

1 Assessment hearing in June of this year, AECL originally
2 informed the Atomic Energy Control Board, back in 1996,
3 that the NRU reactor would not continue operation beyond
4 2005. That decision was based on the assumption,
5 considered reasonable at the time, that a replacement
6 facility would be operating by now.

7 As we all now, that has not happened and
8 NRU continues to be a vital source of medical isotope
9 production and it is Canada's premier facility for nuclear
10 power research and materials research.

11 Considering the need to continue to operate
12 the NRU, we embarked on a comprehensive project to
13 demonstrate that continued operation could be safely
14 sustained.

15 We then applied to remove the licence
16 condition that required NRU to be shut down at the end of
17 this year.

18 We have now applied to amend the date of
19 the licence to July 31st, 2006 to provide additional time
20 for our submissions to be reviewed by CNSC staff and for
21 us to satisfactorily address any comments they may
22 provide.

23 It became clear in the spring and early
24 summer of this year that there were outstanding items to
25 be resolved and, although there is a strong sense of

1 regularly and I confirm, again, their continued support.
2 We will continue to make the necessary investments to
3 ensure NRU's safety.

4 As I did this morning, I would like to
5 thank our community stakeholders for their efforts in
6 supporting our application. We appreciate very much your
7 interest and your support very much and look forward to
8 continuing the dialogue.

9 I will turn the presentation over to
10 Dr. Fehrenbach to provide specific details.

11 Thank you very much for your attention.

12 **DR. FEHRENBACH:** Good afternoon, Madam
13 Chair and members of the Commission, and thank you for the
14 opportunity to speak to you today in support of this
15 Application.

16 For the record, I am Paul Fehrenbach, Vice-
17 President of AECL Nuclear Laboratories.

18 As Mr. Van Adel pointed out, we are here
19 today to request an amendment to the Chalk River site
20 licence which would permit operation of NRU to July 31st,
21 2006. The present licence requires that NRU be shutdown
22 by December 31st, 2005 unless otherwise approved by the
23 Commission.

24 As Commission members are aware, we applied
25 in April of this year to have the licence condition

1 removed and to permit continued operation of NRU to about
2 2012. Since then we have made more than 30 technical
3 submissions in support of removing the licence condition
4 and will make additional submissions over the next several
5 months.

6 We have also had a number of meetings with
7 CNSC staff. Through these discussions it became clear
8 that additional time would be required to complete the
9 review and comment disposition process on our submissions
10 and that we would find ourselves bumping up against the
11 shutdown date in the licence without complete resolution
12 of all of the items under discussion.

13 An additional seven months will therefore
14 allow for further discussion of the various items without
15 reducing the urgency to resolve them and would bring the
16 site licence condition, concerning operation of NRU, into
17 alignment with the renewal date for the site licence.

18 Therefore, we are here today in support of
19 a request for a seven-month extension to the site licence
20 condition.

21 Our request to remove the licence
22 condition, that is, our request for longer term operation
23 of NRU, will be dealt with at a future hearing of the
24 Commission should the Commission grant the extension we
25 are seeking today.

1 Just to remind the Commission, NRU is a
2 heavy-water cooled and moderated reactor. The reactor is
3 shown in the centre of this slide with fuel rods oriented
4 vertically. The fuel rod flask operates over top of the
5 reactor. The biological shielding around the reactor
6 reduces radiation fields to very low levels, allowing
7 staff and researchers to work safely inside the main
8 reactor building and in close proximity to the reactor.

9 NRU started operation in 1957 and has,
10 during its lifetime, reached power levels up to 200
11 megawatts. The fuel was changed in the early nineties
12 from highly-enriched uranium to 20 per cent enriched
13 uranium, referred to as low-enriched uranium or LEU. The
14 reactor typically operates today at power levels up to 130
15 megawatts thermal.

16 The coolant for the reactor core operates
17 at a low temperature and pressure, about 55 degrees C and
18 0.76 megapascals. That would be 130 degrees Fahrenheit or
19 100 psi. There are two experimental fuel test loops
20 passing through the core that operate at CANDU power
21 reactor conditions within their own pressure boundaries.

22 We believe that a seven-month extension for
23 NRU is strongly supported by the sound condition of the
24 facility, the good operating record and the safety
25 improvements that have already been implemented. These

1 comprise both engineered safety features and improvements
2 in processes and resources as part of the NRU improvement
3 initiative that Mr. Van Adel mentioned earlier.

4 The good progress that has been made on
5 activities related to longer term operation of NRU
6 provides additional support for the seven-month extension.
7 I will expand on each of these points.

8 A key issue for supporting continued
9 operation of NRU is to confirm that the structures,
10 systems and components important to safety are in good
11 condition.

12 Therefore, we have performed aging
13 assessments of the NRU systems that are most important to
14 safety. The methodology we used is standard in the
15 industry for evaluating the prospects for continued
16 operation of nuclear facilities.

17 Our assessments include reviews of
18 equipment operation, maintenance records, information from
19 the manufacturer, technical knowledge of component
20 performance and detailed equipment inspections.

21 The most basic of these inspections is a
22 walk-down, which is a visual inspection of the accessible
23 systems and components by a technical expert. This is
24 done for every aging assessment.

25 We have also done more detailed inspections

1 using visual liquid penetrant, ultrasonic and any current
2 techniques.

3 Our inspection results for the heavy-water
4 pressure boundary show little variation from those
5 obtained in the early 1990s, indicating that the material
6 condition of the reactor is little changed from that time
7 and will support continued safe operation.

8 Overall, the results of the aging
9 assessments support continued operation for at least 10
10 years and even longer by completing recommendations
11 identified in the assessment reports. This positive
12 prognosis will be supported by ongoing maintenance,
13 equipment replacement and inspections and these are part
14 of our aging management program.

15 We have appeared before the Commission over
16 the course of the last year to discuss several significant
17 events that had occurred at NRU. Without minimizing the
18 importance of those events, they somewhat overshadow the
19 otherwise good performance of the facility on key measures
20 that are important to health, safety and the environment.
21 These key indicators are reported in the CMD by CNSC
22 staff. So I won't repeat the numbers here.

23 However, the story the numbers tell is
24 important. Worker doses are low and no individual worker
25 at NRU has exceeded a dose action level in recent years.

1 Releases of radioactive material from NRU
2 to the environment are generally small fractions of the
3 derived release limit and are below the action levels.

4 The worker safety record is excellent with
5 only two minor lost time accidents in 2004 and one so far
6 this year.

7 The number of events that were reportable
8 to the CNSC has declined in recent years with 2004 being
9 the exception. We have been proactive in dealing with
10 this change in trend, as discussed at the Commission
11 meeting in June, and I will touch on this again later in
12 my presentation.

13 We have also been making physical safety
14 improvements to the facility in the form of seven major
15 safety upgrades. This slide shows the upgrades and the
16 dates they were placed in operation or will be for the
17 last two. These upgrades strengthen NRU's defences to a
18 postulated accident.

19 The Qualified Emergency Response Centre
20 provides a hazards-qualified location for ensuring that
21 the reactor can be placed in a stable shutdown state and
22 that adequate fuel cooling can be maintained.

23 The second trip system augments the reactor
24 protective system through the addition of independent
25 separated sensors and trip circuits providing redundant

1 and increased trip coverage. The liquid confinement
2 vented confinement system contains radioactive releases
3 should they occur.

4 The main pump flood protection system
5 ensures that the main coolant pumps remain operable
6 following postulated large pipe breaks, specifically,
7 process water mains in the building.

8 The qualified emergency water supply system
9 and the new emergency core cooling system provide
10 seismically-qualified sources of post-accident cooling
11 water.

12 The emergency power supply provides a
13 seismically-qualified source of power to key safety-
14 related equipment.

15 The emergency power supply and the new
16 emergency core cooling system are in the final stages of
17 being made operational. Both systems are installed and
18 have undergone successful commissioning tests.

19 We have completed the last stages of staff
20 training on the emergency power supply system and just
21 last week the emergency power supply was tied in. Now, a
22 seismically-qualified power source is available to all of
23 the safety upgrades.

24 We have also been making improvements in
25 our processes and resources under the umbrella of the NRU

1 improvement initiative that we outlined to the Commission
2 in June and which we have provided to CNSC staff. I am
3 pleased to report that we are making excellent progress on
4 this initiative.

5 Our housekeeping improvements are well
6 underway, and we are seeing immediate benefits in several
7 ways. First, we have removed material that could have
8 represented a fire hazard. This includes loose
9 combustible material as well as permanent fixtures such as
10 wooden shelves and racks. These items have been replaced
11 by non-combustible metal fixtures.

12 We have implemented new processes to ensure
13 that combustible material is prevented from coming into
14 the building to the extent possible. One way we have done
15 this is to unpack equipment destined for NRU before it
16 comes into the Controlled Area 2.

17 We have also removed equipment that was
18 being stored in NRU and have provided temporary storage
19 outside of the building as an interim measure while a new
20 permanent storage structure is built. We have increased
21 the standards for cleanliness and have repainted the walls
22 and floors.

23 So we are not only enhancing the look of
24 the facility, we are implementing processes to maintain
25 excellent housekeeping and to minimize fire and other

1 risks on an ongoing basis.

2 We have also made excellent progress in the
3 area of plant operation and, in this regard, are learning
4 from and adopting industry best practices. We have
5 implemented a new reactor re-start policy that requires an
6 enhanced safety checklist to be completed before the
7 reactor can be re-started following a reactor trip. Such
8 policies are in place at the power reactors.

9 We have implemented an operational decision
10 review panel, again similar to utility practice, to ensure
11 that key decisions related to operation are made
12 expeditiously but taking into account input from all key
13 functions in the facility. This provides greater support
14 to the Production Manager in making such operational
15 decisions.

16 We have a daily Operations meeting
17 involving NRU management and managers from various support
18 organizations on the site. The purpose of this meeting is
19 to focus everyone's attention on NRU's immediate needs to
20 resolve any issues that have arisen since the previous
21 meeting and to provide additional senior management
22 oversight of operation of the facility.

23 This process is common across the nuclear
24 industry. We are introducing three-way communications as
25 one of the industry event-free tools to be implemented in

1 NRU.

2 We have also strengthened our resource
3 base; first, by bringing in external consultants to fill
4 in gaps immediately. These people have had tremendous
5 experience at implementing improvement programs of the
6 utilities, and they are helping by mentoring our
7 management staff and by taking a lead role in the
8 improvement initiative while our managers focus on
9 operation safety.

10 In parallel, we have also been filling
11 permanent positions. Since June, we have hired 23 full-
12 time staff into NRU. We are also bringing back former NRU
13 resources from other areas of the company to help with the
14 improvement initiatives, and we are expanding the NRU
15 management structure to add management strength.

16 There are many other activities underway in
17 the improvement initiative and we will be reporting on
18 them to the Commission at a future date.

19 So I will not go into further details,
20 except to mention one more important activity. This
21 activity is visits by our Reactor Operations and
22 Maintenance staff from both NRU and from the Dedicated
23 Isotope Facilities to nuclear power plants in Canada.

24 We have recently completed the first of
25 these visits, their purpose being for our staff to

1 experience firsthand the processes used at the utilities
2 and to learn directly from their counterparts. We are
3 receiving excellent cooperation from the utilities on this
4 initiative. This exchange will be ongoing and is an
5 important part of our improvement initiatives.

