

APPLICATION

OF

SAINT JOHN RIVER POWER COMPANY

TO THE

INTERNATIONAL JOINT COMMISSION

For Permission to Construct and Operate Certain Permanent Works
In and Adjacent to the Channel of the River Saint John
in the Province of New Brunswick

AT GRAND FALLS

BROWN, MONTGOMERY & McMICHAEL,
DAVIS, POLK, WARDWELL, GARDINER & REED
Solicitors for Applicant

TO THE HONOURABLE

The International Joint Commission.

Application made by Saint John River Power Company (hereinafter called the Applicant) for permission to construct and operate certain permanent works in and adjacent to the channel of the River Saint John in the Province of New Brunswick at a point on or near the said River known as Grand Falls;

RESPECTFULLY SHEWETH :

1. Status of the Applicant.

The Applicant is a Corporation duly incorporated by special Act entitled "An Act to Incorporate Saint John River Power Company" passed by the Legislative Assembly of the Province of New Brunswick during the session held in the present year, a copy of which with the exception of Schedules A, B, C and D thereto, is set forth as Appendix I hereto. The Schedules A, B, C and D to the said Act are filed with your Honourable Commission under separate cover and entitled "Schedules A, B, C and D annexed to an Act of the Legislative Assembly of New Brunswick entitled 'An Act to incorporate Saint John River Power Company'."

The head office of the Applicant is at the Town of Grand Falls, in the County of Victoria, Province of New Brunswick.

The Directors of the Company are Archibald R. Graustein, of Framingham, Massachusetts, Archibald

Fraser, of Fredericton, New Brunswick, Neil C. Head, of Bronxville, New York, Chester S. Colson, of New York City, New York, and John F. Rollins, of Cambridge, Massachusetts.

The capital stock of the Applicant is specified in its Act of Incorporation to be 100,000 shares of common stock of no par value, but with power to increase, reduce or otherwise change the same. At present steps are being taken to change 12,035 of such shares into Six Per Cent. Preferred Stock of a par value of \$50 each.

By its Act of Incorporation the Applicant has all the powers and privileges made incidental to corporations generally by law in force in the Province of New Brunswick and has *inter alia* the following specific powers:

“5. The Company may generate, purchase or otherwise acquire, sell, transmit and distribute electrical power and energy, and specifically, but without limiting the generality of the foregoing, the Company shall have full right and authority to develop hydro-electric power on the Saint John River at or near Grand Falls and for that purpose to divert and regulate the flow of said river at or near said Grand Falls, and to alter the level of said river and its tributaries both above and below its works, to such extent and in such manner as it shall deem necessary, and also full right and authority to develop water storage and regulation therefor in New Brunswick and beyond its borders and in inter-provincial and international boundary rivers and streams, and to construct, maintain and operate transmission and distribution systems for such power anywhere in New Brunswick and to points beyond its borders; provided, however, that the Company shall not export electrical power or energy beyond the limits of Canada except to the extent necessary to comply with

any order of the International Joint Commission appointed pursuant to the Treaty between the United States of America and Great Britain dated the 11th day of January, 1909, unless and only to the extent that such export shall be approved by the Lieutenant-Governor-in-Council."

"9 The Company may locate, construct and operate lines of railway or tracks for use in connection with the construction of the works for the development and generation of hydro-electric power or energy at or near Grand Falls authorized by this Act and any works for storage for such development."

"10 (1) The Company may, with the approval of the Lieutenant-Governor-in-Council, but without the consent of the owner thereof or of any person interested therein, enter upon, take possession of, expropriate and use:

(a) Such lands, and interest therein, water, water rights and privileges, easements, servitudes and rights as the Company shall deem necessary or useful for or in connection with the development and generation of hydro-electric power or energy at or near Grand Falls on the Saint John River;

(b) Such lands, and interest therein, easements, servitudes, franchises and rights as the Company shall deem necessary or useful for works and appliances for the transmission and distribution of electrical power or energy generated at or near said Grand Falls;

(c) Such lands, and interests therein, upon which any water power or water privilege is situate, and such bodies of water, and the bed and shores thereof, as in the opinion of the Company are capable of improvement or development for the purpose of providing water power, or pondage or storage or regulation of water, for or in connection

with the development and generation of hydro-electric power or energy at or near said Grand Falls;

(*d*) Such lands, and interests therein, privileges, easements, servitudes and rights as the Company shall deem necessary or useful for or in connection with any lines of railway or tracks of the nature specified in Section 9 of this Act; provided that the land or other interest taken shall be of no greater extent than a railway might take under the New Brunswick Railway Act.

(2) (*a*) In any city, town, county or municipality the Company may, with the approval of the Lieutenant-Governor-in-Council, enter upon, use, break up and open, erect and maintain its transmission and distribution lines along or across any public street or highway or other public place; provided, however, that if any of the proposed works or any part thereof shall, in the opinion of the Minister of Public Works, be likely to constitute any obstruction to the construction, improvement, maintenance or repair of any public highway or the use thereof, it shall be the duty of the Minister of Public Works to notify the Company to that effect, and after receiving the said notice, the Company shall proceed with the said work or with the said part mentioned in said notice only under the supervision of the Minister of Public Works; and provided further that the Company shall not in exercising any such power do any unnecessary damage or obstruct the entrance to any door or gateway or the free access to any building or suspend any wires less than thirty feet above the surface of any public street or highway or other public place.

(*b*) No poles or wires shall be placed in such a way as to interfere with the then existing poles or wires of any telephone, telegraph, or electric light company, or so as to injure or impair the efficient working of any telephone, telegraph, or electric light system in operation in this Province, in places where any such system

may be in operation before the Company establishes its system. It being understood, however, that nothing herein contained, shall be construed to prevent the Company from erecting its poles or stringing wires, on the opposite side of any highway or street, to that occupied by the poles or wires of any existing telephone, telegraph, or electric light system.

(3) No person shall be entitled by injunction or other process to enjoin or restrain the Company or its contractors from carrying into effect the hydro-electric development at or near said Grand Falls, and the storage development and transmission and distribution works therefor which are authorized by this Act.

(4) Wherever the Company, in exercise of its powers hereunder, bores or cuts a tunnel under any land, the amount of the compensation to be paid by the Company shall be limited to actual physical damage to property caused by the boring or cutting of such tunnel.

(5) For the purpose of making surveys and obtaining other data, the Company may enter upon any lands which it may deem necessary or useful in carrying into effect the development and works authorized by this Act, but the Company shall be liable to pay for the actual damage occasioned thereby."

