

Mr. PICKLE. Mr. Chairman, it is a pleasure for me to appear before your subcommittee in support of Congressman Rogers' bill H.R. 5348 and other measures to amend the Federal Power Act.

If you will recall, I introduced a bill, H.R. 3608, 2 years ago to accomplish the same clarification of the law and this bill was considered by this subcommittee and voted favorably out of the subcommittee.

Having served with you on the full committee, I know that the members of this subcommittee will give fair and thorough consideration to achieving a workable solution to the important problems which will be outlined to you this morning.

After these hearings, I hope the subcommittee will promptly report this bill to the full committee for the reasons I will state briefly.

In Texas we have long had cooperation between the State authorities, the municipalities, the cooperatives, and the investor-owned electric systems. Together they constitute the Texas Interconnected System, a coordinated group of systems which is entirely intrastate and isolated from interstate systems.

The State, that is, the Texas authorities, the municipalities, and the investor-owned systems have other witnesses who will present their views on this proposed legislation in greater detail. It is my pleasure to explain the general effect this legislation will have on the cooperatives and the other members of the Texas Interconnected System.

I am fortunate as a Congressman to have four of the largest electric cooperatives in my district serving something between 50,000 and 60,000 consumers. I know they have profited from the fine working relationship that exists in Texas. Their rates are low and their service is reliable.

If there was ever a group of systems which has no need for Federal regulation, for which Federal regulation there is no basis in the Power Act, which regulation might, in fact, do great harm, it is this Texas group.

Two years ago before this subcommittee the Chairman of the Federal Power Commission recognized in his testimony that it is possible to have a true intrastate system. He mentioned the systems in Alaska and Hawaii. The Texas system is operated just like those systems in Alaska or Hawaii except in emergency situations.

Nevertheless, during recent years the FPC has moved against the cooperatives and the one-State companies, over neither of which is the Commission given any jurisdiction in the Power Act. The costs to the cooperatives, in trying to defend themselves against the Commission, have been immense.

The courts will probably rely, as you know, on Congress to clarify the intent of jurisdiction granted to the FPC under the Power Act. Furthermore, it is Congress' responsibility to clarify the law. Only the Congress can effectively stay the Federal Power Commission's hand and this bill by Congressman Rogers, like my bill in 1965, is a step in that direction.

It is true that the FPC has dismissed the *Dairyland* case. Some members of the Commission still feel, however, that they should have jurisdiction over the cooperatives and they can, of course, at any time move against them again. The Commission put the one-State companies on its list of jurisdictional companies in 1963 and still has not taken them off.