

Atomic Energy

the project; and two utilities, the Nova Scotia power commission and the New Brunswick power commission, have indicated some interest. Atomic Energy of Canada Limited has now recommended that the proposal of the Hydro-Electric Power Commission of Ontario be accepted, and the government has approved this recommendation.

The arrangement will provide that Atomic Energy of Canada Limited will assume responsibility for the specifications and the cost of the reactor, and that the Hydro-Electric Power Commission of Ontario will assume responsibility for the specifications and cost of the conventional part of the plant, including the cost of the building to house the entire plant and the cost of its site. Ontario hydro will operate the plant as a part of its power system and for that purpose will purchase steam from Atomic Energy of Canada Limited at a price equivalent to the cost of steam produced in the emergency plant erected at Scarborough, Ontario, some years ago.

The decision to accept the proposal of Ontario hydro is based on several factors. First, as the reactor is to be used for demonstration purposes it is essential that it be operated in a power system which is sufficiently large to cope with interrupted operation or operation at a low load factor. Second, it is considered desirable that the first power reactor should be located within easy access of Chalk River, since Chalk River will be responsible for nuclear performance. Third, the financial arrangements provide that both parties will accept full responsibility for the cost of their respective portions of the project, together with any loss that may be incurred as the result of failure in operation or interrupted operation. This sharing of costs and risk is essential in an experimental project of this kind. Since Ontario hydro has made the major contribution to the feasibility study on which the specifications of the reactor will be based, the continuing partnership will be of great mutual advantage.

While the reactor will be located in Ontario, it will be the policy to provide full information to the members of the advisory committee with regard to its design and operation. In this way we will ensure that all Canadian power producers will be in a position to evaluate its economic significance in terms of their respective systems.

Last December Atomic Energy of Canada Limited invited proposals for the design and construction of the reactor from a number of companies which were considered to have the design, engineering and manufacturing resources needed for an undertaking of this kind. These companies were advised that

they would be expected to make some financial contribution to the project. After a careful assessment of these two factors—design, engineering and manufacturing resources and the amount of the financial contribution—Atomic Energy of Canada Limited has recommended that the contract be awarded to the Canadian General Electric Company Limited.

It is intended that detailed design will get under way immediately, with a view to the completion of construction in mid-1958.

Further details with regard to the program will be submitted to the parliamentary committee on research.

Mr. Green: Were power commissions and companies in all the provinces given the opportunity to participate in these developments?

Mr. Howe (Port Arthur): The answer is yes. All the power companies were invited to be represented on the advisory committee, and I think that all but one or two are so represented. A number of power companies, although they are not assuming financial responsibility for this first operation, have been contributing men to the feasibility studies. I might say that the British Columbia Electric Company, in which my hon. friend is interested, has contributed manpower to the study.

Mr. Green: I had in mind, for example, the British Columbia power commission, which is a government commission. Has it also been given the opportunity to participate?

Mr. Howe (Port Arthur): It was given the opportunity, but so far as I know it has not appointed a man to the commission. However, the British Columbia Electric Company has supplied manpower.

Mr. Green: Is it the intention of the government to set up the special committee on atomic energy and research shortly?

Mr. Howe (Port Arthur): Yes, that is the intention of the government. We have simply been waiting until current debates die down a bit and we could get a place in the program of the house.

Mr. Brooks: Has the minister an estimate of the cost which would be paid by the Ontario Hydro-Electric Power Commission?

Mr. Howe (Port Arthur): Yes. I think the cost of the project is between \$13 and \$15 million, and the contribution of the Ontario hydro to the part to be built by them is between \$3 and \$5 million. There is also a sizeable contribution by the contractor for his part in the program.

[Mr. Howe (Port Arthur).]