# BRITISH COLUMBIA POWER CORPORATION

Limited

ANNUAL REPORT

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1930

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# British Columbia Power Corporation Limited



### ANNUAL REPORT

For the year ended June 30th

1930

## BRITISH COLUMBIA POWER CORPORATION LIMITED

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Owns and controls the following companies:

BRITISH COLUMBIA ELECTRIC RAILWAY COMPANY, LIMITED.

BRITISH COLUMBIA ELECTRIC POWER & GAS COMPANY, LIMITED.

VANCOUVER POWER COMPANY, LIMITED.

WESTERN POWER COMPANY OF CANADA, LIMITED.

BRIDGE RIVER POWER COMPANY, LIMITED.

BURRARD POWER COMPANY, LIMITED.

VANCOUVER ISLAND POWER COMPANY, LIMITED.

NATIONAL UTILITIES CORPORATION, LIMITED.

VANCOUVER, FRASER VALLEY & SOUTHERN RAILWAY COMPANY.

COLUMBIA ESTATE COMPANY, LIMITED.

BRITISH COLUMBIA RAPID TRANSIT COMPANY, LIMITED.

VICTORIA ELECTRIC COMPANY, LIMITED.

VICTORIA GAS COMPANY, LIMITED.

# 1930 British Columbia Power Corporation Limited

n

President . . W. G. MURRIN

Vice-Presidents

A. T. GOWARD E. H. ADAMS J. I. NEWELL

Directors

Chairman . . GEORGE KIDD

W. G. MURRIN A. T. GOWARD

W. J. BLAKE WILSON Hon. Sir F. S. BARNARD, K.C.M.G.

SIR HERBERT HOLT
P. A. THOMSON
S. GODIN, JR.
J. NESBITT
J. B. WOODYATT
J. H. GUNDY

ANDREW P. HOLT

C. E. CALDER RT. HON. VISCOUNT ROTHERMERE

JOHN DAVIDSON

Secretary Treasurer
E. ROGERS E. H. ADAMS

Bankers Royal Bank of Canada
Registrar Royal Trust Company
Transfer Agent Montreal Trust Company

Auditors PRICE, WATERHOUSE & Co.

do

Head Office of the Corporation

B. C. ELECTRIC BUILDING

VANCOUVER, B. C. CANADA

# FACTS ABOUT YOUR CORPORATION AND ITS SUBSIDIARIES

(as at June 30, 1930)

-38-

It serves a territory of over 1,500 square miles;

It renders service to a population of over 375,000, embracing 26 different communities;

It has 8 hydro-electric plants and 3 steam plants;

It is building 2 additional hydro-electric plants;

It has 63 substations and transformer stations;

It has 502 miles of high-tension transmission lines;

It has 1,921 miles of distribution pole lines;

It has 35 city street car routes;

It has 4 interurban lines;

It employs 4,500 people;

It paid out in wages and salaries during the year more than \$7,000,000;

It operates 192 miles of street car lines;

It operates 159 miles of interurban car lines, a total of 351 miles;

It operates 421 city and interurban passenger cars;

It operates 12 electric locomotives;

It operates 443 express, freight and service cars;

It operates 26 motor coaches and 22 motor freight trucks;

It operates 144 miles of motor coach and 210 miles of motor freight service;

It operated 15,959,829 passenger car miles during the year;

The power generated by its power plants during the year totalled 458,972,894 K.W.H.;

It operates 11 stores for the sale of electric and gas appliances;

It has 2 gas plants, with a total daily capacity of 9,100,000 cubic feet.

# BRITISH COLUMBIA POWER CORPORATION LIMITED

### Notice of Annual General Meeting of Shareholders

Vancouver, September 11, 1930.