6 As noted by Dr. Hedges this morning, many
7 of the NRU improvement initiatives are being implemented
8 in close collaboration with the DIF improvement plan and a
9 number of improvement initiatives such as the Operating
10 Experience Program and utility site visits are being done
11 in common.

12 The progress we have made on the activities
13 to support longer term safe operation of NRU also supports
14 our application for the seven-month extension. We
15 completed a periodic safety review of NRU based on an
16 internationally-accepted International Atomic Energy
17 Agency Guide for periodic safety review in power reactors.

18 A highly experienced external contractor
19 carried out this review to ensure that we had an
20 independent view. The issues identified by this review
21 were transformed into actions that are contained in the
22 Safety and Licensing Plan and communicated to CNSC staff.

23 We have completed 17 of the 20 actions and
24 provided to CNSC staff a schedule for completing the
25 remaining items. The work we have completed in addressing

1 these items supports continued operation of NRU both in
2 the short term and the long term.

3 One very important activity that we have
4 completed is the NRU Severe Accident Assessment. This
5 assessment looks at the potential consequences of very
6 severe accidents occurring at NRU. The assessment
7 confirms that the continued operation of NRU represents a
8 very low risk to the public compared to the risks to which
9 they would be normally exposed. Completion of this
10 assessment represents a major step forward in confirming
11 the safety of NRU.

12 As mentioned earlier, the safety upgrades
13 are also an important element of long-term operation of
14 NRU. We are implementing an Aging Management Program to
15 ensure that the important structures, systems and
16 components are monitored and maintained on an ongoing
17 basis, and we are well underway on the NRU improvement
18 initiative, a program that focuses on processes and
19 resources and which is aimed at preventing events caused
20 by human error. This program will move NRU towards
21 industry-best practices in operations and maintenance.

22 I mention these activities to give the
23 Commissioners confidence that our request for a seven-
24 month extension is based on a solid framework being
25 prepared to support a longer-term extension of NRU

1 operation.

2 To conclude my remarks, our view is that
3 this request for a seven-month extension has a sound
4 basis. It is strongly supported by the sound condition of
5 the facility as determined by our aging assessments; it is
6 supported by NRU's track record of performance in the key
7 indicators related to health, safety and the environment;
8 it is supported by the safety improvements that we have
9 made, both engineered safety features and the safety
10 upgrades and the process and resource improvements made
11 under the NRU improvement initiative; and it is supported
12 by our continuous improvement activities as evidenced by
13 the progress made on activities to support longer term
14 operation of NRU.

15 That concludes my presentation. Thank you
16 for your attention. We would be happy to answer
17 questions.

18 **THE CHAIRPERSON:** Thank you very much,
19 Mr. Van Adel and Dr. Fehrenbach.

20 We will now move to the presentation by
21 CNSC staff outlining CMD 05-H28 and 05-H28.A and I will
22 turn to Mr. Barclay Howden who is the Director General
23 responsible for this area.

24 Mr. Howden, you may proceed, sir.

25 **05-H28 / 05-H28.A**

1 **Oral presentation by**

2 **CNSC staff**

3 **MR. HOWDEN:** Thank you, Madam President and
4 members of the Commission.

5 For the record, my name is Barclay Howden.
6 With me today are Mr. Greg Lamarre, Director of the
7 Research Facilities Division, Mr. Constantin Nache,
8 Project Officer for the NRU Licence Extension Project and
9 the rest of the CNSC Licensing Team for this facility.

10 CNSC staff has reviewed the Application
11 from AECL to amend the operating licence of the Chalk
12 River Laboratories to allow the continued operation of NRU
13 beyond December 31st, 2005, and has formed a position on
14 the Application and put forward recommendations for your
15 consideration.

16 I will now turn the presentation over to
17 Mr. Nache who will outline these for you.

18 **MR. NACHE:** Thank you.

19 For the record, my name is Constantin
20 Nache. I am Project Officer for the NRU Licence Extension
21 Project.

22 As Mr. Howden mentioned earlier, AECL has
23 applied for the amendment of the licence to operate the
24 NRU reactor at Chalk River Laboratories until July 31st,
25 2006. Our presentation provides a brief overview of the

1 key issues of these applications which are detailed in our
2 CMD submitted to the Commission and staff's
3 recommendations.

4 Our presentation provides background
5 information on the NRU Reactor, a review of AECL's
6 application to amend the operating licence for the Chalk
7 River Laboratories, a review of licence performance during
8 the current licence period in relation to the NRU Reactor,
9 a review of areas that in the CNSC staff's opinion would
10 require improvement if longer term operation of NRU is
11 granted, and the staff's overall conclusion and
12 recommendations to the Commission.

13 The National Research Universal (NRU)
14 Reactor has been in operation since 1957 and is becoming
15 older and an increased effort is required for continued
16 operation in the future.

17 A Comprehensive Engineering Assessment has
18 been performed during 1989-1992 and a safety upgrade
19 proposal is undertaken. Currently, a Plant Life
20 Management Program for the NRU Reactor is being
21 implemented incorporating assessments and inspections of
22 critical structure systems and components.

23 Currently, the NRU Reactor is used to
24 produce medical and industrial radioisotopes, to conduct
25 engineering experiments in support of nuclear power

1 development, to conduct fundamental research in neutron
2 physics and as a neutron source for other commercial
3 applications.

4 Currently, the NRU Reactor is operated
5 under AECL's Chalk River Laboratories' operating licence
6 that is valid until July 31st, 2006.

7 During the licence renewal in 2003, CNSC
8 staff recommended and the Commission accepted the
9 condition to restrict the operation of the NRU Reactor
10 beyond December 31st, 2005 unless otherwise authorized by
11 the Commission.

12 Last year in April, AECL applied -- sorry,
13 AECL applied to amend the operating licence to extend the
14 operation of the NRU Reactor until July 31st, 2006, which
15 is the expiration date of the site licence.

16 Simultaneously, with the review of the
17 licence application, CNSC staff performed an Environmental
18 Assessment which concluded that the continued operation of
19 the NRU Reactor is not likely to cause significant adverse
20 environmental affects.

21 CNSC staff's review of the Application
22 concluded that the information contained in the
23 application meets the relevant requirements.

24 This slide summarizes CNSC staff's
25 assessment of the various safety areas that are relevant

1 to the NRU Reactor. As seen on the screen, the NRU
2 Reactor performed satisfactorily during the current
3 licensing period.

4 CNSC staff identified weaknesses in the
5 Environmental Protection Program and in the implementation
6 of operating performance and performance assurance safety
7 areas.

8 However, CNSC staff has weighted these
9 weaknesses against the evidence of good performance in
10 managing other key safety areas and AECL's recent
11 improvement initiative and concluded that the risk which
12 continued operation of the NRU Reactor poses should not be
13 unreasonable for the proposed licence period.

14 CNSC staff's opinion is that there are
15 several improvement areas, both short term and long term
16 which require to be addressed if the seven-month licence
17 extension is granted and if any longer licence extension
18 will be considered.

19 If the seven-month licence extension is
20 approved, CNSC staff expects AECL to perform the following
21 tasks which are listed on the screen, before July 31st,
22 2006:

23 To complete the outstanding safety system
24 upgrades, to continue the so-called "Phase II Plant Life
25 Management Condition Assessment", to complete the short-

1 term improvement initiatives, to submit a Comprehensive
2 Preliminary Decommissioning Plan and Financial Guarantee,
3 to finalize the Systematic Approach to Training and the
4 Certification of the CNSC Chief Engineer, to submit the
5 revised safety analysis report and to submit the revised
6 Plant Life Management and Gap Analysis report.

7 If the seven-month licence extension is
8 approved, CNSC staff expect AECL to work towards a
9 resolution or to produce acceptable schedule for their
10 resolution of the following issues: the development of a
11 formal Aging Management Program which is the same as Plant
12 Life Management, Phase III in AECL submissions for the NRU
13 Reactor; to update the periodic inspection program for
14 full acceptability, to implement the longer-term NRU
15 improvement initiative, to produce a design code
16 reconciliation, development of severe accident management
17 guidelines and the assessment of NRU staffing
18 requirements, taking into account operation, maintenance,
19 inspection testing, assessments and any other NRU related
20 projects.

21 At the end of our review, CNSC staff
22 concluded that AECL is qualified to carry on the licence
23 activities and that AECL has made and, in the opinion of
24 the staff, will continue to make adequate provisions for
25 the environment, the health and safety of persons and the

1 maintenance of national security and measures required to
2 implement international obligations to which Canada has
3 agreed.

4 CNSC staff recommends that the Commission
5 amend the proposed operating licence to operate the NRU
6 Reactor for a seven-month period to July 31st, 2006.

7 And this concludes my presentation and
8 thank you for your attention. I will now return the floor
9 to Mr. Howden.

10 **MR. HOWDEN:** Thank you, Madam Chair. That
11 concludes our presentation and staff is ready to respond
12 to questions.

13 **THE CHAIRPERSON:** On an exceptional basis,
14 I would like to just start by clarifying a question before
15 I open the floor to the other Commission Members.

16 When I look at comparing the staff slides,
17 I have got two questions. On staff Slides 7 and 8 there
18 are clarifying questions that when I -- I will start --
19 the first question that I would like you to answer is you
20 talk about short-term being before July 31st, which is
21 expiry, but with the process that we are undergoing we
22 really have to start this process in April. I mean you
23 are really going to be submitting CMDs in April.

24 So my first question is going to be what
25 will have to be done before April, you know, when you are

1 starting the assessment process?

2 The second is when you compare Slides 7 and
3 8, which are the short term and long term areas for
4 improvement, and you match them against the progress on
5 short-term activities which it is not numbered but it is
6 in the AECL slides -- are short term and then there is
7 long-term operations -- when you compare them they don't
8 exactly match up in terms of easy reading here.

9 So I would like to know *grosso modo* at the
10 beginning -- and then my colleagues can start asking the
11 more detailed questions -- are you confident that what you
12 are talking about in short term is understood by AECL in
13 short term and that those match those actions and that
14 there is an understanding of what long term is and then
15 there is a match on those?

16 One could provide some wording that could
17 get those matches together but I want to know that the
18 staff -- and then, I will ask AECL the same question -- so
19 talking very much from the *grosso modo* level with regards
20 to timing and exactly what is short and long term and a
21 clear understanding between the licensee and the staff of
22 what that contains.

23 So we will start with the staff and then we
24 will move to the licensees.

25 **MR. LAMARRE:** Greg Lamarre, for the record.

1 To answer your first point, Madam Chair,
2 yes, certainly those short term initiatives on slide 7
3 will have to be submitted by the April timeframe.

4 And we could go down through them point by
5 point, but I will not in a lot of detail, unless you would
6 like me to, but the safety system upgrades, for instance,
7 is a recommended licence condition that we are putting
8 forth in front of the Commission today to have those fully
9 operational by the end of December.

10 So that is certainly one that we are
11 expecting to have done in the very near term.

12 The completion of the PLIM condition
13 assessments, these are what AECL terms the 2A and 2B
14 assessments. And those are also to be done within the
15 period between now and April.

