

Mr. ROGERS. No, because all we are saying is the municipality itself is exempt or any subdivision of the State government.

Now, if the FPC has power over your utility company, which I think it does, because you operate in two States there, as I recall—I am not sure of the facts there.

Mr. BROYHILL. The power companies of North Carolina do operate interstate.

Mr. ROGERS. So that the Federal Power Commission now has jurisdiction of what is an interstate problem and whatever power they have would still exist. I don't think they now claim that they have jurisdiction of municipalities in North Carolina, do they?

Mr. BROYHILL. There is quite a controversy over that.

Mr. ROGERS. Well, this would exempt them.

Mr. BROYHILL. One other question. What about indirect sale? Have you touched on that? I am sorry I was somewhat late.

Mr. ROGERS. Yes, I tried to.

Mr. BROYHILL. For example, a company that is wheeling power from another State or another part of the country to Florida Power & Light.

Mr. ROGERS. We tried to prevent this situation existing or applying to any company that would be exempt by this law. We say the connection cannot be direct, first of all, so in Florida this is true, no direct connection across State lines.

Secondly, that no contract can be made with a company outside the State to furnish through an intermediary.

Now, there is a connection between Florida Power with Florida Power & Light in the south end, Florida Power and Georgia. Now it is my understanding they don't bring in power to Florida Power & Light, but the electricity that crosses that State line between that Georgia company and the Florida Power Co. is now regulated and would be. There is no exemption for it.

Mr. MACDONALD. Mr. Rogers, when you say that you mean it is regulated by the FPC.

Mr. ROGERS. FPC, correct.

Mr. BROYHILL. What about that contract between Florida Power & Light and Florida Power Corp.? Is that subject to FPC jurisdiction under this bill?

Mr. ROGERS. Well, you see, what we are saying—I may not have made myself clear—is that any power that comes to the Florida Power Co. is regulated by the FPC as it crosses the State line.

Now, if Florida Power & Light, which is in the southern end of Florida, tried to get a contract with Georgia Power, say, to supply Florida Power & Light, they are immediately under Federal Power control if they tried to do that.

All of the power that goes to Florida Power Corp. is already and would continue to be under Federal Power Commission regulations because it crosses the State line, so I think we pretty well handle the situation. Any electricity that crosses a State line is still covered, as it should be, by the Federal Power Commission.

Mr. BROYHILL. No other questions.

Mr. MACDONALD. Mr. Kornegay.

Mr. KORNEGAY. Mr. Rogers, you state that no connection can be direct.

Mr. ROGERS. This is right.