

Who owns AECL anyway? Sorting through the mess that Harper wrought

In the old days there was Atomic Energy of Canada, Limited - a crown corporation with a Chalk River-based research facility and a reactor sales division in Toronto.

The Harper government changed all that. In 2011 it sold off AECL's CANDU Reactor Division to SNC Lavalin for a song. In 2013 it announced that AECL's nuclear labs would be run using a "Government-owned, Contractor-operated" (GoCo) model, similar to that in the U.S. and the U.K. In May 2014, it "launched" the Canadian Nuclear Laboratories, Limited (CNL) as a "wholly-owned subsidiary" of AECL, but with the intent to "transfer the shares" in CNL to a private-sector contractor. And in June 2015, it announced the selection of the "Canadian National Energy Alliance" (CNEA) as that contractor. A 6-year contract (with options to extend for two, 2-year periods) was finalized in fall 2015 – just before the federal election.

CNEA is composed of five large multinational corporations, based in the U.S. (CH2M, Fluor), the U.K. (Atkins, Rolls-Royce) and Canada (SNC-Lavalin). They now "own" the shares in CNL. But AECL still owns the assets -- and more significantly, the liabilities -- at the Chalk River site, and at other "federal" nuclear sites (Whiteshell, Douglas Point, Gentilly-1, Rolphton, Port Hope). CNL manages these sites under contract. CNL and AECL have the same registered office address – 286 Plant Road, Chalk River, Ontario.

The 2016-2017 federal budget gave AECL \$529.8 million to "reduce the Government of Canada's radioactive waste liabilities" through "infrastructure decommissioning, site remediation and waste management." Funding to deal with nuclear waste liabilities had previously been provided to Natural Resources Canada (through the former Nuclear Legacy Liabilities Program, the Port Hope Area Initiative and the Low-level Radioactive Waste Management Office), and hence was not reflected in Parliamentary appropriations to AECL.

In addition, the 2016-2017 budget gave AECL \$438.8 million for "implementation of the Government-owned, Contractor-operated model." In essence, the very-much-downsized AECL received a huge increase in Parliamentary appropriations in 2016-2017: \$969 million, up from \$336 million in 2015-2016. Most of this goes to a consortium of multinational companies.

Many people are scratching their heads trying to figure out what this means. Who "owns" CNL when the current contract expires? Who is responsible for Canada's serious nuclear legacy wastes at Chalk River and elsewhere? But when it comes to the question "Who pays?" the answer is clear: You - the Canadian taxpayer.