16 But most certainly, the resolution of all
17 the 2A PLIM items, those are what are deemed the safety
18 critical assesses, the system structures and components.
19 Those will most certainly be done and staff will have had
20 the opportunity to review comment and get resolution on
21 those.

22 So, to answer your question -- your first
23 question -- short-term, yes, most certainly, those issues
24 we should have resolution on at the time of April next
25 year.

1 As for slide 8 ---

2 **THE CHAIRPERSON:** Sorry ---]

3 **MR. LAMARRE:** --- oh? -- yes ---

4 **THE CHAIRPERSON:** I think it would be
5 worthwhile for you to go through those, if you do not
6 mind, Mr. Lamarre. I think it is important for us to
7 clearly understand the timing.

8 So if you could just -- that degree of
9 detail is sufficient for me, and I will see what my
10 colleagues say later, but just go through them one by one.

11 **MR. LAMARRE:** Yes, Madam Chair -- Greg
12 Lamarre, for the record, once again.

13 The NRU improvement initiative short-term
14 -- that is bullet number 3 -- AECL has recently provided
15 to us their formal NRU Improvement Initiative Plan.

16 There has been a number of discussions
17 ongoing through our bi-weekly meetings that have been set
18 up, following the issues brought before the Commission.

19 And I would also like to highlight the fact
20 that there is a commitment by staff to come back
21 separately on the NRU Improvement Initiative Plan early in
22 the new calendar year.

23 So that one will certainly be delivered to
24 you in advance of April.

25 CPDP and financial guarantee, Madam Chair,

1 this is an issue that staff is recommending a licence
2 condition be put in place requiring AECL to deliver on the
3 outstanding issues related to the site-wide preliminary
4 decommissioning plan and financial guarantee by April 1st,
5 2006.

6 The SAT base training and certification of
7 the SRSEs, this is a fairly comprehensive undertaking by
8 the licensees that staff is following up on to certify the
9 current senior reactor shift engineers. That we want to
10 see done prior to relicensing.

11 I could not comment -- perhaps another
12 member of the team could comment as to what the due date
13 is for the certification of the existing senior reactor
14 shift engineers, but that is certainly a prerequisite to
15 us recommending a licence renewal for the site and for us
16 coming back for a separate NRU licensability extension
17 hearing.

18 The revised safety analysis report -- and
19 the revised PLIM and gap analysis reports are all
20 committed to us, I believe in the April 2006 timeframe
21 next year.

22 **THE CHAIRPERSON:** And could you just move
23 to then slide 8, as you tried to earlier, before I drew
24 you back into slide 7? So, slide 8, please.

25 **MR. LAMARRE:** Greg Lamarre, for the record.

1 These slide 8 items, as Mr. Nache alluded
2 to in his presentation, many of them are to be committed
3 to with implementation schedules not necessarily delivered
4 on by the time of a separate NRU licensability extension
5 hearing next year.

6 The Aging Management Program, essentially
7 phase 3 of the Plant Life Management Program, is not
8 expected to be implemented by the time we come back in
9 front of the Commission next year.

10 However, we should have a plan in place, an
11 implementation strategy in place, that we can agree with
12 when we come forth with a recommendation to the Commission
13 next year.

14 The Periodic Inspection Programs, there is
15 basically two areas, the heavy water system, essentially
16 the reactor, all its cooling circuits and that, as well as
17 the pressurized loops, U1, U2, where AECL carries out its
18 materials advanced CANDU testing. Those two periodic
19 inspection programs we are expecting some progress on.

20 We expect that the full implementation of
21 the Periodic Inspection Programs will likely not be
22 completed at the time that we come back to you next year.

23 The NRU Improvement Initiatives Longer
24 Term, we look at this improvement initiative as not a "one
25 of" type measure, but more of a continuous improvement

1 initiative.

2 So as I previously alluded to, we have made
3 a commitment to come back early in the calendar year. At
4 that time there, I think we will be able to detail to you
5 what the implementation strategy is longer term.

6 The Design Code Reconciliations is a bit of
7 a legacy issue that we are dealing with AECL on right now.
8 We do not expect that to be fully resolved at the time
9 that we come before you next year. However, we should
10 certainly have a resolution plan in place that we can
11 detail at that time.

12 Severe Accident Management is a
13 prerequisite that is somewhat new onto the table, has not
14 yet been delivered, but we expect once again a commitment
15 from AECL to deliver that longer term, once again post
16 April 2006 likely.

17 And the NRU Workforce Study, we consider
18 this somewhat part and parcel with the improvement
19 initiative and it is ongoing. We should certainly have
20 some information for you at the time of April 2006 but I
21 do not believe that that initiative will have come to its
22 completion at that point either.

23 **THE CHAIRPERSON:** So I will turn now to the
24 licensee.

25 You have heard the staff in terms of the

1 areas that they think fit into short and long term. And
2 we have heard your description, short and long term.

3 Are there any areas of discrepancy between
4 what the staff is saying and what you believe has to --
5 can be done in the time periods we have talked about?

6 **DR. FEHRENBACH:** Paul Fehrenbach, for the
7 record.

8 No, Madam Chair, in fact we believe the two
9 lists are pretty well aligned. I think one potential
10 source of confusion is the way we have used terminology in
11 the two presentations.

12 As I understood Mr. Nash, he prefaced
13 slides 7 and 8 both -- in both slides -- items that will
14 be required to support NRU operation in the longer term.
15 And we agree with that.

16 **THE CHAIRPERSON:** Assuming there is a
17 granting of the extension, I think that it is going to be
18 important for us to have some common terminology, as we
19 did with the discussion on MAPLE and the others, so that
20 we -- not just for ourselves and for the licensees and the
21 staff, but for other intervenors seeing this. I think
22 they will want to have as clear an idea as possible.

23 So I am not sure what lists we use, or how
24 we do it, but I would recommend that assuming -- not
25 prejudging the decisions of my colleagues.

1 So with apologies to my colleagues for
2 starting first, which I do not usually do, I will now turn
3 to Mr. Graham, please.

4 **MEMBER GRAHAM:** Thank you, Madam Chair, and
5 that gives some of the clarification that was going to be
6 asked with regard to slides 7 and 8.

7 My first question, I guess, is around the
8 age of the plant -- built in 1957, I guess, or
9 construction at that time, if I am correct in what I read
10 -- and, in the last 10 years, according to the table --
11 one of the tables that was presented by CNSC -- since
12 1995, it has run 75 to 80 per cent of the time.

13 Would that be correct?

14 **DR. FEHRENBACH:** Paul Fehrenbach, for the
15 record.

16 Yes, that is about right -- it is as little
17 bit less than that, but in that neighbourhood.

18 **MEMBER GRAHAM:** Based on 8,760 hours a year
19 -- some of them were less, some were up there --
20 especially the last two years in which you have had
21 increased hours.

22 My first question is: metal fatigue and
23 fatigue within the existing plant, boilers, tubing, so on
24 and so forth -- some of those inspections I read, I
25 believe, date back to 1996 and so on, some of the

1 inspections within -- and I believe that was in your
2 overhead -- is this for the norm or how often will you be
3 doing further inspections with regard to metal fatigues
4 and so on?

5 **DR. FEHRENBACH:** Paul Fehrenbach for the
6 record.

7 There are several aspects to this question.
8 The first one is that to support our request for a longer
9 term operation, we are doing a complete system assessment
10 of all of these components and systems, which are part of
11 the walk-downs that I spoke about earlier, part of the use
12 of these various techniques for investigation of metal
13 components like ultrasonic inspection techniques and eddy-
14 current techniques, and they are designed to pick up very
15 small flaws such as you would find from fatigue.

16 The second aspect to the answer is that in
17 the longer term we're, based on these inspections and
18 based on our periodic inspection plan, we're putting in
19 place an Aging Management Plan, which includes periodic
20 inspections of these key components with time to ensure
21 that all of these components remain fit for service.

22 So we will be repeating these inspections
23 on a regular basis as defined in the Periodic Inspection
24 Plan and the Aging Management Plan.

25 **MEMBER GRAHAM:** My question, I guess, the

1 way I should put is: When was the decision made by AECL
2 to go for the seven-month extension; how far back was the
3 planning done to do that other than going with the
4 original plan of having the licence expire at the end of
5 this year?

6 **DR. FEHRENBACH:** Paul Fehrenbach for the
7 record.

8 Back in 2003, Commissioner, we decided that
9 we would require NRU in operation longer than December
10 2005, and planning started in 2003 and it was in 2003, as
11 Mr. Van Adel mentioned earlier, that we informed the
12 Commission that we intended to seek application to operate
13 NRU longer than December 31st, 2005.

14 So, in April of this year, we made a formal
15 application to the Commission to consider this request and
16 as a result of the work that's been done since that time
17 and the discussions that have been held between ourselves
18 and the CNSC staff, we recognized that we were going to
19 need a little more time than would be permitted by the
20 December 2005 date, in order to assess all of the material
21 that had been produced by AECL and respond to the
22 questions and resolve any issues that arose.

23 So the decision to request the seven-month
24 extension to the licence condition occurred probably in
25 about the June-July timeframe.

1 **MEMBER GRAHAM:** Thank you.

2 The reason I'm asking the question is the
3 decision to extend the life was probably made about 18
4 months.

5 What I was really coming to is had there
6 been the necessary maintenance done prior to that 18
7 months ago, was it just going to be to phase the facility
8 out at the end of 2005, and then the decision. Has there
9 been adequate maintenance done to carry it further, not
10 the seven months, but to carry it further in both the
11 short and long term?

12 That was the reason of my question.

13 **DR. FEHRENBACH:** Thank you, Commissioner.
14 Paul Fehrenbach for the record.

15 We do have an ongoing preventative
16 maintenance, an ongoing maintenance program and I'd ask
17 Bill Shorter to respond with some of the details of that
18 plan.

19 **MR. SHORTER:** For the record, I'm Bill
20 Shorter, the NRU Facility Authority.

21 We have had an extensive maintenance
22 program in place for decades. That program has been fully
23 sustained through the period of the last few years
24 irrespective of the conditions requiring NRU shutdown.

25 The program has about 4800 annual

1 preventive maintenance routines. That program has
2 resulted in about a 40 per cent reduction in unplanned
3 shutdowns due to equipment failures and a similar
4 reduction in trips, if you note on the tables in the CMD
5 provided by staff.

6 Nonetheless, we're currently looking to
7 improve that program and the Plant Life Management
8 Project, currently underway, as part of the Licensability
9 Extension Program, examines that maintenance on a system
10 assessment process.

11 We will be implementing that into a Living-
12 Aging Management Program, and the results will be used to
13 augment the existing maintenance program.

14 In answer to your question, the maintenance
15 program has been sustained throughout and we are looking
16 to improve it.

17 **MEMBER GRAHAM:** The CNSC staff, do they
18 concur with the adequate maintenance that has been
19 maintained in the last decade?

20 **MR. LAMARRE:** Greg Lamarre for the record.

21 To answer you question, Mr. Graham, I would
22 say that we would concur that, certainly, a maintenance
23 program has been in place for some time, but I don't think
24 that we could necessarily say that the maintenance program
25 has been fully comprehensive and adequate.

