

EXCERPT OF THE VERBATIM NOTES OF THE NINTH MEETING OF THE JOINT SELECT COMMITTEE ON ENERGY AFFAIRS, HELD IN THE A.N.R. ROBINSON MEETING ROOM (EAST) LEVEL 9, (IN PUBLIC), OFFICE OF THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL WATERFRONT CENTRE, #1A WRIGHTSON ROAD, PORT OF SPAIN, ON WEDNESDAY, DECEMBER 13, 2017 AT 3.10 P.M.

PRESENT

Mr. Colm Imbert	Chairman
Maj. Gen. Edmund Dillon	Member
Mr. Stuart Young	Member
Mr. David Lee	Member
Mr. Gerald Ramdeen	Member
Mrs. Paula Gopee-Scoon	Member
Mr. Kazim Hosein	Member
Ms Keiba Jacobs	Secretary
Ms Khisha Peterkin	Assistant Secretary
Ms Aaneesa Baksh	Graduate Research Assistant

ABSENT

Mr. David Small	Member [<i>Excused</i>]
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OFFICIALS OF PETROLEUM COMPANY OF TRINIDAD AND TOBAGO

Mr. Wilfred Espinet	Chairman
Mr. Reynold Ajodhasingh	Deputy Chairman
Mr. Anthony Chan Tack	Director
Mr. Nigel Edwards	Director

Ms. Linda Rajpaul	Director
Mr. Fitzroy Harewood	President
Mr. Stephen Awah	Vice President, Exploration and Production
Mr. Astor Harris	Vice President, Refining and Marketing
Mr. Neil Derrick	Vice President, Human Resources and Corporate Services
Mrs. Radica Maraj-Adharsingh	Senior Manager, Law and Land Management
Mrs. Sharon Morris-Cummings	Corporate Secretary
Ms. Lilawatee Rambarran	Manager, Management Accountant (Ag.)

Mr. Chairman: Good afternoon. I want to welcome the board and management of Petrotrin to this meeting of the Joint Select Committee on Energy Affairs. It is a bipartisan Committee or tripartisan. It includes members of both Houses of Parliament, members of the Government, members of the Opposition and the Independent Bench. The lone Independent Senator, Mr. Small, is not here today, so that deals with an issue that was raised in correspondence. I would ask each member of the Committee to introduce themselves starting with Mr. Hosein.

[Members of the Committee introduce themselves]

Mr. Chairman: And I would ask the Petrotrin group, starting with Mr. Espinet to introduce themselves.

[Officials from Petroleum Company of Trinidad and Tobago introduce themselves]

Mr. Chairman: Thank you very much. Now, we have had an in-camera meeting

prior to this meeting to determine the matters which will be discussed and we wish to start with matters arising from the Lashley Report—I think that is what it is called—of June 2017, a team to review the operations of Petrotrin and make recommendations for its restructuring and I will open the floor to questions from members who would like to go first.

Mr. Young: Thank you very much, Mr. Chair. Mr. Espinet—[*Introduction*]

Mr. Chairman: Just one second, Mr. Young. And by the way this meeting is being recorded. It is not being broadcast live because there is another committee meeting in the Parliament that is going live. This will be on the Parliament Channel, but it is a delayed transmission. When do you think it will be on? [*Chairman confers with Secretary*] The next two hours or so? Okay. So it may go on later today, but certainly it will be on the Parliament Channel in due course.

Mr. Young: Thank you very much. Mr. Espinet, Mr. Ajodhasingh, you all are a fairly newly appointed board at Petrotrin. Correct?

Mr. Espinet: Yes, we are.

Mr. Young: When was it exactly that you all were appointed?

Mr. Espinet: Well the letter was dated the 4th of September. That would have been a Monday and if my memory serves me, we met with the Minister of Energy and Energy Industries on the Friday where he informed us of our appointment.

Mr. Young: Okay, so basically it is in September of this year that you all took over as the board of Petrotrin. In looking at this report and I think Mr. Espinet you were part of the team to review the operations of Petrotrin and make recommendations for its restructuring what we now called the Lashley Report, dated the 1st of June 2017. One of the areas that concerns us or certainly concerns me is the asset integrity at Petrotrin and, in particular, at page 9 of the report and if I may quote very briefly from it:

Almost by every measure, Petrotrin's upstream operations are third or fourth quartile and undercapitalized. In addition they are endemic and critical safety problems with its well stock, well production equipment, logistics platforms, pipelines storage tanks. Turning around operations will require significant expenditure and expertise as well as know-how in integrity management and late field recovery. Petrotrin's recent history or ongoing leaks and seeps would suggest that it is almost a "burning platform".

So it seems to me that when you add this to other parts of the report, talking about assets integrity that there is a concern with the safety of the asset integrity at Petrotrin, is that a fair comment?

Mr. Espinet: I think it is. It is very indicative of the situation that is existing, yes.

Mr. Young: And right now we are dealing with, thankfully some rising oil prices, but low by comparison to the oil prices that existed in 2010/2012. Correct?

Mr. Espinet: Yes that is so, Minister.

Mr. Young: In fact, my recollection is around that period of 2010 to 2012 oil prices, and your management may be best suited to answer this, oil prices were hovering around over US \$100 a barrel, at least over US \$80 a barrel. At one stage it got up to about US \$120 a barrel around the 2012 period. Correct?

Mr. Espinet: Very much.

Mr. Young: Can you tell us, during that period of 2010/2012 what, when oil was at a high—so presumably Petrotrin had a lot more money than it does now, what were some of the improvements to the assets of Petrotrin at the time, because from what you all have described here in this report it is not very good. But was work taking place at Petrotrin when there were high oil prices, that 2010 to 2012 period to improve the asset integrity? Does anyone in the management know?

Mr. Espinet: I would like to pass that over to the management. I believe that Mr.

Harewood would be better equipped to handle some of those operational questions.

Mr. Young: Thank you.

Mr. Harewood: Minister, Chairman, good afternoon to the Committee. Obviously this would be a time when the company would have experienced high oil prices. Yes? And the activities that would have been prominent during that period would have been, and if you look at it from both the upstream and the downstream side, there were basically two major projects. On the upstream side was the South West Soldado project. That was a capital investment project that looked at work-over of existing wells, drilling of new wells and additional pipelines and pipelines replacement primarily in the marine environment.

Mr. Young: When would that have commenced?

Mr. Harewood: It would have commenced 2011. So that project would have basically started around that time. It would have included drilling, infrastructure development as well as new facilities. On the upstream side, the primary activity would have been within the refinery at Pointe-a-Pierre. And that would have been a continuation of what was then coined as the Clean Fuels Project which would have included the Gasoline Optimization Programme, which involved the upgrade of a number of plants, the building of new plants and there was also the building of the USLD plants.

So again the activity would have evolved around new plants and upgrade and development of existing plants for specific purposes of producing additional distillates and clean fuels within the refinery. That would have allowed for some asset integrity development related to those particular bits of infrastructure.

