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AN ADDRESS

by the

HONOURABLE

ADAM BECK

Chairman of the Ontario
Hydro-Electric Commission,
on the Work of the Commis-
sion and Its Relation to the
County of Huron.



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**Report of a Public Meeting Held in
the Court House in the Town of
Goderich on the Evening of
Thursday, the 17th Day
of August, A. D.
1911**

Owen Geiger, Warden of the County, in the chair.

Mr. Beck, having been called upon by Mr. Geiger as the Warden of the County, said :

Mr. Warden and gentlemen, it pleases me very much to have the pleasure of addressing a Goderich audience on the question of Hydro-electric power in the province of Ontario. Allow me to say that this great project of the Province undertaking to supply the power to the people is the largest public undertaking on the continent of America. In itself, as an undertaking, it is the most advanced from an engineering and an electrical engineering standpoint that has ever been undertaken in the world. And it is a great credit to the municipalities who have had the courage and the forethought and the faith in this project to go into it with so much heartiness, so much enthusiasm and so much honesty of purpose, because it is from the municipalities that this undertaking emanated. Boards of trade, manufacturers and users have supported us ; business men and in fact all members of the community certainly can add the most hearty support, but you are aware that probably no undertaking of its kind has ever had more opposition and criticism than this. However, it has advanced probably as rapidly as a great project of this kind could advance.

As I said before, it emanated from the municipalities. About eleven years ago, I think it was '90 or '91, in the city of Berlin we were called together to consider ways and means of transmitting power from Niagara Falls to the industrial centres of the surrounding country. We all realized at that time, these great power plants having got into the hands of two or three companies, that their purpose was not to supply the people with power at any great distance from the point of development, and we also realized that should we succeed in bringing the power from Niagara Falls to Toronto or Wallaceburg and the larger centres, we felt that we were right in assuming that the smaller places, maybe Seaforth and Mitchell, Goderich and Clinton and the smaller municipalities at least would want to have the benefit of Niagara power or water power of any kind. We decided to ask the Government of the Province to assist us in working out a scheme by which the people would get some benefit from this great heritage, Niagara Falls, and maybe some of the other great water-powers in the Province of Ontario. Legislation enabled us to appoint a commission to investigate and report. We were nearly two years preparing that report and finally decided it was too big a project for the municipalities and unless the Government came to their assistance it was useless to attempt it; but the eyes of the people were opened as to the great value of water-power and as to the opportunities of power development at Niagara Falls, and they finally went to the Legislature as you know, with a petition as large as any temperance or any other petition, and the Government of the Province were compelled to listen and they gave us an Act and under that Act the Government undertook to finance the whole project. They would furnish the money to build transmission lines, power stations and anything else that might be necessary to bring power from any source that we might secure it to the municipalities that were willing to enter into the contract with the Government under certain terms and conditions. The result is that another commission was appointed and the Government appointed me—not having a

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portfolio, I suppose—to do some work in connection with this project.

Let me say as shortly as possible, in speaking of this great question before the people, that, although it is as familiar to me as my breakfast in the morning and my church on Sunday, many of the people are not familiar with this great contract and what the Government is doing in connection with it, and when I speak of the Government, allow me, Mr. Warden, ladies and gentlemen, to say that I am not here on a political mission, because at this time we are in the throes of a political contention, but let me tell you that I never have or never will make the work of the Commission part of a political contention. Liberal members, Liberal ratepayers and the Liberal press to a great extent support this project and it would ill become me to enter upon political complications. The Government has undertaken this work and has undertaken it for the municipalities. Only twelve municipalities, eight originally undertook to enter into contracts and that contract was that the Government should build the transmission lines, charging four per cent. on that undertaking for thirty years. At the end of the thirty years all users of the power must have paid a sufficient amount to cancel the debt. They will have paid enough in the thirty years to cancel the debt, when the municipalities and not the Government would own the whole undertaking.