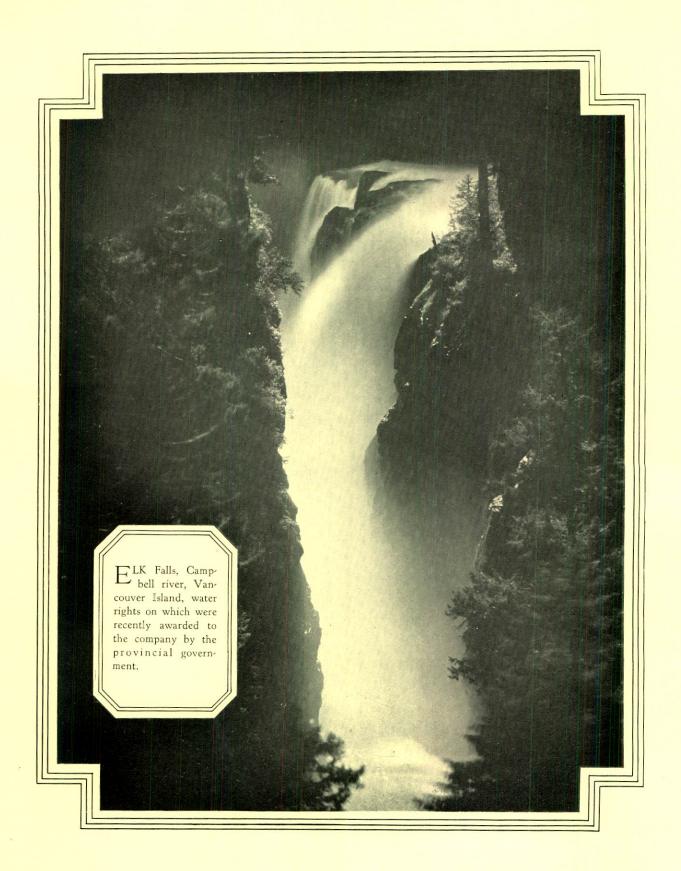
NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of the British Columbia Power Corporation Limited will be held in the Auditorium of the B. C. Electric Building, 602 Granville Street, Vancouver, B. C., on Monday, the 29th day of September, 1930, at the hour of 12 o'clock noon:

- (1) To receive the Annual Report of the Directors;
- (2) To receive the Company's Balance Sheet made up to June 30, 1930, and Statement of Income and Expenditure for the financial period ending on that date;
- (3) To receive the Auditors' Report thereon;
- (4) To elect Directors for the ensuing year;
- (5) To appoint Auditors for the ensuing year; and
- (6) For the transaction of such other business as may legally come before the meeting.

By Order of the Board of Directors,

ERNEST ROGERS,

Secretary.



# SECOND ANNUAL REPORT

OF THE DIRECTORS OF

### British Columbia Power Corporation Limited

Submitted at the Second Annual Meeting of the Shareholders held on Monday, 29th September, 1930

#### To the Shareholders:

Your Directors beg to submit the following Report and Financial Statements covering the operations of your Company and its Subsidiaries for the year ended 30th June, 1930.

#### INCOME AND EXPENSE STATEMENT

Gross Revenue		\$15,434,341.06
Expenses:		
Operating Expenses	\$7,491,558.59	
Power purchased and expenses due to water shortage	810,676.41	
Taxes	965,169.46	
Depreciation and Renewals Reserve	1,877,029.92	
		11,144,434.38
Net Revenue		\$ 4,289,906.68
Deduct—		
Bond Interest and Preference Dividends		2,101,712.64
		\$ 2,188,194.04
Dividends on Class A Shares for the year		2,000,000.00
Surplus for the year		\$ 188,194.04

#### REVENUE

As compared with the previous year, the revenue from all sources shows an increase of \$753,077.79, mainly due to increased sales of electricity and gas as a result of the industrial growth which has taken place during the year, the additional services installed, and to the activities of our Merchandise Department in placing over \$900,000.00 of electric and gas consuming appliances in the homes of our customers.

The revenue from our passenger transportation system shows a slight increase over

last year.

