Power Plant 85 Per Cent Normal. Asserts Expert

While There's Life There's Hope, Mayor Smith Says in Discussing "Going Value" Of Concern.

"Hope springs eternal in the human breast; everybody has a prospect or believes he has," asserted Mayor Smith yesterday afternoon during the hearing now in progress before the city council in connection with the Nebraska Power company's application for increased rates.

The mayor's optimistic utterance referred to a discussion between C. E. Bailey, New York, valuator for the company, and W. C. Lambert, corporation counsel for the city.

The mayor inquired whether a concern that is bankrupt or is losing money, should be allowed any "going value" in consideration for the purchase or for rate fixing.

"None should be made if there are no prospects of earnings," replied Mr. Bailey.

Hope While There's Life.

And thus the cross-examination of Mr. Bailey brought in many ramifications of "going value," "capitalization of hopes and prospects," "cost of developing the business" and other factors.

And the mayor insisted that while there is life there is hope and a prospect of reward for labor, effort, skill, or money invested. He took the view that bread cast upon the waters will return.

Mr. Bailey testified that the "weighted average" of the local electric light and power plant was 88½ per cent; that this represented the "condition per cent," or the life expectancy." He explained that this was the normal per cent if the plant was maintained properly, and in the case of the Omaha plant, he testified that it has been maintained to 100 per cent operating efficiency.

Plant in Perfect Condition.

The New York valuator explained that in arriving at the 88½ per cent he considered al the depreciable and nondepreciable elements.

"We consider 85 per cent as normal," testified Mr. Bailey. This plant is regarded as in perfect condition, as far as practical operating conditions are concerned," said Mr. Bailey.

In his reproduction cost new statement, Mr. Bailey included an item of $966,280 for "cost of securing capital," which he explained is a legitimate item and he defended it. He explained that the cost of service of distributing securities to the public is a necessary and proper expense item in any public utility.

Corporation Counsel Lambert attacked some of the principles on which Mr. Bailey based his reproduction cost new showing.

Bailey Stands Ground.

"I fear we are departing from the basic principles," suggested Mr. Lambert, whereupon Mr. Bailey stood his ground and offered to explain his premises, which he did under a severe examination by the corporation counsel.

After Mr. Bailey explained again that he was giving the reproduction cost new of a plant similar to the one in operation here, Commissioner Ringer asked:

"You mean a plant all ready to turn on the juice, do you?"

Mr. Bailey replied that the police commissioner understood it correctly.

Mr. Bailey has been the only witness examined since this phase of the hearing was started last Wednesday.

The hearing will be resumed this morning at 10 and will extend into next week.

Hotel May Be Sold To Out-Of-Town Firm

The management of the Hotel Fontenelle may pass into the hands of an out-of-town corporation, according to W. E. Barkeley, Lincoln, who has charge of selling stock in the Interstate Hotel company, controlling an operation lease on Omaha's largest hotel property.

He admits that Joseph Huckins, jr., and his two brothers, who operate hotels at Oklahomt City, Fort Worth and Texarkana, were among those interested in taking over the Fontenelle. There are two or three other interested parties, according to Barkeley.

Ohaha Kiwanians Will Be Entertained at Lincoln

Fifty members of the Omaha Kiwanis club will go to Lincoln next Tuesday to attend a special entertainment which has been arranged by the Lincoln "Honest Injuns."

The event has been dubbed "ladies night" by the members of the Lincoln club and is in return for the entertainment given the Lincoln club in Omaha sometime ago.

The club members and their wives will make the trip to Lincoln by special train. H. W. Bubb is president of the Kiwanis cub.

Holdup Victim Attacks Suspect in Police Station

R. W. Stanwood, holdup victim of Thursday night, encountered Frank Daly holdup suspect, in the office of Chief of Detectives Jack Pszanowski yesterday morning.

Stanwood, in spite of his wooden leg, grabbed Daly and began to manhandle him, crying, "You robbed me, you robbed me."

Stanwood identified Daly as the man who had robbed him of $11 at Thirteenth and Cass streets. Two detectives rescued Daly from his infuriated victim.

Fifty Applicants Enroll In Omaha Speakers' Bureau

Fifty applicants have been accepted from members of the Omaha Chamber of Commerce and a speakers' bureau will be organized at a meeting next Wednesday, at which a chairman of the bureau will be chosen. The speakers will accept invitations to speak at functions and before civic bodies. They will have speeches on topics vital to Omaha and Nebraska and will be able to speak at a moment's notice.

Aviator Lange Back From Trip in Europe

Clarence C. Lange, former Omaha pilot and one of the airmen who blazed the trail to Omaha in the establishment of the air mail station here, is back in the United States, according to a letter received by W. I. Votaw, superintendent of the local air mail station.

Lange left Omaha in November for Europe, where he was to join the aviation corps of General Wrangel's army. He arrived there too late, shortly after Wrangel was defeated by the reds.

After making visits in France, Italy and Germany, Lange returned home.

He is now in Washington and will remain there until after the inauguration, coming to Omaha later.

40,222 Calls Made by Visiting Nurses in Year

Annual reports of the Omaha Visiting Nurses' association submitted at the annual business session show that 21 nurses made 40,222 calls on 5,369 patients during 1920.

The association spent $55,304 in its work. Five-sixths of the expenditures were for nurses, transportation and expenses. Weekly clinics were held during the year.

Four Omaha Doctors Named Fellows in Medical Body

Four Omaha physicians have been honored by being elcted to fellowship in the American College of Physicians at the meteing of the association recently held in Baltimore. The Omaha physicians are H. M. McClanahan, A. B. Dunn, B. W. Christie and F. E. Coulter.

Lumber Rates From Northwest Lowered

Western arilroads have notified C. E. Childe, manager of the traffic bureau at the Chamber of Commerce, that lumber rates have been lowered on shipments from northwest Pacific coast points.

The former charge of 73 1-2 cents a hundredweight has been lowered to 66 1-2 cents a hundredweight, making a saving to Nebraska shippers of $150,000 to $200,000 annually.

The rate decrease is the result of a hearing held before Leo Finn of the Interstate Commerce commission two weeks ago at which Omaha shippers alleged western railroads were discriminating in their charges and favoring northern cities.