

Q. I mean to say you are working with people in Vancouver, and with the Consolidated Mining and Smelting people at Trail?—A. Yes.

Q. Are you working with anybody else in British Columbia?—A. No.

Q. Have you any surveys of Fernie, for example, in east Kootenay?—A. For Fernie?

Q. Yes?—A. I think we have made surveys of all towns.

Q. You are not discussing the situation with Fernie?—A. No, we are not discussing it with them; as far as price is concerned we have not had any discussions.

Q. Or any of the cities in the Okanagan?—A. No.

Q. Or in the Upper Fraser Valley?—A. No. In our discussions with the B.C. Electric Company it appears that they want to take the gas over and bring it up the Fraser Valley. They do not want us to build the line up there; they want to do it themselves.

Q. I see; that brings me to one of the statements in your memorandum, Mr. Dixon, on page 8 where I find: "Thus, the proposed system will supply more natural gas to more users in Alberta and British Columbia than any other proposed gas pipe line system."—A. We made that statement, yes.

Q. How can you justify that statement?—A. Because we serve more people.

Q. If you put your line through the States how can you justify that statement?—A. Because, starting from the grid system, to Kingsgate, and the area around Trail—towns over 1,000 that we would serve in the northwest along that route are: Natal, 1,300; Fernie, 3,000; Cranbrook, 3,100; Kimberley, 5,400; Creston, 2,000; Trail, 12,960; Rossland, 4,500; making a total of 32,265.

The corresponding figures as near as we know, although we are talking about something on which we may not have all the information on the other route for towns of a population of more than 1,000 which the West Coast Company would serve are: Kamloops, 10,000; Merritt, 1,300; Princeton, 2,391; Hope, 1,100.

On the southern route and we would serve a population of 32,000 and on the west coast route we would serve 14,700.

Q. You said that you might not have all the information. The statements made by the other people coming in from the north are to the effect that they are also going to serve the Okanagan and Trail?—A. They did not say that in their presentation in Alberta.

Q. If they service those centres they would serve far more than you would?—A. You can say that they could bring a line anywhere; but it is not part of their scheme.

M. SMITH: It is part of their plan filed and sworn to; I happened to be there at the time.

The CHAIRMAN: I think questions should be confined to this issue.

Mr. SMITH: You are right, sir; and I apologize.

*By Mr. Green:*

Q. The one thing which we in Vancouver are very much concerned about, and Trail is in the same position to a smaller degree, is that if your line goes through the United States it will result in us finding ourselves at the end of the line? Now, how can that position be improved and what is to be done in a case like that?—A. That would be by agreement—like any other agreement. Certain agreements are made between the regulatory bodies—which would be the Federal Power Commission and our Board of Transport Commissioners. They would be honoured by both sides. I think there would be no question at all about it. It would be just the same as the position of Seattle and Portland where they would have to trust to the agreement that they would make with the Canadian authorities.