"12 (1) For greater certainty, but not so as to restrict the general powers conferred on the Company by or under the authority of this Act, it is declared that such powers shall include the right to enter upon any land on either side of the right of way acquired for the transmission or distribution lines or works of the Company, and to fell or remove any trees, other than shade and ornamental trees, or any branches of any tree or any other obstruction upon such land which in the opinion of the Company it is necessary to fell or remove, or upon any public highway or place, but subject always to the payment of such compensation as may be agreed

upon. If the Company is unable to agree with the owner or other party interested, the amount shall be settled by arbitration in the same manner as provided by Section 11 of this Act.”

2. The Applicant proposes to carry out the same hydro-electric development as was previously authorized to be carried out by the New Brunswick Electric Power Commission.

The New Brunswick Electric Power Commission a Commission appointed by the Lieutenant-Governor-in-Council of the Province of New Brunswick, pursuant to Acts of Assembly of the said Province, 1920, Chapter 53, made application to your Honourable The International Joint Commission under date of the 15th day of January, 1925, for permission to construct and operate certain permanent works in and adjacent to the channel of the Saint John River at and near Grand Falls, all as shown in said application. Your Honourable Commission by its Order dated the 22nd day of June, 1925, in the matter of said application of the New Brunswick Electric Power Commission approved and authorized the development contemplated by the said New Brunswick Electric Power Commission upon certain terms and conditions set forth in the said Order.

The hydro-electric development contemplated by the Applicant is substantially the same as the hydro-electric development contemplated by the the New Brunswick Electric Power Commission and approved by your Honourable Commission by its above mentioned Order dated the 22nd day of June, 1925.

Pursuant to authority given under Section 8 of the

Applicant's Act of Incorporation, the Province of New Brunswick and the New Brunswick Electric Power Commission, with the approval of the Lieutenant-Governor-in-Council, have agreed with the Applicant to transfer or otherwise render available to the Applicant all property, rights, powers and privileges vested in the Province or in the New Brunswick Electric Power Commission and all plans and data made or acquired by the Province or the New Brunswick Electric Power Commission, which the Applicant may deem necessary or useful for or in connection with the development and generation of hydro-electric power or energy at Grand Falls and pondage and storage therefor in New Brunswick or beyond its borders and for transmission anywhere in New Brunswick or beyond its borders of electrical power or energy so generated. There is filed herewith a letter to the Chairman of your Honourable Commission from the Premier of New Brunswick and the Chairman of the New Brunswick Electric Power Commission confirming that such an agreement has been entered into and requesting that your Honourable Commission grant the order herein applied for.

The above mentioned Order of your Honourable Commission dated the 22nd day of June, 1925, was made conditional on performance by the New Brunswick Electric Power Commission of its obligations under the Agreement with St. John Lumber Company annexed to said Order as Schedule A, the Agreement with Bangor and Aroostook Railroad Company and Van Buren Bridge Company annexed to said Order as Schedule B, and the Agreement with Grand Falls Company Limited and International Paper Company annexed to said Order as Schedule C. Conditional on

the order herein applied for being granted, the agreement between Grand Falls Company Limited, International Paper Company and the New Brunswick Electric Power Commission referred to above and appearing as Schedule C to said Order has been cancelled by the parties thereto. There is filed herewith a letter to the Chairman of your Honourable Commission from Grand Falls Company, Limited and International Paper Company confirming such cancellation and requesting that your Honourable Commission grant the order herein applied for. Madawanka Company, a Maine corporation, is the present owner of the properties formerly owned by St. John Lumber Company which would be affected by the works herein contemplated and in relation to which was made the above-mentioned agreement between St. John Lumber Company and the New Brunswick Electric Power Commission appearing as Schedule A to said Order. The Applicant is at present in negotiation with said Madawanka Company and with Bangor and Aroostook Railroad Company and Van Buren Bridge Company respecting agreements to be made with them covering the same subject matter as was covered in the above-mentioned Agreements annexed as Schedules A and B to the above-mentioned Order.

At certain of the hearings before your Honourable Commission on the above-mentioned Application made by the New Brunswick Electric Power Commission, Statements in Response were filed on behalf of the Government of the United States, and on behalf of the State of Maine. The Applicant has been in communication with the Solicitor of the State Department of the United States, and the Attorney General of the State of Maine and understands that so long as any

order which your Honourable Commission gives on this Application leaves the position of the United States and of the State of Maine substantially the same as under the above mentioned Order dated the 22nd day of June, 1925, the United States and the State of Maine will not wish to be heard on this Application.

There is filed herewith a draft of Agreement between the Applicant and International Paper Company for the supply by the former to the latter of 2,000 horse power of electrical power or energy for use in the State of Maine. The Applicant suggests that your Honourable Commission require as a condition to its order on this Application that an agreement with International Paper Company in substantially this form be entered into by the Applicant in order that the position of the United States and of the State of Maine shall be substantially the same under the order given on this Application as under the above mentioned Order dated the 22nd day of June, 1925.

3. General Description of Project.

The Applicant proposes to develop the natural water power at Grand Falls for the production of hydro-electric power.

The power development project, as now conceived and planned, will involve the construction of storage dams at various points within the tributary basin and the ultimate capacity of the development in contingent upon the ultimate extent to which the dependable flow of the Saint John River above Grand Falls may in the

future be progressively increased, through the agency of artificial storage.

The power site of Grand Falls lies wholly within the Province of New Brunswick, about three miles below the point at which the line of the International Boundary intersects the medial thread of the River Saint John, and all the works and structures incidental to the initial phases of the project are in Canadian territory.

Plan No. I submitted herewith is a map of the watershed area above Grand Falls showing the main stream with its tributaries and natural lake areas, and also the location of the International Boundary and the various state and provincial boundaries.

This general description of the power development proposed, except for the elimination of the description of the transmission system which had been contemplated by the New Brunswick Electric Power Commission, is substantially the same as the general description of the project proposed by the New Brunswick Electric Power Commission as described in its Application to your Honourable Commission under date of 15th day of January, 1925, mentioned above, which development was approved by your Honourable Commission under its Order dated the 22nd day of June, 1925, referred to above.

4. Description of Works.

Plan No. II submitted herewith indicates the general scheme of the proposed works.

Main Dam.—The main dam located in the Saint John River a short distance above the crest of Grand Falls, when constructed, will consist of eight piers and two abutments, the latter connected with the shores to points above high water mark by means of retaining walls. The piers will have a width of fourteen feet, and a maximum length of sixty feet, and will be so spaced as to provide nine openings each forty-eight feet in width, extending approximately to the present bed of the River and equipped with nine movable sluice gates. This structure is shown in detail on Plan No. XI submitted herewith.

Intake.—The intake or entrance structure will be situated on the right shore of the Saint John River a short distance upstream from the main dam, previously described, and will consist of a series of concrete piers, partially submerged and supporting steel racks for protection against floating ice and timber. The total area of all openings through this structure will be such as to maintain the velocity of the entering water at not more than three feet per second.

