

NUCLEAR WASTE MANAGEMENT ORGANIZATION (NWMO)

**BOARD OF DIRECTORS
MEETING**

June 6, 2013

AGENDA

1. Constitution of Meeting and Approval of Agenda
2. Minutes of Previous Meeting
3. Business Arising from the Previous Minutes
4. *In Camera* Session
5. Report from the Siting Committee
6. Report from the Audit, Finance & Risk Committee
7. Report from the L&ILW DGR Oversight Committee Meeting
8. Report from the Advisory Council
9. President's Report
10. Update on APM Siting Process
11. Update on APM Technical Program
12. Presentation on Aboriginal Traditional Knowledge
13. Preliminary 2014-2018 Business Plan
14. Waste Owner Cooperation
15. Cover Note for Submission of 2012 Annual Report to NWMO Members
16. Legal / Corporate Secretary Report
17. Next Meeting of the Board
18. In Camera Session

Conclusion of Meeting

MINUTES
OF THE MEETING
OF THE BOARD OF DIRECTORS OF THE
NUCLEAR WASTE MANAGEMENT ORGANIZATION (NWMO) /
SOCIÉTÉ DE GESTION DES DÉCHETS NUCLÉAIRES (SGDN)

convened in Toronto, ON
on June 6, 2013
commencing at 9:00 a.m. EDT

Present

Gary Kugler	Director, Chair
Pierre Charlebois	Director
Donn Hanbidge	Director
Ron Jamieson	Director
Darren Murphy	Director
Ken Nash	Director, President & CEO
Deborah Poff	Director
Ian Ross	Director
Josée Pilon	Director

Staff in attendance:

Angelo Castellan	VP Environmental Assessment and Corporate Support (except items 1-4)
Chris Hatton	Director, APM Repository Design Development (except items 1-4)
Michael Hung	Chief Financial Officer (except items 1-4)
Frank King	VP Safety and Licensing (except items 1-4)
Pat Moran	General Counsel and Corporate Secretary
Gillian Morris	Assistant Board Secretary (except item 4)
Sean O'Dwyer	VP, Human Resources (except items 1-4)
Sean Russell	Director, Repository Research & Development (except items 1-4)
Kathryn Shaver	VP, APM Engagement & Site Selection (except items 1-4)
Derek Wilson	VP, L&ILW DGR Design & Construction (except items 1-4)

Guests:

Rick Hill	Coordinator, Deyonhahá;ge: Indigenous Knowledge Centre, Six Nations Polytechnic, Oshweken (Item 12)
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1. Constitution of Meeting and Approval of Agenda

Notice of the meeting having been given to all of the Directors of the Company in accordance with the by-laws and a quorum being present, the Chair declared the meeting duly constituted for the transaction of business and called the meeting to order at 9:00 am.

The agenda for the June 6, 2013 meeting was approved.

Mr. Jamieson noted that he would be departing the meeting at noon.

2. Minutes of Previous Meeting

The minutes of the meeting of the Board of Directors held on February 28, 2013, copies having been sent to each member of the Board, were approved with two changes.

3. Business Arising from the Previous Minutes

Pat Moran reviewed the status of the action items from previous meetings.

4. In Camera Session

The Board convened an *in camera* session to discuss the report from the Chair of the Human Resources and Compensation (HRC) Committee.

5. Report from the Siting Committee

Mr. Jamieson provided a report to the Board on the June 4, 2013 Siting Committee meeting. All Board members were invited to the Siting Committee meeting to hear a presentation on the status of the preliminary assessments.

Mr. Jamieson reported that the following was reviewed and discussed at the meeting:

- a status update on communities involved in the various stages of the site selection process. Management confirmed for Directors that the assessments were on track and were progressing well.
- a detailed briefing on the status of Phase 1 preliminary assessments that are nearing completion, and next steps in preparing to report out on assessments, once finalized, and acknowledge the contributions of communities.
- NWMO's preliminary directions for continued capacity-building programs in support of APM siting. Directors agreed in principle with the program but would like to review a proposal at the September meeting which includes further defined costs.

Staff provided written updates for the Siting Committee's consideration and Committee members were invited to ask questions on:

- communications planning in support of the roll out of decisions made based on the Phase 1 preliminary assessments;
- Aboriginal engagement and advance planning for interweaving indigenous knowledge into Phase 2. A Director commended staff on a well thought out

program. Another Director noted that the proposals to the Métis were very well done;

- o engagement reports; and
- o the external landscape and risk management.

