January 16, 2008
Telegraph Journal

Would you buy a nuke from this bunch?

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Prime Minister Harper has largely succeeded in averting public scrutiny of Atomic Energy of Canada Ltd. (AECL) in the medical isotope affair. By blaming the chair of the Canadian Nuclear Safety Commission (CNSC), the arms-length nuclear regulatory body, for the shortage of medical isotopes after it shut down the 50-year old NRU reactor at Chalk River, the publicly funded Crown corporation has been largely shielded by the Prime Minister from what should be a major shakedown.

Despite receiving billions of tax dollars since it started operations in Chalk River providing fuel for the American nuclear weapons program, AECL has failed to develop into a viable, reliable enterprise. Worse, it has been shown to be poorly managed, not a trait one would like to see in a national nuclear industry.

Flushed out by the Liberal opposition, the federal government finally released the auditor-general's report on AECL completed last September. The report identifies "significant deficiencies" which will cost more than $1 billion to fix.

To start, a badly needed upgrade of the 50 year-old facilities at Chalk River will cost $600 million over five years, not including the cost of resolving the NRU reactor safety problems. Sixteen months ago, the CNSC imposed several conditions on the NRU reactor licence renewal; AECL has made no obvious attempt to meet those safety conditions.

The Maple 1 and 2 reactors that were to replace the NRU reactor as producers of medical isotopes are more problematic. Eight years behind schedule and way over budget, the incomplete reactors have a safety flaw which nobody at AECL can explain. If the problem is design-related, it would be several more years before isotopes are produced, if at all.

Last year's estimate of an additional $130 million to finish the reactors has been "increased significantly." Of the Maple reactors, a representative of an equity research firm made this understatement: "AECL may have actually over-promised in terms of its ability to design reactors and deliver... within budget and on time."

The auditor-general also questioned the status of AECL's new generation of commercial reactor, the Advanced Candu Reactor or ACR, which it wants to sell to international markets. With the Candu 600 (the Point Lepreau model) aging prematurely and requiring billion-dollar retrofits, AECL is now promising a new 1,000-megawatt design, but there are possible safety issues with this reactor as well, at least at the computer modelling level (it isn't yet off the design table). Last March, AECL estimated the additional cost of getting this new reactor design ready to sell at $400 million.

Besides such technical concerns, AECL has been poorly managed for many years. That buyers of medical isotopes from Chalk River had no idea the Maple reactors were not operating, and that AECL led the Canadian Nuclear Safety Commission to believe that the safety issues at the NRU reactor had been addressed, points to a lack of professionalism that should alarm all Canadians. Still, there has been no accountability.

When the $400 million Point Lepreau project ended up costing New Brunswickers $1.2 billion, no heads rolled at AECL (or NB Power). Nor has there been any

apparent consequence of the Maple 1 and 2 reactor debacle, other than a damaged industry reputation which could end up costing Canadians many millions.

The Harper-appointed chairman of AECL conveniently resigned just as the isotope affair was heating up, removing an inconvenient lightning rod. The pre-Christmas imbroglio also revealed that the President and CEO position at AECL had been vacant since Nov. 1 - no chief, no accountability.

The medical isotope affair and the auditor general's report have shone a very unflattering light on AECL, and just in time. Down here in the techno-starved boonies, it's easy to be star-struck with the "over-promising" Team Candu, even to the point where we hire them (with their own money) to "study" their own capacity to build us the first ACR 'on time and on budget.'

AECL needs this sale. Without some serious reactor orders, it will be hard to convince the federal Treasury Board that it deserves the billion dollars it needs to survive. A sale in New Brunswick, while not enough, would be a place to work out the inevitable kinks that building the new reactor would have, before it hits more serious markets.

Given recent revelations, Premier Graham would be wise to heed the old proverb, fools rush in where angels fear to tread. That sweet real estate deal in Florida is likely to turn out to be an alligator swamp.