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GAS GRABS IN NEW YORK AND PHILADELPHIA

our judgment there is nothing, so far as the past is concerned, requiring leg-islative action. As to the future, the price to be paid for gaslights may properly be left to the action of the

GREAT SPORT FOR THE GAS TRUST.

a said to have feathered several nes

is said to have feathered several nears for legislators, who defeated the bill to give 50-cent gas to New York. Philadelphia had the next wonder, which ranks higher than the seventh of the political world. The council of the boxs-ridden Quaker city has agreed to convey to the Philadelphia gas trust or the box of the philadelphia gas trust for \$25,000,000 rights and interests con-servatively valued at from \$100,000,000 to \$150,000,000. All of this came to servatively valued at from \$100,000.000 to \$150,000,000. All of this came to pass through the influence of gas, which is said to deaden the councilman's sense of values. In other words, the vener-able city fathers went to sleep without

the legal cognomen of Consolidated that to subpoen a witnesses and to take tes-company, there was a legislative in-guiry, which covered much of the 80 timony; to supervise issues and in-days of the state's legislative session, creases of securities, investments in the days of the state's legislative session, creases of securities, investments in the stocks or bonds of the companies and Senator Stevens headed this inquiry. It proceeded in New York, calling before transfers of franchises."

"With regard to electric current for "With regard to electric current for arc samps, however, we are of the opinion that the price per imp of the inclored arc imps for street lighting of 2,000 candle-power, consuming at the arc 450 watts of electric current, should not exceed \$100 per immp per year; and that the price of twin lamps—that is, two lamps suspended from a single post and consuming each 250 watts at the arc—should not exceed \$65 each per lamp per year.

city's officers.

lamp per year. "We are also of the opinion that the "We are also of the opinion that the city should be given authority to utilize water-power now owned or hereafter acquired by it for the purpose of gan-erating electric current for the use of the municipality, provided that no ad-ditional water shall be used for said purposes than would otherwise be re-quired by the city. We are advised that there will be no difficulty in utilizing the water-power of the city for the purpose of generating electric current purpose of generating electric current for its use without increasing the total consumption of water by the city. "Taking into consideration the original cost of its properties, we have no reason to believe that the company has underestimated their value, and our

conclusion, based upon the sworn state-ments of the officers of the company, is that the fair value of ija gas-making plant, including whatever franchises it may own, does not exceed the sum of sta one and " \$30,000,000. The significance of this estimate on

the value of the gas company's tangible assets is appreciated when considered with the fact that the company is in-corporated for \$100,000,000, and that last year it is credited with earning 17 per cent on this capitalization, of which earning \$ per cent was paid in divi-dends and the remainder held as depreciation charges.

Expert Revealed Fraud. While the legislative committee was prosecuting its inquiry, Professor Hal-lick of the Columbia university was secured to make tests of the purity of the of the communication was preserved to make tests of the purity of the gas, its pressure and other condi-tions as the same was furnished to the university. He testified that the com-pany was using an inferior quality of gas, and bringing the illumination up to the standard of 23 candle-power by in-creasing the pressure. The effect of this practice would be to increase the bill of the consumer 50 to 150 per cent while obtaining the same amount of light. His examination before the com-mittee is an interesting chapter on gas standards and requirements: Q. Cán an inferior quality of gas supply a customer with the required amount of light? A. It can, if the flow of gas be permitted to increase. Q. And can that extra amount be obtained by increased pressure? A. Yes, it can

Q. Did you observe that when an inferior quality is sent through the mains there was an increase of pres-sure? A. That fact was apparent.

All everywhere. In the New was the home of Quay and is now ruled bers of which should be appointed by a new and mighticr boss, Israel W by the state, Israel W by a new and mighticr boss, Israel W by a new and mighticr boss, Israel W by the state, Israel W by a new and mighticr boss, Israel W by a new for the part of the gas or effect and markers or pipes and corporations having authority to the consumer more more gas an example for anything except periods of furnishing gas or effect. M by a new York, which foats under the legal cognomen of Consolidated Gas on power to the witness and the methods employed in manufacture and distribution; for the quality be noor the antipower; if the fraction in polyce in manufacture and distribution; for the quality be noor the antipower; if the fraction is polyce in the consolidated Gas on power is more than antegas and pays more the antipower; if the fraction is polyce in manufacture and distribution; for the quality be noor

Contained by increased pressure with the would have obtained in the construction that he would have obtained in the construction of the construction of the construction of the construction of the profile construction construction construction of the profile construction construc

Under the old agreement of 1897, taking

Under the old agreement of 1897, taking into account the cash revenues due dur-ing the remaining 23 years, the inevitable increase in the number of consumers and the gas consumed and the improved and extended condition of the plant at the termination of the 30 years' leamehold, authorities estimate that the true value of the old lease to the city for the re-maining 23 years it should yet run is from \$150,000,000 to \$175,000,000.

of 75 years.



