

## STANDING COMMITTEE ON CROWN CORPORATIONS

April 22, 1998

### MINUTE NO. 35

9:00 a.m. - Room 10

1. **PRESENT:** Ms. Lorje in the Chair and Members Bjornerud, Gantefoer\*, Hamilton, Hillson\*, Kowalsky, Shillington\*, Tchorzewski\*, Thomson\* and Trew.

Mr. Gantefoer substituting for Mr. Heppner  
Mr. Hillson substituting for Mr. McPherson  
Mr. Shillington substituting for Mr. Kasperski  
Mr. Tchorzewski substituting for Mr. Johnson  
Mr. Thomson substituting for Mr. Renaud

#### **Other Members**

Mr. Goohsen, Mr. Heppner, Mr. Johnson, Ms. Stanger, Mr. Osika

#### **Staff to the Committee**

Ms. Margaret Woods, Clerk to the Committee  
Mr. Bob Cosman, Legislative Counsel and Law Clerk  
Mr. Ted Priel, Special Advisor to the Committee

2. The Chair tabled the following document:

**CCC 76/23 – Crown Investments Corporations:** Correspondence from Dwain Lingenfelter, Deputy Premier and Minister responsible for Crown Investments Corporations to Pat Lorje, Chair, Crown Corporations Committee, dated April 20, 1998, re: Sale of 50% interest in the Bi-Provincial Upgrader by CIC Industrial Interests Inc. (significant transaction)

**CCC 77/23 – Standing Committee on Crown Corporations:** Channel Lake Documents Binder Set Index

3. The Chair advised the Committee that she had received additional documents from Saskatchewan Justice, which she then tabled:

**CCC 78/23 – McDougall Ready:** Correspondence from Gordon J. Kuski, solicitor for Saskatchewan Power Corporation to Saskatchewan Justice, attention: D.A. McKillop, dated April 21, 1998, re: Channel Lake Crown Corporations Committee; and attached, additional Channel Lake documents

The Chair invited the legal counsel for Saskatchewan Power Corporation, Mr. Michael Milani, to address the Committee on the nature of the new documents and the manner in which they were discovered. The Chair proposed that the Committee recess to enable Members to review the new documents.

4. The Committee recessed from 9:20 a.m. until 9:33 a.m.

5. The Committee resumed its examination of the Channel Lake Petroleum Ltd. matter:

Witnesses:

Mr. Kelly Staudt, Acting President and Chief Executive Officer, Saskatchewan Power Corporation  
Mr. Larry D. Kram, General Counsel, Saskatchewan Power Corporation  
Mr. Ken Christensen, Vice President, Finance & Information Systems, Saskatchewan Power Corporation  
Mr. Richard Patrick, Vice President, General Manager Power Production, Saskatchewan Power Corporation

Assisting the witnesses:

Michael W. Milani, McDougall Ready, Counsel to SaskPower  
Erin M.S. Kleisinger, McDougall Ready, Counsel to SaskPower

The Committee questioned Mr. Patrick in regards to the discovery and nature of the documents tabled earlier today.

6. The Committee resumed their examination of the witness, Mr. Christensen.
7. The Committee recessed from 10:20 a.m. until 10:33 a.m.
8. Committee Members concluded its examination of the witness, Mr. Christensen.
9. The Committee considered several procedural issues.

A discussion ensued over the definition of the term “fraud”. The Committee directed the special advisor to prepare an opinion for the next meeting of the Committee on the definition of fraud and on what constitutes fraud, both in the civil and the criminal context.

10. It was moved by Mr. Trew:

That this Committee do now adjourn.

The question being put, the motion was agreed to.

11. The Committee adjourned at 11:50 a.m. until 9:00 a.m. on Tuesday, April 28, 1998.

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Margaret A. Woods  
Committee Clerk

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Pat Lorje  
Committee Chair