

Mr. KELLY. Thank you, sir.

Mr. MACDONALD. Mr. Crisp, the next scheduled witness, has already filed a statement.

Mr. Biemiller, of the AFL-CIO, has filed a statement for submission for the record.

That brings us to Mr. William C. Wise, counsel for Mid-West Electric Consumers Association, Washington, D.C.

**STATEMENT OF WILLIAM C. WISE, COUNSEL FOR MID-WEST
ELECTRIC CONSUMERS ASSOCIATION**

Mr. WISE. Mr. Chairman and members of the committee, my name is William C. Wise. I appear here in behalf of Mid-West Electric Consumers Association, which is a regional service organization for the rural electric cooperatives and the municipal electrics of the nine States comprising the Missouri Basin. We have about 250 electric systems which are members, who in turn serve about a million and a half consumers.

At our annual meeting last year held in Denver in December, the association voted unanimously to oppose any bill presented at this session of Congress which would cut down the jurisdiction of the Federal Power Commission over the investor-owned utilities.

Our reason for opposing H.R. 5348 is that, in our opinion, it would interfere strongly with the objective of our members to serve their consumers adequately at the lowest possible cost. Even more important than that, we think that the rates for a number of consumers throughout the country will be increased if this bill is passed.

As has been pointed out, both by questions and by testimony, it is impossible, at least it seems to me impossible, to tell exactly how many companies will be affected by this bill. We believe there might be three in our own area, although we cannot be positive. However, we are certain that the suggestions made here by different witnesses, particularly by Mr. Tally, that companies will reorganize their method of operation so as to come under it, is not a bogymen, but is an actual fact. We base that on history.

A number of rural electric cooperatives, prior to the time the Federal Power Commission aggressively assumed jurisdiction over electric utilities, roughly 6 years ago—now, of course, the Commission asserts jurisdiction even though the facilities are located within a State if the particular company is transmitting or selling at wholesale in interstate commerce. Prior to that time, a number of cooperatives close to the State line would have a high cost of power from their present supplier but would have been able to buy it considerably cheaper across the State line from the company which was operating very close to the State line. In a number of cases the latter company refused to serve and was very frank about it. The reason they would not do so was that they did not want to come under Commission jurisdiction. We would anticipate this would happen in many cases. It would be fairly simple for the companies to bring about this result.

Most of our members are either small municipalities, small electric systems, or they are rural electric cooperatives serving a very sparsely settled rural area of the Midwest in the Missouri Basin. The average number of consumers served by our cooperatives is less than 3 per mile, and we have a number of members who serve less than one consumer