

DETERMINATION OF POWER BENEFITS ATTRIBUTABLE TO CANADIAN STORAGE

Step 2

A similar determination of firm load carrying capability will be made using the same thermal component as in Step 1 but with the hydraulic resources reduced by any United States head plants on tributaries of the Columbia River added subsequently to the Canadian storage and also by any United States storage added subsequently to the Canadian storage.

Step 3

A similar determination of firm load carrying capability will be made using the same thermal component as in Step 1 but with the hydraulic resources reduced by any United States head plants on tributaries of the Columbia River added subsequently to Canadian storage, and by any United States storage added subsequently to the Canadian storage and by the carrying capability determined by Step 3 and that determined in Step 2 will be the benefit credited to the Canadian storage.

An initial determination of the estimated power benefits to the United States from Canadian storage added to the United States base system consisting of the projects listed in the attached table will be made before the first Canadian storage becomes operative. This determination will include year-by-year estimates of the power benefits during the period of construction until the 15.5 million acre feet of Canadian storage becomes operative.

Subsequent determinations of estimated power benefits will be made at intervals of 5 years or more often as agreed, commencing from the date on which the full 15.5 million acre feet of Canadian storage becomes operative. A detailed plan of operation implementing the assured plan of operation and the critical period and period of stream-flow record will be agreed at each determination. No retrospective adjustment in power benefits will be made at any time during the period of the Treaty. No reduction in the benefits credited to Canadian storage will be made as a result of a lower load estimate in the United States for the subsequent period than for the current period.

In computing the increase in dependable capacity and the increase in average annual usable energy, the procedure shall be in accordance with the three steps described below.

Step 1

In any determination of power benefits, the system for the period covered by the estimate will consist of the Canadian storage and the United States base system plus new hydro and thermal projects expected to be in operation at the mid-point of the period of estimate. The maximum capability of this combined system to supply the estimated firm load including Canada's share of the downstream benefits will be determined on the basis that the system will be operated in accordance with established operating procedures.

BASE SYSTEM HYDRO PROJECTS