Owing to the industrial depression existing throughout the country, we have, in common with all other railways, suffered a reduction in freight revenue, due to the reduced quantity of transcontinental freight moving in and out of our territory. This depression has particularly affected the lumber industry, from which a large part of our freight revenue is derived.

#### **EXPENSES**

The phenomenal absence of rainfall which prevailed on the Pacific Coast during the Fall of 1929 and early Winter resulted in large expenditures which are reflected in the heavy increase in our expenses over the previous year. The shortage of water at our power generating plants created a very trying situation, but through the friendly co-operation of our consumers and the City of Vancouver and other Municipal Authorities, together with the arrangements which the Company was able to make for the generation and supply of power from private industrial plants, a serious curtailment in the power supply was avoided. The total extraordinary expenses resulting from the power shortage were \$810,676.41, all of which have been charged to revenue in this year's accounts.

#### PLANT ADDITIONS AND BETTERMENTS

The expenditures made during the year in increasing the capacity of our plants and providing extensions and improvements to meet the growing demand amounted to \$9,379,050.00, 80% of which was devoted to the construction of the Ruskin and Bridge River plants and to the extension of our Light and Power system.

RUSKIN DEVELOPMENT—The hydro-electric development on the Lower Stave River at Ruskin has made excellent progress and the first stage of this development is now approaching completion. The time schedules and cost estimates have been very closely adhered to and the first unit of 47,000 h.p. should be in operation during October. The present construction programme has made provision for the penstock tunnel, and foundations for a second unit of the same size, which can be installed at short notice to meet the demand of any large power-consuming industry which may be established in our territory. The ultimate capacity of this plant will be 188,000 h.p., involving an expenditure of approximately \$20,000,000.00.

In view of its proximity to Vancouver, the Ruskin plant is particularly suited as an emergency plant, and to this end the plans provide for four separate transmission lines following two independent routes, so that the possibility of breakdown may be reduced to a minimum. This plant will have all the advantages of a steam standby, together with

the reduced operating expenses attaching to a hydro-electric plant.

BRIDGE RIVER DEVELOPMENT—The boring of the tunnel sixteen feet in diameter, 13,215 feet long, through which the water of Bridge River will be diverted at an elevation of 1,200 feet into Seton Lake, which will be the site of the power house, was successfully completed in July, 1930. The work of lining the tunnel with concrete will be proceeded with immediately.

DISTRIBUTION SYSTEM—Important improvements in our distribution system and substations have been made during the year, including the change over in distribution voltage from 2,300 to 4,000 volts in the suburban districts of Vancouver and Victoria, thereby adding to the capacity of these systems in line with the additions being made to the capacity of our generating plants and improving the voltage regulation.

EXTENSION OF GAS SYSTEM—Following the granting of franchises in the North Vancouver area, the laying of a high-pressure gas main across the Second Narrows Bridge to serve the North Vancouver district has been proceeded with, together with the erection of a Hortonsphere Holder on the North Vancouver side. During the year forty-eight miles of mains were laid, and plans for further additions to our gas manufacturing plants in Vancouver were prepared.

#### NEW PROPERTIES ACQUIRED

Since the date of the last report we have acquired by purchase the power plant and distribution system serving the growing City of Kamloops, and also the small plant serving the Agassiz district. In addition to the purchase of the power plant and distribution system serving the Cities of Alberni and Port Alberni, which were taken over towards the end of the last financial year, we have made substantial extensions to our distribution system in the Parksville and Qualicum areas on Vancouver Island, which extensions will ultimately be part of the greater scheme of development in connection with Campbell River Falls.

#### GENERAL OPERATIONS

RAILWAY SYSTEM — The general depression in business, which has been continent-wide in its effect, has to some extent been felt in Vancouver and is reflected in our railway returns. This and the growth of the automobile have been responsible for the decline in passenger travel shown.

