bienvenue à la suite des audiences publiques de la
Commission canadienne de sûreté nucléaire.

Mon nom est Kelly McGee. J'aimerais
aborder certains aspects touchant le déroulement des
audiences.

The Canadian Nuclear Safety Commission is
about to resume the public hearing on the application by
Cameco Corporation for the renewal of the licence for the
Cameco Beaverlodge decommissioned mine and mill.

During today's business, we have
simultaneous translation. Des appareils de traduction
sont disponibles à la réception. La version française est
au poste 2 and the English version is on channel 1.

Please keep the pace of your speech
relatively slow so that the translators have a chance to
keep up.

L'audience est enregistrée et transcrite

textuellement.

I'd also like to note that this proceeding is being video webcasted live and that the proceeding is also archived on the CNSC website for a three-month period after the close of the hearing.

Les transcriptions seront disponibles sur le site web de la Commission dès la semaine prochaine.

To make the transcripts as meaningful as possible, we would ask everyone to identify themselves before speaking, and as a courtesy to others in the room, please silence your cell phones and other electronic devices.

Regarding today's schedule, we will be hearing the three remaining oral presentations from intervenors as per the agenda. After the presentations from the intervenors, there will be a final round of questions from the Commission Members.

The Commission Meeting is scheduled to begin at 11 a.m., but depending on the time required to finish this hearing, it may be begin as early as 9:30 this morning.

Monsieur Binder, Président et premier dirigeant de la CCSN, présidera l'audience publique d'aujourd'hui.

Mr. President.

THE CHAIRMAN: Thank you, Kelly, and good morning to everybody and welcome to the continuation of the public hearing of the Canadian Nuclear Safety Commission.

So I would like to move right into the intervenors and the first presentation today is Canada Eldor Inc. as outlined in CMD 13-H4.3, and I understand that Mr. Thomson will make the presentation.

Sir, the floor is yours.

13-H4.3

**Oral presentation by
Canada Eldor Inc.**

MR. THOMSON: Good morning. Good morning, President Binder and Members of the Commission.

My name is Doug Thomson. I'm legal counsel for Canada Eldor. With me on my immediate left is Michael Carter. Michael is the President of Canada Eldor.

Canada Eldor, as you know, is not the licensee, but we kind of feel like the licensee because we're paying the entire shot for everything that Cameco does opposite the Beaverlodge property and it's in that capacity, really, that we're here to speak to you this morning.

Canada Eldor has been actively involved with Cameco over the last four years as the Beaverlodge management framework -- which I want to talk to you some more about this morning -- was developed and as the path forward plan was developed.

I'm not going to take you, with your permission, through our written intervention. It basically says that Canada Eldor fully supports the plan forward and the proposal to transition additional and ultimately all of the Beaverlodge properties into institutional control in the Province of Saskatchewan.

Our written intervention notes, and I think it's worth reiterating, that the Beaverlodge Mine and Mill properties were fully decommissioned in the mid-1980s under the regulatory supervision of your predecessor, the AECSB, as I think you know, and that was a process, as we note in our intervention, that was viewed as a leading and groundbreaking process at the time. It was the first time that a major uranium mine and mill had been decommissioned in Canada.

Having listened to the session last evening, I thought instead what I would try to do is address some of the matters that arise from the questions and comments from the Commission and from some of the intervenors last night, in particular, the Saskatchewan

Environmental Society. With your permission, I thought that might be more helpful to you.

I want to make sure that the Commission understands the background to how we got here from our vantage point and, in particular, the Beaverlodge management framework, which I want to return to. It was referred to yesterday, but I'm not sure how much detail you were provided with on its specifics.

That management framework was developed over the course of about a year, as I recall, 2009-2010, through the Joint Regulatory Group. The management framework has provided the guiding principles for the work that's been undertaken opposite Beaverlodge since that time.

We realized in 2009 that something like the management framework was needed to provide some structure for the way we were looking at Beaverlodge or we could wander endlessly forever opposite that property, and that was the intent of putting that framework in place, was to provide a well thought out approach to thinking about the site and how to take it forward.

And there's a few keys things that I want to make sure the Commission appreciates about the management framework and about the process that's been followed. The first thing is that the framework

contemplates a risk assessment of the Beaverlodge properties and that risk assessment has already been undertaken. The Beaverlodge properties have been put through a risk assessment. That was one of the first steps in the implementation of the management framework process.

The results of that risk assessment, perhaps not surprisingly given that the property was already decommissioned in the mid-eighties, is that all of the risks were judged to be low.

If it had been otherwise, there would have been actions taken at that point to address risks that were deemed to be unacceptable.