1 As we noted in the previous SDRs, there
2 were some omissions in the maintenance program, and I
3 think what AECL is doing now in putting in place these
4 periodic Inspection Programs fed into a preventive
5 maintenance program should improve the situation that
6 we've seen in the past.

7 **MEMBER GRAHAM:** Thank you.

8 I just have one other question for this
9 round, Madam Chair, and that is with regard to the
10 unplanned events.

11 In the last five years, they have
12 doubled and, in fact, 2004 has seen the highest unplanned
13 events in the last 10 years, and reportable events number
14 -- or five of them, which is the highest in the last six
15 or seven years.

16 Can you explain why the trend has been
17 trending upwards there?

18 And that is to AECL.

19 **DR. FEHRENBACH:** Paul Fehrenbach for the
20 record.

21 We believe that 2004 represents somewhat of
22 an anomaly. As I addressed in my opening remarks,
23 Commissioner, the trend had been steadily downward from
24 1999 through 2004. That upward ---

25 **MEMBER GRAHAM:** --- Pardon me, 2003 was

1 considerably higher also with 62; 2002 was 44; 2003, 62;
2 2004, 73; so the last two years.

3 **DR. FEHRENBACH:** Excuse me. I was speaking
4 about reportable events.

5 Yes, with respect to unplanned events,
6 there are a number of reasons for this, one of which is we
7 are trying to introduce a stronger reporting culture, and
8 we expect to see the number of events increase that we
9 will keep track of, going forward.

10 **MEMBER GRAHAM:** Would CNSC care to comment?

11 **MR. LAMARRE:** Greg Lamarre for the record.

12 I concur with Doctor Fehrenbach's comments.
13 Staff is understanding that the reporting criteria
14 essentially changed during that period, around 2000-2001,
15 which led to the increase in the unplanned events.

16 Once again, the reportable events have gone
17 up in the past year, and I think up to this point in 2005,
18 we're at about three.

19 So those are still significant and those
20 are areas that we want the licensee to address and those
21 are areas that, I believe, are being addressed through
22 their Comprehensive Improvement Program for NRU.

23 **THE CHAIRPERSON:** Doctor Dosman.

24 **MEMBER DOSMAN:** Thank you, Madam Chair.

25 I was just referring to page 7 of the

1 October 18th, CMD 05-H28, by staff, and I was looking at
2 the various safety areas and, in particular, operating
3 performance implementation, is "C - little change";
4 performance assurance is "C - little change"; and
5 environmental protection, I believe, is corrected in the
6 supplementary CMD; Environmental Protection Program is
7 'B'; implementation 'C' with an upward trend.

8 I would just like to confirm with CNSC
9 staff that that's correct, that that has been modified by
10 the supplementary material?

11 **MR. LAMARRE:** Greg Lamarre for the record.

12 Yes, I confirm that.

13 **MEMBER DOSMAN:** I guess I'd just like to
14 enquire of the licensee, about their plans in the area of
15 operating performance and performance assurance and get
16 some type of picture of how those issues are being
17 addressed.

18 **DR. FEHRENBACH:** Thank you, Commissioner.

19 Paul Fehrenbach for the record.

20 We believe that we have, and continue to
21 focus on making improvements in all of the areas of
22 performance, particularly those in which we received a 'C'
23 rating.

24 I would note that these ratings were
25 established primarily as a result of a 2002 extensive

1 audit by the CNSC, and we have been working hard since
2 then to improve them.

3 For example, the Radiation Protection
4 Program has improved as a result of a recent review by
5 CNSC, and I would note that, as you did, that in the CNSC
6 staff's supplemental CMD, they do reflect the change in
7 trend for several of the areas.

8 With respect to performance assurance
9 particularly, we have just recently revised and reissued
10 the Nuclear Operations Quality Assurance Manual, and that
11 addresses many of the concerns expressed in the 2002 audit
12 by CNSC staff and I believe that when CNSC staff have had
13 a chance to review that revised program and then come for
14 a subsequent inspection, that that will confirm that we
15 have improved in those areas.

16 **MEMBER DOSMAN:** Madam Chair, may I ask,
17 what about if CNSC or if a licensee might comment on
18 operating performance?

19 **DR. FEHRENBACH:** Operating performance?

20 **MEMBER DOSMAN:** Yes, please.

21 **DR. FEHRENBACH:** That is, of course, one of
22 the primary focuses of our Improvement Initiative Program.

23 So as a result of the reportable events in
24 2004, we are taking a very strong and aggressive approach
25 to improving a number of aspects of our performance that

1 will ultimately result in fewer reportable events; human
2 performance, management performance, stronger operating
3 experience programs, et cetera.

4 **MEMBER DOSMAN:** Sorry, may I ask about the
5 documentation in this category; has it been updated and so
6 on and what is the status in that regard?

7 **DR. FEHRENBACH:** Are you referring,
8 Commissioner, to the documentation of our improvement
9 plan?

10 **MEMBER DOSMAN:** Yes, to documentation
11 necessary for operating performance.

12 **DR. FEHRENBACH:** Well, as I mentioned, the
13 document described in the overall Quality Assurance
14 Program for nuclear operations has been revised and
15 reissued, so that document has been updated.

16 Part of our NRU improvement initiative will
17 be to update and improve a number of the procedures
18 associated with regular operations; for example, going all
19 the way from housekeeping to the kinds of things, which I
20 spoke about in my introductory remarks such as procedures
21 for providing greater support for operational decisions,
22 et cetera.

23 **MEMBER DOSMAN:** Thank you.

24 I wonder if I might ask CNSC staff to
25 comment on the way they see the attempts at operating

1 performance and performance assurance.

2 **MR. LAMARRE:** Greg Lamarre, for the record.

3 In terms of the ratings that we have given
4 and the trend in those two areas, Dr. Dosman, what we
5 would be looking for is some improvement -- I'll say
6 through the NRU improvement initiative and its
7 implementation over the period of the proposed licence or
8 the licensability extension, particularly as
9 Dr. Fehrenbach has talked about operating performance as
10 an example, issues such as error-free tools, issues such
11 as root cause analysis and some of the improvement
12 initiatives that AECL is implementing in that regard to
13 get to the root causes of some of those underlying
14 systemic issues; address them and prevent recurrence of
15 similar type events. We are looking for improvements in
16 those areas.

17 When we see improvements we will indicate
18 the appropriate trending arrow and, once again, we will be
19 able to report a little bit more specifically on our
20 review and verification of the NRU improvement initiative
21 plan early in the calendar year.

22 **MEMBER DOSMAN:** I am just wondering. I
23 know that the licensee, AECL, gave a rationale for the
24 seven months, and I certainly do not want to pretend to be
25 -- getting into micro areas, but I guess I just have this

1 nagging thought that there seems to be a lot to do by the
2 time the necessary documents are submitted for the next
3 stage, and I am just wondering if we could have perhaps a
4 little more explanation from the licensee on the rationale
5 for the time, the request of seven months.

6 **DR. FEHRENBACH:** Paul Fehrenbach, for the
7 record.

8 The situation, as we believe it exists,
9 Commissioner, is that we have submitted documentation to
10 the Commission staff in support of most of, almost all of
11 those requirements that they have indicated in their
12 presentation, as being required to be addressed before we
13 come back for the formal request for longer-term operation
14 of NRU.

15 That is the focus of what we need to do in
16 the seven months. We need to complete the review of that
17 information that we have submitted and the resolution of
18 any issues that arise as a result of that review.

19 We believe there is a good chance, a very
20 good chance, of completing that work before we come back
21 before the Commission for the request for the longer-term
22 operation.

23 **MEMBER DOSMAN:** Thank you, and I wonder if
24 I might ask CNSC staff for a view on this matter.

25 **MR. LAMARRE:** Greg Lamarre, for the record.

1 I concur with Dr. Fehrenbach's comments
2 that there are a number of submissions that have already
3 been provided to CNSC staff.

4 If I go back to our Slide 7 that outlines
5 our short-term areas requiring improvement, some of those
6 have not yet been delivered and some of those are key
7 areas that staff would not be in a position to recommend
8 complete removal of that licence condition until they were
9 delivered. "Safety system upgrades to be fully
10 operational", that is a key one, and staff is of the
11 position that we would not recommend any longer-term
12 operations until those are fully operational.

13 Other issues such as the revision of the
14 Safety Analysis Report, I think AECL was hoping to move
15 that along a little bit more quickly, but based on
16 discussions with staff, we wanted to ensure that the plant
17 configuration credited in the FSAR, the Final Safety
18 Analysis Report, was current in the field, i.e. that those
19 safety system upgrades were fully commissioned, fully
20 operational.

21 There has been a lot of documentation that
22 has been submitted to us, PLM Gap Analysis Reports. A lot
23 of that staff has submitted comments back on so we are in
24 a bit of an iterative-type process here whereby we are
25 hoping that in that seven-month period we should be able

1 to reach resolution and have those submissions meet the
2 expectations of CNSC staff.

3 **MEMBER DOSMAN:** Thank you, Madam Chair, I
4 have occupied some time. Shall I wait for another round?

5 **THE CHAIRPERSON:** Yes, if you wouldn't mind
6 and then we'll move to Dr. Barnes, please.

7 **MEMBER BARNES:** Yes, I had the same
8 concerns expressed by President Keen on the dates and I
9 would like to follow up on a couple more.

10 Accepting that what we are dealing with is
11 a seven-month sort of interim solution to a problem, and
12 Dr. Dosman has asked why seven months, and Dr. Fehrenbach
13 has given a reply; right?

14 And I think from our viewpoint, it would be
15 really helpful in these sorts of procedures -- and it
16 doesn't just apply to this particular licence -- to kind
17 of, particularly to staff, to restructure somehow the
18 reporting mechanism so that we do get -- I know, it can't
19 happen all the time -- but we can have information in such
20 a way that we can receive the appropriate information at
21 the time of licensing, okay?

22 For example, this morning, there were two
23 reports that had been submitted that we asked about that
24 were not available. That may just be a matter of internal
25 timing but, for example, President Keen mentioned the

1 matter of the date and if we go specifically on page 13,
2 12.1, this comes to an area that hasn't been touched on
3 before and that's the completed Comprehensive Primary
4 Decommissioning Plan.

5 Again, you are asking for that on or before
6 July 1st, 2006. It would seem to me that that is
7 something that would be sensible to involve in the next
8 licensing issue and yet, under that deadline, because you
9 all say that you need time to look at that, that will not
10 be part of the renewal licence, cannot be under that kind
11 of timing. So I will go through these one by one.

12 Is it not possible to advance that --
13 whatever, if it is April or something -- whatever the
14 time, such that when we receive and you might again advise
15 us which month we are likely to be looking at a renewal of
16 the licence?

17 Perhaps you could tell me that information
18 first and then respond to this.

19 **MR. LAMARRE:** Specifically, for that one we
20 have advanced that one to April 1st, 2006 for the exact
21 reasons that you are saying.

22 **MEMBER BARNES:** And is that acceptable to
23 AECL?

24 **DR. FEHRENBACH:** Yes, we believe we will be
25 able to make that date.

1 Thank you.

2 **MEMBER BARNES:** Just to reiterate on some
3 of these things, on the short-term improvements, that sort
4 of thing would be really helpful to have in some form of a
5 table under -- sort of questioning -- Mr. Lamarre, you
6 gave us some specific dates, but had we had those dates,
7 had it been looked at in terms of milestones, I think we
8 could then look back in whatever month we meet and see
9 whether AECL has actually met those milestones.