Our Freight business, however, shows the greatest decrease. Much of our revenue from this branch of our business results from the interchange with various transcontinental systems, and in this regard our earnings reflect the drop shown in the freight traffic of every transcontinental railway. The Lumber Mills also, which are our heaviest freight customers, are suffering from a temporary lack of business.

The number of passengers carried and freight hauled for the past year in comparison with previous years is as follows:

		FREIGHT
	Passengers	Tonnage
1930	76,113,550	454,111
1929	77,694,731	533,391
1928	77,063,656	487,896
1927	75,113,022	481,690
1926	72,944,517	409,313

POWER AND LIGHT SYSTEM—Notwithstanding the power shortage, which brought about some curtailment in the consumption and demand of our customers, this very important branch of our business continues to show a very encouraging growth. The steady increase in sales of current, and the number of customers served, is reflected in the statistics hereunder relating to this Department:

	K.W.H.	Consumers
1930	351,047,572	110,436
1929	342,627,810	105,908
1928	290,405,805	100,337
1927	263,720,953	94,611
1926	228,947,652	89,270

GAS DEPARTMENT—The same satisfactory growth and progress is shown by our Gas Department as a result of the new avenues continually being opened up for the use of gas, and of our policy of steadily extending our area of supply. These facts are brought out by the following figures:

	GAS SOLD	Gas	MILES OF
	CUBIC FEET	Consumers	Mains
1930	1,263,048,000	48,307	539.02
1929	1,192,433,000	45,163	491.33
1928	1,070,810,000	41,144	441.92
1927	977,902,000	36,484	372.82
1926	833,170,000	32,321	300.60

#### LIGHT AND POWER RATES

The rates charged by the Company for its light and power services in the various districts bear very favourable comparison with any city on the Pacific Coast or any city in the United States and Canada with which it may reasonably be compared. Previous to the amalgamation of the Municipalities of Point Grey and South Vancouver with the City of Vancouver, separate agreements had been made with these Municipalities for the supply of electric current at rates higher than in Vancouver. During the year our lighting rates in Point Grey and South Vancouver were voluntarily reduced to the level of the rates charged in the central district, so that the enlarged area of the City of Vancouver now has a uniform scale of rates.

#### REDUCTION IN GAS RATES

A reduction in rates for gas used for domestic water heating and refrigeration was put into effect on June 1st, 1930, and it is hoped will bring about a greater demand for gas for these purposes.

#### FURTHER FINANCING

In March, 1930, an issue of \$10,000,000.00 5½% First Refunding and Collateral Trust Bonds was made to provide for the carrying on of the Ruskin and Bridge River developments and for other plant extensions rendered necessary by the growth of our business and the increasing scope of our activities, and in spite of the fact that the market for securities was not particularly active, our issue was well received.

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During the last five years the payments made under this heading have been as follows:

	Dominion	PROVINCIAL	MUNICIPAL	TOTAL
1930	\$249,473.00	\$168,562.00	\$547,134.00	\$965,169.00
1929	269,102.00	163,089.00	502,794.00	934,985.00
1928	246,133.00	151,766.00	493,244.00	891,143.00
1927	217,711.00	145,120.00	468,719.00	831,550.00
1926	189,258.00	135,235.00	438,477.00	762,970.00

The above are only the direct taxes paid and do not include indirect taxes, such as sales tax on materials purchased and other war revenue taxes, which amount to a considerable sum.

While there can be no possible objection to contributing a fair and just amount towards the cost of administering the affairs of the country, it must be recognized that any amount in excess of this is an unfair burden on the industry and can only be collected by the Company through the medium of rates and charges for the services performed.

#### INDUSTRIAL BUREAU

Reference was made in our last Report to the establishment of an Industrial Bureau for the purpose of assisting and facilitating the establishment of further industries in our territory. The work of this Bureau has proceeded in a very satisfactory manner and has already been instrumental in the establishment of a number of valuable industries in our territory, and several very large projects are at the present time under discussion with reasonably good prospects of early consummation.