Once we were through that part of the process contemplated by the management framework, we then started to -- and when I say we here; I mean Cameco as the licensee, but Eldor as the party paying the bills has obviously had a seat at that table.

We then looked at what remedial actions were possible. Again, not at this point driven by a risk analysis that said things had to be done, but we put on the table a suite of remedial options about things that could be done, and obviously there's no end to the money that could be spent on a property like Beaverlodge. You're probably talking hundreds and millions or more

money if money was no object. Money was an object and is an object to Canada Eldor.

And we had to find some way to deal with the question. Just because something could be done; should it be done?

So the management framework incorporates -- and this is a key component of it -- it incorporates a cost-benefit approach to analysing potential remedial actions. And again, I want to reiterate that those are remedial actions that at that point in the process are not driven by risk, but are driven by some kind of decision-making process or framework about what are we going to do among the range of things we could do.

The cost-benefit approach is one that I think is familiar to the CNSC now, if not then. I note just in the last few days that Darlington made a decision about, I think, cooling technology, again based on a cost-benefit analysis. I saw that in my email in the last couple of days.

The benefit side of the analysis, as you heard yesterday, was handled by the QSM, the Quantitative Site Model that was again developed by Cameco and funded by Canada Eldor at great expense, and that model provided the decision-making tool to answer the benefit side of the cost-benefit discussion as we looked at possible remedial

options.

So out of that framework, out of those steps, out of that exercise, has emerged the path-forward plan that is the basis of the relicensing application in front of you today.

Canada Eldor supports the gradual transition of the Beaverlodge properties to institutional control in Saskatchewan during and at the conclusion of the requested 10-year licence term.

Why? I know that question was asked yesterday.

Again, I think it's important to take you back to the management framework. The -- the accepted criteria there and this management framework again has been reviewed, developed in conjunction with and approved by the CNSC staff and the Province of Saskatchewan among other stakeholders in Joint Regulatory Group. The accepted criteria in that framework for transitioning properties to institutional control is that they are, "stable or improving."

It doesn't say, and it never contemplated, that the properties would be cleaned up. The Saskatchewan Environment Society, in their intervention last night, expressed concern about the fact that Beaverlodge properties would be transferred to institutional control

while still contaminated. Absolutely; that was always understood by everybody.

There's -- the management framework never contemplated or called for the properties to be cleaned up before they're transferred to institutional control. In fact, if they were cleaned up there'd be no need to transfer them to institutional control. As I think one of the CNSC staff noted yesterday, the whole concept of institutional control implies that there are aspects to the properties that need continued government supervision.

So that was well-understood by everybody in the Joint Regulatory Group, including the Province and is clearly set out in the management framework.

Why does CN -- Canada Eldor support the transition to institutional control? We are looking for -- as one of the CNSC staff said yesterday, we're looking for regulatory efficiency. And hopefully that's something that everybody as a taxpayer would support. I mean, we are essentially here spending taxpayer dollars and one of our mandates we perceive it at Canada Eldor is to spend those dollars prudently and wisely.

The Beaverlodge set of properties have been through a rigorous three-year process, as I just have outlined, considering first the risks of those properties and beyond that analyzing the possible remedial options on

a cost/benefit analysis once it was determined that they did not present a material risk. That process itself has been very expensive. And we believe it's been very thorough. Canada Eldor has hired its own experts in that process to support the work -- the good work at Cameco and the internal and external resources that it has brought to bear on that process.

We now have what we believe is a robust, well-considered, well-thought out and principled approach to a path forward opposite Beaverlodge that's reflected in the path forward document and the relicensing application in front of you. And we respectfully ask the Commission to support that moving forward.

THE CHAIRMAN: Thank you.

Okay. Questions?

First of all let me say if you ever want to be a licensee it will be a pleasure for us to put you under our oversight.

MR. THOMPSON: I'll take that under advisement.

(Laughter)

THE CHAIRMAN: Ms. Velshi.

MEMBER VELSHI: Thank you, Mr. President.

And thank you for the comprehensive discussion of the management framework.

So one of the questions that you probably heard yesterday evening that was asked was what provisions have you made in the funding for any future remediation opportunities? You talked about cost/benefit analysis, and perhaps today it doesn't make economic sense to pursue a certain path but down the road perhaps with newer technology it may. And is there any provision for that?

MR. CARTER: The -- if I can respond to that?

The Institutional Control Program calls for companies that are putting their properties into institutional control to provide three things to the government:

The first thing is sufficient money as a deposit for ongoing monitoring for forever, basically. The plan is set up on the basis that you put the money in, the money earns interest or what have you, and that interest is used to do the monitoring.

The second thing is what everybody calls a rainy day fund, which is money that is put in to cover unexpected eventualities.

