

MINUTES
FROM 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 April 10, 2008
commencing at 9:00 a.m.

Present

Gary Kugler	Director, Chairman
Pierre Charlebois	Director
Ron Jamieson	Director
Sharon MacFarlane	Director
Ken Nash	Director, President & CEO
Josée Pilon	Director
Deborah Poff	Director
Ian Ross	Director

Staff in attendance

Kathryn Shaver	Vice President, Corporate Affairs and Corporate Secretary (except item 2 and 20)
Frank King	Vice President, Science & Technology (except items 2 and 20)
Sherry Adams	Director, Human Resources (except items 2 and 20)
Gillian Adshead	Assistant Board Secretary (except items 2 and 20)
Angelo Castellan	Chief Financial Officer (except items 2 and 20)
Elizabeth Dowdeswell	Special Advisor to the Board (item 12)
Jo-Ann Facella	Manager Social Research & Dialogue (items 17)
Anda Kalvins	Director, Environment (item 16)
Pat Moran	Director, Legal Services (except item 20)
Pat Patton	Manager, Engagement & Aboriginal Relations (item 10)
Jamie Robinson	Director, Communications (except items 2 and 20)
Cynthia Summers	Manager, Community Engagement and Research (Item 11)

1. Approval of Agenda and Constitution of Meeting

Dr. Kugler chaired the April 10, 2008 Board meeting.

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 Chairman declared the meeting duly constituted for the transaction of business and called the meeting to order at 9:00 a.m.

The agenda for the April 10, 2008 meeting was approved.

2. In Camera Session

The Directors met in camera to discuss the appointment of NWMO's legal counsel as Corporate Secretary in order to allow Ms. Shaver to take on expanded duties related to NWMO's siting work.

IT IS HEREBY RESOLVED THAT:

- Effective June 23, 2008 Patrick Moran be appointed to hold the office of Corporate Secretary until his successor is elected or appointed.

The motion was made, seconded and unanimously passed.

Directors also agreed on the need for the establishment of a Human Resources and Compensation Committee and elected members of that committee.

IT IS HEREBY RESOLVED THAT:

- Effective April 10, 2008:
 - the following persons be appointed to the Human Resources and Compensation Committee of the Board of Directors, until such time as their successors are elected or appointed:
 - Ian Ross
 - Pierre Charlebois
 - Josee Pilon
 - the following person be appointed Chair of the Human Resources and Compensation Committee:
 - Ian Ross

The motion was made, seconded and unanimously passed.

3. Minutes of Previous Meeting

Copies of the minutes of the meeting of the Board of Directors held on February 22, 2008, having been sent to each member of the Board, were approved pending minor editorial comments from the Chairman.

4. Business Arising from the Previous Minutes

Ms. Shaver reviewed the outstanding actions arising from the previous Board meeting. All of the actions were reported to be either on the current Board agenda for discussion, or completed.

The Chairman noted that he expected to bring the terms of reference for the Human Resources and Compensation Committee to the Board for approval at the June meeting. (*)

5. Update from the Advisory Council

The Advisory Council Chairman, Mr. David Crombie joined the meeting via teleconference to provide the Board with an update from the March 6 Advisory Council meeting. He reported that it was an excellent first meeting with full participation by the new members – Dr. Marlyn Cook, Mr. Rudyard Griffiths and Dr. Dougal McCreath.

Mr. Crombie reported that management provided the Council with the following information: reports on recent activities from the President; an update on the technical program; a report on the results of Phase1 engagement activities, a report on communications planning; and an update on the Aboriginal engagement program. He reported that the new members had been impressed with the quality of the staff presentations.

The Council discussed and provided extensive input on both NWMO's proposed youth engagement program and the draft Implementation Plan.

Mr. Crombie reported that Liz Dowdeswell joined the Council meeting to update them on preparations for the siting design dialogue. Council provided input on timeframes and on the discussion document, also providing suggestions regarding potential background papers that might be developed.

The Council also received a presentation on a paper on reprocessing written by two of the Council members.

