

some 5,000 h.-p. during seven months per year, at \$15.00 per h.-p. This would give the City a yearly revenue of \$75,000.00.

In this comparison the cost of electric energy to be purchased as recommended by the Ratepaying Engineers, has been estimated at \$25.00 per h.-p. for twenty-four (24) hours service.

WHO CAN STATE WHAT THE CITY WOULD HAVE TO PAY FOR ELECTRIC ENERGY IN 1920?

AS A MATTER OF FACT, THE MARKETS FOR THE POWER HAVE DEVELOPED SO RAPIDLY THAT THE COMMISSION HAS BEEN COMPELLED, EARLIER THAN WAS ANTICIPATED, TO SEEK DILIGENTLY FOR NEW SOURCES OF POWER".

(Seventh Annual Report, Commission of Conservation, Canada, 1916.)

There will be, before long, such a call for electric energy that the production will not meet the demand.

The City cannot afford to gamble on the problematic future cost of electric energy, when it can, at the actual market prices, have its own water power and street lighting system, at a lower cost or even at the same cost, and be totally independent of any problematic future trust.

As it is to the advantage of the City to complete the proposed 10,000 h.-p. development, this should be done.

I have the honour to recommend that your Board engage the necessary expert to design the power house, call tenders for its construction and that of the bridges immediately, settle the pending difficulties with the Contractors, and complete the work as soon as possible.

CONCLUSIONS:

The conclusions of my report are in complete contradiction with those of the Ratepaying Engineers. As the Ratepaying Engineers Report was given a large publicity, it would be advisable for your Board to ask three experts to examine both and report thereon.

I would recommend to your Board to seek the advice of two Engineers, who have never before reported on the aqueduct enlargement, and of one wellknown business man.

Respectfully submitted,
(Signed) PAUL E. MERCIER,
Chief Engineer and City Surveyor.

PEM/McL.