

The enlargement and elevation of the Chesapeake and Canal, from the lowest dam and feeder to the entrance of the streets of Georgetown, has been prompted with due respect for the well known object of the express condition attached to the United States' subscription of a million of dollars, added to the desire on the part of this Board, sanctioned by the voice of the stockholders, of promoting the application of water power to domestic manufactures, at the very advantageous sites afforded immediately above, as well as near the termination of the canal.

It is well understood that this cannot be effected without some injury to the navigation of the canal for the whole or a part of that distance; and it should not be encountered without an equivalent benefit to the Company, and to the community.

Should the pretensions of certain individual claimants, holding lands on both sides of the Potomac, to the exclusive use, for manufacturing purposes, of the water of this river, the highway but recently of two sovereign States, be not sustained, the profit to be derived to the Company, from the proposed application of part of the water of the much enlarged canal, will amply repay the cost of its enlargement, while the public as well as the stockholders will be compensated for some delay in their ascent to this short portion of the canal, by the rapid growth of their common market. The Company cannot be a loser, tho' the construction, given by these claimants to the charter of the late Potomac Company, be confirmed, by the judicial interpretation, which they have sought, of its true import, and of its subsequent modification by the charter of this Company.

Still, it remains, in the judgment of the Board, a ques-

tion of lockage as the 48 feet canal: therefore, it will have an advantage of 21, or 18 per cent. over the latter as to towing power, and the same advantage over the 40 feet canal. In other words, 18 per cent. more weight would be transported, during the same time, and with the same towing power, on the 60 feet canal, than on the two others.

I have the honor to be,

Sir, very respectfully,

Your obedient servant,

BERNARD, Brig. Gen.

To the Hon. C. F. Mercer, M. C.

Washington City.