

CANDU – A GLOBAL LEADER

AECL DELIVERY: ONLINE – ON TIME, ON BUDGET

AECL's delivery record – six reactors completed in 3 countries within the last 8 years – leads the international Nuclear Power industry

CANDU-6 has outperformed all competition since the year 2000 with a fleet average capacity factor of 88%, compared to 81% for the PWR/BWR global fleet and 87% for the US fleet^{*}

- All reactors were ready for production within original cost estimates and on or before scheduled dates
 - AECL's pace setting track record is achieved through advanced project management tools, modular open top construction techniques and strong relationships with world class partners like Hitachi and SNC-Lavalin
- Combined with strong Government backing allows AECL to offer unmatched project performance guarantees

AECL SUPPORT: MANAGING THE COMPLETE LIFE CYCLE

- :: AECL's innovative, full life cycle reactor support is provided through our government backed national research centre at Chalk River, Ontario
- :: Our long term vision for nuclear power drives the evolution of AECL's products from the CANDU-6 through ACR to Generation IV designs
- :: Utility partners are supported by AECL's complete range of refurbishment, long term waste management and plant decommissioning technologies and services

CANDU SAFETY: BEST IN THE WORLD

- S X 500 = 0 (Five Countries X Five Hundred Reactor Years = ZERO accidental release of radioactivity)
- :: Unique design means CANDU is the only reactor where failures of both primary and emergency cooling systems will not result in a fuel melt
- Passive Safety CANDU reactors combine a moderator tank, calandria shield heat sinks and elevated water tanks
- Dual Shutdown CANDU is the only reactor with two fast acting, independent shutdown systems
- CANDU 6's Passive Safety + Dual Shutdown = Lower Accident Frequency (Est. 3-6 events per million reactor years) Less than both operating BWR and PWR reactors

CANDU PERFORMANCE: VERY EFFICIENT

- CANDU is the only reactor with on-power fuelling capability that allows much longer run times. Pickering Unit 7 holds the world record for continuous operation – 894 days
- ACR reactors can run for up to three years between maintenance outages - LWRs require mandatory refueling outages every 12- 24 months
- CANDU-6 outperforms the competition with an 88% fleet average capacity factor compared to 81% for the PWR/BWR global fleet and 87% for the US fleet SINCE 2000*

* Source: CANDU Owners Group (Nov/04)

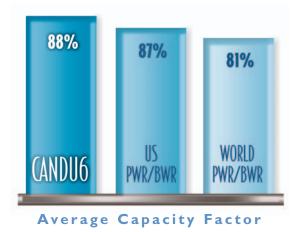


NON-PROLIFERATION CONTROLS: MOST RIGOROUS

- :: Importing countries must be a signatory to the Non-Proliferation of Nuclear Weapons Treaty and Canada's Nuclear Cooperation Agreement which insures AECL technology is used only for peaceful purposes
- **::** Full scope safeguards must be in place IAEA inspections, 24-hour surveillance of fuel in reactor core and spent fuel bay, security seals on all fuel containers
- :: CANDU/ACR fuel has lower enrichment and is less attractive to diversion
- :: Each CANDU fuel bundle has a unique identification number and all are accounted for through 500 reactor years of operation in five countries
- :: 5 x 500 = 0 (Five Countries x five hundred reactor years = zero diverted fuel bundles)

CANDU VALUE: A CANADIAN SUCCESS

- Canada's nuclear industry is a \$5 billion per year industry; 21,000 direct jobs, 10,000 indirect jobs, 150 firms, \$1.2 billion in exports.
- :: Operation of a common CANDU fleet in Ontario would offer dynamic economic benefits with reduced risk



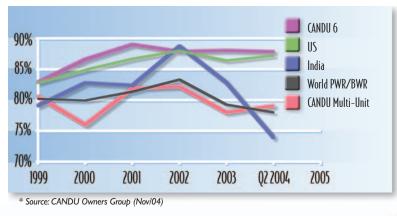
:: Infrastructure for CANDU full life cycle support is already in place which would be extremely difficult to provide for imported reactors

:: Commissioning 10 new CANDU reactors in Ontario over the next 20 years would create thousands of high tech jobs and lead to 200,000

person years of Canadian employment

- :: Exporting 10 CANDU reactors over 20 years would create another 50,000 person years of work
- Canada supplies two-thirds of the world's radioisotopes for nuclear medicine used in 12 million medical procedures a year and supplies 75% of the world's Cobalt 60 used to sterilize 40% of the world's medical supplies

Advanced CANDU Reactor (ACR™)



Gross Capacity Factor

AECL ng Services Dept.

Marketing Services Dept. 2251 Speakman Drive Mississauga, Ontario Canada L5K 1B2 Tel: (905) 823-9060 Ext: 6300 Fax: (905) 403-7420 www.aecl.ca