

MR. CAMERON - OPENING ADDRESS

1 increase of 200,000 tonnes a year.

2 Federal Cabinet were never told this. The Federal  
3 Cabinet were told that displacement of DEVCO coal from  
4 local markets would have a cost in 1988 dollars, a  
5 negative financial impact of \$290 million. That's what  
6 they were told. And even, even if they would shut the  
7 Lingan Mine down because this mine was going to come  
8 here, that they could shut that down, they still would  
9 lose, I think, \$150 million in profit that they were  
10 very, very concerned about.

11 Well, this was simply false, of course. That they  
12 assumed that every ounce of coal going to the new plant,  
13 Trenton 6, would be from DEVCO. And we know already this  
14 morning and from your evidence that you had before that  
15 in fact a letter of intent was signed back in 1986 to buy  
16 low sulphur coal for that new Trenton plant. And that  
17 letter of intent was again put to Placer in '87 and again  
18 to Curragh.

19 So, clearly, there was no intent to buy coal from  
20 DEVCO. And in their own confidential document that you  
21 have that they wrote to the Federal and Provincial  
22 Governments in 1988, in that, if you go down, I think,  
23 it's to the second page or so, they say that they  
24 acknowledge that there is no requirement for the Power  
25 Corporation to buy DEVCO coal for Trenton 5 or Trenton 6