States' rights to set utility rates periled

Political Editor By Sydney Kossen

would practically wipe out the authority of California is quietly testing a plan that and other states to regulate The Nixon Administration



electricity and gas rates and presumably the price of phone service, too.

ings no longer would be retomatically as utility company costs go up. Public hear-The rates would climb au-

commitment to a full energy que where he spoke of "my ence last week in Albuquer-Western Governors Confer-The proposal was mentioned by Federal Energy Chief John C. Sawhill at the

partnership with state gov- ables oil companies to raise ernment."

later told the Examiner he doesn't like the idea. tive Governor Jack Williams Even Arizona's conserva-

four-day Federal Energy Administration hearing in San Francisco opening Oct. loud consumer outcries at a And it's sure to touch off

are protesting the ease with which Sawhill's office en-Consumer groups already

gasoline prices.

geothermal . . . ture: nuclear, solar and the energy sources of the fustimulate increased oil, gas the Administration wants to "counting on the West for and coal production and is He told the governors that

achieve national policies," Sawhill said. lation that could help model state and local legis-"We're also developing

nisms that help utility com-panies out of the current would further erode states' economic plight." tive fears the Sawhill plan would further erode states' cost pass-through mechaplaining it would "devise Then he offered the con-

give up its power to examine utility rate change applicamarked that "no way" could his state be persuaded to "We'd never go for that," said Gov. Mike O'Callaghan. The Nevada Democrat re-

utility firms "do deserve retive fears the Sawhill plan lief from their rising costs." But the Arizona conserva-Gov. Williams said the