Mr. Young: But those sound like two very specific projects, whereas reading the Lashley Report, it seems or what I derive from it is that a lot of the—shall I call it the “dated assets” which I interpreted to be the pipelines to the refinery, et cetera,

in and around or to get stuff to the refinery—are questionable in their integrity. Was any work done on it during that period?

Mr. Harewood: Well, I cannot say definitely but our grasp of what has happened over the period was that primarily the capital investment was focused around those two main projects and the infrastructure associated with those projects. And with the Soldado project which as you say is an offshore marine project, how close to completion is that?

Mr. Harewood: The first phase of that project which involves laying out of additional pipeline and other riser platforms facilities, et cetera, it is about 60 to 65 per cent complete and we are moving to try to get to Phase 1 completion of that project.

Mr. Young: How many phases are there?

Mr. Harewood: We anticipate three phases.

Mr. Young: So six years into it starting in 2011 we had 60 per cent of completion of Phase 1. That is the work that was done and commenced at a time when oil prices were high. And apart from those two it does not appear as though there was any decision during that period in time to do any major infrastructural reconstruction or maintenance or asset integrity work then.

Mr. Harewood: I think that is a fair statement. What you would recall is that there were asset integrity issues that reared their head during that period. There were oil spills that were very significant around that time and the repair activity associated with that would have received attention and then there was an effort to determine what is the scope of the asset integrity improvements that were required and there were significant—certainly we would have discovered letters that were written to the Ministry sort of identifying that there is a certain amount of work that is required to be done and seeking to get the funding to do it.

Mr. Young: And what was the Ministry's response?

Mr. Harewood: As far as I know I have not seen any response, it was more acknowledgment of the letters. They were sent on a repeated basis.

Mr. Young: So what you are telling us Mr. Harewood is during the period when Petrotrin's oil prices were a lot higher, so therefore, logically, Petrotrin should have more money at its disposal. You all had identified problems with your asset integrity and part of the problems that manifested themselves in significant oil spills, Petrotrin wrote to its line Ministry—sorry, you said the Ministry of Energy and Energy Industries. The Ministry of Energy and Energy Industries at that time responded acknowledging the letters, but you have found no evidence that the Ministry of Energy and Energy Industries during that period of time did anything further than that. So they certainly did not call you all in, ask for a plan to be produced for revampment and refurbishment of assets, et cetera, at the time.

Mr. Harewood: Well, I mean in fairness to that management team at the time, let me be very clear, they would have been sending repeated notes to the Ministry saying that this is the scope, this is what is required, and suggesting ways of funding the investment as they go forward.

Mr. Young: And received no positive response from the Ministry of Energy and Energy Industries?

Mr. Harewood: Well I cannot say that definitively. I would have to go back and check the correspondence around that. What would have happened as well is that, the company would have continued through its annual budgets, to continue to do its capital budget programme and non-recurrent expenditure which would be focused on things that are required for oil winning, whether it was drilling programmes, et cetera, but there would also be things that are related to safety and asset integrity improvement, but as we doing today it would be very small

compared to the larger scope of affairs based on the available capital at the point in time.

Mr. Young: So what I understand you to be saying now and quite correctly so, is that apart from your day-to-day, what Petrotrin could have afforded out of its current cash flows and situations for maintenance, et cetera, you all had recognized at that stage that there was a need for significant work on assets and infrastructure. Petrotrin responsibly and rightly wrote to the Ministry of Energy and Energy Industries during that period of time suggesting this is the scope of work that needs to take place, (a); and (b) these are some of the options for financing, because we, Petrotrin, cannot do it out of our current cash flow and received no response from the Ministry of Energy and Energy Industries during that period of time or simple acknowledgment.

Mr. Harewood: Well like I say, I would have to go back and check the correspondence to determine our acknowledgement and if there were no further answers. But I am certainly aware of the correspondence that would be initiated towards the Ministry indicating this.

Mr. Young: Thank you.

Mr. Chairman: Before Sen. Ramdeen comes in, let me just piggyback on Mr. Young. The Soldado project, what was the objective of that project?

Mr. Harewood: The South West Soldado project was effectively a field development and reactivation project. It required us to reactivate the field in terms of re-working wells that were existing, drill new wells, build new facilities and result in increased production.

Mr. Chairman: Was that based on a discovery or based on an assessment of oil that was available in that field?

Mr. Harewood: It was based on an assessment of an existing field and the

reservoir assessment work that was done, that suggested that there was a feasible project in increased production through that field.

Mr. Chairman: What was the expected increase in production when the project was completed?

Mr. Harewood: I will ask the VP, E&P to answer.

Mr. Awah: Mr. Chairman, members of the panel. So the South West Soldado project contemplated three phases as was mentioned. Phase 1 was simply the reactivation of 45 wells and the drilling of 10 new wells. Just a quick, quick, background. That field—

Mr. Chairman: Could you just tell me what was the expected increase in production?

Mr. Awah: Three thousand barrels of oil per day on Phase 1 and the overall project is estimated at 20,000 barrels of oil per day.

Mr. Chairman: So how much in Phase 2?

Mr. Awah: Phase 2 is up to 20,000 and plateauing in Phase 3 with a field decline thereafter.

Mr. Chairman: All right. How long was the project supposed to take?

Mr. Awah: The phase one part of the project was estimated, firstly, at two years.

Mr. Chairman: Okay. And the President said it is 60 per cent complete?

Mr. Awah: 65 per cent complete as of today.

Mr. Chairman: So my simple maths tells me that at the current rate of progress that two-year project would take 10 years. Am I correct?

Mr. Awah: The Phase 1 part of the project will be completed in 2019.

Mr. Chairman: So you are accelerating progress then?

Mr. Awah: Yes.

Mr. Chairman: Okay. Why did they take six years to do 60 per cent of the

project?

Mr. Awah: There were quite a number of challenges with respect to the procurement of a temporary facility. There were approximately four attempts to procure a temporary facility. Phases 2 and 3 required a permanent facility—

Mr. Chairman: I am just talking about Phase 1.

Mr. Awah: Phase 1, yes. The main challenge would have been procurement of a temporary facility.

Mr. Chairman: What do you mean by that? We are not all experts here.

Mr. Awah: Okay. We would have gone out to tender originally—

Mr. Chairman: No, not the procurement. What is a temporary—

Mr. Awah: Oh sorry, sorry—

Mr. Chairman: I know what procurement is.

Mr. Awah: The temporary facility would have been able to handle the initial production increase in terms of liquid capacity of about 10,000 barrels of fluid per day and gas lifting capability of 42 million standard cubic feet.

Mr. Chairman: A storage tank?

Mr. Awah: It is storage and processing to be pumped into the pipeline network.

Mr. Chairman: And that was supposed to take two years.

Mr. Awah: Along with the infrastructure that ought to have been required.

Mr. Chairman: Yeah. So the temporary facility, the storage facility, storage processing, as you say, and a pipeline was supposed to take two years.

Mr. Awah: Well not one pipeline, there were a network of pipelines.