10 Because seven months from now, it will be
11 somewhat distant for us to keep this in our minds or for
12 you to refer back in a rather more analytical way had a
13 table like that had more specificity to it.

14 Then, we could see whether, in this case,
15 the licensee was meeting the expectations and, if not, we
16 could ask why. There may well be good reasons, but at the
17 moment it's all kind of fuzzy.

18 So I will come back and -- well, I will
19 just -- since we are on page 13 -- and this is trivial,
20 but I will get onto more substantial things -- 13.1, the
21 licensee by December 31st, and you are asking:

22 "Demonstrate to the satisfaction of
23 the Commission that all seven NRU
24 reactors' safety systems are fully
25 operational. As I have heard

1 Fehrenbach he has indicated that you
2 expect all those to be met by December
3 31st."

4 That's 13.1, the wording, the new licence
5 condition on page 13 of the staff presentation.

6 **DR. FEHRENBACH:** Yes, as I indicated, we
7 have five of them in full operation, we have one almost in
8 full operation and there is one left and our goal is to
9 complete that by December 31st.

10 **MEMBER BARNES:** Okay.

11 My trailer question would be: In that sort
12 of situation -- two trailer questions -- is it sensible to
13 use a thing like December 31st, you know the middle of the
14 holiday season, as opposed to January 15th when it is a
15 licence condition?

16 You don't want to fail a licence condition.

17 **DR. FEHRENBACH:** I agree, and if we have
18 the option I would much prefer January 15th.

19 **(LAUGHTER)**

20 **MEMBER BARNES:** To staff, does it matter?

21 **(SHORT PAUSE)**

22 **MEMBER BARNES:** Or December 15th?

23 **(LAUGHTER)**

24 **THE CHAIRPERSON:** Or we could leave it at
25 December 31st.

1 **MEMBER BARNES:** Whatever.

2 I think, Madam Chair, there is -- but since
3 it is the wording in a licence conditions, it is a little
4 bit more than ---

5 **THE CHAIRPERSON:** I believe Mr. Lamarre
6 would like to respond.

7 **MR. LAMARRE:** Greg Lamarre, for the record.

8 The rationale behind that was that that was
9 the original shutdown date of the reactors. There was
10 previous commitments made to have those safety systems in
11 place so we thought it prudent not to extend the fully
12 operational date beyond what the original shutdown date
13 was.

14 It provides AECL with the opportunity to
15 have those fully operational and for staff to perhaps do
16 some verification follow-up activity early in the new
17 year.

18 **MEMBER BARNES:** Okay.

19 In that same licence condition you say that
20 all seven NRU reactor safety system upgrades are fully
21 operational. There is nowhere in the licence that refers
22 to what those are.

23 Now, I presume they are the ones that are
24 listed in Table 3 of AECL's submission on their page 13,
25 but in a licence condition is it appropriate to have that

1 wording when they are not actually specified?

2 **MR. LAMARRE:** Greg Lamarre, for the record.

3 From a historical perspective, that
4 terminology, "seven safety system upgrades" has been
5 recognized through streams of numerous licensing
6 correspondence and Commission documentation.

7 So from my perspective I think it's
8 explicitly clear.

9 **MEMBER BARNES:** Okay. Thanks.

10 I come back to the issue that Dr. Dosman
11 started on, and I will just reiterate from a previous
12 licence. It's the wording. Again, I am concerned about
13 the kind of wording that staff place in these documents.
14 So forgive me, Mr. Howden, if I just repeat my concern
15 again. But it is reiterated here in a somewhat different
16 way.

17 So on page 7 where you have under "safety
18 areas" and there is a table, the table shows -- first, a
19 question. AECL said that table was really based on a 2002
20 assessment.

21 Is that correct?

22 It's not indicated here so a reader like
23 myself might be led to believe that it is a recent
24 assessment.

25 **MR. LAMARRE:** Greg Lamarre, for the record.

1 The safety ratings on page 7 of CMD 05-H28
2 I can confirm are accurate and up-to-date.

3 The issue I should draw, that perhaps will
4 clarify the issue of the 2002 audit, that some of those
5 safety areas are site-wide programs.

6 So they are rated as site-wide programs and
7 the last column is the relationship between the site-wide
8 program and NRU. That 2002 audit was a site-wide audit on
9 QA and other aspects.

10 When you look at the operating performance
11 and performance assurance, those are clearly indicative of
12 recent performance shortcomings that have been reported to
13 the Commission and those are up-to-date. But I can
14 confirm that as of the writing of that CMD those ratings
15 are as staff saw the situation at that date.

16 **MEMBER BARNES:** So how can -- when I read
17 this and I see 12 letter grades and one-third of them are
18 below requirements, the first point; the second point, the
19 trend shows little change in all those listed and, yet, in
20 the sentence above you write the following:

21 "Overall, staff is satisfied that the
22 performance indicators for many of the
23 key safety areas meet CNSC
24 requirements and that the safety areas
25 that do not should improve over the

1 period of the proposed extension."

2 So first of all, I wouldn't have thought
3 you were satisfied when one-third of these were below
4 expectations and since you have indicated little change in
5 the trend of all those components, I don't see how you can
6 say that those -- in a sense below requirements -- should
7 improve over the period of the proposed extension.

8 And if I go to page 12 of the conclusions,
9 again, the last paragraph of your summary there under 9
10 "Conclusions" you again state simply that:

11 "The overall performance of AECL at
12 the NRU Reactor during the current
13 licence period is considered
14 acceptable and performance is expected
15 to be acceptable during the seven-
16 month extension."

17 So I am concerned that you go to a lot of
18 effort to present data, but the data is not, I think,
19 fairly summarized in your summary of safety areas.

20 **MR. HOWDEN:** Barclay Howden speaking.

21 I think the main point I would make to that
22 is I can understand where your comments are coming from
23 but, at the same time, a lot of things that we base
24 performance on is performance indicators: doses,
25 releases, effluents, events; although in this case maybe

1 events isn't the best one. So that gives us a certain
2 level of confidence.

3 Then, going forward, we do look at the
4 programs. Some of these programs, as you look at them,
5 are all rated "B" "B" with no change. Really, that's
6 meeting regulatory requirements. So little change is not
7 necessarily a bad thing in those ones.

8 For environmental protection we are seeing
9 an increased trend which is very positive given some of
10 the events that occurred last year and in terms of --
11 those are site-wide programs.

12 In terms of operating performance and
13 performance assurance, these are very much -- performance
14 assurance NRU falls onto the site quality assurance plan
15 but they have to apply it within their own facility. So
16 we have shown that there has been weaknesses there.
17 Similarly, operating performance is NRU-specific.

18 At the same time, AECL is going through the
19 improvement initiatives which gives us a certain level of
20 confidence that things will improve.

21 However, until we actually get the evidence
22 of improvement, staff is leery to change the trend from
23 "little change" to "improving" and perhaps that's the
24 conservative nature that we take to it.

25 Nonetheless, from our overall view of risk,

1 we are satisfied that the risk is not unreasonable.

2 Should we reword this? Based on your
3 comments we will certainly look at maybe doing a better
4 job of explaining the way we do our assessments.

5 Thank you.

6 **MEMBER BARNES:** I think that's the point I
7 am trying to make here, and the two examples I have given
8 today is that it's not the way you do the assessments if
9 as, the sentence above that, because it is entitled
10 "Safety Areas". You say:

11 "A summary of these safety areas is
12 provided in the table below".

13 So again, for the reader that's the data
14 that they have in front of them in this document and then
15 from that it seems to me you are drawing some conclusions
16 which are not supported by the information in that table.

17 I think you could have said, for example,
18 building on that and perhaps building on what we have
19 heard today and in the AECL submission that there is
20 evidence of significant progress.

21 I do get concerned that CNSC staff is
22 making particularly in summary statements that again
23 probably some person in the public is going to look at
24 that you have essentially fudged over what to me is one-
25 third of ---

1 **THE CHAIRPERSON:** Dr. Barnes, I would like
2 you not to use the word "fudged over", please. So would
3 you choose another term?

4 **MEMBER BARNES:** I will retract that.

5 That the summary that you make does not
6 accommodate in this case one-third of the safety areas
7 being deemed to be below requirements.

8 So I think it's a matter of wording that to
9 me is important.

10 If I could just ask one final comment, and
11 that is to -- I think you partly covered this but just for
12 my own benefit -- AECL on page 10 under 3.3.1, "Safety and
13 Licensing", the last three lines, you indicate that:

14 "...PSR gap disposition
15 report will be submitted to CNSC staff
16 in September '05 and the updated SAR
17 will be submitted to CNSC staff in
18 October '05."

19 I know you have mentioned it but were both
20 of those -- have both of those been submitted to CNSC
21 staff?

22 **DR. FEHRENBACH:** Paul Fehrenbach, for the
23 record.

24 The one of those reports is submitted on
25 time, the other one we have agreed with CNSC staff to

1 delay for a short while.

2 **MEMBER BARNES:** Okay, thanks.

3 **THE CHAIRPERSON:** Dr. McDill.

4 **MEMBER McDILL:** Thank you.

5 I have some very specific questions but I
6 would like to start with a more general question for both
7 AECL and staff.

8 I guess it's something along the lines of
9 what is the biggest stumbling block that you are facing
10 with respect to the seven-month extension and being ready
11 to go forward at that point? Is it a quantifiable thing?

12 **DR. FEHRENBACH:** Paul Fehrenbach, for the
13 record.

14 I think just the sheer volume of work
15 including inspection, including analysis and including
16 review of the analysis and then discussion of the comments
17 which arise from that review and resolution of those
18 comments.

19 I think there was concern expressed on both
20 sides from the beginning of whether we would be able to be
21 ready in time. We thought we could but the sheer volume
22 of work is making it very difficult and has resulted in
23 the request for the seven-month extension.

24 **MR. LAMARRE:** Greg Lamarre, for the record.

25 I can certainly concur with Dr.

1 Fehrenbach's last statement that the volume of submissions
2 is a very key challenge. Some of the key elements like
3 the severe accident assessment are a very significant
4 undertaking that not only took the licensee significant
5 time and resources but will also take staff significant
6 time and resources. The PLIM Program, the Aging
7 Management Program that's to come, are very significant
8 pillars of AECL's licensability extension project but,
9 fundamentally, notwithstanding those major chunks of work,
10 one of the major stumbling blocks is the convergence in
11 terms of what staff's expectation is as compared to AECL's
12 and that's not to say that there is any sort of a
13 breakdown in communication.

14 I think there is a very good flow of
15 dialogue and formal communications back and forth. Once
16 we have completed our review that review is turned around
17 and we also have the benefit of these periodic meetings to
18 voice concerns even prior to formal submissions going
19 back.

20 But what staff's expectations of certain
21 key elements of the program are and what AECL's is in
22 certain areas right now is a gap that needs to be
23 addressed, and that's a challenge.

24 **MEMBER McDILL:** My next question, then,
25 would be I know there is a question of resources at AECL

1 in the documentation but just with respect to this, does
2 AECL have sufficient staff to get to where it has to get
3 to? I would ask the same question of staff.

