

Speaking Notes

for

Denise Carpenter,

President

and CEO

Canadian Nuclear Association

To

Cameco's Second Community Forum of 2010

June 21, 2010

7:00 pm

**Carpenters' Union Hall, 459 Croft St., Port Hope
Port Hope, Ontario**

INTRODUCTION

Good evening ladies and gentlemen,

Thank you John.

As President and CEO of the Canadian Nuclear Association (the CNA) it is a pleasure for me to be in Port Hope. I can't help but feel comfortable in a place named "Carpenter's Union Hall". I'm from Alberta - but this may prompt me to explore my family roots here in Ontario.

It may be my first time here but I am well aware of the pivotal role this municipality plays in Canada's nuclear industry. For as long as there has been a nuclear industry in Canada, Port Hope has been at the centre of its evolution. In fact, the operating facility you have here is the longest running nuclear facility in the world.

That is an impressive history and a unique legacy. It may bring with it both opportunities and challenges, however you are an example of how a community can 1) take advantage of the benefits of the nuclear industry, and 2) tackle the difficult issues that are often associated with development.

For those reasons we cannot underestimate the importance of community forums such as this one. I want to congratulate Cameco, your Municipal leaders, community groups – all residents of Port Hope - for holding these forums over the years.

Only through a consistent, open dialogue can we truly learn from one another, exchange views, and most importantly, affect change when there is a need to do so. These elements are crucial to successful, prosperous outcomes for all communities and their core

industries. I look forward to our discussions this evening and presentations by my fellow presenters.

A FEW FACTS ABOUT OUR INDUSTRY ACROSS CANADA

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.

This year marks a significant milestone for us. It was 50 years ago, in 1960, that the members of the Canadian nuclear industry created the Canadian Nuclear Association to promote the peaceful use of nuclear technology in Canada.

Our vision is to seize the opportunities being 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's nuclear industry, from its early days at Chalk River to today, is responsible for developing innovative new products and services that have improved the quality of life of Canadians and people around the globe.

We have created a world-leading uranium industry.

The CANDU reactor, nuclear medicine, materials research, products that can make food safer and water more available – our industry is key to our economy, it improves living standards, and it saves lives.

In three Canadian provinces, we have achieved an unparalleled record of safe, reliable and economic nuclear power generation. Here in Ontario, where we supply more than half of the province's power, nuclear-generated electricity energizes Canada's largest economy.

Our nuclear power plants also generate 24/7 base load electricity and keep the air clean.

We have been world leaders in the production of medical isotopes.

There is no doubt that our industry is a mainstay of the Canadian economy.

POWERING OUR FUTURE

The CNA has unveiled a Growth Strategy to ensure Canada remains a global leader in nuclear technology, creates highly-skilled jobs in Canada, increases economic benefits for Canadians, and helps address the domestic and international challenges of climate change through the generation of clean energy.

I believe that nuclear energy can power the dreams of tomorrow. Our industry has opportunities to provide benefits for Canada in areas of power, research, medicine, and climate change. Let me illustrate a few reasons why.

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 across the country.

Nuclear is affordable when we look at the overall cost from a cradle-to-grave life cycle point of view. It provides competitive costs with coal, natural gas and large hydro, and much lower than the two most promising renewables, namely wind and solar. While nuclear may have high capital costs, these costs also generate large and positive economic impacts for communities such as highly-skilled jobs and infrastructure. These projects also provide income in the way of taxes to provinces and municipalities.

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. Nuclear can even be considered an enabler for renewable energy. No other base load electricity can compare when we look at these possibilities.

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 lab in Chalk River is second to none. Half of the world's medical isotopes were produced by AECL's NRU reactor at Chalk River.

- With respect to the current status of the NRU, repairs are complete. AECL will be seeking approval from the Canadian Nuclear Safety Commission on June 28 to restart the reactor. AECL is hopeful the NRU will be operational by the end of July.