Mr. Chairman: Okay, a network of pipelines and a storage/processing facility, temporary. It was supposed to take two years and six years later we are 60 per cent complete. And you are saying the reason is failed procurement exercises?

Mr. Awah: In the temporary facility, in particular, that is the major one because

as of to date we have not procured that facility and the contract issues in terms of the pipeline laying, we had some significant challenges with the contractors.

Mr. Chairman: Is the network of pipelines complete?

Mr. Awah: No, it is not complete as yet.

Mr. Chairman: So the facility, the temporary storage/processing facility has not been procured and the network of pipelines is not complete and yet you still believe that you can do the remainder of the project within the next one and a half years or so.

Mr. Awah: Yes, we have changed in terms of the strategy going forward. As we speak, we have the contractors that are in service actually laying the lines in addition to the riser platforms, and we have a means of getting this temporary facility that we have shared with our board of directors.

Mr. Chairman: All right. I am a bit taken aback at all of this. So could Petrotrin give us a written status report on the reasons why this project has been delayed, for so much?

Mr. Awah: Certainly we can.

Mr. Chairman: I was just curious about that. I do not know if any members would want to comment.

Mr. Ramdeen: Good afternoon to everyone. Mr. Awah, the Chairman asked some questions pertaining to this South West Soldado project. Can you tell us what was the estimated cost of that project when that project started in 2011?

Mr. Awah: The estimated project cost was \$400million.

Mr. Ramdeen: TT?

Mr. Awah: TT. Correct.

Mr. Ramdeen: TT \$400 million. Can you help us at all by telling us in 2017 how much money Petrotrin has thus far spent on this project?

Mr. Awah: On the project to date we have spent \$1.2 billion.

Mr. Ramdeen: Can you tell us how much money Petrotrin estimates that it will spend to complete phase one of this project in 2019?

Mr. Awah: One point seven billion dollars.

Mr. Chairman: I would just like to jump in here. The \$400 million is for Phase 1 or for the whole thing?

Mr. Awah: Phase 1 of the project.

Mr. Ramdeen: Mr. Awah, it may sound like a rhetorical question, but did you not consider that to be highly unsatisfactory for a project to start at \$400million and balloon to an estimated \$1.7 billion and we have not completed Phase 1? And according to your estimates we are going to be—if in 2019 you are going to be seven years overdue on that project.

Mr. Awah: Yes, it is unsatisfactory. As we have been requested we will provide that complete up-to-date—

Mr. Ramdeen: Of course. Has Petrotrin during the period 2011 to 2017, as we speak, has the board of Petrotrin at any point in time between that period requested a report on this project and requested the reasons why this project has ballooned in terms of cost so much out of hand?

Mr. Awah: Yes, they have requested and we have supplied—

Mr. Ramdeen: And as far as you are aware, has the board of Petrotrin at any point in time, during the period 2011 to 2017 taken any action with respect to this project and the ballooning of the cost and the ballooning of the time period for the completion of the project?

Mr. Harewood: Member, if I could just respond. When you say any action, what do you mean? Let me just sort of recap.

Mr. Ramdeen: Sure.

Mr. Harewood: Certainly this management team would have been in place from 2015 and at that time we would have done a review and a report into the status of the project at that point in time and presented to the board and based on the economics we would have agreed that we should continue with Phase 1.

Mr. Ramdeen: That is one of the questions I was coming to Mr. Harewood.

Mr. Harewood: And that is an ongoing activity where we would report on the progress of the project and that would have also predated us as well in terms of similar reports that would have been sent.

Mr. Ramdeen: Am I correct in asking or assuming, sorry, that before this project would have been undertaken, Petrotrin would have done some type of feasibility with respect to expenditure of money into the project to show that this project was a viable one for the expenditure of \$400 million to increase production to 3,000 barrels initially and 20,000 barrels when the project is complete.

Mr. Harewood: Yes.

Mr. Ramdeen: And having regard to the feasibility of the project at the cost of \$400 million, do you consider or has any reassessment of the feasibility been done with a budget now estimated to be \$1.7 billion for the completion of this project?

Mr. Harewood: Yes. So the re-assessment would have taken into account that a significant amount of investment would have been made into developing the field and doing the drilling and completion work, certainly up to the Phase 1 stage. And the decision has been to get to the end of Phase 1 for us to realize the production that is locked in, based on the work that has been done so far on the project. After which the project would be reassessed going forward.

Mr. Lee: Thank you, Chair. Maybe I should address it to the Committee. I just want to backtrack a bit. Mr. Awah said that the project, Phase 1 is 65 per cent complete? Is that correct.

Mr. Harewood: Yes, that is correct.

Mr. Lee: In 2011, when was the original start date that Phase 1 started.

Mr. Harewood: It was in 2011 I cannot remember the exact time, but 2011, yes.

Mr. Lee: And I just want to verify, to date, the expenditure to date is \$1.2billion in relationship to phase one?

Mr. Harewood: That is correct.

Mr. Lee: Mr. Harewood when you came in, I would assume in—I cannot remember, help me.

Mr. Harewood: November 2015.

Mr. Lee: November 2015. At what stage Phase 1, what percentage of completion Phase 1 was at?

Mr. Harewood: Not far removed from where we are today. The earned value for the activities that have been completed over the last few years has not been significant, because the real sticking point at this point in time in terms of a milestone is to establish this temporary production processing facility that would allow the project to earn value if you will, to move beyond the 60 per cent that it is.

Mr. Lee: So for the last two years it has basically stopped between 60 and 65 per cent? Is that a fair statement?

Mr. Harewood: As we continue with work with respect to building out of pipelines and infrastructure which is ongoing.

Mr. Lee: And my final question, what is the delay in this procurement exercise for this temporary facility?

Mr. Harewood: The procurement attempts that were made in the past, up to this point in time, were fraught with issues that required us to terminate the procurement on at least two or three occasions based on the fact that it was non-compliant with, not in compliance with our procurement rules and we had to

terminate it.

Mr. Lee: Let me put it this way, they were in compliance with your procurement rules? And I would ask—

Mr. Harewood: Just for noting, that predates 2015.

Mr. Lee: Yeah.

Mr. Harewood: Because the previous occurrences might occur with at least being three or four times—

Mr. Lee: And what would have been the issue for not being compliant with Petrotrin procurement rules and what is the stage from 2015 to present, as far as trying to find a procurement exercise or contractor, or temporary facility to move this project forward? Because we have spent \$1.2 billion.

Mr. Harewood: So, if I were to answer, with respect to the previous procurement efforts we can certainly document that in the report that we would send to you and the table has happened. When we came in 2015 there was a contract in place that was engaged and there was, in our view and in the view of the board, a failure of the service provider, the contractor to deliver on the contract objective and so the contract was terminated. Once the contract was—

Mr. Chairman: Mr. Harewood that is not a procurement issue. That is an execution issue.

Mr. Harewood: Well, we use the general term procurement as I continue with the response that was given, but it was a contract issue.