The third thing which we have done, and others have put their properties in are doing the same thing, is you provide a guarantee to the Saskatchewan government that if they run out of money, you're still on

the hook.

So Saskatchewan has a guarantee from the Canadian government that in the event that they believe more work is needed on the properties, the Canadian government stands behind the need for -- to provide funds for that.

MEMBER VELSHI: Thank you. Another concern that was raised yesterday was about a regional approach to these remediation activities. And, you know, I'm not sure besides Beaverlodge whether Eldorado had other uranium activity in the area. But if you recall there was a map shown. Can you comment on that; on that regional approach recommendation?

MR. THOMPSON: I'm not sure that Canada Eldor is the -- is the right party to be commenting on that, to be frank.

I mean, our focus has been on the properties that Eldorado Nuclear, now Canada Eldor, owned and operated. I understand there are other legacy issues out there, one of which you're going to be dealing with later this morning.

Obviously, that's part of a bigger picture. You'd like to think that at some level a holistic approach is being taken to thinking about that on a larger scale. But obviously our -- those -- one of the complications

here is the Beaverlodge site has already been through a decommissioning process; some of the other ones may not have been. They may be at different stages in, you know in their life or their decommissioning life.

We're very focused on getting to the next stage opposite the Beaverlodge set of properties.

THE CHAIRMAN: Question?

First of all let me start, I'm trying to understand how Eldor has an end-game to all of this.

Are you -- do you believe the end of the 10 years all the properties will be transferred? I mean, that's your desire to see under this particular licence? And what is the total cost of Beaverlodge cleanup? Does anybody have -- does anybody have a number? From the past and for the future, what's the total cost?

MR. CARTER: I can't give you an exact number. I can tell you that in terms of our present provision, our forecast for the future it's approximately \$18 million. That's ongoing from January 1st of this year.

Prior to that over the last three or four years we've been spending, order of magnitude, about \$2 million a year. So say another 8 million put to that.

Prior to that I'm not -- I'm not too sure. I don't know what the cost of the original decommissioning

was back in the 1980s. Post the decommissioning until the early 2000s, the costs were generally running in the sort of hundreds of thousands a year, which was just a monitoring program.

So not including the decommissioning, as a wild guess you're looking at 30, 35 million, I would guess.

THE CHAIRMAN: So knowing a little bit about Ottawa budget processing, all of these liabilities are hooked onto the fiscal because on the long-term -- I'm just trying to make sure that the money's there.

MR. CARTER: When Canada Eldor is a rename -- is the renamed Eldora Nuclear. So it's the same company that actually operated the mine way back when. In 1988 it sold all its assets to a new-form company called Cameco and retained some liabilities. It then sold its shares in Cameco and generated some cash from that. That cash was left in the company to provide for ongoing liabilities.

There was significant liability in the Port Hope area, which we have agreed with Cameco on whose liability that is at this stage. So Canada Eldor has no longer any liability in the Port Hope area.

There were other liabilities relating to retired employees and their pension plans and health

benefits and that sort of thing, and Beaverlodge.

At this stage Canada Eldor has 25 million I think, roughly, in cash. That's about its only asset. So if the costs of this exceed 25 million, plus there's still some residual health benefit stuff but it's -- say it's a million or two million dollars. If the costs exceed it, Canada Eldor is an agent of the Crown and what that means is an agent Crown Corporation the government stands fully behind it. It can't go broke. The government has to put up money to support it.

So at present this is not on the government books because it was provided for at the time of sale back in 1988. If the costs exceed about 25 million in the future then it will start showing up on Canada's books.

THE CHAIRMAN: By the way, I was very glad to hear that you were -- you did approve the joint regulatory group plan, so you now feel very comfortable that anything that was reasonably doable is in this particular plan?

MR. THOMPSON: Yes, I can tell you Mr. Carter and I personally have spent a considerable period of time over the last four years being involved with Cameco as the management framework was developed, as the risk assessments were done, as the path forward plan was developed. I mean, we've put Cameco through the wringer,

you know, testing their analysis, their thought process. We're very comfortable with where this is all landing.

THE CHAIRMAN: So in your view, again, of this licence period, the 10-year licence, most of the properties will be eligible for the institutional control transfer?

MR. THOMPSON: That is our hope and that will obviously be dependent, in part, on the monitoring that is undertaken on these various properties over the next several years.

As I think Cameco indicated yesterday, there are a suite -- I think there are 62 properties within the Beaverlodge complex that haven't been transferred to institutional control yet if I have my math right. There are a number of those properties that Cameco and we believe are probably ready to be transferred to institutional control.

In the shorter-term, there are a number of properties that will require monitoring after certain remedial work that's contemplated and the path forward is undertaken to understand how those properties are performing environmentally.

