

I think I should note that we have had an excellent illustration of where this has gone the other way. For a number of years the Detroit Edison Co., operated its system in such fashion that it was not jurisdictional. Within the past year or so it has concluded that, despite whatever disadvantages they may believe are inherent in FPC jurisdiction, the advantages to their own system stability, to the ability to provide reliable service and economical service, are so overwhelming that they are willing to accept whatever burdens come with FPC jurisdiction, so it may well be that under circumstances that will evolve in the future even if H.R. 5348 were enacted that the management of a particular utility would believe that it is worth the natural advantages to pay whatever psychic price or whatever financial price is involved in the FPC jurisdiction, and I could say almost in defense of the Commission we don't regard it as such a heavy burden or such a penalty.

We think there are considerable advantages that go with FPC jurisdiction. I wouldn't expect that to be a universal view, but certainly we believe, and I think that it is true, that there are many other observers of the industry, including some participants, who have seen some considerable benefit from regulation.

Only yesterday at the meeting of the National Association of State Regulatory Commissions the chairman of the Michigan Public Service Commission gave a rather powerful talk in which he said that he believed it was absolutely essential that the State commissions undertake to do more, that they had sort of left a great deal of the work to Federal agencies, and said that quite honestly he believed that if the States did not do more, if the State commissions and association did not do more, it was inevitable that the Federal Government would move in to solve national problems.

I can't say that this means that he is endorsing our electric reliability, that he is supporting this act, but his theme I thought was well taken and demonstrates that there is a vital role to be played by regulation.

Mr. MACDONALD. My last question is, What is the role—I am trying to reexamine it—between the FPC and, say, the Public Utilities Commission of Massachusetts?

Mr. WHITE. Under our existing legislation the State commissions, including Massachusetts, are entitled to come before the FPC to allege discrimination, to seek our good offices and our procedures for resolving difficulties.

We have, I think, in the past few years seen an increasing working relationship with them. For example, in the work on our National Power Survey we have had serving on our industry advisory committee representatives of the State commissions.

We have, additionally, found ourselves cooperating with them in a lot of specific situations. The one that most recently comes to mind is the Middle Atlantic power failure of last June. We have had a joint meeting, for example, at the Federal Power Commission, meeting with the chairman of the Pennsylvania Commission, the Maryland Commission, the New Jersey Commission, the District of Columbia and the Delaware Commissions, in an effort jointly to pool whatever technical competence we have and the industry has so that our efforts will be harmonious and hopefully cumulatively better than they would be individually.