Mr. Crombie reported that Council looks forward to making contributions through regular opportunities to offer advice on draft proposals and plans, in addition to providing independent comment on NWMO work.

The Board Chairman thanked Mr. Crombie for his report and invited Mr. Nash to make remarks. Mr. Nash agreed that the three new Council members made a significant contribution and remarked that the Council has always contributed substantially not

only in its oversight role, but in its dual role on providing helpful guidance and valuable advice to NWMO.

The Board Chairman invited comment on the report. Dr. Kugler asked staff to ensure that Council advice is adequately tracked and was assured that staff tracks Council recommendations on a regular basis.

6. President's Report

The Chairman invited Mr. Nash to update the Board on NWMO's activities since the February 22, 2008 meeting and provide an update on industry-wide developments.

The President reported the following updates relating to NWMO's strategic objectives:

Engagement / Building Long-term relationships

- Mr. Nash reported on meetings held with: Niigani; the Saskatchewan Treaty Commissioner; the AFN and FSIN on development of protocols; and municipal organizations. He noted that information regarding the establishment of the Municipal Organization Committee would be brought to the Board in June. (*)
- It was also noted that Mr. Nash and Ms. Shaver made presentations as part of a panel at the Canadian Nuclear Association annual conference. NWMO also had a booth at the conference and held an impromptu job fair for about 15 young people attending the conference. Interviews with job candidates are in progress.
- Planning is underway for Phase 2 of engagement which will invite feedback on NWMO's draft implementation plan.

Research and Development:

- The technical research program is on track and to be reported on in more detail by Mr. Frank King under Item 7.
- Mr. Nash reported that there were a number of social research projects underway to support the development of the siting design process.

Financial Surety:

- NWMO's funding formula was presented to the Minister of Natural Resources in the Annual Report.

Adjusting and updating plans:

- Mr. Nash reported that staff has begun work on the next five-year business plan. It will take into account input received from recent engagement activities.

Governance

- Mr. Nash reported that the first meeting with the newly constituted Advisory Council went very well and the new Council members participated fully.

- He reported that staff are reviewing options for an Integrated Management System, including a quality assurance program, and expects this information to be reviewed by the Board in June. (*)

Building the organization's capacity

- NWMO presently has 48 people (37 full time equivalents) on staff and expects to have 49 full time equivalents by the end of 2008.
- Plans for transitioning OPG employees to NWMO are underway and will be discussed by the Board at today's meeting.

Collaborative design of the siting process

- Mr. Nash noted that NWMO will be looking for Board concurrence on the plan for fall engagement and will be conducting a final readiness review at the June meeting. (*)

Board members asked questions regarding the tabling of the Annual Report in Parliament and the approval of the funding formula. The President noted that the Minister must table the report in Parliament but tabling the report does not necessarily indicate acceptance of the funding formula. There are no time constraints on the government for approval of the funding formula. Board members asked to be sent NWMO's Q&A's regarding the funding formula and to be kept apprised of the date the Annual Report is tabled in Parliament.

The President reviewed industry developments including refurbishments and plans for new build. He reported that work has begun on developing cost estimates to incorporate a new build situation. The Board discussed the cost estimates and agreed that NWMO must conduct some preparatory work for implications of increased volumes of waste to be managed as the *NFWA* does not distinguish between NWMO's obligation to manage used fuel from existing reactors and used fuel from new reactors. Mr. Moran reminded the Board that the *Act* requires any new nuclear electricity generator proponent to become a member of the NWMO.

Mr. Nash reported on notable activity in five provinces that may lead to larger quantities of used fuel to be managed. Mr. Nash also provided the Board with an update on the low and intermediate level waste picture in Canada.

The President reported that NWMO will be one of the presenters, along with the nuclear power producers, at a special meeting of the Canadian Nuclear Safety Commission in June on the topic of nuclear waste in Canada.