Mr. Chairman: You should not. I think what Mr. Lee is doing, asking—if you would allow me—is a procurement exercise would be aborted for all sort of reasons, one of them being that nobody tendered. You got no bids. That is one. Two, that you got no suitable bids. Three, that there is some kind of manipulation of the process or the valuation was not done properly. I think that is what he is

driving at. Not so, Mr. Lee?

Mr. Lee: Through you, I would just like to add, seeing that the service provider was terminated, what would have been that cost, if any, to Petrotrin?

Mr. Chairman: Answer the questions in reverse order—sorry—in the correct order. What were the specific breaches of Petrotrin's tender rules with respect to the procurement before you got to the stage of a contract?

Mr. Harewood: So before 2015 we would have had procurement breaches based on the process that was used to solicit bids and that was also not in compliance with our company's processes and that was cancelled. The other instance, we would have had bids that were received and there was an attempt to award the contract and there were concerns about the validity and the integrity of the process that allowed for that to happen, it was also terminated. And then we came to the other one which I mentioned a while ago, where, because of the failure to deliver on the contract objective it was terminated. Subsequent to that, we would have also done a procurement activity ourselves and we would have found that there were no bids that were suitable for consideration.

Mr. Chairman: By the way, Sen. Ramdeen, Mrs. Gopee-Scoon and Mr. Dillon had indicated they wanted to intervene. I know you signalled to me.

Mr. Ramdeen: That is fine.

Mr. Chairman: Piggybacking on a point that—a question that Mr. Young asked about consequences. If a procurement process has failed on so many occasions because the rules were not applied, adhered to, that would have been done by people. Somebody must not have complied with the rules. Were there any consequences with respect to those people? I think that is the question Mr. Young—

Mr. Harewood: Well, Mr. Chairman I think you and I are aware that there were

very public news reports, if you will, around the investigations that were done for some of those activities and a lot of that is still very much in progress at this point in time.

Mr. Chairman: That is not an answer to the question.

Mr. Harewood: Well, I am saying that the investigation into the issues that are related to some of the previous procurement issues was done. It was also done via a separate audit report—

Mr. Chairman: And it is ongoing?

Mr. Harewood: So those items are ongoing.

Mr. Chairman: So, so far there have been no consequences?

Mr. Harewood: Well, other than the fact that we would have replaced the project team that was involved at that point in time and appointed a new project team. Beyond that, we have taken no—

Mr. Chairman: No adverse consequence?

Mr. Harewood: Well, no adverse consequences as yet.

Mr. Chairman: So far.

Mr. Young: May I ask, who was the chairman of Petrotrin at that time?

Mr. Harewood: It would be under the Gillette board.

Mr. Chairman: Let me allow Mrs. Gopee-Scoon. I will come back to you Mr. Young and then Mr. Ramdeen I recognize you. Mrs. Gopee-Scoon.

Mrs. Gopee-Scoon: Thank you very much and this is departing from the previous question. It is well known in the public domain all of the issues associated with Petrotrin, but I go directly to the Lashley Report wherein several of these would have been cited—

Mr. Chairman: Hold on, Minister. Can we just deal with questions dealing with this matter and then come to you.

Mrs. Gopee-Scoon: And then come to the Lashley Report.

Mr. Chairman: Okay?

Mrs. Gopee-Scoon: Fine.

Mr. Chairman: Minister Dillon, did you want to ask about this particular project?

Maj. Gen. Dillon: Yes, please.

Mr. Chairman: Okay, right.

Maj. Gen. Dillon: Not on the project itself, but my question Mr. Chairman has to do with activities in and around the South West Soldado Field area. What is the present status with respect to job creation and employment opportunities? I ask that against the background that a number of the contractors in and around the Point Fortin area have been complaining that there is no job creation taking place especially in activities in South West Soldado Field area.

Mr. Harewood: The pipe-laying activities that are occurring within the South West Soldado field as part of the field development project are being done by a number of specialist contractors. I can tell you off the bat that at least two of those contractors are based in Point Fortin and they have operations in Point Fortin and they employed people within the area. The third contractor is home-based. His head office is out of Point Fortin but they are also substantially based in Point Fortin. And their activities are occurring within the South West Soldado Field. So it involves people from within the area. But they are of course very specialist pipe-laying contractors. And all the ancillary services that goes with that.

Mr. Chairman: I think a follow-up on that. I think we better get that in writing from you.

Mr. Harewood: Sure.

Mr. Chairman: Mr. Ramdeen.

Mr. Ramdeen: Thank you, Mr. Chair. Mr. Harewood or Mr. Awah, having said

that the three phases, the objective was to create 10 new wells and to service 45 others. Is that correct?

Mr. Awah: Member, that is for the Phase 1 alone. Drill 10 new wells and re-activate 45 existing wells.

Mr. Ramdeen: Having spent the \$1.2 billion, what is the main increase in production that would cost Petrotrin as you speak up to this point in time?

Mr. Awah: Okay. So the production has basically been negligible because the requirement of a temporary production facility—sorry—which facilitates gas lift and that is on the critical path realizing the increase production for that investment.

Mr. Ramdeen: But Mr. Awah when you say the production is negligible, in terms of the increase in production, having spent \$1.2 billion, can you just help us with the increase when you say it is negligible, can you help us with what is, barrels per day. How much have we increased after spending \$1.2 billion?

Mr. Awah: Okay. We have just realized a marginal of about 200 barrels of oil per day and primarily because these wells are in mature areas and they require the gas lift capability to be able to produce to the incremental value that was outlined.

Mr. Ramdeen: Mr. Harewood just following up on an answer that you gave to the Chairman, you said that there was an audit report into this matter that was conducted by Petrotrin. When was that report done?

Mr. Harewood: As far as I am aware that report was completed in 2015 either first or second—second or third quarter of 2015. I have to get the exact date.

Mr. Ramdeen: That is fine. Around second or third. And that audit report having been done more than two years ago, what is the keep-back in terms of carrying that report forward and holding persons accountable who would have been responsible for what has taken with respect to this project.

Mr. Harewood: That report together with other internal reports form part of a

legal process that is taking place and that is what is driving the activity at this point in time.

Mr. Ramdeen: I mean, just out of concern, Mr. Harewood, that is a process that has been going on for some two years now.

Mr. Harewood: Yes, yes, I am all aware of that.

Mr. Ramdeen: And there is no conclusion after two years?

Mr. Harewood: Yes.

Mr. Ramdeen: Can you venture to provide to the Committee the reason why such an—in my view, unless some reason is given to justify that period of time, can the Committee be told what has been responsible for what I in my own opinion would consider to be quite an inordinate period of time for an investigation to take place after the audit report has been done?

Mr. Harewood: So what I can certainly say to you is that the report would have been received, it would have been considered by the board then and it would have been referred to legal counsel for review and determining of what actions can be taken. And that review is still in progress.

Mr. Ramdeen: Am I correct in saying Mr. Harewood that part of that process that has been engaged in for more than two years would be for Petrotrin to determine what steps are going to be taken against the service provider who you indicated in answer to the Chairman would have been in breach of his obligations under the award that would have been made with respect to the this project.

