

# **STANDING COMMITTEE ON CROWN CORPORATIONS**



## **SIXTH REPORT**

**May 19, 1998**

**3<sup>rd</sup> Session of the 23<sup>rd</sup> Legislature**

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**

## **STANDING COMMITTEE ON CROWN CORPORATIONS**

### **SIXTH REPORT**

Ms. Lorje, Chair of the Standing Committee on Crown Corporations, presents the Committee's Sixth Report of the Twenty-third Legislature which is as follows:

Your Committee, in examining the matters of the acquisition, management and sale of Channel Lake Petroleum Ltd. by SaskPower and the payments to Mr. John R. Messer when he ceased to serve as President of SaskPower, has concluded that expert assistance is required in order for this Committee to fully carry out its terms of reference.

Your Committee recommends, therefore, that the Assembly do authorize the Standing Committee on Crown Corporations to enter into a contract with an oil and gas industry expert, who shall be directed to do the following:

1. Provide an opinion on whether the 15% discount rate used by SaskPower to determine the value of Channel Lake Petroleum was appropriate given the market place at the time of the sale of the company; and
2. If the 15% discount rate was not appropriate, provide an opinion as to what discount rate should have been used given the market place for gas properties at the time of the sale of Channel Lake Petroleum.

Respectfully submitted,

Pat Lorje,  
Chair

