

NUCLEAR WASTE MANAGEMENT ORGANIZATION (NWMO)

**BOARD OF DIRECTORS
MEETING**

April 16, 2009

AGENDA

1. Approval of Agenda
2. *In Camera* Session
3. Minutes of Previous Meeting
4. Business Arising from the Previous Minutes
5. Report from the Siting Committee Chair
6. Report from the Advisory Council
7. President's Report
8. Management Reports
9. IPSOS Presentation
10. Update on Aboriginal Engagement for the Kincardine Project
11. Update on Strategic Planning Items
12. Niigani Resolution
13. *In Camera* Session
14. Next Meeting of the Board

Conclusion of Meeting

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 16, 2009
commencing at 9:00 a.m.

Present

Gary Kugler	Director, Chairman
Pierre Charlebois	Director
Donn Hanbidge	Director
Ron Jamieson	Director
Sharon MacFarlane	Director (via teleconference)
Ken Nash	Director, President & CEO
Josée Pilon	Director
Deborah Poff	Director
Ian Ross	Director

Staff in attendance

Angelo Castellan	VP Environmental Assessment & Corporate Support (except item 2)
Jo-Ann Facella	Director, Social Research and Dialogue (items 8, 9)
Frank King	VP and Chief Engineer (except item 2)
John Mauti	Chief Financial Officer (except item 2)
Pat Moran	General Counsel and Corporate Secretary
Sean O'Dwyer	VP, Human Resources (except item 2)
Jamie Robinson	Director, Communications (except item 2)
Sean Russell	Acting VP, APM Technology (except item 2)
Gillian Morris	Assistant Board Secretary (except item 2)
Pat Patton	Director, Engagement & Aboriginal Relations (items 8, 12)
Ian Pritchard	VP, Design and Construction (except item 2)
Kathryn Shaver	VP, Public Engagement, Communications and Siting (except item 2)

Guests (item 8)

John Wright	IPSOS Reid
Will Daley	IPSOS Reid

1. Approval of Agenda and Constitution of Meeting

Dr. Kugler chaired the April 16, 2009 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 16, 2009 meeting was approved.

2. In Camera Session

The Board received an update on the status of executive recruitment.

3. Minutes of Previous Meeting

The minutes of the meeting of the Board of Directors held on February 19, 2009, copies having been sent to each member of the Board, were approved.

4. Business Arising from the Previous Minutes

Mr. Moran reviewed the outstanding actions arising from the previous Board meeting. All items were reported to be addressed later in the agenda or complete.

5. Report from the Siting Committee Chair: Site Selection Process Proposal for Public Review

The Siting Committee Chair, Mr. Jamieson, reported on the February 17 Committee meeting where the Committee received a report on the results of the Fall 2008 dialogues. Mr. Jamieson noted that the primary item for Committee discussion was the draft Siting Process and the preliminary engagement plan. The Committee provided comments on both documents.

On April 3, the Committee reconvened in advance of the Board meeting, inviting all of the Directors to participate to ensure all views were incorporated in order for the document to be released in early May. The consensus of the Committee was that the document was very well written and management was left to consider the additional comments provided. The Committee agreed to recommend to the Board that management be given approval to begin the public engagement process on the draft Siting Process in May as planned.

The Board reviewed the draft Siting Process document, providing additional comments and having a lengthy discussion on how best to illustrate that regulatory approvals are integral to APM. The Board gave management approval to proceed:

IT IS HEREBY RESOLVED THAT:

Management is hereby given approval to proceed with public engagement on the draft Site Selection Process.

The motion was made, seconded and unanimously passed.

Ms. Shaver provided an overview of the public engagement activities planned for the draft Siting Process. Major engagement initiatives will include: public information sessions; citizen dialogues; multi-party dialogues; Aboriginal dialogues; and, on-going government briefings.

Mr. Jamie Robinson outlined the public distribution plan for the draft Siting Process, noting it will be posted on NWMO's website, mailed to a wide distribution list and available at all the public information sessions.

The Board Chair thanked management and staff for their efforts to successfully complete the draft Site Selection Process document.

