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04333-0001

JOHN ELIAS BALDACCIO
GOVERNOR

March 6, 2007

Senator Susan Collins
461 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Collins:

I write seeking the assistance of the Maine Congressional delegation on the issue of access to international waterways that pass through territorial waters of Canada by commercial vessels traveling to and from locations in Maine. As you are aware, the Government of Canada has recently decided to prohibit LNG vessels from transiting the waters of Head Harbor Passage, and the Government of the Province of New Brunswick has submitted to the US Federal Energy Regulatory Commission ("FERC") Motions to Suspend Proceedings in regard to Docket Nos. CP07-52-000 (Downeast LNG, Inc.); CP07-53-000, CP07-54-000, and CP07-55-000 (all Downeast Pipeline, LLC); CP07-35-000, CP07-36-000, CP07-37-000 (all Quoddy Bay Pipeline LLC); and CP07-38-000 (Quoddy Bay LNG, LLC), arguing that the decision by the Government of Canada to prohibit the transit of the waters of Head Harbor Passage by LNG vessels renders these LNG projects "not viable".

The issue of access to international waterways raised by this Canadian action is not an issue of LNG transport, but the more fundamental issue of established international maritime law and the ability of international trade to be carried out without undue limitation on international waters, including those which pass through the territorial waters of any nation. Canada has asserted the right and authority to restrict or limit access to the waters of Head Harbor Passage, which forms part of the international waters of Passamaquoddy Bay. This issue is much more about economic development in Maine in general than about LNG. Specifically, Maine has three deep water cargo ports: Portland, Searsport, and Eastport. Eastport is accessed through the Head Harbor Passage waterway which has long been recognized as an international passageway. If the Canadian government can dictate the size and types of vessels that can use Head Harbor Passage, they will be able to dictate the economic future of Eastport. This is an unacceptable situation for the State of Maine.

I believe their assertion of this right and authority is not consistent with international maritime law, and request that you seek the legal opinion of the United States Department of State on the rights of any commercial vessel, LNG carrier or other, to transit international waters while traveling to and from ports in Maine. I believe a strong statement on the part of the US Government is needed to counter the Canadian assertion of authority to prohibit any form of commercial activity they do not want over international waterways that pass through these waters. Allowing the Canadian action to stand unchallenged could undercut the foundation of international maritime law, and create a precedent that could politicize international trade.

Would you, in cooperation with the other members of the Maine Congressional delegation, seek the assistance of the Department of State in preparing a legal opinion on the right of commerce to travel over Head Harbor Passage, which are part of an international waterway, in the course of travel to and from ports in Maine. Such an opinion would be a valuable addition to the proceedings before FERC, and will bring some balance to the current, one-sided discussion of the issue of international maritime law.

Sincerely yours,

John E. Baldacci
Governor

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