

Because of the absence of free market determination of prices and regulation of services in an industry that is semi-monopolistic, regulation of electrical utilities has been attempted in most provinces. The governing bodies, their general regulations and their activities are discussed by provinces.

Nova Scotia.—In 1909 legislation was first enacted in Nova Scotia relating to the use of water power in "An Act for the Further Assisting of the Gold Mining Industry". This was the most advanced legislation until the development of water power within the Province of Nova Scotia was carried out under the legislation of 1914 and investigations were carried on in co-operation with the Dominion Government until 1919, when the Nova Scotia Power Commission was created under the Power Commission Act. The Commission consists of three members, two of whom may be members of the Executive Council and one of whom *must* be. Although the Commission has its own Department of Investigation, certain investigatory work is still carried on in Nova Scotia by the Dominion Government through the Dominion Water and Power Bureau with which the Nova Scotia Power Commission is closely associated. The control of the water resources of the Province is vested in the Crown and administered under the provisions of the Nova Scotia Water Act of 1919. The Commission pays the regular fees for water rights.

The function of the Commission is primarily the generation of electric power and energy by the most economical means available. Its services are provided on a cost basis. The Rural Electrification Act of 1937 greatly increased the possibilities for retail service and full advantage is being taken of this legislation by residents in various parts of the Province though it is not the policy to compete in the retail field but rather to serve those districts that it is not practicable to serve by other means. It provides for financial assistance under certain conditions, provided there are such numbers of potential customers as will, when connected, provide sufficient revenue to cover the annual costs of the extensions. In 1941 the Power Commission Act was amended to authorize the Commission to regulate and control the generation, transformation, transmission, distribution, supply and use of power in the Province.

Financially, the Commission is self-supporting, repaying its own borrowings, (an item of cost) from revenue. The Commission in the past has borrowed from the Provincial Government for capital investment but is empowered to issue bonds and debentures guaranteed by the Lieutenant-Governor in Council and commenced that policy late in 1938 with an initial issue of \$1,000,000 in serial debentures.

The balance sheet at Nov. 30, 1941, showed: fixed assets \$17,070,362; work in progress, \$184,730; current assets, \$173,746; contingency and renewal reserves, \$1,315,901; sinking fund reserves, \$2,519,083. The total reserves accumulated amounted to \$3,946,231.

The initial development of the Commission was an 800 h.p. installation on the Mushamush River, which went into operation in 1921 and delivered 192,000 kwh. in the first complete year of operation. This and later developments are shown in the following statement.