

STANDING COMMITTEE ON CROWN CORPORATIONS

April 30, 1998

MINUTE NO. 37

9:00 a.m. - Room 10

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

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. Johnson, Mr. Osika, Ms. Stanger

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 advised the Committee that she had received a complete copy of document CLP 17/12 (#1111) from the Department of Justice to replace the incomplete copy that was earlier submitted in binder 17.
3. A discussion ensued over the composition of the Committee's membership. It was moved by Mr. Heppner:

That Ned Shillington, as a member of the Crown Investments Corporation board of directors at the time the Board made the decision to terminate Jack Messer as President of SaskPower, be removed from the Standing Committee on Crown Corporations for the duration of the investigation into the acquisition, operation and sale of Channel Lake Petroleum and the termination and payment of severance to Jack Messer.

The question being put and a debate arising, the Chair invited the special advisor to address the Committee. Mr. Priel then responded to questions from Members. The motion was negatived.

4. 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 Saskatchewan Power Corporation

Erin M.S. Kleisinger, McDougall Ready, Counsel to Saskatchewan Power Corporation

Mr. Kram responded to questions put by Committee Members.

5. The Committee recessed from 10:24 a.m. until 10:37 a.m.
6. The Committee concluded its examination of the witness, Mr. Kram.
7. It was moved by Mr. Heppner:

That, since the Minister Responsible for the Crown Investments Corporation and the Acting Chair of the SaskPower Board of Directors have indicated that the aborted attempt to purchase 50% of the Guyana Electric Company was part of the reason for the termination of Jack Messer, that documents pertaining to the Guyana deal are relevant to the investigation into the acquisition, operation and sale of Channel Lake Petroleum and the termination and payment of severance to Jack Messer and therefore should be tabled with the Committee; and

That any legal opinions obtained or generated by SaskPower, CIC or any subsidiary regarding the Guyana deal should be tabled with the Committee immediately.

The chair ruled that the motion was out of order as it raised a question upon which the Committee had earlier on April 28, 1998 decided in the negative [Beauchesne, 6th ed., § 558(1)]

8. It was moved by Mr. Heppner:

That Premier Roy Romanow has important information crucial to establishing the facts around the termination and payment of severance to Jack Messer and should therefore be added to the Witness List for the investigation into the acquisition, operation and sale of Channel Lake Petroleum and the termination and payment of severance to Jack Messer.

The chair ruled that the motion was out of order as it raised a question upon which the Committee had earlier on April 1, 1998 decided in the negative [Beauchesne, 6th ed., § 558(1)]

9. The Committee adjourned at 12:00 noon until 9:00 a.m. on Tuesday, May 5, 1998.