Now, Mr. Warden, it was a big problem to solve. It was the most unique of its kind that was ever undertaken in the world. We have visited the continent of Europe and the many countries that have gone into a public undertaking of this kind, of supplying the people of their countries with this wonderful product, electricity. There is nothing that has ever been known that has such widespread effect upon the development of a country as electricity has. Electricity is the most potent means for transportation. In Switzerland, perhaps more than Germany, they realize the importance of it and not a horsepower leaves, from all their large falls, not one horse-

power is allowed to go out of Switzerland, which is an illustration of the value that little country places on the waterpowers. In Germany every farmhouse is a workshop and every farmer a mechanic. In Germany the development of the workshops, the encouragement of the small villages, the development of the farms is an object lesson to us and all people. In Italy they are so much in need of funds for military and other purposes that they actually tax, they place a tax of so many mills on the kilowatt that is consumed in a certain town, village or township. Not so in the Province of Ontario. The Province has only one object, and that is to supply to the consumer at cost. No one can borrow cheaper than we are borrowing in the Province of Ontario. Of course there was a great cry that we would ruin the credit of the Province of Ontario, but let me tell you that her credit never stood as high as it does today, whether it is England or Europe from which we seek the money. In Germany they exact six per cent. profit on every dollar's worth that is sold. In the Province of Ontario, we get four per cent., which is the actual cost of the money to the Province. Up to the present time we have not stinted ourselves in securing the best engineers in the world. There is not a man on that staff that is there because he is politically allied to the present Government. I say, as the chairman of that Commission, that there is not a man in the service of that Commission because he would vote either Conservative or Liberal, but because of the merit that fits him to take charge of it. We are paying them a decent salary and we expect to increase the salaries of the men who prove themselves worthy. As for ourselves, there is not a man on that Commission who has had a dollar and we have not sought it. There is no high-salaried president, no high-salaried directors, and I know so far as the line is built that not one dollar—no, not one cent—has been misappropriated or unwisely spent. With all this in mind we feel that you are going to get value. You are in on the ground floor and there is no rakeoff to anyone.

Now it is fair to you that we should talk nearer home.

Seaforth is paying \$40.00 per h. p. The Ogilvie Milling Co. there are willing to pay that for it, so they must consider it cheaper than they can get American coal here, and that is another benefit to be derived from the Hydro-electric. We can't be terrorized as we have in the past by coal strikes or the excessive rates on coal. We can get along very well, I hope in the near future, with our own white coal. If I were to tell you that Goderich could have \$25.00 power would you think you were in the power zone? I am safe in making that statement Huron is a fine county. You all know it is one of the most productive. Your soil, your farms, your farmers and your people are second to none in the province of Ontario, and I am not a candidate here either. Goderich like all the towns along the lake front is fortunately situated. you have water connection. Your prosperity depends largely on the surrounding country, on the county of Huron. I believe the whole prospect of this country to rise depends upon the people of all the Provinces in the Dominion of Canada. Therefore I say, let me and let you and let all of us join in developing the County of Huron rather than the town of Seaforth, Clinton or Goderich. Let this scheme be a co-operative one for the County of Huron. Let us supply power to every village and I hope to many of the farms in the County of Huron. I suppose you will say I am "batty." I think I am. We are all batty. We are all exaggerated in some direction. Perhaps this is mine. Some people thought my statements exaggerated when I addressed the County of Middlesex. Some people thought my statements extravagant in the city of Toronto. I have always said, and say, that we can make home life on the farm more attractive. The telephone has done a lot in this direction, but there still remains a lot to be done. It is not impossible to light up the highways sufficiently so that the farmers can go home without going into the ditch or gutter even if they are sober.

The farmer wants a light in his yard when he comes home and a light in his house. He also wants power to run his machinery. One firm alone last year made over 10,000 gaso-

fine engines for use on the farms in the United States. In Germany, I like Germany better, because they understand me better there. In Italy all I could do was to add an "o" to everything I said. If I wanted to go to Turin I said Turino, or if it was Milan I said Milano, but when I went to Germany I liked it better because I could "sprechen der Deutsch" a little bit. In Munich there was an exhibition devoted to electricity. We saw there what could be done. It was a model farm, showing how they could pump the water automatically. The wife could wash her clothes or iron in the day time and in the evening milk the cows and light the house. I saw fifty-one cows milked in a very short space of time.

