



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

PO Box 1500
Yellowknife, NT X1A 2R3

May 10, 2010

MVEIRB File Number: EA0708-007

Alan Ehrlich, Senior Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
P.O. Box 938
Yellowknife, NT X1A 2N7

VIA EMAIL

Dear Mr. Ehrlich

**Re: Taltson Hydroelectric Expansion Environmental Assessment -
Potential Adjustments to Transmission Line Route**

Thank you for your April 27, 2010 letter in response to Indian and Northern Affairs Canada's (INAC) letter of April 16, 2010 concerning the notification of all Aboriginal groups potentially affected by the potential change to Dezé's Energy Corporation's proposed transmission line routing.

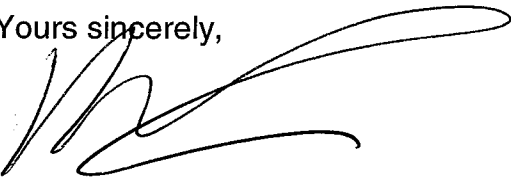
As you know, the Crown considers the Mackenzie Valley Environmental Impact Review Board's environmental assessment process when determining if the Crown has met its consultation obligations to Aboriginal peoples. Notification of all Aboriginal groups with established or potential treaty and Aboriginal rights that might be adversely affected by a development is an essential element of Crown consultation.

INAC has not identified any omissions in the Review Board's October 17, 2007 environmental assessment start-up list. Our concern is that in late January 2010, Dezé proposed a major change to the development. It is possible that groups who did not consider themselves affected by the project as it was proposed in October 2007 and who therefore did not ask to be added to the Review Board's original distribution list could consider themselves affected by the amended project as it was proposed in January 2010. Therefore, in order to ensure full notification, INAC requested on February 18, 2010 that the Review Board inform *all* potentially affected Aboriginal groups, and not only those groups already on the Board's distribution list, about the potential route adjustment.

In this case, the Review Board did not respond to INAC's request in a timely manner and INAC therefore undertook some of the notification requirements that would normally fall within the Review Board's duties. To the best of INAC's knowledge, all Aboriginal groups who should have been notified of the additional assessment for the potential route adjustment have now been notified.

INAC staff would be pleased to meet with Review Board members and staff to discuss the relationship between the Board's environmental assessment process and the Crown's consultation obligations and to clarify procedures for future projects. Please contact Julie Jackson at (867) 669-2891 or julie.jackson@inac-ainc.gc.ca if you would like to arrange a meeting.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'TJoudrie', written over a horizontal line.Handwritten initials 'TJ' in black ink, positioned to the left of the printed name.

Teresa Joudrie
Director, Renewable Resources and Environment

cc: Vern Christensen, Executive Director, Mackenzie Valley Environmental Impact Review Board