

Cost Estimates

The construction cost of the remedial works (not including the comparatively small amount of pre-construction costs) is estimated to total \$17,536,000 at July 1952 construction cost levels. A breakdown of this estimate is shown below:

Chippawa-Grass Island Pool Control Structure, 1550 Feet Long . . . . .	\$14,594,000
Excavation and Fill in the Cascades on the Canadian Flank of the Horseshoe Falls . . . . .	1,582,000
Excavation and Fill in the Cascades on the Goat Island Flank of the Horseshoe Falls . . . . .	<u>1,360,000</u>
Total . . . . .	\$17,536,000
Estimated Annual Cost of Operation and Maintenance of the Remedial Works . . . . .	\$100,000

Certain preliminary costs have been incurred under the terms of the Reference for surveys of the Niagara River between Lake Erie and the Falls and for other field investigations; also for two hydraulic models simulating the Niagara River above the Falls, one at Islington, Ontario, and the other at Vicksburg, Mississippi, and for much experimental work accomplished by the use of these models in connection with the design of the remedial works hereinbefore recommended; and for office studies and other activities incidental to determination of the most suitable types of remedial works. Inasmuch, however, as a part of this preliminary cost, particularly the costs incurred in connection with the hydraulic models, is chargeable to power development in both Canada and the United States, the duty of segregating the part thereof properly chargeable to remedial works, and determining the Canadian and United States costs properly chargeable thereto, is a duty which now devolves upon the Commission.

As soon as cost data and other essential information are available in sufficient detail, a supplemental report on costs incurred through March 31, 1953, for remedial works will be submitted to the two Governments. On the basis of incomplete information now available, it appears that such costs might aggregate about 2½ per cent of the estimated construction cost.

Division of Costs

Under the provisions of Article II of the Treaty the cost of the remedial works and the expense of operating and maintaining them are to be borne by the United States and Canada in equal moieties.

Signed this fifth day of May, 1953.