

In addition to getting assistance in connection with rates, we have also succeeded in getting additional delivery points and connections where the company refused to give a connection. As you well know, Mr. Chairman, the *City of Shrewsbury* case in your State is a landmark case, and that is being followed now. There are not too many formal cases, although there are a few, but there are many instances where we are obtaining that same result informally through the actions of the staff of the Commission.

We are also getting restrictive provisions removed from contracts. In certain contracts a company will say to the wholesale customer:

You are not allowed to serve any industrial load with the power you purchase from us or, if you serve a load in excess of a certain amount—in one case now pending before the Commission, that amount is 175 kw—if you have a customer with a load in excess of 175 kw, you will have to pay a considerably higher rate for that electricity than for the other electricity resold to customers with smaller loads.

About 2 years ago there were 20 companies that had such provisions. It is now down to three. We have one case pending before the Commission in which we are very hopeful that provision will be eliminated, because they have already eliminated similar provisions in other cases, and that will leave only two, and we hope to get them to agree to the deletion of the restrictive provisions by negotiation.

The question arises: Why do you come in here and so strenuously favor jurisdiction by the Commission over investor-owned utilities and oppose such jurisdiction over the cooperatives? I have cited on pages 4 and 5 of my testimony two cases, one decided by the Supreme Court of the State of Washington and the other by the Supreme Court of the State of Utah, which emphasize very concisely why there is no need for regulation of cooperatives. Legally, the answer is the cooperatives do not hold themselves out to serve the public, and therefore they are not public utilities. That is expressed in the middle of page 4.

Mr. MACDONALD. May I interrupt? Are you for or against this bill?

Mr. WISE. We are against this bill, very definitely.

My only reason for mentioning the cooperatives is the question asked of Mr. Tally why he favored exemption of municipalities. I thought it important to make our position clear as to why we favor exemption of cooperatives and not of the companies. If you have the time to read those opinions—

Mr. BROTZMAN. You said you directed your attention to that problem in your testimony. Is that in your statement?

Mr. WISE. Yes, sir; on pages 4 and 5.

Mr. BROTZMAN. Thank you.

Mr. WISE. This has to do with cooperatives and not municipalities, Congressman, but we have a number of court cases on this.

What I would like to do is have any statement copied into the record, and I will simply summarize it.

Mr. MACDONALD. Without objection, the entire statement of Mr. Wise will appear at the end of his remarks.

Mr. WISE. The Supreme Court of Utah, on page 4, points out that "In a cooperative all sell to each. The owner is the seller and buyer." It also makes this comment: "On the contrary it appears that there is no need for regulation of true cooperatives * * *. There is no conflict of consumer and producer interests—they are one and the same