Mr. MACDONALD. Innocent of what?

Mr. PICKLE. From the jurisdiction that would be extended or would be allegedly extended against them. By way of example, there is a cooperative in the Panhandle and I think that it cost this cooperative somewhere in the neighborhood of $150,000 in cost in trying to relieve themselves of the alleged extension of jurisdiction. They didn't know that was going to happen to them.

When I use the word "innocent" I guess I am saying that they just didn't think it would happen to them.

Mr. MACDONALD. Thank you very much.

Mr. BROWN. May I ask one question?

Mr. MACDONALD. Mr. Brown.

Mr. BROWN. Do you see anything in this legislation that would discourage either cooperatives or investor-owed public utilities from making pool arrangements?

Mr. PICKLE. Very definitely.

Mr. BROWN. This legislation would discourage them from joining up power resources.

Mr. PICKLE. Mr. Brown, as long as the present allegation is being made by the Federal Power Commission those companies who participate in a pooling or intrastate operation are always reluctant to make further extensions or investments or commitments because if at any point they are concerned interstate and subject to jurisdiction this would have an effect on them and it does have a definite effect.

This has not prevented them from diong it. I might say in Texas we have, as I have testified, a very strong intrastate arrangement and I suggest to this committee that a better answer to the problem than has been proposed is not the extension of all jurisdiction or even an international interconnected grid system.

I personally think a better solution would be strong intrastate pooling systems because we do have a pure and simple intrastate operation in my State and I think it is a better answer than the other provisions that have been made.

Mr. BROWN. Simply, is this legislation going to encourage or discourage interconnections?

Mr. PICKLE. I am not sure I would know how to interpret the effect of it. I think it would say to the people in Florida and to other States that have similar systems that you can operate your own system as you think best and you would have interconnections if it is required by law, but it does not include the extension of jurisdiction. I don't know that it would affect interconnections directly as such.

Mr. BROWN. That is all, Mr. Chairman.

Mr. MACDONALD. Mr. Harvey?

Mr. HARVEY. With that point in mind you would encourage interconnections to the extent the interconnections were for emergency purposes.

Mr. PICKLE. Oh, yes. In fact it would be required.

Mr. HARVEY. You could have interconnections to the extent that they were for emergency purposes; isn't that correct?

Mr. PICKLE. That would be required and it would definitely encourage it.

Mr. HARVEY. I want to ask our colleague from Texas how the Rogers bill would differ from his bill which this subcommittee reported out which I supported back in 1965?