

MR. CAMERON, EXAM. BY MR. MERRICK

1 take. So they really look at things then when you get  
2 this political aura around it. And they didn't  
3 understand the take-or-pay and they --

4 I thought it was a great deal to be able to have it  
5 worded in such a way that it wouldn't cost anything. And  
6 if we wanted to change it and all of a sudden some  
7 agreement was reached that we would have to reduce  
8 sulphur by half in the Province of Nova Scotia down to  
9 80,000 tonnes from 160,000 tonnes, we'd have this coal,  
10 and we'd look like we were pretty smart. Because it was  
11 a much, much, much less expensive way to deal with the  
12 issue. And so you'd blend the coal. So it gave us  
13 options. And if we didn't want it, if we changed our  
14 mind, then they had to pay us all the money back.

15 So I didn't see anything wrong with the deal, but I  
16 guess they didn't understand it that way.

17 Q. Just talking about that for a moment, if you turn to  
18 page 69, she's doing this note to Mr. Laffin, the Deputy.  
19 At the very top of the page she says, "Things to be aware  
20 of: (1) DC thinks that Province won't be obligated under  
21 take-or-pay because `All it has to do is end the  
22 obligation for 100,000 from NC,'" which I assume is  
23 Novaco.

24 MR. TRAVES "Chisholm."

25 MR. MERRICK And then -- yes, you're right. And it