

collecting \$1,750,000 in headwater benefits for the Federal Treasury which is three times as much money as has been collected in the entire history of the FPC. We estimate that in the next year we will collect \$4 million.

We have announced a new policy limiting the term of licenses granted to hitherto unlicensed projects constructed before 1935 in order to prevent those who have ignored the licensing provisions of the Federal Power Act from obtaining an unmerited advantage. We are making a concerted effort to bring these projects under license and our efforts are meeting with some success.

We have proposed a rule requiring all licensees to submit a comprehensive plan for public recreation with their license applications to assure that the general public obtains the full benefits of the recreation potential of non-Federal hydroelectric projects.

I have mentioned some of the more general actions taken by the Commission during the past 18 months. Of course, the record of the Commission is also expressed in our opinions which speak for themselves. For the convenience of the committee we have prepared a capsule summary of each of the Commission opinions issued in contested proceedings since the present members of the Commission assumed office which is attached as appendix B to this statement. The opinions themselves are, of course, available at the Commission's offices.

Even those who were most critical a year ago now recognize that the Commission is making solid headway on the mountain of work before it. Dean Landis commented publicly in February of 1962 that the attitude of the new Commission "is one of a readiness to meet these challenges and the intention to apply a Herculean effort in doing so." He added that the Commission's " * * * record in the past 3 months of bringing about the refunding of some \$35 million of excess charges, is significant." Since Dean Landis' talk last February, we have ordered additional refunds of some \$325 million, bringing the total refunds in the past 18 months in pipeline rate cases to over \$350 million. This is one measure—one among many, and not the most important—of the returns in public benefits from the recent activities of the Federal Power Commission.

The Commission was gratified to note in the final report of the Administrative Conference of the United States of December 15, 1962, that although the FPC was studied intensively, the Conference made no recommendations for improvements in our procedures. In fact, many of the general improvements suggested by the Committee on Rulemaking were patterned after procedural reforms which the FPC has put into effect in the past 18 months. The final report of the committee's study of the conduct of rate proceedings in the FPC has not been concluded but the preliminary draft which I am quoting with the reporter's permission stated that:

"The present organization and procedures are well adapted to the functions being performed. While further changes of a modest nature may be desirable, the path of procedural innovation has been explored with great ingenuity and thoroughness * * *" (p. 64).

The report also emphasized the need to attract more capable personnel, a problem that is common to most Government agencies and one to which the Commission has devoted a great deal of attention in recent months.

The Commission is not conducting a popularity campaign, and we are reconciled to the fact that no one loves a regulatory agency. However, considering the sharp rivalry among the various segments of the electric power and natural gas industries I believe it is significant that there is a generally favorable response to our efforts to come to grips with the problems facing the Commission.

For example, the December 1962 issue of Public Power contains the following comments concerning the Commission's new programs:

"Can a Federal regulatory agency bring lower electric rates to consumers?"

"The all-new Federal Power Commission, the only regulatory body now composed exclusively of Kennedy appointees, has given indications that it may be possible.

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"First, in pushing for a higher degree of system interconnection and power pooling, and in undertaking the National Power Survey to design an efficient nationwide generating and transmission system, FPC has served notice that U.S. utilities will be encouraged to take full advantage of the new technology.

"Second, FPC Chairman Joseph C. Swidler has indicated that wholesale power rates of utilities participating in interstate grid systems will be regulated at the Federal level, thus passing along the benefits of large-scale operations at least to the distributing utilities served by such grid systems.