

McGILL UNIVERSITY
MONTREAL

December 5th. 1924

*McGill
General*

SUPERINTENDING ENGINEER'S
DEPARTMENT

Sir Arthur Currie,
Principal.

Dear Sir:-

With reference to the question of comparative costs of using coal and oil fuel in our power plant I would submit the following figures:-

During last year there was produced 70 million pounds of steam with a coal consumption of 4500 tons, at \$6.75 per ton, the present price of our coal, this gives a total yearly cost of approximately \$ 30,400.00

To produce a corresponding quantity of steam using oil fuel would require about 3000 tons of oil. The price of oil fuel has varied from $8\frac{1}{2}$ cents per gallon a year ago to about 10 cents at the present time. Figuring oil at 9 cents per gallon would give a yearly cost of approximately \$ 60,000.00.

The possible labour saving by using fuel oil would be the dispensing with two coal trimmers now employed for seven months of the year or about \$ 1400.00 per year. This saving would be largely offset by the interest and depreciation charges on the cost of installing storage tanks, piping and oil burning apparatus.

Roughly I would estimate that the extra cost of oil fuel would be about \$29,000.00 per year.

I do not think that you require any detail discussion of the various factors entering into a comparison of this kind,