

The Commission orders:

(A) The proposed issuance of Promissory Notes in the aggregate principal amount of \$30,000,000, outstanding at any one time, upon the terms and conditions and for the purposes set forth in the application, all as described above, is hereby authorized, subject to the provisions of this order.

(B) This authorization is expressly conditioned upon the maturity of all Notes to be issued pursuant thereto being within one year of their respective dates of issue and the final maturity of all such Notes being not later than December 31, 1964.

(C) The foregoing authorization is without prejudice to the authority of this Commission or any other regulatory body with respect to rates, service, accounts, valuation, estimates, or determinations of cost or any other matter whatsoever now pending or which may come before this Commission.

(D) Nothing in this order shall be construed to imply any guarantee or obligation on the part of the United States in respect of any securities to which this order relates.

By the Commission. Commissioner Morgan dissenting, filed a separate statement.

JOSEPH H. GUTRIDE, *Secretary*.

Idaho Power Company

(Issued December 10, 1962)

Docket No. E-7067

MORGAN, Commissioner, *dissenting*:

Once again the Commission is required, by this application, to address itself to its responsibilities under Section 204 of the Federal Power Act. Once again, as in *Pacific Power and Light*, Docket Nos. E-7024 and E-7025, 27 FPC ____, and ____, we must decide whether our approval of securities under that Section need only be a ceremonial formality requiring no more than a recitation of some of the surface facts and the issuance of a routine order; or whether, as I believe the law plainly requires, we should examine *all* the facts carefully and decide whether, in the light of those facts, the purpose or undertakings to be financed by the proceeds of the security issue are, singly and collectively, "compatible with the public interest," as spelled out in the Federal Power Act as a whole.

Since the law on the subject has been rather extensively explored in *Pacific Power and Light*, *supra*, particularly in my *dissent* and *further dissent* therein, I shall not repeat that discussion here. Instead I shall confine myself to certain facts which raise serious and unresolved questions of public policy with respect to a portion of this security issue and refer those readers interested in a discussion of the Commission's legal responsibilities to the *Pacific* case.

At the outset let me make it clear that, as in the *Pacific* case, I raise questions only with respect to that portion of the security issue herein associated with a particular project; namely, construction of Project No. 1971. With respect to the remainder of the security issue there are no problems of which I am presently aware, and I pose no objections thereto.

We are informed that:

"Applicant has been engaged in an extensive program of expansion which has consisted primarily of the development of the hydroelectric resources of the Snake River and construction of high voltage facilities from the hydroelectric plants to its load centers and to interconnections with neighboring systems. Applicant estimates at this time that costs for the balance of its 1962 construction program and for its 1963 construction program will amount to \$24,400,000.

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"Over one-half of the estimated costs of the construction program is concerned with the completion of Project No. 1971 and related transmission facilities. Construction of the Hells Canyon plant was started July 27, 1961, with completion scheduled sometime in 1964. Total expenditures incurred in connection with the Hells Canyon plant, as of September 30, 1962, are \$4,590,148.00. These expenditures cover preliminary engineering, exploratory drilling, access roads, and reservoir clearing. Latest cost estimates for the completed Hells Canyon unit reported by Applicant, subject to change, is approximately \$55,000,000."

The "Hells Canyon plant" referred to is Little Hells Canyon dam, the third and downstream dam of Idaho Power's three-dam scheme, licensed by this Commission amid unparalleled controversy in 1955. The other two dams, Brownlee and Oxbow, have been completed and are in operation.