

there, we are likely to have a break in the transmission and then we haven't got enough power to supply the system just as was the case in the Niagara-Hudson-Mohawk case when you had the big blackout in the Northeast. We tried to put generation in each of the areas of Florida so that we can take care of the needs of the people with the equipment that is there because of these conditions that I refer to, so I don't think further interconnections now would be of any help on the reliability.

I think it might hurt it. On the case of saving money, the reason that interconnections help you, one of the reasons that they help you save money, is that if Georgia is using power, peak power in the winter and Florida is using it in the summer or vice versa, then these two things fit together like a glove and the equipment up in Georgia can be used offseason in Florida and vice versa.

Now, this condition that did exist to some extent at one time and is mainly the reason why those interconnections are there is ceasing to exist so that I am told by the people at the corporation, this other company there in Florida, that when their contract runs out with Georgia that they now have to have seasonal interchange that they may not even renew it, but leave those lines there for emergency use only.

Mr. MACDONALD. Sir, do I characterize your company correctly when I say it is mostly a distribution company?

Mr. FITE. No, sir, no. We are by no means just a distribution company. We have major generation.

Mr. MACDONALD. You have what?

Mr. FITE. Major power equipment, generating equipment. We have over 4 million kilowatts of power in our powerplants and we are interconnected, those powerplants are, by our own transmission lines of 240,000-volt transmission lines; so we are not a distribution system, if I understand what you mean.

Mr. MACDONALD. If I understand it, you certainly should understand it. It is your business.

Mr. FITE. We have generation, transmission, and distribution, not just distribution only. Does that answer your question?

Mr. MACDONALD. Well in a way. Actually it was going to be a preliminary question, but if the preliminary question is wrong then I am not going to ask the second question.

Are you aware of the bill introduced by the former chairman of this committee, Mr. Harris, in the 89th Congress, H.R. 7430?

Mr. FITE. Yes; I recall that bill.

Mr. MACDONALD. Did that help or hurt you?

Mr. FITE. Well, I don't recall all the details of that bill, but it seems to me that it was pertinent to what really we are trying to say here. There is an amendment to the Federal Power Act in the case of the gas companies. It is called the Hinshaw amendment.

Mr. MACDONALD. Yes; that is right.

Mr. FITE. There is no corresponding amendment in the electric situation and really this is about all we are talking about, is the Hinshaw amendment type of thing. The electricity coming into Florida from Georgia is regulated by FPC and will continue to be, just as formerly the interstate gas that comes across the State line was regulated by FPC and would continue to be; but the FPC is not permitted, since the Hinshaw amendment, to regulate that interstate gas that gets on