

Mr. BROYHILL. You could challenge the rate on wholesale rates, but not on retail?

Mr. WHITE. That is correct, and under the existing situation even the Florida Public Service Commission does not have authority over the wholesale rates charged in the State of Florida.

Mr. BROYHILL. If the company does not sell any wholesale to anyone what purpose does the FPC jurisdiction serve?

Mr. WHITE. If they are not selling it wholesale?

Mr. BROYHILL. Yes.

Mr. WHITE. Certainly with respect to rates there would be no advantage whatsoever. With respect to accounting practices, I would think there would be some benefit. It might be minimal, and if it were the case that there were no actual wholesale sales between a utility and other utilities we would have no rate problems.

There is, however, a third part of our jurisdiction that I referred to in the formal statement that had to do with the interconnections reliability of service. This is our section 202(b) of the existing Federal Power Act.

Mr. BROYHILL. This is voluntary, is it not?

Mr. WHITE. No, sir.

Mr. BROYHILL. It is not?

Mr. WHITE. No, sir. Under that, for example, we can give you an illustration. A utility in Georgia, municipally owned, claimed that it was not being adequately served by the major utilities in the area. It came to the Federal Power Commission and lodged a complaint, said that its people were not being served, that they had a whole series of power failures, and "under this particular section we are seeking relief" that would not be available to a Florida municipality if I understand your question.

Mr. MACDONALD. Mr. Van Deerlin?

Mr. VAN DEERLIN. Thank you, Mr. Chairman. Mr. White, could you give us an estimate of the volume of power companies, not by number of companies, but I suppose by units of service provided, that would be affected by this legislation? I suppose it turns on legal interpretation of what is intrastate, but how big a slice are we talking about?

Mr. WHITE. You are right, we would have to qualify any answer because first of all there is always a problem of interpreting language and some of this is kind of new and would involve both the decision within the Commission and then ultimately by the courts, but sliding over that and the second qualifier which I think ought to be in the record, and that is you are talking I think the way things are operated today rather than were this enacted, and this is one of our fears, that there would be some companies who would undertake to adjust their operations. They may not believe it is advantageous, but they would make the decision Congressman Kornegay was talking about, that it may be worth escaping our jurisdiction if they adjust their operations.

I would think not and hope not, but to the extent that that is there we can't give you a figure. However, with those two qualifications I would say we are still talking about a pretty small slice and maybe it is two dozen utilities in the country. It certainly wouldn't be any more than that, would be my guess.