

**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 September 29, 2016**  
**commencing at 9:00 a.m. EDT**

Present

Pierre Charlebois	Chair
Wayne Robbins	Vice Chair
Carlo Crozzoli	Director
Ron Jamieson	Director
Ken Nash	Director, President & CEO
Josée Pilon	Director
Ian Ross	Director
Laurie Swami	Director (except item 18)

Regrets:

Darren Murphy	Director
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Staff in attendance:

Jo-Ann Facella	Directors Social Research & Dialogue (item 5 only)
Paul Gierszewski	Director, Safety & Licensing (except items 1-4, 18)
Marni Halter	Senior Counsel (except items 1-4, 18)
Chris Hatton	Director, Nuclear Design & Transportation (except items 1-4, 18)
Michael Hung	CFO (except items 1-4, 18)
Elena Mantagaris	Director Government & External Relations (item 11 only)
Gillian Morris	Board Secretary (except items 4, 18)
Kathryn Shaver	VP, APM Engagement & Site Selection (except items 1-4, 18)
Jennifer Spragge	VP, Human Resources (except item 18)
Bob Watts	Associate Vice President, Aboriginal Relations (item 5 only) (via teleconference)
Derek Wilson	VP, Design & Construction (except items 1-4, 18)

Guest:

David Crombie	Chair, Advisory Council (via teleconference – item 7 only)
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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.

2. Minutes of Previous Meeting

The minutes and in camera minutes of the meeting of the Board of Directors held on June 9 and July 28, 2016, copies having been sent to each member of the Board, were approved.

3. Business Arising from the Previous Minutes

The Board Secretary reported on the status of the actions from the previous meeting.

4. Report from the Human Resources & Compensation Committee (In Camera)

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

5. Report from the Siting Committee

Mr. Jamieson reported on highlights of the meeting held on September 28, 2016 which included Committee discussion on:

- a detailed update on the communities undergoing Phase 2 assessments by siting study area;
- a progress report on the execution of the Siting project;
- risks related to APM Siting;
- a discussion on possible early investments in education and skills in the siting areas to prepare for APM implementation;
- an update on the transportation engagement program;
- as part of regular reporting to the Committee, management provided updates on the Council of Elders, the external landscape, and media reporting.

The Committee was provided with an update on the work to prepare for borehole drilling and reviewed technically suitable borehole sites in one of the siting areas based on the geoscience work to date.

Mr. Jamieson reported that the Committee reviewed the plans for a core community capacity building program. Committee members discussed how to ensure that proper control mechanisms are in place with the expanded the capacity building programs. The Committee suggested an independent review or audit of the program to ensure NWMO values are being upheld. The Board asked management to discuss and propose options for independent review of the expanded capacity building programs to the Siting Committee.

Directors discussed how communities would meet the criteria for funding and management's process for reviewing. Directors also discussed Canadian Nuclear Lab's (CNL) plans for a near surface repository and its plans for regulatory review. Management noted that NWMO is keeping in regular contact with CNL to keep apprised of its plans.

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

The Chair of the AFR Committee reported on the Committee's discussions at the September 28, 2016 meeting. The Committee discussed and reviewed the following:

- an update from the Pension Management Committee;
- the 2015 audited pension fund financial statements;
- business risks;
- draft 2017-2021 business planning for APM and for NWMO's work to support OPG's low and intermediate level waste (L&ILW) repository acknowledging the Members' discussion on costs at the 2016 AGM;
- NWMO's draft performance plan for 2017;
- a Lifecycle Liability Management work program update;
- regular management reports including a performance and financial report, cash flow update and compliance report; and
- a regular review of the Chair's and President's expenses.

Mr. Ross reported that, as a follow up to the June meeting, the AFR Committee reviewed the materials being provided to the Board regarding cost and schedule control and determined that there is a great amount of information available but that higher level project reports might be more useful to the Board.

Mr. Ross reported that the AFR Committee reviewed and approved the proposed audit plan for the external audit of financial and pension fund statements and recommended Board approval of the auditor's remuneration:

**IT IS HEREBY RESOLVED THAT:**

Remuneration of the external auditors, for undertaking the external audit of NWMO's financial statements for the fiscal year ending December 31, 2016, be confirmed as proposed.

The motion was made, seconded and unanimously passed.

Mr. Ross also reported that the Committee reviewed and recommended an update to the Organizational Authority Register to reflect updated signing authorities for the additional capacity building programs as discussed with the Board.

**IT IS HEREBY RESOLVED THAT:**

The AFR Committee recommends to the Board of Directors, approval of the NWMO Organization Authority Register updated as of September 6, 2016.

The motion was made, seconded and unanimously passed.

**7. Report from the Advisory Council Meeting**

David Crombie, the Advisory Council Chair, delivered a report on the highlights of the Council's September 26, 2016 meeting, which included discussions on the following:

- an update from the President on recent NWMO activities and developments in nuclear waste management both nationally and internationally;
- developments in APM siting and recent activities in regional siting areas;
- an update on NWMO's progress against its siting project plan;
- an information presentation on the NWMO's safety case;

- a review of NWMO's work on pre-licensing work with the Canadian Nuclear Safety Commission;
- an update on key areas of business risk; and
- a number of standing updates related to APM's siting engagement work, NWMO's proof testing and engineered barrier design, and NWMO's support to the OPG L&ILW DGR project.

