



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

Environment & Conservation
Box 1500
YELLOWKNIFE NT X1A 2R3

January 29, 2010

MVEIRB File Number: EA0708-007

Alan Ehrlich
Environmental Assessment Officer
Mackenzie Valley Environmental Impact Review Board
P.O. BOX 938
YELLOWKNIFE NT X1A 2N7

VIA EMAIL

**Re: Clarification of statements concerning access to Crown land -
Taltson Hydroelectric Expansion Environmental Assessment**

Dear Mr. Ehrlich:

Indian and Northern Affairs Canada (INAC) is writing to provide clarification of its recent statements concerning Dezé Energy Corporation's plans to restrict access to its proposed winter road.

As stated in INAC's December 11, 2009 technical report, p. 19:

From Fort Smith to Twin Gorges, the out-of-service winter road traverses Crown Land until it reaches lands held in title by the NTPC at Twin Gorges. On Crown Lands, the public has a general right of access, meaning that Dezé cannot gate access to the road at its entrance near Fort Smith (or anywhere else). Dezé can however, construct gates on its own titled lands.

INAC's January 12, 2010 letter to MVEIRB stated:

INAC confirms that the public has a right of access to Crown lands and that the developer may not erect gates on, or otherwise restrict access to, Crown land. On lands to which the developer holds title or a surface lease, however, the developer may restrict access.

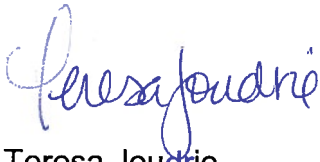
During the public hearing, Deze Energy Corporation requested that INAC confirm its views on Dezé's plans to restrict access. INAC understands that Dezé plans to erect gates or other barriers only on land to which Dezé holds title. On this basis, INAC has no objections to Dezé's current plans to restrict access.

In addition, a Board member noted during the hearing that lands for which a third party holds surface leases are Crown lands and asked for clarification as to whether

a lessee can restrict access to such lands. INAC confirms that lands for which a third party holds a surface lease or leases are Crown lands. INAC further confirms that a surface lease creates exclusive access for the lessee and therefore fences and/or gates may be permissible on leased lands.

If you have any questions about the above, please contact Karen Polakoff at 669-2671 or via email at Karen.Polakoff@inac-ainc.gc.ca.

Yours sincerely,



Teresa Joudrie
Director, Renewable Resources and Environment

cc. INAC EA Working Group
