



AtkinsRéalis tries to rally Canadians around a new nuclear future

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AtkinsRéalis ATRL-T +11.18% increase is playing to Canadians' sense of patriotism as it attempts to reposition this country as a leader in nuclear technology by building the first new CANDU reactors in decades.

The Montreal-based engineering firm, formerly known as SNC-Lavalin, is starting a publicity campaign that it is calling "Canadians for CANDU," for which it has enlisted former prime minister Jean Chrétien and former Ontario premier Mike Harris to serve as co-chairs.

Although the company's new Monark model is still in an early stage of development with a goal of deployment around 2035, and has not yet been licensed, there have recently been some signs of momentum. Last week, it announced an intellectual-property agreement with the federal government that is also supposed to involve a joint effort to seek international buyers, as the company also pursues procurement agreements with several provinces, starting with Ontario.

But in an interview, AtkinsRéalis chief executive officer Ian Edwards addressed the imperative to convince audiences at home and abroad that there is a need for significant new nuclear-power generation during the global shift to low-carbon energy. And likewise that his company – which took ownership of the Crown corporation Atomic Energy of Canada Ltd.'s CANDU division in 2011 and subsequently struggled to leverage it as SNC-Lavalin fell into scandal before a leadership change and rebranding – is capable of meeting that demand.

"We are the sole proprietor of the Canadian CANDU technology, and as such we feel the responsibility to ensure that public opinion and businesses and governments, in Canada and outside of Canada, are aware of its unique and important role in the journey to net-zero emissions," he said.

Mr. Edwards framed the message of the campaign, being launched on Wednesday at a Canadian Nuclear Association conference in Ottawa, as three-fold. It will involve arguing that the fight against climate change can't be won without large-scale nuclear investment; that CANDUs can compete with reactors produced elsewhere because of their efficiency and security attributes; and that there is an opportunity for major domestic economic benefits.

On the first point, about the necessity of such technology to achieve net-zero greenhouse gas emissions by 2050, AtkinsRéalis is pushing against perceptions that increasingly cheap wind and solar power combined with advances in energy storage make nuclear moot. Arguing that all forms of

non-emitting power will be needed to sustainably meet rising electricity demand during the move away from fossil fuels, Mr. Edwards repeatedly cited COP28, the United Nations climate summit this past December, at which 22 countries (including Canada) signed a declaration calling for nuclear capacity to be tripled globally by mid-century.

It is also attempting to counterbalance some of the hype around small modular reactors (SMRs), a nascent nuclear option touted as being easier to plug into energy systems as needed. AtkinsRéalis is in fact involved in an SMR demonstration project at Ontario's Darlington nuclear site (though not as a proprietor of the technology), and Mr. Edwards said that SMRs could have value meeting the needs of remote populations or industrial sites, but that larger reactors will be the more efficient way of meeting energy demand in and around cities.

The case for CANDUs' competitiveness, meanwhile, requires overcoming skepticism accumulated over multiple failed efforts (largely by AECL, the Crown corporation from which SNC-Lavalin purchased the technology) to develop updated models, dating back to the 1990s. And it comes as even Ontario – where aging CANDUs currently power by far Canada's biggest nuclear fleet, and where the provincial government is decidedly pro-nuclear – considers purchasing European reactors from Electricité de France instead.

On that front, Mr. Edwards invoked plans for the Monark to rely – as with earlier CANDU models, though not some of the more recent designs that were abandoned – on natural uranium, as opposed to enriched uranium used for reactors made elsewhere.

Among the advantages of unenriched uranium, other than that it is not also used for nuclear weapons, is its use in producing medical isotopes, which Mr. Edwards noted. But he also emphasized energy-security advantages, since Canada has large reserves of it, whereas the world relies heavily on Russia for the enriched variety.

As for the economic upside, Mr. Edwards brought up the supply chain maintaining Canada's current nuclear capacity, as well as past glories, to suggest big offshoots from new builds.

“There are currently 80,000 jobs dependent on CANDU in Canada,” he said. “If you go back to its peak in the eighties, that was about 300,000. If you think about where we could go with Canada in the future, it could be more than that.”

The timelines on which AtkinsRéalis is hoping to achieve major milestones on its new nuclear path, even with the earliest possible commissioning date around the middle of next decade, also appear ambitious.

Asked about yardsticks by which he would judge the push being launched this week, Mr. Edwards said he wants to secure an order for a new CANDU reactor by the end of 2024.

While Ontario would be the likeliest prospect for a first taker domestically, he pointed to Romania as an example of a country where the company has an encouraging relationship with an existing nuclear client.

Pressed as to why this push would prove different from false starts during this century's Canadian nuclear stagnation, Mr. Edwards raised a broader international circumstance that he believes has changed.

The 2011 disaster at Japan's Fukushima power plant, after a powerful earthquake, “took the industry back a couple of decades,” he said. But he suggested that ensuing safety fears, which among other

consequences contributed to Germany's nuclear phase-out, are now dwarfed by both the climate crisis and energy-security imperatives.

"I just can't see that even if there was another event, it would have the same impact," he said.

An equally sensitive subtext, which he did not address as directly in the interview, is the previous dysfunction at SNC-Lavalin, which has led to some wariness from Ottawa about engaging with the company after being immersed in a corruption scandal related to its relationship with the Libyan government.

Mr. Edwards, who became CEO after that controversy, has spoken previously about changing the company's culture and narrowing its focus. And the new campaign is seemingly aimed somewhat as a reintroduction.

It is not entirely clear what specific additional support AtkinsRéalis is seeking from the federal government which, in addition to the recent IP agreement, has already indicated that nuclear investment will qualify for a new clean electricity investment tax credit that is in development.

But Mr. Edwards expressed hope that current office holders – alongside Mr. Chrétien and Mr. Harris, who are being compensated for their roles – will leverage global relationships to promote and lend credibility to made-in-Canada reactors.

"I mean, to have Canada's support on the world stage promoting nuclear as part of one of the key technologies that Canada has developed over 70 years and can deploy internationally, I think is really important," he said.

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