

MINUTES

FROM THE INFORMATION SESSION

OF THE BOARD OF DIRECTORS OF THE

NUCLEAR WASTE MANAGEMENT ORGANIZATION (NWMO) / SOCIÉTÉ DE GESTION DES DÉCHETS NUCLÉAIRES (SGDN)

convened on January 19th, 2004 at 49 Jackes Avenue, Toronto, Ontario
commencing at 11:30 A.M. EST.

Present

Ken Nash	Director, Acting Chairman
Laurie Comeau	Director
Fred Long	Director and Treasurer
Adèle Malo	Director

and

David Crombie	Advisory Council Chairman
Elizabeth Dowdeswell	President
Kathryn Shaver	Corporate Secretary

Absent:

Richard Dicerni	Chairman
René Pageau	Director

1. Approval of Agenda

At the request of the Mr. Dicerni, Mr. Nash chaired the January 19th, 2004 session.

Mr. Nash declared the session open at 11:30 AM.

The Directors approved the Agenda for the January 19th, 2004 discussion.
The Acting Chairman requested that approval items be deferred to an upcoming Board meeting that is formally constituted with a full quorum present.

2. Minutes of Previous Meeting – October 28th, 2003

Directors reviewed the minutes of the meeting of the Board of Directors held on October 28th, 2003, and directed that the minutes be brought forward for approval at the next meeting. (*)

3. Business Arising from the Minutes

The President outlined the status of actions arising from the previous Board meeting.

4. Report of the Advisory Council Chairman

Mr. Crombie provided an update on the Advisory Council's activities.

It was noted that, at the invitation of the President, seven Advisory Council members had registered to observe national dialogue sessions that the NWMO is convening in partnership with the Canadian Policy Research Networks.

Nuclear Waste Watch has requested a meeting with the NWMO Advisory Council.

The Board expressed appreciation for the Advisory Council's invitation to attend the briefings on NWMO engagement activities, planned for the afternoon of January 19, 2004.

5. Budget Update

The Board received a 2003 Budget Update and copies of the Q3 2003 financial statement.

The President updated the Board on NWMO budget projections, as at the end of November 2003.

- Projections for NWMO's 2003 expenditures were reported to be within and below the available annual budget. The NWMO does not, therefore, plan to seek Board approval to access the contingency provision for 2003.
- Based on the latest financial information, the President projected that the NWMO would be within 1% of the amount forecasted in the original January 2003 Business Plan.

The President addressed the listing of significant suppliers that was circulated to the Board for information. The President proposed to circulate the listing on a semi-annual basis, as a means of keeping the Board updated on significant cumulative contracts that the NWMO has entered into with suppliers. The Board confirmed their support for this type of update.

6. Large Contracts

The President reviewed key areas in which new contracts were being established to support the NWMO's study.

- The Board was briefed on the Assessment Team that had been appointed to undertake the analysis of management approaches.
- The President reviewed the nature of financial analysis undertaken to date and under way.
- The President advised the Board that the joint waste owners had presented the NWMO with extensive cost studies on different technical methods. This was work that the waste owners commissioned collaboratively in advance of the NWMO's establishment. The NWMO is pleased to receive this information for consideration in the organization's assessment of the management approaches.
- The NWMO has arranged for a third-party review of the cost-estimating process employed by the joint waste owners in these studies, to provide assurance on the approach taken in conducting this important body of work. The President indicated that the NWMO had held a competitive process through which to select a firm to undertake this third party review that was now in progress.

The President reported that she was not bringing forward significant contracts for approval at this time. At the Board's request, she confirmed her intention to continue to

identify to Directors any areas in which contracts are projected to exceed \$300,000 cumulatively, and thus would require advance Board approval.

7. Participant Funding

The President tabled for discussion with the Board the organization's proposed approach to providing participant funding. The purpose of this funding is to provide resources to individuals and/or organizations where required to ensure effective participation in the NWMO's work. Discussion ensued, and the Board did not raise concerns with the approach proposed by the NWMO.

8. Information Disclosure

The President outlined the NWMO's practices with respect to information management. The current practice reflects the NWMO's statement of Vision, Mission and Values and the organization's objective of transparency. The President noted that a guideline would be brought forward to a future Board meeting for approval.

