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May 12, 2010

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

**Re: Taltson Hydro Expansion Project
Additional Assessment of Kache / Ft. Reliance Route Alternative**

Further to Mr. Ehrlich's letter dated March 15, 2010, this filing represents the final submissions of the Developer with respect to the Additional Assessment of Kache / Ft. Reliance Route Alternative.

By way of overview, Dézé notes that both government agencies (Parks Canada, INAC, and Environment Canada) and private individuals (Decorbys/Finlayson, Carter Family, Olesen and Jonasson) have provided submissions concerning the Reliance Adjustment. We would like to thank the Parties for their constructive comments, and we take note of the various concerns and recommendations. We have a few specific remarks to make concerning these filings, in regards to Consultation, the proposed routing committee, and the new evidence submitted.

Consultation

INAC has filed two letters dated May 10, 2010. One letter appears to relate directly to the Reliance Adjustment Assessment Process, while the second letter appears to address Aboriginal Consultation matters.

In its letter concerning the Reliance Adjustment, INAC considers that the response of Dézé to INAC-1 "to be lacking in detail". INAC does not provide any further information as to what detail was lacking. In any event, we believe we have adequately responded to the information request, and moreover we submit that all possible methods and means were adopted by Dézé and the Board to identify, inform and solicit input from potentially-interested parties and persons concerning the Reliance Adjustment.



As well, we note that in its letter concerning Aboriginal Consultation matters, INAC has confirmed that to the best of its knowledge, “... all Aboriginal groups who should have been notified of the additional assessment for the potential route adjustment have now been notified”.

Routing Committee

The submissions of INAC, Parks Canada and Decorbys/Finlayson include comments with respect to the proposed routing committee for the Lockhart waters crossing.

As noted in our response to the Decorbys/Finlayson information request (Property Owners-1, Question 2), the scope, role and composition of the routing committee will be determined in due course. As noted in the response, we expect the committee will include any Federal regulators who wish to participate, as well as the LKDFN.

We will also welcome committee participation from other stakeholders having a direct interest in the crossing location. However, we do not believe much further can be added at this point as to whether any specific parties (other than those already identified by us) would be asked to participate, until the Board's decision and recommendations are issued.

Other

In its March 15, 2010 letter, the Board noted the following:

“The Review Board wishes to ensure that parties have adequate opportunity to provide their views regarding the Kache / Ft. Reliance route alternative. No documents pertaining to other subjects will be added to the public registry.”

In participating in the additional assessment of the Reliance Adjustment over the past two months, Dezé has understood the Board's direction was sufficiently clear and precise, such that parties would confine their submissions to the “Kache / Ft. Reliance route alternative”, and not provide submissions “pertaining to other subjects”.

While certain parties have taken the opportunity to file additional evidence or make additional submissions, Dezé submits that its material and testimony filed on the record of this proceeding is responsive to the claims and issues raised by these parties. Further, we believe their concerns have been or can be addressed by the responses and commitments we have made in this proceeding.

Summary and Conclusion

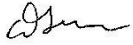
Dezé strongly believes that the material and the submissions filed with respect to the Kache / Ft. Reliance route alternative demonstrates Dezé's commitment to working with the Parties to arrive at a viable solution to the issue of where and how we will route the transmission line to cross the water of the Lockhart River.

As noted in our March 26th filing, Dezé's preferred option for the transmission line remains an inland crossing of the Lockhart River between Artillery Lake and Great Slave Lake. We also noted that while the evaluation of the Kache / Ft. Reliance route alternative was a worthwhile exercise to exhaust all possible

options, the process has reaffirmed our original analysis and conclusion that an inland crossing of the Lockhart River across the Desnedhe Che area is the proposed and preferred alignment.

Please contact me at (867) 766-5078 or email DGrabke@nwtec.ca if you have any questions or require any clarification on the information presented in this submission.

Yours Sincerely,



Dan Grabke
Managing Director

cc. Parties to the Environmental Assessment
Dezé Energy Corporation