

We have not made a detailed study. It has been impossible to do for the reasons I have suggested. We are not talking about a large number of utilities. We are I think perhaps, however, talking about some that are quite major in the fact that they are large utilities and serve a large number of people.

Mr. VAN DEERLIN. In the matter of establishing reserve margin standards, something which often imposes extra costs on a power company, what progress has been made in this direction, and establishing greater reliability, in the roughly 2 years that have elapsed since the northwest power blackout?

Mr. WHITE. This is certainly one of the elements that we focused on in our preparation of our reports that came to the Congress. We have regional advisory committees established by the FPC made up of all segments of the industry in six regions of the country and we have undertaken through Mr. Brown, the head of our staff, and through our own relationships with the utility executives that serve on these committees to get them to focus on reserve factors and primarily, as your question suggested, for the purposes of reliability.

It is perfectly evident, and was in the summer of 1966 that we had one area of the country where there was just inadequate capacity. There were explanations for it. This was the St. Louis area. You may remember that persuasive heatwave that lasted for a couple of weeks and hit the whole eastern two-thirds of the country. There just was not enough power to meet all of the daily needs of the people in St. Louis and on the rotating basis the companies serving that area simply dropped loads, what we characterize as a brownout.

We had one very minor one here in the Washington area this past summer where we were operating on slightly reduced voltage in order to make sure that all the powerloads were met.

I would say we are making some progress, to answer your question directly, and I wouldn't want to suggest that it is again our wisdom. It is the management themselves that are focusing on this. There is no utility management that wants to go through a blackout or a brownout. They grew up with service as their watchword and now they do an excellent job by and large.

Mr. VAN DEERLIN. Would these exemptions for the dozen, or possibly 2 dozen companies exempted by this legislation, put a crimp in this kind of planning and activity by—

Mr. WHITE. It is very tempting to just give you a yes, but in fairness I must qualify it.

It would indeed under the existing legislation. If, however, the Congress acts on our electric reliability act I think the answer is it would not really have quite as much significance and may shrink down to an inconsequential area because in that proposal it is aimed at bulk power supply and does not have built within it any exemptions. That includes even the Federal operators.

Mr. VAN DEERLIN. Thank you, Mr. Chairman.

Mr. MACDONALD. Mr. Brown?

Mr. BROWN of Ohio. Mr. White, in your statement, I would like to pursue just a couple of points and ask one question about this map.

On page 5 you suggest that this legislation would have the effect of discouraging interconnection and I presume the point that you are making is that this would reduce reliability of the individual utility, but I would put the question in another reference.