The Board discussed the many ways that the NWMO was sharing its research and inviting comments, including the interactive website. The Board emphasized the importance of inviting a breadth of perspectives on the issues. In this regard, the President reported the NWMO's desire to broaden participation and encourage a full and balanced web-based dialogue. The NWMO will be arranging for moderated e-dialogues to further public discussion and expand public participation in the web-based engagement. In addition, the NWMO invites peer reviews on some key research papers commissioned for the organization, as a means of inviting additional perspectives on important topics.

Noting the large amount of research that the NWMO shares publicly on its website, the Board noted the challenge of staying abreast of new papers that are posted on the NWMO website. In this regard, they expressed interest in having the organization bring to the Directors' attention key pieces of research as they become available. The President offered to identify important new pieces of research in her monthly reports to the Board and Advisory Council, and noted that copies of some recently completed papers would be distributed to the Board later in the meeting. (*)

The Advisory Council Chairman felt that the NWMO had ensured a very good information flow with the Council.

9. Report from the Audit, Finance and Risk Committee

The Board was debriefed by Mr. Long, the Chairman of the Board's Audit, Finance and Risk Committee on the Committee's January 7, 2004 meeting.

Mr. Long reviewed the agenda items that were considered by the Committee at that time.

- The NWMO's external auditors, Deloitte & Touche, briefed the Committee on their proposed audit service plan for the audit of the NWMO's 2003 financial statements.
- The Audit Committee approved the audit service plan for the 2003 audit and confirmed the remuneration levels for the auditors.
- The Committee held an independent discussion with the external auditors without the presence of NWMO management.

- He reported that each member of the Committee had received copies of the NWMO's policy binder containing the NWMO's financial, accounting and procurement policies and practices. Having had an opportunity to review and discuss these policies, the Committee Chairman felt that the processes in place were impressive for a small organization.
- As a means of confirming the adequacy of the NWMO's financial controls and the scope of the Audit Committee's mandate, the Committee Chairman asked the external auditors to review the NWMO's financial policies and the Charter of the Audit, Finance and Risk Committee. He invited the auditors to provide comment to the Committee on the NWMO's current financial practices and other controls that may be appropriate, given the mandate and size of the organization.
- The Committee received a budget update from the President, and reviewed expenses and key areas of expenditure for the NWMO.
- The Committee was briefed on the GST status of the NWMO.
- To initiate the Committee's consideration of business risk, the President tabled a background note identifying areas of possible business risk that might be reviewed. The Committee Chairman confirmed that Committee would be having further discussions on business risk. Mr. Nash expressed interest in having business risk also brought forward for discussion with the full Board. (*)

10. Other Business

- The Board, finding current Board quorum requirements overly restrictive for the present size of the NWMO Board, directed the Corporate Secretary to proceed with amendments to the NWMO's By-Law No. 1 to address this issue and to identify further housekeeping refinements that may be appropriate.
 - The Acting Chairman undertook to meet with the Corporate Secretary to review potential amendments to the By-law. (*)
 - The Secretary was directed to bring forward to the February 2004 Board meeting proposed amendments to the Bylaw, and to advise the Board on the necessary approvals process relating to by-law amendments. (*)
- The Corporate Secretary distributed a proposed 2004 meeting schedule for Board and Advisory Council meetings.

Termination of Board Information Session

There being no other items for discussion, the Directors concluded their session at 12:45 PM EST.

Asterisk (*) denotes action to be taken

Joint Meeting with NWMO Advisory Council – Briefings on NWMO Engagement

January 19, 2004
49 Jackes Avenue, Toronto, Ontario
1:00 PM – 4:00 PM

At the invitation of the NWMO Advisory Council Chairman, the Board members attended the Council meeting on the afternoon of January 19, 2004 during which a series of presentations were delivered, for discussion, on the key components of the NWMO's engagement plan. These presentations included:

- A presentation by the NWMO President on the NWMO's 2004 workplan, including the newly established Assessment Team;
- A review of comments received to date on the NWMO's first discussion document, that was released in November 2003;
- A presentation by NWMO staff addressing the outreach planned with aboriginal peoples for 2004;
- An NWMO staff presentation on the next steps planned for engagement with nuclear site communities;
- A presentation by a guest speaker, Judith Maxwell (President, Canadian Policy Research Networks) outlining the methodology adopted for the national dialogues designed on behalf of the NWMO.

Corporate Secretary

Dated this 26th day of February 2004