File No. 1228.

CORRESPONDENCE.

ELECTRICAL COMMISSION OF BALTIMORE CITY, OFFICE OF CHIEF ENGINEER.

Baltimore, June 10th, 1904.

Hon. W. Cabell Bruce, City Solicitor.

Dear Sir:-

1582

I have a letter from Mr. Dryer, President of the United Electric Light & Power Company, in which he takes the position that the
lease entered into between the Electrical Commission and the United
Electric Light & Power Company does not contemplate that the rentals
shall be paid in advance. This same statement, of course, applies to
the United Railways & Electric Company and the B. & O. R. R. Company,
all of which companies have the same form of lease, and are represented
by practically the same attorney.

Section 3 of the loase provides that "the Lessee will prompt-

unto the Lessor semi-annually, accounting from the date of these presents, for the use of the duct space hereby leased or agreed to be, rentals as fixed by the following schedule, etc."

This expression, that they will pay accounting from the date of these presents, under ordinary circumstances might appear that rentals were to begin at the date of the lease, but when it is considered that these companies had been occupying conduits for a year or eighteen months prior to the date of the lease, the intention was that payments should be made at intervals, the first payment to begin with the date of the lease, the second payment six months thereafter, of course then these payments would be in advance. This is covered by reference to section 1, where it is provided:

"That the Lessee may from time to time hereafter make such other applications to the Lessor for duct space in said Municipal Conduit Works as the Lessee may deem expedient, and that such applications, when signed by the Lessee and granted by the Lessor and attached hereto shall, upon the payment in advance by the Lessee unto the lessor of the proper pro-rate rental for the additional duct space so applied for, for the unexpired period of the current term of six months, and the execution and delivery of the bond hereinafter provided for, become parts hereof."

Here, it will be noted, payment is made payable in advance specifically, consequently an advance payment made upon new work pulled in, and a deferred payment made on work already in, would conflict and require two separate methods of book-keeping. I might add here that