The Board had a lengthy discussion regarding Canada's overall nuclear waste picture. It was agreed that the overall waste situation and opportunities for industry cooperation are possible discussion topics for the NWMO Members' meeting in June. It was also agreed that this might be a topic of discussion with the Deputy Minister of Natural Resources at an upcoming Board meeting. Directors suggested that a further opportunity to discuss industry cooperation on long-term nuclear waste management may be provided through the Canadian Nuclear Association.

Mr. Nash also reported on progress in Finland, Sweden, the United States, and the United Kingdom on long-term management plans for used nuclear fuel.

7. Technical Report

Mr. King provided an update on NWMO's Technical Research and Development programs. All areas of the work program: geosciences; engineering; safety assessment; and providing technical support to the siting program are on track.

Mr. King reported that NWMO is now a full member of the joint project in Mont Terri, Switzerland and experiments in which NWMO will participate have been identified.

Preparations for the June meeting (subsequently postponed to September) with the regulator are underway and a protocol agreement between NWMO and the Canadian Nuclear Safety Commission (CNSC) is being drafted.

Preparations for the establishment of the Independent Technical Review Group are underway and the Board will be reviewing the proposed members for election to the group in June (*). Three potential members have been identified and have expressed interest. Mr. King plans to convene the group with four members and consult the group for advice on a fifth member.

Mr. King also reported that two Advisory Council members met with NWMO technical staff to discuss their paper on reprocessing. They extensively discussed NWMO's role in reprocessing and the role of reprocessing in Canada.

The Board was invited to comment on Mr. King's report. The Board discussed the research being conducted to support the siting design process. The pros and cons of reprocessing in Canada were briefly discussed.

At the request of one of the Board Members, Mr. King undertook to forward a copy of one of the research papers when completed. (*)

8. Transition Planning

Mr. Nash provided the Board with an update on transition planning activities for the organization.

Mr. Nash reviewed the Board's agreement in principle at its February 22 meeting to: transition OPG employees to NWMO; to provide services to OPG to develop and licence OPG's Deep Geological Repository (DGR) for Low & Intermediate Level Waste and other lifecycle management services as may be mutually agreed; and to work with OPG to develop a detailed proposal and seek Board approval prior to completing any agreement to transfer staff and possible services.

Mr. Nash also noted that it will be necessary for the NWMO Board to make a firm decision to proceed at its June 19, 2008 meeting to allow contractual and staffing commitments to be made to achieve a year-end completion date. (*)

The Board Chair invited questions or comments regarding transition planning. The Board discussed: employee benefits; the options for transferring the pension benefits; the need for independence from OPG; and, the implications of NWMO becoming a service provider to the Members of NWMO. The Board also asked questions about lifecycle liability management. Directors discussed potential resource and cost implications of the transition. Mr. Nash assured the Board that NWMO would not be accepting additional liability. Board members underscored the importance of NWMO making the transition to achieve independence from OPG, a nuclear generator.

9. Human Resources Planning

Ms. Adams was invited to provide an update on Human Resources planning actions which will be taken during the course of 2008.

Ms. Adams outlined eight major areas of human resource focus in 2008.

The Chairman invited Board comment on Ms. Adams' report.

A Board member commended NWMO for planning a celebration of the organization's evolution, agreed with the importance of recognizing the original employees and also commended the establishment of a program for leadership capabilities.

10. Aboriginal Engagement – Duty to Consult

Mr. Moran was invited to provide the Board with a presentation on the two elements to the requirement for consultation with Aboriginal peoples. The first element is the NWMO's statutory obligation to consult and the second is the Crown's duty to consult arising out of the Constitution.

Key points made by Mr. Moran included:

- the NWMO has a statutory obligation to consult with Canadians, including Aboriginal peoples and is required to report on the results of this consultation in its triennial reports, as set out in the *NFWA*;
- the Crown has a duty to consult Aboriginal people in relation to Aboriginal rights that may be adversely affected by a project and to consider how such rights are to be accommodated;
- the courts are the final arbiters on whether the requirements of the Constitution are met and have the ability to set aside transactions or approvals when these are not met;
- the courts have provided guidance on what the Crown's duty is and how it is to be carried out; and
- while the Crown cannot delegate its duty to a proponent, there is an overlap in the consultation requirements imposed on the NWMO by statute and on the Crown through the Constitution.