Mr. Crombie reported that Council's discussion focussed on two key topics: the concepts of partnership and willingness and NWMO's approach to skills training and capacity building with the communities in the siting process. Mr. Crombie reported that the Council was impressed by NWMO's multi-faceted and sophisticated approach to building willingness and partnerships in communities.

After Mr. Crombie concluded his report and withdrew from the conference call, the Board discussed plans for the annual Board and Advisory Council planning session in late November. Management will circulate proposed discussion topics to the Board for this session. (\*) Ms. Shaver also proposed Advisory Council participation in an upcoming conference and the Board agreed one Council member should be invited to attend the conference.

#### 8. President's Report

Mr. Nash reported on key developments and activities since the February Board meeting:

- NWMO's 2016 work program is on track in accordance with the approved business plan;
- 2017-2021 business planning is well underway and has seen only minor changes since the Board met in June;
- management continues to identify and mitigate risks;
- the Ontario government's review of NWMO's APM lifecycle cost estimate is nearing completion;
- NWMO played a large role in the successful CNS conference earlier in September on nuclear waste management, decommissioning and environmental restoration. A number of siting community representatives attended.

#### 9. Draft 2017-2021 Business Plan

Mr. Hung reported that the key planning assumptions used to develop the draft business plan for APM implementation are consistent with those used to develop the latest APM lifecycle cost estimate and the project execution plans for the Phase 2 site selection, Engineered Barrier Design and Proof Testing and Transportation projects. Mr. Wilson noted that a number of assumptions had been made with respect to the work on OPG's low and intermediate level waste project, and that some assumptions may change as the program evolves.

A Director discussed the input provided on NWMO's plans by the Members at the Annual General Meeting of Members in July. Directors discussed the possibility of reducing the contingency amounts contained in the business plan without impacting the

key work programs. A Director suggested that NWMO needs to demonstrate that the work in the plan is work that is needed now in order to achieve a successful program.

Directors had a lengthy discussion with management on the risks of reducing the contingencies within the budget. Directors agreed to ask management to reduce contingency in all programs by 50% over the five-year plan. Directors also suggested that, in order not to jeopardize the APM project, management should raise the matter to the Board at any time if the overall spending needs are expected to exceed the budget. The Chair noted that it is important that NWMO keeps the Members informed regularly on the progress and implementation of APM.

10. Management of Regulatory Certainty Risks

The Board was updated on discussions with CNSC on further developing certainty in the regulatory process with particular reference to the question of alternative sites. Mr. Gierszewski reported that NWMO would not be filing a project description at this time while there was still a large number of communities in the process, but would be working on revising the agreement with the CNSC and continue to work with CNSC on pre-licensing activities.

While a Director encouraged NWMO to appear in front of the Commission at the first available time, another suggested timing needs to be considered to avoid confusion between APM and other project license applications.

11. Business Risk

The Board reviewed the key corporate risks as well as project risks on both APM and the OPG L&ILW DGR projects.

In discussion of the risks, a Board member asked staff to confirm that NWMO is still not required to be a registered lobbyist. (\*)

12. Draft 2017 Performance Measures

Michael Hung presented the draft 2017 performance measures which will be used to track performance throughout the year and for assessing performance of the management group.

A Director noted that the AFR Committee discussed the number of objectives and suggested that several of them may not be considered corporate level objectives but could be moved to work plans and employee performance plans. Management was asked to review the objectives and bring them back to the Board in November. (\*)

13. Progress Against Proof Testing

Derek Wilson and Chris Hatton reviewed the progress on the engineered barrier design and proof testing program since the last Board meeting. Mr. Hatton reported on the following:

- the completion of pressure test for the copper coated container
- the completion of the peer review on corrosion which included experts from France, Sweden, and the U.S.A;

- progress on the gap fill emplacement trials; and
- work to further develop the test facility.

Mr. Wilson reviewed the status of the objectives of the program.

A Director suggested management consider holding the 2016 Annual General Meeting of Members in Toronto in order for the Members to tour the test facility.

14. Update on OPG L&ILW DGR

Paul Gierszewski discussed the ongoing work to support OPG to respond to the Minister's request for further information on the L&ILW DGR. He also noted the OPG had received a response from the Canadian Environmental Assessment Agency (CEAA) on OPG's proposed approach. CEAA has indicated that the review of OPG's response will be by federal authorities, not the Joint Review Panel.

15. Legal update

Marni Halter provided the Board with a report on a Supreme Court ruling that could apply to NWMO employment agreements.

16. First Nations Governance

At the Board's request, Bob Watts addressed the decision-making processes and governance of First Nation communities and organizations in relation to the APM siting process. Board members found the presentation to be very helpful.

17. Next Meeting of the Board

The next meeting of the Board of Directors will take place on Thursday, December 1, 2016.

The Board Chair recognized and thanked Ken Nash for his many years of service to NWMO. The Board Vice-Chair recognized and thanked Pierre Charlebois' for his service to the NWMO Board of Directors as his term ended.

18. In Camera Session


Board Members held an in camera session.

Conclusion of Meeting


There being no other business, the Chair declared the meeting adjourned at 2:30 pm.

\* Denotes actions to be taken.

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Wayne Robbins  
Chair

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Gillian Morris  
Board Secretary