

have emphasized that these discussions of rates were had because they were too low, not too high; too low rates can be as dangerous to a business.

They can be uneconomic and as infeasible as rates too high. They can be damaging and destructive and if they, in fact, exist they can also be highly preferential between consuming groups.

This normally is not contemplated by law.

Is this no matter of concern to the Commission?

Mr. SWIDLER. It could be. It just didn't seem to us that this was that kind of a consideration.

Mr. MOSS. All right. Well, then, it is not idle to raise the question?

Mr. SWIDLER. It seemed to us to be a very unprofitable way to use our staff.

I could think of many better ways to use them.

Mr. MOSS. You think that where a firm is producing a total of 20 percent of surplus of its needs, undertaking to develop further capacity, that that should be disregarded?

I noticed that the examiner stated in his report that this additional capacity would not be feasible until around about 1975——

Mr. SWIDLER. Well, this may become an issue in the proceeding, Mr. MOSS, and I don't know that I want to say something——

Mr. MOSS. Well, this was part of the dissent.

You have been rather harsh in characterizing some of these dissents. But again, was this in Idaho, this excess capacity?

Mr. SWIDLER. Our staff had made a report to us that the extent of the Idaho capacity was not abnormal.

Every company, to a degree, staggers its construction program——

Mr. MOSS. Well, of course, they should.

Mr. SWIDLER (continuing). And they should, and we had no indication that this was a situation which warranted the diversion of staff that would have been required.

Mr. MOSS. Up my way they project and they build and they have a tough time keeping up with demands.

They grow faster than they hope to expand to meet all of the needs.

Mr. SWIDLER. I have not said——

Mr. MOSS. But these are not idle points, are they?

Mr. SWIDLER. No, sir, and——

Mr. MOSS. And are they properly within the jurisdiction of the Commission?

Mr. SWIDLER. No, sir, and I would not——

Mr. MOSS. Well, now——

Mr. SWIDLER. I think there were proper points to have been made and I would not have objected in any way to a proper dissent.

I think there is ample room for reasonable men to disagree in the Idaho case and perhaps also in the *Pacific Power and Light Company* case.

This is not my point.

Mr. MOSS. Well, then you made a great play that they were depreciating too slowly, not too fast.

Mr. SWIDLER. Yes, sir.