Mr. Jamieson also reported on his trip to the NEA's recent meeting of the Forum for Stakeholder Confidence (FSC) in France. The FSC facilitates the sharing of experience in addressing the societal dimension of radioactive waste management and explores means of ensuring an effective dialogue with the public with a view to strengthening confidence in the decision-making processes. Mr. Jamieson reported that the conference provided an excellent opportunity for an exchange of information and that NWMO was a very well respected entity at the conference.

6. Report from the Advisory Council

Mr. Crombie, the Chair of the Advisory Council sent his regrets and requested that Ms. Shaver provide an update to the Board from the last two Advisory Council meetings on his behalf.

Ms. Shaver reported on the November 14, 2009 Advisory Council Meeting. The Council received standing updates including: the President's Report; an engagement and social research update; and an update on the technical research and development program.

Council also met with a number of external guests on November 14:

- Mr. Jaime Watt attended the meeting to present the findings from the Citizens panel;
- Niigani met with Council; and
- Dr. Hooper, Chair of the Independent Technical Review Group (ITRG), reported to the Council on its findings.

Ms. Shaver also noted that the Council had discussed its mandate as it relates to the Kincardine low and intermediate level waste deep geological repository (L&ILW DGR). Council agreed that it is important to continue to be advised on developments in the

Kincardine project, but the focus of their work would remain on the implementation of APM.

On March 9, 2009, the Council was given an opportunity for Aboriginal cultural sharing with Niigani. Council was provided with information on cultural protocols, ceremonies, and traditional teachings and prophecies. Two Aboriginal youth also spoke on learning from Elders.

Ms. Shaver also reported on the March 10, 2009 meeting of the Advisory Council. She reported that the Council:

- received regular standing updates on NWMO's work;
- had a lengthy discussion and provided input on the draft Siting Process;
- received an update on the engagement activities for the design of the siting process;
- received a presentation from Mr. John Wright and Mr. Will Daley from IPSOS on their findings from the national telephone survey conducted for NWMO in the fall of 2008; and.
- discussed how NWMO plans to incorporate used fuel from new nuclear reactors into NWMO's implementation plans for APM. Also discussed was the impact on APM of the decision on different technologies for new build reactors, the financial feasibility of reprocessing, and the potential impact reprocessing would have on fuel quantities.

Ms. Shaver also reported that the Council submitted its annual letter to the Minister on NWMO's work in 2008. A copy was provided to the Board and Ms. Shaver noted that the letter will be posted on NWMO's website.

7. President's Report

The President updated the Board on NWMO's activities since the last Board meeting.

ADAPTIVE PHASED MANAGEMENT

Engagement Activities

Mr. Nash reviewed the results of positive meetings with: the Aboriginal Elders Forum; NWMO's Municipal Forum; the President of the CNSC re the signing of a special project agreement between NWMO and the CNSC, and with the Minister of Natural Resources Canada.

Research and Development

A request for proposals for the design and cost estimating work for the used fuel deep geological repository has been issued.

Funding Formula

The Minister of Natural Resources approved the NWMO's funding formula as submitted.

Adapting to Change

NWMO published an updated implementation plan. Technical papers on the topic of incorporating new build reactors in NWMO's plans were also published.

Building Capacity

NWMO's national job advertisement has brought in a good response in some areas and a modest response to technical positions. Ian Pritchard has been hired as the Vice President of Design and Construction for the low and intermediate level waste DGR.

Governance

Work continues toward establishing governing documents with a view to eventual ISO 9001 certification.

Siting

Mr. Nash reported that an intensive effort has been underway to develop the draft Siting Process for public review. Detailed plans for engaging the public, briefing government officials, and briefing media are in progress. Mr. Nash outlined the status of discussions with the governments in the four nuclear provinces. He noted that a report was recently released in Saskatchewan by the Uranium Development Partnership that included a discussion of Saskatchewan being a possible location for a Deep Geological Repository.

Low & Intermediate Level DGR (L&ILW DGR)

Mr. Nash reported that the work on the L&ILW DGR has progressed as planned. Meetings were held with the community advisory group to brief the group on the development of NWMO's siting process. A protocol agreement with the Saugeen Ojibway Nations has been signed with NWMO.

