

Our staff made a careful examination of the applications and the attached exhibits and filed a detailed report with the Commission recommending that they be approved. ^{7/} There were no petitions to intervene in these proceedings, and no timely objections to the applications were received from any source. The security issues had the prior approval of the state utilities commissions of California, Oregon, Washington, Wyoming, Montana and Idaho. The matter was considered at length by this Commission at its meeting of March 23, 1962. On the basis of the applications and the staff's recommendations, and in light of the policy of the Commission to encourage public utilities under its jurisdiction to anticipate future loads and to establish and strengthen inter-regional transmission interconnections, a majority of the members were satisfied that the statutory standards had been met and that the purposes for which the securities were being issued were compatible with the public interest. However, in order to give further consideration to Commissioner Morgan's differing view, it was decided to postpone final action until the next meeting. At the Commission meeting of March 28, 1962, the applications were once again the subject of extended discussion. All members adhered to their earlier views and on March 28, 1962 we issued orders authorizing the proposed security issues.

It should be emphasized that the surveillance exercised by the Commission under Section 204 is far more limited in scope than that we would exercise if, for example, we were issuing certificates of public convenience and necessity for the construction of facilities. Congress has not given the Commission certificate jurisdiction in this area. Indeed, a provision which would have granted us such authority was deleted from H. R. 5423, one of the bills which culminated in the Federal Power Act. In explaining this deletion, the relevant committee report pointed out that:

While it may ultimately be found desirable to adopt a provision of this kind, the Committee is of the opinion that for the present there is no imminent danger of excessive extensions that would prove disadvantageous to consumers. ^{8/}

The specific provisions of Section 204 make it a particularly unsuitable vehicle for comprehensive licensing-type regulation such as that exercised by this Commission under Section 7 of the Natural Gas Act. Under its provisions, for example, had Applicant elected to finance the construction of its transmission facility out of surplus or from the proceeds of a short-term loan, it could have built the line without so much as notifying the Commission. Again, subsection (f) of Section 204 specifically exempts

^{7/} We reject the suggestion in the dissenting opinion that the Commission was importuned to make undue haste in its disposition of the applications.

^{8/} Senate Report No. 621, Senate Committee on Interstate Commerce, 74th Cong., 1st Sess. (1935), p. 20.