#### **EMPLOYEES**

The number of employees on the payroll, together with the workmen employed by contractors on construction works, totalled approximately 4,500, which is the largest number employed in the history of the Company.

The Directors desire to refer to the harmonious relationship existing in all branches of the service, and to express their appreciation to all employees for their loyal and efficient services.

#### MAINTENANCE OF PROPERTY AND PLANT

The properties and plants of the various operating Companies have been maintained in the same high state of efficiency as heretofore, due regard being given to the comfort and needs of the Public whom we serve.

#### GENERAL

Our relations during the year with the Provincial Government and the various Civic and Municipal Authorities have been friendly and harmonious.

The growth of the Company's business is inevitably linked up with the growth and prosperity of the territory we serve, and in this regard the prospects for future growth

and development are as bright as those of any district on this Continent. We are contributing substantially to this development by the assistance being given to industries through our Industrial Department and the expenditure of large sums of money in the operation of our various utilities and the construction work on which we have been engaged. At a time when unemployment is one of the biggest problems facing the whole country the number of men employed has been the greatest in the Company's history and the outlay of money in the districts served in the maintenance and operation of our various utilities, and in our programme of construction, totalling approximately \$20,000,000.00, is a most important factor in the industrial life and prosperity of British Columbia.

#### LOOKING FORWARD

Having regard to the great difficulty and expense resulting from the serious water shortage during the year and to the fact that a period of depression is being experienced generally, the Accounts submitted herewith indicate that the Company is in an exceptionally sound position. The additions and improvements to our property which have been carried out, and which have very substantially increased our capacity for doing business, have been made with due regard to economy and are the result of a carefully considered analysis of the business prospects and future demands.

#### AUDIT OF ACCOUNTS

The Balance Sheet and Accounts have been certified by Messrs. Price, Waterhouse & Co., Chartered Accountants, whose report is attached.

Respectfully submitted on behalf of the Board,

President.

& Anwen

### Auditors' Report

Vancouver, B. C., August 21st, 1930.

To the Shareholders of the

British Columbia Power Corporation Limited:

We have examined the Books and Accounts of the British Columbia Power Corporation Limited, and its Subsidiary Companies, for the year ended June 30, 1930, and have obtained all the information and explanations which we have required.

The charges to the Plant and Equipment Accounts during the year are in respect of actual additions, extensions or permanent improvements. Adequate provision has been made for Depreciation and Accruing Renewals.

The valuations of the stocks of Stores, Materials and Supplies on hand, as shown by inventories certified by the responsible officials, have been verified as made at average cost.

Full provision has been made for Bad and Doubtful Accounts Receivable and for all ascertainable liabilities.

We have verified the cash and securities by actual count, or by certificates from the depositaries, and have satisfied ourselves that the securities are valued not above market.

The Bonded Debt and Capital Stocks outstanding have been confirmed by certificates from the Trustees and Registrars.

And we certify that, in our opinion, the attached Consolidated Balance Sheet at June 30, 1930, is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Corporation and its Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of the several Companies.

PRICE, WATERHOUSE & CO.,

Chartered Accountants.

# British Columbia Power and Sub

### CONSOLIDATED BALANCE

#### **ASSETS**

Current and Working Assets:	
Cash at Bank and at Call	\$7,306,638.48
Dominion of Canada Bonds and other securities not	
above market	
Accounts Receivable	1,892,420.16
Insurance Unexpired and Prepaid Items	126,985.61
Employees' Housing Loans, etc	590,314.33
Stores, Materials and Supplies	2,501,160.16
	\$ 12,968,944.07
Sinking Fund—Vancouver Power Co. Ltd. 41/2% D.	EBENTURES:
Cash and Securities in hands of Trustees	313,910.79
Fixed Assets:	
Balance as at June 30, 1929, and additions during year	129,824,517.19

\$143,107,372.05

Approved on behalf of the Board:

Grongestidd Director.

