

Mr. DAVIS: And, the 3.6 mills is United States, from the point of view of your calculations?

Mr. BARTHOLOMEW: Yes.

Mr. DAVIS: In a number of places in the white paper and also in the blue book it is quite clearly stated, I think, that the 5.3 mills is in Canadian funds.

Mr. BREWIN: It states that quite clearly, I think, in the book to which he is referring. I am sure Mr. Davis wants to be fair.

Mr. DAVIS: Page 124 is one of the pages in which it appears.

Mr. BREWIN: It says so in the note at the bottom of page 124.

Mr. DAVIS: Well, quite specifically, starting at page 173 and running through for several pages is a complete description of costing and the elements which make up the 5.3 mill figure.

Mr. BARTHOLOMEW: Where do you find that?

Mr. DAVIS: Starting on page 173 and continuing on for several pages. For example, I read in the middle of page 177, underlined:

The total value to Canada can therefore be expressed as 5.3 mills (Can.)—

Mr. BARTHOLOMEW: Did you say page 173?

Mr. DAVIS: I am sorry, page 177, in the middle of the page the following words are underlined:

The total value to Canada can therefore be expressed as 5.3 mills (Can.) per kilowatt hour.

Mr. BARTHOLOMEW: Yes.

Mr. DAVIS: So, I think you are saying in the first paragraph of your brief that the cost to Canada as laid out in the white paper is 5.3 mills per kilowatt hour, Canadian.

Mr. BARTHOLOMEW: Yes.

Mr. DAVIS: Now, your figure of 3.6 mills in the next paragraph is Canadian or American?

Mr. BARTHOLOMEW: American. As a matter of fact, this conversion of 5.3 mills, American should have been, I think, corrected.

Mr. DAVIS: Yes. In that case, the correction would be of the order of 8 per cent?

Mr. BARTHOLOMEW: It is 7 per cent, is it not?

Mr. DAVIS: Well,  $92\frac{1}{2}$  versus 100, which is roughly 8 per cent.

Mr. BARTHOLOMEW: You see, I disagree totally with the inclusion of flood benefits.

Mr. DAVIS: Yes, and I want to go on to that by going to your next page. However, I first wanted to dwell on that page because it sets the framework for the next page, namely page 42, which is your proof. Now, your proof is the proof of your figure 3.6 mills and I believe it is 3.6 mills United States. This is at page 42, following immediately after the page to which I have made reference which includes the two paragraphs, one containing 5.3 mills as the white paper figure and the other 3.6 mills is your figure. Have you page 42?

Mr. BARTHOLOMEW: Yes.

Mr. DAVIS: Now, your proof is essentially as follows: "Assume total accumulated cost"—and I think this is total payment by the United States—

Mr. BARTHOLOMEW: Yes.

Mr. DAVIS: —of \$501 million. For reference I would like you to turn also to page 138 of the white paper because the same figure appears there.