

*ANNUAL REPORT*  
CANADA NORTHERN POWER  
CORPORATION, LIMITED

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YEAR ENDED DECEMBER 31ST

1930



# CANADA NORTHERN POWER CORPORATION, LIMITED



*President*

A. J. NESBITT, Montreal

*Vice-President*

JAS. B. WOODYATT, Montreal

*Vice-President and General Manager*

B. V. HARRISON, New Liskeard

*Directors*

J. H. BLACK	.....	Toronto
F. O. BLACKWELL	.....	New York
B. V. HARRISON	.....	New Liskeard
DAN. McLACHLIN	.....	Arnprior
MAJ.-GEN. THE HON. S. C. MEWBURN, C.M.G.	.....	Hamilton
A. J. NESBITT	.....	Montreal
P. A. THOMSON	.....	Montreal
N. A. TIMMINS	.....	Montreal
E. R. WOOD	.....	Toronto
JAS. B. WOODYATT	.....	Montreal

*Secretary*

L. C. HASKELL, Montreal

*Assistant Secretary-Treasurer*

H. A. SEYMOUR, New Liskeard

*Treasurer*

CHAS. JOHNSTONE, Montreal

*Assistant Secretary*

V. J. NIXON, Montreal

*Assistant Treasurer*

F. D. LAMONT, Montreal

*Auditors*

MESSRS. P. S. ROSS & SONS



*Head Office:*

CANADA NORTHERN POWER CORPORATION  
LIMITED

*and its Fiscal Agents*

NESBITT, THOMSON & COMPANY, LIMITED

355 St. James Street West  
MONTREAL

# Canada Northern Power Corporation, Limited

Montreal, March 7th, 1931.

TO THE SHAREHOLDERS:

Your Directors are pleased to present the following report for the year ending December 31st, 1930, which shows that the growth and expansion of your Company continues to be satisfactory, as may be judged by the Statement of Assets and Liabilities, together with the Comparative Statement of Operations for the last five years, submitted herewith.

The progress would have been more marked except for the fire which destroyed the mill at the Dome Mine. This reduced the revenue of the Company considerably during the past year. This mill has been rebuilt and again connected to our lines, and with this customer again taking power we expect our demand during the coming year to be higher than ever before.

**Power Demand** The increase in the demand for power has been fairly general in practically all districts supplied by the Company. The Rouyn and Kirkland Lake Camps have shown the principal increases. The Porcupine Camp, with the Dome mill now in operation, is also showing a good increase. In the Cobalt, Gowganda and South Lorrain Camps, where silver is mined, the demand is off a little. Boston Creek is showing a little increase.

The total number of our customers was increased during the year by 397, to 10,377.

**Construction** To be ready to meet the anticipated increased demand, the new 13,000 horsepower plant at the Upper Notch, on the Montreal River, was completed and put into operation early in November.

A 110,000 volt transmission line was built from the Upper Notch plant to the Quinze plant.

A 11,000 volt line was built to supply power to the Cross Lake operations of the O'Brien Mine, near Cobalt.

A 44,000 volt line was built to supply power to the Telluride Mine, in the Boston Creek area.

Additional substation capacity was provided during the year at Kirkland Lake, by the installation of three 3,000 K.V.A. transformers at the main substation, and by the

construction of a complete new substation at a point near the Lake Shore Mine, where three 3,000 K.V.A. transformers were also installed. At Noranda the substation capacity was increased by the installation of six 2,000 K.V.A. transformers.

**Customer Ownership Campaign** During the past year we conducted our third Customer Ownership Campaign. We offered 5,000 shares of our Preferred Stock to our customers, and we are pleased to report that the issue was over-subscribed, 1,762 customers having purchased 5,059 shares. It will thus be appreciated that your Company is rapidly becoming a co-operative undertaking, and the community of interest established between the customers, employees and the Company will undoubtedly be of great benefit to all.

**Financing** During the year an additional two million dollars of bonds were issued and sold, and the proceeds used to improve the Company's liquid position by paying off its loans.

One of the Company's subsidiaries, the Great Northern Power Corporation, Limited, was wound up during the year, leaving the Company with its two subsidiaries, the Northern Ontario Power Company, Limited, operating in Ontario, and the Northern Quebec Power Company, Limited, operating in Quebec.

**Merchandise Sales** Your Company during the year continued its efforts to promote the use of household and labour saving appliances, and sales throughout the Company's nine stores reached a total of over \$118,000. This is not quite as high as in previous years, but can be considered as being satisfactory.

