

SUMMARY

In 1972 the United States asked Canada to consider sharing the cost of the proposed Pembilier Dam on the Pembina River in North Dakota in proportion to Canada's share of the benefits accruing from the project as suggested in a 1972 report by the U.S. Corps of Engineers entitled "Review Summary of Flood Control and Related Purposes, Pembina River, North Dakota". Flood control benefits in Canada were estimated at \$249,500 annually and the suggested cost allocation to Canada \$237,400 annually, both values estimated over the 100 year life of the project. Canada and the Province of Manitoba agreed to consider the request and early in 1973 appointed a Pembilier Dam Review Committee, comprised of officials representing the two governments, to review the 1972 Corps of Engineers Report.

The Review Committee was active from March to December 1973, and throughout the review period maintained liaison with the St. Paul District, Corps of Engineers. The review was concentrated mainly on the estimate of benefits accruing to Canada and the proposals for cost allocation.

The Review Committee questioned the data, assumptions and procedures used by the Corps of Engineers to estimate Canadian benefits and concluded that the estimate was unrealistic. The Review Committee prepared a revised estimate of Canadian benefits based on current data and revised assumptions and procedures. The Review Committee estimates that