

June 30, 1952.

TEXT OF THE UNITED STATES REPLY
TO THE CANADIAN NOTE

Excellency:

1. I have the honor to acknowledge the receipt of your note of June 30, 1952, in which you inform me that your Government, when all arrangements have been made to ensure the completion of the power phase of the St. Lawrence Project, will construct locks and canals on the Canadian side of the International Boundary to provide deep-water navigation to the standard specified in the proposed agreement between the United States and Canada for the development of navigation and power in the Great Lakes - St. Lawrence basin, signed March 19, 1941, and in accordance with the specifications of the Joint Board of Engineers, dated November 16, 1926, and that such deep-water navigation shall be provided as nearly as possible concurrently with the completion of the power phase of the St. Lawrence Project.

2. My Government approves the arrangements set forth in your note and, subject to the modifications there proposed and outlined below, agrees to request the International Joint Commission to allocate equally between the power-developing entities the cost of all the features described in Section 8 of the applications to the International Joint Commission and in the agreement of December 3, 1951, between the Government of Canada and Ontario.

3. These modifications are:

- a) The amount to be paid to Canada, as specified by the Agreement of December 3, 1951, between Canada and Ontario in lieu of the construction by the power-developing entities of facilities required for the continuance of 14-foot navigation, be excluded from the total cost of the power project to be divided between the Canadian and United States power-developing entities, in consideration of the fact that actual replacement of 14-foot navigation facilities will be rendered unnecessary by reason of the concurrent construction of the deep waterway in Canada, and