

**NUCLEAR WASTE MANAGEMENT ORGANIZATION (NWMO)**

**BOARD OF DIRECTORS  
MEETING**

**December 1, 2011**

**AGENDA**

1. Constitution of Meeting and Approval of Agenda
2. Minutes of Previous Meeting
3. Business Arising from the Previous Minutes
4. *In Camera* Session
5. President's Report
6. Report from the Siting Committee
7. Report from the Audit, Finance & Risk Committee
8. Report from the L&ILW DGR Oversight Committee
9. Report from the Advisory Council
10. Report from the Independent Technical Review Group (ITRG)
11. Update on the APM Siting Process
12. NWMO Support to the Construction Phase of the OPG L&ILW DGR
13. 2012-2016 Draft Business Plan
14. Re-Development of the Elders Forum
15. Advisory Council Appointments
16. Update on APM Technical Program
17. Legal Update
18. Next Meeting of the Board
19. *In Camera* Session

Conclusion of Meeting

**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 December 1, 2011**  
**commencing at 9:00 a.m. EST**

Present

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

Guests:

Albert Sweetnam	OPG, Executive Vice President
David Crombie	Chair, NWMO Advisory Council (via teleconference, Item 9)
Alan Hooper	Chair, NWMO Independent Technical Review Group (Item 10)

Staff in attendance:

Angelo Castellan	VP Environmental Assessment & Corporate Support
Michael Hung	Acting Chief Financial Officer
Chris Hatton	Director, APM Repository Design Development
Frank King	VP and Chief Engineer
Pat Moran	General Counsel and Corporate Secretary
Gillian Morris	Assistant Board Secretary
Sean O'Dwyer	VP, Human Resources
Pat Patton	Director, Aboriginal Relations (Item 14)
Jamie Robinson	Director, Strategic Communications
Sean Russell	Director, Repository Engineering
Kathryn Shaver	VP, APM Engagement and Site Selection
Bob Watts	Director, Aboriginal Community Relations (Item 14)
Derek Wilson	VP, L&ILW DGR Design & Construction

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.

The agenda for the December 1, 2011 meeting was approved.

2. Minutes of Previous Meeting

The minutes of the meeting of the Board of Directors held on September 29, 2011, copies having been sent to each member of the Board, were approved.

3. Business Arising from the Previous Minutes

Mr. Nash reviewed the approach that will be taken on public communication of the APM Cost Estimate, as requested by directors at the September meeting.

4. In Camera Session

The Board convened an *in camera* session to discuss the report from the Chair of the Human Resources and Compensation (HRC) Committee. The Board also evaluated the 2011 NWMO performance results, and discussed and approved a number of staff compensation matters.

Michael Hung, appointed previously as acting Treasurer and CFO, was confirmed in the position.

**BE IT RESOLVED THAT:**

On the recommendation of the Human Resources and Compensation Committee, the Board of Directors appoints Michael Hung to the position of CFO/Treasurer.

The motion was made, seconded and unanimously passed.

5. President's Report

Mr. Nash updated the Board on developments since the last Board meeting:

- work on building relationships which included meetings with government ministries, Aboriginal organizations, and meetings with newly appointed Ministers;
- an overview of APM siting activities including the entry of a ninth community into the Learn More phase of the siting process;
- progress in the APM Technical program including completion of the 2011 report from the Independent Technical Review Group and work underway on the logistics study regarding moving used fuel from interim storage to the APM repository;
- the status of the submission of NWMO's fourth case study for a DGR and preparation of a 5<sup>th</sup> case study;

- the status of the work on OPG's low and intermediate level waste (L&ILW) DGR. NWMO still awaits the appointment of the Joint Review Panel. Work continues on the detailed design and preparation for construction;
- recent hiring and staffing changes;
- work to continue to strengthen NWMO's internal governance for the design and construction phase for the work on OPG's L&ILW DGR;
- in national developments, the sale of AECL's CANDU reactor business to SNC Lavalin; and
- NWMO's hosting of the International Conference on Geological Repositories in fall 2012.

6. Report from the Siting Committee

Mr. Jamieson provided a report to the Board on the November 29, 2011 Siting Committee meeting. Siting Committee topics included:

- an update on engagement of communities in the Learn More program;
- an update on discussions with communities as they begin to assess whether or not they wish to proceed to the Feasibility Study phase in the siting process;
- a briefing on activities underway to build relationships in support of siting;
- a discussion on the re-development of the Elders Forum. Committee members recommended moving forward with the re-structuring in a timely manner and that NWMO must continue to emphasize that the Elders Forum is an advisory body to management not a decision-making body;
- a review of management's plans and NWMO's readiness to proceed to the feasibility studies phase of work; and
- a discussion around community well-being in the early phase of siting.