The Board was invited to ask questions or comment on Mr. Moran's presentation. Discussion ensued as the Directors asked questions with respect to the duty to consult legislation and accommodation agreements.

The Board asked for clarification on whether NWMO's extensive consultation with Aboriginals could fulfill the Crown's obligation to consult? Mr. Moran confirmed that the Crown will always have its own requirement to consult irrespective of what consultation NWMO has undertaken - it cannot delegate its overall duty to consult to NWMO. The Board also discussed whether the duty to consult had any particular implications for NWMO related to the development of the siting process.

A Board member suggested that NWMO would be prudent to monitor developments in other duty to consult initiatives in Ontario.

The Chairman thanked Mr. Moran for the information.

11. Youth Engagement

Ms. Summers was invited to update the Board on the proposed direction for the youth engagement strategy. She reported that engagement of youth, in light of the inter-generational nature of NWMO's work, has been highlighted as an important part of NWMO's ongoing dialogue and collaboration.

Ms. Summers reported that the proposed youth engagement plan was discussed with the Advisory Council at its March 6 meeting. It is proposed that the program begin in 2008. Initial steps include recruiting more young people and involving them in the breadth of NWMO activities.

Based on input from the Advisory Council, NWMO is proposing to establish a Youth Roundtable to offer NWMO advice on engaging with young people. NWMO proposes that an independent consultant assist in recruitment of youth from the four nuclear provinces for a roundtable. The roundtable would hold 3-4 meetings next year.

The Board was invited to comment on NWMO's proposed direction. The Board asked for clarification on facilitation of the roundtables, the composition of the roundtable and the type of training that might be required for the youth involved. The Board also provided some suggestions on methods of recruitment for youth.

Directors were very supportive of NWMO pursuing a youth engagement strategy and expressed agreement with the direction of the proposed youth engagement plan.

12. Preparing for the Dialogue on Siting Process

Ms. Dowdeswell joined the Board meeting to update the Board on preparations for the dialogue on the design of the siting process and seek Board concurrence on NWMO's fall plans for moving forward. A final Board decision will be sought on NWMO's readiness to proceed with implementation of this plan at the Board's June 19 meeting. (*)

There are four key components of NWMO's plan for collaborative development of the process for siting. All of these components are consistent with, and emerge from the siting process framework first set out in 2006 and elaborated further in the engagement concept formulated in 2007. They have all benefited from Advisory Council review and consideration by the Siting Committee of the Board of Directors.

The particular focus is on activities to be undertaken in 2008 with the purpose of soliciting input into the development of a siting process proposal that is intended to be tested and validated with Canadians in 2009. The four major components were discussed.

I. Engagement Plan Overview

Ms Dowdeswell reported that NWMO's next phase of engagement aims to engage citizens in the collaborative development of the process for siting and to: build confidence in the NWMO and its approach; to continue creating awareness and sustaining relationships with key individuals and institutions; to expand NWMO's learning; and, to gradually gain acceptance as to the broad direction of an approach while identifying potential critical areas of dispute and ultimately demonstrating that there has been effective collaboration as an underpinning for future implementation.

Ms. Dowdeswell reviewed with the Board critical path through to 2010. Components of the plan include: e-dialogues; youth engagement; the continuation of the Citizens Panels; and, multi-party dialogues designed to seek multiple perspectives on principles, issues and processes. General information sessions will be planned as well as information sessions that specifically respond to Aboriginal considerations. Aboriginal people will also be involved in the multi-party dialogues. Other key activities include preparation of support materials for the dialogues as well as development of a communications plan. Ms. Dowdeswell sought Board concurrence on the proposed plan for NWMO's fall dialogues.

The Chair invited questions on the information presented by Ms. Dowdeswell. The Board discussed access to the website in the context of communicating with Aboriginal people.

