

I think there were some 189 companies or groups in the United States that were put on that original list and except for the variation that might be affected by the *Dairyland* case those names are still on the list.

The Texas intrastate system is one of the finest in the world, with reliable service and low rates. As long as a member system does not involve itself in contractual commercial arrangements with systems in other States, even though power might in times of emergencies flow to or from other States to furnish or receive help, this bill would preserve the present regulatory status quo. If a member system should involve itself in interstate contractual arrangements, it would become subject to FPC jurisdiction under this bill, as it should, but the other connected systems which are not involved in the interstate contract would not be affected.

In my opinion this is a good bill because it will not prevent the Commission from exercising its jurisdiction over interstate transactions and participants in such transactions, but it will preclude the Commission from extending its jurisdiction to innocent and unknowing cooperatives and to purely intrastate matters.

It reaffirms the intent of Congress when, in 1935, it refused to subject a system to FPC jurisdiction simply because it is connected to some system which is connected to some system and so forth which is transmitting energy in interstate commerce.

Naturally, I am more familiar with power systems operating in Texas than elsewhere. During the last 25 years investor-owned utilities, State authorities, municipalities and governmental cooperatives have worked together in perhaps the most constructive relationship between public and private power in this country.

Certainly these groups have had their differences, but nevertheless they have been devoted to serving their customers and the public in general.

I think this relationship should be permitted to continue and in fact expanded to all parts of our country so that the utility users as well as the public shall become the real beneficiaries. By protecting the public interest which relieving the financial burden of unnecessary regulation H.R. 5348 deserves support as a workable and reasonable solution to difficult problems of interagency Federal-State relationships.

Mr. Chairman, that constitutes my prepared statement, and I would be happy to answer any questions.

Mr. MACDONALD. Thank you very much, Mr. Pickle. I have just one question and it is on page 2.

I was wondering what you refer to when you talk about innocent and unknowing cooperatives.

Mr. PICKLE. What line do you have, Mr. Chairman?

Mr. MACDONALD. Well, it is five from the bottom, "innocent and unknowing cooperatives."

Mr. PICKLE. Yes, I see your place now. I am saying it doesn't prevent the Commission from exercising its jurisdiction on interstate commerce matters but on intrastate it would. When I view the term "innocent" I mean any electric cooperatives which do not think they are subject to interstate jurisdiction and who are in an interpool relationship, and if suddenly jurisdiction is declared against them then they are innocent in that sense. They would be surprised.