Other Nuclear Waste Developments in Canada

A meeting of the waste owners was held where it was agreed to formalize a working group and to work towards a comprehensive plan for low and intermediate level waste.

International Developments

Mr. Nash updated the Board on developments in Sweden and the United Kingdom.

The Board was invited to discuss Mr. Nash's report. The Board discussed the acceptance of the funding formula from the Minister and the resulting member contributions as mandated in the legislation. Mr. Nash noted that in her approval letter, the Minister requested NWMO to work on the question of how used fuel from new build reactors would be incorporated into the funding formula.

8. Management Reports

APM Engagement Report

Ms. Shaver discussed several highlights of her report on NWMO's engagement activities. As a follow up to a Board request, Ms. Shaver reviewed the expenses for the Municipal Forum and the Niigani and Elders' meetings.

The Board also discussed the presentation made to NWMO staff by Murray Stewart of ITER and siting lessons learned from that project.

APM Technical Report

Mr. Sean Russell reviewed highlights of activities in the APM technical program. He noted that NWMO was hosting an international project meeting for URL (Underground Research Laboratory) shaft sealing and monitoring. Mr. Russell also reported the following:

- an NWMO report was recently published on the role of dissolved hydrogen in preventing the corrosion / dissolution of spent nuclear fuel;
- work was initiated on Canadian and international experience on transportation of hazardous waste and used nuclear fuel; and,
- a request for proposal was issued to update the APM conceptual design and cost estimates.

The Board discussed the involvement of the Canadian Nuclear Safety Commission (CNSC) in the pre-licensing phase of work for APM. A Director suggested inviting the President of the CNSC, Dr. Binder, to an upcoming Board meeting. (*)

L&ILW DGR Project Report

Mr. Frank King updated the Board on recent activities in the Kincardine L&ILW DGR project. Mr. King reported that the work program for 2009 was on schedule. NWMO has been very active in the community attending a number of events with the new DGR mobile trailer.

Mr. King also reported progress in the following areas:

- the final EIS guidelines have been reviewed within NWMO and internal work programs are being finalized;
- geoscientific site characterization work continues with the drilling of two boreholes underway;
- a contractor has been chosen for the preliminary engineering;
- an international peer review team has been established to review the current version of the post-closure safety assessment;
- NWMO's regulatory affairs staff met with the CNSC; and
- work on NWMO's quality system continues and a quality plan has been submitted to the CNSC.

The Board discussed Mr. King's report. Mr. King undertook to provide a Board Member with the detailed quarterly report on the project.

Progress Against 2009 Business Plan & Performance Objectives / Cash Flow Report
John Mauti summarized NWMO's performance to date for 2009 reporting that all of the objectives are on schedule per the business plan. Mr. Mauti also reviewed the list of governing documents scheduled for development during 2009.

Human Resources Report

Sean O'Dwyer updated the Board on recent organizational development and human resources activities. He reported that NWMO is actively recruiting for 30 positions and received a large number of applications in response to the recent national advertisement. Interviews with candidates are underway. Mr. O'Dwyer also noted that he was working with NWMO's Executive Committee on succession planning.

Legal Report

Pat Moran reported on the status of the Mushkegowuk Council Judicial Review.

9. IPSOS Presentation

Mr. John Wright from IPSOS Reid Public Affairs joined the Board meeting to present the findings of their national survey on Views and Attitudes toward Nuclear Waste conducted in late 2008.

Mr. Wright reviewed the results and the Board asked a number of questions relating to:

- how the survey participants were selected;
- if the questions specifically distinguished between low-level waste and used fuel;
- whether there were any unexpected results in the survey; and
- the public's awareness of NWMO.

The Board Chair thanked Mr. Wright for his informative report.

10. Update on Aboriginal Engagement for the Kincardine DGR Project

Angelo Castellan updated the Board on the protocol agreement signed with the Saugeen Ojibway Nations (SON). SON will also be invited to comment on NWMO's draft Aboriginal Policy. Mr. Castellan noted that he will be providing ongoing updates to the Board on this relationship and any implications for APM.