Between the two lines of piers above mentioned will be placed a submerged concrete tube with a slotted opening through which water will be drawn for the supply of the turbines. One end of the tube will be directly connected to a vertical shaft, which in turn is connected to a tunnel described hereunder.

Tunnel and Gatehouse or Valve Chamber.—A tunnel will lead from the intake or entrance structure to a valve chamber adjacent to the generating station building. This tunnel will be excavated in rock and concrete lined, and will be approximately twenty-two hundred feet in length, and designed for a normal velocity of approximately twelve feet per second.

The gatehouse or valve chamber will be of such dimensions as to provide for proper distribution of flow to the several generating units, and will contain suitable valves and auxiliary equipment, including a differential surge tank for purposes of regulation.

Penstocks and Generating Station.—Separate penstocks will convey the water to the hydraulic turbines located in the generating station situated on the margin of the lower basin. The penstocks will be of riveted steel anchored in concrete, and of such diameter as to provide for a velocity of not more than twelve feet per second. The penstocks will be provided with valves for control of the flow and protection of the plant.

The generating station will be of concrete and steel construction and will house the hydraulic turbines, auxiliary machinery, generators, switching and transforming equipment. Suitable means for delivery and erection of all machinery will form part of the installation.

The initial installation will consist of not less than two units, each having a capacity of at least twenty thousand horse power, with provision for extension of the plant as required.

The water used will be delivered to the lower basin by means of draft tubes and a tailrace, the latter to

be excavated in the foreshore and bed of the River at the site of the generating station.

This description of the works proposed to be constructed by the Applicant, except for the elimination of the alternative of a canal and some variation in the description of the intake, is the same as the description of the works proposed to be constructed by the New Brunswick Electric Power Commission as described in its Application to your Honourable Commission under date of 15th day of January, 1925, mentioned above, which project was approved by your Honourable Commission under its Order dated the 22nd day of June, 1925, and referred to above.

5. Effect of Proposed Works on International Waters.

The effect of the proposed works on international waters will be identically the same as the effect of the proposed works of the New Brunswick Electric Power Commission would have been and is as follows:

By means of the main dam above described it is proposed to hold the upstream pondage at an operating level corresponding to high water mark at Grand Falls, but at no time above such elevation.

During the freshet period, the river will rise to high water stage through the ordinary natural process as heretofore, but during the low water period the effect of the dam at Grand Falls will be to still maintain the high water stage in the immediate vicinity of the dam, and pond the water back for about thirty-two miles at an elevation somewhat above low water mark, but at the same time always below high water mark. The condi-

tion described is plainly indicated in the profile sheet, Plan No. III, submitted herewith.

The upper profile on this sheet indicates the position taken by the water surface during the period of high water flow. As previously mentioned, this purely natural condition will not be interfered with by the proposed dam.

On the same sheet is shown, first, the natural profile of the water surface under minimum and normal summer stages, and, second, the upstream pondage level which will result from maintaining high water level at the dam itself during all stages of flow.

It will be seen that at the point where the ponded flow meets the international boundary, it is about sixteen feet above the natural minimum, and about four feet below the natural maximum water level. This relationship is seen to become gradually modified as the pondage extends upstream, until at Van Buren, Maine, the ponded level is only twelve feet above low water mark, and about fourteen feet below the natural maximum water level, and finally reaches a point near St. Basil, New Brunswick, where the two levels coincide.

It is therefore evident that the only land adversely affected at any point within the ponded reach is the riparian strip between low and high water mark. The total area actually submerged at low stages of the river is eight hundred acres of which four hundred acres are in Canada and four hundred acres are in the State of Maine. This area includes, in addition to arable lands, a considerable acreage of sand and gravel bars exposed at periods of low discharge. The extent to which arable lands below high water mark are affected is more clearly shown on Plans No. IV to X inclusive, these being large

scale plans covering successive portions of the ponded reach and upon which are shown the contours on both banks of the River, and a flow line in red showing the relative positions of the present permanent shore lines and the new shore lines which will result from the creation of the proposed pondage.

The Applicant is fully aware of the fact that the above described use of international waters is subject to a prior right in respect of navigation and other uses, and in connection with the same it is submitted that the proposed raising of the level in the ponded reach, together with the general improvement in flow regulation, through the agency of artificial storage, will jointly effect a more efficient dilution of sewage wastes, provide a purer and more abundant water supply at all stages of flow, and improve navigation not only in respect to ferries and other small craft on the ponded reach, but on all sections of the Saint John River below the confluence of tributaries whereon storage dams may be located.

The progressive development of artificial storage will likewise in corresponding degree reduce flood damage and promote the interests of log driving by extending the season, improving the difficult reaches, and providing greatly improved facilities for booming and sorting.

Inasmuch as the project in question involves the placing of an obstruction in waters below the international boundary which will affect the level of waters above the boundary, and flowing across the same, it is the opinion of the Applicant that your Honourable Commission may have jurisdiction in the premises,

under the terms of Article IV of the Boundary Waters Treaty.

This Application is therefore respectfully submitted for your consideration.

Petition.—The Applicant does now pray for such order, ruling or decision, authorizing and empowering the Applicant to proceed with the said works as may in the opinion of your Honourable Commission be required by the “Waterways Treaty Act” together with such provisos as may be deemed fitting in the premises.

All of which is respectfully submitted.

BROWN, MONTGOMERY & MCMICHAEL,
DAVIS, POLK, WARDWELL, GARDINER & REED,
Solicitors for Saint John River Power Company.

June 15, 1926.

Appendix I.

AN ACT TO INCORPORATE SAINT JOHN RIVER
POWER COMPANY.

Be it enacted by the Lieutenant-Governor and Legislative Assembly as follows:

1. Archibald Fraser, of Fredericton, New Brunswick, Manufacturer; George H. Montgomery, K. C., of Montreal, Quebec, Barrister-at-Law; Archibald R. Graustein, of Framingham, Massachusetts, Manufacturer; George McAvity, of Saint John, New Brunswick, Manufacturer; Oran B. Davis, of Grand Falls, New Brunswick, Manufacturer; John W. Brankley, of Newcastle, New Brunswick, Lumberman, and James G. Harrison, of Saint John, New Brunswick, Merchant, together with such other persons as may from time to time become shareholders in the Company hereby incorporated, are hereby constituted and declared to be a body corporate and politic under the name of Saint John River Power Company (hereinafter called the "Company"); and the Company shall have all powers and privileges made incidental to corporations generally by law in force in the Province of New Brunswick.

2. The head office of the Company shall be at the Town of Grand Falls, in the County of Victoria, or at such other place in the Province as the Company may by by-law designate.

