

In addition, the Federal Power Commission has authority to enforce fair and honest auditing and to establish other fiscal controls for these companies.

These bills would cut the heart out of most of this vitally protective authority.

Their approval and passage would leave cities, cooperatives and other such groups practically defenseless before repeated and unfair and excessive increases of wholesale rates, thereby greatly increasing electric bills and threatening the growth of the economy of all affected communities.

As to wholesale rates and conditions of power purchase we are now under the protective authority of the Federal Power Commission.

We want to keep that protection.

We are not enchanted by the profession of any States rights principles by private power companies.

We believe that, in a democratic society, the ultimate rights to be protected are the rights of the people—and in the communities where they live.

When the Federal Power Commission is needed to protect those rights, we want the Federal Power Commission.

We were given that protection in 1935.

In 1947 when the Miller bill, like H.R. 5348 and related bills here being considered, similarly sought to assault our protection, for the same sound finding, that bill died in subcommittee.

The courts, including the Supreme Court, have sustained the authority the Congress gave the Commission.

There is every reason for public, locally owned electric systems to continue to have this protection.

Not only do we passively want it; we actively seek it.

Too many of our consumers suffer from wholesale rates that we believe we can establish as unfairly high and unlawful. We can take action to obtain our rights under this very law that is attempted by these bills to be drawn and quartered.

But if any of these bills were to be enacted the millions of citizens served by their own public local systems would be subjected, helplessly, to more and more, higher and higher wholesale rate increases.

We are unwilling to trust our public purse and our private pockets to the consciences of private power companies and to the chances of State regulation. The States already have more than they can do in regulating retail rates, a field which accounts for 85 percent or more of all sales.

Every private electric utility is, by nature, in practical effect, and in law, a monopoly. It does not run the risks of ordinary private business. By law it is assured a fair profit on its business.

But the private power companies have never been satisfied to make just a fair profit. They want to make all they can get—with no more lawful control than they are forced to take. And they have made more money than most people have known or have supposed the law to allow them. The case against them is fully documented in "overcharge"; and no private power company has been able to refute a single part of that case.

You need to look no further than wholesale rate reductions ordered by the FPC in recent years to know why the private power companies