On the continent, as you will probably all know, the farmers all live in villages. They work from morning till night and you can go miles and miles and you would not find a weed or an acre uncultivated. I visited one farm. There were fifty-two acres of what looked to me to be a sort of sandy soil. The farmer said he was offered one thousand marks an acre, that is, two hundred and fifty dollars, but he wanted three hundred for it. He had twenty-one milch cows. It was devoted to the dairy business entirely. We entered the house. There was a hallway there and from the hallway of that house you entered into the cow-stable. We wouldn't consider that nice, but there was not a particle of dirt, no odor and no uncleanness of any kind. He kept twenty-one cows on these fifty-two acres, milked them all, made it all into butter and sold the butter. In one part of the house was a little room where he had a churn, a cream separator and some wooden apparatus for making butter, and he had a little one-half h. p. machine in a little cement house and that was sufficient for everything. He could milk his cows, make his butter, have his water pumped into a nice little reservoir in the house and have his threshing done at the barn. I asked him how much for his power, and it was about double what we would pay for it here. I asked him if he considered it a high price and his answer was, "If it cost me double what it costs now, I would use it still." And that is the country where labor is

cheap and plentiful. The women work, and work harder than our men do here, and that would not be very hard either, they get paid fifty cents a day for the harvest, and still they would use the power at double the present cost. Now, Mr. Warden, you can get power here cheaper than they do, and labor is scarce and wages high, and surely that power must be of some use to the farmer. I have a petition here before me from Tillsonburg. There are the names of sixty different farmers on one road, with the number of lights opposite each name. Five lights, four lights, six lights and so on. Just these few farmers intend to use 64 h. p. We are going to be able to supply them. We will build a 13,000 voltage line from Woodstock to Tillsonburg.

Although this undertaking emanated at Niagara Falls it was never the purpose to localize this work in any one section. People speak of Niagara power as if it was the only part of the work. Let me tell you that the first contract was made in the city of Ottawa and the first power was contracted in the Province of Quebec and brought to the Province of Ontario, to supply the city of Ottawa. Probably I am going too far into ancient history, but, gentlemen, the evening is young, and if you are content I will follow up the work of the Commission until I come to your local contention. First, we had to transmit this power at a voltage high enough to reach certain municipalities, and we finally decided to transmit the power at a voltage of one hundred and ten thousand. You remember how we were condemned for using the means to experiment with a project that had never been demonstrated as feasible or practical. We went on and we did build the line. We engaged first-class men who made reports and submitted them to experts and consultants. When this was all done, and it did not cost much money, we undertook this project to transmit the power at 110,000 volts. Sixty thousand would have reached London, but we had in mind extending it maybe to Seaforth and Goderich and perhaps Owen Sound and Sarnia. We had a thunder storm last night, lightning and wind. I don't think there was a light in the city of Lon-

don affected for the hundredth part of a second during the whole of that storm. That is something to be proud of. It shows that we have succeeded along lines never attempted before even by the continent of Europe or the great republic to the South. We were told that it would cost twelve million dollars. We said three and one-half million. We built the line, put a separate transformer in each station and put a protective system on—we had to. It was said that it would be no longer safe for the farmer or his wife or his family, or his ox, or his ass, for that matter, to come within a mile of the transmission line, and therefore we put on a protective system, securing safety both to life and property, probably more than men investing their money would have done, and now we are completing that line below our estimate of three and one-half million dollars. This means we have been safe in our estimates, and it means that the power will be lower than we led the people to believe, and that is some satisfaction to men who pledged their reputations and gave up their time and labors to this cause.

Now, Mr. Warden, there were three companies developing power under leases at Niagara Falls. We had to respect their rights and we had to proceed with tact and judgment and British fair play. We asked for prices and we got a price of . . . We have had splendid service. It is cheap power. It is good power. The line having been built below the estimate there is no longer any reason why we can't supply the power at the price we quoted. We buy it for you and give it to you at cost. We are suppliers and furnishers of power at cost. There is some talk of line loss. There is only twenty per cent. line loss to London, but on the Hydro-electric the line loss counts for nothing. The maximum use in two municipalities never occurs at the same time. The working hours are different. The industries are different and consequently we were sure that this would overlap just as your local does. You get the benefit of the overlapping. It goes into your pocket instead of into the pocket of some company. We have contracts now with thirty municipalities,

where originally we had eight, there are quite a few pending and the overlap will increase and the benefits accrued will increase. We want to connect Niagara power with every waterpower that you can call a waterpower and make it one great system, so that the low water in one district can be helped from where we have it all the year round. Let me show to you how, although but a few months in operation, the load works out and our line loss is wiped out. I have the two sheet reports of the 12th and 13th of August. We have a daily report. We have now 10,000 h.p. being used daily. We expect to have 15,000 on the first of September and ere 1913 dawn we will have 20,000. We are at a low load at the present time. We are selling to the municipalities, on the 13th August, 10,025 h. p. The meters registered 10,025 h. p. on the 13th August. The meter that we buy the power at measures 9,245. The line loss is wiped out and there is 700 h. p. that you use and don't pay for.