Director.

## Corporation Limited sidiaries

SHEET AS AT JUNE 30, 1930

#### LIABILITIES

Current and Accrued Liabilities: Accounts Payable, including Reserve for Income Taxes\$2,927,558.9 Debenture and Bond Interest Accrued687,521.1 Dividends declared, since paid749,739.6	3
Bonded Debt (as per statement attached)	38,799,882.93
Capital Stocks of Subsidiary Companies held by Public: British Columbia Electric Railway Co. Ltd.— 5% Cumulative Perpetual Preference Stock \$6,984,000.0 British Columbia Electric Power & Gas Co. Ltd. 6% Cumulative Preference Shares	0
Reserves:	12,000,020.01
Depreciation and Renewals	
Capital Stock and Surpluses (as per statement	21,177,121.10
attached)  Represented by—  1,000,000 Class A shares and 1,000,000 Class B shares, part of an authorized issue of 1,500,000 Class A shares and 1,500,000 Class B shares, both classes without nominal or par value.	66,391,722.25
	\$143,107,372.05

Submitted with our Report dated August 21, 1930.

PRICE, WATERHOUSE & CO., Chartered Accountants.

# British Columbia Power Corporation Limited and Subsidiaries

# CAPITAL STOCK AND CONSOLIDATED SURPLUS AND PROFIT AND LOSS ACCOUNT AS AT JUNE 30, 1930

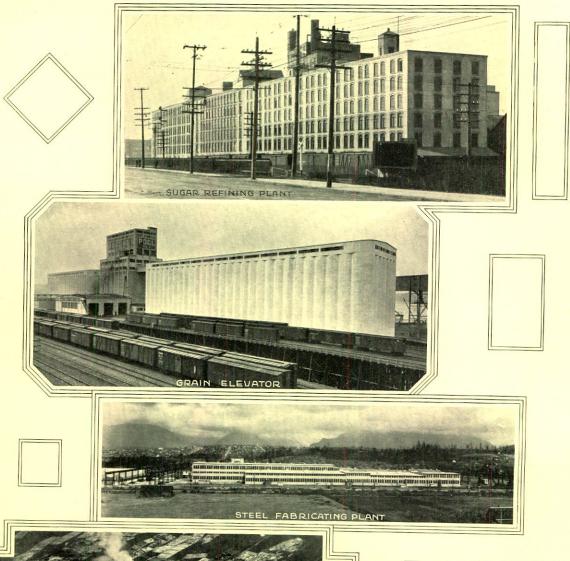
Capital Stock and Surpluses: Balance as at June 30, 1929			\$65,365,764.59
Profit and Loss Account:			
Balance as at June 30, 1929		\$ 837,763.62	
Year Ended June 30, 1930— Gross Revenue	\$15,434,341.06		
Less—			
Operating Expenses, including Municipal Taxes\$8,871,057.59			
Provision for Depre- ciation and Re-			
newals 1,877,029.92			
Provision for Income Taxes			
	11,144,434.38		
Net Revenue	\$ 4,289,906.68		
Deduct—			
Interest on Bonded Debt and Divi- dends on Preference Stocks of			
Subsidiary Companies		2 100 104 04	
	1	2,188,194.04	
		\$3,025,957.66	
Deduct— Dividends on Class A shares for	the week anded		
June 30, 1930		2,000,000.00	
			1,025,957.66
Balance carried forward			\$66,391,722.25

