

Cumberland to Georgetown, for five years, dating from the end of six months after the completion of the Work. Although, the Canal was opened for navigation, as I have said, on the 10th of October 1850, it was not entirely finished, nor was the final payment made, until the 17th of February 1851; which last day is claimed by the Board, in their report of the 27th of the same month, as the period, from which the completion should properly date. If this be correct, then, the limit of six months expired on the 17th of August 1851. I have received an official communication from this Company, of the 26th December last, from which it appears that, between the 17th August and the 17th November 1851, (the first quarter, under the limit,) 28,211 tons of coal were transported, from Cumberland to Tide Water. The whole quantity transported to various points, from January 1st, to November 30th, 1851, amounted to 77,049 tons; which, with the estimate for December, would swell the aggregate, for the year just ended, to 82,049 tons. The whole tonnage of all articles transported, for various distances, ascending and descending, from January 1st to November 30th last, was 186,350 tons; to which add the estimate for December, and we have, in round numbers, a transportation of 200,000 tons for the year 1851. Of this amount, the "*equivalent tonnage*" (as it is claimed,) for the entire length of the Canal, is estimated at 121,000 tons; or, 74,000 tons less, than the annual average, required by the act of 1844. The amount of tolls collected, up to November 30th, was \$102,692.11, and the estimate, for last December, \$7,307.89; giving an aggregate, for the past year, of \$110,000. From this statement, you will be able to form a very imperfect calculation of the probable results of the ensuing four years, dating from the 17th of August next; at the expiration of which, the average annual transportation, for the five years, will have to be ascertained. I think that, no good cause exists, to doubt the entire fulfilment of the condition imposed by the act of 1844. On the contrary, I am assured that, the Company has reason to expect a coal transportation, alone, of three hundred thousand tons, during the current year; and that the boats, already upon the Canal, and built, are sufficient to transport that quantity.

There is another matter, which has given rise to much speculation, and contrariety of views. I will refer to it, briefly. On the 27th of November last, the Board of President and Directors proposed to the Mining Companies of Allegany County, a reduction of tolls to three mills per ton per mile, "on condition of a satisfactory guaranty being given by said Companies, for the transportation of not less than three hundred thousand tons of coal or coke, during the year 1851, for the entire distance between Cumberland and Georgetown." They further offered to reduce the tolls to two mills per ton per mile, for the year 1852, upon a similar agreement for the transportation of six hundred thousand tons. At that time, the rate of tolls was five mills per ton per mile, for the first twenty miles, and four mills per ton per mile, for each additional mile.