7. Report from the Audit, Finance & Risk Committee

Mr. Ross provided a report from the Audit, Finance and Risk Committee meeting held on November 29, 2011. Mr. Ross reported that the Committee discussed the following topics:

- the recommendation of the 2012-2016 NWMO Business plan to the Board for approval;
- 2012 performance objectives and measures;
- communication plans for the APM DGR cost estimate;
- ONFA reference plan updates;
- pension management committee updates and management reports;
- accounting practices for NWMO's work on the OPG L&ILW DGR; and
- a review of the top five executives' expenses - all was reported to be in order.

8. Report from the L&ILW DGR Oversight Committee Meeting

Dr. Kugler provided the Board with a report from the L&ILW DGR Oversight Committee Meeting on November 14, 2011 held in Toronto.

Dr. Kugler reported that the Committee considered the following items:

- updates on both the regulatory review phase of work and the detailed design phase of work;
- the 2011 health and safety performance at site. Dr. Kugler reported that all objectives were met in this program, all workers were safe and the program received 100% support of management;
- the costs related to CSA Z1000 and ISO 14001 certifications;
- 2012 work plan objectives for both the design and construction and regulatory approvals phase; and
- a review of a revised contracting plan for the L&ILW DGR.

9. Report from the Advisory Council

David Crombie, Chair of the NWMO Advisory Council, reported on the Council's discussion during its November 30 Advisory Council meeting. Council reviewed and discussed the following:

- NWMO's management reports on NWMO's recent activities
- at the request of Council, a review of potential business risk related to near-term activities in APM implementation;
- the APM site selection process and a detailed summary of the status of siting activities in the nine communities involved in the Learn More program;
- management's plans to begin the feasibility studies phase in 2012;
- engagement activities with provincial governments, media and a range of organizations;
- a presentation from the Chair of NWMO's Independent Technical Review Group (ITRG) on its 2011 annual report; and
- updates on NWMO's technical program.

Council had a lengthy discussion on the next steps of the re-development of the Elders' Forum. Council members urged NWMO to provide clarity on the intent and focus of the Elders' Forum in the terms of reference and to emphasize that it is an advisory body to the NWMO. Council also agreed that the priority is to restructure the Elders Forum, while signalling that youth involvement is important and will continue in a format to be determined. Council passed a resolution advising the Board of its support for management's proposal for restructuring the Elders' Forum.

Council also proposed to NWMO that opportunities should be sought to communicate NWMO's innovative approach to public engagement and work with communities. Council members offered a number of suggestions to provide a greater profile around NWMO's work.

10. Report from the Chair of the Independent Technical Review Group (ITRG)

Dr. Alan Hooper, the Chair of the ITRG presented the group's 2011 report. Dr. Hooper reported that the impressive development of the NWMO technical program has continued, now with a clear focus on the selection of a preferred site. The initiative to evaluate options for recovering stored used fuel and transporting it to a repository site will enable NWMO, in partnership with reactor site operators, to present a coherent system for long-term management of used fuel.

He reported that the ITRG felt that work within the technical program to build confidence in the safety case is appropriately focussed and most of the output will be required for direct application in interpreting information from site investigations. The ITRG noted that NWMO's Report "RD&D Program 2011" was a major achievement in explaining the rationale for the technical program in a highly readable and accessible manner. The ITRG also reported that NWMO will need to review the scope of the program once the number and nature of potential sites for evaluation and investigation is known.

Board members asked about the ITRG's comment that NWMO's schedule was ambitious and will have to work very efficiently in order to achieve it. Dr. Hooper reported that the totality of the program is appropriate but will be very demanding over the next six years but that the ITRG had been given confidence by the staff that the work is achievable.

11. Update on the APM Siting Process

Kathryn Shaver updated the Board on the nine communities actively involved in NWMO's Learn More Program. There are three communities in Saskatchewan and six in Ontario. Community capacity building activities are underway in all of the communities and they are also working to establish community liaison committees. Communities will now be examining their interest in proceeding to the feasibility study phase of work. Communities will be required to pass a Council resolution to proceed to that phase.

A Director queried whether all of the communities had passed the initial screenings and had been notified. Staff reported that eight communities have passed screenings and been notified. One community did not pass the screening, was notified, and is no longer in the process. Nipigon's screening is presently underway. Ms. Shaver reviewed the status of the discussions with communities as they begin to assess whether or not they wish to continue to the feasibility studies phase.

The Board convened an *in camera* session to discuss potential interest in the siting process from other communities.

12. NWMO Support to the Construction Phase of the OPG L&ILW DGR

Mr. Nash reported that it was decided to defer the resolution on proceeding to provide EPCM services to the OPG L&ILW DGR until the human resources planning strategy is further reviewed by Ontario Power Generation. The matter will be brought back to the Board in February 2012.

13. 2012 – 2016 Business Plan

Mr. Nash reviewed the changes made to the 2012-2016 Business Plan since the September meeting of the Board. It was noted that the specific number and timing of feasibility studies will not be known until early 2012 when communities have assessed their interest and capabilities. The experience in 2012 will inform the schedule for future years, particularly in the site selection plan assumptions.

Directors concurred with the plan as presented.

