

regulation be carried out. This means that the great benefits attributable to Seq IXa have not, it appears, come within their opportunity for consideration.

Re your Para 10. Please let me assure you that I do differ from your interpretation of these reports on the points I have noted. I think the foregoing explanations of the meaning of Annex A Para (7) and (8), and the statements of Keenlyside and Montreal Engineering, and the doubts expressed in the Gibb Report itself, should carry conviction that what I have stated is in fact correct.

Re your Para 12. Please let me assure you also that I do not stand alone in the views I have expressed. These have been checked in studies over many months with Canadian engineers and others who are highly qualified in hydro-electric thermal system operation and include on the basic points important experts in this field in the United States. I am prepared to support the views I have expressed in any competent forum and I am confident I will have wide support.

In any event, from reading your letter, it seems that I have aroused your doubts about the Treaty and this is heartening because these matters are so supremely important to Canada that I do think the responsible government -- namely the Government of Canada -- should not rest until the technical aspects, legal and engineering, have been inquired into and reported upon by independent, fully qualified and responsible expert consultants in these respective fields and all doubt removed.

Accordingly I repeat the recommendation given to you in my letter of 22 August 1963.

Meanwhile, I do hope I have given you sufficient information for your expressed purpose to plug loop-holes in the present Treaty. May I say this line of thought on your part brings me a measure of encouragement, but I must add that merely plugging loop-holes is far short of the basic corrections to the Treaty which I regard as requisite.

Please be assured I will indeed be pleased to go into any other points you may have occasion to mention.

Yours very sincerely,

(Sgd.) A. G. L. McNaughton