

Our File: EA0708-007

February 19, 2010

Dan Grabke
Managing Director
Deze Energy Corporation
206-5102 50th Ave
Yellowknife, NT
X1A 3S8

**Re: EA0708-007: Deze Energy Corporation – Taltson Hydroelectric
Expansion Project – Request for Ruling**

Dear Mr Grabke:

The Review Board has received two Requests for Rulings from the federal government departments of Parks Canada and Natural Resources Canada, both dated February 18, 2010. The Requests are attached.

The Review Board will consider the Requests during its meeting on March 23-25, 2010. In accordance with the Review Board's *Rules of Procedure*, interested parties and the developer have until Friday, March 5th, 2010 to submit comments to the Review Board. Parks Canada and Natural Resources Canada will be provided with the opportunity to reply to these comments no later than March 10, 2010.

For more information about Requests for Rulings, please see the *Rules of Procedure* document on the website at:

http://www.reviewboard.ca/reference_lib/index.php?section=19.

If you have any questions please call me at (867) 766-7056 or by email at aehrlich@reviewboard.ca.

Sincerely,



Alan Ehrlich
Senior Environmental Assessment Officer



Mr. Vern Christensen
Executive Director
Mackenzie Valley Environmental Impact Review Board
200 Scotia Centre
Box 938, 5102-50th Ave
Yellowknife, NT X1A 2N7

via email: vchristensen@reviewboard.ca

**Re: EA 0708-007 – Dezé Energy Corporation – Taltson Hydroelectric Expansion Project
 Supplemental Submission - Adjustments to the Transmission Line Route**

Dear Mr. Christensen,

We are writing in response to the proponent filing a supplemental submission entitled "Adjustments to Transmission Line Route" dated January 26th, 2010. In this document the proponent identified two adjustments and selected the Reliance Adjustment as the preferred route adjustment. On Feb 11, 2010, Deze Energy submitted a subsequent letter, identifying further routing and construction options.

We are requesting a ruling by the Mackenzie Valley Environmental Impact Review Board under section 46 of the "Rules of Procedure for Environmental Assessment and Environmental Impact Review Proceedings" (2005). (Please see attached the completed Form 2).

We request that the Board rule to:

- a) Require the proponent to provide additional routing options, and/or transmission line construction options, including the use of directional drilling and underwater cables.
- b) Require the proponent to provide an evaluation of the potential impacts of the Reliance Adjustment route and preferred options identified in (a), as outlined in the Terms of Reference for the Developer's Assessment Report.
- c) Provide adequate time and opportunity for all parties to review the information provided in (a) and (b) and provide comments.

The reasons for this request are as follows:

- In Parks Canada's opinion, the proposed Reliance Adjustment route will likely cause significant impacts on the wilderness experience and visual experience of future visitors to the proposed national park reserve on the East Arm of Great Slave Lake.
- This will likely be the area of highest interest to visitors to the proposed national park reserve, particularly because the primary mode of access to the park is expected to be via Great Slave Lake. A transmission line in that area will be visually intrusive.



- The importance of minimizing impacts to visual aesthetics in wilderness areas is increasingly being recognized as important. Oil and gas, forestry, and wind power industries have developed guidance for visual impacts. For example, the "Oil and Gas Best Management Practices – Wilderness Tourism" by Yukon Energy and Mines (2006) specifically recommends minimizing visual impacts through planning and visual buffers. The British Columbia Government has produced a "Visual Impact Assessment Guidebook" (2001) for the forest industry. The "Environmental Impacts of Wind-Energy Projects", by Committee on Environmental Impacts of Wind Energy Projects, National Research Council (2007, The National Academies Press) has an appendix devoted to visual impact assessment.
- Constructed appropriately, underwater routes and/or directional drilling for the transmission lines could reduce the impacts to visual experience and wilderness experience of the area.
- Potential site-specific environmental impacts are more likely to be of concern on a lake shore.
- Given that national parks are for current and future generations, the impacts of this decision are important and therefore adequate time for consideration and comments from all parties is critical.

We thank you for consideration of this request.

As a final note, we suggest that further discussion with respect to the options for the adjustments to the route, and the effects of those options, may be more fruitful in the context of a Board-facilitated technical session, rather than through postings to the Public Registry. The Board may wish to consider this in its response to our Request for Ruling.

Sincerely,

Katherine Cumming
Acting Resource Conservation Manager

c.c.: Martin Haefele, MVEIRB
Gordon Hamre, Parks Canada

Attach.

	<p>Mackenzie Valley Environmental Impact Review Board</p> <p>FORM 2 Request for Ruling</p>
<p>Name of Proceeding</p>	<p>Deze Energy Corp Ltd – Taltson Hydro Electric Expansion Project (EA 0708-007)</p>

TAKE NOTICE that a Request for Ruling will be made to the MVEIRB by

Parks Canada
 (name of party making the Request)
 at 14:00 (time) in Yellowknife (via email) (place), in the Northwest Territories,
 on the 18th (day) of 2nd (month), 2010 or as soon after that time as the Board
 may decide to address the Request.

