

Opening Statement

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To

**Senate Standing Committee on Energy,
the Environment and Natural Resources**

June 1, 2010

Good afternoon,

My name is Denise Carpenter and I am very pleased to have been given this opportunity to introduce myself to members of this Committee and to re-introduce the Canadian Nuclear Association to many of you. I am exactly six months into this new job as President and CEO of the CNA so I am still very much in the learning mode. Fortunately, I have a background in the energy sector, most recently as a member of the executive team at EPCOR in Edmonton.

The CNA has some 95 members representing the entire spectrum of the nuclear industry – electricity producers, manufacturers, uranium mining and fuel processing, labour unions, engineering and universities.

Our vision is to seize the opportunity presented by the global renaissance to build and sustain a strong, vibrant and growing nuclear industry. Globally there are 438 operating reactors, 54 under construction and over 450 planned or proposed. Our industry wants to be a global player and create economic wealth and thousands of high paying jobs for Canadians.

Canada has a unique history of nuclear innovation and achievement. Our job today is to build on this record of accomplishment by looking to the future for growth. To help frame this story, I think you will enjoy a short video which we recently developed to explain why nuclear is important and ever so timely.

That was a lot of information thrown at you. To help assimilate the facts, I would like to take a couple of minutes to position the Canadian nuclear industry in a public policy context. I will briefly summarize the PowerPoint narrative that was provided to you by focusing on the following four main messages.

First, the Canadian nuclear industry is large. Nuclear generates 15% of Canada's electricity, including 55% in Ontario. It is responsible for over 70,000 highly skilled and high paying direct and indirect jobs. Canada, specifically Saskatchewan, is the world's second largest uranium producer with 20% of the world market. We are a global leader in nuclear medical technologies. And we have state-of-the-art research facilities in Chalk River.

But size isn't everything. So my second message is that nuclear is important from economic, environmental and health public policy perspectives. Simply put:

- Nuclear is more than affordable and competitive – it is a low cost energy source. Nuclear provides competitive costs with coal and natural gas and much lower than the two most promising renewables, namely wind and solar. At the same time, nuclear has high capital costs which generate large and positive economic impacts.
- Nuclear power is secure, safe, stable and reliable. Perhaps most important in today's concerns about climate change and our environment is the simple fact that nuclear electricity is clean and non-emitting. No other baseload electricity can compare.

- Nuclear goes well beyond electricity generation. Nuclear in Canada is also the basis for vital cancer-fighting medical technologies, diagnosis and treatment, medical sterilization and food irradiation, desalination of water and other emerging technologies. The Canadian nuclear research cluster in Chalk River is second to none. Half of the world's medical isotopes were produced by AECL's NRU reactor at Chalk River.

My third message is you need to focus on nuclear now. The Canadian industry is entering a period of unprecedented uncertainty due to the prospective sale of AECL. The CANDUs have been a remarkable success story but their future, and all those associated jobs and companies, are at risk. This sale could have unknown impacts on Canada's nuclear supply chain and potentially on the future of the Canadian nuclear industry at large.

While our Association acknowledges the reasons behind the federal government's decision to sell AECL's power generating assets, we urge the government to examine and address the potential consequences on the rest of Canada's nuclear industry. It will be vitally important to ensure this sale will advance the industry and the hundreds of Canadian companies that are part of the CANDU supply chain and make it more competitive rather than risk repeating the misfortunes of other countries following the sale of their core nuclear power assets.

Which brings me to my fourth and final message to you. Government has a critical role to play in establishing the framework for continued growth in our nuclear industry.

- Government should maintain our strong and predictable regulatory environment under the Canadian Nuclear Safety Commission.
- Government should re-commit to our enviable R&D activity to mobilize continuous innovation.
- Government should nurture and strengthen our education and skills training capacity in our universities and colleges across Canada.

- Government and industry should grow Canada's nuclear electricity generating capacity to 18,000 MW by 2025 through 12,000 MW of refurbishments and an additional 6000 MW in new builds.
- Government should responsibly increase Canada's uranium mining, production, refining.
- And finally, government should define nuclear as clean energy and make it a cornerstone of a national strategy to lower greenhouse gas emissions and air pollutants from hydrocarbon-fired electricity.

Thank you for your time and interest. I would like to open up this discussion and try to answer your questions.