

I hope the treaty will be revised to include a payment for "primary" flood control only which will represent, in fact, half the actual damages prevented by the Canadian storages as measured in the condition of actual development in the areas at risk from time to time. I hope also IJC Flood Control Principle No. 6, to give added protection in the U. S. in the case of floods of exceptional great magnitude, will be re-instated, this to be made on call, subject to a provision to prevent abuse and damage to Canadian interests. I have dealt with the various aspects of flood control in detail in my CI of IA article.

Re your Para 3. I do not agree that the government of B. C. is the government responsible for final selection, by which I understand you mean the ultimate decision. The Columbia and the Kootenay are rivers which flow out of Canada, and, under the BNA Act, Canada, by the International River Improvement Act, has asserted jurisdiction.

The Government of Canada is therefore the final authority and is responsible, at the least, that harm is not done to Canada. These are the words I have heard used by competent legal authority and with which I find myself in complete agreement.

In this connection, you may wish to have looked up for you the statement made by the Hon. Jean Lesage in July, 1955, when he held the office of Minister of Northern Affairs and National Resources in the St. Laurent administration (see Electrical Digest, July, 1955) and was responsible for the presentation of the International Rivers Bill to Parliament.

As regards your comments on the ICREB Report of March, 1959, this report did not recommend any particular plan of development but merely supplied data on which the various plans studied physically could be compared economically. The following are the ICREB figures for the Canadian projects in the Copper Creek (Seq Viii) and Dorr (Seq IXa) plans respectively:

| | Investment Cost (\$ million) | Output (MW) |
|---------------|---------------------------------|----------------|
| Copper Creek | 884.9 | 2523 |
| Dorr | <u>911.8</u> | <u>2691</u> |
| Dorr increase | 26.9 | 168 |

These figures evidence a substantial increase in output for Dorr for Canada for a small additional cost. However other factors, which have deep significance in the protection of national interests, also must be considered in an overall comparison. In this connection, I would like to say that under Article IV of the Treaty of 1909, the U. S. cannot develop Libby economically without permission to flood 150' deep at the boundary, extending upstream into Canada some 42 miles. Moreover, under Article II, Canada has jurisdiction to divert flows originating in Canada and to store and regulate these flows as may be advantageous. Under this authority, 5.8 million acre feet of average annual flow could be diverted from the Kootenay and used down the Columbia through an additional head in Canada of up to 688 ft after allowing for pumping the flow at the Elk; this represents in excess of 350 MWY of average annual usable energy. This regulated flow will contribute materially to the maintenance of heads at the Canadian plants, to the flexibility of regulation, and to an increase in the peaking capability at the Canadian plants of the Columbia alone of about half a million KW.

Moreover, the water stored in Dorr-Bull River-Luxor, as well as in Mica, all of which is of Canadian origin, will be physically as well as jurisdictionally under the sovereign control of Canada, to regulate and to divert as Canada's interests and those of her provinces determine. I remark that in the case of the Pend d'Oreille, similar rights were claimed by the U. S. and recognized by the IJC in the Waneta Order, so that in this diversion of the Kootenay to the Columbia, we have adequate precedent established by our neighbour.

For Canada, it is vital and imperative that this jurisdiction should be maintained. From this "Canadian best use value" within the Columbia