

IR Number: 1
Source: GNWT
To: Dezé Energy Corporation
DAR Section: 15
Issues: NWT Business Contracting and Procurement Opportunities

Preamble

The Terms of Reference requires socio-economic matters be addressed in the Dezé Energy Corporation Taltson Hydroelectric Expansion Project environmental assessment. Matters related to employment and regional economic development (TOR 5.3.1 and 5.3.2) are important regarding opportunities for NWT businesses and individuals.

Our experience indicates that explicit predictions regarding local and Northwest Territories (NWT) employment, northern contracting and procurement, are necessary to understand the extent to which Proponent's mitigation measures will benefit communities and residents and protect them from adverse effects to the social, economic or cultural environment over the life of the project.

In particular, we have found that NWT businesses that are informed about available contracts and provided with information sessions on business and procurement opportunities are more likely to participate in contract opportunities and thus it is more likely the benefits of the project will be realized within the NWT. Advanced communication of business opportunities is critical for northern businesses to compete to the best of their abilities.

Section 15.8.5.1.2 of the Developer's Assessment Report (DAR) states "The Proponent's intentions with respect to contracting policies, processes, and procedures are discussed elsewhere in this document." However, although this summary is repeated in Section 15.9.4.5, it is not clear where in the DAR the proponent's intentions are discussed in detail.

Request

Contracting and Procurement

1. Please provide an analysis on NWT businesses that have the capacity to successfully compete for opportunities related to the Taltson Hydroelectric Expansion Project.

2. What percentage of procurement may be sourced from NWT businesses? Please explain how this percentage was calculated and how much of the total cost of contracts will be made available to NWT businesses.
3. Please provide additional information on the efforts Dezé Energy Corporation will make to ensure NWT businesses are aware of business and procurement opportunities?

IR Number: 2
Source: GNWT
To: Dezé Energy Corporation Taltson
DAR Section: 15
Issue: NWT Business Policy

Preamble

Contracting and procurement from NWT owned businesses provides secondary employment opportunities for NWT residents and contributes to the NWT's economy. The cost of doing business in the NWT can be higher because of the lack of economies of scale and the distance goods must travel to market. As a result, competitive pricing by NWT companies can be difficult when competing with Southern companies. It is important that NWT businesses have the opportunity to compete competitively on contracts and procurement opportunities. For these reasons it is important Dezé Energy Corporation have a NWT business policy that outlines the developer's intentions toward contracting and procurement with NWT businesses.

The DAR mentions that business opportunities will be addressed in section 15.9.4.5, section 15.8.5.1.2, section 15.8 and Chapter 20, however there is little detail provided in these sections as to what is included in the NWT business policy and how it will be implemented.

Request

Contracting and Procurement

1. Please provide details on DEC's NWT Business Policy and how it will be implemented.

IR Number: 3
Source: GNWT
To: Dezé Energy Corporation
DAR Section: 15
Issue: NWT Business Opportunities

Preamble

The GNWT is encouraged by Dezé Energy Corporation's commitment in section 15.9.10 to report on employment and associated training and that these reports would include both statistical and narrative information. However, the DAR did not state whether the Dezé Energy Corporation will report on NWT business opportunities as well.

As there is no legislative requirement to track socio-economic commitments, it is important that Dezé Energy Corporation's intentions and commitments to have follow-up plans, monitoring plans and annual reporting are clear and complete.

Request

Follow-up Plans and Annual Reporting

1. Will the Dezé Energy Corporation also commit to reporting on NWT business, employment and training opportunities that will be available to NWT residents and businesses during construction?

IR Number: 4
Source: GNWT
To: Dezé Energy Corporation
DAR Sections: 9 & 12
Issues: Effects of Transmission Lines on Caribou

Preamble

The DAR references information available regarding caribou behaviour in relation to power transmission lines (see DAR references below). Based on GNWT's assessment of the DAR, Dezé Energy Corporation has identified uncertainty about how power lines may influence caribou behavior but has not identified approaches to address this uncertainty.