Mr. Harewood: Maybe we need to separate them. There are two separate activities. There is the award of contract that was on ongoing and we have terminated the—

Mr. Ramdeen: I am not dealing with the award. I am dealing with the fact that, I think, unless I am wrong, in relation to the answer to the Chairman, you said that

there was certain breaches by the service provider that justified the board in taking a decision to terminate.

Mr. Harewood: No. That is what I am saying, you need to separate it. So I am saying that with respect to the post-2015 activity when a contract was in place delivering a production facility that was terminated that is a separate activity. The audit report had to do with the previous procurement attempt which was well documented in the national newspaper and made allegations around corrupt practices that took place. That is the audit report I am talking about.

Mr. Young: If I could maybe assist here—

Mr. Ramdeen: I just have one more question. At some point in time the service provider was terminated. Correct?

Mr. Harewood: At some point in time the procurement process was terminated, yes.

Mr. Ramdeen: I thought—

Mr. Chairman: Mr. Harewood, again we are getting into this confusion as to what is procurement. Our understanding of procurement is invitation to tender, evaluation of tender and award of contract. That is it. I get the impression you all are talking about the execution of a contract after it has been awarded. So we do not consider that to be procurement.

Mr. Harewood: Fair enough.

Mr. Chairman: So using our understanding, could you answer Senator—

Mr. Harewood: In using the definition as prescribed it was terminated, yes.

Mr. Ramdeen: And when was that?

Mr. Harewood: We would just let the senior manager of legal answer that.

Mrs. Maraj-Adharsingh: There were two subsequent contracts. One prior to 2015. That company was Maritima De A Colovia SA. The contract was

terminated for breach. They were unable to meet the timelines. Prior to termination the bond was called. A legal department took action. Petrotrin's legal, we took action. We got a judgment against Maritima. A call was made on the bond, the bondholder did not make payment in accordance with the demand bond. That matter is presently before the court.

Mr. Young: Who is the bond issue?

Mrs. Maraj-Adharsingh: Bankers Insurance. And then the second matter, which is after 2015, that contract was also terminated for breach, failure to meet the deliverables. There were certain stipulated timelines. The bond was called and payment was effected.

Mr. Young: Now, just to go back to what Mr. Harewood was talking about, and the audit. So you have just clarified for us termination, post-2015 of two contractors who were providing services. Right? Or is it the same one contractor but two separate—

Mrs. Maraj-Adharsingh: Two separate contractors.

Mr. Young: Right, okay. The audit report to which you refer, is that a PricewaterhouseCoopers Report and that was a PricewaterhouseCoopers report dealing with initial procurement issues relating to Soldado. Correct? At the time that the procurement processes were taking place with Soldado, who is the chairman of Petrotrin?

Mr. Harewood: Again, that would have been under the Gillette board.

Mr. Young: And if I remember correctly and maybe you can help us here, were allegations not made in that audit report that seem to provide a link to someone who is associated with one of the Gillette companies or some like that?

Mr. Harewood: I cannot say. What I can tell you is that—as I said earlier, we passed the report on for legal counsel with respect to the termination of actions

based on what was alleged in the report as well as the other internal reports.

Mr. Young: Have you all sent those reports to the police?

Mr. Harewood: Part of the activity would have been through the legal counsel to also deal with the fraud squad on this issue. That has been done, yes.

Mr. Young: Okay, thank you.

Mr. Chairman: Mr. Lee before you go in, I would like to ask a question with respect to the feasibility study for this projects. What was the estimated lifting cost of oil, of Petrotrin oil from this field in Phase 1?

Mr. Awah: Chair, US \$30 per barrel.

Mr. Chairman: And what was your estimate of the price of oil?

Mr. Awah: The economics, if I am not mistaken and I would like to do it with a full report, it is around \$45 per barrel.

Mr. Chairman: That was the estimate. So you were going to achieve a surplus of \$15 a barrel?

Mr. Awah: That is correct at that time.

Mr. Chairman: How many years it would take to repay the cost that has been sunk into this project so far using that analysis?

Mr. Awah: Chair, I will prefer a full economic analysis to the Committee outlining in terms of the sound cost and what the project of economics look like in going forward.

Mr. Chairman: I did mine at the back of the envelope, I get 17 years. Seventeen years before you break even. So could you do your own analysis and let me know how many years before you recover the cost sunk in to Phase 1 and expected to be sunk in to Phase 1 of this project and you will submit it to the Committee? Okay?

Mr. Harewood: Sure. Will do.

Mr. Lee: Thank you Chair. Mr. Harewood, who initiated this audit report by

PricewaterhouseCoopers? And when was it initiated?

Mr. Harewood: This was initiated in 2015 by the then board of directors.

Mr. Lee: And who was the chairman of that board?

Mr. Harewood: The Gillette board at that time.

Mr. Lee: To the—I did not get her name, the legal counsel at the back, sorry to be sort of disregard, because I did not get your name. The service provider that was terminated, when were they terminated, because you did not give the date when they were terminated.

Mrs. Maraj-Adharsingh: If I am not mistaken it would have been on or about 2012, prior to 2012.

Mr. Lee: There were two service providers correct?

Mrs. Maraj-Adharsingh: Yeah.

Mr. Lee: When were they terminated?

Mrs. Maraj-Adharsingh: One was before 2012, prior to 2012. I could not recall the exact date and one was after 2015.

Mr. Lee: So the one in 2012, who was the chairman of the board? Mr. Harewood.

Mr. Harewood: It would have been the Gillette board.

Mr. Lee: Thank you.

3.55 p.m.

Mr. Chairman: Gentlemen, have we exhausted this issue, or there are more things on the Soldado project?

Mr. Ramdeen: I have a question.

Mr. Chairman: No, no, I have no problem. I am just asking.

Mr. Ramdeen: I think in answer to Minister Young you said that there was a termination before 2015 and one after 2015, and you gave the name of the contractor for the one before 2015 and you indicated the bond was called and it

was Bankers. Who was the contractor after 2015—post 2015?

Mrs. Maraj-Adharsingh: That would have been Wells Services Company.

Mr. Ramdeen: And who was the bondholder on that? Because you said the bond was called on that as well.

Mrs. Maraj-Adharsingh: I cannot recall the name of the bondholder.

Mr. Ramdeen: Is that matter before the courts as well?

Mrs. Maraj-Adharsingh: No, the bond was paid.

Mr. Chairman: All right. Petrotrin, you should be aware that when we get your submissions on this project we may return to it because we may have other questions.

Mrs. Gopee-Scoon: Thank you very much, Chair. So I am speaking to the issues within Petrotrin, some of which were highlighted in the Lashley Report, and in order to address some of the strategic and operational responsibilities the suggestion was made for a division within Petrotrin of three completely independent units: the exploration and production; refining and marketing and Trinmar. This, I understand to be completely independent and different from what exists in terms of now there being just divisions, in the case of E&P and refining and marketing, with Trinmar, I think, completely isolated.