And, you know, the brass ring at the end of that in 10 years would be all of the regulatory agencies and stakeholders agree that everything is ready to go to

IC. If it's not, then we'll deal with that reality at that point.

THE CHAIRMAN: Okay, thank you. Anybody else?

Thank you very much. Always good to hear from bankers on this.

(LAUGHTER/RIRES)

THE CHAIRMAN: Our next presentation is -- let me see -- the next presentation is for Mr. Classen as outlined in CMD 13-H4.2.

Mr. Classen, the floor is yours.

13-H4.2

**Oral Presentation by
Dean Classen**

MR. CLASSEN: Good morning, Board. My name is Dean Classen. I am a life-long resident of Uranium City and currently the chair of the Northern Settlement Uranium City Local Advisory.

I've seen the rise and fall of Eldorado Mine, from delivering diesel fuel to Eldorado Beaverlodge operation, and I currently supply the contractors doing

the remediation work on the Beaverlodge Eldorado Mine sites. I've been involved in remediation plans at the sites since the early '80s to present day. I am currently working with Cameco's third environmental manager, Mike Webster, who is responsible for the final remediation of the sites.

In the past 20 years I've attended most Eldorado Beaverlodge Mine Site Remediation Update meetings hosted by Cameco. I've attended both of the two remediation workshops held in Saskatoon. I've been involved in water and radon monitoring at the Beaverlodge sites since 1980.

I've also seen the community change from the Municipal Corporation of Uranium City and District with a population of 3,500 people in 1980 to the Northern Settlement of Uranium City which has a current population of just 89 people.

The Northern Settlement of Uranium City, which originally had an infrastructure to support a population of 4,000 people, now has experienced sufficient infrastructure failures. The curling rink collapsed on March 31st 2012, then the hockey arena was condemned after analysis by a structural engineer. The water plant which was designed to meet the needs of a larger community is now too costly to operate. It needs to upgrade and meet

the community's potable drinking water needs.

When Eldorado shut down their mine in 1982, a report entitled "The Uranium City District Planning Study Prepared for the Province of Saskatchewan Department of Municipal Affairs" showed that Eldorado Nuclear Limited owned 42 percent or 219 of the 520 single-family dwellings located in Uranium City. However, no data is provided in the report of the ownership of apartments, municipal dwelling structures and duplex and four-plexes scattered throughout the town site.

When Eldorado closed the mine, the people moved away and all the houses were abandoned. They were never decommissioned by Eldorado and now because they are left to decay they are a significant health and safety risk.

To address the dangers posed by the abandoned buildings, the residents of Uranium City have been forced to clean up many of these properties over the past 15 years. To date, we have cleaned up more than a 100 of the former Eldorado-owned homes at a significant cost, all of which has been paid by the community.

In addition, the community has spent its own money re-routing the water and sewer lines in order to make it feasible to run our now much smaller settlement.

Our community would like to see some of the

funding targeted for the clean-up of the abandoned buildings in Uranium City, to upgrade the infrastructure instead of spending millions of dollars on programs at the Beaverlodge properties, programs that will likely do little to improve the water quality of Beaverlodge or Martin Lake over the next seven generations.

Cameco has done an excellent job of cleaning up all the visible garbage covering all the areas of elevated radiation on the Beaverlodge sites. I believe they are doing their due diligence and collecting environmental data from terrestrial, aquatic and air sampling, and this will allow them to move forward in a responsible manner to the next stage of the remediation process.

The Zora Creek waste rock removal project is a must, as that will decrease the loading of contaminants to Verna Lake which is released into Ace Lake. The Northern Settlement of Uranium City uses Ace Lake frequently as there is an active Bible camp located on its shore and some private cabins. Ace Lake is not yet contaminated and could be if Verna Lake discharge is not dealt with in the near future.

The water quality of Beaverlodge and Martin Lake will not recover for 150 to 175 years. I believe there is no cost-effective way to correct this problem.

This is most upsetting to me and my fellow citizens. Martin Lake is the closest lake to Uranium City and used for swimming, limited fishing, watersport activities, and many private cabins on Martin Lake as well.

I've said it at many meetings in the past and we have lots of fish and other clean lakes, so why would we eat the fish out of Beaverlodge or Martin Lake, both of which have selenium fish consumption advisory on them.

After talking and listening the Uranium City residents, it was brought to my attention that it's a lot farther and more costly to get to these lakes. Children just can't walk to Lake Athabasca and fish off the shores. Martin Lake is one-half kilometre away and Lake Athabasca is 13 kilometres away.

I would like to see funding put in place to make -- for that lake more accessible to the residents of our settlement or compensate the offset and the loss of ability to eat the fish out of Beaverlodge and Martin Lake. For that lake is one kilometre away from our settlement. If Lake access for that is not possible, the community would like to discuss a fish compensation package to help cover some of the excess and inconvenience to the settlement residents.

