

experience and the wisdom of those who operate utilities, that it makes a great deal more sense for them to coordinate and to integrate their operations so that they mutually help one another. They not only afford reliable service but most of the time more economical service.

It makes good operating sense. As to how CARVA is coming along, Mr. Brown, who is our chief engineer, does work with these people in the various regions and he may have a word or two on that.

Mr. F. STEWART BROWN. The CARVA pool agreement is a rather broad agreement between four of the major utilities in the Southeast and it covers the whole field of generation and transmission, the matter of interconnections, the matter of strengthening interconnections, the matter of scheduling new generation, the matter of staggering generation and being able to construct larger generations so they can share it.

It includes a consideration of reserves and the allocation of reserves among the companies. It includes the opportunity to reduce the overall reserve capability and economies and it also includes the opportunity for economic exchanges, so that we have here an opportunity for a very broad gage improvement in both the reliability and economy of all of these four systems.

Mr. KORNEGAY. I believe you do have under consideration a further integration or enlarging that pool, other than a power generating company, with some who are not selling power to the public, so to speak.

Mr. WHITE. Yes, in the sense that this underlies both our analysis of the past power failures and the legislation which we have pending before the committee that Chairman Macdonald introduced.

Mr. KORNEGAY. That is all, Mr. Chairman.

Mr. MACDONALD. Mr. Broyhill.

Mr. BROYHILL. Thank you, Mr. Chairman. As the gentleman and I come from the same area in question, I would like to clear up one or two points here.

You say that in the *Florida* case, the Florida Public Service Commission, the main thing is the same system of accounts and that other States are adopting the same system of accounts that the FPC requires?

Mr. WHITE. I is my understanding, Congressman, that the Florida Public Service Commission virtually tracks or has identical provisions although on some of the particular items these are comparatively recent actions by the Florida commission.

If it would be helpful for the record we would be delighted to submit a detailed summary of any advantages and differences.

Mr. BROYHILL. I don't think that I would want that for the record, but I want to go on and say and ask if the other States are adopting the system of accounts that the FPC requires.

Mr. WHITE. The answer is "Yes." I can't claim that it is 100 percent because we have some States that don't even have regulatory commissions. There are three States in the contiguous 48 that simply do not have any agencies set up for these purposes so obviously in that case it is not so.

Mr. Solomon points out that in our relationships with the States it would be better if I recast my answer to indicate that what we are talking about is not something that we have imposed or sort of pressed down on the States and that they are acquiescing and going along with it because they have no alternative.