Mr. Terry Breese  
Director, Office of Canadian Affairs  
United States Department of State  
Room HST-3917  
2201 C Street, NW  
Washington, D.C. 20520

Dear Mr. Breese:

As documented in previous correspondence and discussions, the Bureau of Reclamation supports the state of Montana's contention that the provisions set forth in the 1921 Order of the International Joint Commission (IJC) result in the United States not receiving an equitable share of the St. Mary and Milk rivers, contrary to what was intended by the Boundary Waters Treaty of 1909.

Montana brought the issue to the attention of the IJC in 2003. Administration of the apportionment of the two rivers is an extremely complex matter. In addition to receiving input from numerous governmental sources, the IJC held a series of public meetings throughout the two river basins to gain a better understanding of the public opinion on the issues raised by Montana. In December 2004, after thoughtful deliberation, the IJC established the St. Mary and Milk Rivers Administrative Measures Task Force "to examine and report to the IJC on measures for improvements to existing administrative procedures of the St. Mary and Milk Rivers apportionment to ensure more beneficial use and optimal receipt by each country of its apportioned waters." While this action falls short of re-opening the 1921 Order, we believe it is a reasonable and appropriate step in addressing the concerns raised by the State of Montana.

Canada's position relative to the 1921 Order and interpretation of Article VI of the Boundary Waters Treaty of 1909, as summarized in their submission to the IJC dated October 2004, is not shared in its entirety by Reclamation. However, rather than debate those issues, such as first right of use and the applicability of surpluses and deficits, where a common position does not currently exist, it is our preference to afford the Task Force an opportunity to carry out its charge as per the terms of the IJC's directive. We believe it is reasonable to assume the Task Force will be successful in addressing at least some of the issues of contention between the two countries. However, should it become apparent during the course of the Task Force's deliberations that reasonable progress is not likely to be made, a refined position of the United States relative to the remaining issues of contention would be appropriate.