



Note to file

EA 0708-007

Deze Energy Corporation Ltd., Taltson Hydroelectric Expansion Project

October 1, 2008

Re: Update on the Developer's Assessment Report

On September 15, 2008, Review Board staff met with representatives from the Deze Energy Corp. to discuss the submission of its Developer's Assessment Report (DAR), anticipated for the end of October. Deze Energy informed the Review Board staff that it will delay submitting the DAR until at least the end of November.

In addition, Deze Energy informed Review Board staff that its project design has changed in the meantime. Originally, Deze Energy had planned to add 36 megawatts (mW) of generating capacity to the power facility located at the Taltson River. The new design increases this capacity to 56 mW of generating capacity. Deze Energy will be submitting written materials to the public record to explain how this capacity increase will change the overall project design.

Deze Energy requested that the Review Board clarify its position on how the developer should deal with effects of the environment on the project in the DAR. There is no explicit section of the Terms of Reference issued for this environmental assessment that requires an analysis of potential impacts which may arise from the effects of the environment on the project, for example, extreme weather events or natural disasters.

Although the Review Board requires the developer to provide information for each issue identified in the Terms of Reference, the developer is not limited to this requirement. If, in the opinion of Deze Energy, there are outstanding issues whose analysis would give useful information for the assessment of this development, they may submit the results of this analysis. The Review Board will then consider the relevancy of the information.

Tawanis Testart,
EAO