

on to retail rates and at Federal level to see it is passed on to the wholesale rates. If that is not so, then our consumers do not get their benefit.

We brought a rate case against the Carolina Power & Light Co. on behalf of my own city a couple of years ago, and we made a feasibility study of what it cost us to generate our own, standing as an isolated city. Using that and other evidence, we were able even before coming to the hearing stage of the Federal Power Commission to effect a settlement with Carolina Power & Light Co. that will save our citizens in the city of Fayetteville alone millions of dollars in the next 15 years. If we had not had Federal Power Commission jurisdiction, we would not have had that and we would not have had that opportunity.

Mr. VAN DEERLIN. Not having been born yesterday, you are not overly persuaded by the contention that the mere removal of a necessity for reports, preparation of auditing reports dispatched to Washington, would automatically result in savings in cost of power at the local level?

Mr. TALLY. No, sir. I am not really impressed with that.

Mr. VAN DEERLIN. I do not want to put words in your mouth.

Mr. TALLY. No. None of us likes paperwork, but the amount of paperwork concern for filings with the FPC is not today significantly greater than that required by the State commissions. The State commissions do not have the personnel, the expertise, and the money, and being just individual compartmented State commissions, do not have the jurisdictional reach to grasp what is going on in these vast interstate pools. They require today essentially the same reporting as the Federal Power Commission and we are not talking about any \$4 or \$6 million or \$500,000 or \$600,000 annually, that sort of thing.

It is very easily done. Our own city reports to the Federal Power Commission on its sales, and I am sure that our taxpayers would run like the city council and power commission out of office if they wasted money like that on paperwork.

Mr. VAN DEERLIN. Thank you very much, Mr. Chairman. I have seldom heard such thunder in such a mild voice.

Mr. MACDONALD. If you permit, I would like to observe that North Carolina has done such a good job in lowering power rates that it has, for lack of a better word, pirated away from New England our textile industry.

Mr. KORNEGAY. Attracted is a better word.

Mr. MACDONALD. Pirated is not a bad word. Sometime I am going to take a poll and see how they voted on the Lincoln-Dickey Dam, which I think would help us in New England very much.

Mr. TALLY. It would help you greatly, Mr. Chairman.

Mr. MACDONALD. Perhaps in competition with you then. Maybe that is why we will take a survey about how members of this subcommittee voted, but I would be very interested in finding out.

Mr. TALLY. You lack a yardstick in New England. You need one badly.

Mr. BROYHILL. Mr. Chairman, a question was brought up in the colloquy between Mr. Tally and Mr. Van Deerlin.

Mr. Tally, you indicated that you were granted a rate reduction from Carolina Power & Light Co. Was this rate reduction passed on to