

RELEASE IN FULL

From: Mills, Cheryl D <MillsCD@state.gov>
Sent: Wednesday, November 11, 2009 9:18 AM
To: H
Cc: Abedin, Huma
Subject: FW: Letter from Senator Baucus
Attachments: 2009_11_09_17_07_26.pdf

HRC:

Here is background on the letter from Baucus and the anticipated response prepared by H.

Take a look and see if you want to go in a different direction.

Including the background below so you have the context for the letter.

From: Jacobson, Roberta S
To: Toiv, Nora F
Cc: Sheaffer, Gary L; Nolan, Edwin R
Sent: Tue Nov 10 13:12:52 2009
Subject: FW: Letter from Senator Baucus

Nora: I'm responding on Tom's behalf. We've drafted up a letter in response, and I believe it's with H right now.

We've had a near-constant dialogue with Baucus' office on this, and I'm afraid we haven't been able to, and aren't likely in the near future, to satisfy them.

1) Development and environmental protection on the Flathead River is a long-running source of tension between Montana and British Columbia. To protect the Flathead Basin, Sen. Baucus has long championed restrictions against development on both sides of the border.

2) Over the years, the USG has worked closely with the Canadian federal government to ensure several Canadian mining proposals were fully assessed for environmental impact. To date, the British Columbia provincial government has not approved **any** mining proposals in the Flathead Basin—and there are no additional proposals on the horizon.

3) The Senator would like to see B.C. and Canada move toward a more permanent way to protect the region, rather than having to battle each new mining proposal. For example, environmental NGOs advocate the Canadians establishing a national park or other development moratorium.

4) While we certainly agree with that approach in principal, the problem is that under Canada's system, **provincial governments hold the authority over natural resource management**. Therefore, even though the Canadian park service likewise would favor a national park in the northern Flathead Basin, nothing can happen without the agreement of the Province of British Columbia.

5) British Columbia has informed us that they see no need for broader, more permanent protections in the Flathead Basin, and believe their environmental assessment process gives adequate protection against development-related threats.

6) Because of the federal-provincial dynamic in Canada, the Canadian federal government can't really compel British Columbia to establish permanent protections in the Flathead Basin.

7) Glacier National Park and the Canadian Waterton Lakes National Park are U.N. World Heritage Sites. The U.N. World Heritage committee recently sent a mission to the Flathead basin, to assess potential threats to the two national parks. Their report is expected this month or next. The release of the report will provide us an opportunity to engage B.C. and Canada again on the future of the Flathead region.

So, we will use the release of the UN report to re-engage with both Canada and B.C. If we're lucky, perhaps the UN will recommend the broader "Baucus" approach, and we might find we have more luck armed with that—but that's not at all clear. In the meantime, we continue to reassure Baucus and staff that there is no/no planned development currently for the area about which he's concerned.

I hope that helps, and sorry for slightly long-winded explanation. The draft response to Baucus is on the high side, and please let me know if you have any further questions or concerns. Many thanks, Roberta

Roberta S. Jacobson
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SBU
This email is UNCLASSIFIED.

From: Toiv, Nora F
Sent: Monday, November 09, 2009 5:09 PM
To: Shannon, Thomas A
Subject: Letter from Senator Baucus

Hi Tom. I don't think you ever followed back up on this. Can you let me know how we can address his concerns? Thanks.