

January 16, 2014

Mayor Paul Eagleson Municipality of Arran-Elderslie P.O. Box 70, 1925 Bruce Road 10 Chesley, ON NOG 1L0

Mayor Mike Smith Township of Saugeen Shores 600 Tomlinson Drive, P.O. Box 820 Port Elgin, Ontario NOH 2C0

Re: Adaptive Phased Management Site Selection Process – Interim Findings from Step 3, Phase 1 Preliminary Assessments

Dear Mayors Eagleson and Smith,

I am writing to bring to your attention interim findings from geoscience evaluations conducted in your respective areas as part of Step 3, Phase 1 assessments. These findings have implications for your communities' involvement in the site selection process for the Adaptive Phased Management (APM) project.

The Municipality of Arran-Elderslie and the Town of Saugeen Shores, along with three other communities in Bruce County, requested the opportunity to learn more about the APM Project through the process of Phase 1 preliminary assessments in your areas. As you know, the purpose of Phase 1 is to provide feedback to communities about their potential to meet the robust safety and community well-being requirements for this project. Assessments guide the identification of areas with strong potential to meet siting requirements to be the focus of progressively more detailed study. Over time, the site selection process will identify a single, preferred safe site in an informed and willing community.

The process for identifying an informed and willing host community for a deep geological repository for the long-term management of Canada's used nuclear fuel is designed to ensure, above all, that the site which is selected is safe and secure for the protection of people and the environment, now and in the future. The geoscientific evaluations are an important foundation for Phase 1 studies as we examine whether there is the potential to find a safe site.

Phase 1 geoscientific evaluations of your areas have built upon results from the initial screening through a more detailed desktop review of available information. Led by Geofirma Engineering, this work has focused on assessing whether it is possible to identify areas that have the potential to satisfy geoscientific site evaluation factors published in the NWMO's 2010 site selection process document.

Geofirma has brought to our attention findings that have emerged in the course of this geoscientific assessment, summarized in the attached Technical Memorandum. Specifically:

"The Municipality of Arran-Elderslie does not contain sufficient land areas that have the potential to meet the geoscientific site evaluation factors outlined in the site selection process document."

"The Town of Saugeen Shores has very limited potential to contain areas that would meet the geoscientific site evaluation factors outlined in the site selection process document."

In light of these findings, the NWMO will now conclude studies in your two communities. Safety, security and protection of people and the environment are central to the siting process. Our decision is guided by these findings on geoscientific suitability. The NWMO will work closely with you to assist your transition out of the siting process.

Phase 1 preliminary assessments, including geoscientific and other technical and social studies are still ongoing in the Municipality of Brockton, the Municipality of South Bruce and the Township of Huron-Kinloss. The overall findings on potential suitability of these three communities will be reported out upon conclusion of the Phase 1 work, at which time findings from geoscience, environment and safety, engineering, transportation and community well-being will be brought together for an overall assessment of potential suitability of the areas.

Should any of these three communities be found to have overall strong potential to be suitable and proceed to Phase 2 for further study, your communities would be involved in that future phase of work. Phase 2 requires an expanded dialogue involving surrounding communities and Aboriginal peoples as potential interest in the project is explored in the broader area. One of the first steps the NWMO would undertake is to sit down with your communities and others to plan out how to proceed, how you wish to be involved, and ensure that you are resourced to play an active role in consideration of the APM project if Phase 2 proceeds in the area.

Over the course of our work with communities we have heard that where findings suggest a community has low potential to meet project requirements, timely discussions are desired to support the orderly conclusion of studies. It is out of a sense of fairness and respect for you and your communities that we provide these early conclusions from the geoscientific studies.

Please let me take this opportunity to acknowledge the leadership you and your communities have demonstrated in implementing Canada's plan for the long-term management of used nuclear fuel. As a member of the group of communities that together advanced the implementation of Canada's plan, we look forward to formally acknowledging your contribution once Phase 1 assessments are completed for other communities.

We will continue to keep you updated on progress as we implement Canada's plan for the long-term management of used nuclear fuel.

Sincerely,

Kathryn Shaver,

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Vice President, APM Public Engagement and Site Selection

Attachment:

Technical Memorandum, Geofirma, January 9, 2014

Copies:

Mayor Mitch Twolan, Township of Huron-Kinloss

Mayor David Inglis, Municipality of Brockton

Mayor Bill Goetz, Municipality of South Bruce