Board members commented that the information was very clear and well presented and expressed concurrence with the proposed plan.

II. Discussion Document

Ms. Dowdeswell reviewed the status of the discussion document to support fall engagement. She noted that the Board has previously reviewed the Discussion Document. The document will be public with the purpose of asking questions to ensure all critical issues are raised, discussed and debated by groups with multiple perspectives.

In the ensuing discussion, the Board emphasized the importance of highlighting key elements of Adaptive Phased Management in the document. Directors discussed collateral materials being developed, including fact sheets and a DVD.

The Board also provided specific feedback on areas of the document. A discussion was held regarding the status of used fuel from research reactors and its implications on cost estimates. The Board also emphasized the need for consistency within NWMO documents when discussing the issue of managing used fuel from new reactors to be clear that the management of all of Canada's used fuel falls within NWMO's mandate.

A Board member noted that the timeline chart was very clear and helpful. Suggestions were made of a clarification and editorial nature to be considered in the finalization of the copy.

III. Communication Plan

Mr. Robinson reviewed a comprehensive communications plan which included: communications goals; strategic considerations; audiences; methods; media relations strategy; and a calendar of planned activities.

The Chairman thanked Mr. Robinson for providing the Board with the information and invited Board comment. The Board asked that NWMO include additional government ministries on the communications list. (*)

IV. Readiness Review

Ms. Dowdeswell reported that the Board will be assessing and deciding on, at its June meeting, NWMO's readiness to move forward with the siting design dialogues.

The internal siting team has conducted a preliminary readiness review. Ms. Dowdeswell reported that all major elements of the work plan are in place and no major issues have been encountered at this point that would delay implementation.

The Board Chair invited the Board to ask questions or comment on the readiness review. The Board discussed possible time frames and budgets for the site selection process. The Board agreed that in the fall, once input is received from the dialogues, NWMO will be in a position to estimate the planning, budgeting, staffing and expected time frames for siting. The President noted that siting process design is an iterative process fueled by dialogue with Canadians and not a prescriptive plan. The President informed the Board that NWMO will be looking at a variety of scenarios that may unfold which will assist with planning assumptions.

As Ms. Dowdeswell has chosen to leave NWMO at the end of April, Dr. Kugler recognized the contribution that Ms. Dowdeswell had made over the last five years and congratulated her on her success in submitting the final study report and gaining government approval of NWMO's recommendation.

13. Corporate Citizenship Program

Mr. Robinson was invited to introduce the proposed framework for NWMO's new corporate citizenship program. The program will provide a formal vehicle through which the NWMO may make investments aligned with its vision, mission and values. It will also support NWMO's efforts to build relationships in the nuclear provinces. The Board was invited to comment and provide direction on the initial proposed framework for the corporate citizenship program.

Mr. Robinson noted that advice from the NWMO Advisory Council will be sought in May and the refined program will be brought back to the Board at an upcoming meeting. (*)

The Board discussed the appropriate levels of funding for this proposed corporate citizenship program and requested that Mr. Robinson investigate other not-for-profit companies' levels of funding for comparison and report his findings to the Board. (*)

14. Proposed Planning Cycle

Mr. Nash reviewed the proposed planning cycle with the Board of Directors. He noted that 2007's strategic planning began with intensive dedicated sessions with the Board, but that this year, strategic planning is proposed to be incorporated into each meeting of the Board.

Strategic discussion in 2008 will be focused in part around milestone documents: the Implementation Plan; the Business Plan; and the plan for public engagement on the development of a process for site selection. Mr. Nash noted that a draft of the business plan for 2009-2013 will be brought to the Board in September. Other key planning areas include a human resources and transition plan. Mr. Nash reviewed key decisions facing NWMO in 2008 relating to organizational development, the approach to relationship building in the four nuclear provinces, and the initial design of the site selection process.

The Chair invited the Board to comment on the proposed planning cycle information provided by Mr. Nash. The Board discussed the importance of the business plan covering a five-year time frame in order to provide the Board with a lens beyond one year. A Board member asked what key issues will be covered in the business plan, and Mr. Nash noted that the Board will have a discussion to determine what might be appropriate.

