NEWS RELEASE

Canadian Nuclear Trade Mission to South Korea builds strong partnerships among Canadian and Korean nuclear companies.

May 4, 2015 Pickering Ontario. The Organization of Canadian Nuclear Industries (OCI), in partnership with the Ontario Government, recently led a trade mission of 18 leading Canadian nuclear suppliers and industry partners to South Korea – one of the world’s fastest growing nuclear markets and a nuclear partner of Canada for almost 40 years.

The trade mission delegation, including 10 CEO’s of leading Ontario nuclear organizations, returned to Canada on May 2 after one week of meetings with various Korea nuclear companies and government agencies. An eye-catching Canadian/Ontario nuclear pavilion showcased the broad capabilities of the Canadian team at the 30th Annual Korea Atomic Power Conference in Seoul on April 28 and 29.

“This trade mission capitalized on the strong relationship that OCI formed with its counterpart Korean organization, Korea Atomic Industry Forum (KAIF), after signing an MOU of cooperation during the Pacific Basin Nuclear Conference in Vancouver in August of 2014” said OCI President Dr. Ron Oberth.

Ontario’s Minister of Research and Innovation, Dr Reza Moridi, and Bob Delaney, Parliamentary Assistant to Minister of Energy Bob Chiarelli, played key roles on the trade mission by opening doors to South Korea government agencies and demonstrating their government’s support for Ontario’s nuclear supply chain at key events during the week-long trade mission. “Having government and industry leaders on the same team with common goals of exporting Canada’s nuclear technologies, developing partnerships with other nuclear power countries and creating jobs in the province sends a strong message to customers that Ontario is open for business” added Dr. Oberth.

Several important agreements were signed during the trade mission. Two companies signed deals worth several millions of dollars for supply of reactor components and control systems for the CANDU units at Wolsong. Other nuclear suppliers in the delegation established relationships with South Korean customers and partners that will lead to orders for equipment and service in South Korea as well as in other nuclear markets to which South Korean companies are exporting. Bruce Power and Ontario Power Generation both announced signings of cooperation agreements (MOU’s) with Korea Hydro and Nuclear Power Company (KHNP) on the sharing best practises for nuclear plant operations, for refurbishment projects, and for maintaining positive relationships with host communities. The CANDU Owners Group (COG), whose members are the owners of CANDU plants in seven countries, also concluded a multi-million dollar agreement for increased collaboration in research, development and implementation of projects to enhance nuclear safety and improve plant operation.
The trade mission concluded with a visit to the Korea Radioactive Waste Agency’s (KORAD) Low and Intermediate Level Radioactive Waste Disposal Facility at near Gyeongju city, that received an Operating License in December 2014, and a tour of the Wolsong Unit 3 CANDU reactor, one of the highest performing units in South Korea’s nuclear fleet.

OCI’s next major international nuclear trade mission will travel to India in October to follow-up on the landmark visit to Canada by Indian Prime Minister Narendra Modi and the joint statement by prime minister’s Harper and Modi calling for increased cooperation between their countries on civilian nuclear power generation.

The Trade Mission to South Korea benefitted from funding support awarded to OCI by Foreign Affairs, Trade and Development Canada’s (DFATD)’s Global Commerce Support Program: “Global Opportunities for Associations” (GOA).

Delegates on the Nuclear Trade Mission to South Korea pose in front of the Ontario/Canada pavilion at the Korea Atomic Power 2015

Organization of Canadian Nuclear Industries (OCI) is an association of more than 180 Canadian suppliers to the nuclear industry that employ more than 12,000 highly skilled and specialized engineers, technologists and trades people. OCI companies design reactors, manufacture major equipment and components, and provide engineering services and support to CANDU nuclear power plants in Canada as well as to CANDU and Light Water Reactor (LWR) plants in offshore markets.

