

Opening Remarks

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**House of Commons Standing Committee on Natural Resources
October 19, 2009**

Check Against Delivery

Thank you Mr. Chairman.

I have with me today Mr. Richard Cote, Vice President responsible for AECL's isotopes business. Hugh MacDiarmid, AECL's President and CEO, asked me to express his regrets at not being able to be here. Hugh is attending his daughter's wedding in Alberta and hopes you will understand his absence.

I would like to give you an update on progress in the repair of the National Research Universal reactor at the Chalk River facility. As you may be aware, we continue to conduct ourselves with the greatest possible transparency. We continue to provide proactive disclosure of our progress on a weekly basis. Last Wednesday, we issued our 25th NRU Status Report, providing full public disclosure on the status of the repair.

In addition, we continue to use our outage website, nrucanada.ca, which provides a wide range of information on the NRU and the repair. To date, we have posted eight videos on the site addressing different aspects of the repair. I recommend the site and the videos to you.

In our outage status updates, we provide guidance on the duration of the shutdown. This guidance continues to be founded on the best evidence available, including the most up-to-date analysis of the inspection data, progress on repair strategies, and critical path requirements for restart after an extended shutdown. At this time, I can assure you that we remain on track to return the reactor to service during the first calendar quarter of 2010.

Our continued progress is due in large part to the talented and dedicated employees at the Chalk River facility and their AECL colleagues in Mississauga. Work on the reactor has continued seven days a week and around the clock since the outage occurred in May. I also want to recognize the commitment of our vendor partners, like Promation in Mississauga Ontario and Liburdi Engineering in Dundas Ontario, who have worked tirelessly along with AECL's tooling design and manufacturing groups to support our efforts in the development and manufacture of numerous first of a kind tooling required during this outage.

To date, well over 20 unique new tools have been created for inspection, cleaning and repair purposes. The collaboration with these vendors, and the integration of AECL's expertise with Canadian and global companies who have other capability in the nuclear field, is both impressive and very important to the progress made to date.

For example, as part of tooling development activities our partners have worked side by side with AECL subject matter experts. AECL staff have relocated to vendor facilities where they are able to test and qualify equipment, and train using NRU mock-ups located on vendor premises. Work carried out by Promation and Liburdi facilities is transferred seamlessly to Chalk River for final testing and training using the full scale NRU mock-up located at Chalk River.

At an earlier session I advised the committee on the three phases of our return to service plan. At this time I would like to provide an update on our progress in the context of each of these three phases.

The first phase involved the conduct of a condition assessment of the reactor and the selection of a repair technique. That phase was completed at the end of August.

With respect to the repair, we have decided to proceed with a weld buildup technique over six specific locations. Phase 2 is the implementation of the repair strategy. As discussed before, the challenge in conducting these repairs is the fact that access to the repair is provided through a 12 centimetre aperture that is a distance of 9 metres away – in a radioactive environment. As I have already mentioned, extensive testing of the repair process and special tools is now underway. As part of the repair process, I can also report that qualification of the welding process for the newly manufactured repair tools by the Technical Standards and Safety Authority (TSSA) is nearing completion. Two welding tests completed last week have met TSSA requirements. Further welding tool qualification and additional welding tests are currently in progress at the vendors' facilities.

In parallel to current weld qualification activities, preparation of the weld sites is underway. Initial remote cleaning is currently in progress, removing the normal wall surface build-up that occurs during operation of the reactor. Additional surface preparation is under development. These activities are necessary to prepare the sites for welding. Once the repair is complete and final inspection confirms results, the third phase of the program will be returning the reactor to service, with the full oversight of the CNSC. These three phases interlock and overlap to some degree. This approach ensures that we will get the reactor back into service as soon as we possibly and safely can during the first quarter of 2010.

I want to mention that my colleague Richard Cote is in regular contact with the other isotope producers around the world. Together, producers are making every possible effort to schedule production and planned maintenance outages so that isotope production is maximized and interruptions in supply are minimized.

Before concluding, I want to reiterate our confidence that the NRU will be repaired and that the repair program is the best available option for continued supply of medical isotopes to patients.

Thank you.

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