

MR. CAMERON, EXAM. BY MR. MERRICK

1 agreement, I make the following points:

2 I understand that the demands on the province by the  
3 Federal Government regarding coal contracts with DEVCO  
4 have been satisfied by a letter forwarded by our Premier.  
5 This would appear to clear the way for avoiding any  
6 conflict on the displacement of DEVCO coal."

7 I infer from that that that had been one of the  
8 things that had been causing Cabinet to refuse to agree  
9 to a take-or-pay agreement up to that point. What do you  
10 say to that?

11 A. It had nothing to do with the take-or-pay at all.

12 This is --

13 Q. Had that been a problem --

14 A. This was the requirement --

15 Q. -- in Cabinet?

16 A. -- for the Federal Government, that the Federal  
17 Government was demanding. Nothing to do with take-or  
18 pay.

19 Q. Well, I read from that -- he says, "This would  
20 appear to clear the way for avoiding any conflict on the  
21 displacement of DEVCO coal." It makes it sound like it  
22 would clear the way for giving Cabinet approval. Am I  
23 misreading that?

24 A. No, no, you're reading something there that's not  
25 there, my friend.