New stores were opened during the year at Ville Marie and Noranda.

The merchandising efforts of your Company are operated on a profitable basis, and are of great service to your customers, enabling them to obtain all the comforts which the growth of the use of electricity provides, and through a generous payment plan, to equip themselves with all the modern labour saving devices, so as to enjoy to the full the value of the service which is provided by your Company.

Your Company, through its nine well located stores, offers to all your customers, however remotely located, the highest quality merchandise at standard prices, as low as those in the largest cities, and maintains a policy that the customers must be satisfied with their purchases or their money returned without question.

The substantial purchases of merchandise by your customers prove that these policies are appreciated.

**Pulp Mill** The Company's pulp mill has been in steady operation throughout the year, providing employment for a number of men, a ready market for the pulp wood of the settler, and a consistent power load.

**Taxation** Taxation continues to bulk largely in the cost of carrying on our business, approximately 10% of our gross receipts being absorbed by the contributions of your Company to the Dominion, Provincial and Municipal exchequers. We call attention to this fact in order that our shareholders may realize the importance of this ever-increasing factor in the conduct of our business and the handicap which is placed on this business, which is discriminated against by unfair taxation. We know it is the desire of all

connected with the Company—our customers, shareholders and employees—to cheerfully pay their share of the cost of administering our country, but we also believe we are justified in asking that all public utilities be taxed fairly and without discrimination, regardless of location or ownership.

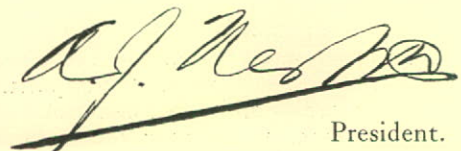
**Rates** The attention of our shareholders is directed to the very low rates which your Company receives for the service supplied, which service is without doubt an important factor in assisting in the upbuilding, growth and prosperity of the great mining industry which your Company serves. It is to be noted that the gross electric revenue is less than 85/100ths of a cent per kilowatt hour, which after taxation is reduced to about  $\frac{3}{4}$ s of a cent per kilowatt hour. This figure is as low as that received by any similar undertaking on the Continent, and it should be a source of pride to all our shareholders to know that your Company is thus doing its part toward the development of the territory served.

As examples of the efforts of your Company to satisfy its customers in respect to rates, during the year a new optional residential rate was inaugurated, which is proving to be very popular with our residential customers, permitting as it does a greatly increased use of the service at a most reasonable rate; and we are pleased to report the adjustment of our contracts with the Kirkland Lake Mines to the complete satisfaction of all concerned.

**Plants and Properties** The plants and properties of your Company have been maintained in excellent condition and at a high standard of efficiency throughout the year.

**Employees** It is a pleasure to call your attention to the excellent and enthusiastic efforts of all the employees of your Company, a large percentage of whom are stockholders, and to their loyal and zealous efforts to promote and safeguard the interests of both the customers and the shareholders of the Company.

Respectfully submitted on behalf of the Board.

  
President.

# CANADA NORTHERN POWER CORPORATION AND SUBSIDIARIES

*Consolidated Statement of Assets and Liabilities*  
*Year Ending December 31, 1930*

## ASSETS

	1930	1929
Plant Investment . . . . .	\$33,687,921.05	\$31,964,723.15
Cash on Hand and in Bank . . . . .	36,495.27	45,869.14
Accounts Receivable . . . . .	362,430.48	450,444.29
Materials and Supplies . . . . .	243,915.06	246,563.25
Mortgages Receivable . . . . .	5,100.00	8,200.00
Deferred Charges . . . . .	107,835.47	78,103.93

	\$34,443,697.33	\$32,793,903.76
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### *Auditors' Report*

We have audited the books of account of the Canada Northern Power Corporation, Limited, and its Subsidiary Companies, for the year ending 31st December, 1930, and we certify that in our opinion, the attached Consolidated Statement of Assets and Liabilities and relative Revenue and Profit and Loss Accounts as at 31st December, 1930, show the position of the combined Companies as at that date, according to the best of our information, the explanations given to us and as shown by the books of account examined by us.

We have received all the information and explanations we have required.

MONTREAL, 27th FEBRUARY, 1931.

