TREATY BETWEEN THE UNITED STATES OF AMERICA AND CANADA RELATING TO THE SKAGIT RIVER AND ROSS LAKE, AND THE SEVEN MILE RESERVOIR ON THE PEND D'OREILLE RIVER

The Government of the United States of America and the Government of Canada,

Bearing in mind the purpose of the Boundary Waters Treaty, in particular with respect to the prevention of disputes between the United States and Canada regarding the use of boundary waters;

Recognizing the desirability of preserving the natural environment of the Skagit Valley, in the Province of British Columbia;

Acknowledging the importance to the economic growth and development of the City of Seattle of the electrical power that would have been produced by the raising of the Ross Dam;

Noting with approval the Agreement dated March 30, 1984 between the Province of British Columbia and the City of Seattle developed under the auspices of the International Joint Commission; and

Having encouraged the achievement of such a settlement and being desirous of securing and promoting the cooperative measures undertaken therein,

Have agreed as follows:

ARTICLE I

DEFINITIONS

For purposes of this Treaty:

- (a) "Agreement" means the Agreement entered into between British Columbia and Seattle on March 30, 1984, and its several appendices, contained in the Annex to this Treaty:
- (b) "Boundary Waters Treaty" means the Treaty between the United States and Great Britain relating to Boundary Waters and Questions Arising between the United States and Canada, dated January 11, 1909;
- (c) "British Columbia" means the Province of British Columbia, Canada;
- (d) "Seattle" means the City of Seattle, in the State of Washington, United States of America;
- (e) "Normal full pool elevation" means the water level at the dam determined by means of measuring elevation above mean sea level, excluding variations due to wind and wave action on surface water and variations resulting from extraordinary flood conditions, and which in the case of Ross Lake is based on the City of Seattle Ross Dam datum for Ross Lake and in the case of the Seven Mile Reservoir is based on the Geodetic Survey of Canada datum for the Seven Mile Reservoir; and
- (f) "Arbitration tribunal" means an arbitration tribunal established pursuant to section 10 and Appendix C of the Agreement.

AUTHORIZATIONS

- 1. (a) In the event that British Columbia discontinues its obligation to deliver electrical power to Seattle under the Agreement or an arbitration tribunal determines that conduct of British Columbia constitutes a material breach of the Agreement, Seattle is, in accordance with and subject to the terms and conditions specified in this Treaty and the Agreement, authorized to raise the level of Ross Lake on the Skaqit River by means of construction and operation of Ross Dam to a normal full pool elevation of 1725.0 feet, subject to the terms and conditions contained in Opinion No. 808 of the United States Federal Power Commission issued July 5, 1977, Opinion No. 808A of the Federal Energy Regulatory Commission issued August 2, 1978, and in other actions of the Federal Energy Regulatory Commission in implementation thereof, including provisions for High Ross Dam in the relicensing by the Federal Energy Regulatory Commssion of Seattle's Project No. 553, of which Ross Dam is a part.
- (b) This authority is to be exercised by Seattle at its option, without regard to any United States law, decision, regulation or order which might be argued as limiting or negating this authority, including provisions of the Federal Power Act relating to the time in which project construction

must otherwise commence or to the term of license, or any other provision, during the term of this Treaty, provided that full compensation to British Columbia in the event of operation of Ross Lake at a normal full pool elevation of 1725.0 feet shall be as provided for in the Agreement and in lieu of any conditions in Opinions 808 and 808A or in any licensing order or orders for Project No. 553 with respect to British Columbia, and provided further that unless and until the normal full pool elevation of Ross Lake is thus raised, Seattle shall not be required to pay any increase in annual charges attendant thereupon under section 10(e) of the Federal Power Act.

2. The Government of Canada shall obtain the legislative or other authority necessary to enable British Columbia to export electrical power in accordance with the terms and conditions of the Agreement.

ARTICLE III

WATER LEVELS AT THE BOUNDARY

1. During the term of this Treaty, Seattle shall be permitted to operate Ross Lake so as to maintain the level of the Skagit River at the United States-Canada boundary at an elevation consistent with a normal full pool elevation of 1602.5 feet.