But the new suggestion, to me, seems to be costly since they are to be completely independent and having its own HR and finance support, et cetera. Has a cost-benefit analysis been done, one; and number two, did at one time Petrotrin not operate in that particular manner and there perhaps was a reason why you deviated from that structure? And if that is the case, why were you then going back to it? But, major, did you do a cost-benefit analysis to this suggestion of their complete independence?

Mr. Espinet: Madam Minister, let me first of all explain to you that being a

member of the Lashley Committee, some of the things that we attempted to do in our initial remit was for us to look at restructuring Petrotrin. After perhaps about seven or eight meetings, all lasting between one and four hours, it was evident to us that it was impossible to sit here in the energy tower next door and come up with a solution to something that is a very complex and large organization. What we did identify from very early on was that there was a problem with the company that emanated from its relationship with the Government and the governments of the day, and that many of these governments established a confusion in the governance of the company which created problems for its operation.

That is an overhang that is up to today still there and some of the things that you have brought up in this discussion is evidence of some of the problems that come from that. Some of them, like accountability, like, you know, what are the consequences of things, none of these things seem to impact on people, and to us who have come in as a new board, it is amazingly different than what would be a normal operation of a company, say, BHP and BP and any one of these. So the problem—and I think that Minister Dillon's earlier question is indicative of some of the things that drive the process, you know: "Is it that you guys are creating employment" and stuff of this nature. Well, the issue that arises out of this is that, that confusion has created what is in Petrotrin today an untenable situation.

I have heard some discussions that surrounded, say: "when oil prices were up, did you do certain things?" I want you to know that Petrotrin was losing money when oil prices were at \$140 a barrel, eh. So that there is no nexus to oil prices and making money. The thing is that you are looking at a country that was able to afford it and so we just turned a blind eye to it. Your predicament is, today you cannot afford it and you have to take a whole different perspective on how are we going to exist. And there is a disconnect between the management of the company

as a whole—and they sit here with me so I have said it to them anyway so it is not something that is new—and how a company that operates as a company, as a corporate entity, how it functions, and it certainly does not function like this.

Profitability is the last thing in the minds of people and it was amazing to us that anybody could come up and say to you that, “Listen, we started off with two-year arrangements that is now at six years; \$400 million has gone to 1.6 or \$1.2 billion, and we expect it is going to be 1.7. Nobody is going to give you any assurance that it is not going to be 2.4, eh, by the time it gets there, and whether or not oil will at all—by the time we do it, whether or not oil will at all be something that is being used.

So what is evident is that you have only spoken about one entity. We have had gas-to-liquids, we have had the ultra-low sulphur. All of these are fiascos that have put a huge burden on the State—a huge burden. We have over \$2 billion of assets that have not yet generated one single cent of revenue, eh. I am not talking margin, I am talking revenue. And unless we do something that changes how we believe that this thing should be run, we are going to have a problem. We have a real problem.

Mrs. Gopee-Scoon: But are you saying then, the establishment of these operationally independent entities would help in bringing us to profitability, a better governance, a better operational—

Mr. Espinet: Specific to your question is the fact that what was identified was that Petrotrin is a conglomeration of a number of things that were brought together. Many of these have different cultures. They have different operational activities that have no connection with each other. Okay? And we have created in it a situation that is complex. It is too small in terms of its size for it to be a world class player. So it is operating down below at a really ineffective level.

The question here is: Will it be better for us to look at it in a different dimension? And that is what the board has concentrated on over the last three months, on trying to wrap its mind around: What is Petrotrin? What is it going to be? What could it be? And what would we recommend that you do with it? And we have a number of people on the board of directors who are very qualified people. A lot of them are people from oilfield industries, a lot of them are refinery operators, management, and these people have given up an enormous amount of time trying to get our minds around what it is going to be before we could come to you and say: "This is what is the best identifiable thing."

But in breaking it into separate profit centres there is a justification in doing that, because they are totally separate activities, and whether or not you make it into profit centres, separate companies or something, will be determined when we are complete at the end of this month with our whole study of how we would like to see this entity go forward. And it undoubtedly means we are going to be facing the realities of it and we are going to bring that to the public at large, the Government and to everybody else.

Mrs. Gopee-Scoon: Thank you. And what we would like is that study to be brought to the Committee as soon as possible, for analysis.

Mr. Espinet: That has been promised and we certainly will do it.

Mr. Chairman: I am sure it will eventually arrive.

Mrs. Gopee-Scoon: Can I ask one more question?

Mr. Chairman: Sure.

Mrs. Gopee-Scoon: Is a major issue not the question of your divisional heads, whether they are, in fact, effective? Have you looked closely at the persons who have responsibility for exploration and production, and refining and marketing, whether or not these persons are effective leaders?

Mr. Espinet: Well, you know, Madam Minister, I would not like to attack any specific person but let me give you some of the feedback that all of the reports have done over a period of time, and we talk about 2009, 2015, 2016 and today—is that there is an inadequate management capability and capabilities, in general, in the entire organization. And whereas there are some assets that may have value, there is, in fact a need for us to put in capable management to be able to do it.

Mr. Chairman: Okay. I think, Mr. Lee, you had a question?

Mr. Lee: Thank you, Chair. To the Chairman of Petrotrin and Mr. Espinet. Listening to you, you have a humongous task on your hand with your board and I sympathize with you, and for the country. Two questions. On page 32 of the Lashley Report, I want to get into the governance arrangements. And it is really about governance arrangements and I am happy to also see Mr. Neil Derrick who is the Vice-President, Human Resources and Corporate Services with us here this afternoon. The first question is, in respect to the recommendation from the Lashley Report on page 32, item 1—and I want to quote, under “Governance Arrangements”:

To enable the company to have a consistent focused mandate;

To facilitate long-term planning and avoid the frequent changes in board and management, we recommend the following—

And what is critical to me is the “management” word there. The first question will be: How does that relate to the impending resignation of Mr. Harewood as publicized in the media? And with respect to the second question—and you could take it how you want to take it. In respect of the governance issue—and I direct the question to the Vice-President, Human Resources. Also in the media and coming out of a letter dated—from Mr. Harewood—December the 8th—and I would not get into the specifics—I want to ask on behalf of the public, in respect of

allegations to one of the employees, Mr. Deokiesingh, returning to work, why was that allowed? And maybe the Chairman or the President could enlighten us.

Mr. Chairman: Before Petrotrin answers that, I think Mr. Ramdeen has a question; just one question.

Mr. Ramdeen: This \$1.2 billion that has been spent thus far on the Soldado project, how has that been financed by Petrotrin?

Mr. Harewood: It is being financed through the internal capital programme which is normally financed from the company's cash as well as borrowings.

Mr. Ramdeen: And what percentage of the 1.2 would comprise borrowings?

Mr. Harewood: I cannot tell you that offhand, because—

Mr. Ramdeen: I am sure it will be in your report.

Mr. Harewood:—it is also an accumulated value. It is an accumulated value. So you would have a portion of it in each annual budget as—

Mr. Espinet: Minister Ramdeen, I wonder if I might cut in. As you will appreciate, money is fungible, and what happens is that the non-payment of taxes and all of these have been used as mechanisms for working capital to fund a lot of the things. So all of these have created part of the problems that we are facing.

