

NewOrg Vision

Creating a more effective and cohesive industry voice

April 3, 2021

Premise

- **The market served by the nuclear supply chain is evolving.**
 - Refurbishments' opportunity reaching maturity
 - SMRs represent next wave of business opportunity:
 - New regions: AB, SK, NB, northern regions, international
 - New sectors: oilsands, mining, potash, heavy industry
 - New segments: hydrogen, hybrid-systems, district heating

The CNA and OCNI must continue to protect refurbishments while evolving to harness new and sustainable business opportunities for the entire industry.

Timeliness

The CNA is in the process of revamping its governance, operations, membership offering and partnerships to reflect market evolution:

- Initial stages of governance and membership review
- Advanced stages of operational enhancements
 - Including establishing regional representation in AB and SK
- Forging strategic partnerships
 - Renewables, oilsands, mining, gas sectors
 - Nuclear representative on Federal Hydrogen Leadership Table
 - MOUs with counterparts in the US, UK, Europe and Japan
 - Establishment of Canada / US Taskforce and supplier roundtable

The changes underway present an ideal opportunity to secure industry cohesiveness through greater, strategic collaboration between CNA and OCNI.

A Vision for NewOrg

Imagine a new organization that:

- preserves the best offerings of OCNi
- extends those offerings into additional markets and sectors
- aligns and utilizes scarce member resources in the most effective way possible
- creates new, sustainable business opportunities for all
- establishes better forums for all members—large and small—to interact, network and agree on cohesive and coordinated approaches to advocacy
- ensures representation (voice) for all members within the organization

Winning conditions

OCNI would consider a NewOrg providing it:

- Does deliver more business opportunity and better value per membership dollar
- Does not result in a loss of representation (voice) or diminishment of existing level of service

Category	Target	Mechanism
Business Opportunities	<ul style="list-style-type: none"> • Greater access to representatives of utilities / larger supply chain companies • Market access to AB, SK, NB, northern and international 	<ul style="list-style-type: none"> • Fit-for-purpose Committees, Secretariats, Councils, Forums and Events • Access to CNA's initiatives, events and regional resources in new markets (i.e. new regions, new sectors and new technologies)
Better Value	<ul style="list-style-type: none"> • Access to broader spectrum of association resources 	<ul style="list-style-type: none"> • Resources of NewOrg deeper than individual associations despite efficiencies • OCNI members will benefit given CNA resources, advocacy, policy, communications bench strength and regional representation
Strong Representation	<ul style="list-style-type: none"> • Achieve status quo 	<ul style="list-style-type: none"> • CNA governance review creates opportunity to ensure strong voice for OCNI members
Maintain Existing Services	<ul style="list-style-type: none"> • Achieve status quo 	<ul style="list-style-type: none"> • Maintain GTA office and Ontario initiatives • Maintain dedicated lead for smaller suppliers

Proposed next steps

Should the Board wish to continue this analysis, suggested the next steps are:

- Conversation between board chairs to determine willingness of OCNI Board to explore potential “merger”
 - Emphasis on benefits of increased collaboration
- Create Letter of Intent between boards
 - Direction to both management teams to share detailed information
 - Consider formation of individual and joint-board committees to guide iterative work
- Perform detailed analysis followed by creation of one or more potential business models
- Develop “proof of concept” on select business models
- Approve business model
- Gain requisite board and membership approvals:
 - Each class of members votes separately and must pass the amalgamation agreement.
 - Approval of not less than two-thirds of the votes cast by the members who are in attendance in person or by proxy at a meeting (provided quorum as been achieved).
 - **CNA:** Quorum is 20% of each class of the voting members present.
 - **OCNI:** Quorum is 15% of the number of full members holding membership

Appendices

Background

- The OCNI and CNA operated as one until some point in the 1970s. Accounts suggest the smaller members felt their voices would be strengthened if their association operated separately.
- Over the last 15 years, a reunion of OCNI / CNA has been considered several times as a solution to:
 - Reduce the risks of fragmented industry representation.
 - Reap the benefits of a harmonious vision and single industry voice.
 - More efficiently use scarce membership dollars
- The merger did not progress beyond a notion because the ROI was not clear.
- Timeliness:
 - CNA is conducting a governance, operations and membership review.
 - OCNI CEO is retiring in the coming months

Comparing organizational profiles

CNA

90 Full Members
31 Affiliate Members

37 Unique Full Members
24 Unique Affiliate Members
%60 of Members >1M (2020)

- Visionary Leadership
- Political Analysis
- Regulatory Support
- Issues management
- International Policy Work
- Business development support
- Industry Coordination and Collaboration

35 Board Members

34 Unique Board Members

32 Unique Companies Represented on Board

Top Revenue Sources	2019	2020
Membership Fees -	\$2,086,000	\$2,086,000
Event Revenue -	\$1,169,000	\$1,244,000
Special Projects Funding -	\$270,000	\$364,000
Total Revenue -	\$3,617,000	\$4,050,000

Net Assets

2019 - \$2,409,000

2020 - \$2,677,000

16 Employees

- Director of National & International Government Affairs (S)
- Director of Regulatory Affairs (S)
- Director of Policy & Research
- HR Consultant (PT)
- Corporate Secretary (PT)
- CFO & Accountant (PT)
- Project Manager, SMR Secretariat

(S) - Secondment
(PT) - Part Time

Office(s):

- Ottawa
- +Remote Employees

OCNI

236 Full Members
16 Supporting Members

183 Unique Full Members
9 Unique Supporting Members
62% of Members <1M (2017)

- International Trade Missions
- Supplier Days & Networking Events
- Seminars & Workshops
- Local supplier engagement with Municipal, Provincial and Federal Elected officials

12 Board Members

11 Unique Board Members

9 Unique Companies Represented on Board

Top Revenue Sources	2019	2020
Event Revenue -	\$785,000	\$421,000
Membership Fees -	\$566,000	\$634,000
Trade Missions -	\$269,000	\$174,000
Skills Dev. Program -	\$306,000	\$0
Total Revenue -	\$2,118,000	\$1,521,000

Net Assets

2019 - \$999,000

2020 - \$927,000

8 Employees

- Manager, Stakeholder Relations
- Manager, Indigenous Engagement

Office(s):

- Pickering
- Port Elgin

53 Shared Members
7 Shared (Affiliate/
Supporting) Members

- Annual Conference
- Produce Market & Research Studies
- International Presence & Engagement
- Public Marketing and Awareness
- Federal / Provincial Advocacy

1 Shared Board Member

3 Shared Companies Represented on Boards

Shared Functions

- CEO
- VP/Director Operations
- Executive Assistant
- Events Coordinator
- Communications Director/Coordinator
- Communications Officer
- Accounting Clerk/CFO