

any company that wishes to construct and operate an extra provincial pipeline to obtain authority from parliament. That is the reason for this bill. Mr. Tucker of the gas company is here and is quite prepared to answer any questions that members might wish to ask.

*By Mr. Cavers:*

Q. Mr. Chairman, might I ask a question of Mr. Palmer. Is there any limitation of the period under which this company would be entitled to import gas from the United States of America?—A. At the present time it has contracts for the importation of gas over a 28 year period, but within the past week negotiations have been conducted with Trans-Canada Pipe Lines, and our agreement has been reached under which the line would be constructed by Trans-Canada and would be operated by and leased to Niagara for a period of five years, and when western gas is at the doors of Toronto the flow of United States gas will be stopped and we will take the western gas.

Q. What is the course of the pipeline from the time it leaves the international boundary at the Niagara river until it gets to Toronto?—A. I think that Mr. Knight would be in a better position to answer that question than I. It comes from Niagara to the village of Ancaster, and then it goes to Toronto.

Q. Will the line from the international border service the Niagara frontier?—A. Not under the arrangements made presently. It is purely designed to service the franchise area.

Q. Just in the city of Toronto?—A. Yes.

Q. Then after the five-year period is ended under which this agreement operates will you continue to bring gas through past the city of Toronto, or would it end at the city of Toronto?—A. It would be a matter for Trans-Canada, I think, to answer, because Trans-Canada will be the transporters of the Alberta gas we will then be taking. We will really be a consumer of the western line. Where the Alberta gas finds its ultimate extended terminus is not within my province to say.

Q. So that after a period of five years, after your agreement expires, the extent of this line would be a vacuum?—A. No. I would not contemplate that that would be the case. There are suggested plans in contemplation under which there may be a reverse flow of the western gas. In other words, the United States gas will stop, and if there is a surplus of Alberta gas it would be available for the area serviced by that pipeline.

Q. By your present plans it is not contemplated to serve the area between Toronto and the United States boundary at all?—A. Not while we are taking United States gas, with one possible exception I think. There is a possibility that the Provincial Gas Company may take a certain quantity of this gas.

*By Mr. Herridge:*

Q. With reference to that agreement you spoke about, could we have a copy of that agreement tabled with the committee at the present time?—A. I would be very glad to table it.

Q. Are there copies for all the members of the committee?—A. Mr. McIlraith has some copies available.

*By Mr. Green:*

Q. Has that agreement actually been signed?—A. It has been signed. The agreement is between Consumers Gas Company of Toronto, Niagara Gas Transmission Limited, Trans-Canada Pipe Lines, and Tennessee Gas Transmission Company. It is signed by Consumers, Niagara, and Trans-Canada, and copies are in Houston, Texas, for signature by Tennessee, and I am expecting a wire almost any moment to say that they have executed the agreement and that it is