

Q. And that is one way you have in estimating the volume which is placed at any particular spot? Now, I want to talk about—I want to assure my good friend, Mr. Maybank, I have made a few little notes in order to shorten my examination today.

Mr. MAYBANK: There is nothing like a little homework.

Mr. SMITH: That is the only way I can handle it.

*By Mr. Smith:*

Q. Now, you spoke about a line from Peace River to Prince Rupert in the event of large areas being discovered in the Peace River block area. How many years do you think it will be before we have a gas line from Peace River to Prince Rupert?—A. That is anybody's guess.

Q. Will you and I live to see it?—A. I think so.

Q. You are much younger than I am and perhaps your hope is justified for that reason. It is probably for that reason, is it not?—A. You can never tell.

Q. What are they going to do with it?—A. If they find gas up there?

Q. Yes.—A. As I said I think they will develop markets for it towards the west to Prince Rupert.

Q. Along the line?—A. No, they first have to have the market, a big industry.

Q. But taking the Peace River block and Prince Rupert, the development you expect is along that line, is it?—A. No, the only development I hear of there is the aluminum plant which may or may not materialize. They would want their gas at Prince George. That is the one by the coast; no, not Prince George, Prince Rupert.

Q. We will not bother any more about that. All you mean is this, that after this happens, and if that happens, a gas line might be feasible between the Peace River country and Prince Rupert.—A. If they find gas.

Q. If they find industries, then a gas line might—if the volume necessary warranted, then you could have gas?—A. I would like to promote that myself.

Q. What is that?—A. If those two things happen, I would like to try to promote such a line.

Q. And if the aluminum company does not put in a large plant there you would not want to promote it would you?—A. No.

Q. I want just a word or two with you about uniform prices, and I want to be sure that I understand it. In your view, and I think you said in the view of the Power Commission of the United States, you adopt the system of a uniform price to the person using gas along that line irrespective of where they are on the line?—A. In general, yes. There might be some exceptions to that but that in general would be correct. That would be the principle on which we would work.

Q. I mean you adopt that as a good principle?—A. I think it is an excellent principle.

Q. In other words you make no allowance in that for distance of carriage?—A. Well, you can hardly say that. The price does not depend upon the distances carried. The distant market has to bear its cost of the whole project. The nearby markets could not be served without the more distant markets. That is the principle that is applied in so many cases. There can be differences of opinion on it, just like the railroad rates do not always seem to work on the principle of distance.

Q. Telephone rates, railway passenger rates—not railway freight rates, I nearly went too far there—all those rates increase with the mileage used by the commodity or the person doing the travelling?—A. Well, you are covering too much territory. Freight rates do not, and telephone rates do only to a limited extent.