Now, I want to say a word to you about the effect upon prices. It is a fact that in the city of Toronto a reduction of forty per cent. was made. Not a bad thing for the users of electricity. In Ottawa there is no more gas used. The city architect tells me that there has not been a house piped for gas in the city of Ottawa for the last three years. All because of the people's power. Toronto the same. London the same. In Buffalo today, twenty miles from the Falls, they are paying ten cents per kilowatt. In London, 120 miles from the falls, they are paying four and one-half cents per kilowatt. I went down Queen's avenue the other night where there are a lot of little cottages. I met an old gentleman. I had known him for a long time. He works in the car shops. "Say," he says, "I got hydro in my place. Had it for three months." I asked him if he liked it. "Oh, it is a fine thing. It is fine for the wife. We don't use any more coal oil." "What does it cost?" I asked him. "Well," he said, "for the first month we were pretty saving and it cost us fifty-three cents for the month." I told him I thought that that was pretty cheap and he said, "Well, the next month we were a little more extravagant and

it cost us seventy-six cents, and now I am going to get the wife an iron. I can get one for \$4.75." So now they are going to iron by electricity. Would they have ever ironed by electricity if they did not get the public-owned power?

Now, I don't believe that your County is slow. You know the advantage of Niagara power and you also know the possibilities you have for developing power here. Now, I believe there is a plant here at what you call Black Hole owned by Mr. Moyes, of Toronto. Now, we interviewed Mr. Moyes. Mr. Moyes is a business man and his information when we approached him was not very satisfactory. In fact, we did not get any that was much use to us at all. Well, we can't negotiate with anyone without knowing definitely what we can do. We asked Mr. Moyes what he would sell for and he finally said \$100,000 on a six months' option or \$105,000 on a twelve months' option, and this was clogged with conditions as to how power was to be supplied to the Railway. Now, I am not condemning Mr. Moyes. It is my business to look after my business, and he, I presume, looks after himself. We could not consider this offer because of the conditions imposed and also because of the price asked. Now, let me say a word as to the feasibility of the plan. You ask us for a report. It is our duty to find out for ourselves what the possibilities are. You hold us responsible and we accept the responsibility. Our engineers are at work now. They have been for the last week. In the course of a few months we will have a fair idea of the possibilities of development there. I have a fair idea now. We are not going to accept Mr. Moyes' offer. We are capable of judging for ourselves what it is worth and we want a fair return for our money. A week ago, I thought it might be well to approach Mr. Moyes. He was out of town. I communicated with his solicitor. I told him that the County might decide to develop power and that his conditions were not to our liking. Should the County decide to develop power there, if we cannot get better terms, we will have to resort to the powers conferred on us by the act and expropriate the plant. Now, if you are going to use the quantity that we assume you are in summer time, that power will not supply the County of

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Huron by any means. Let me make this statement, and I don't think I will ever have to take it back or make another. It is a feasible scheme in conjunction with Niagara Power—but only in conjunction with Niagara power. And it will be of some advantage to Niagara, too. When the load is heavy that power can be sold for the County of Huron in the city of Stratford.

Now, Mr. Chairman, when I said you might have \$25 power in Goderich, that is what I meant. If Huron decides to develop that power, the Government will supply everything that is necessary. It will build the transmission lines, and we want to bring power to every town or village, township or farm in the County of Huron. You have another great advantage in the Hydro-electric power. We, as a Commission, buy everything in large quantities. We do everything big and consequently we get things cheaper than you could possibly do, and you will get the benefit of this. We engage the best engineers. You could not afford to pay an engineer \$100,000 a year, but the Province of Ontario can, and you get the benefit of that man's science and his experience.

I don't think I need say anything further. You are probably tired now, but if you have any questions to ask me on any point I will be glad to answer them. We have done this at every meeting. I don't propose to go into your local affairs. I don't think I have come here to discuss them. I don't want to discuss your bylaws, although I may have my own opinions of them. You ought to know what you are doing yourselves. Now, Mr. Chairman, if there are any questions to be answered about Hydro-electric, I will be glad to answer them.