

January 29, 2003
Meeting 2003-01

MINUTES

**OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
NUCLEAR WASTE MANAGEMENT ORGANIZATION (NWMO)**

**(Used Nuclear Fuel Organization: Options Review /
Société d'étude des options de gestion du combustible nucléaire irradié)**

held in the Boardroom of the Nuclear Waste Management Organization, at 49 Jackes Avenue,
Toronto, Canada, on January 29, 2003, commencing at 9:00 A.M.

Present

Richard Dicerni	Chairman
Stuart Groom	Director
Adèle Malo	Director
Ken Nash	Director and Vice Chairman
René Pageau	Director

being a quorum of Directors of the company in accordance with article 8.8 of the By-Law, and

Elizabeth Dowdeswell	President
Kathryn Shaver	Corporate Secretary

Regrets

Fred Long	Director and Treasurer
David Crombie	Chairman, Advisory Council

Notes

In attendance for Agenda Item #5:

Jo-Ann Facella	NWMO
Jamie Watt	Navigator
Dianne LeBreton	Navigator

1. **Constitution of Meeting**

Notice of the meeting having been given to all of the Directors of the Company and a quorum of the members being present, the Chairman declared the meeting duly constituted for the transaction of business at 9:00 A.M.

2. Approval of Agenda

The Board of Directors approved the Agenda for the January 29, 2003 meeting.

3. Approval of the Minutes – November 12, 2002

The minutes of the meeting of the Board of Directors held on November 12, 2002, a copy having been sent to each member of the Board, were approved as recorded.

4. Actions Arising from the Minutes

There were no outstanding actions.

5. Public Opinion Research

The President provided introductory comments on the public opinion research that was commissioned by the NWMO as a means of providing some preliminary baseline information. This early research was intended to: explore the range of opinions held by Canadians on the subject of nuclear waste and its management; gauge awareness of these issues, interest and the potential for participation; and help to advise the NWMO on the best means of communicating with Canadians.

Mr. Jamie Watt of Navigator delivered a presentation to the Board of Directors on the public opinion research that Navigator conducted on behalf of the NWMO. Mr. Watt outlined the research methodology adopted in conducting the qualitative phase of the research. This research took the form of focus groups conducted in November and December 2002 in different regions of Canada, and in both French and English. He provided an overview of some of the findings from the research, and spoke to the next phase of this public opinion research that will be comprised of quantitative research through polling. This work is targeted for completion in early March 2003.

Mr. Groom offered to share with Navigator and the Board the results of public opinion research conducted by New Brunswick Power. (*)

6. Debrief from January 2003 Advisory Council Meeting

The President provided the Board with an overview of the January 10-11th, 2003 Advisory Council meeting, on behalf of the Advisory Council Chairman.

- The President provided a brief overview of the Advisory Council's substantive agenda and discussion from January 10-11th, highlighting the guest presentations from Mr. Blair Seaborn and Mr. Ric Cameron, Assistant Deputy Minister – Energy Sector, Natural Resources Canada. Minutes from the Advisory Council meeting were shared with the Board for their reference.
- The Board discussed the reference in the Council minutes to the Advisory Council's concern over the potential for confusion should Natural Resources Canada proceed

with consultations with Aboriginal peoples on a parallel track with the NWMO. The Board shares this concern and identified as a priority the need to clarify accountabilities for consulting with the aboriginal peoples. Recognizing engagement of aboriginal people to be an important part of the NWMO's legislated mandate under the *Nuclear Fuel Waste Act*, the Board directed the President to request clarification from Natural Resources Canada as to which body – the NWMO or Natural Resources Canada – will coordinate and be accountable for leading the consultations with the aboriginal people on the topic of nuclear waste management. (*)

The next face-to-face meeting of the Advisory Council has been scheduled for March 27-28th.

- Linda Keen, President of the CNSC and Lois Wilson are confirmed as guest speakers at the March Advisory Council meeting.
- Board members are invited to join the Advisory Council for the presentations by the guest speakers at the March session.

7. President's Report

The President provided the Board with an update on a range of activities completed by the organization in 2002 and under way at present.

- On stakeholder engagement to date: The President provided the Board with an overview of stakeholder meetings held to date, and tabled highlights from those introductory meetings, including highlights from meetings held in the United Kingdom.
- On future stakeholder engagement: A plan was tabled with the Board which depicts the different phases of the engagement through to November 2005. The President elaborated on the focus and activities planned for each phase of the NWMO workplan relating to early meetings to understand expectations, exploration of fundamental issues, and evaluation of the options.
- On the NWMO website: The Board was advised that following the initiation of the website design work on January 2, 2003, considerable staff work has been undertaken, to support the launch of the website on January 29, 2003. At the conclusion of the meeting, the Chairman and President officially declared the website operational.
- On communications: The President updated the Board on the meeting convened by the NWMO on December 10, 2002 with public affairs and regulatory staff from the three member companies. The President expressed her appreciation for the contributions of participants, and signaled the follow-up activities under way in support of continued two-way dialogue on a range of communications issues.
- On governance: The President outlined the reporting timelines for tabling the 2002 Annual Report with the Minister of Natural Resources Canada. The production schedule was outlined, and a draft table of contents for the Report was tabled with the Board for comment. The Chairman invited Board members to forward to the President's attention any comments they may have on the table of contents. (*)

8. Treasurer's Report

On behalf of the Treasurer, the President provided the Board with a status update on the independent audit of the NWMO for fiscal year 2002. Deloitte & Touche are in the process of conducting the audit, and will have the audited statement completed by February 15, 2003.

The President drew the Board's attention to the report sent to them from the auditor, which was taken as read.