3. Said Archibald Fraser, George H. Montgomery, K. C., Archibald R. Graustein, George McAvity, Oran B. Davis, John W. Brankley and James G. Harrison

are hereby constituted provisional directors of the Company and shall hold office until a new Board of Directors is elected. The organization meetings of the Company may be held at such place and time as a majority of such provisional directors shall determine.

4. The capital stock of the Company shall be one hundred thousand shares of common stock of no par value; provided that the capital stock of the Company may from time to time be increased, reduced or otherwise changed as elsewhere in this Act provided. The shares of no par value may be issued and allotted for such consideration as may from time to time be fixed by resolution of the directors. Every share of the capital stock of no par value issued as permitted by this section shall be deemed fully paid and non-assessable and the holder of any such share shall not be liable to the Company or to its creditors in respect thereof. Each share of the capital stock of no par value shall be equal to every other share of the capital stock, subject to any preferences, restrictions or other conditions attached to any class of shares which may hereafter be created. Every certificate of shares of no par value shall have plainly written or printed upon its face the number of such shares which it represents, and the number of such shares which the Company is authorized to issue, and no such certificate shall express any par value of such shares.

5. The Company may generate, purchase or otherwise acquire, sell, transmit and distribute electrical power and energy, and specifically, but without limiting the generality of the foregoing, the Company shall have full right and authority to develop hydro-electric power on the Saint John River at or near Grand Falls and for

that purpose to divert and regulate the flow of said river at or near said Grand Falls, and to alter the level of said river and its tributaries both above and below its works, to such extent and in such manner as it shall deem necessary, and also full right and authority to develop water storage and regulation therefor in New Brunswick and beyond its borders and in interprovincial and international boundary rivers and streams, and to construct, maintain and operate transmission and distribution systems for such power anywhere in New Brunswick and to points beyond its borders; provided, however, that the Company shall not export electrical power or energy beyond the limits of Canada except to the extent necessary to comply with any order of the International Joint Commission appointed pursuant to the Treaty between the United States of America and Great Britain dated the 11th day of January, 1909, unless and only to the extent that such export shall be approved by the Lieutenant-Governor-in-Council.

6. Upon approval, in the manner below in this section provided, of the consideration to be given therefor to Grand Falls Company, Limited, a company incorporated under the Companies Act of the Dominion of Canada, and upon proof of such approval, and of delivery of such consideration, being made in the manner below in this section required, all the property and assets presently owned by or standing in the name of said Grand Falls Company, Limited, and within the legislative jurisdiction of this Province, together with all property and assets heretofore owned by said Grand Falls Company, Limited, but declared to have been forfeited to the Province, shall with like effect as though described at length herein be vested in the Company free and clear of all conditions and requirements hereto-

fore imposed by Act of the Legislative Assembly or otherwise thereon or on said Grand Falls Company, Limited, or its predecessors in title; provided, however, that the deposit of fifty thousand dollars heretofore made by said Grand Falls Company, Limited, with the Province shall remain with the Province until the provisions of Section 34 of this Act shall have been complied with and then shall be turned over to the Company. It is hereby declared and confirmed that the property described in Schedule A to this Act is owned in fee simple by said Grand Falls Company, Limited, and is included in the property which, upon the happening of the events aforesaid, shall become vested in the Company free and clear of the conditions and requirements aforesaid, provided that third parties shall be entitled to be paid compensation for any interest in said property hereby extinguished, such compensation to be determined by arbitration in accordance with the provisions of Section 11 hereof. The consideration to be given by the Company to said Grand Falls Company, Limited, for such property and assets shall be such as is approved not only by a majority in interest of all the shareholders of said Grand Falls Company, Limited, but also either by a majority in interest of all the shareholders of said Grand Falls Company, Limited, other than International Paper Company or by the Lieutenant-Governor-in-Council. Such consideration may, but need not, be capital stock whether preferred or of any other class of securities of the Company, and any capital stock issued for such purpose shall be deemed fully paid and non-assessable and the holder of any such stock shall not be liable to the Company or to its creditors in respect thereof. Conclusive proof of approval as above provided of the consideration to be given by the Company to said Grand Falls Company, Limited, for such prop-

erty and assets, and of the delivery of such consideration to said Grand Falls Company, Limited, and accordingly of the vesting of said property and assets in the Company free and clear of the conditions and requirements aforesaid, shall be established by the filing with the Provincial Secretary-Treasurer of a certificate of such approval and of such delivery signed by the President and Secretary of said Grand Falls Company, Limited.

7. (1) Any and all action which may have been taken under the authority of Sections 1, 4, 5 or 6 of Chapter 60 of the Acts 10 George V (1920) is hereby rescinded, and said Sections 1, 4, 5 and 6 are hereby repealed as from the date of enactment of said Chapter 60 of 10 George V.

(2) Any and all action which may have been taken under the authority of Section 1 of Chapter 87 of the Acts 11 George V (1921) is hereby rescinded, and said Section 1 is hereby repealed as from the date of enactment of said Chapter 87 of 11 George V.

8. The Lieutenant-Governor-in-Council, and the New Brunswick Electric Power Commission, with the approval of the Lieutenant-Governor-in-Council, are hereby authorized to transfer or otherwise render available to the Company all property, rights, powers and privileges vested in the Province or in the New Brunswick Electric Power Commission, and all plans and data made or acquired by the Province or the New Brunswick Electric Power Commission, which the Company may deem necessary or useful for or in connection with the development and generation of hydro-electric power or energy at Grand Falls and pondage and storage therefor in New Brunswick or beyond its bor-

ders and for transmission anywhere in New Brunswick or beyond its borders of electrical power or energy so generated, all at such time and from time to time and for such consideration as the Lieutenant-Governor-in-Council may deem advisable. The property, rights, powers and privileges which may be so transferred or rendered available to the Company shall, without limitation of the generality of the foregoing, include all rights, powers and privileges of the Province and of the New Brunswick Electric Power Commission under or by virtue of the Act of the Legislature of the Province of Quebec to incorporate the New Brunswick Electric Power Commission Company, being the Act 15 George V (1925) Chapter 117, (Quebec), and any and all other property and rights acquired for the development of storage in the Province of Quebec, all rights, powers and privileges of the Province and of the New Brunswick Electric Power Commission under or by virtue of the order of the International Joint Commission (appointed pursuant to the treaty between the United States of America and Great Britain dated the 11th day of January, 1909) made on the 22nd day of June, 1925, in the matter of the application of said New Brunswick Electric Power Commission for permission to construct and operate certain permanent works in and adjacent to the channel of the Saint John River at Grand Falls, and all rights, powers and privileges of the Province and of the New Brunswick Electric Power Commission under or by virtue of any and all approvals by authorities of the Government of the Dominion of Canada and of the Government of the United States of America of plans for the development of hydro-electric power at Grand Falls and the construction, maintenance and operation of works therefor. In case any

such property, rights, powers and privileges are such that the same are not assignable or that the Company does not deem it desirable that the same be assigned, then the Lieutenant-Governor-in-Council and the New Brunswick Electric Power Commission may use or exercise the same for the Company, but at the Company's expense, or take any other action to render the benefit of the same available to the Company and shall co-operate generally with the Company for the successful use or exercise of the same and such other rights, powers and privileges as are necessary for successful prosecution of the hydro-electric development hereby authorized.

