

by letter (a copy of which is submitted herewith) that Tampa Electric Co. was a "public utility under the meaning of section 201(e) of the Federal Power Act."

(The letter referred to follows:)

TAMPA ELECTRIC Co.
Tampa, Fla.

FEDERAL POWER COMMISSION,
Washington, D.C., December 24, 1963.

(Attention of Mr. W. C. MacInnes, President)

GENTLEMEN: Your company is included in this Commission's "List of Electric Power Suppliers with Annual Operating Revenues of \$2,500,000 or More Classified as Public Utilities under the Federal Power Act," as of January 1, 1963. Information available to the Commission, including data set forth in the 1962 FPC Form No. 1, Annual Report, and in the 1962 FPC Form No. 12, Power System Statement, covering your company and companies with which it interconnects directly or indirectly indicates that you own or operate facilities for the transmission or sale for resale of energy in interstate commerce, and are thus a public utility under the meaning of Section 201 (e) of the Federal Power Act.

Public utilities under the Power Act are required to comply with all accounting rules and regulations of this Commission. As applied to your company, those requirements necessitate the maintenance of your plant accounts on an original cost basis as prescribed in the Commission's Uniform System of Accounts for Public Utilities and Licensees; and the preparation and filing with the Commission of reclassification and original cost studies of electric plant. The form of those studies is as specified in the Commission's order dated May 11, 1937 "Electric Plant Instruction 2-D, Uniform System of Accounts" and Section 120.3 of the Commission's Regulations under the Power Act (18 Code of Federal Regulations 120.3).

Additionally, your attention is invited to the Commission's tax accounting provisions relative to deferred income taxes arising from rapid depreciation expense write-offs pursuant to Section 167 and 168 of the Internal Revenue Code of 1954, and investment tax credit pursuant to Section 2 of the Internal Revenue Act of 1962. The former provisions appear in the pamphlet copy of the Commission's Uniform System of Accounts (Accounts 281, 282, 410 and 411). The latter provisions are interim accounting provisions prescribed by the Commission's Order No. 261 issued January 9, 1963, a copy of which is enclosed for your convenience.

Information available to the Commission also indicates that your company transmits or interchanges, and sells electric energy in interstate commerce for resale to a number of purchasers. Rate schedules for such transactions are required to be filed with this Commission in the manner provided in Part 35 of the Commission's Regulations under the Federal Power Act. A copy of the Commission's Order No. 271 issued September 26, 1963 revising Part 35 of the Commission's Regulations under the Federal Power Act is enclosed for your convenience.

In addition to the documents heretofore mentioned there are also enclosed herewith copies of the following documents:

- Order of May 11, 1937
- Uniform System of Accounts Prescribed for Public Utilities and Licensees
- Regulations to Govern the Preservation of Records
- List of Units of Property
- Federal Power Act
- Regulations under the Federal Power Act
- Rules of Practice and Procedure

Additional copies of the Federal Power Act, Uniform System of Accounts, Commission Regulations and other Commission publications may be obtained upon payment of the nominal charges as indicated in the enclosed Commission publication list.

Your company is requested to advise the Commission within sixty days concerning your plans for submitting the original cost studies and rate schedules.

Very truly yours,

GORDON M. GRANT, *Secretary*.

Mr. BLACK. We disagreed with the Commission's conclusion on the grounds that the Tampa Electric Co.'s customers are adequately protected by the fair and just regulation furnished by the Florida