P. S. ROSS & SONS,  
Chartered Accountants.

# ER CORPORATION, LIMITED

SUBSIDIARIES

## Annual Statement

December 31st, 1930

### LIABILITIES TO THE PUBLIC:

	1930	1929
Funded Debt . . . . .	\$17,000,000.00	\$15,000,000.00
Notes Payable . . . . .	27,164.78	787,308.50
Accounts Payable and Accrued Liabilities . . . . .	438,945.14	405,307.67
Dividends of Subsidiaries payable January 1931 . . . . .	25,624.75	25,969.00
Preferred Dividend payable 15th January 1931 . . . . .	96,250.00	96,250.00
Common Dividend payable 25th January 1931 . . . . .	56,250.00	56,250.00
Customers' Deposits with Interest Accrued . . . . .	103,650.63	114,362.91
Bond Interest Accrued . . . . .	141,666.68	125,000.00
	<u>\$17,889,551.98</u>	<u>\$16,610,448.08</u>

### TO THE PUBLIC SHAREHOLDERS OF SUBSIDIARIES:

Capital Stock—		
Preferred . . . . .	\$1,515,100.00	\$1,530,900.00
Common . . . . .	267,913.13	319,287.74
Minority Interest in Surplus . . . . .	19,972.79	25,092.02

### TO THE SHAREHOLDERS—CANADA NORTHERN POWER CORPORATION, LIMITED:

Capital Stock—		
Preferred (7% Cum. \$100 each) Callable at 110 and accrued dividend after 60 days' notice.		
Authorized . . . . . — 75,000 shares.		
Issued and Outstanding— 55,000 shares. . . . .	\$5,500,000.00	\$5,500,000.00
Common (No Par Value).		
Authorized . . . . . —500,000 shares.		
Issued and Outstanding—375,000 shares. . . . .	1,848,796.00	1,848,796.00
Reserves:		
Depreciation . . . . .	5,888,286.91	5,339,378.06
Miscellaneous . . . . .	120,178.60	174,866.04
Paid in by Subscribers to Capital Stock . . . . .	33,539.59	91,459.00
Profit and Loss . . . . .	1,360,358.33	1,353,676.82
	<u>\$34,443,697.33</u>	<u>\$32,793,903.76</u>

Approved on behalf of the Board:

A. J. NESBITT }  
JAS. B. WOODYATT } Directors

# Canada Northern Power Corporation, Limited and Subsidiaries

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## *Revenue Account*

For Year Ending December 31st, 1930.

Gross Earnings .....		\$3,181,504.15
Expenses .....	\$1,021,026.88	
Interest .....	810,768.72	
Bad Debts .....	7,940.35	
Balance .....	1,341,768.20	
	\$3,181,504.15	\$3,181,504.15

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## *Profit and Loss Account*

Balance at Credit, 31st December 1929 .....		\$1,353,676.82
DEDUCT—Prior Year Adjustment .....		27,541.67
		\$1,326,135.15
ADD—Minority Interest Adjustment in previous Surplus ..		5,764.95
		\$1,331,900.10
Earnings for the year ending 31st December 1930 .....		1,341,768.20
Dividends on Preferred Stock of Subsidiaries .....	\$ 90,750.00	
Dividends on Common Stock of Subsidiaries .....	11,914.25	
Dividends on Preferred Stock .....	385,000.00	
Dividends on Common Stock .....	225,000.00	
Minority Interest of Subsidiaries in Annual Surplus .....	645.72	
Depreciation .....	600,000.00	
Balance at 31st December 1930 .....	1,360,358.33	
	\$2,673,668.30	\$2,673,668.30

Audited and Certified, in accordance with our attached Certificate.

Montreal, 27th February, 1931.

P. S. ROSS & SONS,  
Chartered Accountants.



# Canada Northern Power Corporation, Limited

## Consolidated Operating Statement

For Years Ending December 31st.