<p>The Ruling requested from the MVEIRB is as follows: (State the relief sought as clearly as possible)</p>
<ul style="list-style-type: none"> a) Require the proponent to provide additional routing options, and/or transmission line construction options, including the use of directional drilling and underwater cables. b) Require the proponent to provide an evaluation of the potential impacts of the Reliance Adjustment route and preferred options identified in (a), as outlined in the Terms of Reference for the Developer's Assessment Report. c) Provide adequate time and opportunity for all parties to review the information provided in (a) and (b) and provide comments.
<p>The facts or information relevant to this Request for Ruling and which should be considered by the MVEIRB are as follow: (State the information relevant to the Request in as much detail as needed)</p>
<ul style="list-style-type: none"> • In Parks Canada's opinion, the proposed Reliance Adjustment route will likely cause significant impacts on the wilderness experience and visual experience of future visitors to the proposed national park reserve on the East Arm of Great Slave Lake. • This area will likely be the area of highest interest to visitors to the proposed national park reserve, particularly because the primary mode of access to the park is expected to be via the Lake. A transmission line in that area will be visually intrusive. • The importance of minimizing impacts to visual aesthetics in wilderness areas is increasingly being recognized as important. Oil and gas, forestry and wind power industries have developed guidance for visual impacts. For example, the "Oil and Gas Best Management Practices – Wilderness Tourism" by Yukon Energy and Mines (2006) specifically recommends minimizing visual impacts through planning and visual buffers. The British Columbia Government has produced a "Visual Impact Assessment Guidebook" (2001) for the forest industry. The "Environmental Impacts of Wind-Energy Projects", by Committee on Environmental Impacts of Wind Energy Projects, National Research Council (2007, The National Academies Press) has an appendix devoted to visual impact assessment. • Constructed appropriately, underwater routes and/or directional drilling could reduce the

impacts to visual experience and wilderness experience of the area.

- Potential site-specific environmental impacts are more likely to be of concern on a lake shore.
- Given that national parks are for current and future generations, the impacts of this decision are important and therefore adequate time for consideration and comments from all parties is critical.

The authority or grounds for the Ruling which should be considered by the MVEIRB is as follows: (State the Rules or any law or enactment relied on and the grounds for the Ruling).

One of the stated purposes of the *Mackenzie Valley Resource Management Act* (Section 114 (b)) is:

to ensure that the impact on the environment of proposed developments receives careful consideration before actions are taken in connection with them (114.(b))

One of the guiding principles of the *Mackenzie Valley Resource Management Act* (Section 115 (a)) is:

The process... shall have regard to "the protection of the environment from the significant adverse impacts of proposed developments."

There has been insufficient time for the recent adjustments to have been considered carefully by the parties. Further, there has been inadequate evaluation of the potential impacts of the Reliance Adjustment, and inadequate discussion of proposed mitigation for likely adverse impacts.

AND FURTHER TAKE NOTICE that in support of this Request for Ruling the following documents or information have been attached (Set out all materials to be used to support the Request).

Dated at Winnipeg, Manitoba, Northwest Territories, on (MM/DD/YY) 02/18/10


(Signature of Party's Representative)



Natural Resources
Canada

Ressources naturelles
Canada

18 February, 2010

Martin Haefele
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

Please accept this letter and attached Form 2 as a Request for Ruling for the Deze Energy Taltson Hydroelectric Expansion Project environmental assessment. NRCan is a Responsible Minister for this project because we may have a regulatory responsibility, under the federal *Explosives Act*, to issue an explosives magazine license for the storage of explosives.

NRCan is requesting an extension to the public comment period, which is currently scheduled to close at 5:00 pm on 18 February, 2010. Our colleagues in other federal departments have advised us that this current deadline for the close of the public registry is not adequate to address outstanding concerns regarding the re-routing of a proposed transmission line within the project. While the proposed changes to the transmission line routing do not directly affect NRCan's role in potentially issuing an explosives magazine license for the storage of explosives, NRCan is supportive of the position of the other Responsible Ministers.

If you have any questions, please feel free to contact the undersigned at (613) 995-2848 or by email at Shelley.Ball@nrcan.gc.ca


Sincerely,

Shelley Ball
Senior Environmental Assessment Officer
Natural Resources Canada

Cc: Isabelle Gagne (ERD – NRCan)

Canada

580 Booth Street, Ottawa (Ontario) K1A 0E4
Tel: (613) 995-2848 Fax: (613) 995-5719
Email: Shelley.Ball@NRCan.gc.ca

	Mackenzie Valley Environmental Impact Review Board	
	FORM 2	Request for Ruling
Name of Proceeding		

TAKE NOTICE that a Request for Ruling will be made to the MVEIRB by

Natural Resources Canada
 (name of party making the Request)
 at 10h30 (time) in Ottawa (place), in the Ontario ~~Northwest Territories~~,
 on the 18th (day) of February (month), 20010 or as soon after that time as the Board may
 decide to address the Request.

The Ruling requested from the MVEIRB is as follows:
 (State the relief sought as clearly as possible)

An extension of the public review period.
 Public Registry is stated to close 18 February 2010.
 We are requesting an extension to that closing date.

The facts or information relevant to this Request for Ruling and which should be considered by
 the MVEIRB are as follow: (State the information relevant to the Request in as much detail as
 needed)

Please see attached letter

The authority or grounds for the Ruling which should be considered by the MVEIRB is as
 follows: (State the Rules or any law or enactment relied on and the grounds for the Ruling).

AND FURTHER TAKE NOTICE that in support of this Request for Ruling the following
 documents or information have been attached
 (Set out all materials to be used to support the Request).

Dated at Ottawa, Northwest Territories, on (MM/DD/YY) 02/18/10

[Signature]
 (Signature of Party's Representative)