Under the Columbia River Treaty (CRT), three storage dams were built in Canada (Duncan, Hugh Keenleyside and Mica). A fourth dam, Libby, was built in the U.S. Its reservoir, Koocanusa, floods 67 km into Canada.

Why is Libby Dam different from other CRT dams?
Libby Dam has different operational obligations compared to the three CRT dams in Canada. Although Canadian land was flooded to fill Koocanusa Reservoir, and Libby regulation improves the value of hydro generation at downstream plants on the Kootenay River in Canada, neither BC nor Canada receive direct benefit payments or compensation. Still, under the CRT the two countries jointly agree on reservoir management operations, and therefore, river flows, primarily for flood control and power generation purposes.

Libby Operations
Under the CRT:
- Downstream power and flood control benefits from operations at Libby belong to the U.S.
- Canada receives indirect flood control and power benefits resulting from construction and operation of Libby Dam.
- When the U.S. chooses to operate Libby for sturgeon and salmon enhancement, some of these flood control and power benefits are lost; however, fisheries and other ecosystem benefits of this operation may be substantial and it is not clear that net benefits are reduced. If Canada proposes an alternate operation at Libby, the U.S. will implement it, so long as it does not disadvantage the U.S.
- Canada and the U.S. agreed to cooperate on a continuing basis to coordinate the operation of Libby Dam with the operation of hydroelectric plants on the Kootenay River and elsewhere in Canada.
- Operations of Libby Dam are to be consistent with the Kootenay Lake Order made by the International Joint Commission under the Boundary Waters Treaty.

What is the Libby Coordination Agreement?
Since 2000, Libby Dam has operated under the terms of the Libby Coordination Agreement. This agreement helps to mitigate some of the controversy around the U.S. operations of Libby Dam to the benefit of white sturgeon and salmon and the loss of power generation in BC. The agreement provides a mechanism by which BC is able to compensate itself financially for any lost power generation on the lower Kootenay due to U.S. operations of Libby, primarily for fish interests.

If the U.S. operates Libby for fish benefits such that there are power losses on the lower Kootenay River, BC may run other facilities to compensate for this. Under the agreement, Canada is permitted to draw-down the Arrow Lakes Reservoir and exchange power with Bonneville Power Administration.

Regional Perspectives on Libby
Libby operations provide benefits, but also impact the Canadian portion of the Kootenay River drainage. While system coordination agreements are in place for hydroelectric generation and flood control, the effects of Libby operations on other Canadian interests are a regional focus. The impacts of Libby operations on recreation and fisheries resources on the Koocanusa are areas of concern for Canadian residents. The downstream impacts of Libby operations on dyking infrastructure, wetlands habitat, farms and property in the Creston and Kootenay Lake areas are also a concern.

In addition, as a result of the Koocanusa Reservoir being created by a U.S. dam and the fact there is no provincial water licence associated with Libby Dam, there is no fish and wildlife compensation program associated with the historical footprint impacts of Koocanusa Reservoir in Canada as there are for other CRT dams.

Future
Questions around control and operation of Libby Dam, and related impacts to Koocanusa Reservoir will be further investigated during the Provincial CRT Review.