6. Report from the Audit, Finance & Risk (AFR) Committee

Mr. Ross provided a report from the Audit, Finance and Risk Committee meeting held on June 5, 2013.

Mr. Ross reported that the Committee discussed the following:

- a review of preliminary 2014-2018 business and strategic planning for APM and the work on OPG's low and intermediate level waste DGR.
- the engagement audit plan for 2013;
- an update from the Pension Management Committee which discussed the completion of the fund valuation and pension fund performance;
- a review of the lifecycle liability management program;
- management reports including an update of performance against 2013 objectives, a financial update, a cash flow update and compliance report;
- a review of the 2012 annual report summary to be provided to the Members; and
- a review of the audited 2012 pension fund financial statements. The AFR Committee recommends to the Board of Directors approval of the 2012 NWMO Pension Plan Fund Financial Statements for the fiscal year ended December 31, 2012, as audited and presented by the external auditors.

IT IS HEREBY RESOLVED THAT:

Further to the recommendation of the Audit, Finance & Risk Committee, the Board approves the 2012 NWMO Pension Plan Fund Financial Statements for the NWMO fiscal year ended December 31, 2012, as audited and presented by the external auditors, Deloitte LLP.

The motion was made, seconded and unanimously passed.

Committee members discussed the appointment of auditors for 2013 and recommended that the Board in turn recommend their re-appointment at the 2013 Annual General Meeting of Members.

IT IS HEREBY RESOLVED THAT:

Further to the recommendation of the Audit, Finance & Risk Committee, the Board will recommend to Members that Deloitte LLP be appointed as the auditors of the corporation to audit the accounts and records with the term of the appointment to last until the close of the next Annual General Meeting, at such remuneration as may be fixed by the Board of Directors.

The motion was made, seconded and unanimously passed.

Mr. Ross also reported on the annual joint meeting of the NWMO Audit, Finance and Risk Committee and Human Resources and Compensation Committee to discuss pension plan funding and sustainability.

7. Report from the L&ILW DGR Oversight Committee Meeting

The Chair of the L&ILW DGR Oversight Committee provided the Board with a report from the May 30th Committee meeting. The Committee reviewed:

- the progress on the regulatory review phase of work including an update and next steps for the Joint Review Panel hearing expected for the fall;
- a progress report on the detailed design phase of work;
- the risks related to the design and construction project risks and the regulatory approvals phase;
- an update on discussions with OPG regarding the next stages of the DGR project, and the 2014-2018 business planning assumptions as they relate to the design and construction phase. It was reported that the Committee was supportive of management's recommended business planning options for inclusion in the draft business plan, however recognizing that directional decisions on the program would ultimately be made by OPG, the owner of the project.

Directors asked questions about any changes in risks reported at the Committee meeting and whether the CNSC has existing standards and design requirements for a DGR.

8. Report from the Advisory Council

On behalf of Mr. Crombie, Kathryn Shaver reported on the Advisory Council's meeting held on May 27 and 28.

- At the Council's request, a detailed presentation on transportation was provided by staff that focussed on issues of safety and societal considerations.
- The Advisory Council discussed the status of the NWMO site selection process and the methodologies used in the preliminary assessments. Council members had a lengthy discussion on the approach to the preliminary assessments noting that Council members felt that NWMO's approach was trackable and transparent. Staff were congratulated on their work.
- Council members were provided with NWMO's objectives, draft messages and proposed activities and plans for public communication of the assessment findings.
- Council provided advice to management on the structure of the assessment reports and contents.

Council also received updates:

- on recent engagement activities and developments in nuclear waste management nationally and internationally;
- on plans for NWMO's Aboriginal engagement and consideration of Aboriginal Traditional Knowledge;
- on NWMO's plans for capacity building for communities and Aboriginal people in the next phase of work;
- on the APM technical program. Council members appreciated the opportunity to see the mobile transportation exhibit; and

- on NWMO's work on the OPG low and intermediate level waste DGR.

Board members discussed the Council's feedback on the plans for communicating the assessment findings to the first eight communities. Directors noted their support for NWMO's plans.

