



January 21, 2010

Patrick Tesky, Editor
Hay River Hub
8-4 Courtoreille Street SS 98,
Hay River, NT
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Dear Editor:

I'm writing about a front page article published in your January 20, 2010 edition:

➤ **Reconsider Taltson expansion: lodge owner**

Jean Carter made an impassioned plea in her letter to the recent hearing on the Taltson Hydro Expansion Project.

Your article makes reference to the Carters' contention that there are a number of environmental concerns such as the *"effects of drawdown on Nonacho Lake, fluctuations in the lake's water level during construction, contamination..."*

Despite the Carters' contention, we have met with them over the last few years and only learned of their broad concerns over the last few months. With all due respect, we don't agree with their concerns and neither do a number of government agencies with environmental oversight.

The Taltson Hydro Expansion Project is arguably the most environmentally benign hydro development ever undertaken in the Northwest Territories. There will be no change in water levels, no flooding and no significant change in stream flows. The project proposes to harness the water and conditions that already exist on the Taltson River.

Evidence provided at the hearing by Indian and Northern Affairs Canada, the GNWT, and the federal Department of Fisheries and Oceans demonstrates that there are not likely to be any significant environmental impacts from the project.

At the hearing we stated to the Mackenzie Valley Environmental Impact Review that we have entered into detailed discussions with the Carters to address the impacts the project will have on the operation of their lodge. Frankly, we don't foresee any long-term impacts, but we're willing to further discuss and then accommodate the Carters where possible.

We've had ongoing dialogue and sharing of information with First Nations, communities and stakeholders, including the Carter family, since 2006. Along the way we have revised the project's design and routing, and we've made other commitments to either eliminate concerns or mitigate impacts. We've also made offers of compensation.

My point is this: we've consulted with and listened to our neighbours in the region and our work has resulted in more than 10,000 First Nation and Métis people granting support for the project through their leaders.

We will continue to work through the Mackenzie Valley Environmental Impact Review Board to, hopefully, satisfy the interests of the Carter family.

There are many inherent benefits in the Taltson Hydro Expansion Project. Aboriginal peoples are the majority owners, so they'll share in the majority of economic returns. There are no new dams or flooding. The project will provide significant economic stimulus, including more than 800 direct and indirect jobs. And, when operating, the Taltson Hydro Expansion Project will eliminate burning 100 million litres of diesel fuel per year at the diamond mines it's designed to serve. This represents a significant reduction in GHG emissions and significant benefits for our northern environment.

We still have work to do, but we're looking forward to moving the project to the next stage of planning and approval.

Yours truly,

Dan Grabke
Managing Director
Deze Energy Corporation Ltd

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Established in November of 2006, Deze is a partnership between the Akaitcho Energy Corporation, Métis Energy Company Ltd., and NWT Energy Corporation (03) Ltd. Akaitcho Energy Corporation and Métis Energy Company Ltd. are business ventures of the Akaitcho First Nations and Northwest Territory Métis Nation respectively, while NWT Energy Corporation (03) Ltd. is a wholly-owned subsidiary of Northwest Territories Hydro Corporation, a crown corporation owned by the Government of the Northwest Territories.