

stitution, which kept steadily in view as the wisest policy local government for local affairs, general government for general affairs only."⁸

As the record before this Committee makes clear, it is difficult to conceive of any major business operation more local in nature than that of Florida Power & Light Company. The Company is engaged in the generation, transmission and distribution of electric energy solely in the State of Florida, subject to the jurisdiction of the Florida Public Service Commission. All of its facilities are located there, substantially all being south of Cape Kennedy with about 75% of the Company's electric load at the southern end of the east coast from West Palm Beach to Miami, approximately 400 miles south of the Georgia border.

Florida Power & Light owns no facilities which cross state lines, nor does it have any connections with any other electric companies owning facilities which cross state lines.

Florida Power & Light is not in the business of buying and reselling electricity either intrastate or interstate. Its only sales of its own production for resale are to six small local cooperatives. The Company has no exchange arrangements with any electric system except the four local Florida electric systems with which it is directly connected solely for temporary and emergency purposes. No company outside of Florida is obligated to supply any of its needs—either emergency or normal; Florida Power & Light is not obligated to supply any electric utility other than to serve the temporary and emergency needs of those Florida electric systems with which it is directly connected, and then only if the Company has the excess power available.

Because of the unique peninsular location of the Company's system and the frequency and severity of lightning storms and hurricanes, the Company always has designed and operated its system in such a way that it is not and will not be dependent upon others to supply any part of its predictable load.

There is thus simply no relation between interstate commerce and the operation of the Company's system, which is entirely local in nature, having no national characteristics, and not of the sort that Congress intended to be subject to regulation by the Federal Power Commission. The legislative history of the *Federal Power Act* (*Sen. Rep. No. 621, 74 Cong., 1st Sess. pp. 18 and 48; Hearings on H.R. 5423 before the House Committee on Interstate and Foreign Commerce, 74th Cong., 1st Sess. pp. 249 and 495*) clearly establishes that Congress was most careful at the time of passage of the Act in 1935 to confine the exercise of federal authority to those matters which could not be regulated effectively by the states and to leave local matters within the jurisdiction of the local authorities.

Such a factual situation would seem, in itself, to be a most compelling reason for the enactment of H.R. 5348, which in its proposed limited restoration of local matters to local control suggests no innovation or revolutionary approach. It is, on the contrary, merely a contemporary and simple reaffirmation of the basic principles of our Constitutional history.

FLORIDA POWER & LIGHT CO.,
HARRY A. POTH, Jr., Attorney.

Mr. BROWN. Just for a minute I want to explain why I ask this. If we have a different standard for intrastate and interstate in the railroad-trucking industry, for instance, than we do from the utility industry or for products that come under the jurisdiction of the Federal Trade Commission, I think we ought to be aware of it. As a relatively new member of the committee I would like to at least resolve in my mind why we have either a single standard or a double standard in this connection.

Mr. FITE. We will try to do something in that connection. I will say at this time, however, that with respect to interstate movement of gas the view, if this amendment were enacted, would be analogous to what the Congress is already doing with respect to gas. It is regulated by the Federal Government when it crosses over the State line and then the regulation of that interstate gas ceases.

⁸ *Id.* at 338. In the same paragraph, Lord Bryce went on to say, "Evils would unquestionably arise. But the Philadelphia Convention believed that they would be kept at a minimum and most quickly cured by strict adherence to this policy."