- 2. During the term of this Treaty, British Columbia shall be permitted to operate Seven Mile Reservoir so as to raise the level of the Pend d'Oreille River at the United States-Canada boundary to an elevation consistent with a normal full pool elevation of 1730.0 feet, subject to the delivery by British Columbia to Seattle of energy and capacity lost at Boundary Dam due to tailwater encroachment by the Seven Mile Reservoir.
- 3. In the event that Seattle discontinues its obligation under the Agreement to make payments to British Columbia for the delivery of electrical power or an arbitration tribunal determines that conduct of Seattle constitutes a material breach of the Agreement, Seattle shall not be permitted to operate Ross Lake so as to raise the level of the Skagit River at the United States-Canada boundary above a level consistent with a normal full pool elevation of 1602.5 feet.
- 4. In the event that British Columbia discontinues its obligation under the Agreement to deliver electrical power to Seattle or an arbitration tribunal determines that conduct of British Columbia consitututes a material breach of the Agreement, Seattle shall be permitted to operate Ross Lake so as to raise the level of the Skagit River at the United States-Canada boundary to an elevation consistent with a normal full pool elevation of 1725.0 feet.
- 5. In the event that either Seattle or British Columbia discontinues its respective obligations in accordance with paragraph 3 or paragraph 4 of this Article, or an arbitration

tribunal determines that conduct of either constitutes a material breach of the Agreement, British Columbia nonetheless shall be permitted to operate Seven Mile Reservoir so as to maintain the level of the Pend d'Oreille River at the United States-Canada boundary at an elevation consistent with a normal full pool elevation of 1730.0 feet.

6. Notwithstanding paragraph 5 of this Article, in the event that British Columbia discontinues its obligation under the Agreement to deliver electrical power to Seattle or an arbitration tribunal determines that conduct of British Columbia constitutes a material breach of the Agreement, and the obligation of British Columbia to make payment under subparagraph 9(C)(iv) of the Agreement is not met, British Columbia shall not be permitted to operate Seven Mile Reservoir so as to maintain the level of the Pend d'Oreille River at the United States-Canada boundary above a level consistent with a normal full pool elevation of 1715.0 feet.

ARTICLE IV

OBLIGATIONS ON DISCONTINUANCE

I. The United States and Canada shall ensure, in the manner set out in this Article, that financial obligations on the part of Seattle and British Columbia in the event of discontinuance of certain of their respective obligations under the Agreement, are met.

- 2. (a) In the event that British Columbia discontinues its obligation under the Agreement to deliver electrical power to Seattle or an arbitration tribunal determines that British Columbia is in material breach of the Agreement, Canada shall endeavor to ensure that British Columbia pays to Seattle any amount owing under subparagraph 9(C)(iv) of the Agreement. In the event that an arbitration tribunal determines the amount owed by British Columbia to Seattle under that subparagraph and that British Columbia has failed to discharge its obligation to pay that amount to Seattle, Canada shall pay such amount to the United States in United States currency.
- (b) Payment of such amount by Canada shall be in full satisfaction of British Columbia's obligations under subparagraph 9(C)(iv) of the Agreement.
- 3. (a) In the event that Seattle discontinues its obligation under the Agreement to make payments to British Columbia, or an arbitration tribunal determines that Seattle is in material breach of the Agreement, the United States shall endeavor to ensure that Seattle pays to British Columbia any amount owing under Section 5 of the Agreement. In the event that an arbitration tribunal determines the amount owed by Seattle to British Columbia under that section and that Seattle has failed to discharge its obligation to pay that amount to British Columbia, the United States shall pay such amount to Canada in United States currency.
- (b) Payment of such amount by the United States shall be in full satisfaction of Seattle's obligations under Section 5 of the Agreement.

ARTICLE V

TRANSMISSION OF POWER

The rate imposed by the Bonneville Power Administration, or its successor agency, for the transmission of power from British Columbia to Seattle pursuant to the Agreement shall be no greater than if the power were generated, and transmitted on the Federal Columbia River Power System, wholly within the State of Washington.

ARTICLE VI

EFFECT ON BOUNDARY WATERS TREATY

- 1. Nothing in this Treaty shall affect the application of the Boundary Waters Treaty except as provided in paragraph 2 of this Article.
- 2. During the period in which this Treaty is in force, the powers, functions and responsibilities of the International Joint Commission under Article IV, paragraph 1 and Article VIII of the Boundary Waters Treaty shall not apply to the Skagit River and Ross Lake or to the Pend d'Oreille River and the

Seven Mile Reservoir.

ARTICLE VII

AMENDMENT OF THE AGREEMENT

Amendments to the Agreement proposed by British Columbia and Seattle shall be submitted to the Parties for timely review. Amendments that, in the view of either Party, would affect the rights and obligations of the Parties under the Treaty shall enter into force only upon an exchange of notes between the Parties. All other amendments shall enter into force as agreed upon between British Columbia and Seattle.

ARTICLE VIII

ENTRY INTO FORCE AND DURATION

This Treaty shall enter into force on the date the Parties exchange instruments of ratification, and shall remain in force until terminated by agreement of the Parties, or by either Party upon not less than twelve months written notice which may be given no earlier than January 1, 2065.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Treaty.

DONE at Washington in duplicate, in the English and French languages, both texts being equally authentic, this second day of April, 1984.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

FOR THE GOVERNMENT OF CANADA:

Surse P. Shuls

Men J. Mis Varhen