



Affaires indiennes  
et du Nord Canada

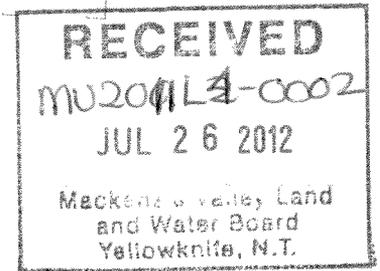
Indian and Northern  
Affairs Canada

Sous-ministre adjoint

Assistant Deputy Minister

Ottawa, Canada  
K1A 0H4

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18 JUL 2012

The Carter Family  
c/o Ms. Kande Froese  
Nonacho Lake Fishing Camp  
9 - 103 Street  
HAY RIVER NT X0E 0R9

Dear Ms. Froese:

This in response to your letter of June 21, 2012, addressed to the Honourable John Duncan, sent on behalf of the Carter Family, regarding the Mackenzie Valley Land and Water Board's decision on compensation in relation to the Taltson Hydroelectric Facility, Type "A" Water Licence MV2011L4-0002.

As the Carter Family has filed an application for a judicial review of the Mackenzie Valley Land and Water Board's decision, these issues are now before the Supreme Court of the Northwest Territories. For this reason, Aboriginal and Northern Affairs Canada is unable to comment on the specific concerns regarding the Mackenzie Valley Land and Water Board process and decision with respect to your claim for compensation.

Thank you for bringing the Carter Family concerns to the Department's attention.

Sincerely,

Janet King  
Assistant Deputy Minister  
Northern Affairs Organization  
Aboriginal Affairs and Northern  
Development Canada

c.c.: Mr. Willard Hagen ✓

Canada

June 21, 2012

VIA EMAIL: john.duncan@parl.gc.ca

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Ottawa, ON K1A 0A6  
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**Attention: The Honourable John Duncan, Minister for Aboriginal Affairs and Northern Development**

Dear Sir:

**Re: Decision of the Mackenzie Valley Land and Water Board (the "Board") regarding the Renewal of the Northwest Territories Power Corporation - Taltson Hydroelectric Facility, Type "A" Water Licence MV2011 L4-0002**

As you know, the Northwest Territories Power Corporation ("NTPC") has applied for renewal of its Type "A" Water Licence with respect to the Taltson Hydroelectric Facility. Our family participated in the consultation process in 2011 with respect to this renewal. We did this for two reasons: firstly, because we were and remain deeply concerned about the environmental impact of these operations. Secondly, our family and the family business have been adversely affected by the Taltson Hydroelectric Facility.

In your letter to the Board dated December 12, 2011, you refused to approve the licence renewal on the basis that the Board had not required the NTPC to pay compensation to our family despite finding that we were entitled to it. You required that the Board determine the appropriate amount of compensation to be paid to us prior to the licence being issued. In addition, you recommended that the Board extend the NTPC's existing licence in order to properly hear evidence and prepare a ruling on the amount or type of compensation payable.

The Board followed your direction and requested that we submit written information to assist in determining the appropriate amount of compensation.

Our family, through our counsel, provided the Board with detailed evidence of our past and future losses, including an expert report prepared by a highly-regarded accounting firm. The evidence we provided was so extensive that the NTPC requested additional time in order to prepare its response to our submissions. We were confident that the Board, equipped with this evidence, would award us reasonable and appropriate compensation for the significant adverse effects we have suffered due to the NTPC's operations. Unfortunately, that was not the case.

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In its response, the NTPC provided its own expert report, which raised new issues. We requested that the Board allow us the opportunity to respond to these issues, but our request was denied. The Board also refused to award us compensation for our extensive past losses, stating that the legislation does not allow for this. In our view, our counsel made strong arguments in favour of compensation for our past losses.

As you know, the Board ultimately decided that our family will merely suffer nuisance and inconvenience as a result of the NTPC's operations and that this is worthy of compensation in the sum of \$62,500. Despite our expert report detailing our past and future losses, the Board stated that we had provided "insufficient proof".

In our humble and respectful view, both the decision-making process and the ultimate result were unfair. The Board awarded much less compensation than we had realistically expected and, bewilderingly, the amount is at the very low end of the \$50,000 to \$150,000 range that the NTPC itself had suggested.

We have reflected on this matter over the last few weeks and remain disappointed in the Board's decision. We participated in good faith in this process, investing significant time, effort and personal resources. We did not ever expect a "windfall"; we sought only to be compensated fairly for the adverse effects that the NTPC's operations have had and will have on our family and the Nonacho Lake Fishing Camp.

We are proud of our Northern heritage and have always sought to be responsible stewards of Nonacho Lake and its ecosystem. The lifestyle and business interests of our family have been impacted by the Facility and will be in the future. We understand that your decision to deny or approve the water licence will be issued in the next few days and humbly ask whether there is anything that you can do in order to assist us in our quest for fair and appropriate compensation. We thank you for your consideration.

Sincerely,



The Carter Family

9 - 103 Street  
Hay River, NT X0E 0R9