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Backgrounders:

Canada's Nuclear Industry

- Canada was a pioneering nuclear nation with more than 60 years of experience in the development and deployment of nuclear energy for both power generation and medical applications. Canada is the world’s second largest producer of uranium. The 22 CANDU nuclear power plants that have been constructed in Canada have operated safely and reliably for more than 40 years. Within Ontario nuclear energy supplies over 60% of the province’s electrical energy. Canada’s natural uranium and on-power fuelled CANDU reactor has captured almost 10% of the world market.

- OCI companies have developed world class capabilities across a broad spectrum of the nuclear supply chain including: reactor design, project and construction management, precision manufacturing of specialized and safety-related equipment including various pumps and valves, design and supply of reactor control systems and full scope training simulators, as well as fabrication of steam generators and various heavy components and modules. OCI companies also have capabilities in supporting operating reactors through reactor inspection and non-destructive testing, safety and risk analysis, and various operational support services.

- Ontario is the heartland of the Canadian nuclear industry with most of the more than 200 companies, mostly small and medium sized enterprises (SME’s), that supply high quality, precision components to Canada’s 19 operating nuclear power plants and increasingly to export markets, located in communities across Ontario. Spread from Stony Creek to Cambridge to Burlington, Oakville and Mississauga to Durham to Cobourg to Peterborough and Pembroke, these world class companies have created more than 12,000 highly skilled nuclear supply chain jobs that inject wealth into communities across the province.

Nuclear Energy in South Korea

- Canada has had a close and productive relationship with South Korea’s nuclear industry through the very successful construction of the four CANDU units at the Wolsong site. The oldest Wolsong 1 unit has operated safely and reliably for almost 30 years and all four Wolsong units have life-time capacity factors in the 95% range – top of class. In 2012 the owner of the Wolsong 1 CANDU reactor, Korea Hydro and Nuclear Power Company (KHNP), competed the most successful ever refurbishment of a CANDU unit.

- South Korea's 23 nuclear reactors have a total capacity of 20.7 GWe and supply almost one-third of the country’s electricity. Considerable new capacity is planned by 2035 with 11 new reactors planned to be in-service by 2024.

- South Korea has become a major nuclear energy country that is expanding its domestic nuclear fleet and now exporting its nuclear technology through a $20 billion contract to supply four nuclear reactors to the UAE.

- Canadian companies successfully entered the Korean nuclear power market during the construction of four CANDU units at the Wolsong site from 1977 to 1999. Canadian suppliers have supported the on-going maintenance of these units as well the refurbishment of Wolsong 1 completed in 2013.
OCI-KAIF Memorandum of Understanding

- The Organization of Canadian Nuclear Industries (OCI) and the Korea Atomic Industrial Forum (KAIF) signed a Memorandum of Understanding on nuclear cooperation in August 2014 at the Pacific Basin Nuclear Conference in Vancouver. This MOU outlines several ways that OCI and KAIF will work together including identifying opportunities at nuclear projects in Korea, Canada, or third countries on which OCI and KAIF companies can cooperate. The MOU encourages cooperation associated with joint development, design, testing, licensing and construction on pressurized heavy water reactors, pressurized light water reactors, and small modular reactors in Korea, Canada, or in third countries.

Canada – Korea Free Trade Agreement

- On March 11, 2014, in Seoul, Prime Minister Stephen Harper and President Park Geun-hye of South Korea announced that Canada and South Korea had concluded negotiations on a new free trade agreement. This landmark achievement constitutes Canada’s first free trade agreement in Asia and will provide new access for Canadian businesses and workers to South Korea, the fourth-largest economy in Asia, with an annual GDP of $1.3 trillion and a population of 50 million people.

- Foreign Affairs, Trade and Development Canada’s “Global Markets Action Plan” consists of comprehensive actions to advance the interests of Canadian businesses in a specific group of key foreign markets. South Korea was identified as priority market in GMPA based on the results of a multi-stage process that included economic modelling, analysis of potential sources of capital, technology and talent; and identification of core hubs in global value chains;

- International Trade Minister Ed Fast led a multi-sector trade mission to Seoul and Busan, South Korea, from February 8 to 13, 2015, with over 100 Canadian delegates – paving the way for the OCI Nuclear Trade Mission to South Korea next week.