

million. In other words, it overcharged its customers, including the Federal Government, almost \$23 million in 1 year. And here we are, talking about a bill that would permit utilities that serve Federal installations to slip completely into the loving arms of a commission such as Florida's, whose chairman told this committee, 2 years ago, that "the best regulation is little or no regulation."

There was some criticism about a comment by Senator Kennedy of Massachusetts. Senator Kennedy of Massachusetts and Senator Kennedy of New York are both on the floor in a debate over which I was presiding a few minutes ago. I completely concur with Senator Kennedy of Massachusetts' statement that if this bill passes, Florida Power & Light and other Florida electric utilities will completely escape regulation because under that, as the Florida chairman said, "The best regulation is little or no regulation."

In 1965 Florida Power & Light had a rate of return of 8.21 percent. It overcharged its customers almost \$15 million that year. In sharp contrast the stockholders benefited enormously. Market value of the stock has risen 1,600 percent in the past 17 years.

With your permission, Mr. Chairman, I shall put in the hearing record at this point three tables, furnished me recently by Chairman Lee White of the FPC.

One shows the return on common equity of the class A and B electric utilities in 1965.

The second shows the average return on combined common equity from 1937 through 1965, showing how it has risen from about 7 percent in the late 1930's and early 1940's to 10 percent in the 1950's and now, for the first time, to more than 12 percent—12.3, to be exact—in 1965.

The third table shows the overcharged of each of the principal utilities in 1965. It is a most interesting table. It lists the operating income and actual rate of return of each of the utilities, followed by the operating income the company would have received at a 6-percent rate of return. The final column shows the difference between the actual income and what the company would have received had it received a fair 6-percent rate of return. I prefer to call this difference by its real name, "overcharge," and have substituted that word in the table.

I ask that these tables be inserted at this point in the record.

Senator CANNON. Without objection, they will be so inserted.

(The tables follow:)