# British Columbia Power Corporation Limited and Subsidiaries

### BONDED DEBT AS AT JUNE 30, 1930

British Columbia Electric Railway Co. Ltd.:   41/2   Per Cent. Perpetual Consolidated Debenture Stock	British Columbia Power Corporation Ltd.:  5½ Per Cent. First Refunding and Collateral Trust Sinking Fund Gold Bonds Series "A" maturing March 1, 1960—  Authorized and Issued	\$10,000,000.00
Pledged as collateral security for 5 Per Cent. (Income Tax Free) 1944 Debenture Stock	41/2 Per Cent. Perpetual Consolidated Debenture	
Vancouver Power Co. Ltd.:   First Mortgage 4½ Per Cent. Debentures—  Authorized and Issued	Pledged as collateral security for 5 Per Cent.	
Vancouver Power Co. Ltd.:  First Mortgage 41/2 Per Cent. Debentures— Authorized and Issued £ 220,000 0 0  Less— Pledged as collateral security for 41/4 Per Cent. Perpetual Consolidated Debenture Stock of British Columbia Electric Railway Co. Ltd. £105,700 0 0  Purchased for Sinking Fund. 13,000 0 0  Redeemed 68,800 0 0  41/4 Per Cent. Perpetual Guaranteed Debenture Stock—Authorized £1,917,350, of which issued. 1,500,000 0 0  £1,532,500 0 0  £		
Vancouver Power Co. Ltd.:  First Mortgage 41/2 Per Cent. Debentures— Authorized and Issued		
Pledged as collateral security for  41/4 Per Cent. Perpetual Consolidated Debenture Stock of British Columbia Electric Railway Co. Ltd	Vancouver Power Co. Ltd.:  First Mortgage 4½ Per Cent. Debentures— Authorized and Issued	
41/4 Per Cent. Perpetual Guaranteed Debenture Stock— Authorized £1,917,350, of which issued	Pledged as collateral security for  4½ Per Cent. Perpetual Con- solidated Debenture Stock of British Columbia Electric Railway Co. Ltd£105,700 0 0  Purchased for Sinking Fund	
Western Power Co. of Canada Ltd.: First Mortgage 5 Per Cent. Sinking Fund Gold Bonds maturing July 1, 1949—Authorized and Issued	41/4 Per Cent. Perpetual Guaranteed Debenture Stock-	
Western Power Co. of Canada Ltd.: First Mortgage 5 Per Cent. Sinking Fund Gold Bonds maturing July 1, 1949—Authorized and Issued	£1,532,500 0 0	
	Western Power Co. of Canada Ltd.: First Mortgage 5 Per Cent. Sinking Fund Gold Bonds maturing July 1, 1949—Authorized and Issued	
Held by British Columbia Electric Railway Co. Ltd	Redeemed through Sinking Fund\$253,759.93 Held by British Columbia Electric Railway Co. Ltd	
As per Consolidated Balance Sheet \$38,799,882.93	As per Consolidated Balance Sheet	\$38,799,882.93