Mr. Ramdeen: I was just concerned, Mr. Chairman, because apart from the actual capital expenditure which you have referred to as well, being \$1.2 billion, then you have the cost of that expenditure that will be from borrowing that will add to what the cost of the project is going to be and it would have cost the people of Trinidad and Tobago with respect to this project. So we just want to be able to, as a committee, understand what is the cost to the country for a project like this when you add the capital expenditure to what it would have cost Petrotrin in addition to its borrowings. So when the report is done I expect that that would be part of it as well.

Mr. Chairman: So the report that we are getting, the status report on this project, would include information on how it was financed and any financing charges and interest charges and the cost of borrowing. And just to correct you, Mr. Espinet, Mr. Ramdeen is not a Minister.

Mr. Espinet: No I am sorry. I did not say—I thought I said Mr. Ramdeen.

Mr. Chairman: You did say “Minister Ramdeen”.

Mr. Espinet: Well, that may have been—

Mr. Chairman: And we will make sure that it is not—

Mr. Espinet: It is an oversight on my part.

Mr. Young: He meant minister in a church.

Mr. Espinet: In response to the question that was raised earlier by Mr. Lee, is it? You had a question? As you would appreciate, what was indicated in the Lashley Committee about the governance of this thing was the fact that with the change of every administration of government, we have had a change of management and a change of the board of directors, and in some instances more than once, which has created a serious problem in terms of having continuity among certain parts of it. And as you would have noticed from the discussion we had here this afternoon, when Mr. Harewood came in he told you that he came in at a particular time, and so it is very difficult even to have what we would expect to be in an institution, some institutional memory that continues on. Everybody is usually scrambling to give you an answer on things because they have picked up the baton at a very late stage of the game. So that is answering part it. The second part was specific—

Mr. Lee: Well, the first part was directly asked about, you know, the resignation of Mr. Harewood at this point in time, underneath you, and Mr. Harewood came on in November 2015. And the second question was directly related to governance and relationship to AV Oil and Gas Limited with allegations of an employee of

Petrotrin that came back to work after an absence of—Mr. Vidya Deokiesingh. And could you enlighten the Committee on that issue?

Mr. Chairman: Just let me come in here. Mr. Lee, could you summarize the first part of your question? Because I got a little lost there. I understand the second part.

Mr. Lee: The first part of the question, Mr. Chair, was to the Chairman, Mr. Espinet, who as being part of the Lashley Report and talks about governance and stability within management. And I am very taken aback, and I think the public is taken aback, by the resignation of Mr. Harewood who has been there for the last two years-plus. And given the instability of what Petrotrin is going through, we are wondering what was the nature of Mr. Harewood's departure, or pending departure. And I was hoping that Mr. Espinet, as a businessman, would have been able to defer his resignation given the work that Mr. Harewood would have been doing for the last two years.

Mr. Espinet: Well, I mean, the decision to resign was purely Mr. Harewood's and it would be based on his response to that. I would not be able to respond to why it is that he resigned. When he came to me and he said he was about to resign, I took it that he is an intelligent man who would have taken all his personal circumstances into consideration and come to that decision. In terms of your question, if it is that we had given consideration as to where we go from here, certainly, Mr. Harewood has given us the time that he is, by contract or by his terms—the terms of employment he would have given us, the notice period that has been given for that. The board at that stage, is dealing with it in the proper way. We are looking, as I said to you earlier on, we are looking at the whole structure of Petrotrin and where do all of these people fit in the new structure.

Mr. Chairman: Mr. Espinet, so that was three months' notice then? Is that what

it was?

Mr. Espinet: Yes. So that we have up until the end of February.

Mr. Chairman: And that was part of the contract of employment, three months' notice?

Mr. Espinet: Yes, that is his contract of employment.

Mr. Chairman: Okay, so that explains the February date. Okay.

Mr. Espinet: I mean, a lot of people have asked whether or not there is some nexus to it. We did not. If we were a board asking him to resign, I assure you it would not be to stay on for three months. Okay? So that was his own personal decision and I assume that he took it with due consideration to his needs.

Mr. Lee: And my second question.

Mr. Espinet: And the second question of governance—well, I am glad that you brought it in the context of governance and the AV Oil, because as you will appreciate, we live in a very combative environment and it is not lost on us that there are many people legally inclined who take all of these things into a legal arena. As you will appreciate, we have processes that we must go through as part of a governance procedure, and whether or not it is Mr. Deokiesingh, or AV Oil, this is being handled by our legal counsel who is guiding us through the process. Because as a board, Petrotrin first and foremost is at our mind and ensuring that Petrotrin does not have any loss in this process. That is the critical part of the board's responsibility.

Mr. Lee: Can I ask, through you, Mr. Chairman—

Mr. Chairman: Could you ask the question a little better? I am very confused.

Mr. Lee: Let me directly ask Mr. Espinet. Mr. Espinet, were you aware that Mr. Deokiesingh was returning to Petrotrin to work?

Mr. Espinet: Yes, of course, because we could not—until we had gone through a

process that was consistent with Petrotrin's rules and regulations, we could not just terminate Mr. Doekiesingh because it was expedient to someone to do that. I see very often some of the gentlemen sitting in the room here, standing at a different posture when they are telling you that you should not have fired and you should not have done that. Process has made all of us very aware of the fact that you cannot do that. You have to do it properly. But what we are more interested in is ensuring that when it is done, it is done properly and Petrotrin does not suffer from it.

Mr. Ramdeen: Thank you for that, Mr. Espinet. Mr. Deokiesingh is reported in the newspaper as having been returning to Petrotrin. Where was he returning from in terms of position?

Mr. Espinet: I did not put the article out and I would not even want to venture into that area. I do not know. I know that Mr. Deokiesingh went on leave.

Mr. Ramdeen: He went on leave. Well that is where I am going with that. He went on leave from when? Perhaps it is not an appropriate question for you to answer, Mr. Chairman—

Mr. Espinet: No, it is not. I would prefer that—

Mr. Ramdeen: We have the Vice-President—

Mr. Harewood: Well, member, again, I think the Chairman went at lengths to indicate that we have received legal guidance around this. I know that that is your area—subject matter area—but we are following the guidance we have received and we would prefer not to respond to the questions around the details of that investigation.

Mr. Young: Hold on, Mr. Harewood. I think what the Member is asking is, was he sent on leave? Did he take voluntary leave to start with? You think you can answer?

Mr. Harewood: He took voluntary leave.

Mr. Ramdeen: And when did he take this voluntary leave, Mr. Harewood, from when?

Mr. Harewood: From September the 11th.

Mr. Ramdeen: From September the 11th. For how long?

Mr. Harewood: Until December the 4th.

Mr. Ramdeen: And that is leave that he is entitled to—

Mr. Harewood: His annual leave, yes.

Mr. Ramdeen: His annual leave that he is entitled to take under his contract of employment?

Mr. Harewood: Yes.

