

**Record of Proceedings, including
Reasons for Decision**

In the matter of

Shield Source Incorporated

Application for Nuclear Substance Processing Facility Operating Licence

**July 2000
Ottawa, Ontario**

RECORD OF PROCEEDINGS

Applicant: Shield Source Incorporated
Address/Location: Peterborough, Ontario
Purpose: Nuclear Substance Processing Facility Operating Licence

Application received: August 31, 1999

Date(s) of hearing: Day 1: April 26, 2000 Day 2: June 29, 2000

Day 1:

Date: April 26, 2000

Location: CNSC Public Hearing Room, 280 Slater St., 14th Fl., Ottawa, Ontario

Members present: Dr. A.J. Bishop, Chair
Dr. C.R. Barnes
Dr. A.J. Carty
Dr. Y.M. Giroux
Mr. A.R. Graham

Counsel: A. Nowack

Secretary: G.C. Jack

Recording Secretary: B. Gerestein

Applicant Represented By	Document Number
None	None
CNSC Staff	Document Number
<ul style="list-style-type: none">• A. Aly• R. Chamberlain	BMD 00-57

Day 2:

Date: June 29, 2000

Location: CNSC Public Hearing Room, 280 Slater St., 14th Fl., Ottawa, Ontario

Members present: Dr. A.J. Bishop, Chair
Dr. C.R. Barnes
Dr. Y.M. Giroux
Mr. A.R. Graham

Counsel: B. Shaffer

Secretary: G.C. Jack

Recording Secretary: B. Gerestein

Applicant Represented By	Document Number
<ul style="list-style-type: none">• R. Lynch• L. McMurray• S. Swanson	CMD 00-H10.1
CNSC Staff	Document Number
<ul style="list-style-type: none">• A. Aly• R. Chamberlain	CMD 00-H10
Intervenors	Document Number
<ul style="list-style-type: none">• I. Kock, Nuclear Awareness Project	CMD 00-H10.2

Decision and Reasons:

Licence/Amendment: Issued: X Not Issued:

Date of Decision: June 29, 2000

Sent to applicant on: July 11, 2000

Sent to participants on: July 11, 2000

Reasons Issued: Yes: X No:

Licence attached:

Yes: _____

No: X

DECISION

Shield Source Incorporated Renewal of Operating Licence

1. Summary

In reference to an application from Shield Source Incorporated (SSI), the Canadian Nuclear Safety Commission, pursuant to section 24 of the *Nuclear Safety and Control Act*, issues Nuclear Substance Processing Facility Licence NSPFOL-12.00/2005 to Shield Source Incorporated, Peterborough, Ontario. The licence allows the applicant to manufacture and distribute tritium light sources. The licence is valid from August 1, 2000 to July 31, 2003 unless suspended, amended, revoked or replaced.

In reaching this decision, the Commission considered the submissions of the applicant, Commission staff and an intervenor, as set out in the material filed for the hearing as well as information provided by staff and participants at the hearing.

2. Issues

During the public hearing, the Commission heard submissions from the applicant and Commission staff related to several issues. The Commission's views on these are as follows.

2.1 Environmental Monitoring Program

The Commission received information from its staff leading it to believe that during the last licence period, SSI seemed to have displayed a lack of seriousness about the importance of a properly managed environmental monitoring program, in that the program was not operational for several months and that there was a lack of awareness of that on the part of the licensee. The intervenor also raised this issue. The Commission notes that the company's management has been changed, notes that expert consultants have been hired who have reviewed and improved the environmental monitoring program, and notes the company's expressed commitment to performance. It is important that the applicant demonstrate an awareness that responsibility for licensed activities remains with the licensee, and cannot be delegated to contractors. The Commission is satisfied, based on representations made by SSI representatives at the hearing, that the applicant now has that awareness. The Commission wishes to have reassurance that the changes implemented by the applicant will produce long-term improvements, and is therefore adding a condition to the licence to SSI requiring the company to report back to the Commission in one year. While there may also be issues to follow up with CNSC staff, those issues do not preclude, in the Commission's view, the issuance of the licence.

2.2 Access to Information

An intervenor, Nuclear Awareness Project, suggested in its submission (CMD 00-10.2) that the Commission was not respecting its stated commitment to openness and transparency. The Commission notes that some information on environmental monitoring was provided to the intervenor and accepts the staff response that other aspects of the intervenor's request for information are being processed in accordance with the provisions of the *Access to Information Act*. The Commission notes that this process takes time, that to date staff have met all deadlines specified in the Act, and staff's intentions to expedite the process to the extent possible within the constraints of the Act.

2.3 Licence Period

Because of the applicant's performance during the licensing period now nearly closed, the Commission decides not to accept the staff's recommendation for a licence valid for five years. The Commission decides instead that the licence will be for a three-year period. The Commission also requires the applicant to submit a report in one year on their operations, with particular emphasis on the company's safety performance, especially the environmental monitoring aspects. This requirement is added as a condition to the licence proposed by CNSC staff, as indicated in 2.1 above.

2.4 Buffer Zone

The intervenor suggested that the lack of a buffer zone around the facility, comparable to the exclusion zone which exists around some nuclear generating stations, was undesirable. The Commission does not accept this, since the need for such a zone is relevant to only certain types of facilities, and is not applicable all type 1B facilities.

3. Conclusion

Subject to the conditions described above, the commission accepts the information set out in CMD 00-H10 and the submissions, conclusions and recommendations set out in that document. The Commission is therefore of the opinion, as required by section 24 of the *Nuclear Safety and Control Act*, that the applicant is qualified to carry out the activity that the renewed licence will authorize the licensee to carry on and that the applicant will, in carrying on the activity, make

adequate provision for the protection of the environment, the health and safety of persons and the maintenance of national security, and measures required to implement international obligations to which Canada has agreed.

George C. Jack
Secretary,
Canadian Nuclear Safety Commission

Date of decision: June 29, 2000

Date of release of Reasons for Decision: July 11, 2000