4 **DR. FEHRENBACH:** Sufficient staff is always
5 an issue whenever you ramp up an effort in anything, no
6 question about that.

7 We have been hiring, we have been bringing
8 people on. We have been bringing people back from other
9 projects to devote to various things. So that is true
10 with our licence extension program, finding the right
11 people at the right time to do the inspections. It's true
12 to the NRU improvement initiative. We have been bringing
13 people in, as I mentioned earlier. New hires complemented
14 by contract staff from utilities.

15 As a matter of fact, we did the same in the
16 LE licence extension project initiative. We had fulltime
17 staff supplemented with external contractors.

18 In terms of operating staff we are doing
19 the same. We are hiring new people to keep up and try and
20 keep ahead with attrition. We had fallen behind
21 attrition.

22 We had a significant number of people leave
23 in a relatively short time and we were struggling to catch
24 up with that, but I think we have hired the people now and
25 now the challenge is to train them and get them all

1 qualified so they will be able to fully contribute.

2 So staffing is an ongoing operational issue
3 whenever an increase in effort comes before you. So if
4 you ask anybody whether they have enough resources I think
5 the answer will always be "no".

6 **MR. HOWDEN:** Barclay Howden speaking.

7 Within my directorate, this project is our
8 number one priority and with the resources the challenge
9 is that we have is there are other new projects coming
10 online, reactor refurbishments have been announced because
11 we rely on many other resources from outside the
12 directorate. So we are basically through the planning and
13 prioritizing process working with the other director
14 generals to make the resources available for this.

15 We are adding staff. We have approval to
16 increase staff across the CNSC to deal with these issues,
17 but it does take time to engage those staff and get them
18 onboard.

19 But we are working through it and I am
20 confident that we will be able to respond ourselves.
21 Mr. Lamarre can make a couple of comments on the project
22 itself.

23 **MR. LAMARRE:** Greg Lamarre, for the record.

24 Just to provide you with some very short
25 context, within our small division, essentially got 1.8

1 FTEs just on the compliance and licensing and dedicated to
2 this project.

3 Above and beyond that, as Mr. Howden has
4 alluded to, we rely extensively on specialist resources
5 within DAA and I think by the size of the team behind us
6 and in the audience you can tell the type of effort and
7 focus that this has.

8 As Dr. Fehrenbach alluded to, we could
9 always use more resources. However, with the project plan
10 that we have got in place now we are looking at our needs
11 not only short term -- we are not just looking until July
12 31st, 2006 but given the fact, as I have alluded to this
13 morning or this afternoon -- excuse me -- of the ongoing
14 nature of the Aging Management Program and other
15 initiatives that are likely to continue to stretch beyond
16 re-licensing next year, we are looking for the commitments
17 to be longer term.

18 So certainly, we have got the project plan
19 in place to ensure that we have got the resources
20 necessary within the CNSC, I believe, to effect the
21 reviews, the licensing and compliance activities required
22 to provide oversight on this program.

23 **MEMBER McDILL:** Thank you.

24 I can defer to the second round or
25 continue, as you prefer.

1 **THE CHAIRPERSON:** Well, I would like to do
2 something I haven't really done before.

3 The questioning that started with
4 Mr. Graham talked about why are we here because I don't
5 think it is very acceptable to have licence extensions.

6 I mean, we don't do a lot of them. I am
7 not very comfortable about this. This is nearly a 30-year
8 old reactor and I think the citizens need to know that
9 it's operating at the top of performance and that the
10 licence timing means something.

11 So I think perhaps Mr. Graham was awfully
12 nice in saying, you know, why are we here? I think there
13 should be some great angst in AECL about why things were
14 not done in the time period. But that said we are here.

15 I think the questioning that has been
16 taking place about how do we know where we are going to be
17 next April has been extensive, and I think this definitely
18 shows the Commission members' concerns about that, and I
19 think Dr. McDill's excellent set of questioning on
20 resources makes me nervous.

21 I think that there is real reason for us to
22 be putting the licensing discussions together in July. I
23 think that makes good sense. It's more efficient and I
24 think we are all committed to efficiency.

25 But I just am concerned that the pressure

1 is going to be really, I think, on the staff end. The
2 pointy end of this stick is going to be with staff because
3 they will be going back and forth and there is going to be
4 this push at the end to get things done, and I think this
5 is a really important and difficult decision.

6 We have heard earlier today about how
7 important the NRU is and how important this is but,
8 nevertheless, I mean, when we go through this licensing
9 process, I think we have a reasonableness to assume that
10 this will, as Dr. Barnes said, have the information
11 necessary, but I really worry that we are pushing the
12 staff in what may be an unacceptable way for this to be
13 done at the time when we are looking at MAPLE and
14 everything else.

15 So I guess what I would like you to do, and
16 my apologies to the intervenors who are being patient
17 here, but I would like to call right now a 15-minute break
18 and I would like the staff and the licensees to talk about
19 whether seven months is enough time. I think this is --
20 we can't wait until some other time to talk about it. The
21 Commission could make a decision, but would that be the
22 right decision?

23 I think I would like you to discuss whether
24 this is really enough, and I think that there are
25 certainly other issues that come from other licences that

1 are -- you know, the issues around other licences and we
2 have been, frankly, busy blackberrying to try and
3 understand what the implications are, but the Commission
4 does have the ability to do something on that side as
5 well.

6 So I will be asking our legal counsel to
7 work with -- to just look at what would be the
8 implications.

9 You can understand my concern. I just
10 worry that we are going to come down to April and then May
11 and then June and July and we are going to be -- the staff
12 are obviously very pressed on a lot of projects. We have
13 got announcements coming everyday on Bruce, et cetera,
14 which has implications for AECL as well as for the CNSC
15 staff.

16 Is that clear enough what I am saying? I
17 really wonder if seven months is sufficient time to do
18 this.

19 I just want to ensure that what we see here
20 on July -- well, when we are starting, which is May and
21 June, is the best application for the citizens of this
22 area and for Canada that they know exactly that we have
23 got a safe operation going and that it has a plan to go
24 forward. This is an awful long licence period that will
25 be requested next time out and I want to be ready.

1 with the staff during the break and, in view of the amount
2 of work that still needs to be done, primarily which is
3 completion of the AECL submissions and review of those
4 submissions by staff and then some significant review and
5 comment period to ensure that full resolution of any
6 issues that have arisen from the review is achieved, the
7 CNSC staff and ourselves think that it would be very
8 appropriate rather than ask for a seven-month extension,
9 as we have, to instead ask for a 12-month extension.

10 That we believe will give a high degree of
11 confidence that not only will all of the necessary items
12 that we have agreed to be completed, but we will have a
13 chance for a fulsome review and an opportunity for
14 resolution of any issues that arise from that review.

15 For our side, we would intend to proceed
16 according to our original schedule for deliverables so
17 that we ensure that the extra time is used for the review
18 and then comment and disposition of comments subsequently.

19 **THE CHAIRPERSON:** Before we move to the
20 staff's view, Dr. Fehrenbach, would you give us a sense of
21 what would be the health and safety implications during
22 that time period, during that five-month time period, what
23 would be the implications for the operation of this
24 facility from the point of the mandate of the CNSC for
25 health, safety and protection of the environment?

1 **DR. FEHRENBACH:** Yes, thank you. I
2 neglected to address that part of your question in my
3 first answer.

4 We don't see a significant impact. As a
5 matter of fact, as I tried to indicate earlier, we have
6 been doing a fair number of inspections in support of the
7 longer-term operation and everything we have found
8 suggests that NRU can operate safely going forward.

9 The difference between seven months and 12
10 months, there is in our view no significant difference in
11 the ability to continue operating NRU safely.

12 In fact, over that period of time, we
13 expect things to continue to improve. Our improvement
14 initiatives will have more time to take effect; our
15 training programs will have more time to take effect; our
16 safety culture activities will have more time to take
17 effect.

18 All of our initiatives will have more time
19 to take effect, and we will be well into the Phase 2B
20 assessments, physical assessments as well, and moving into
21 our Plant Life Management Program.

22 So we see it as an opportunity to further
23 improve the situation and we don't see it as being a risk
24 at all in terms of health and safety.

25 **THE CHAIRPERSON:** Thank you.

1 I would like to ask now CNSC staff to
2 answer those two questions, please.

3 **MR. HOWDEN:** Thank you, Barclay Howden
4 speaking.

5 We had two meetings during the break, one
6 with my staff and then one with AECL

7 The first, with my staff, was to discuss
8 the health safety and environmental potential impacts of
9 operating the reactor an additional five months and, based
10 on the information that has been provided to support this
11 application before you, we see that information is
12 applicable for an additional five-month period.

13 So we do not see an increase in risk to an
14 extension of 12 months, as opposed to 7 months.

15 From the standpoint of management of the
16 work, as Dr. Fehrenback said, the process is for review of
17 a significant number of documents as submission review and
18 then iteration to come to convergence on some of the
19 nuances and the details.

20 We also see other benefits in that the
21 Plant Life Management program will be further along into
22 Area 2B which will give much more information.

23 The Final Safety Analysis Report, taking
24 credit for the upgrades, will have been able to be fully
25 reviewed. The training and certification of the SRSE will

1 be much farther along, possibly completed, and we will
2 have to work out the exact details of those dates. And
3 also there will be more inspection information available
4 from the Periodic Inspection Program

5 So from our perspective, we are of the
6 opinion that the reactor can be operated safely for that
7 period of time and that the work required by us in
8 reviewing the submissions from AECL will be fulsome, and I
9 think we will be in a good position to make
10 recommendations to the Commission in a year's time.

11 **THE CHAIRPERSON:** Two questions, and I will
12 ask -- one question was: In your view, looking at this
13 facility, the operations for an additional five months,
14 you said that you talked to your staff about the
15 implications thereof, do you have any comments with regard
16 to the mandate of the Commission, the concerns of the
17 Commission, for that five months in terms of health,
18 safety and the protection of the environment?

19 **MR. HOWDEN:** I think following those
20 discussions, the conclusions would be that we can
21 recommend to the Commission an extension and -- because
22 there will not be unreasonable risk to health, safety and
23 environment and that the mandate of the Commission will be
24 executed during this time.

25 Certainly, we are very much focussed today

1 on NRU and its licensability extension, but we will
2 continue with our day-to-day -- the staff will continue
3 with our day-to-day oversight of the Chalk River site and
4 NRU.

5 We will also have a Chalk River site office
6 in place within about three or four months, which will
7 actually give us further access to inspection information
8 that will be brought to bear on the recommendations that
9 we would bring back to you.

10 **THE CHAIRPERSON:** So is it your
11 understanding that this time period -- that AECL would
12 continue to work through to the April time period so that
13 any additional time would be then available to extend the
14 amount of assessment time that the staff would have in any
15 going back and forth to ensure that the Commission
16 received as total a package as possible?

17 **MR. HOWDEN:** Barclay Howden speaking.

18 Yes, AECL has committed to continue on the
19 current schedule of submission of information, so there
20 has been no movement by them to extend that, which would
21 then put us under the pressure at the end, no.

22 Their commitment is to remain with that
23 schedule, which will give CNSC staff more time to go
24 through the assessment.

25 **THE CHAIRPERSON:** A question for the

1 licensee and then for staff.