IT'S MERELY A MATTER OF PRESSURE.

of values. In other words, the vener-able city fathers went to sleep without turning the gas off, and the fate of their progeny when they awoke was en-tangled in a 70-year contract with a gas combine. The people's protest against this iniquity, however, has not et been silenced.

Tammany hall is said to have smelt gas. Three of the wigwam's proud sen-stors who were sent to Albany have not had the courage to return to their homes since the legislature adjourned May 5. It is feared that they are wholly asphyxiated, while their friends freely forecast a worse fate should they face an incensed constituency.

a tremendous impetus by revelations in both New York and Philadelphia. New 'That the price of electric current York's legislative committee, headed by Sewator Stevens, found that the cost of manufacturing gas in New York City. In and in that part of the borough of and delivering it to the receiver was from 30 to 35 cents a thousand cubic fect. Distribution was estimated at 12 to 20 cents. Fifty cents was placed as to 20 cents. Fifty cents was pinced as a safe maximum for all the cost of man-ufacture, distribution, administration, etc. This same product was being sold to the consumer at \$1 per 1.000 cubic feet, representing a profit, so the inves-tigators say, of nearly 100 per cent. But the man who sees in public own-ership the panacea for ills, is confronted with the Philadelphia instance, and

asked to explain. Philadelphia con-cluded to lease its plant in 1857, and now the council, before the lease exnow the council, before the lease ex-pires, is tying the city up in a lease of owned, or hereafter acquired by it, for nearly 103 years' duration, receiving in return what the city urgently needs im-return what the city urgently needs im-rent for the use of the municipality, mediately—cash. Philadelphia is said provided that no additional water shall ent a poor prospect of the mu-be used for said purpose than would otherwise be required by the city. "That provision should be made for following as final. That city the creation of a commission, the mempresent a poor prospect of the municipal ownership

That the price cof gas sold in the boroughs of Manhattan and Brooklyn and in that of the borough of Bronx west of the Bronx river should be fixed cents per 1,000 at a maximum of 75 cents per 1,000 cubic feet. "That the pressure of gas in any of

"That the pressure of gas in and the street mains should not be permit-ted to exceed 23 inches or to be less and the borough of Brooklyn and a large part of the borough of the Bronx.

illuminating power of gas be fixed. "That a proper system of inspection be provided to secure the enforcement of the law with reference to pressure, purity, illuminating power and accurate

Bronx west of the Bronx river, should be fixed at a maximum of 10 cents per kilowatt hour of current actually conbe fixed at a provision should be sumed, and that provision should be made for inspection to secure accurate metering. The st present no official inspection in any borough of the city except Man-hattan, and that the inspection in the last-named borough is too infrequent

That the price of arc lamps for street lighting in the city of New York should be fixed at \$100 per lamp per year for single arc lamps or 2,000 candle power, consuming 450 datts at the arc, and that the price of twin arc lamps, consuming 250 watts each at the arc, should be

fixed at \$65 cach per year. "That the city of New York be given authority to utilize water power, now owned or hereafter acquired by it, for

cents per 1,000 cubic feet, distribution 12.2 cents and general expenses 8.5 cents, making a total cost of 57.7 cents,

cents per 1,000 cubic feet will be fair to the consumer and will afford to the companies a reasonable return upon entired that as 100 and figuring

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of gas poorer than the standard re-quired by law may be made to furnish a required degree of illumination, thus entailing an increased consumption at an increased cost to the consumer.

to be adequate. "We are also satisfied that electric current can be furnished for light, heat and power purposes at a maximum price of 10 cents per kilowatt hour for

the current actually consumed, and that this rate will permit a proper return to the companies, over and above all ele-ments of cost, upon their actual invest-ments in the business. We also think

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my percentages accordingly."

Selling Impure Air.