One of the best parts of my job is the constant learning about applications of nuclear energy. What I recently learned – and what

many people don't know about the NRU reactor – is that it does much more than produce medical isotopes.

The NRU is a research reactor, providing leading edge science to universities and private companies around the world in the area of material science - known as neutron scattering.

A very simple way to explain this is, by using the neutron beams harnessed from the reactor core, scientists can actually observe at a molecular level the structure of any type of material. For example, steel pipes.

This research provides engineers with crucial information to develop safer, stronger materials that can be used in the construction of nuclear reactors to airplanes and bridges.

There are also very interesting possibilities for health and medical research here. Such as understanding the texture and quality of our food, or understanding membrane interactions that could lead to more information about cholesterol and heart disease, and eventually the cures which will benefit Canadians.

I would like to emphasize here that none of this would be possible without the fuel produced right here in Port Hope.

I was on a Panel last week in Ottawa where I discussed the possibility of nuclear energy as a complementary power source for a “smart electricity grid”. One of the reasons the smart grid is being looked at around the world is to safely and reliably accept much more intermittent sources of electricity such as wind and solar. 24/7 base-load power such as nuclear can ensure reliability and stability of such a grid.

We can help address the challenges of Climate Change. Nuclear power does not produce the gases that result in smog and global warming. It is an excellent fit with the low-emissions electricity systems of the future.

Nuclear power can make plug-in electric vehicles truly emission free, revolutionizing the transportation sector.

These are the possibilities for tomorrow. But of course we face challenges today. For example, the industry is entering a period of unprecedented uncertainty due to the prospective sale of AECL.

The Government of Canada has stated that AECL must be changed to allow Canada to fully participate in the nuclear industry's global expansion.

This change would mean that Chalk River Labs would also have an opportunity to renew itself and maintain its world-class reputation, while ensuring safe and reliable operations.

As the Government finalizes their process in the coming months, we have been clear that we support a system that will advance the industry and the hundreds of Canadian companies that are part of the CANDU supply chain to make it more competitive. We also want to retain the brightest young minds here at home, and to do this we need strong R&D programs to support a strong and viable industry.

I recently spoke to the *Senate Standing Committee on Energy, Environment and Natural Resources* about our Growth Strategy.

We need Governments to play a critical role for continued growth in our nuclear industry. We are **asking** Governments to be **advocates** for our industry.

COMMUNITY INVOLVEMENT

As an employer of about 775 people in Port Hope and Cobourg, and as the largest industrial employer in Port Hope and Northumberland County, Cameco takes its responsibility to your community seriously.

Our entire industry believes that we have a responsibility to support programs and projects that contribute to prosperity and quality of life in the community.

I am here to learn more about Port Hope and your community initiatives. Plans such as Vision 2010 - a revitalization project for Cameco's waterfront site that supports future redevelopment plans for the entire waterfront.

I have also been learning about the Port Hope Area Initiative which is a good example of the “legacy” I mentioned earlier. This is an issue filled with opportunities and challenges, but one your community has tackled head-on with Governments and industry.

Just as I have outlined a vision for our industry at large, I can also see that Cameco has a vision to improve and enhance your community.

CONCLUSION

We're one of the few countries in the world that has a nuclear supply chain, and Port Hope is a key element of that chain. We have done some incredible work in terms of the nuclear industry, and that work will continue.

As our industry seizes opportunities for growth in a global nuclear renaissance, the CNA will be supporting our members at every turn. If you have specific ideas on how we can do this from a community angle, I would like to hear from you.

I spoke at length this evening about plans for the future. In closing, I would like to show you a video that outlines our industry's remarkable past.

Yes, there have been challenges and they remain today. But we also have a legacy of successes to move us forward.

It is through our past that we can learn about our future. And when we see how far we've come as a nuclear industry in Canada, we see how far we can go.

After the video I would be pleased to take your questions.

Thank you.