I support the renewal of Cameco's

waste facility operating licence for the decommissioning of the Beaverlodge mine site, and look forward to working with them in the near future. Thank you.

THE CHAIRMAN: Thank you. Open; anybody have a question?

Mr. Tolgyesi.

MEMBER TOLGYESI: Merci, Monsieur Président. This to Cameco.

Was there or are there any considerations given to this Uranium City municipality because there was a lot -- a big set-up and infrastructures and they are still there. And we hear it's the responsibility of the municipality now. Are there any provisions from Cameco to this -- on this subject?

MR. MOONEY: It's Liam Mooney, for the record.

This is an evolving discussion. I would say that the focus had been on the decommission to Beaverlodge sites, the properties, and there has been ongoing consultation with the community; Beaverlodge and its proximity to Uranium City. Uranium City has been the focus of our community engagement efforts, and there has been discussion about some of the issues that have been raised by Mr. Classen. And we have, in turn, raised those

with Canada Eldor and with the Province of Saskatchewan, who are -- some of the issues that we heard here today are more clearly in the bailiwick of the Province as the authority having a closer tie to the settlements of Uranium City in that regard.

MEMBER TOLGYESI: To staff. On the Commission looking into what happens in this city because there are buildings that, I suppose, there is some probably some residue and who will look after it? Are you talking to the provincial government and what's the problems with that?

THE CHAIRMAN: We still have our friends from Eldor that may want to help us here. None of us have been around when those commitments or those -- when Eldorado was operating.

So the question is, is there anything there that remains as a government liability as a result of Eldorado presence in Uranium City? Maybe you can help us with this?

MR. CARTER: Michael Carter, for the record.

Uranium City was not a company town, as such. I've recently been trying to look at the history to familiarize myself with this issue, and Uranium City was set-up by the Province because there were a number of

not very well organized mine site camps in the vicinity. The largest of which was Eldorado which was close to the Beaverlodge site, not at the Uranium City site.

So it is a provincial matter, primarily. At the same time, as Mr. Classen said, a significant amount of the housing there was owned by Eldorado, was abandoned. And as Mr. Mooney said, we are hoping to enter into conversations with the Province about this matter. But it's early stages at present.

THE CHAIRMAN: Thank you.

MEMBER TOLGYESI: Do we have here still a representative of the Minister of Environment of Saskatchewan?

THE CHAIRMAN: Yes, Dale Kristoff I understand is still with us here.

MR. KRISTOFF: Dale Kristoff, the Saskatchewan Ministry of Environment.

It is a provincial issue. It is, I mean, it is an advisory committee right now, Uranium City. It's governed by Municipal Affairs, Government Relations. Unfortunately, my experience with Government Relations is minimal and I can't really comment on the infrastructure issues and abandoned buildings right now, so.

THE CHAIRMAN: The good news is that there is some dialogue going on if I understand what is

being said.

MR. KRISTOFF: Yes, as far as I know there is. Like I said, Municipal Affairs advises Mr. Classen and his councillors on the management of the community. So Municipal Affairs is really their contact with the provincial government.

THE CHAIRMAN: Thank you.

Dr. McDill.

MEMBER McDILL: To staff and Cameco.

Is there any monitoring of Fredette Lake going on? I haven't heard any, I'm just wondering if there's something we haven't heard about.

MR. NAGY: Kevin Nagy, for the record.

There have been some samples collected in Fredette Lake I think directed towards the quality of the water with respect to drinking. My understanding that wasn't asked, but I think it was part of a study the Province might have been involved in?

THE CHAIRMAN: Please.

MR. KRISTOFF: Dale Kristoff, Ministry of Environment.

There has been some studies, samples, water samples, fish samples collected out of Fredette Lake, primarily as a reference location.

MEMBER McDILL: So as a reference

location, then it's safe to swim, safe to drink, safe to eat the fish, et cetera?

MR. KRISTOFF: It's considered an unimpacted water body, yes.

MEMBER MCDILL: Thank you.

THE CHAIRMAN: Anybody else? From Zora Creek, I thought it was on your plan to deal with some of those issues. Do you want to elaborate about what the intervenor was saying?

MR. NAGY: Kevin Nagy, for the record.

Yes, that is correct. We intend to re-establish the flow path of Zora Creek through the waste rock to minimize the contribution or loadings to the water, and we do predict significant localized improvements to Verna Lake as a result.

THE CHAIRMAN: Maybe it's also a good time to -- I'm understanding that we have a Fisheries and Oceans Canada online. Is Fisheries and Oceans Canada online; can you hear us?

