MASSACHUSETTS ELECTRIC CO. GENERATING STATIONS

	Lynnway		Webster		Total	
	Cost	Cost per kilowatt	Cost	Cost per kilowatt	Cost	Cost per kilowatt
Return	$154,757	$2.74	$432,181	$12.53	$586,938	$6.45
Federal income tax	83,500	1.48	233,300	6.76	316,800	3.48
Depreciation	300,850	5.32	702,214	20.35	1,003,064	11.02
Subtotal	539,107	9.54	1,367,695	39.64	1,906,802	20.95
Insurance	8,300	.15	9,500	.28	17,800	.20
General	63,870	1.13	81,106	2.35	144,976	1.59
Franchise tax	9,580	.17	26,754	.78	36,334	.40
Municipal tax	543,737	9.63	442,375	12.82	986,112	10.84
Operating costs (excluding fuel)	759,055	13.43	937,390	27.17	1,696,445	18.64
Subtotal	1,384,542	24.51	1,497,125	43.40	2,881,667	31.67
Total costs (excluding fuel)	1,923,649	34.05	2,864,820	83.04	4,788,469	52.62
Fuel	207,700		257,900		465,600	
Total costs	2,131,349		3,122,720		5,254,069	
Nameplate capacity in kilowatts		56,500		34,500		91,000

Source: Capacity—1966 annual report to FPC; costs—rate filing dated Aug. 31, 1967; section entitled "Massachusetts Electric Co., Steam Contract With New England Power Co., Nov. 16, 1966."

Mr. Baker. It is interesting to note that when hearings were held on a similar bill which would have drastically curtailed the F.P.C. jurisdiction about two years ago, many of the companies which testified claimed to be doing business only in intrastate commerce. These same companies were blacked out in the infamous Northeast blackout which occurred shortly after the hearings closed. The blackout proved conclusively that these companies should be regulated by the F.P.C. and that additional regulatory authority is needed so that these same companies and others can be required to—better coordinate their system planning—pool their power sources on a regional basis—install the necessary interties and exercise control over high voltage transmission.

Because of the many and serious conflicts in all phases of the electric business, it is necessary that the Federal Power Act be strengthened so that the benefits of the vast technological strides made in recent years can be fully utilized in the public interest and for the common good. H.R. 5348 runs counter to these ends and should be rejected.

This need is shown by a recent F.P.C. staff brief in the Northfield Mountain case (Re *Western Massachusetts Electric Co.*, et al, Project No. 1889) which concludes generally that the Massachusetts municipals have been improperly excluded from regional planning activities and this may be a violation of the antitrust laws, and, in any event, should be rectified by the Commision action.

As the brief states:

"The reality of the situation, abundantly clear from the testimony and exhibits received in evidence, is that the municipals are pressing to secure new sources of bulk power and the investor-owned utilities are resisting their effort on a variety of fronts. If one is to conclude that the exclusion of the municipals from planning involves no anticompetitive element, one must be blind to this underlying reality." (Pages 26–27.)

I am submitting a copy of this brief (attachment B) and request that it be copied into the record because it presents a good statement of the antitrust issues as they affect the work of the Federal Power Commission.

(The document referred to follows:)