9. The Company may locate, construct and operate lines of railway or tracks for use in connection with the construction of the works for the development and generation of hydro-electric power or energy at or near Grand Falls authorized by this Act and any works for storage for such development.

10. (1) The Company may, with the approval of the Lieutenant-Governor-in-Council, but without the consent of the owner thereof or of any person interested therein, enter upon, take possession of, expropriate and use:

(a) Such lands, and interests therein, water, water rights and privileges, easements, servitudes and rights as the Company shall deem necessary or useful for or in connection with the development and generation of hydro-electric power or energy at or near Grand Falls on the Saint John River;

(b) Such lands, and interests therein, easements, servitudes, franchises and rights as the

Company shall deem necessary or useful for works and appliances for the transmission and distribution of electrical power or energy generated at or near said Grand Falls;

(c) Such lands, and interests therein, upon which any water power or water privilege is situate, and such bodies of water, and the bed and shores thereof, as in the opinion of the Company are capable of improvement or development for the purpose of providing water power, or pondage or storage or regulation of water, for or in connection with the development and generation of hydroelectric power or energy at or near said Grand Falls;

(d) Such lands, and interests therein, privileges, easements, servitudes and rights as the Company shall deem necessary or useful for or in connection with any lines of railway or tracks of the nature specified in Section 9 of this Act; provided that the land or other interest taken shall be of no greater extent than a railway might take under the New Brunswick Railway Act.

(2) (a) In any city, town, county or municipality the Company may, with the approval of the Lieutenant-Governor-in-Council, enter upon, use, break up and open, erect and maintain its transmission and distribution lines along or across any public street or highway or other public place; provided, however, that if any of the proposed works or any part thereof shall, in the opinion of the Minister of Public Works, be likely to constitute any obstruction to the construction, improvement, maintenance or repair of any public highway or the use thereof, it shall be the duty of the Minis-

ter of Public Works to notify the Company to that effect, and after receiving the said notice, the Company shall proceed with the said work or with the said part mentioned in said notice only under the supervision of the Minister of Public Works; and provided further that the Company shall not in exercising any such power do any unnecessary damage or obstruct the entrance to any door or gateway or the free access to any building or suspend any wires less than thirty feet above the surface of any public street or highway or other public place.

(b) No poles or wires shall be placed in such a way as to interfere with the then existing poles or wires of any telephone, telegraph, or electric light company, or so as to injure or impair the efficient working of any telephone, telegraph, or electric light system in operation in this Province, in places where any such system may be in operation before the Company establishes its system. It being understood, however, that nothing herein contained, shall be construed to prevent the Company from erecting its poles or stringing wires, on the opposite side of any highway or street, to that occupied by the poles or wires of any existing telephone, telegraph, or electric light system.

(3) No person shall be entitled by injunction or other process to enjoin or restrain the Company or its contractors from carrying into effect the hydro-electric development at or near said Grand Falls, and the storage development and transmission and distribution works therefor which are authorized by this Act.

(4) Wherever the Company, in exercise of its powers hereunder, bores or cuts a tunnel under any land,

the amount of the compensation to be paid by the Company shall be limited to actual physical damage to property caused by the boring or cutting of such tunnel.

(5) For the purpose of making surveys and obtaining other data, the Company may enter upon any lands which it may deem necessary or useful in carrying into effect the development and works authorized by this Act, but the Company shall be liable to pay for the actual damage occasioned thereby.

11. (1) In exercising any of the expropriation powers conferred upon the Company under the provisions of this Act, the Company shall proceed as follows:

(a) If the expropriation proceedings concern the taking of land or any interest therein, such land shall be laid off by metes and bounds, and a plan or plans and description of such land signed by the President and Secretary of the Company and countersigned by the Minister or Deputy Minister of Lands and Mines, shall be filed in the office of the Registrar of Deeds for the county in which such land is situated, and a duplicate thereof in the office of the Minister of Lands and Mines, and the land or lands so designated in said plan or plans and description shall thereupon become and be vested in the Company free and clear of all encumbrances. When any land taken is required for a limited time only, or a limited estate, right or interest only is required therein, the plan and description so filed shall indicate by appropriate words written or printed therein, that the land is taken for such limited time only, or that such limited estate, right or interest only is taken, and by the filing of

the plan and description in such case the right of possession for such limited time or such limited estate, right or interest shall thereupon become and be vested in the Company free and clear of all encumbrances.

(b) In case of any omission or misstatement in any plan or description filed as aforesaid, or in case any change is made after the filing of any such plan and description, a corrected or altered plan and description may be filed with the said Registrar, and a duplicate thereof in the office of the Minister of Lands and Mines, with like effect.

(c) The Company shall, within sixty days after the filing of the aforesaid plan and description or after the filing of any such corrected or altered plan and description, serve upon the owner of the land, or interest therein so taken, a notice, which notice shall contain: (1) a description of the lands, or interest therein, taken or the powers to be exercised with regard to said lands (describing them); and (2) a declaration of readiness to pay some certain sum or rent, as the case may be, as compensation for such lands or interest or other such damage.

(d) If the expropriation proceedings concern any other property, matter or thing which may be taken without the consent of the owner thereof, a notice signed by the President and Secretary of the Company, and countersigned by the Minister or Deputy Minister of Lands and Mines, and specifying generally the property, matter or thing taken, shall be filed in the office of the Registrar of Deeds for the county in which the property, matter

or thing is situate, and a duplicate thereof in the office of the Minister of Lands and Mines, and such property, matter or thing shall thereupon become and be vested in the Company free and clear of all encumbrances.

(e) The Company shall, within sixty days after the filing of such notice, serve upon the owner of the property so taken a notice, which notice shall contain: (1) a designation of the property, matter or thing so taken, sufficient to identify the same, and (2) a declaration of willingness to pay some certain sum as compensation for such property, matter or thing so taken.

