

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

FEB 02 2015

ER15/0054

Mr. Joseph E. Macmanus
Executive Secretary
United States Department of State
Washington, DC 20520

Dear Mr. Macmanus:

This is in response to the Department of State's letter of January 16, 2015, seeking the Department of the Interior's (Department) views on an application by TransCanada Keystone Pipeline L.P. (TransCanada) for a Presidential Permit to authorize construction, connection, operation, and maintenance of pipeline facilities on the U.S./Canadian border in Phillips County, near Morgan, Montana for the importation of crude oil.

The Department notes that it has previously submitted comments on behalf of the U.S. Fish and Wildlife Service, National Park Service, Bureau of Land Management, and the Bureau of Reclamation, including through the NEPA and ESA review processes. We appreciate your consideration of our comments on the issues the Department raised on matters including: the protection of water resources, mitigation of light and noise pollution, and reducing adverse impacts to certain animal and plant species.

The Bureau of Reclamation reiterates its prior request that the "crossing criteria," as set forth in Appendix D of the Final SEIS, be included in any Record of Decision if the action alternative is selected. The crossing criteria would prevent unintended interruption of water supplies to the Oglala Sioux Tribe, communities in South Dakota, and irrigation districts in Montana where certain water facilities with Reclamation right-of-way (or easements) exist and are proposed to be crossed by the Keystone XL Pipeline. Related water source protection measures included in the Final SEIS are the Spill Prevention Control and Countermeasure Plan, Emergency Response Plan, and conditions and measures recommended by the Pipeline and Hazardous Materials Safety Administration, all of which ensure the protection of water sources and are recommended for adherence.

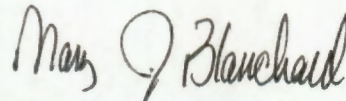
In addition, the Department is aware of significant concern raised by some tribes in Indian Country regarding the need for protection of treaty rights and fulfillment of the trust responsibility, protection of sacred cultural sites, and avoidance of adverse impacts to the environment, including to surface and groundwater resources. The Department has also received letters from some tribal nations, particularly those located in the Great Plains region, who do not feel there has been adequate government-to-government engagement with them. We attach herein correspondence we have recently received from these tribal nations and organizations. The Department recognizes that there has been outreach to tribal nations, including through State

Department consultation meetings, the National Historic Preservation Act process, and the NEPA process.

We encourage you to consider all of these voices and views when considering TransCanada's application for a Presidential Permit and in making the "national interest" determination. For questions or further information regarding this response, please contact Ms. Carol Braegelmann, on my Natural Resources Management Team, at carol_braegelmann@ios.doi.gov or (202) 208-6661.

Thank you for the opportunity to review and comment on this proposed project.

Sincerely,



for Willie R. Taylor
Director, Office of Environmental
Policy and Compliance

Enclosures