The Board discussed Mr. Castellan's report and the communities' size, legal status and history of its relationship with Ontario Power Generation.

11. 2009 Strategic Planning

Mr. Nash reported that an internal strategic planning session held with the management team to review developments in the internal and external environment since the 2008 planning process and to identify any significant planning changes that might be required for 2009. Four strategic issues were identified and reviewed by management. Mr. Nash invited the Board to discuss the four topics.

1. Cooperation on Low and Intermediate Level Waste

In 2008, discussions were initiated with waste owners and Natural Resources Canada to review potential opportunities for cooperation in the management of Canada's low and intermediate level waste. Agreement has been reached to formalize a working group with an objective of developing a comprehensive plan for the long-term management of low and intermediate level waste in Canada. Mr. Nash asked the Board to consider whether NWMO should have a role in this task and if so, what role might NWMO play.

The Board discussed potential roles for NWMO. The Board agreed that it was in the NWMO's interest to play a coordinating role in the effort to develop a comprehensive plan for low and intermediate level waste for Canada, to ensure that there was proper coordination between that activity and NWMO's APM mandate.

2. Operational Consistency

Mr. Castellan discussed aligning operations between APM and the L&ILW DGR. Mr. Castellan asked the Board to consider to what extent NWMO's Mission, Vision, Values, Aboriginal Policy, and approach to community well-being and engagement activities should be consistent in all areas of its work.

The Board discussed the issue of consistency in its transparency policy. NWMO has set a very high standard for transparency in making most documents available to the public through its website. Management noted that NWMO's values are being followed consistently by employees working on APM and the L&ILW DGR.

3. International Developments

Sean Russell outlined the recent developments in the USA's decision-making process for storing used fuel at Yucca Mountain. The Obama administration has stated that Yucca Mountain is not an option for spent fuel management in the USA. NWMO must consider the potential impacts this and the possible decision of the USA to focus on reprocessing might have on APM.

The Board discussed the recent developments. Mr. Nash highlighted the fact that the NWMO is approaching APM and siting in a very different way with the search for a voluntary host community. The Board members agreed that while NWMO must be ready to answer questions about Yucca Mountain and continue to be informed on developments in the USA, there is no other action required at this time.

4. Staffing

Sean O'Dwyer discussed the growing staffing needs for NWMO and the expectations for continued growth in the future. He asked the Board to consider a number of questions related to staffing including building internal capability versus reliance on external contractors.

The Board discussed NWMO's staffing plans including:

- the need for NWMO to develop succession plans;
- continuing to develop a reasonable balance of in-house staffing versus reliance on external contractors;
- creating an inventory of current skills and ensuring NWMO has "Smart Buyer" capability; and
- ways to ensure staff retention, while also planning for natural staff turnover.

12. Niigani Resolution

Ms. Shaver reported that at the last Board meeting, Board members expressed interest in communicating their appreciation for the work of Niigani and the Elders via a formal resolution. The Board agreed on the resolution below:

IT IS HEREBY RESOLVED THAT:

The Board acknowledges and values the strong contribution that Niigani and the Elders Forum have made to NWMO's work and expresses its appreciation to the members for their commitment and passion. Niigani and the Elders Forum have played an important role in developing the ability of NWMO to understand the Aboriginal way of life based on the protection and preservation of all creation for this and future generations. NWMO thanks Niigani and the Elders Forum for enhancing NWMO's understanding of the goals and aspirations of Aboriginal peoples and NWMO's ability to work and consult with Aboriginal communities.

The motion was made, seconded and unanimously passed.

13. In Camera Session

It was determined that an in camera session was not required.

14. Next meeting

The Chairman noted that Director Pierre Charlebois would be retiring from Ontario Power Generation (OPG), but will be remaining on the Board as an OPG appointed independent director.

Conclusion of Meeting

There being no other business, the Chair declared the meeting terminated at 2:10 pm.

(*) Denotes actions to be taken.

Pat Moran
Corporate Secretary

Dr. Gary Kugler
Chair