

MR. ROGERS, EXAM. BY MR. MERRICK

1 itself saying, "You should adhere to that policy." We
2 have an applicant comes in who says, "Look, I need the
3 money politically or through the government system,"
4 without much attempt to test them, to send them back into
5 industry to do it. And the thing that's bothering me is
6 I'm wondering if that decision point might have been
7 passed by because of the amount of political support that
8 this applicant had?

9 A. Well, let's leave the political support aside for
10 the moment --

11 Q. Uh-huh.

12 A. -- and let me try and answer your question, the
13 underlying question. This project had been passed over
14 by Placer and by Suncor as requiring too much investment
15 relative to the -- what they perceived as the costs and
16 risks of development.

17 Westray made a great point of the fact that they --
18 those companies had given up without pursuing,
19 effectively, how they could minimize their risks. And
20 Westray's, or Curragh's, own statements, to me, were: (a)
21 "We minimized our market risk by obtaining contractual
22 commitments from the Nova Scotia Government with respect
23 to the coal required by the plant as well as additional
24 coal volumes under what is called the take-or-pay
25 provisions that gave us a (in their view) significantly