MR. BERRYMAN: Yes, we're here.

THE CHAIRMAN: A question to you is, what's your involvement in the whole Beaverlodge Project?

MR. BERRYMAN: Well, yesterday morning the DFO Edmonton office first heard about these hearings taking place, but my understanding is DFO Saskatchewan

offices had had previous involvement in the regulatory group and has been involved in site visits and some of the previous work on site.

And the path forward would be for continued DFO involvement as it relates to fish habitat and the protection of fisheries, to work with the proponent and stakeholders to ensure any of the remediation activities take place, you know, within our mandate.

THE CHAIRMAN: So has Fisheries and Oceans Canada approved the path forward game plan?

MR. BERRYMAN: To speak on the actual approval of the diversion, I'm uncertain at this point, but I can provide confidence that we are very willing to work with the proponent to make sure the works are done appropriately and make sense ecologically.

THE CHAIRMAN: Okay, thank you.

Anybody else? Dr. Barriault.

MEMBER BARRIAULT: If I understand correctly, really, you're wondering about compensation for the decreased consumption, I guess, of fish. Has that been explored at all as to why you should be compensated for this?

MR. CLASSEN: Dean Classen, for the record.

We -- the people know they can actually eat the fish out of the lake, but there is a fish advisory. Now, if you had the choice of eating fish out of a lake that's contaminated, or if you had the choice of going to a lake that's not contaminated, we'd go to a lake that's not ---

MEMBER BARRIAULT: Contaminated.

MR. CLASSEN: --- contaminated. And it is a cost thing for the people. They've got to go now 13 kilometres instead of a half kilometre, and the kids can't walk down to the beach and fish. They can, but ---

MEMBER BARRIAULT: They shouldn't.

MR. CLASSEN: No. The people feel that it's not right.

MEMBER BARRIAULT: M'hm.

MR. CLASSEN: Why would you eat something that's contaminated when you can go to a lake that's not contaminated?

MEMBER BARRIAULT: Cameco, has this been explored at all in -- or is this new?

MR. NAGY: Kevin Nagy, for the record.

The discussions about fish compensation, I think is probably the first time that we've been aware of that, so I don't really have much

else to say to that now.

MEMBER BARRIAULT: I guess it begs the question, really, under Treaty 8, which I guess provides for indigenous people access to food, is there any, I guess, legal recourse that could be brought to that issue? And perhaps we could ask our own legal counsel, really, to comment on this, if that's okay?

THE CHAIRMAN: Who? I ---

MEMBER BARRIAULT: On the issue of Treaty 8, the issue of providing food, wildlife, fish, do we have any responsibility to interpret that or is that up to somebody else?

THE CHAIRMAN: We are on very, very thin ice ---

MEMBER BARRIAULT: Yes.

THE CHAIRMAN: --- the Commission here, getting into a lot of ice and lawyers involving some of those issues, but I don't know if staff has any words of wisdom on this? Let's hear it now.

MS. MANN: This is Kimberly Mann, for the record.

When we're looking at the duty to consult and accommodation, we're looking at the decision at hand. It appears -- it's our understanding that the decision to continue the remediation is the best path

forward.

The contamination has happened in the past, and we're not to look back at past activities; we're looking at the decision you are going to make now.

Will that decision have an adverse impact on the ability to practice those protected rights? It has -- the advisory has been there for 10 years now. I have not heard any of the First Nations or Métis people come and advise us that this has infringed on any of their protected rights, so we have not had those discussions.

We know that they are practising fishing in numerous other lakes in the area; predominantly Lake Athabasca is the preferred lake to fish in. So that has not been brought to our attention as an infringement on those rights at this time.

MEMBER BARRIAULT: Thank you. Thank you, Mr. Chairman.

THE CHAIRMAN: Thank you. One last thing?

MEMBER McDILL: How many children are in the community who are not able to scamper the 800 metres?

MR. CLASSEN: I would say we have 18 to 19 students at the school right now and out of those

19, maybe half of them would walk down to the lake because the parent wouldn't let the little ones walk.

THE CHAIRMAN: Okay, thank you. Any last word?

MR. CLASSEN: The Fredette Lake issue, there is a road access there right now. Really, all it needs is some brushing and a boat launch put in, and it would be accessible. It's not a big cost.

THE CHAIRMAN: Okay, thank you. Thank you very much.

MR. CLASSEN: Thank you.

THE CHAIRMAN: The next presentation is by Northern Saskatchewan Environmental Quality Committee, as outlined in CMD H4.4, and I understand that Mr. Allen Augier will make the presentation.

13-H4.4

Oral presentation by

Mervin McDonald

MR. McDONALD: Good morning. My name is Mervin McDonald. I'm from Athabasca area, Northern Saskatchewan EQC. I live in Stony Rapids. It's a little ways out of Uranium City.