Specific to transmission lines, research has been completed on the sensory disturbance effects of transmission line noise or physical presence of towers on caribou. Available studies were used to qualitatively describe the likely range of caribou reactions to transmission lines during operations. For example, in Scandinavia, domestic reindeer (of the same species as Barren-ground caribou, Rangifer tarandus) resist crossing under power lines. Researchers attribute this behavior to the habitat alteration created by the combination of the power line hum noise and changes in snow conditions with large forest openings (Villmo 1975) (refer to Section 9.5.2.4) (Page 123.12).

Review of the satellite-collar data from the Bathurst caribou herd indicates that Bathurst caribou cross under the proposed transmission line ROW during northern migration, summer dispersal, fall migration, and winter dispersal (Table 9.5.7). During the northern migration, 26 collared caribou made a total of 56 crossings of the proposed transmission line ROW. During the post-calving and summer dispersal, 57 collared caribou made a total of 228 crossings, while 41 collared caribou crossed a total of 162 times during the rut and fall migration. During the winter dispersal period, 33 collared caribou made a total of 158 crossings of the proposed transmission line ROW (Page 95.40).

The effect of the transmission line during operations on caribou behaviour, movements and distribution is another source of uncertainty. Baseline surveys have indicated that Bathurst caribou would forage and bed below the existing

Share Hydro to Yellowknife transmission line (Golder 2008), which is larger than the proposed Project's transmission line. However, the data from the Share Hydro to Yellowknife transmission line represent only the winter range for barren-ground caribou. Published literature regarding the response of caribou to transmission lines in tundra settings was very limited. The best available examples were the responses of Scandinavian reindeer to alpine transmission lines (Section 9.5.4 Caribou Existing Environment). Movements of satellite-collared caribou indicate that the proposed transmission line intersects the usual post-calving migration route. As such, it can be assumed that the majority of the Bathurst herd cows and calves would pass under the transmission line at least once per year, and likely more frequently. The effect that this may have on caribou behaviour and movement, particularly on a tundra environment where such features are visible for long distances, is largely uncertain. The rate of habituation to such features is also not well understood (Page 127.2).

Request

1. Given the uncertainty of the effect(s) of the transmission line during operation on caribou behaviour, movements and distribution please explain how Dezé Energy Corporation plans on addressing this uncertainty? Specifically have or will actions be taken that will reduce the likelihood of such an impact and will actions be taken to detect residual impacts?

IR Number: 5
Source: GNWT
To: Dezé Energy Corporation
DAR Sections: 12
Issues: Increased harvester access to caribou

Preamble

Dezé Energy Corporation has put much effort into identifying, evaluating and proposing mitigations to control the potential for increased harvesting in the area of the proposed project.

Dezé Energy Corporation concludes that,

“Given the travel distance, planned access control mitigation, and the variability in barren-ground caribou winter distribution, it is predicted that the magnitude for the effect of increased access on caribou abundance may only approach or slightly exceed the limits of existing conditions.” (Page 12.3.37)

And

“In addition to the proposed mitigation practices, information on the densities and distribution of caribou indicate that there would be no clear advantage to using the Twin Gorges to Nonacho Lake winter road for hunting. The southern extent of the Bathurst caribou range (determined using movements of satellite-collared caribou, ENR 2007a) ends near the southern end of Taltson Lake (approximately 180 km driving distance from Fort Smith). Collared caribou movements indicate that Bathurst caribou do not frequent this area. Since 2002, collared caribou have been present within the RSA south of the Snowdrift River in only one winter ENR,2008).” (Page 12.2.9)

The current winter distribution of caribou in the regional study area is heavily influenced by the age of the extensive burns in the area. Based on extensive work by Don Thomas (CWS), it is expected that caribou use of the area will increase in about 20 years as caribou habitat recovers in the caribou range north east of Fort Smith. It is anticipated that movement, distribution and use of winter habitat of caribou will return to its pre late 1970's utilisation as vegetation succession favours presence of lichen growth again.

Work done by Don Thomas is most quoted, by others, when it comes to understanding winter habitat and forest of different ages used by barren-ground caribou, influence of forest fires on vegetation change, movement and distribution, and overall condition of caribou.

Request

1. How does the predicted range recovery and resulting change in caribou distribution affect the conclusion that the magnitude for the effect of increased access on caribou abundance may only approach or slightly exceed the limits of existing conditions? Please include an assessment of how hunters from the NWT and Saskatchewan may change their access routes in response to changing caribou distribution.