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13 January, 2010

Tawanis Testart  
Mackenzie Valley Environmental Impact Review Board  
Box 938, #200 Scotia Centre  
5102-50th Avenue  
Yellowknife, NT X1A 2N7

**Re: Dezé Energy's Taltson Hydroelectric Expansion Project**

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The purpose of this letter is to advise the Mackenzie Valley Environmental Impact Review Board (the Board) that Natural Resources Canada (NRCan) will act as a Responsible Minister for this project because we may have a regulatory responsibility, under the federal *Explosives Act*, to issue a magazine licence for the storage of explosives. While the developer is not yet able to provide specific information as to whether the explosives contractor they will retain for their project will already have an explosives magazine license, we will act as a Responsible Minister solely on the basis of the potential for issuing a license, as identified in the Developers Assessment Report. In the event that NRCan does not need to issue an explosives license for this project, we will no longer act as a Responsible Minister for this project.

For the Board's information, issuance of an explosives magazine licence entails the following:

- All explosives magazines, other than those under provincial and territorial control on mine or quarry sites, come under the jurisdiction of the federal *Explosives Act*. Magazines on a mine or quarry site either making sales, or using the explosives off the site, also comes under federal jurisdiction for those activities.
- The storage and possession of any quantity of blasting explosives and detonators must be covered by a magazine licence. The licence is the permit to possess the quantity of explosives listed in the licence. The licence allows storage and possession even if there is no magazine, for example, for daily deliveries and pickups.
- Issuance of a licence is conditional upon the security and safety afforded to the public by the magazines and on their continual upkeep and state of repair. The annual fee for licences is set by regulation.
- Anyone desiring to establish magazines and to obtain a licence must apply to NRCan's Explosives Regulatory Division indicating the type of magazines proposed, their location, and the maximum quantity to be stored in each one.



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- When issued, a licence must be retained at the site with the magazines for further inspection by an inspector or police officer. The licence may be kept at the main magazine or in an office near it.
- The federal *Explosives Act* does not regulate the use of explosives. Provincial and Territorial legislation provides permits for the use of explosives.

As the Board is aware, NRCan also has scientific and technical expertise in a number of areas, including the earth sciences such as geohazards and landscape processes, as listed on the attachment to this letter. NRCan has not undertaken a technical review of the Developer's Assessment Report from the perspective of these disciplines. We understand that other regulatory bodies have participated in the technical review and addressed relevant technical areas. NRCan remains able, however, to respond to any specific requests for technical expertise, in the areas outlined in our attachment, in relation to this project.

If the Board has any questions regarding NRCan's role, please contact the undersigned at (613) 995-2848 or by email at [Shelley.Ball@nrcan.gc.ca](mailto:Shelley.Ball@nrcan.gc.ca)

Sincerely,

Shelley Ball  
Senior Environmental Assessment Officer  
Natural Resources Canada

Cc: Isabelle Gagne (Explosives Regulatory Division, NRCan)



## **NRCAN LIST OF EXPERTISE AVAILABLE**

### **General Information**

- National and international energy, forestry and mining policies.

### **Forestry**

- Management of forests on Aboriginal and military lands;
- Ecology and forest ecosystems;
- Forest biodiversity;
- Biotechnologies;
- Climate Change;
- Entomology;
- Landscape and visual aspect;
- Forest fires;
- Pathology of forestry practices;
- Silviculture and regeneration;

### **Mines and Metals**

- Explosives;
- Management of mine wastes (tailings and overburden), protection of surface water and underground water quality, acid mine drainage;
- Development of mining sites;

### **Energy**

- Energy efficiency, new fuels;
- Energy technologies;
- Economic analysis for energy projects.

### **Earth Sciences**

- Geographic Information Systems;
- Geological incidents (earthquakes/seismicity, landslides, flooding, deep water hazard, tsunamis, geomagnetism);
- Geomatics;
- Geophysics (shallow terrain and deep crustal);
- Geosciences (surface and underground geology, geomorphology, underground water,);
- Geotechnics and engineering geology;
- Permafrost occurrence, processes and stability;
- Glaciology;
- Groundwater and hydrogeology (flow, recharge, chemistry and aquifer delineation);
- Landscape process and stability (coastal, fluvial aeolian slope) and their response to climate change;
- Marine environmental and marine resource geosciences;
- Mineral and hydrocarbon geology and regional resource assessments;
- Remote sensing;
- Surveys on federal lands.