

March 27th

# Hydro Buying Dominion Power Co., Mr. Ferguson Informs Legislature; Directors Say They're Surprised

*Huge Holdings of Hamilton Company in Process of Being Taken Over for \$21,000,000, Prime Minister Says — Company Officials Profess Astonishment at News — Agreement Not Signed*

**RADIALS, BUSSES  
ARE INCLUDED**

*Hamilton Street Railway and Many Subsidiary Power Concerns to Come Under Public Ownership—Details of New Management Not Disclosed Until Final Pact Is Concluded*

Announcement was made by Premier Ferguson in the Legislature yesterday that the Ontario Hydro-Electric Power Commission is purchasing the Dominion Power and Transmission Company of Hamilton, at a cost of approximately \$21,000,000.

Legislation, providing for the acquisition, was brought down to the House by Mr. Ferguson at the same time.

In this connection, a despatch from Hamilton says officials of the company at Hamilton expressed surprise at the announcement, and claimed the Board of Directors had not considered any projected sale, but admitted negotiations were under way.

#### Another Forward Step.

"This," said the Premier, "marks another very forward step in the extension and development of the Hydro-Electric enterprise in Ontario. There have been negotiations over a period of years, and now the Power Commission is given the right to develop and occupy a position in the Hamilton and Niagara districts. It is generally recognized that a great deal better economic use of this development can be made by absorbing it and bringing it under the Hydro system. Its purchase marks a very great advance in Hydro."

Hon. J. R. Cooke, Government member of the Hydro Commission, stated last night that the agreement had not actually been consummated; that a few minor details, that might take a day or so, had still to be agreed upon. Consequently he was unable, he said, to discuss the terms of the agreement and such important matters as operation of the Hamilton street car system and busses, which the transfer of control of the Dominion Power system naturally involves.

## Twenty-one Million Dollars

The Dominion Power and Transmission Company, Limited, which, according to the statement of Premier Ferguson in the Legislature yesterday, likely will be acquired by the Hydro-Electric Power Commission for Ontario at a cost of \$21,000,000, was incorporated on Jan. 22, 1907, under the laws of Canada, with a perpetual charter.

The company controls and operates the following properties at Hamilton and vicinity:

The Hamilton Cataract Power, Light and Traction Company, Limited.

The Hamilton Electric Light and Power Company, Limited.

Hamilton Street Railway Company.

The Hamilton Radial Electric Railway Company.

The Hamilton, Grimsby & Beamsville Electric Railway Company.

The Brantford & Hamilton Electric Railway Company.

Hamilton Terminal Company, Limited.

The Dundas Electric Company, Dundas.

The Lincoln Electric Light and Power Company, Limited, St. Catharines.

The Western Counties Electric Company, Limited, Brantford.

The company supplies light and power to Hamilton, St. Catharines, Brantford and Welland, and the Municipalities of Port Colborne, Grimsby, Dundas, Beamsville, Burlington and Oakville, and operates electric railways in Hamilton and adjoining communities.

#### "Complete Clean-Up."

"A complete clean-up" was the definition applied last night from an authoritative source respecting the purchase project. The purchase was described as being as advantageous from an economic standpoint as it is possible to obtain.

As to the future operation of bus and radial lines, and the Hamilton Street Railway, it was learned that this would be a matter of policy for the Hydro Commission to decide in the future. At present all efforts are centred upon completion of the purchase arrangements. Decision as to what will be done then respecting details of management of the various types of utilities taken over is left to a later date.

The electric power services of the municipalities hitherto buying from the Dominion Power and Transmission Company will be "dovetailed" gradually into the general Hydro system. This will be a rather lengthy process, and will be achieved slowly, it is expected. The same methods will be followed as that subsequent to the famous "clean-up" deal of ten years ago when the Mackenzie system was purchased.

Further details as to allocation of any debts outstanding against the D. P. & T. Company; the "change-over" of municipalities' distributing organization into a public ownership system; elimination of duplication; problems of different frequency cycles in current, will be tackled by the Commission in due course.

#### Absolute Supremacy.

Absorption by the Hydro of the D.P. & T. Company will give Hydro absolute supremacy in the Niagara Peninsula, Hamilton, and as far west as Brantford. In addition to the large number of industrial and commercial power consumers, the D.P. & T. operates two radial lines—from Hamilton to Beamsville, and from Hamilton to Brantford. Its other radial lines have been discontinued. It also operates the largest fleet of motor busses in Canada, and controls every such line running out of here, save a Toronto line. The company also operates the Hamilton Street Railway Company. It is therefore one of the largest power companies in Can-

ada, and has a total development of approximately 124,000 horsepower. This consists of 87,000 horsepower from the plant at Decew Falls, 27,000 horsepower from its auxiliary steam plant here, largely an emergent reserve, and 10,000 horsepower which is bought from the Canadian and Niagara Power Company.

#### Plant at Decew Falls.

Physical assets of the Dominion Power and Transmission Company consist of hydro-electric plant at Decew Falls, Welland Canal, the company developing 50,000 horsepower under a head of 265 feet; auxiliary steam plant at Hamilton, designed for 80,000 horsepower capacity, but with installed capacity of 26,000 horsepower; 12 substations, 287 miles of transmission lines, 183 miles of distribution lines, 35 miles street railway, 85 miles of interurban railways, terminal building at Hamilton, with company's offices and uptown terminal for interurban lines.

In 1927 the company purchased seven busses from the Hamilton Bus Company, operating between Hamilton and St. Catharines. Early in 1929 several other bus lines were acquired, which give the company control of all bus services entering Hamilton, except Gray Coach Lines of Toronto. Territory served has a population of over 300,000.

The Hamilton light and power franchise runs to 1948, renewable for five-year periods, the city, if not renewing, to take over the entire properties; Welland Canal water rights run to 1961.

The company has contracts for 10,000 horsepower from the Canadian Niagara Power Company.

#### Funded Debt.

The funded debt as of Dec. 31, 1928: \$5,192,000 serial gold mortgage 5's, due serially to April 1, 1932, interest payable April 1 and Oct. 1, redeemable at 107½, secured by mortgage on all properties and securities owned.

In addition, there were outstanding \$1,501,000 Hamilton Cataract Power, Light and Traction 5's, due 1943; \$453,000 Hamilton Electric Light and Power Company 5's, due 1929, and \$150,000 first mortgage 5's, 1933, of Hamilton, Grimsby & Beamsville Electric Rail-