



STAFF REPORT

Meeting Date: January 9, 2023

Title: NWMO 2023 Funding Agreements - Learn More Program and Near-term Investment Program

Prepared By: Roger Nesbitt, CAO

Department: Administration

Report Number: Administration-2023-002

Recommendation:

THAT Council resolves to execute the NWMO Significant Neighboring Community Funding Agreement for the 2023 Learn More Program, including the Community Well Being Fund apportionment; and,

THAT Council resolves to execute the NWMO 2023-2024 Near-term Investment Funding Agreement; and,

THAT Council resolves to create two reserve funds; a Community Well Being reserve fund and a Near-term Investment reserve fund to facilitate receipt of the applicable NWMO funds and thereby meeting requirements for both the Community Well Being Funding Program and the Near-term Investment Funding Agreement; and,

THAT all resolutions passed by Council accepting NWMO funding include the following statement, "NWMO and the City of Dryden acknowledge that acceptance of the <insert fund name> funding does not constitute the Municipality's community support for the APM project nor the selection of the Township of Ignace as a final host community pursuant to NWMO's Site Selection Process."

Background:

Commencing in 2010, the Nuclear Waste Management Organization (NWMO) has been conducting a process to identify a willing community to host facilities for the long-term

management of Canada's used nuclear fuel. The Township of Ignace is one of the 22 communities that had independently entered the NWMO site selection process.

Canada's plan for the long-term storage of used nuclear fuel is coined Adaptive Phased Management (APM). The ultimate goal of the APM project is to safely contain and isolate the used nuclear fuel in a single deep geological repository (DGR), constructed in a suitable rock formation. The objective of the site selection process is to arrive at a single location for the DGR and associated Centre of Expertise through several phases of progressively more detailed technical, scientific and socio-economic assessment.

The process is advancing through a multi-year series of steps to ensure that, above all, the site selected is safe and secure, and meets the highest scientific, professional, and ethical standards. Since launching the process, the NWMO has been working collaboratively with communities interested in learning to begin exploring their potential to meet site selection requirements. Upon the completion of Phase 1 assessments, a smaller list of communities was identified as warranting further study by advancing to Phase 2. Ignace is now one of two remaining sites in the site selection process. Further information regarding the NWMO and APM project can be obtained at www.nwmo.ca.

Discussion:

The potential DGR site that the NWMO is studying in the Dryden/Ignace area is in a rock formation located between Dryden and Ignace in unorganized territory, on Crown land. The NWMO has reported that this potential DGR site is located approximately 35 kilometers from the municipal boundary of Ignace, and 40 kilometers from the municipal boundary of Dryden. As such, the City of Dryden has inherited the role of a Significant Neighbouring Community in relation to the NWMO's APM project.

City Council has recognized the importance for Dryden residents and municipal leadership to learn about the APM project, including the safety of the proposed facility and the positive and negative impacts such a project could have on the City of Dryden. For this purpose, City Council has committed to learning about the APM project through engagement with the NWMO with a goal of identifying and mitigating potential impacts to our community as well as building community and municipal organizational capacities.

It is important that the ratepayers of Dryden not experience any financial hardships simply because our community has inherited the role of a Significant Neighbouring Community in the NWMO's APM Site Selection Process which has resulted from the Township of Ignace's interest in potentially being a DGR host community. To avoid any financial and human resource hardships, the City of Dryden has been leveraging the NWMO's Learn More funding program since approximately 2014 with the most recent funding agreement expiring at the end of 2022. This NWMO funding to date has accounted for approximately \$2.4MM in funding for the municipality over a nine year period.

The proposed NWMO Significant Neighboring Community funding agreement for the 2023 Learn More program has an estimated value of \$1,249,995 and will consist of funding for the following resource components and activities.

- Special Projects Manager (fully funded resource)
- Economic Development Manager (partially funded resource)
- Junior Planner (partially funded resource)
- 2 Student employee positions
- Legal counsel and professional communication support
- Salary allocation for municipal staff and Council to cover involvement in APM initiatives, including participation in the Impact Benefits Agreement development
- General Operating expenses including required travel expenses
- Youth Centre support
- Municipal strategic planning and organizational development, community investment marketing, and architectural and engineering services for community capacity projects.
- Community Well-being fund intended to support the community's continuing efforts to build community sustainability and well-being, support capacity-building and the development of transferrable skills.

The intention of this funding has been clearly stated and aids municipal leadership in developing their understanding of the potential impacts and benefits such a project may introduce to Dryden. Municipal leadership must be positioned to come from a place of knowledge and purposeful planning, not one of reaction or delayed response as this will not serve the best interests of our community. Dryden must have a clear and strong voice in this process as we are the only ones who will look after our community's best interests.

New in 2023, NWMO is offering its Near-term Investment (NTI) funding program to Significant Neighboring Communities. The fund is intended to be used for qualifying near-term activities over the 2023/2024 period. Qualifying projects would need to meet the following criteria:

1. Broad benefit: The community or Municipality has demonstrated how the proposed project will benefit the community or area at large, and not just one group within it.
2. Sustainability: The community or Municipality has demonstrated how the proposed project will benefit the long-term sustainability of the community or area.
3. Benefits are clear and reasonable: The expected benefits to the community or area have been clearly articulated, and quantified where appropriate, and there is a reasonable expectation they will be delivered should the proposed project proceed.
4. Project is achievable: The community or Municipality has demonstrated that the project can be successfully implemented, taking into account: the extent to which the project's planning and implementation are well-defined and understood, the

adequacy of the financial resources and capacity required to implement the project, supported by detailed cost estimates developed by subject matter experts, and the schedule for project completion

5. Alternative funding: The community has explored additional sources of funding and partnerships to leverage funding provided by the NWMO.
6. Future costs are managed: The advancement of the project will not create an unreasonable future burden on the community, such as commitment to unfunded stages of work, ongoing costs of operation and/or costs of continued financing.

An important fact to note is that the City and the NWMO have been very clear that entering into either the Learn More funding agreement or the NTI funding agreement does not constitute Dryden's community support for either the APM project or the selection of Ignace as a final host community pursuant to NWMO's Site Selection Process.

Financial Implications:

2023 Learn More Program funding total \$1,249,995, with \$150,000 allocated as Community Well Being funding.

2023/2024 NTI Program funding total \$2,000,000

Current Budget Allocation:

Account #: