

Mr. FUQUA. I am sure that some of them are interconnected in the same way that we are. For example, the Texans here can speak for themselves. They have an interconnected system within their State. The thought is that they are solely in one State and are not directly connected.

Mr. BROWN. That is what I am trying to find out. I am trying to find out just exactly what the point is. Is the question of being self-sustaining or interconnected for emergency purposes only, significant?

Mr. FITE. No.

Mr. BROWN. This is the same question that I asked Mr. Pickle and Mr. Harvey picked it up.

Mr. FITE. No, I don't think so, to answer your question. The word "emergency" is not significant in this case. The significant thing is it is in one State, that you have no direct connections across the State lines and no transactions of any kind with a company in another State. That is the determining thing.

Mr. BROWN. Well, then, you could be merely a distribution company and not a power producer, and as long as you are within one State and even though your power may come from an interconnection with a producing company you would be covered by this legislation?

Mr. FITE. Yes, that is right. In the Senate hearings on the Holland bill the Home Light & Power Co., which is listed as one of the 11 here—it is in Colorado—has no generation of its own. It operates in about one county, as I understand it, there. It buys all of its power from other companies, which in turn are interstate. Power is generated.

I don't know where it comes from, either Colorado or outside the State, but all the Home Light & Power Co. juice is purchased. They have testified that this regulation by the Federal Power Commission which had been stated at the time—they tried to take jurisdiction of the Home Light—they stated that their costs would be so astronomical for that small system they wouldn't have any net revenue left and the hearing itself—I believe it was Senator Pastore who was conducting the hearings—called the Federal Power Commission people up to the stand at the time and asked them if this was true, that they were trying to exert jurisdiction over this company, and they said yes, they were.

He suggested that they ought to take a look at that right quickly and the next day the Commission wrote a letter to this company and exempted them.

Our case is no different I think from the Home Light & Power. We are just larger and we have some generation whereas they didn't have.

Mr. BROWN. Let me ask one other situation question. I don't know about this particular company to which you refer, but perhaps this applies in this company's case. If the power generation sources for that company are in another State but the distribution company is completely within the second State your theory is that under this legislation they would be exempted from Federal Power Commission control, or not?

Mr. FITE. I think that is right, if they are not directly connected, but I want to add this.

Mr. BROWN. Wait a minute. They would have to be connected. They might not be directly connected with the power resource from another State. In other words, let's put the power source in Georgia, just as a theoretical example, and power is transmitted through the Florida