

diction over a particular company in Florida, as the majority of the FPC believes that it does, we will then also have the authority not only to require accounts, but to regulate the rates that are unreasonable or that are discriminatory.

Mr. BROWN of Ohio. This deals with the competitive factors to which you made reference in your testimony.

Mr. WHITE. Yes.

Mr. BROWN of Ohio. The factors of possible competition.

Mr. WHITE. Yes.

Mr. BROWN of Ohio. I want to come back to that.

Mr. WHITE. Or unreasonable rates just because they are set too high or because utility A sells to community C at one price and community D at another price and this is discriminatory. If that is the case then there is a forum where municipal C and D can come and say, "We are being discriminated against," or "Our rates are too high."

Mr. BROWN of Ohio. This is not now in existence?

Mr. WHITE. This is not now in existence in the State of Florida, correct.

Mr. BROWN of Ohio. Are there other factors? That is two more in addition to auditing and accounting.

Mr. WHITE. Yes, there is. The third one relates to this question of interconnection or compulsory linkage between two systems. Under our existing legislation, the ones that we operate under today, we have the authority wherever a public utility is jurisdictional or subject to our jurisdiction to receive complaints either from a State commission or from a utility system that says, "We are in a desperate situation and we want utility A to provide us some power, some emergency power."

Mr. BROWN of Ohio. I understand that. Now, are there any others?

Mr. WHITE. I don't think so. Are there any other points? They are not nearly as important to tick off as the basic ones, but also where a public utility is subject to our jurisdiction if it undertakes to acquire or merge with an additional system that must come to the FPC for approval.

Mr. BROWN of Ohio. And this could in certain States be resolved by the State public utility commission, is that correct?

Mr. WHITE. That is correct. An additional one is the issuance of securities by jurisdictional public utilities. If the States do not regulate that, then the Federal Power Commission under the existing Federal Power Act does regulate or have surveillance over the issuance of securities.

Mr. BROWN of Ohio. But if the State does regulate it then you do not have that regulatory power.

Mr. WHITE. Correct, under existing legislation, correct.

Mr. BROWN of Ohio. On page 15 you make some reference to the idea that customers who purchase power for resale are often competitors (actual or potential, in the area where the two systems are contiguous) for commercial and industrial customers.

How are these competitive differences now resolved in a situation which is under your jurisdiction? Are they resolved at the State level, or the Federal level, or are they not resolved by any formal organization but rather just simply by the marketplace competition?

Mr. WHITE. Under the existing authority of the Federal Power Commission if a utility contiguous to another believes and is a purchaser of power to meet its own customer needs and comes in and