(f) In all cases where any such plan or description or any such notice filed as aforesaid purports to be signed by the President and Secretary of the Company, and countersigned by the Minister or Deputy Minister of Lands and Mines, the same shall be deemed to have been so filed by the direction and authority of the Company, and with the approval of the Lieutenant-Governor-in-Council, and shall be deemed conclusively as indicating that in the judgment of the Company, and of the Lieutenant-Governor-in-Council, the land therein described or the rights therein indicated or other property, matter or thing therein mentioned are necessary for the purposes of the Company, and the said plan and description or notice shall not be called into question except by the Company.

(g) A copy of any such plan and description or of any such notice purporting to be certified by the Registrar of Deeds or his deputy as a true

copy thereof, and of the date of the filing thereof, shall without proof of the official character and signature of such Registrar or deputy, be deemed and taken in all cases as *prima facie* evidence of the original and of the filing thereof and of the date of said filing.

(2) Sub-sections (3) to (21), both inclusive, of Section 10 of the New Brunswick Power Commission Act, 1920, as amended by Sections 2 and 3 of Chapter 21 of the Acts of the Legislative Assembly of 1922 (12 George V) and by Sections 2, 3 and 4 of Chapter 22 of the Acts of the Legislative Assembly of 1924 (14 George V), shall apply to the Company with like effect as though set out at length herein, but substituting the word "Company" for the word "Commission" wherever the same appears in said sub-sections; provided, however, that, if the Company shall not make application for assessment of damages within twenty days after service of the notice mentioned in either paragraph (c) or paragraph (e) of sub-section (1) of this section, or within forty days after the first publication thereof, nothing herein shall prevent the owner from applying for the assessment of damages in the same manner in which the Company may do so, in which case he shall be subject to the same requirements with respect to notice and otherwise as the Company.

(3) The Company shall have the right, without the consent of the owner, to enter upon any property which the Company may expropriate or use hereunder, and take and use the same before the compensation therefor is paid or before any proceedings are instituted to determine the compensation, provided

that in the case of property to be expropriated or used for purposes of transmission or distribution lines the Company before such entry, taking or use shall pay or tender the compensation determined by the arbitrator to be payable therefor to the person entitled to receive the same if such compensation shall then have been determined. In case the person entitled to receive the same is unknown or cannot be found, the Company shall deposit the amount of such compensation in the manner and with like effect as provided in the New Brunswick Railway Act for deposits of a similar nature. In case such compensation shall not then have been finally determined, the Company shall deposit with the Court of which the Arbitrator is a member security to pay or deposit the compensation to be awarded within one month after the final determination of the amount of the compensation, with interest from the time at which possession is taken and with such costs as may be lawfully payable by the Company. Such security shall be in such form as is satisfactory to such Judge and in a sum which shall not be less than double the amount of compensation offered by the Company.

12. (1) For greater certainty, but not so as to restrict the general powers conferred on the Company by or under the authority of this Act, it is declared that such powers shall include the right to enter upon any land on either side of the right of way acquired for the transmission or distribution lines or works of the Company, and to fell or remove any trees, other than shade and ornamental trees, or any branches of any tree or

any other obstruction upon such land which in the opinion of the Company it is necessary to fell or remove, or upon any public highway or place, but subject always to the payment of such compensation as may be agreed upon. If the Company is unable to agree with the owner or other party interested, the amount shall be settled by arbitration in the same manner as provided by Section 11 of this Act.

(2) The Company may sell and dispose of any part of the lands or other property purchased or acquired under the provisions of this Act which may be found unnecessary for the purposes of the Company.

(3) The expropriation powers conferred by this Act shall extend to land, rights, powers, privileges and property, notwithstanding that the same are or may be deemed to be devoted to a public use, including, without limitation, the "Commons Lands" and streets in the above mentioned Town of Grand Falls, or that the owner thereof possesses the power of taking land compulsorily.

13. Sections 11, 12, 13 and 15 of the New Brunswick Railway Act (Chapter 91 of the Consolidated Statutes, 1903) shall apply to the Company.

14. The Company may construct, maintain and operate such telephone and telegraph lines, or systems and other conveniences between the different works of the Company as the Company may deem necessary or useful for carrying on its business and for connecting such telephone and telegraph lines with any other telephone or telegraph lines, and for that purpose shall have the same powers as for the construction, maintenance and operation of power transmission lines. The Com-

pany may also construct, maintain and operate such lines over Crown Lands and may acquire a sufficient right of way through Crown Lands for such purpose upon such terms as the Lieutenant-Governor-in-Council may from time to time prescribe, and the Lieutenant-Governor-in-Council may grant such right of way on such terms as he shall see fit, provided that any department of the Government of New Brunswick shall at all times when so required have the free use of such lines. No such telephone or telegraph lines of the Company shall be placed in such a way as to interfere with the lines then existing of any telephone or telegraph company or so as to injure or impair the efficient working of any telephone or telegraph system in operation in this Province in places where any such system may be in operation before the Company establishes its system, it being understood, however, that nothing herein contained shall be construed to prevent the Company from running its telephone or telegraph lines on the opposite side of any highway or street to that occupied by the lines of any existing telephone or telegraph system.

15. The Company may acquire, own and hold the stock, shares, bonds, debentures and other securities of and other interests in and claims against any company, corporation, association or trust having objects or powers altogether or in part similar to those of the Company or owning or holding any property, franchises, licenses, grants, concessions, charter or other powers, rights or privileges capable of being used, or carrying on any business capable of being conducted, in conjunction with the business of the Company or otherwise so as directly or indirectly to benefit the Company, or the bonds of any government or municipi-

pality; and while the owner or holder of any such stock, shares or securities, the Company may exercise, directly or through agents, all the rights, powers and privileges of ownership, including the right to vote on any such stock or shares or on any such securities carrying a voting right, in the same manner and to the same extent that an individual might do, and the right to transfer to its nominees such of any such stocks and shares as may be necessary to qualify such nominees as directors or trustees of the company, corporation, association or trust issuing such stock or shares.

16. The Company may acquire, own, operate and exercise the whole or any part of the undertaking, works, stock, property, franchises, licenses, grants, concessions, charter and other powers, rights and privileges of any person or of any company, corporation, association or trust whose stock, shares or securities the Company is authorized to acquire; and the Company may assume all or any part of the obligations and liabilities of any such person, company, corporation, association or trust.

17. The Company may sell, lease or otherwise dispose of the undertaking, property, franchises, licenses, grants, concessions, charter or other powers, rights and privileges of the Company and those acquired from others, or any part thereof, as a going concern or in the ordinary course of business or otherwise, and for such consideration as the Board of Directors may determine, and in particular for any stock, shares or securities which the Company is authorized to acquire.

18. The Company may borrow and raise money in such manner as it may deem advisable and in particular

by the issue of one or more series or classes of bonds, debentures or debenture stock, perpetual or otherwise, and, if deemed advisable, may secure payment thereof or any other of its obligations, in any manner and in particular by mortgage, pledge and/or other charge of or upon all or any part of the Company's undertaking, property, uncalled capital, franchises, licenses, grants, concessions, charter and other powers, rights and privileges, present and future, and may purchase, redeem or pay off any such securities.