Mr. Ramdeen: In relation to his return to work, was he transferred from where he was when he took leave, from the position that he was in?

Mr. Harewood: Again, member, you are carrying us down the rabbit hole and we will really prefer not to get into those details. He is back to work. He is an employee of the company and he is working on one of our locations. I really would prefer that we do not, for the sake of Petrotrin's position in this matter, that go down that road.

Mr. Espinet: Sen. Ramdeen, you will appreciate that while you will have protection in this House, we suffer the problem, in that we, as a company, do not, and we have to protect—

Mr. Chairman: Just let me clear that up. I mean, I will get written confirmation of this for you, but once you are before a joint select committee you have privilege. I will get the Parliament to explain what that means.

Mr. Espinet: No, no. I appreciate very much, Minister, but you know, as long as it goes public—into the public domain—then it becomes a different thing.

Mr. Chairman: I understand what you are saying.

Mr. Espinet: So that is the risk that we run, and this is why we are being exceptionally careful, but we assure you that this entire process is very currently being pursued with a lot of attention and we anticipate that there should be a resolve within a very short space of time, within a matter of weeks.

Mr. Ramdeen: My question is directed to Mr. Derrick as the Vice-President of Human Resources, and of course, Mr. Harewood and Mr. Espinet can indicate whether they are permitted or not, in their view. But, Mr. Derrick, do you consider it to have been prudent to have Mr. Deokiesingh in the organization while this investigation is going on?

Mr. Harewood: Member, again, if you allow us, we will really not want to get into those details at this point in time. There is an ongoing investigation going on with respect to even the employee.

Mr. Chairman: Mr. Harewood, just let me tell you what the rules are. You are free to say or not say anything. You are free to explain why you are not going to say anything. Nobody is going to badger you, but we need straight answers to straight questions. The answer that I think—I do not want to put words in your mouth—is that you prefer not to discuss that. Say that. Come straight out and say that.

Mr. Harewood: I prefer not to discuss that—that we do not discuss the matter.

Mr. Chairman: And you could also say why. You have been advised by counsel?

Mr. Harewood: We have.

Mr. Chairman: Say that too.

Mr. Harewood: I prefaced it by saying that this is what we have been advised by counsel.

Mr. Chairman: So you prefer not to speak about it. You have been advised by counsel.

Mr. Young: If I may assist here. So as we understand it, what you are telling us is there is an ongoing investigation taking place and at this stage you would not want to prejudice anything and any outcome of that investigation, and you have been so advised by your legal counsel. Correct?

Mr. Harewood: That is correct.

Mr. Young: Thank you.

Mr. Chairman: That does not mean you cannot ask questions, you know. You are free to ask.

Mr. Ramdeen: I know. What I would suggest, Mr. Chairman, is that I apologize if we are saying it in the presence of the members, but I think that we, as a committee, take a particular position with respect to how we should proceed further and perhaps it may be more prudent for us to get that position clarified before we go further, so that can guide whatever questions we have with respect, not only to ourselves, but also with respect to the members whom we have before us.

Mr. Chairman: Sure. Could you just turn off your mike there? I am getting some feedback. That is fine because we have actually reached more or less around the time we are going wrap up for the day. So what we are going to do, Mr. Espinet, we will seek our own legal counsel on this matter. We will seek advice from the Clerk with respect to parliamentary procedure, and so on, to see where this Committee can go; how far it can go; what kind of questions it could ask, and also what is expected of Petrotrin in terms of disclosure and what your response is supposed to be, and that sort of thing. Okay?

So we could wrap it up now and we will confer—it is okay, Mr. Lee. I am not

going to stop you from talking. Never believe that I would stop you from talking. But on this particular matter, we will seek advice, both within the Parliament itself and legal advice on how we should approach this issue, which is obviously of concern to members of this Committee who want answers to certain questions. Yes, Mr. Lee.

Mr. Lee: It is just a follow-up question to what the Chairman, Mr .Espinet, had said, and it is a question I posed. And I posed the question, if he was aware of Mr. Deokiesingh's returning to work, and he said, yes. Is that fair? And you said, yes, right?

Mr. Espinet: Yes.

Mr. Lee: And the question I would ask, if this is not contentious, why would the Chairman be aware of an employee returning to work after vacation?

Mr. Espinet: I do not know if you should use the word, "contentious". I would say that it is currently, very obviously something that is taking up all the oxygen in the room. I mean, you know very well there is a focus and it is in the newspaper every day. There is a continuous exercise to extract information on it. It is not contentious, but it is certainly, as the Chairman, something that is taking up so much oxygen. We, as a board, are aware of it. We have instituted certain measures by which we will contain it and ring-fence it in doing a number of things. And while we are focusing on really the purpose of us being here—which is, where is Petrotrin going to go?—but it has attraction to a number of people. So I would certainly want to know, like I would want to know if there is an accident in Petrotrin or something that we should be aware of, you know, because of its impact on a public involvement.

Mr. Chairman: Mr. Espinet, I would just like to tell you as well, as Chairman, I will control the meeting within the bounds of decorum, courtesy, protocol,

procedure and deference to the fact that we are all equals in this room. All of us on this side of the table here, we are all equals. But I would also ensure we get on with the work of the Committee which is to look at Petrotrin and its operations and its governance structure and the way forward for Petrotrin. I can give you that assurance.

I can assure you at the next meeting which we plan to hold in January, by the way, at a date to be announced, it will either be the 11th of January or the 18th—the 17th of January. What is the Wednesday after the first one? The third? So it would either be the 10th of January or the 17th of January, but we will let you know. And I can assure you that I will do whatever I can as Chairman to make sure that entire meeting on the next occasion is not about this matter. Okay? If this matter may reappear, but—

Mr. Espinet: Chairman, hopefully this whole thing would have been put to bed by then.

Mr. Chairman: It will not consume all the oxygen in the room in January. I can give you that assurance.

Mr. Espinet: Thank you.

Mr. Chairman: We will get on with other important matters. So thank you very much for coming and we will let you know whether it is the 10th or the 17th of January and we are resuming our examination of issues arising from the Lashley Report and then we want to move to your submissions that you sent to us regarding a number of questions that were asked, and any other matters, because there are other matters that members want to speak about.

Mr. Ramdeen: Chair, I was just wondering, as a matter of housekeeping, whether the fact that Petrotrin has to submit the report on the Soldado, whether it would not be prudent for us to fix a time for us to get that report, and we would be able to—

Mr. Chairman: Yes, I agree. When can we get that report, Mr. Awah?

Mr. Awah: We should have that ready in, let us say a week's time.

Mr. Chairman: One week's time?

Mr. Awah: Yes.

Mr. Chairman: What is the date today? Can we have it no later than the 21st of December, please? We are giving you eight days. Eight days?

Mr. Awah: Yes, Sir.

Mr. Chairman: Eight days, right? Okay, Mr. Ramdeen, you good?

Mr. Ramdeen: Yes.

Mr. Chairman: Okay, thank you all for coming. Thank you very much.

4.27 p.m.: *Meeting adjourned.*