

MR. ROGERS, EXAM. BY MR. MERRICK

1 is: Why do you need any support at all? -- or the
2 question is. And if you're very pessimistic, then you
3 tend to challenge the proponents to have a more
4 reasonable business case so they don't understate their
5 profitability and therefore make a case for a larger
6 amount of Federal or other support.

7 So in the case of Curragh, we arrived at a business
8 case with them that they believed was reasonable, and we
9 believed was reasonable. But it generated a very healthy
10 amount of cash starting in about four years out. And so
11 that our primary argument, in a financial sense, was that
12 they did not require the amount of financial support
13 requested in order to execute this project. And we put
14 our evidence forward, and they put their evidence
15 forward. And this went on and back and forth for months
16 without agreement between the two sides.

17 They were tough, hard-nosed negotiators, and we were
18 equally tough-minded with respect to the expenditure of
19 taxpayers' money. So that that was the nature of the
20 dialogue between us --

21 Q. What about --

22 A. -- over many meetings.

23 Q. What about the amount of equity that Curragh was
24 itself putting into the project? Was that a issue?

25 A. Yes, it was. The Atlantic Enterprise Program has a