

joined, and enactment of H.R. 5348 would certainly tend to inhibit two of them, Florida Power & Light Co. and Tampa Electric Co., from joining in the CARVA-Southern Agreement; that is, they will not "contract with a public utility * * * in another State", as H.R. 5348 phrases it, for fear of losing the promised exemption.

Even if some way could be devised to permit their participation without contracting with the out-of-State members of the agreement, the engineering efficiency of the coordination would be impaired by H.R. 5348.

Thus Florida Power & Light Co.'s service area adjoins directly that of Georgia Power Co., a participant in the CARVA-Southern Reliability Agreement, and Florida Power & Light is the largest utility in Florida (and of course one of the largest in the Nation).

Yet there is no direct interconnection between Florida Power & Light and Georgia Power across the State border, and none would be likely, if H.R. 5348 were enacted, no matter how advantageous it might be operationally.

The 1964 National Power Survey report undertaken by the Federal Power Commission in cooperation with the industry and the Commission's report this year that I mentioned earlier on prevention of power failures, indicated the desirability of stronger ties connecting the Florida utilities to the North and West. Thus the legislation before the subcommittee today would retard the progress of coordination for reliability even in the absence of reliability legislation.

NATURE OF H.R. 5348 AND RELATION TO PENDING COURT CASES

H.R. 5348 would amend the Federal Power Act to create a total exemption from parts II and III of the act for certain public utilities meeting the criteria listed by the bill.

Exactly how many companies would be exempted cannot be predicted, because of some unclear language in the bill. It is certain, however, that public utilities in many parts of the Nation could seek exemption if H.R. 5348 were enacted. The Commission's report and analysis of the bill, previously submitted to the committee, discuss the language of the bill and attempt to interpret its meaning. I request that they be made part of the record and I presume that this has been previously discussed in yesterday's hearing.

We are not sure, Mr. Chairman, whether the Commission's formal report to the Commerce Committee was actually discussed yesterday and made a part of the record. If it was not we believe that it would be a useful addition to the record of these hearings and so request. (See FPC report and analysis of H.R. 5348, p. 2.)

Mr. BROTZMAN. Mr. Chairman, I would like to see it now. Do we have it around?

Mr. WHITE. I think now, Mr. Chairman, we are approaching that portion of this prepared statement that addresses itself to the matter you raised.

In a sense H.R. 5348 may be regarded as addressed to an FPC case involving the jurisdictional status of Florida Power & Light Co. It is not my purpose here to discuss any particular case. Earlier this year the Commission concluded (two Commissioners dissenting) that Florida Power & Light Co. is a "public utility" within the meaning of the