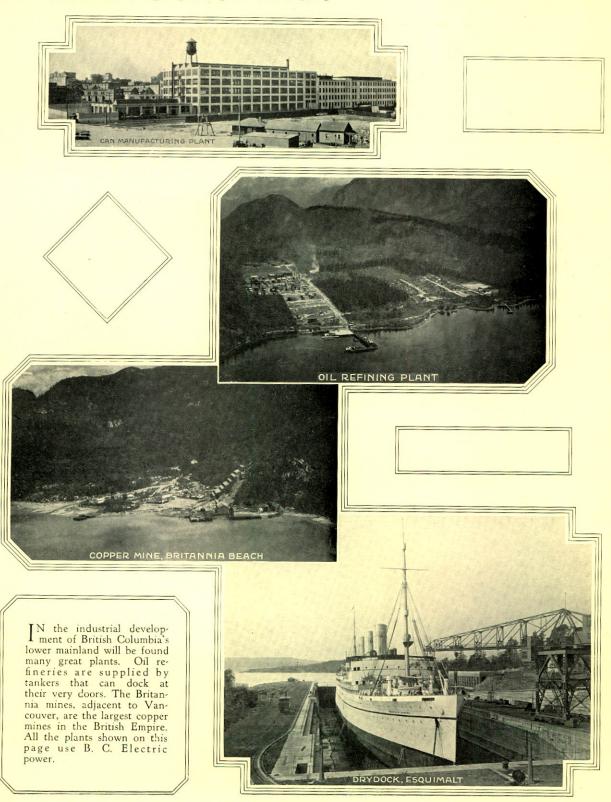
## Industrial Power Users



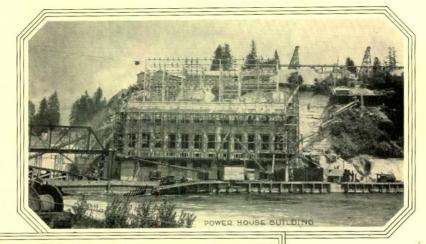


THESE plants are typical British Columbia industries which obtain their power supply from the company. Lumbering, the largest industry in the province, is extensively electrified. Vancouver is now a great grain port, and in its harbor at all times may be seen ships from the seven seas.

## Industrial Power Users



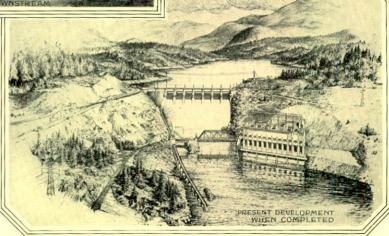
# Ruskin Power Development



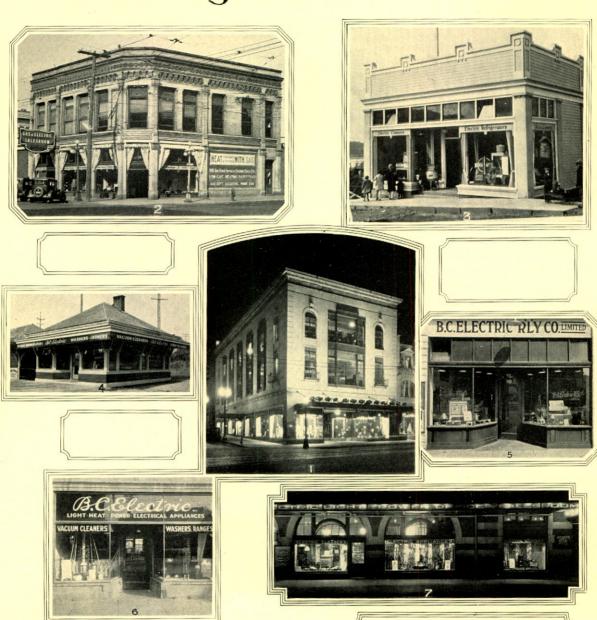


THE top and centre pictures (taken August 15, 1930) show the progress of the Ruskin power development, forty miles from Vancouver. The bottom picture is a conception of the development when the first stage is completed. The first unit will develop 47,000 horse-power, but provision has been made in the power-house structure for a second unit of the same capacity.





# Merchandizing Activities





SOME of the merchandise stores through which the company sold \$900,000 of electric and gas appliances during the year. (1) Granville street, Vancouver; (2) Douglas street, Victoria; (3) Alberni; (4) Abbotsford; (5) Kamloops; (6) Chilliwack; (7) New Westminster; (8) North Vancouver.

## Electric Service





GRANVILLE STREET, VANCOUVER



UPPER and centre right, apartment buildings, which have been awarded "Red Seal" certificates of complete electrical equipment; above, electric signs in Vancouver's downtown district; lower, the tall structure is the new Marine building, supplied throughout with the corporation's power service.



## Gas Service



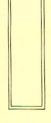


THE use of gas in the company's territory is showing remarkable expansion, in the industrial and heating fields as well as in domestic consumption. At the top right hand corner of this page may be seen the Hortonsphere high pressure gas holder which serves the recent extensions into North Vancouver.











VANCOUVER'S land-locked harbor is one of the greatest in the world. It is bordered by modern ocean terminals, grain elevators and industries. The tall cylindrical structure in the foreground is the new waterless gas holder of the company.

