

Ministre des Affaires autochtones
et du développement du Nord



Minister of Aboriginal Affairs and
Northern Development

Ottawa, Canada K1A 0H4

PROTECTED B

DEC 12 2011

Mr. Willard Hagen
Chair
Mackenzie Valley Land and Water Board
PO Box 2130
YELLOWKNIFE NT X1A 2P6

Mackenzie Valley Land
& Water Board

File

DEC 12 2011

Application # MV2011L4-0002

Copied To KG/Rg.

Dear Mr. Hagen:

Thank you for your letter of November 29, 2011, regarding the renewal of the Northwest Territories Power Corporation – Taltson Hydroelectric Facility, Type "A" Water Licence MV2011L4-0002 and Reasons for Decision.

I am generally supportive of the draft licence as provided. Unfortunately, I am unable to approve this water licence as recommended until such time as the Board fully addresses the issue of compensation pursuant to section 14(4)(b) of the *Northwest Territories Waters Act*. I understand that the Board has determined the Carter family and the Deninu Kue First Nation as being entitled to compensation in this case. The Board must determine the appropriate amount of compensation to be paid to each applicant deemed by the Board to be adversely affected by the licenced operation, prior to licence issuance.

Therefore, I recommend that the Board amend the term of the existing authorization N1L4-0154 for an appropriate period of time to hear evidence and prepare a ruling on the amount or type of compensation that is to be payable by the licensee to the Deninu Kue First Nation and the Carter family. Following the conclusion of this process, the Board should proceed to renew the existing water licence.

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Should you have any questions or concerns, feel free to contact Ms. Trish Merrithew-Mercredi, Regional Director General, Northwest Territories Region at 867-669-2501 or Ms. Teresa Joudrie, Director, Renewable Resources and Environment, Northwest Territories Region at 867-669-2647.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Duncan', with a long horizontal flourish extending to the right.

John Duncan, PC, MP