"Now," exclaimed Mr. Hughes, large part of the borough of the Bronx. In our opinion it would not be just to make such a rate applicable to the more sparsely settled sections of the city of New York, in which, owing to local conditions, the cost of manufacture and distribution is necessarily higher. "The investigation has shown clearly that by increasing the pressure a quality of gas of 22 candie power is charged at \$1 per 1.000 cubic feet, what would be the cost to the consumer of various inferior grades, sufficient to produce the same illumination?" "Seventy-five per cent quality, or 16.5 candle power," replied Professor Hal-lock, "would cost, in such a case, \$3 in lock, "would cost, in such a case, \$3 in

the ordinary open flame burner and \$1.30 in the Weisbach burner, to produce the same amount of illumination as 1,000 cubic feet of 22 candle power

"Let us have this clear,' said Mr. Hughes. "If a man paid \$1 per 1,000 for 12 candle power gas and was fur-nished only 16.5 candle power, but the

amount of light?" "Yes, approximately that sum." "If this quality supplied was 19 can-dle power, what would he have to pay?" "He would have to pay somewhere between \$1.75 and \$2 per 1,000 cubic feet because so much more gas of in-ferior quality is required to produce the more more of Unstruction. I do the companies, over and above all ele-ments of cost, upon their actual invest-ments in the business. We also think that there should be an adequate sys-tem of inspection, particularly of me-ters, so as to assure a charge only for the actual current furnished. "The would have to pay somewhere the same amount of illumination. I do the satual current furnished. "The amount of gas at 19 gandle for lights furnished in the years 1903 and 1904 is now before the courts. In

the news was sent down. Boss Murphy of Tammany hall, was said to favor 75 cent gas and 10 cent electricity, even though his men had a minority position on the Stevens investigating committee, but they were re-ported to be against a state commission. Despite this announced standing of Murphy, it was noted that just enough Tammany legislators voted to defeat the bill, which in its final form had been amended to make 89 cent gas. Public rumor had it that Murphy was displeased with this action of his men, and that he would read them out of

more than a program to keep up appearances.

Philadelphia's Bonds.

In Philadelphia the situation was set lature, and the question was of a differ-ent order. In this, Philadelphia seeks

to sell its rights in the public service, the council has tied the city by a long-time contract, and the agreement prevents any material reduction of the price of gas for a generation or more. additional amount of gas required to make up the 22 candle power was forced through the pipes by increased pressure. Would he have to pay \$3 to get his full amount of light?" "Yes, approximately that sum." "If this quality supplied was 19 can-dle power, what would he have to pay?" or less degree about the Philadelphia gas works. In the early eightles, when the plant was administered by a close municipal corporation known as the gas trust and endowed with extraordi-nary powers, the members of that body became the most powerful political fac-tors in the Quaker City. The names of McMaries and Leeds were names to conjure with in those days. Vast was

more than \$2,000,000, or \$4,000,000 in excess of the sum for which the city councils are now preparing to surrender all right and title in the property during a period at the expiration of the full term of the lease in 1927. Terms of Old Lease.

It was, also agreed that the com-pany leasing the works should reduce the price of gas to the consumer at any time after the expiration of the first 10 year period to such a figure as the city might name, provided the percentage of the reduction should not be greater than the city's percentage of the revefrom the sale of gas. The com nues pany further bound itself to pay to the city in return for the lease the follow-ing proportions of its gross revenues from the sale of gas: "On gas sold prior to January 1, 1908, the organization, but the public was not disposed to credit this proceeding as

In exchange for all the city gives up, it receives for its treasury from the United Gas Improvement company the sum of \$25,000,000; the first \$1,000,000 to be all receipts in excess of 90 cents per 1,000 cubic feet, or 10 per cent at the

1,000 cubic feet. of 10 per cent at the "During the next five year period all "During the next five year period all in excess of 80 cents per 1,000 cubic feet. "During the next and concluding 10 "During the next and concluding 10

vears. year period all revenues in excess of 75 cents per 1,000 cubic feet." Under this plan it will be seen, pro-By way of justification of the

By way of justification of the bargain the only argument appears to be that the city needs the money and needs it im-mediately. It is urged that the treasury is almost empty, that the debt limit has been almost reached, and that money is urgently needed not only for public im-provements, such as new boulevards and parkways, the elimination of grade crossings and the improvement of paved highways, but also to meet prospective

highways, but also to meet prospective deficits in current expenses of various city departments. Again the old argument is revived that the people will not tolerate an increased rate of taxation and that the practical sale of the gas plant is the

only way to raise the necessary money

FAILURE TO TRAIN CHILDREN

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