

now suddenly want bills like these. When the law was not being enforced against them, they did not care. Now that it is, they want to destroy the law.

These cities and towns for whom I speak, like their counterpart over the country, deserve the respect of the Congress for the honorable history they have had. For the same reason that impelled the Congress to create the opportunity for rural electric cooperatives—that people concerned could get no electric service unless they got it for themselves—these cities and towns—a generation before that time—faced the fact that their people could get no fair and adequate electric service unless they got it for themselves. And get it they did—in the inventive, democratic way.

These small, local, public systems have been established these decades by our fathers and by the votes of our people. They are sustained and retained by our citizens by their votes and their taxes.

These bills would insult our communities. They would impair or destroy our systems, public property. They would burden our economies. They would destroy our work.

In that connection, Mr. Chairman, may I insert a comment because there have been several questions of previous witnesses.

Inadvertently Mr. White and others have replied to questions by Mr. Kornegay and Mr. Broyhill and others about the application of H.R. 5348 and related bills to North Carolina. It is not true that H.R. 5348 would have no impact in North Carolina. It would immediately exempt the Nantahala Power Co. It is a perfect example of the definition given in this bill of a public utility, "all of whose facilities are situated in a single State and none of whose facilities is used to transmit or receive electric energy by direct connection from or to a State other than the State in which such facilities are located." So far as I know, it has no contracts with out-of-State utilities and can certainly immediately terminate such contracts if it did have them. In addition, one of the most evil imports of this bill is the incentive that it would give for artificial, legalistic, unrealistic, and entirely selfish reasons to private power companies to form paper corporations that would themselves come under H.R. 5348. I should like to read you just one sentence from the statement which has been filed in writing by Mr. William T. Crisp who is the general counsel of Tarheel Electric Membership Association, the REA association in North Carolina. This is the one sentence I should like to read from his testimony which has been filed with you, Mr. Chairman, in opposition to these bills.

Indeed we are emboldened to predict that if H.R. 5348 passes we shall witness the manifold increase in the number of "power companies" in the United States.

Not only is that a real possibility for Carolina Power & Light Co., Duke Power Co., and Vepco, it is a real possibility for any power company even though jurisdictional today under the FPC, by an artificial corporate reorganization to set up the paper corporations that will take the power from across the State line and then simply, by contract, within the State and therefore sanitize, as was suggested yesterday, make the real operating entities exempt from the Federal Power Commission.

That has always been a danger even with traditional generation, fossil fuel. Now, in the age of the peaceful atom we are witnessing as of now what amounts to, thank goodness, a peaceful, beneficial revolution in the cost of generation of electricity.