2 We have gone from seven months to twelve
3 months. Was there any consideration of any other time
4 period, other than going as far as 12 months?

5 Why twelve?

6 **DR. FEHRENBACH:** Paul Fehrenback, for the
7 record.

8 We had considered other times. It is a
9 matter of ensuring that the resources are available to do
10 what needs to be done and we wanted to pick the right
11 time. But we did not want to go beyond what was necessary
12 either.

13 So it was -- we discussed a range of times
14 and ---

15 **THE CHAIRPERSON:** So you discussed times
16 between seven and twelve?

17 **MR. FEHRENBACH:** Mostly beyond twelve.

18 We were concerned that -- we did not see an
19 opportunity, really -- a significant benefit in anything
20 between seven and twelve.

21 But I would like to say, while I have the
22 opportunity, that one of the reasons that we are
23 approaching the deadline apparently so quickly, of
24 December, 2005 is that the deadline was established in
25 2003. Before 2003's site licence hearing that hard

1 deadline had not existed.

2 So we have been ramping up and preparing to
3 try and do everything that was necessary since after the
4 site licence condition was established in 2003.

5 That is one of the reasons why we find
6 ourselves here today and a little bit of short time.

7 **THE CHAIRPERSON:** Would the CNSC staff like
8 to comment with regards to discussion of time periods
9 between nine and twelve, or -- I mean, between seven and
10 twelve, or what were the pros and cons?

11 **MR. HOWDEN:** Barclay Howden speaking.

12 We looked at times between actually seven
13 and 15 months. We concluded that 12 months was a
14 reasonable period for the work to be done.

15 Extending it beyond twelve months would be
16 just basically going into the area where you would be
17 getting more work done.

18 But what we were trying to focus on is:
19 What would be the time required to focus on the
20 prerequisites required for continued operation of NRU,
21 recognizing that there will be prerequisites and then,
22 beyond that, there will be ongoing requirements well into
23 the future.

24 For example, the Aging Management Program,
25 the continued certification of staff and perhaps

1 certification of staff below the senior reactor shift
2 engineer's level.

3 But what we concluded was that, from the
4 prerequisites that we see that would need to be done in
5 order to make a recommendation to you for operation --
6 continued operation in the future -- we felt that twelve
7 months was a reasonable time period and we spoke to the
8 people who will be providing resources to us and they felt
9 that was reasonable and allows them to smooth the
10 resources.

11 But, going beyond that, we would be going
12 -- we would be providing more information, but I wanted to
13 focus on what are the prerequisites that we need AECL to
14 meet, in order to make a recommendation to you.

15 **THE CHAIRPERSON:** As I said, we will not
16 certainly be making a decision at this time and certainly
17 not before discussion, but that is one element, only one
18 element, of what we are here today to talk about is those
19 issues.

20 But I am going to ask my colleagues if they
21 have any questions with regards to this specific matter,
22 before we move to round two of general questioning.

23 Any specific ...?

24 Okay, then we will move to round two and
25 Dr. McDill has indicated a round two question, and then

1 Dr. Dosman.

2 **MEMBER McDILL:** Thank you.

3 I would like to refer to page 10 of
4 CMD 05-H28, with respect to Safety Analysis and Hazards
5 Assessments.

6 Perhaps this could be answered in the
7 context of a possible extension so that it is a little bit
8 fuller.

9 With respect to the Safety Analysis and
10 Cathena and the question of whether the loss of coolant
11 accident and the comment, "contrary to Safety Analysis
12 Rules for Licensing a New Reactor," perhaps I could have
13 staff's and the licensee's comment on that, especially
14 with respect to -- for example:

15 "... AECL claims that the computer code
16 such as Cathena used for the Safety
17 Analysis do not require validation
18 against relevant data since the codes
19 were validated for CANDU reactors ..."

20 et cetera.

21 **THE CHAIRPERSON:** Is the question for the
22 licensee?

23 **MEMBER McDILL:** Both, but ---

24 **DR. FEHRENBACH:** Paul Fehrenback, for the
25 record.

1 I would like to ask Ray Leung to respond to
2 that, but I wonder if you could just clarify your question
3 for us, Commissioner?

4 **MEMBER McDILL:** I am mostly concerned with
5 respect to Safety Analysis and the fact that there is a --
6 I guess the term that may have been used earlier in the
7 day was "a lack of convergence on the opinions with
8 respect to the use of Cathena".

9 **DR. FEHRENBACH:** I'd like to ask Ray Leung
10 to respond to that, please.

11 **MR. LEUNG:** For the record, I'm Raymond
12 Leung.

13 The discussion on the validation of Cathena
14 has been ongoing and, actually, we have Cathena validated
15 and there we poured in different activities, in other
16 activities, and what we have looked at is actually the
17 extent to which the validation has covered and we will be
18 continuing discussing with CNSC staff on their view and we
19 will actually come to a resolution of it.

20 But yet you had exchanged information, but
21 we haven't really come to the resolution of that.

22 **MEMBER McDILL:** Thank you.

23 Could staff perhaps comment?

24 **MR. HOWDEN:** Yes, I'm going to ask
25 Mr. Sang Shim, our Technical Safety

1 Specialist in this area, to respond.

2 **MR. SHIM:** Basically, what we are looking
3 for here is a code that's qualified for the application --
4 application for the NRU.

5 Basically, the Cathena code is
6 developed primarily for power reactor and many of the
7 modules and correlations are tailored for power reactor
8 conditions.

9 However, what we are looking for here is
10 the specific condition to NRU, such as geometry and
11 operating condition which is low pressure and low
12 temperature ranges here.

13 So basically, we are examining here the
14 applicability of the Cathena code for NRU, especially some
15 key assumptions and key modules in the code.

16 Thank you.

17 **(SHORT PAUSE)**

18 **MEMBER McDILL:** Did the differences -- are
19 the differences going to contribute to any concerns for
20 health and safety?

21 I'm going to have to ask both AECL and
22 staff again.

23 **MR. LEUNG:** For the record, this is Raymond
24 Leung.

25 We actually believe, we actually have

1 validated Cathena to cover off the low pressure and low
2 temperature range and we actually have specific studies
3 that actually deal with specific geometry effects for NRU
4 and I think those are the issues that we actually need to
5 actually resolve with the CNSC staff with respect to their
6 opinion on this.

7 And there's no implication on health and
8 safety.

9 **MR. SHIM:** This exercise here is basically
10 a conformity exercise. We want to make sure the
11 assumptions in Cathena are really valid for NRU
12 applications.

13 For this reason, for example, when they use
14 one dimensional reactor figure calculation, they are
15 making comparison of the reserves with the actual 3D
16 simulations using the right physics code and so on.

17 So up until now, we haven't seen any
18 significant deviation from the original reserves. So at
19 this point, that's all we can report to you.

20 Thank you.

21 **(SHORT PAUSE)**

22 **MEMBER McDILL:** Maybe I could ask: Is
23 there any issue with respect to health and safety?

24 To staff.

25 **MR. LAMARRE:** Greg Lamarre, for the record.

1 To answer you question, Dr. McDill, the
2 last paragraph of that section says that, based on our
3 preliminary assessment, there are no undue risk to
4 workers, the public, the environment especially over the
5 proposed license extension period.

6 It's one of those issues that I had
7 mentioned before where there is a gap between what staff's
8 expectations and AECL's expectations of this issue are.

9 It is an issue that is going to have to
10 continue to evolve and we've got commitments from AECL to
11 continue to address our concerns in those areas.

12 It's one, if I may term it "depth of
13 detail" in that AECL believes that they have submitted
14 sufficient information to address a point and staff hasn't
15 yet seen the depth of information to resolve uncertainties
16 in their minds.

17 So it's certainly one that we are going to
18 continue to look at over the term of the proposed
19 Licensability Extension, but I think what you are hearing
20 from staff is that, in our view, it doesn't -- it
21 certainly doesn't present a short-term risk.

22 **MEMBER McDILL:** Even to 12 months?

23 **MR. LAMARRE:** Greg Lamarre for the record.

24 Yes, and that applies to the 12-month
25 extension as well.

1 **MEMMBER McDILL:** Thank you very much.

2 **THE CHAIRPERSON:** Dr. Dosman.

3 **MEMBER DOSMAN:** Madam Chair, thank you.

4 The issue that I wanted to discuss was
5 already addressed by Dr. McDill.

6 I'd just like to pursue the issue.
7 It's come up rather late in the discussion and I think,
8 Mr. Lamarre, you first brought up the issue of what you
9 termed "lack of convergence".

10 And I'd just like to ask, I mean, how big
11 an issue is this issue because it strikes me that that's
12 almost as important as some of the other steps that are
13 being taken.

14 I mean, in the best of all worlds, a
15 licensee is proactive, does something state of the art and
16 CNSC comes along and says "Yes, that's...", you know,
17 "...that's great".

18 And then what I detect here is that
19 there are a number of issues in which there is an
20 agreement and then, it seems to me -- I don't know if
21 'paralysis' is the right word -- but it's certainly a lack
22 of progress or a slowing of progress because of this
23 conflict between proactivety and reactivity.

24 So I guess, for me trying to get a handle
25 on the situation, I would ask CNSC staff their view as to

1 continue to progress, in my opinion, over whatever term of
2 proposed licence is accepted by the Commission.

3 **MEMBER DOSMAN:** Madam Chair, and yet it is
4 fair to say that safety isn't negotiable.

5 I mean, at some point, we, as a Commission,
6 need to make decisions based on information from them and
7 from staff.

8 **THE CHAIRPERSON:** Perhaps we could ask the
9 licensee to comment?

10 **MEMBER DOSMAN:** Yes, Madam Chair.

11 Would AECL be willing to comment on this
12 issue and perhaps give a judgement as to how important an
13 issue this is and whether AECL considers itself to be more
14 proactive or more reactive to CNSC suggestion?

15 **DR. FEHRENBACH:** Thank you, Commissioner.

16 It's Paul Fehrenbach, for the record.

17 I guess I'd like to respond to this
18 question on two levels. First of all, there's the overall
19 approach to things that needs to be taken to licensing, as
20 Mr. Lamarre said, an old facility to modern standards.

21 That necessitates some degree of
22 interpretation and agreement on what the appropriate
23 approach will be, and I think the CNSC and AECL have made
24 great strides over the past year in terms of coming to
25 convergence at that level, primarily by the more proactive

1 meeting between our experts and at senior levels as well.

2 And we are meeting on a bi-weekly basis now
3 at more senior levels, so we are picking up potential
4 issues more quickly and moving in parallel more quickly
5 than we had been in the past.

6 A good example is the workforce study which
7 we have agreed to undertake for NRU, where we spent more
8 time proactively meeting up front before we started the
9 study, to make sure that our AECL's application of the
10 request, or execution of the request, was going to meet
11 CNSC expectations.

12 So on a high, level I think the convergence
13 has improved considerably.

14 The kinds of things that you are discussing
15 here -- and that Mr. Lamarre has mentioned -- are
16 important differences that currently exist with respect to
17 the details that have come out of our analysis and our
18 inspections and our conclusions.

19 And those are the kinds of things I was
20 referring to earlier when I said -- when I was trying to
21 respond to the question of what is going to take time
22 going forward.