Deloitte & Touche, in their January 20, 2003 correspondence to the Board of Directors, outlined the 2002 Audit Service Plan for the NWMO and their responsibilities in conducting the audit and confirmed their independence of the NWMO.

With respect to the Board oversight responsibilities outlined in the Deloitte & Touche Audit Service Plan, the Board requested that these issues be brought forward for discussion to ensure that the NWMO and the Board are fulfilling all due diligence with respect to risk management and control, financial reporting and audit activities. The President will follow up on these matters with the Treasurer, and bring forward for Board discussion a proposed process for ensuring that an appropriate oversight structure and due diligence on all financial matters is fully integrated into the NWMO governance and organizational structure. (*)

9. 2003 Business Plan and Budget Allocation

The President tabled for Board approval a proposed Business Plan and Budget Allocation for fiscal year 2003.

The draft Business Plan and Budget Allocation followed from the decision of the Board in November 2002 to approve an overall Budget envelope for fiscal year 2003 in the amount of \$7,400,000. At that time, the President committed to bring forward to the Board in January 2003 a proposed allocation of that approved 2003 Budget against a 2003 Business Plan.

The President outlined the context for the proposed budget allocation, noting a planned focus in 2003 on stakeholder consultation and communications. Extensive public engagement will be conducted in concert with, and in consultation with, technical research and analysis. The insights gained both from the engagement processes and the technical research and analysis in 2003 will then be integrated to develop the analytical framework for the study of management approaches.

In presenting the Plan, the President flagged that the outreach and research areas were not developed with specificity, owing to the following considerations:

- The technical work initiated by the joint waste owners has not yet been received. The NWMO is not, therefore, in a position at this time to identify the nature of further research that may be required to ensure a comprehensive analysis of the options.

- Through the first phase of the engagement process, the NWMO will be inviting the public to identify key issues and help shape the framework for the research and analysis. This aspect of the workplan will therefore necessarily evolve during Q1 and Q2 2003.

There was general agreement among Board members with respect to the amounts allocated to broad categories of: Stakeholder Consultation and Communication; Research and Analysis; Advisory Council; and Administration.

The Board noted the large remaining amount of the budget envelope that was reserved as Contingency. The President clarified that current budget allocations to the Research and Analysis, and the Phase II Engagement process are both conservative estimates. The residual contingency provision noted above is in recognition that further research may be required. The President noted further, that iterative phases of work and the integration of the various engagement and research findings will be an essential part of the mandate for 2003.

The Chairman requested that this matter be discussed at a future Board meeting to illustrate the integrated project planning framework for 2003. (*)

The Board requested quarterly updates of the NWMO annual budget expenditures as routine procedure. (*)

IT IS HEREBY RESOLVED that:

- The 2003 Business Plan and Budget Allocation, as presented to the Board, be approved for fiscal year 2003 as presented, subject to prior Board approval of any proposed expenditure of the Contingency provision.

This motion was made, seconded and unanimously passed.

10. Corporate Identity

The President presented a proposal that the official corporate name be changed:

- from "Used Nuclear Fuel Organization: Options Review" /
"Société d'étude des options de gestion du combustible nucléaire irradié"
- to "Nuclear Waste Management Organization (NWMO) /
Société de gestion des déchets nucléaires (sgdn)"

This proposal was brought forward consistent with the public identity that has been established and well received, and in light of the NWMO's desire to seek legal clarity in corporate identity.

The Corporate Secretary outlined the process for changing the corporate name. Subject to Board approval, By-Law No. 3, changing the corporate name and authorizing application for the issue of Supplementary Letters Patent to confirm the same, would be presented to NWMO Members for approval to proceed. A submission to Industry Canada for supplementary letters patent would then be made.

The proposed name has undergone a preliminary search by Industry Canada, and has been approved for use for 90 days (to March 16th) or until it is officially adopted through supplementary letters patent.

IT IS HEREBY RESOLVED that:

A By-Law be enacted, being By-Law No. 3, changing the corporate name from the

Used Nuclear Fuel Organization: Options Review /
Société d'étude des options de gestion du combustible nucléaire irradié

to

Nuclear Waste Management Organization (NWMO)/
Société de gestion des déchets nucléaires (sgdn).

The Board authorized the Corporate Secretary to call a Special Meeting of Members for purposes of sanctioning By-Law No. 3, and proceeding with the application for Supplementary Letters Patent through Industry Canada for the proposed English and French corporate names. (*)

This motion was made, seconded and unanimously passed.

11. Policies and Procedures

The President outlined the proposed approach to developing policies and procedures that will guide the approach and operations of the NWMO.

- The President proposed that the Board of Directors approve those NWMO Policies relating to corporate direction at the highest level. These would be policies of a material nature that shape substantially the way in which the NWMO undertakes its mandate. Such policies would reflect and communicate clearly the expectations shared jointly by the President and the Board of Directors for the business integrity, underlying vision and operating principles of the organization.
- The President further proposed that the President retain decision-making responsibility for policies and approaches developed to govern to day-to-day operations and procedures of the NWMO.

The Board concurred with this delineation of Board and Presidential policies.

The President shared with the Board for information and comment a draft Vision, Mission and Values Statement for the NWMO.

12. Future Meetings

The Board was presented with a proposed schedule of Board meetings for 2003.

- For planning purposes, there was Board agreement that meetings would be targeted for February (conference call), May and September or October.
- The Board supported the proposal that the September/October meeting be held jointly with the Advisory Council.

The Chairman requested that the meeting schedule be revisited once the Business Plan is developed in more detail, to determine if additional meetings may be required to address key strategic discussion and decision points in the workplan. (*)

In Camera Meeting

The members of the Board of Directors met in camera.

Termination of Meeting

There being no other business, the meeting terminated at 12:40 p.m.

Asterisk (*) denotes action to be taken

Corporate Secretary