December 12, 1963

The Hon. Paul Martin, P. C., Secretary of State for External Affairs, Canada, House of Commons, Ottawa

Dear Mr. Martin:

On 29 November 1963 I received your letter dated 21 November 1963, together with Volume 2 of the Crippen Wright interim report; also copies of two letters from Montreal Engineering Company dates 23 October 1961 and 7 December 1961 respectively, which were enclosed.

As on previous occasions, with a view to facilitating comment, I have numbered the paragraphs of your letter consecutively from the beginning.

Re your Para 1

I would observe that the new U. S. projects to which you refer are not on the line of flow of floods originating on the Upper Columbia, and, in consequence, in the U. S. allocations to tributary basins, are not substantially competitive with the Canadian storages on the Columbia, which are unique in the protective service they can provide to the U. S. If the Canadian storages are not built, then Grand Coulee must be operated for flood control, and heavy power losses will result at this important site.

In your comments on flood control in this paragraph or elsewhere, I fail to find any reference to the very important questions which I raised in regard to this aspect of the treaty on Page 2 of my letter to you of 31 October 1963, including my reference to my earlier letter to you of 23 September 1963 and to my article in the CI of IA Journal, a copy of which I sent you.

Let me assure you these are questions of vital significance to the proper interests of Canada, <u>all</u> of which call for protective action in the revision of the treaty or its <u>rejection</u>.

Re your Paras 2 and 3

Regarding your agreement that the limitations of the ICREB Report necessitate extreme care in its use: Since the report clearly concludes that on physical and economic factors there is little to choose between the three plans, I feel sure you will agree that the decision should rest on more fundamental considerations, such as the maintenance by Canada of the physical as well as the jurisdictional control over the operation of the storages. This control can only be achieved by placing as much of the storage as possible in Canada at the highest elevation which supply permits. This is a characteristic of the Dorr Plan, but is lacking in the others.

In the last part of your Para 3, you speak of the <u>rights given to Canada</u> under the proposed Columbia River Treaty to divert in 20, 60, and 80 years as in Article XIII, Paras (2), (3), and (4).