19. The Company may issue and allot fully or partly paid up shares of the Company's capital stock or its bonds, debentures or other securities in payment or part payment for any undertaking, property, franchises, licenses, grants, concessions, charter or other powers, rights or privileges or stock, shares or securities which the Company is authorized to purchase.

20. The Company may lend money or credit to, and may assume or guarantee the payment of the principal of or interest or dividends on the stock, shares or securities of, or the performance of any contracts of, and may aid in any other manner, any company with which the Company has or may have business relations or in the affairs, property or prosperity of which the Company has, in the opinion of the Board of Directors, an interest and may do all acts and things designed to protect or enhance the value of any such stock, shares or securities or interest.

21. The Company shall have the power and capacity to acquire, hold, exercise and use beyond the territorial limits of New Brunswick, all property, both real and personal, rights, powers, privileges, franchises and

immunities requisite or useful or capable of being made useful for the purpose of the Company which may be lawfully acquired, held, exercised and used, to the same extent as if the Company were a natural person.

22. The owners of hydraulic or hydro-electric power developments on the Saint John River in New Brunswick other than the Company shall pay to the Company for the benefits accruing to such developments from storage installed, whether within or beyond the limits of New Brunswick, by the Company or by any company subsidiary to it or controlled by it or affiliated with it through the fact that substantially all the capital stock of such company is owned by the owner of substantially all the common stock of the Company or otherwise, a ratable part of the annual cost of such storage computed at an interest allowance of eight per cent. per annum, with proper allowance for amortization in thirty years of capital expenditures, depreciation, taxes and expenses for operating and maintenance. The apportionment shall be based on the ratio of the respective increases of dependable continuous power at each site created by such storage. Any such charge for storage shall constitute a first lien upon the hydro-electric works on the Saint John River of the person owing the same ranking in priority to all other liens and to all mortgages and charges of any kind. In case of any dispute as to the amount owing under the provisions of this section, the same shall be determined by reference to a judge of the Supreme Court who shall proceed as near as may be under the provisions of Section 11 of this Act. Such charge shall apply to any such development in the hands of any holder under authority from the New Brunswick Electric Power Commission

or any other agency of the Government, but if the development is made by the Province for its own purposes then such compensation shall be paid for such storage as the Lieutenant-Governor-in-Council shall deem to be equitable.

23. (1) For a period of forty years from the date of the first generation of power by the Company, the Company and its property in New Brunswick pertaining to the development of power on the Saint John River shall be exempt from all municipal and other taxation and assessment, other than a tax of five thousand dollars a year which shall be payable to the school district or districts in which the main power works of the Company at or near Grand Falls are situated and in case of more than one such district such amount shall, in case of disagreement as to the apportionment, be apportioned by the Lieutenant-Governor-in-Council.

(2) The Company's property in New Brunswick pertaining to the transmission of power shall be exempt from all municipal and other taxation and assessment.

24. (1) In the event of the expropriation or other taking or purchase by or under the authority of the Province of any property of the Company necessary or useful for any hydro-electric development of the Company in the Province, there shall simultaneously be purchased, if the Company shall so request, all such additional property within or without the Province as shall be owned by the Company, or by any company subsidiary to it or controlled by it or affiliated with it through the fact that substantially all the capital stock of such company is owned by the owner of substantially

all the common stock of the Company or otherwise, which pertains to the storage of water for such hydro-electric development or to the transmission of power generated thereat or to the generation and transmission of any power generated at or in connection with any such storage works. In the event of any such expropriation, taking or purchase, the price to be paid to and accepted by the Company shall be one hundred and ten per cent. of the value of the property expropriated, taken or purchased.

(2) In the event of any such expropriation, taking or purchase, the value of the property expropriated, taken or purchased shall be determined by three arbitrators, selected one by the buyer under authority from the Province or by the Province if the Province be the purchaser, one by the Company, and the third by the two so chosen. If the Company fails for thirty days after receipt of notice requiring it so to do to name an arbitrator or if the two arbitrators first named fail for thirty days to agree upon a third arbitrator, the vacancy shall be filled by the Chief Justice of the Supreme Court of Canada, or if he fails for thirty days to act, by the Chairmen, acting jointly, of the Canadian Section and the American Section, respectively, of the above mentioned International Joint Commission. The Arbitrators shall decide by a majority and within six months of the apportionment of the third arbitrator.

(3) Neither the Company nor any such subsidiary, controlled or affiliated company, shall be deprived of the possession, use or enjoyment of any property, expropriated, taken or purchased until:

(a) The price to be paid therefor shall have been agreed upon or determined by arbitrators as above provided, and

(b) The amount due to the Company, as fixed pursuant to such arbitration, shall have been paid to the Company in cash in full, and this even though an appeal from the decision of the arbitrators or attack thereon or other proceedings affecting the same shall have been made or taken. As a condition of such payment to the Company when any such appeal, attack or other proceedings shall have been made or taken, the Company may be required to give reasonable security for the return of any over-payment found to be involved.

25. Contracts for the sale of power to the Fraser Companies, Limited, and the New Brunswick International Paper Company substantially in the forms appearing as Schedules B and C to this Act with such changes as may be approved by the Lieutenant-Governor-in-Council are hereby authorized and approved; and such contracts, and any contract made with the New Brunswick Electric Power Commission pursuant to the reservation below in this section mentioned, shall not be subject to the jurisdiction of the Board of Public Utility Commissioners or any other public authority, nor shall the Company be required to make sales of power or to take other action inconsistent with such contracts. The Company shall also reserve for sale to the New Brunswick Electric Power Commission twenty-seven million three hundred and forty-five thousand kilowatt hours annually of electrical power or energy for use for purposes other than the manufacture of pulp or paper, on

the terms and conditions set out in Schedule D to this Act.