**IT IS HEREBY RESOLVED THAT:**

On the recommendation of the Audit, Finance & Risk Committee, the Board approve the 2012-2016 Business Plan as proposed.

The motion was made, seconded and unanimously passed.

14. Re-Development of the Elders Forum

Bob Watts reviewed the progress which has taken place since the last Board meeting on the development of the terms of reference for a restructured Elders Forum. Many Elders and representatives from the Board, Advisory Council, several National and Provincial Aboriginal organizations and the Elders Forum itself have helped shape both the restructuring process and the draft terms of reference.

Mr. Watts provided an overview of the November Elders Forum where members were offered the opportunity to review the restructuring documents. Much of the last Elders Forum meeting was held *in camera* and little formal feedback on the restructuring document was received. At that meeting, the Elders Forum removed the existing Chair and selected two new co-chairs. NWMO has since received a helpful letter from those co-chairs responding to the proposed draft terms of reference for a re-structured Elders Forum.

The Board strongly supported the need for the Elders Forum to continue and was in agreement with the re-structuring proposal put forward by management. The Board also agreed to the approach to finalizing a terms of reference based on the 15 points presented by Mr. Watts and the plan for receiving final input on the draft terms of reference. It was noted that the Elders Forum would continue to be an advisory group to management and, from time to time, would meet with the Board. Board members encouraged NWMO to recognize Gordon Williams for his work as Chair of the Elders Forum. The Board also agreed that it would be important to thank and recognize those Elders who have participated in the current Elders Forum.

15. Advisory Council Appointments

Pat Moran reported that the existing Advisory Council membership terms end on December 31, 2011. As outlined in the plan at the September meeting, NWMO contracted a firm to search for new Council members as required.

Nine current Council members are proposed for new terms. Dr. Wes Cragg is being proposed as a new addition to the Advisory Council, based on his credentials as a leading Canadian ethicist. Management continues to work with the search firm to look for candidates with experience in transporting hazardous goods and experience in implementing large projects in smaller communities.

The Board noted its appreciation of the contribution made by Rudyard Griffiths.

**IT IS HEREBY RESOLVED THAT:**

- Effective January 1, 2012, David Crombie is re-appointed to hold the office of Chair of the Advisory Council for a further period of three years.

- Effective January 1, 2012, the following Council members are re-appointed to the Advisory Council for a term of three years:
  - David Cameron
  - Dougal McCreath
  - Marlyn Cook
  - Fred Gilbert
  - Eva Ligeti
  - Derek Lister
  - Donald Obonsawin
  - Michel Rhéaume
  
- Effective January 1, 2012, Wes Cragg is appointed as a member of the Advisory Council for a term of three years.

The motion was made, seconded and unanimously passed.

16. Update on APM Technical Program

Sean Russell provided an update on the APM technical program. Mr. Russell reported the following:

- final reports on the APM conceptual designs and cost estimate for a deep geological repository and used fuel transportation system were completed;
- an interim report on the 4<sup>th</sup> Case Study postclosure safety assessment in crystalline rock using a very low permeability reference geosphere was completed in December 2011; and
- the 5<sup>th</sup> Case Study postclosure safety assessment in sedimentary rock is underway.

Chris Hatton reported on NWMO's design development plan noting that an independent review was undertaken by SKB in 2011 on the plan and their comments have been incorporated. Mr. Hatton discussed NWMO's logistics study to look at the various methods for transferring used fuel from the reactor sites to the APM repository. He also noted that a container sizing study to determine the optimum size of the used fuel repository container was underway. The work on copper coating technology and on radiological risk assessment during transportation was also reviewed.

Directors asked about specifics and the background of the safety cases. Mr. Nash noted that the NWMO would submit the safety cases to the Canadian Nuclear Safety Commission (CNSC) under a pre-project review agreement with them. The CNSC staff reviews the safety cases against CNSC standards and this also assists the CNSC staff in becoming familiar with NWMO's work.

Directors also discussed the radiological risk assessment on transportation of used fuel.

17. Legal Update

Pat Moran reported that the Mushkegowuk Tribal Council have formally discontinued their judicial review application.

Mr. Moran also reported that the new *Canada Not-for-profit Corporations Act* has been proclaimed in force. The NWMO, which was incorporated under the old *Canada Corporations Act*, now has three years to make the transition to the new legislation. An initial review of the legislation suggests that there will not be major changes to be made by the NWMO. A more detailed report and transition plan will be brought to the next Board meeting. (\*)

18. Next Meeting of the Board

A Director made a request to move the February Board and Committee meetings to an alternate date due to a conflict. Board members agreed to move the February Committee meetings to Monday, February 13 and the Board meeting to Wednesday, February 15. Gillian Morris will follow up with a confirmation notice to all directors. (\*)

19. In Camera Session

An additional *in camera* session was held without the presence of management or staff.

Conclusion of Meeting

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

(\*) Denotes actions to be taken.

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Pat Moran  
Corporate Secretary

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Dr. Gary Kugler  
Chair