

We have been operating as a voluntary power pool for over 25 years and as a State agency we are exempt from the Federal Power Commission jurisdiction, so naturally you might say, Well, why are you interested in this bill?

We are interested in this bill because we think that the bill will clarify who is subject to the Federal Power Commission jurisdiction and who is not, and that by virtue of that clarification we will be able to better plan our operations and better to work in the future as we have in the past.

The companies that we have worked with in the past have not and are not now subject to the Federal Power Commission jurisdiction. But in their contracts with us what we have been able to do is we have our own generation. All of the members of the south Texas power pool have sufficient generation to take care of themselves. We are interconnected with transmission lines so that if we ever get into any trouble we can help each other and in times of drought these companies have helped us to preserve water so that we would have water for the needs of central Texas and for irrigation purposes and for municipal purposes.

In times of flood they have purchased our power from us because of course you can't hold the water back. It is going to go and as it goes it will make power and we need to dispose of it immediately.

So by virtue of the interconnection we have a very fine operating condition in central Texas that has resulted in very low rates, very reliable service, and as a byproduct one of the largest recreational water-oriented areas in the State of Texas.

We would like to see that maintained and we can maintain it if the operating rules and regulations remain the same because we have operated under those now for some 25 years and, as Congressman Rogers and Congressman Pickle stated today, the purpose as we understand this bill is not to take away any jurisdiction, but is merely to say, "This is what Congress wants, this is what Congress intends," and if it is stated in that way then we can continue to operate in the future as we have in the past, and if we can continue to operate that way then we can continue to bring these great benefits to the people of Texas and therefore we are interested in the bill because in our interconnections with the private utilities they feel that they want to stay intrastate in character.

They are now and they have a provision if by virtue of interconnecting with us and by virtue of our serving anybody we become subject to it or the people that we serve become subject to it and the power floats back through our system into theirs so it could be asserted that they are subject to it then our contracts are automatically canceled and that would be very disastrous to us and that is the reason we are for it.

Mr. MACDONALD. Thank you very much.

Mr. GIDEON. I would be glad to try to answer any question.

Mr. MACDONALD. Mr. Broyhill.

Mr. BROYHILL. No questions.

Mr. MACDONALD. Mr. Brown?

Mr. BROWN. Do you agree with the interpretation made by the gentleman from Florida about the coverage of this bill, that a company that did not produce its own power would be covered by this bill?