

The Federal Power Commission has happily seized upon what the act states should be a "voluntary decision" to clamp on the regulations of the Interstate Federal Power Act—at a cost which the Florida Power and Light Company estimates, on the basis of sound study, will be from \$4 to \$6 million initially, and more than one-half million dollars per year in the way of annual additional expenses—an increase which, I might add, the Florida consumer will have to bear.

Even aside from the fact that the statute does not authorize jurisdiction in situations such as that of Florida Power and Light, and might even be unconstitutional if it did, the public interest does not indicate such a move. Florida Power and Light, like other utilities that operate solely intrastate, is closely and intensively regulated by the State's regulatory commission.

In ten years, the Florida Public Service Commission has demanded ten rate reductions. According to the American Electric Power Service Corporations' compilation in 1965 the company's charge per kilowatt-hour of electricity for residential use is some 12.5 percent below the national average and is the fourth lowest of the twenty largest investor-owned electric utilities in the United States. I fail to see any reason for further regulations—and raising customer rates. I fail to see what Washington can do that Florida cannot—except entwine the fairly simple situation with costly, detailed irrelevancies and further reduce the responsibility of a State which has very admirably accepted it.

The Federal Power Act specifically prohibits regulation of retail rates by the Federal Power Commission. Ninety-nine percent of the Florida company's revenues come from retail customers, under retail rates. Less than \$3 million or less one percent of revenue of the company comes from wholesale contracts for electric power sold to rural electric cooperatives which in turn resell to their retail customers. Here, the Florida Public Service Commission is also adequately qualified to regulate.

I ask that this committee enact legislation to prevent the Federal Power Commission from taking over the intrastate electric field. I ask that the States be given leave to enjoy one haven from the current trend of growing Federal regulation—and a haven in which the evidence shows great and successful activity. I think that this bill will give the States the position they were given by the Federal Power Act and that they should be given now—leaving the Federal Government in its constitutionally given role of regulating only Interstate Commerce, a term which has been stretched far enough and too far.

I am grateful for being given the time to express my views on a subject about which I feel very strongly. I would appreciate prompt action by the committee.

Mr. GURNEY. It seems to me of course that my bill, as well as others that are introduced here that you are hearing testimony on, exempts from Federal power jurisdiction the public utility whose facilities are wholly intrastate and who do not transmit or receive electrical energy by a direct connection with another State.

The other part of the bill would exempt rural electric cooperatives, and this is what the bill does. Actually I think it is amazing that the bill is here at all and takes up the time of the committee because the Federal Power Act was never intended to regulate intrastate facilities which do not transmit or receive electrical energy from other States, and that is the problem we have here.

As a matter of fact, this has obtained for 32 years until this year in March the Federal Power Commission by a split decision, 3 to 2, decided that it would take jurisdiction over the Florida Power Co. and some others.

The reason, and this has been gone into before, but I would like to go into it again, for taking jurisdiction, or trying to, over the Florida Power & Light Corp. is an interconnection with the Florida Power Corp., another utility in Florida which operates wholly within Florida, I might say, but does have a connection with a company in Georgia.

Now, the reason I want to go into that again is to emphasize that the connection of the Florida Power & Light Corp. with the Florida Power Corp. and the Tampa Electric Co., and the Orlando Utilities