23 It is the time to get this feedback from
24 the CNSC to our analyses, to recognize where the gaps are,
25 the differences -- or the lack of convergence as it is

1 being termed at the moment -- and to deal within that.
2 And I think we will.

3 I have confidence that we will be able to
4 ultimately come to ground on most of these points.

5 It will take, as Mr. Lamarre said, an
6 iterative process with communication to ensure the experts
7 are both seeing the same thing and then they convince one
8 another of what the appropriate determination or
9 interpretation of that is, in coming to ground on the
10 ultimate impact that that may have, or may not have, on
11 the safety of NRU.

12 So we agree that it is important to resolve
13 these things and we believe they will be resolved, but
14 that is one of the things which takes the time going
15 forward.

16 **THE CHAIRPERSON:** My sense is -- what the
17 expectations are of the Commission is that they --
18 certainly these issues are resolved, if appropriate and,
19 if not, when we come to a point of discussing the licence
20 -- not the extension, but the licence -- that it -- the
21 issues are clearly outlined for the Commission in terms of
22 the reasoning that has -- the scientific reasoning that
23 has led to us having these various issues.

24 So we will look forward to that discussion.

25 So we would assume there would be

1 convergence on issues, but not at the expense of safety
2 and that is what the expectations are for the Commission,
3 for their chief advisors, which are the staff of the CNSC.

4 Any further questions?

5 Yes, Mr. Graham.

6 **MEMBER GRAHAM:** Just two quick questions.
7 I know the day is getting long.

8 On page 10, 6.4, "Compliance with Licence
9 Requirement", you talked about -- or in CNSC's
10 presentation, they talked about the fire inspection that
11 had been carried out in 2004 and that there need to be
12 revisions to the safety -- fire safety plan -- pre-fire
13 plans and fire emergency plans in the overheads in the
14 presentations.

15 Are we far enough along that all those
16 plans now meet the requirements to extend the licence for
17 seven -- or for how many months that is decided?

18 Is CNSC staff satisfied that the NRU fire
19 hazard assessment report now meets the requirements,
20 because it did not meet the requirements in 2004.

21 **MR. HOWDEN:** Barclay Howden speaking.

22 I am going to ask Grant Cherkas to comment
23 on this but, basically, from a high-level position we are
24 satisfied that we can move forward with regard to the
25 specifics of the fire plan.

1 So I will let Mr. Cherkas comment on that.

2 **MR. CHERKAS:** For the record, my name is
3 Grant Cherkas. I am the Fire Protection Specialist with
4 Engineering Assessment Division.

5 The outstanding items in terms of the fire
6 pre-plans, fire safety plans and the inspection findings
7 from the 2004 inspection have not been closed by CNSC
8 staff and we do not believe that they are currently
9 completed.

10 Having said that, there is a significant
11 amount of effort and progress being made by the licensee
12 in this area.

13 For the Commission's information, there are
14 currently three meetings or inspections planned by the end
15 of December of this year to try and further discuss and
16 clarify these issues.

17 I do not believe that this ultimately
18 affects the extension of the proposed -- the licence
19 extension. From our perspective, important issues are
20 being dealt with and staff are pursuing the important and
21 high-risk issues and that is independent of whether the
22 facility is operating or in a shut-down state.

23 Because simply, the building would continue
24 to be occupied long into the future. So these issues are
25 at my forefront and we will continue to pursue them.

1 **MEMBER GRAHAM:** AECL, are you prepared to
2 give us -- we have some timeframes and dates that we had
3 on the short term.

4 Would this be looked at as an area
5 requiring improvement in the short term? And what dates
6 do you think you could have compliance?

7 **DR. FEHRENBACH:** Paul Fehrenback, for the
8 record.

9 I agree with Mr. Howden. In a high level I
10 think that we are moving forward towards resolution of the
11 outstanding issues here.

12 I have asked J.P. Létourneau to provide
13 more detail with respect to timeframes for our
14 deliverables.

15 **MR. LÉTOURNEAU:** Jean-Pierre Létourneau,
16 for the record.

17 You have raised a number of questions.
18 First, on the fire hazard analysis for NRU that was
19 submitted to CNSC staff in 2004, we have now completed 19
20 of the 59 recommendations that came out of the fire hazard
21 analysis and some of the important activities that we have
22 done are related to improvement in the housekeeping of NRU
23 and for CNSC staff who have been on site in the last few
24 weeks, those improvements are really fairly obvious and
25 important.

1 As we go along, we use certain rooms as
2 models for the rest of the facilities.

3 We have also, as Dr. Fehrenback indicated
4 today in his opening remarks, we have been making
5 important modifications to transient combustible materials
6 that are brought into the facilities.

7 And, currently, we are also working on our
8 pre-fire safety plans and we are focusing on the NRU
9 reactor right now, to make sure that the pre-fire safety
10 plans are completed before we come back in front of the
11 Commission in mid-2006 for the Chalk River licence
12 renewal.

13 I want also to highlight some of the
14 activities that are being done on site.

15 For instance, in the last three months, we
16 have been revising our inspection check list for buildings
17 and facilities on site and those check lists have been
18 expanded to include, not only the recommendations from
19 CNSC staff, but also to bring it up to date with the
20 National Fire Code and National Building Code.

21 I understand, from talking to our fire
22 protection people, that we now have currently 14 new fire
23 fighters that are being fully trained in those check lists
24 and the inspections are now being done across the site.

25 One thing we have done as well is improve

1 initiatives. As soon as we seen kind of deficiency, we
2 report that to the facility authority, or the building
3 landlord and they are given a report and they have to
4 complete ---

5 **THE CHAIRPERSON:** I think this is a very
6 long answer ---

7 **MR. LÉTOURNEAU:** Okay -- oh, I am done,
8 thank you very much.

9 **MEMBER GRAHAM:** One other question I have
10 and not with regard to that -- you have given the answer
11 of 19 of 59 have been implemented.

12 Checking the other records was -- there was
13 a storage tank on that site -- on the site -- regarding
14 NRU, I believe, was I not, that was leaking and you
15 replaced it with a new tank and so on.

16 Am I correct on that, or was that on --
17 just on the CRL site?

18 **DR. FEHRENBACH:** That was a tank used for
19 liquid wastes, but NRU would be one of the facilities
20 which would make use of that.

21 **MEMBER GRAHAM:** NRU would be? Okay.

22 Then my question was: Has that tank been
23 emptied, because there was a new one replaced and so on?
24 Has that been emptied and so on now, or is it
25 decommissioned?

1 **DR. FEHRENBACK:** It has been emptied and
2 will be decommissioned.

3 **THE CHAIRPERSON:** We are going now move to
4 the interventions -- although we have lost our
5 intervenors.

6 So it is probably difficult for new
7 intervenors to understand that the Commission moves at
8 whatever pace is necessary for the areas to go.

9 **05-H28.2**

10 **Oral presentation by the**

11 **Regional County**

12 **Municipality of Pontiac**

13

14 **05-H28.11**

15 **Oral presentation by**

16 **Don Lindsay, Liberal Candidate,**

17 **Renfrew - Nipissing - Pembroke**

18

19 **THE CHAIRPERSON:** So two oral intervenors
20 the 05-H28.2, which was the Oral presentation from the
21 Regional County Municipality of Pontiac and the Oral
22 presentation by Don Lindsay, the Liberal Candidate from
23 Renfrew Nipissing Pembroke, 05-H28.11 have asked that
24 their interventions be considered written interventions.

25 So I would like to start by asking the

1 Commission Members if they have any comments to make with
2 regards to what is now the written presentation of the
3 Municipality of Pontiac that Mr. Spence has put forward.

4 Are there any questions or comments with
5 regards to this?

6 No, well then thank you very much.

7 Then I will move to Mr. Lindsay's
8 presentation which was 05-H28.11, Mr. Don Lindsay's
9 presentation.

10 Are there any comments or questions for the
11 Licensee or staff with regard to Mr. Lindsay's
12 presentation?

13 No, well then we will accept those both as
14 written.

15

16 **05-H28.3 / 05-H28.3A**

17 **Oral presentation by**

18 **Maurice D. Cole,**

19 **Kenneth Merrett, Al Pyatt**

20 **And Cliff Brown**

21

22 **05-H28.4 / 05-H28.4A**

23 **Oral presentation by**

24 **MDS Nordion**

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1 **05-H28.5**
2 **Oral presentation by the**
3 **Canadian Nuclear**
4 **Workers' Council**

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6 **05-H28.6**
7 **Oral presentation by the**
8 **Corporation of the**
9 **Town of Deep River**

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11 **THE CHAIRPERSON:** As noted by earlier
12 intervenors during the MAPLE hearing process, we had the
13 following interventions that were tabled for the NRU,
14 which included Messrs. Cole, Brown, Merrett and Pyatt and
15 MDS Nordion, and the Canadian Nuclear Workers' Council and
16 the Corporation of the Town of Deep River.

17 They have indicated that their submissions
18 are now complete and that their earlier interventions to
19 be considered part of the NRU hearing.

20 Unless the Members have questions with
21 regard to these, we will now accept those interventions.
22 Are there any comments or questions with regard to those?

23 Thank you.

24 Then, we will now move to the written
25 submissions.

1 **05-H28.7**
2 **Written submission from the**
3 **National Research**
4 **Council of Canada**

5 **THE CHAIRPERSON:** There is a written
6 submission by the National Research Council of Canada, CMD
7 05-H28.7.

8 Are there any questions or comments from
9 Commission Members with regard to this written submission?
10

11 **05-H28.8**
12 **Written submission from the**
13 **Canadian Forces Base/Area**
14 **Support Unit Petawawa**

15
16 **THE CHAIRPERSON:** Okay. We will now move
17 to the next submission, written submission by the Canadian
18 Forces Base/Area Support Unit Petawawa, CMD 05-H28.8.

19 Are there any questions or comments from
20 Commission Members with regard to this written submission?
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22 **05-H28.9**
23 **Written submission from the**
24 **Corporation of the Town of**
25 **Laurentian Hills**

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THE CHAIRPERSON: Seeing none, we will move to the next one, which is the Corporation of the Town of Laurentian Hills, CMD 05-H28.9. Are there any questions or comments with regard to this submission?

05-H28.10
Written submission from
Cheryl Gallant, M.P.,
Renfrew - Nipissing - Pembroke

THE CHAIRPERSON: Moving to the written submission by Cheryl Gallant, M.P. for Renfrew, Nipissing, Pembroke, CMD 05-H28.10.

Any comments or questions with regard to this written submission?

05-H28.12
Written submission from the
County of Renfrew

THE CHAIRPERSON: Moving to the next written submission, County of Renfrew, CMD 05-H28.12.

Are there any questions or comments with

1 regard to this written submission?

2 Thank you very much.

3 With respect to this matter, I propose that
4 the Commission confer with regards to the information we
5 have considered today and determine if further information
6 is needed or if the Commission is ready to proceed with
7 the decision, and we will advise accordingly.

8 This brings to the end the hearing today
9 for the NRU, and we will be continuing tomorrow morning
10 with the hearings, which would be 0830 hrs, but the
11 Commission meeting will start at 1630 hrs; 1630 hrs the
12 Commission meeting will start.

13 So thank you very much, ladies and
14 gentlemen, for joining us today.

15

16 --- Upon adjourning at 4:18 p.m.

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