As you are aware of the EQC, so I won't go

into the details of our background. Over the years we have found the Federal Government to be responsible owners of the Beaverlodge properties, and Cameco is a good steward as a project manager.

Cameco has conducted some of the best remedial options workshops that we have attended, understands the sites, and has involved the local residents in decisions and actions at every step.

Unfortunately, we are still going to end up with the lakes' sediments and soils contaminated for many years. Indeed there are, and will be, fish advisories on Beaverlodge Lake for many years to come. Truly a precautionary tale, but one that should not be repeated with present regulations. Both the Federal Government and Cameco have done what is -- particularly here, and these actions are supported by NSEQC and the local residents.

Our only recommendation at this time is that Cameco proceed with their proposed way forward, including the use of best engineering practice such as plug-in, flowing, boreholes, and covering tailing deposits on land. All tailings on land that can be covered without causing further damage to the environment should be covered as best engineering practice, what is done to uranium tailings deposits around the world.

Also, during a 10-year span of the licence, Cameco shall remain open to any cost-effective means of further remediating the site as we move forward, I mean, towards the provincial institutional controlled program.

In conclusion, the NSEQC supports Cameco application of a 10-year licence renewal for the decommissioned Beaverlodge mine site.

I would like to compliment Cameco for their excellent stakeholders' involvement, consultation, on this project.

The last remedial option workshop that we attended was the best that we have ever participated in.

Thank you.

THE CHAIRMAN: Thank you. Questions?

You've now heard a lot of intervenors and you heard from Cameco and from staff. Do you believe that some of your concern is now being addressed?

MR. McDONALD: Yes, we do believe as ECQ members that they're doing pretty good as a -- cleaning up the sites.

THE CHAIRMAN: And there will be annual reports on progress, which presumably you'll be invited to comment on.

MR. McDONALD: Yes, they do have annual

reports, and we do get informed of what's happening.

THE CHAIRMAN: Okay. Anybody else? Anything else? Okay. Well, thank you for your intervention.

MR. KELLY: And we'll be glad to see you in La Ronge in the fall.

THE CHAIRMAN: We're looking forward to it.

MR. KELLY: Even though it's not in the far north.

MR. CHAIRMAN: This concludes the list of presentations. Are there any other outstanding, final questions that Members would like to ask?

Dr. Barriault.

MEMBER BARRIAULT: If I relate it to Cameco, I've looked for your list of objectives over the next ten years with a timeline and I'm not sure if they're there. At least not in a clear, understandable way for myself and maybe for other people. So is it possible to have a clear list of objectives that you plan to do over the next ten years, otherwise I guess it becomes meaningless really that you do get a ten-year permit if we don't know where you're going with it. If it's just to observe, then fine, but we have to know. At least I have to know where to go with this so perhaps you

could comment on this.

MR. MOONEY: Liam Mooney, for the record. And I think this provides an opportunity to maybe clarify some of the discussion yesterday on the performance objectives and really what we see is almost performance indicators in relation to the properties.

I think it's important to emphasize too that what we're looking at, and I think staff's presentation did a good job in showing that we have a number of properties who can be transferred rather quickly or the opportunity to move them into the provincial institutional control is at hand, where there are some other ones where a little bit more monitoring may be required after we put the remedial actions that we've identified, that we've worked through this process that's taken the last few years.

So I'm going to pass it over to Kevin Nagy to give a bit more fulsome description of that and talk to you about the different properties and what information we can share with the Commission going forward.

MEMBER BARRIAULT: Thank you.

KEVIN NAGY: Kevin Nagy, for the record.

We went through the process to develop the site-specific objectives to act as a yardstick to gauge our effectiveness on in the short term and the long term.

There are kind of two aspects to that so if at a certain location we were already meeting the Saskatchewan surface water quality objectives or if the quantitative site model, when we were predicting the benefits of the different remedial actions, I indicated that we would in the short term, through the course of the licence term, meet the Saskatchewan surface water quality objectives. We then used that as the indicator to measure our success against.

If we were unable to predict to meet surface water quality objectives, and in many cases the model predicted we would not, and in many cases I guess tailings management area, Fookes and Marie Reservoirs come to mind. It's very likely that surface water quality objectives will never, never be met based on the modelling results,

In those cases we went with the predicted results from the model. We had discussion yesterday about how we did that, different bounding. Probably the best way to think about that is the process used. The model does predict a concentration but in all actuality what you would expect to see is a range or a variance about that, a variance about the mean.

