Ontario.—The Hydro-Electric Power Commission of Ontario was created in 1906 by an enactment of the Ontario Legislature. In its creation consideration was given to the recommendations of advisory commissions previously appointed in response to public demand that the water powers of Ontario should be conserved and developed for the benefit of all the people of the province. The Commission operates under the authority of the Power Commission Act (7 Edw. VII, c. 19) passed in 1907 as an amplification of the Act of 1906 and subsequently modified by numerous amending Acts (R.S.O. 1950, c. 281).

Prior to the 1955 session of the Legislature, the Power Commission Act stipulated that the Commission shall consist of three members appointed by the Lieutenant-Governor in Council, that one commissioner must be and that two may be members of the Executive Council of the Province of Ontario. At the 1955 session however the Act was amended to provide for an increase in the membership of the Commission to six persons. The Lieutenant-Governor in Council may name one of the members of the Commission as Chairman.

The Commission is a corporate entity, a self sustaining public concern endowed under the Power Commission Act with broad powers to produce, buy, and deliver electric power throughout the Province and to exercise certain regulatory functions with respect to the large group of municipal electrical utilities which it serves. The enterprise administered by the Commission is generally referred to as 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 1910, power was being supplied to several municipalities through what was known as the Niagara System. In northwestern Ontario the Thunder Bay System was inaugurated when the Commission built a short transmission line and a substation to serve Port Arthur with power purchased from the Kaministiquia Power Company.

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.

For the financial and administrative purposes of the Commission, the Province is divided into two parts: that lying south of a line drawn approximately west from Mattawa on the upper Ottawa River to Georgian Bay is served by the Southern Ontario System; the part lying to the north is served by the Northern Ontario Properties. The total area is in turn subdivided into nine regions, seven in the south and two in the north, with regional offices located strategically in nine major municipalities. The Southern Ontario System is a fully integrated co-operative power system. Primarily it serves a group of 318 municipalities receiving power at cost under contracts established according to the provisions of the Power Commission Act. In the Northern Ontario Properties, each of the two regions which at present correspond with the Northeastern and Northwestern Divisions is an integrated power system as the result of the gradual consolidation of several formerly isolated systems. There is no interconnection between the Northeastern and