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# PRESS RELEASE

DEPARTMENT OF EXTERNAL AFFAIRS

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## Passamaquoddy Tidal Power Project

The Secretary of State for External Affairs, The Honourable Howard Green, today announced the release of the International Joint Commission's Report on the International Tidal Power Project in Passamaquoddy Bay in Maine and New Brunswick. The Commission found that the price of power from the Tidal Power Project, either alone or in combination with auxiliary power sources, would not be competitive with the price of power from alternative steam-electric plants and that therefore, the project is not economically feasible under present conditions. The Commission recommended, however, that development of the project be viewed as a long-range possibility which would have better prospects of realization when other less costly energy sources available to the area were exhausted. The Commission also pointed out that the economic feasibility of the project might be affected by future changes in the costs and benefits considered in the present evaluation and added that Governments might wish to consider the desirability of crediting the Tidal Project with certain public benefits not included in the Commission's determination of economic feasibility.

In determining the impact of the project upon the local economies of Maine and New Brunswick, the Commission found that industrial development would not be appreciably affected, although short-term benefits resulting from expenditures for goods and services might be expected. The Commission noted that the creation of

two large salt water lakes would provide additional facilities for recreation and that the tidal dams, locks and gates could serve as foundations for an international highway connecting the present coastal highways in Maine and New Brunswick. The Commission recognized that the existence of a high pool in Passamaquoddy Bay might stimulate greater traffic to shipping points in the area. In the Commission's view, the project would not be detrimental to the region's important sardine industry and would have only a minor effect on other fisheries if appropriate remedial measures were undertaken.

This problem was first referred to the Commission by the Governments of the United States and Canada on August 2, 1956, in accordance with Article 9 of the Boundary Waters Treaty of 1909. Under this authorization, the Commission established the International Passamaquoddy Engineering Board and the International Passamaquoddy Fisheries Board. Membership on the Boards consisted of two representatives each from Canada and the United States. In April, 1960, shortly after both Boards had presented their Reports to the Commission, a public hearing was held in Calais, Maine, for the purpose of receiving the testimony of all parties interested in the findings set forth in the Board's reports. As a result of these investigations and the Commission's subsequent deliberations, the Commission prepared the final Report to Governments which was released today.

This Report is being studied carefully by both Governments and a copy has been sent to the Province of New Brunswick.