15. Business Risk

Mr. Castellán reviewed potential areas of business risk with the Board. He noted that the Audit, Finance and Risk Committee recently conducted a risk review and will continue to develop this review over time to support NWMO planning efforts.

The Chairman invited questions or comments from the Board. Several Board members commended Mr. Castellán for a very comprehensive report.

The Board discussed the importance of NWMO's neutrality on nuclear power and also discussed the potential impact on NWMO of Canada's participation in the Global Nuclear Energy Partnership (GNEP).

16. Draft Implementation Plan

Ms. Shaver introduced the draft Implementation Plan noting Board confirmation was being sought to proceed to invite public review and comment on the draft Plan.

Anda Kalvins reviewed the Plan with the Board. She noted that the Plan sets out the NWMO's proposal about how to move forward over the next five years. The Plan has been developed with guidance from interested Canadians and will be released in draft for the purpose of seeking additional input. The plan for Phase 2 Engagement, to invite comment on the draft Implementation Plan, is as follows:

- Public review via:
 - Posting draft Implementation Plan on NWMO web site, with questions;
 - Mailing draft Implementation Plan with questions to a large distribution;
 - Review at Citizens' Panels; and
 - Discussion during e-dialogues.

The President noted that the five-year implementation plan is entirely consistent with the five-year business plan approved by the Board in November 2007. The only difference is that the implementation plan provides more context and description to allow for improved public understanding but does not include costs.

Following the public review period, the draft will be revised as appropriate in light of the comments received. Staff are working towards final review and approval by the Board at its June 19, 2008 meeting. (*)

The Board asked questions regarding: public accessibility to the Plan; how NWMO will incorporate the public's comments; and, the timing and period of time the Plan is available for public comment.

The Board complimented NWMO staff on the clarity and quality of the document and directed staff to proceed with public review.

17. Draft Transparency Policy

Ms. Shaver introduced the draft transparency policy for Board review and noted that NWMO plans to invite public review and comment on the proposed draft.

Pat Moran reviewed elements of the proposed policy with the Board. Mr. Moran indicated that the policy is meant to take a proactive approach to transparency. The transparency policy will be available for public comment in conjunction with the Implementation Plan.

In the Board discussion that ensued, Directors discussed the proposed direction. The Board requested that all ministerial responses to NWMO reports be made public as

part of the commitment to transparency. Directors concurred with release of the draft policy for public review.

18. Board of Directors' Charter

Dr. Kugler noted that the Board Charter was developed last year in conjunction with NWMO's new general by-law. The commitments in the by-law are tracked on an on-going basis to ensure they are met.

The Chairman asked the Board members for comment or suggested changes required to the Charter. All Board members agreed that the Charter was appropriate as written and required no changes at this time.

19. Next meeting of the Board:

Meeting #3

June 19, 2008

9:00 am – 4:00 pm ADT

Location: Saint John, New Brunswick

All members of the Board are also invited to attend the NWMO Annual General Meeting of Members as follows:

June 20, 2008

8:00 am – 10:00 am ADT

Location: Saint John, New Brunswick

Siting Committee meetings:

June 18, 2008

2:00 pm – 4:30 pm ADT

Location: Saint John, New Brunswick

Dr. Kugler invited the Board members to attend the Annual General Meeting on June 20 in New Brunswick.

Ms. Sharon MacFarlane invited all Board members to stay for a site tour of the refurbishment project at Point Lepreau after the Annual General Meeting. She also mentioned that the New Brunswick Power Board of Directors would be interested in a briefing on NWMO's work and to have dinner with the NWMO Board of Directors.

20. *In Camera Session*

The Chairman convened an *in camera* session with Directors.

Conclusion of Meeting

There being no other business, the Chairman declared the meeting terminated at 3:00 pm.

(*) Denotes actions to be taken.

Kathryn Shaver
Corporate Secretary

Dr. Gary Kugler
Chairman