

11. What has the company done up to the present time?—Up to the present the company has carried on the development of its hydraulic works, which necessarily had to be of considerable magnitude.

12. For what purpose?—For the purpose of conveying the water from the intake to the power-house site. The distance is about a mile and a half, carried through difficult country, part of it being tunnelling. The race is constructed of flume-work made on the site almost entirely of red birch, for which the company holds a timber license, and I think altogether something like £12,000 has been expended in that work.

13. Do these photographs illustrate the work that has been done?—Yes. [Photographs put in.] Taking them seriatim, we have the intake and dam site before the crib dam was constructed, then we have the crib dam after construction. It certainly shows a larger volume of water going over than usual, as the photograph was taken after a rainy day. The next photograph shows part of the flume. I was present when the photographs were taken. This photograph shows one mile of the flume at a glance. This is the flume at the intake, and here we have one of the spillways. [Photographs pointed out.] They are chiefly photographs showing the flume. As bearing upon that I just wish to show one indication which seems to me to be explanatory of the whole thing. Here is where our race debouches. [Place pointed out.]

14. Twelve thousand pounds, however, has been spent in that work?—Yes.

15. What additional sum has been spent by the company in connection with the operations?—I could not say exactly as to that.

16. If you can give us a rough estimate we will get the details later?—I have not got the details. I know there have been several other sums spent.

17. I believe about £4,000 more?—Yes, I believe there has been about that. I confine the £12,000 to flume-work.

18. What is your scheme?—The scheme is generally to generate electricity at the power-house and to transmit that electricity to different points within the area to be supplied.

19. The scheme as set out in the preamble of the Bill truly states the purpose and nature of this work?—Yes.

20. You verify the preamble as it stands?—Yes.

21. Can you say what sum the completed scheme will cost the company?—The estimates show about £103,000 for the completion of the scheme to generate 6,000-horse power—that is, 6,000-horse power landed at the end of the transmission-way, not at the power-house.

22. Three installations, I think, are required?—The installations are to be made in three sections of 2,000-horse power each.

23. And the cost will be what?—One hundred and six thousand pounds. Our first installation, we expect, will land us into about £56,000, because that embraces the hydraulic works and the transmission-line.

24. In addition to the £12,000 you have spent, the company has entered into several contracts?—Yes, I can speak definitely on that, because I drew the contracts.

25. How much have you committed yourselves to in contracts?—The position is this: This water will be transmitted and brought down the fall 680 ft. perpendicularly—that is, from the end of the flume to the power-house by a series of water-pipes.

26. And the pipes?—£2,200, served on Pelton wheels.

27. What is the cost of the Pelton wheels?—£4,256 for the Pelton wheels for the first installation.

28. The next cost?—These Pelton wheels will have connected with them generators, and the cost of these—to which we have made ourselves liable, as we have to the others—will be £7,000.

29. Are there any others?—These are as many as we have committed ourselves to yet.

30. In addition to what you have told the Committee, you have bound yourselves to spend £14,000 more?—Yes.

31. These are contracts to which you have bound yourselves in addition to the £12,000 mentioned?—Yes.

32. Do I take it that all the work you have done was proceeded with on the assumption that you would supply the City of Dunedin?—Yes, that is so.

33. How many local authorities mentioned in the preamble have consented to this Bill?—All except Dunedin City. I think there are nineteen.

34. *The Chairman.*] You are not including Lawrence?—No. I believe, as a matter of fact, there are three other boroughs that want to come in, but in that there was a slight oversight. Outram, Balclutha, and Kaitangata wish to come in.

35. *Dr. Findlay.*] Can you say what will be the effect upon the company and its undertaking if this Bill is not passed?—The effect must necessarily be, first of all, that the company will not get the capital necessary to finish the work; secondly, that they will not be able to go on. As a matter of fact, they cannot go on without a Bill—Parliamentary sanction has to be obtained first of all.

36. *The Chairman.*] Do you mean the Bill in its present form?—An authorising Bill. And if the Bill were mutilated by the City of Dunedin being left out, commercial men or financiers would say, "We cannot give our capital for this work—you have cut away your main outlet of supply."

37. *Dr. Findlay.*] And then you would take a little less than £1 for your shares?—Yes; I should feel it very much, because I am a large shareholder.

38. You told us, I think, about the horse-power?—Yes, we will land 6,000. That is not at the power-house.

39. You will land 6,000-horse power at your destination?—Yes.

40. Do you know whether there is likely to be a demand for all the power you will be able to give to Dunedin?—I understand that the company has offers, or that willingness has been expressed in Dunedin to take power to the extent of about 2,000-horse power now, and I have also received intimation of further horse-power being needed. That will not absorb in the first instance the whole of the 6,000; but it would be a sorry thing if we created a demand and had only a thousand-horse power left. But if we created this demand—and the history of similar