

It would therefore appear that studies by engineering firms as well as by Federal Government engineers do not support the Sequence IXA plan, but rather favour a limited diversion involving less expense and flooding in Canada. Barring a complete lack of faith in these conclusions, as well as in the conclusions reached by federal government engineers who have produced their own studies and assisted the I.C.R.E.B., I really can see little advantage in calling for further studies on a matter which has been decided by the responsible Government. Unless it were clear beyond reasonable doubt that a plan of development favoured by the owner of the resource, the provincial government, was positively prejudicial to the national interest, I do not see how the federal government could properly oppose or prevent it. As I mentioned in my letter, I think this view is in line with the opinions you yourself expressed at one stage before a House of Commons committee.

Perhaps our comments on this first point lead us automatically into the second; that of Canada's ability to control the operation of the Treaty storage in a way which will safeguard power generation within Canada. Your article in the 1963 Spring Issue of the International Journal, to which your letter refers, dismisses the control we have maintained, and questions Canada's ability to proceed with the full development of sites such as Mica, Downie Creek and Revelstoke Canyon. Once again I must refer to the conclusions reached by engineers and engineering firms who have studied this aspect of the Treaty. Three engineering firms, Montreal Engineering, Caseco Consultants Limited (H. G. Acres, Shawinigan Engineering and Crippen Wright Engineering) and the combined firms of Sir Alexander Gibb and Herz and McLellan also support the Treaty in this respect.

I note that your article in the International Journal refers to a sentence in the Gibb-Herz McLellan report which states that releases from Canadian storage under the Treaty terms will be out of phase with Canada's own needs, and we will therefore be subjected to penalty payments. The next sentence of the Gibb report, however, goes on to say:

"Fortunately...Arrow Lakes can largely absorb the difference in outflow so that, except in three months, the flow to the U.S.A. remains the same as that required for optimum downstream benefits".

The Companies reported to the B.C. Energy Board as follows:

"The flexibility allowed under the Treaty for the operation of these storage reservoirs will enable the Canadian power plants on the main stem to be operated in the interests of the British Columbia load and without serious reduction in the amount of the downstream benefits".