

File No. 5357.

CORRESPONDENCE.

BOND, ROBINSON & DUFFY,  
BALTIMORE.

Baltimore, September 27, 1906.

W. Cabell Bruce, Esq.,  
City Solicitor.

Dear Sir:-

38484

By Ordinance No. 76, approved May 11th 1904, the Mayor and City Council of Baltimore granted its approval to the exercise by the Maryland Telephone Company of its powers to conduct an electric light and power business in the City. Among the other conditions of that Ordinance is Sec. 5, which reads as follows:

"Section 5. BE IT FURTHER ORDAINED, That among the other terms and conditions to which the grant hereby made is to be subject is the condition that the grantee shall not consolidate with any other corporation engaged in the electric light, heat or power business in Baltimore City."

For a variety of reasons, chiefly relating to the greater ease in bookkeeping and financing therefrom resulting, a desire has been expressed to consolidate the Maryland Telephone and Telegraph Company of Baltimore City, the grantee under the above ordinance, with the Baltimore Electric Power Company.

I have expressed the opinion to the President and Directors of the Maryland Telephone and Telegraph Company that such a consolidation would neither conflict with the spirit or the letter of the above mentioned section of the ordinance. My opinion is based upon the following grounds:

The obvious intention of the above section was to reserve for the City the benefit of competition in business and, therefore, it seems to me that a consolidation which in no way affects or does away with business competition in electric lighting does not violate the spirit of the ordinance.

In the second place, the language used forbids the consolidation with any other company "engaged in the electric light, heat or power business in Baltimore City".

Now, the Baltimore Electric Power Company, as I shall explain, is not and cannot be engaged in the electric light, heat or power business in the City of Baltimore. It, therefore, seems to me clear that