

entitled under the Treaty (hereinafter the "Canadian Entitlement") within the United States, with delivery and other arrangements for such disposals made in accordance with the attached Disposal Agreement between the Bonneville Power Administration acting on behalf of the U.S. Entity, and the Province of British Columbia (hereinafter the "Disposal Agreement").

Any reduction of the U.S. obligation to deliver the Canadian Entitlement and any delivery of any portion of the Canadian Entitlement by Bonneville in accordance with the Disposal Agreement shall satisfy the United States obligation under Article V of the Treaty to deliver that portion of the Canadian Entitlement to Canada. Any portion of the Canadian Entitlement not subject to such a reduction or not being delivered within the United States pursuant to the Disposal Agreement shall be delivered to Canada at the Canada - United States border in accordance with Article V(2) of the Treaty.

Nothing in this exchange of notes or the Disposal Agreement amends the Treaty or modifies the rights and obligations of either the Government of Canada or the Government of the United States under the Treaty except as authorized pursuant to Article VIII and Article XVI(6) of the Treaty. Any dispute that arises under the Disposal Agreement