So statistically in setting objectives that are meaningful and achievable, we would look to the

probability statistically of achieving those. So at the upper bound, that's about two standard deviations above the mean, so we're confident that we would be able to achieve that with the remedial options and that it would be an effective yardstick or indicator of our success going forward.

Maybe to get a little more specific on a particular one, I might refer you to page 26 in our CMD. I'll just give you a moment to find that. I know it's not easy at our end when we start looking through the book to find the pages.

What you'll find on page 26 is a graph depicting the results of the predicted benefit to Dubyna Lake, one of the stations where we've set these objectives or indicators to predict the benefit of the work we've done just recently over the current licence period to plug the flowing boreholes.

So what you'll see there starting in 2010, when we started this process and have a reflection of what the current concentrations are. This is uranium in this case, micrograms per litre and what you'll see is approximately 310, 320 micrograms per litre is what we see today of uranium in Dubyna Lake.

The dotted line heading off into the future is the base case. So if we hadn't done that work based on

our knowledge of the contribution, the flow and the quality from the boreholes, that is what it would have looked like going off into the future if that work hadn't been done.

The dash line you see below that is the predicted benefit of the work we've done. As you can see, the model predicts a rather significant improvement in the short term as a result of stopping those flows from the boreholes. Once that's realized then though, it kind of plateaus and a very gradual decrease over time.

The red line at the bottom that you can see is the surface water quality objective.

MEMBER BARRIAULT: Guideline.

MR. NAGY: So in this case, this would be one of the cases where we selected our predicted performance as an indicator of our success and not the Saskatchewan surface water quality objective. And you can also see at the end of the 150 year period, although we have seen considerable improvement over the current conditions, we're still above the Saskatchewan surface water quality objective and if you were to extend that line off into the future, at some point perhaps you would. It's not quite clear if you'd need that or not.

MEMBER BARRIAULT: Thank you. CNSC, if I may, do you think that the guidelines and objectives are

sufficiently clear to be monitored as to accomplishments, if you want to by Cameco in terms of cleaning it up?

MR. ELDER: Peter Elder, for the record.

What, and we had actually asked that Cameco give us some sort of measurement so that we can -- looking at, within the uncertainty in the model decide -- two things we're looking at. There are areas in this example that they've shown where they are making a physical change and saying is that physical change having the impact that you thought it would.

So we said you need to give us something to monitor the range you think it's going to be in and to make a decision point on whether you're having the effect or not. So it's not, you know, that we think they've done quite well.

The other one is there are other measuring points where there is no practical way to reduce that by further action. So you're just monitoring the natural recovery of the system. But that's been modelled as well. So we also want to know, are you within your model predictions on the natural recovery?

So when the performance objective is not necessarily the best term in terms of it's not where you're trying to go, it's really saying are you within your range of expected values? If you're not within your

range, then there's something wrong with your model and the other thing that may be wrong is that you may -- your risk model may -- the risk there may be greater than we thought they were going to be.

So I'll ask Mike Rinker to talk about what the risks are in the case like this one of being above that surface water quality objective.

THE CHAIRMAN: Okay, look I don't want to revisit. We discussed this extensively yesterday. I think what we -- so your graph is very good, it's just missing actuals. Actuals, we would like to trace on this graph not the prediction but the actuals, and then on an annual basis we'll decide how you're performing. Those are all paper models here. What I would like to see unless -- I don't know if you have a couple of actuals in that particular graph or not and I also would like to see the end game and if it takes 200 years or 300 years or a thousand years, I want to know what the model is predicting when you're going to meet the Saskatchewan water guidelines.

I think that's -- and we would like to see it on a property by property so we know when it's going to be ready for institution control. I thought we've agreed that you will try to do this for the next annual report to get some more clarity.

So there's a lot of things here that you need to think about and I don't want to start revisiting it now and I'd like to conclude this and move on to the next hearing unless someone has a burning question you must ask now.

MEMBER TOLGYESI: You were asking yesterday some clarification on non-Eldorado mines.

THE CHAIRMAN: The SRC, that's the people who come next.

MEMBER VELSHI: In the annual report - and perhaps Dr. Bender has covered this - but also what the predicted date for transfer is based on your model and how long you expect the stability to be by property would be helpful.

THE CHAIRMAN: Right, okay so. Anybody else, a final statement? If not, thank you, thank you very much.

MS. MCGEE: This brings this public hearing to a close. With respect to this matter, I propose that the panel of the Commission confer with regards to the information that has been considered, and then determine if further information is needed or if the panel is ready to proceed with a decision. We will advise accordingly, thank you.

THE CHAIRMAN: We'll take a five minute

break, so the next hearing is on the gunner. The next Commission meeting is on gunner -- what's a proper -- the project is called --

--- Upon recessing at 9:34 a.m.

L'audience est suspendue à 9h34