9. President's Report

Mr. Nash updated the Board on developments since the last Board meeting, which included:

- NWMO's large volume of engagement activities since the last Board meeting;
- recent meetings with government officials;
- NWMO's participation in recent municipal conferences with the mobile transportation exhibit;
- NWMO's further development of technical capability on transportation;
- submission of the 4th case study to the CNSC for review of safety methodology;
- hearings on the OPG L&ILW DGR, which will most likely begin in the Fall;
- other waste management activities in Canada and internationally.

10. Update on the APM Siting Process

Kathryn Shaver provided an update on recent activities in the APM siting process. She reported on work in progress:

- finalizing the first 8 Phase 1 assessments and preparing for the upcoming release of the assessment results and decisions;
- continuing Phase 1 assessments with the additional communities in the process; and
- preparing for the fieldwork phase beginning next year.

Directors discussed the communications plan for publicly reporting out on the results of the first set of assessment reports.

Ms. Shaver reported on upcoming meetings including NWMO's Municipal Forum and the Council of Elders. She also discussed the success of the mobile transportation exhibit which has been touring communities and municipal conferences.

11. APM DGR Design Development and Proof Testing

Management updated the Board on the plans to develop revised APM generic repository designs for two design concepts for the purpose of establishing a proof testing program to demonstrate acceptable safety.

A Director suggested that Board members would benefit from a detailed analysis of the investments required for proof testing as the Board will be asked to make directional decisions on the program. Management noted that detailed information would be provided as more detailed plans are prepared.

A Director also asked questions about NWMO's consideration of ramp versus shaft access in the repository. Management discussed the advantages and disadvantages to both ramp and shaft accesses and methods used internationally.

Directors also discussed transportation modes, containers and re-packaging facilities that may be required.

12. Aboriginal Traditional Knowledge

Mr. Rick Hill joined the NWMO Board meeting to provide a presentation entitled: Learning from Bi-Cultural Science - Developing Linkages Between Western Ecological Knowledge and Indigenous Ecological Knowledge.

Directors discussed with Mr. Hill the interweaving of Aboriginal Traditional Knowledge with western science. Mr. Hill emphasized that much of Traditional Knowledge is localized and will differ from region to region. Directors also discussed the concept of "seven generations".

13. Preliminary 2014-2018 Business Plan

Mr. Nash discussed the significant progress in site selection over the last year and NWMO's work on how engineered barrier systems in repositories can be optimized and proof tested. Mr. Nash reported that NWMO was now in a position to provide a multi-year business plan based on a good understanding of how site selection and design development could unfold. He discussed an overview of the workplans for APM siting, the APM technical program and NWMO's work on the OPG L&ILW DGR. Staff provided the Board with a detailed review of each work program.

Directors asked questions relating to the APM technical program on welding methods for containers and container manufacturing. Directors also discussed risks related to the OPG L&ILW DGR, CNSC requirements for the repository and containers, and accepted international standards and practices related to these.

14. Waste Owner Cooperation

Mr. Nash discussed opportunities to expand cooperation and coordination of waste management projects in Canada that will benefit the implementation of those projects already in progress and optimize decision-making and execution for future plans not yet articulated for other waste streams. Mr. Nash reported that the NWMO members will be meeting to discuss this topic.

A Director suggested that NWMO should continue to participate in ongoing dialogues on reprocessing while recognizing NWMO's current direction, as embodied within APM.

15. Draft 2012 Annual Report of Directors

A draft executive summary of the 2012 Annual Report was reviewed by Directors which would be provided to the NWMO members at the Annual General Meeting of Members.

Directors discussed the report and provided a few suggestions. A Director also suggested a discussion on cost-sharing be added to the AGM.

16. Legal Update

Pat Moran updated the Board on a recent agreement between the Saugeen Ojibway Nations and Hydro One. He also discussed two recent court decisions related to Aboriginal rights.

17. Upcoming Meetings

The next meeting of the Board will be held on:

Thursday, September 26, 2013
9:00 am – 3:00 pm

18. In Camera Session

Board Members agreed that an in camera session was not required.

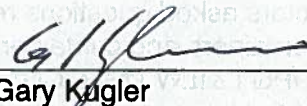
Conclusion of Meeting

There being no other business, the Chair declared the meeting adjourned at 1:30 p.m.

(*) Denotes actions to be taken.



Pat Moran
Corporate Secretary



Dr. Gary Kugler
Chair