	1926	1927	1928	1929	1930
Electric Revenue . . . . .	\$2,213,484	\$2,552,222	\$2,894,420	\$2,959,663	\$2,984,347
*Miscellaneous Revenue . . . . .	348,701	260,292	194,109	156,934	197,157
Gross Earnings . . . . .	\$2,562,185	\$2,812,514	\$3,088,529	\$3,116,597	\$3,181,504
Operation . . . . .	518,797	453,974	474,044	522,965	584,043
Maint. (incl. in Oper. 1926) . . . . .		139,749	134,171	118,861	132,709
Taxes . . . . .	227,641	257,090	281,576	296,351	304,275
	\$ 746,439	\$ 850,813	\$ 889,791	\$ 938,177	\$1,021,027
Net Earnings . . . . .	1,815,746	1,961,701	2,198,737	2,178,420	2,160,477
Bad Debts . . . . .	105	2,174	1,485	12,143	7,940
Interest . . . . .	823,355	898,337	787,034	820,018	810,769
	\$ 823,461	\$ 900,511	\$ 788,519	\$ 832,161	\$ 818,709
Surplus for Year . . . . .	992,284	1,061,190	1,410,217	1,346,259	1,341,768
Surplus brought forward . . . . .	A 655,780	B 705,660	B 817,614	B 1,200,719	B 1,331,900
	\$1,648,065	\$1,766,850	\$2,227,832	\$2,546,978	\$2,673,668
Preferred Dividends Paid . . . . .	449,309	465,512	456,827	468,577	475,750
Common Dividends Paid . . . . .	79,238	34,494	21,774	124,610	236,914
Minority Interest in Surplus . . . . .	104	850	3	115	646
Trans. to Depreciation Res. . . . .	425,000	476,000	558,767	600,000	600,000
	\$ 953,651	\$ 976,856	\$1,037,372	\$1,193,302	\$1,313,310
Surplus Carried Forward . . . . .	694,413	789,994	1,190,460	1,353,676	1,360,358
Customers Connected . . . . .	7,510	8,742	9,524	9,980	10,377
Shareholders . . . . .	1,691	2,054	2,229	2,870	3,346
Kilowatt Hours Output . . . . .	220,043,590	303,415,945	343,930,010	347,827,680	367,130,780

A—Includes Surplus of Additional Companies acquired during the year 1926.

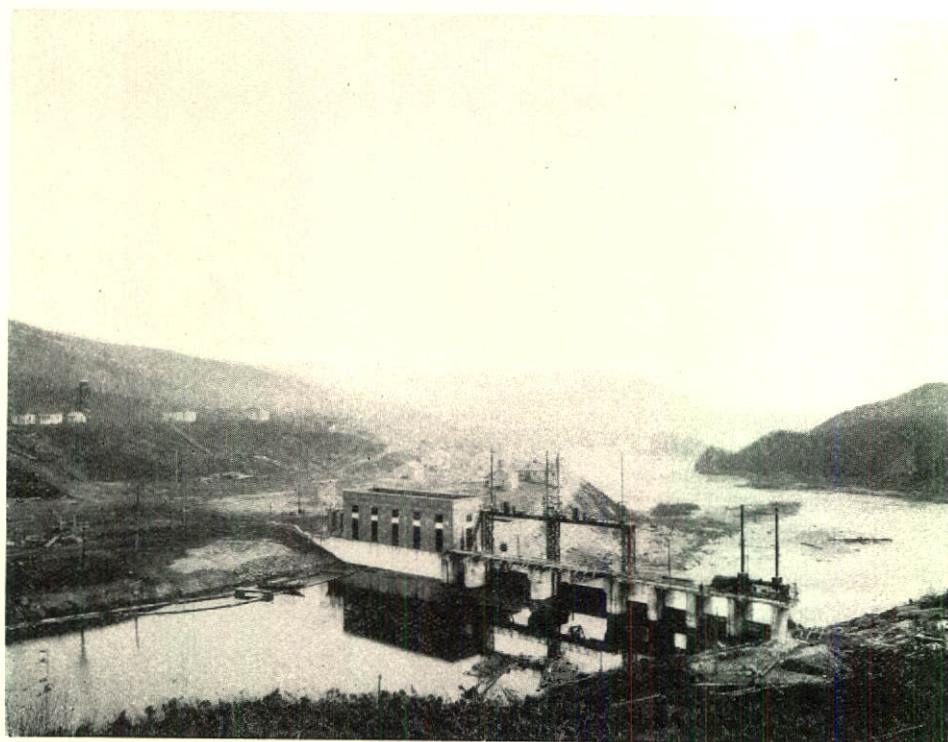
B—Adjusted.

\*—Miscellaneous Revenue includes compressed air and telephone gross earnings, pulp and merchandise net profits and earnings from investments, etc. (Telephone Department sold February 28, 1928).

New Power Development at the Upper Notch, Montreal River,  
Northern Ontario



*View  
from  
below  
the  
dam*



*View  
from  
above  
the  
dam*



