

MR. ROGERS, EXAM. BY MR. MERRICK

1 the Nova Scotia Government. So that would probably the
2 largest single reason for the conclusion in that fourth
3 paragraph.

4 Q. At the same time, it seems to me, there have also
5 been expressions in the document at about the same point
6 in time saying that, "Look, this is going to generate too
7 much cash; it doesn't require financial funding." Is
8 that because there was uncertainty about its true
9 financial viability or was it because your Department
10 was, in effect, taking two bargaining stances?

11 A. No, I think that -- I think I'd have to state that
12 this whole financial picture changed over the following
13 six months.

14 Q. Okay. And that --

15 A. As regards the volumes of coal to be mined and the
16 revenues and consequent cash that it threw off.

17 Q. And that would have been as a result of the
18 appearance or the injection of this take-or-pay
19 arrangement with the Province?

20 A. Yes.

21 Q. Okay.

22 A. And some increase in the volume of coal, from
23 660,000 tonnes.

24 Q. All right. The rest of that annex talks about the
25 various issues that we've already had you give us an