

and deliver electric power, and to perform certain regulatory functions with respect to the municipal electrical utilities that it serves. The enterprise represented by the Commission is generally known as the Ontario Hydro.

Initially, the undertaking proposed to purchase a block of 100,000 h.p. from the Ontario Power Company Limited at Niagara Falls and to distribute this to 13 municipalities which had signed the original contracts with the Commission to take power at cost. Construction of a transmission system to distribute power to the member municipalities was begun in 1909 and, by the end of the following year, power was being supplied to several of them. The Commission also built a short transmission line and a substation to serve Port Arthur with power purchased from the Kaministiquia Power Company. These two pioneer systems eventually grew into the Southern Ontario and the Thunder Bay Co-operative Systems.

The Southern Ontario System developed through a series of consolidations of various smaller systems. The establishment of the original Niagara System was followed in 1911 by the formation of the Severn System and subsequently of other systems to serve groups of municipalities in various sections of the Province. In 1924, the Severn and two other systems were consolidated to form the Georgian Bay System and in 1929 and 1930 a consolidation of four systems created the Eastern Ontario System. In 1944, the Southern Ontario System came into being through the consolidation of the Niagara, Georgian Bay, and Eastern Ontario Systems.

The Commission continued to operate the Thunder Bay System in the northern part of the province and, in addition, it undertook during the 1930's to operate, in trust for the provincial government, a group of unconnected systems serving mainly mining and pulp and paper industries, and known as the Northern Ontario Properties. In 1945, its services in northern Ontario were further extended by the purchase of the power system of the Northern Ontario Power Company Limited. On Jan. 1, 1952, the Northern Ontario Properties and the Thunder Bay System were merged for financial and administrative purposes and the consolidation continues to be known as the Northern Ontario Properties.

In the Southern Ontario System, and in the Northern Ontario Properties as at present constituted, the Commission's customers include municipal electrical utilities, certain large industrial users, and retail customers in the Rural Power District of the Province and in a small group of municipalities known as local systems.

The Southern Ontario System serves the older and more populous part of Ontario lying south of a line drawn from Mattawa on the upper Ottawa River approximately west to Georgian Bay. Primarily, it serves a group of 314 municipalities receiving power at cost under contracts established according to the provisions of the Power Commission Act. It is, therefore, referred to as a co-operative system.

The Northern Ontario Properties is not a co-operative system in the same sense, though it continues to serve, at cost, the municipalities that were formerly members of the Thunder Bay Co-operative System. It also continues to operate, in trust for the Province, a large part of the facilities serving the industrial and mining areas of northern Ontario. The Northern Ontario Properties comprises two divisions, the Northeastern and the Northwestern Divisions, which in themselves are integrated operational and administrative units. The two Divisions together serve the territory extending in the northern part of the Province from the Quebec boundary to the boundary of Manitoba. There is no power connection between the Divisions, but since 1950 the Northeastern Division has been interconnected with the Southern Ontario System.