

Mr. ROGERS. No.

Mr. BROTZMAN. Do they assert jurisdiction over those?

Mr. ROGERS. They tried to in three cases.

Mr. BROTZMAN. I thank the gentleman.

Mr. ROGERS. Thank you.

Mr. MACDONALD. Mr. Ottinger.

Mr. OTTINGER. I welcome the Florida delegation to the subcommittee. Why should there not be subject to FPC regulation, following out the line of questioning of Mr. Brotzman, an interstate operation that is municipally owned, or a cooperative, whose operations definitely do affect what happens outside of the State? I can see the rationale of exemptory strictly intrastate operations, but not a municipally owned company that operates clearly in interstate commerce.

Mr. ROGERS. I think what they are trying to say is if the municipal corporation is governed and is controlled by the municipality, it has a definite right to govern itself. It operates just in that area.

Now, you may want to say that if a municipality extends in two States then they will be under the control. The committee can do that if you desire, but, for instance, REA's too, as you know, are not—

Mr. OTTINGER. The intrastate exception to this seems to me to make more sense, but if the utility transmits or receives electrical energy from a public utility or entity in another State then I see no reason for it to be exempt.

Why shouldn't that same kind of language as appears in paragraph 3 be applied in paragraph 8?

Mr. ROGERS. If it is a State we don't regulate a State, and this proposed law is saying we are exempting governmental bodies. In other words, we are not having the Federal Power Commission tell a governmental body what it should do. We are not having them tell the State what to do, which we exempt, or municipality what to do; that is all.

Mr. OTTINGER. So that the only area on which under this bill the FPC would exercise jurisdiction is the investor-owned utility?

Mr. ROGERS. Well, I think basically you would find it would have control over all movement in interstate basically. I think there would be very few exceptions.

Mr. OTTINGER. Suppose in connection with prevention of blackouts, a municipal or an REA hooks into a grid system that is clearly interstate and the utilities in the grid have an agreement, such as we have in Northeast now, whereby any of the utilities may contribute power at a particular time to the grid.

Mr. ROGERS. On an emergency basis?

Mr. OTTINGER. On a regular basis in the Northeast region.

Mr. ROGERS. Our situation is that it is connected only for emergency, you see, where we can help someone out if they need it.

Mr. OTTINGER. As you say, I am not so much troubled by your situation for a wholly intrastate arrangement. In the Northeast, for instance, we are considering bringing power down from Canada, so we would have an international situation where the various States and possibly Canada will all be contributing to the ordinary supply of power to the entire region.