

MR. CAMERON, EXAM. BY MR. MERRICK

1           The company made a commitment to us. I wanted the  
2 agreement as loose as possible so there would be some  
3 room for argument if they went back on their word. But I  
4 can tell you, I wasn't going back on my word, and there  
5 was no way that the Province was going to spend any money  
6 on the take-or-pay and they knew it.

7           Q. But if they -- and this is my problem, if they had  
8 decided to exercise it, other than fighting with them in  
9 court, what did you have that would have been an  
10 assurance that they would never be able to --

11          A. They would have to prove to us that they actually  
12 tried to go and sell the remaining tonnage. And if it  
13 was a couple of years after they got going, it means that  
14 it would be only 175,000 tonnes because, clearly, the  
15 Power Corporation, when the Westville strip mine closed  
16 down, they committed to take that tonnage. So there  
17 would be 175,000 tonnes, and they would have to prove to  
18 us that they couldn't sell 175,000 tonnes at world price.  
19 That's what they'd have to prove, and I don't think they  
20 could do that.

21          Q. I suppose it would depend on what that world price  
22 was at the time, whether they could come to the Province  
23 for any differential?

24          A. That was not my understanding. It was world price.  
25 They had three coal market prices and they would have to