populous township areas. In addition to administering the enterprise over which it has direct control, the Commission, under the Power Commission Act and the Public Utilities Act, exercises certain regulatory functions, particularly with respect to the group of municipal electric utilities it serves.

Expansion of Ontario Hydro's capacity in 1974 was limited to installation of the fourth 500-MW unit at Nanticoke. Peak demand in December was 13,538 MW, a reduction of 0.5% from the previous year — a decline attributable to an unusually mild December coupled with slower economic activity. Total electric energy made available in the province was 5.8% higher in 1974 and 40% of this increase was met by higher net imports from other provinces.

A fire in the No. 2 unit at the Nanticoke thermal generation station resulted in all four 500-MW units being taken out of service. An additional loss of system generating capacity was caused by the shutdown of one 540-MW unit at the Pickering Nuclear Station. As a result, Ontario Hydro's dependable peak capacity was reduced to 15,578 MW, 10% below the 1973 total. Interconnections with neighbouring systems provided reserves to maintain security of supplies to Ontario customers.

Further additions to Ontario Hydro's capacity include installation of Units 5 to 8 at Nanticoke which should be completed on schedule by 1977; four 800-MW nuclear units at the Bruce generating station near Kincardine; two 39-MW hydro-electric units at Arnprior; four 574-MW oil-fired units at the Lennox station; four additional 500-MW nuclear units at the Pickering generating station; and four 500-MW oil-fired units at the Wesleyville station near Port Hope. Great Lakes Power Company plans to add a 25-MW hydro unit to its Andrew Falls station in 1975 and is studying three additional hydro sites.

During 1974 the Ontario government approved the route of a new 500-kV transmission corridor between the Nanticoke and Pickering generating stations together with a 500-kV line from the Bruce generating station to a new transformer station at Milton, where the two lines will connect.

Canada imports coal from the US to produce about 25% of the electricity in Ontario and to serve the needs of the steel industry there. In 1974-75 the cost of this coal has more than doubled and difficulties have arisen in getting full deliveries or in making contracts for future requirements. Canadian stockpiles have been adequate to meet the situation but have been severely depleted partly because of strikes in the transportation and US mining industries. Alternative Canadian sources of both thermal and metallurgical coal to supplement US supplies may be available after some years but in the immediate future Ontario must remain dependent on US supplies. There is increasing and urgent interest in securing future supplies of both metallurgical and thermal coal from western Canada. Meeting these requirements will require an expansion in production and, particularly, in transportation facilities. The present transport system could probably handle up to 1 million tons a year by rail to the Lakehead and by ship to the plants. Construction of a 12 million-ton-capacity coal terminal is now projected for Thunder Bay. Rail facilities from BC and Alberta will need upgrading to move coal by unit trains to Thunder Bay, and either the railways or the Ontario purchasers of coal will have to acquire trainsets of locomotives and hopper cars. Over the longer term, transportation of most of the coal by pipeline in the form of a slurry is a possibility.

Manitoba. Manitoba Hydro is the primary agency responsible for the generation and distribution of electric power in the province. The corporation was formed April 1, 1961, merging the Manitoba Power Commission, the provincial distributing agency created in 1919 to serve rural Manitoba, and the Manitoba Hydro-Electric Board, the power generating and development authority established in 1951.

With immense hydro-electric capabilities on the Winnipeg, Churchill, Nelson and Saskatchewan rivers, Manitoba has more water power resources than the other Prairie provinces. Until recently, hydro-electric generating stations on the Winnipeg River supplied most of the power requirements of southern Manitoba. Manitoba Hydro's high-voltage, long-distance transmission lines, however, will carry ever-increasing amounts of power south from hydro-electric stations on northern rivers to help meet the province's constantly growing power demands.

Manitoba Hydro supplies over 250,000 consumers in 700 communities throughout rural Manitoba and suburban Winnipeg and operates nine hydro-electric stations, two thermal-