

David H. Coburn, Esq. Steptoe & Johnson 1330 Connecticut Avenue, NW Washington, DC 20036-1795 United States Department of State

Washington, D.C. 20520

August 13, 2013

RELEASED IN FULL

Dear Mr. Coburn:

We are writing with regard to the two oil pipelines owned and operated by the Portland Pipe Line Corporation that cross the U.S. border at points near North Troy, Vermont. As you are aware, the President has delegated permitting authority with regard to liquid pipeline border crossing facilities to the Department of State (see, e.g., Executive Order 13337). The Portland Pipe Line Corporation pipelines are the subject of Presidential Permits issued by the Department of State ("the Department") on July 29, 1999, and by President Johnson on January 13, 1965.

On July 18, 2008 the Department made a determination that the reversal of pipeline flow and the work necessary to implement that reversal, as described in your letter of July 15, 2008, may not constitute a substantial change from the scope of authorization set forth in the Presidential Permit issued in 1999.

It is the Department's understanding that Portland Pipe Line Corporation has no current plans to change the operation of either pipeline. The Department instructs the permit holder, before the Portland Pipe Line Corporation executes any plans to change the operation of either pipeline in any manner different than its current use and operation, to provide information to the Department for its review and consideration in advance.

For clarity, such changes in operation could include, but are not limited to, a change in the direction of flow or in the type of crude oil carried by the pipelines. We ask that you provide such information irrespective of whether, in your assessment or consistent with existing interpretations and the Department's 2008 determination, a change in operations would involve a substantial change from the

REVIEW AUTHORITY: Adolph Eisner, Senior Reviewer

scope of authorization set forth in the applicable Presidential Permits, and irrespective of whether a change in operations would involve new construction. Open communication will assist the Department in carrying out its policies and satisfying its responsibilities as they relate to pipeline permitting, including with regard to energy, environmental, and safety considerations.

Sincerely yours,

Robert F. Cekuta

Principal Deputy Assistant Secretary

Bureau of Energy Resources