

Mr. BADANAI: What is your estimate of the cost of the proposed project?

Mr. NUGENT: If you do not mind, Mr. Banister or Mr. Downey will answer these questions for you. If it is your intention to get into the details, I think you should ask your questions of these witnesses.

Mr. MACKENZIE A. DOWNEY (*Registered Parliamentary Agent*): In answer to your question with regard to the cost of the proposed pipe line, considerable will depend on the size of it. However, it is estimated that the total cost will be somewhere between \$8 million and \$10 million. Of course, \$4 million will be met by capitalization of the company, and the difference between this \$4 million and \$8 million will be met by issue of debenture stock.

The CHAIRMAN: Are there any further question?

Mr. McPHILLIPS: Could we be advised as to how you arrived at this name.

Mr. DOWNEY: It is the name of a small beach outside of North Battleford, Saskatchewan, and that is the sole and only reason. It is an Indian name which means some sort of chief.

Mr. HORNER (*Acadia*): Do you propose to move oil, gas, or both in this pipe line?

Mr. DOWNEY: We are asking that the bill be passed, allowing oil and gas and any liquid hydro-carbons which, in essence, would cover the whole petroleum field. The proposed material at this time is what is commonly called, in the vernacular of the gas trade, l.p.g.'s light petroleum gases—propane, ethane and butane—those light gases which come out of natural gas wells and which can be taken in without refining.

Mr. BALDWIN: I understood you to say that a marketing and feasibility study is being undertaken. Could you say, generally, how many people might be served by this line and, in general, what might be the production of these gases in cubic feet?

Mr. DOWNEY: The essence of the line is that it be used merely as a mode of transportation as opposed to a service line. It will be used merely for transportation of the gases from one point to another.

Mr. ROGERS: Is there any reason why the line is beginning at Hughenden?

Mr. DOWNEY: From the logistics of Banister Construction, it was felt that Hughenden affords a natural storage base. There are some existing empty salt mines there which would afford a very good storage place for these l.p.g.'s, and this line would link one storage place to another.

Mr. HORNER (*Acadia*): I have one further question. You say that the line will carry l.p.g.'s. This would include condensate, which has been discussed in connection with other pipe lines which have come before this committee.

Mr. DOWNEY: I would like very much to say to all the honourable members here that this pipe line in no way is to take on by-products of the industry. This will concern the light ends of the gases, propane, ethane and butane, which are all liquid gases and very light.

Mr. DRYSDALE: Have you made a preliminary feasibility study?

Mr. DOWNEY: No, sir. As Mr. Nugent pointed out, in essence, we are asking the parliament of Canada for a vehicle under which we may operate, proceed and spend somewhere between \$50,000 and \$100,000 on a feasibility report. In essence, you need a full feasibility report, and unless we have a vehicle under which to operate we feel that it is economically impracticable.

Mr. DRYSDALE: But you must have had some basis upon which to come to parliament and ask for this particular legislation?