

QUESTIONS FOR GENERAL SERVICES ADMINISTRATION

From: Chairman William Proxmire.

What results has GSA obtained when it actively participated in rate cases before regulatory bodies as compared to negotiation for rates with the utilities?

Does GSA have any authority to survey the real property holdings of executive agencies and report to Congress or the President as to the extent of use of the property and recommendations for improvements?

Does GSA maintain listings of all Federal real properties by States or other political sub-divisions? Explain.

What will be the role of GSA under the new Budget circular A-2?

What criteria does GSA use for direct delivery purchases: for storage and issue; for use of open-end supply schedules?

With respect to the charge that Government agencies fail to distinguish properly between "price" and "cost", will you supply figures showing all elements of cost for GSA "storage and issue" of common type supplies, i.e., purchasing, transportation, warehousing, losses from various causes, packaging, disposals, etc. etc.

In previous years there was agreement between DOD and GSA witnesses that Small Business fared better under advertised competitive bidding than under negotiated buying. Do your statistics still bear this out? Roughly what do they reveal?

We also found that when items are standardized as to specifications that it helped competitive bidding and hence Small Business. Is this right?

What progress has been made in developing Federal Specs this past year? What are future goals?

I am also of the opinion that Small Business obtains greater participation when buying is decentralized and hence is procured in smaller quantities. Is this correct? Do you have any statistics on this?

From: Representative Martha W. Griffiths.

Senator Metcalf mentioned in his testimony the extraordinarily high rate of return (11.32%) of Houston Lighting and Power, which serves a major NASA facility. What has GSA done to reduce electricity costs to the Federal Government in the area served by Houston Lighting and Power?

Does GSA consider the effect of excess residential rates on Federal employee salaries?

How many formal utility rate cases has GSA been a party to since 1960? Please furnish the Subcommittee with the name of the utility involved, year in which action by GSA was initiated, and the outcome of the case.

What formal rate cases is the GSA a party to at this time?

Which utilities is GSA currently negotiating with for rate decreases? Please list by type of utility—communications, electric, gas, sewage, steam.

Which other Federal agencies are working with you toward reduction of costs of utility services? In each case, please indicate what utility or state commission the agency is negotiating with, and also indicate whether the agency is a party in a formal rate case.

What is the annual electricity bill paid by the Federal Government to each of the Class A and B electric utilities?

What is the annual communications bill paid by the Federal Government to the American Telephone and Telegraph Company and each of its subsidiaries?

(The following was submitted by the General Services Administration in response to the foregoing:)

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 1, 1967.

HON. WILLIAM PROXMIRE,
Chairman, Joint Economic Committee,
Congress of the United States,
Washington, D.C.

DEAR MR. CHAIRMAN: As requested in your letter of May 23, 1967, we are pleased to provide the attached answers to the additional questions submitted at the conclusion of the hearings of the Subcommittee on Economy in Government of the Joint Committee on May 16, 1967.

If we can be of further service, please advise.

Sincerely yours,

LAWSON B. KNOTT, Jr., Administrator.