

We believe that the placing of our utilities that operate wholly within the boundaries of the State of Florida under the jurisdiction of the Federal Power Commission would be just another erosion of our State rights. We have seen too much of the authority, which should be in the hands of our local people who are responsible to the electorate of our State, sent to Washington. We do not think our utilities would be better regulated by the Federal Power Commission.

In the past whenever our cooperative association has had to work out wholesale rate problems or territorial problems, we have been able to solve these by discussions between our association and the private utilities involved. We have never had any help from the Federal Power Commission. The only time that the Federal Power Commission has intervened in a cooperative's rates the cooperative came out a heavy loser.

Our group is also disturbed because of the proceeding now pending before FPC on behalf of several Florida municipalities who are buying their power from Florida Power Corp. These municipalities are seeking to have their rates cut down to the rates given the REA's and the net result might well be a raise in the rate of the REA's. The same avenues were open to them as to us. When we were told the rates would be such-and-such and didn't approve, we got our rate people, made a thorough study of the situation, proved our point, and got the rates which are enjoyed today. The municipalities could have done likewise had they seen fit to do so.

The Federal Power Commission has agreed that they will not directly exert any control over the cooperatives but when they take control of our intrastate power companies they indirectly take control over the cooperatives' wholesale power rates.

The subjecting of our utilities to the jurisdiction of the Federal Power Commission would just create an unnecessary burden to our cooperative and the private utilities. It would force all of our companies to spend considerable time and money running back and forth to Washington to defend our companies from the unneeded control of this Commission.

Our cooperatives are very democratically controlled by our own members and their duly elected boards. We are also very thoroughly watched in our operations and rates by our own Rural Electrification Administration in Washington.

The people of the State of Florida, through their own utility commission, have certainly had their affairs very efficiently handled and, as far as rates are concerned, we think the history of the rate reductions, brought about by our commission over the last several years, speaks for itself. Our people have been well taken care of by our own commission.

May I also state for the 15 Florida cooperatives that we are not satisfied to leave this matter in the hands of the FPC for decision, for it was shown through Commissioner Bagge's dissenting opinion (opinion No. 511) issued January 5, 1967, the confusion which exists within the Commission with regard to FPC jurisdiction over cooperatives. We point further to the testimony of the former chairman of the Commission, Mr. Swidler, when he appeared before this committee in 1965. His testimony strongly supported the retention of jurisdiction of cooperatives by the FPC. The dissenting opinion of Commissioner Bagge and