26. (1) The Company may, from time to time, by by-law passed by the votes of shareholders representing at least two-thirds of the outstanding shares of the Company entitled to vote thereon, at a special general meeting called for the purpose, authorize the directors to apply for letters patent or supplementary letters patent:

(a) creating and issuing any part of the capital stock as preferred stock or deferred stock, provided that any such stock having a preference as to principal shall be of a stated par value, which shall be five dollars or some multiple of five dollars, but not more than one hundred dollars;

(b) increasing the capital stock of the Company and any such increased capital stock may be of no par value or may have a par value or, in the case of more than one class of shares, may be of different par value for each class or may be partly of par value and partly of no par value;

(c) subdividing the shares of any class, in the case of shares of no par value, into a greater number of shares of no par value and, in the case of shares having a par value, into shares of a smaller par value;

(d) consolidating the shares of any class, in the case of shares of no par value, into a smaller number of shares of no par value and, in the case of shares having a par value, into shares of a greater par value not in excess of one hundred dollars each;

(*e*) changing shares of no par value into shares having a par value, provided however, that in no case shall the aggregate par value given all the shares of no par value so changed exceed the aggregate amount of the consideration for which such shares were originally issued or the par value given any such share exceed one hundred dollars;

(*f*) changing shares of any class having a par value into the same number or a greater number or a lesser number of shares of no par value; provided however, that any liability in respect of share capital not paid up on any such shares having a par value shall not by such change be extinguished or reduced;

(*g*) reducing the capital stock of the Company in any way; or

(*h*) extending the powers of the Company to such further or other purposes or objects for which a company may be incorporated under the New Brunswick Companies Act, or reducing, limiting, amending or varying such powers or any provisions of this Act or of any such letters patent or supplementary letters patent issued to the Company as are defined in such by-law.

(2) Any such by-law may give any stock of the nature mentioned in item (*a*) of sub-section (1) of this section such preference or priority as respects principal, dividends or in any other respect over common stock or other classes of preferred stock or deferred stock as is therein declared, or may limit the right of holders of such stock to specific dividends, profits or repayments, or may provide that the holders of such stock shall have the right

to select a certain stated proportion of the Board of Directors or that they shall have greater or less control over the affairs of the Company than the holders of other classes of stock, or may restrict or extend the rights of holders of such stock as respects voting and in any other way not contrary to these provisions, or may provide for the purchase or redemption of such shares by the Company. The provisions of any letters patent or supplementary letters patent issued pursuant to any application authorized under this section and granting rights or privileges to the holders of such stock, or restricting those ordinarily conferred upon them by law, shall be set out at length on the certificate of such stock, and if not so set out, such rights, privileges and restrictions shall be deemed non-existent.

(3) In case of any such increase of capital stock, the Company shall pay to the Province the additional fee which would be payable upon such an increase by a company incorporated under the New Brunswick Companies Act.

(4) For the purpose of any such consolidation of shares, the Company may purchase fractions of shares and shall sell within two years after the purchase any shares held from such purchases.

27. (1) The Directors may at any time within six months after the enactment of any such by-law make application to the Provincial Secretary-Treasurer for the issue of letters patent or supplementary letters patent to give effect to the same.

(2) Before such letters patent or supplementary letters patent are issued there shall be estab-

lished to the satisfaction of the Provincial Secretary-Treasurer, the due enactment of the by-law authorizing such application and for that purpose the Provincial Secretary-Treasurer shall take any requisite evidence in writing by oath or affirmation or by statutory declaration under the Canada Evidence Act and shall keep of record any such evidence so taken.

(3) Upon due enactment of such by-law being so established, the Provincial Secretary-Treasurer may grant letters patent or supplementary letters patent to give effect to the same and notice thereof shall be forthwith given by the Provincial Secretary-Treasurer in the Royal Gazette. From the date of such letters patent or supplementary letters patent the charter of the Company shall be deemed to have been amended in the manner in such letters patent or supplementary letters patent set forth.

28. Directors of the Company need not be shareholders of the Company.

29. The pledgee of any of the capital stock of the Company may vote upon any such stock which carries a voting right and has been put into the name of the pledgee.

30. No dividend shall be declared which will impair the amount paid in as capital on the outstanding shares of the Company.

31. The New Brunswick Companies Act (6 George V, Chapter 14), as amended, with the exception of Section 87 thereof, shall apply to the Company when not inconsistent with the provisions of this Act; provided

however, that wherever under the New Brunswick Companies Act, and also wherever under any provisions of the Corporations Act (Chapter 84 of the Consolidated Statutes, 1903), the vote or ballot of shareholders or of a stated proportion of the capital stock or of the issued or subscribed capital stock of a company is required for any matter or thing not specifically provided for in this Act, the vote or ballot in the case of the Company shall be by the holders of the issued and outstanding stock of the Company entitled to vote or ballot thereon, or by such stated proportion thereof.

32. The Act 10 George V (1920) Chapter 63 (being an Act to regulate the issue of shares and securities by Public Utilities), as amended, shall not apply to the Company.

33. Chapter 174 of the Consolidated Statutes, 1903 (being a chapter respecting Dams and Sluiceways), the provisions of law re-enacted by the Act 7, Edward VII (1907) Chapter 47, and the Act 11 George V (1921) Chapter 16 (being an Act relating to the storing of waters in rivers, streams and lakes) shall not apply to the Company in respect of any works for or in connection with the generation of hydro-electric power at or near Grand Falls or for pondage or storage therefor.

34. The Company shall, within six months from the passing of this Act, or such further time as the Lieutenant-Governor-in-Council shall extend, bona fide commence construction of the hydro-electric works at or near Grand Falls authorized hereby and shall, within two years from the passing of this Act, or such further time as the Lieutenant-Governor-in-Council shall extend, expend a sum of not less than one million five

hundred thousand dollars in the actual physical construction of the works authorized hereby and provision of equipment, and shall also within six months from the passing of this Act, or such further time as the Lieutenant-Governor-in-Council shall extend, execute and deliver (provided Fraser Companies, Limited, executes and delivers the same) a contract with Fraser Companies, Limited, substantially in the form appearing as Schedule B to this Act, with such changes as may be approved by the Lieutenant-Governor-in-Council; otherwise, unless in the opinion of the Lieutenant-Governor-in-Council the Company's failure to comply with the foregoing requirements is due to inability after reasonable effort to obtain or to delay in obtaining any necessary lands or rights or any necessary approval, order or grant of or from any government or administrative body thereof or of the International Joint Commission mentioned elsewhere herein, or to some other matter or thing beyond the Company's control, the powers conferred by this Act upon the Company may be terminated by order of the Lieutenant-Governor-in-Council and the deposit, presently held by the Province, of fifty thousand dollars included in the property and assets of the above mentioned Grand Falls Company, Limited, affected by the provisions of Section 6 of this Act and the property described in Schedule A to this Act may be forfeited to the Province by order of the Lieutenant-Governor-in-Council.

35. The provisions of this Act and all rights hereby conferred shall inure to the benefit of any successors to, or any assignees of, the said Company.

36. Nothing in this Act contained shall be construed as a relinquishment or assignment of any rights or

claims which the Province has in respect to the diversion of water from the Saint John River or its tributaries which has taken place in the State of Maine, and any restoration of stream flow or compensation which may be made for or on account of such diversion shall inure solely to the benefit of the Province.

37. All Acts and parts of Acts inconsistent with the provisions of this Act are to the extent that they are so inconsistent, repealed in their application to the Company.