

"Whatever the outcome of the many programs being inaugurated by the new Commission, it's clear that FPC will play a larger role in the future of the electric utility industry than it has previously for many years." (Pp. 8, 22.)

The views of the investor-owned segment of the electric power industry with respect to the activities of the new Commission is typified by the following statement in this week's *Electrical World*:

"Chairman Joseph C. Swidler took the reins of the Federal Power Commission about 18 months ago and is striving to push the agency to greater efforts and broader responsibility. He has initiated the National Power Survey, visited electric utilities and manufacturers, and has undertaken a wide-ranging journey through the Soviet Union to study electrical power installations there.

"Not one to shy away from controversy, he has * * * taken New England utilities to task for high rates; * * * and, generally promised more stringent regulation.

"An insight into this official's thinking should enable the industry to chart its best course. This insight is especially necessary because he started with a TVA background but now shows strong signs of trying to steer to the middle of the road." (Issue of February 25, 1963, p. 72.)

The talk referred to in the *Electrical World* was one I made to the Electric Council of New England on October 19, 1962, in which I outlined certain actions which I thought the industry should take to reduce rates in that area. In response to that talk, the New England Electric Council pledged:

"* * * that the New England utilities will use every effort to achieve the goals outlined by Mr. Swidler and to cooperate with State and Federal regulatory commissions to bring the most abundant supply of electricity at the lowest possible prices to all parts of the country including New England."

The attitude of the gas industry toward the present Commission is typified by the following excerpts from *Gas Magazine*:

"* * * they have a growing faith in the present Federal Power Commission. They don't agree with the fact of utility-type controls, but they seem to have unexpected confidence in the New Frontier makeup of the Commission. This confidence in the Commission also is marked by a sense of freedom from favoritism. Most explorers and producers had rather have an honest, if tough, Commission than one which might favor one producer against another, even while siding with producers as a whole against the other segments of the industry and the consumer * * *" [June 1962.]

"The Commission under Chairman Joseph Swidler has not been ignoring the 'consumer interest' approach to regulation since taking office. Late last year, it ordered a broad survey of what happens to the refunds it orders, and whether these refunds are being passed along to consumers * * *

"The refund volume is one of the more dramatic results of the Commission's present hard-line settlement procedure. Almost any day, the Commission announces a settlement with refunds ranging from a few hundred thousand dollars to several million. The settlement procedure in rate cases has shown, perhaps more clearly than anything else, the power the Commission now exercises. Where the tendency of companies faced with a rate fight was previously to battle it out to the full Commission and later to the courts if they still weren't satisfied, many now try to get the best they can in negotiations with the staff, and then agree to the settlement." [February 1963.]

I think that the record of the Commission in the past year and a half presents ample proof that the Commission, as presently constituted, is doing a creditable job of carrying out the policies of Congress in the electric power and natural gas fields.

I now invite any questions which the members of the committee may wish to address to me.

[Federal Power Commission release No. 12,497—G-6907]

FPC CHAIRMAN SWIDLER REPORTS PROGRESS IN ALL NATURAL GAS REGULATORY AREAS DURING 1962

WASHINGTON, D.C., February 13, 1963.—The Federal Power Commission cut its pipeline rate case backlog by well over half during 1962, reducing the number of cases on hand from 90 to 41 and the annual dollar amount of proposed in-