

Q. May I go a little further: that power that you will have as the carrying power is granted by the federal government, not a provincial government, due to your interstate or intraprovincial operation, is that right?—A. That is right.

Q. And the amount that the commission allows you to earn and determines what you can receive or charge is arrived at from your capital investment and your cost of operation. That is not settled by the provincial government but will be settled by the federal government?—A. I do not know.

Q. The fact that you are permitted to earn seven per cent in Canada—where do you get that figure?

Mr. GOODE: He did not say that.

The WITNESS: I said that the earnings that had been allowed in Alberta were set as seven per cent, that is what had been done, but I have been informed that in all cases it is in the discretion of the commission to let the company in Alberta earn what they think is proper.

*Mr. Ferguson:*

Now, Mr. Connolly, maybe you could answer this question. Do you know if the provincial government has any say there?

Mr. GOODE: On a point of order, Mr. Chairman, we would not give permission to question two witnesses yesterday, how is it being done today?

The CHAIRMAN: Order.

Mr. GOODE: On a point of order, Mr. Chairman, we did not allow that privilege yesterday.

The CHAIRMAN: Mr. Ferguson, we outlined a procedure, and I think it is only fair that we stick to it. You will have the privilege of examining the witness and he has been good enough to postpone his examination. I do not think you should go on at this point. You can have an opportunity later.

Mr. SMITH: Mr. Chairman, I have been guilty of breaching the rule and I agree we will never get anywhere if we are all allowed to intervene and I would suggest, sir, that you pick me up on that the very first time I attempt to break that ruling and sit on me and sit on everyone else until Mr. Connolly has ended his examination.

The CHAIRMAN: I think from now on we should finish the questions and examination of Mr. Connolly.

*By Mr. Connolly:*

Q. Mr. Dixon, first of all, in connection with the financing, your group has had discussions with certain Canadian financial houses?—A. Yes.

Q. I do not want to clutter up the record with a lot of things but I have here a letter from A. E. Ames and Company, written from Toronto in April of this year. Would you care to have me read that for the record?—A. Yes.

Q. It is written to Mr. Dixon and dated April 19, 1950, and it reads:

A. Faison Dixon, Esq.,  
President,  
Northwest Natural Gas Co.,  
111 Broadway,  
New York City.

Dear Mr. Dixon:

As you know, we have had many discussions, extending over almost a year, regarding your proposed pipe line to carry gas from the gas fields of Alberta to the Pacific coast. We are familiar with the outline of your plan, and, although we realize that at this time the details of any financing plan cannot be definitely arrived at, we agree with you that, as part of