

Minister
of Natural Resources Canada



Ministre
des Ressources naturelles Canada

JUL - 9 2007

Ottawa, Canada K1A 0E4

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Mr. Ken Nash
President
Nuclear Waste Management Organization
49 Jackes Avenue
Toronto, Ontario M4T 1E2

Dear Mr. Nash:

On June 14, 2007, the Government of Canada announced its decision to select the Adaptive Phased Management (APM) approach as Canada's best option for the long-term management of nuclear fuel waste. This approach enables this generation to take action now to put measures in place that safeguard the public while being respectful to the environment and to future generations.

Now that the Government has made its decision, the NWMO should proceed to the next phase of its mandate — to implement the APM approach. My expectation is that the NWMO will take at least two years to develop a collaborative community-driven site-selection process and then it will begin consultations with citizens, communities, Aboriginals and other interested parties to find a suitable site located in a willing host community. I am very supportive of the NWMO taking the necessary time to develop a process that is open, transparent, inclusive and that is built on a solid foundation of trust, integrity and respect for Canadians and the environment.

As the NWMO carries out this important project, I look forward to reviewing its annual reports and, in particular, to receiving NWMO's plan for a public process to determine a site, prior to the launching of such a process. I understand that the NWMO will work with informed, willing host communities — focusing on Ontario, New Brunswick, Quebec and Saskatchewan. This process will result in building knowledge, skills and capacity in response to requests from willing host communities.

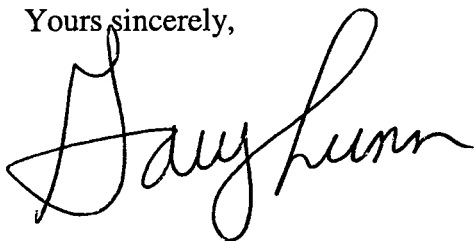
Following the government's decision and pursuant to the *Nuclear Fuel Waste Act*, the NWMO's next annual report must contain a funding formula that will be used to calculate the amount of monies that the nuclear energy corporations must set aside to finance the APM approach for the long-term management of nuclear fuel waste. As part of continuing government oversight, pursuant to the *Nuclear Fuel Waste Act*, this funding formula is subject to my approval.

Canada

I recognize that this is a big undertaking with tremendous opportunities and that it will require considerable time, patience and effort to effectively implement the government's decision. The APM approach provides for a balance between responsiveness to societal needs and concerns, and incorporation of the best scientific and technical knowledge.

I wish you well in your endeavour as you move forward on this extremely important project.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Gary Lunn". The signature is fluid and cursive, with a large initial "G" and a long, sweeping underline.

The Honourable Gary Lunn, P.C., M.P.