Eighty-ninth Annual Report

of the

State Corporation Commission

of

Virginia

For the Year Ending December 31, 1991

GENERAL REPORT

Letter of Transmittal

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

RICHMOND, VIRGINIA, *December 31, 1991*

To the Honorable L. Douglas Wilder

Governor of Virginia

Sir:

We have the honor to transmit herewith the eighty-ninth Annual Report of the State Corporation Commission for the year 1991.

Respectfully submitted,

Theodore V. Morrison, Jr., Chairman

Preston C. Shannon, Commissioner

Thomas P. Harwood, Jr., Commissioner

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State Corporation Commission

COMMISSIONERS

*Preston C. Shannon	Chairman
**Theodore V. Morrison, Jr.	Chairman
Thomas P. Harwood, Jr.	Commissioner

William J. Bridge
Clerk of the Commission

*Term as Chairman expired January 31, 1991

**Elected Chairman effective for term of one year, February 1, 1991

Commissioners

The three initial Commissioners took office March 1, 1903. From 1903 to 1919 the Commissioners were appointed by the Governor subject to confirmation by the General Assembly. Between 1919 and 1926 they were elected by popular vote. Between 1926 and 1928 they were appointed by the Governor subject to confirmation by the General Assembly. Since 1928 they have been elected by the General Assembly.

The names and terms of office of the Commissioners:

		Years
Beverley T. Crump	March 1, 1903 to June 1, 1907	4
Henry C. Stuart	March 1, 1903 to February 28, 1908	5
Henry Fairfax	March 1, 1903 to October 1, 1905	3
Jos. E. Willard	October 1, 1905 to February 18, 1910	4
Robert R. Prentis	June 1, 1907 to November 17, 1916	9
Wm. F. Rhea	February 28, 1908 to November 15, 1925	18
J. R. Wingfield	February 18, 1910 to January 31, 1918	8
C. B. Garnett	November 17, 1916 to October 28, 1918	2
Alexander Forward	February 1, 1918 to December 5, 1923	5
Robert F. Williams	November 12, 1918 to July 1, 1919	1
(Temporary Appointment during absence of Forward on military service)		
S. L. Lupton	October 28, 1918 to June 1, 1919	1
Berkley D. Adams	June 12, 1919 to January 31, 1928	9
Oscar L. Shewmake	December 16, 1923 to November 24, 1924	1
H. Lester Hooker	November 25, 1924 to January 31, 1972	47
Louis S. Epes	November 16, 1925 to November 16, 1929	4
Wm. Meade Fletcher	February 1, 1928 to December 19, 1943	16
George C. Peery	November 29, 1929 to April 17, 1933	3
Thos. W. Ozlin	April 17, 1933 to July 14, 1944	11
Harvey B. Apperson	January 31, 1944 to October 5, 1947	4
Robert O. Norris	August 30, 1944 to November 20, 1944	
L. McCarthy Downs	December 16, 1944 to April 18, 1949	5
W. Marshall King	October 7, 1947 to June 24, 1957	10
Ralph T. Catterall	April 28, 1949 to January 31, 1973	24
Jesse W. Dillon	July 16, 1957 to January 28, 1972	14
Junie L. Bradshaw	March 10, 1972 to January 31, 1985	13
Preston C. Shannon	March 10, 1972 to	
Thomas P. Harwood, Jr.	February 20, 1973 to	
Elizabeth B. Lacy	April 1, 1985 to December 31, 1988	4
Theodore V. Morrison, Jr.	February 16, 1989 to	

From 1903 through 1991 the lines of succession were:

	Years		Years		Years
Crump	4	Stuart	5	Fairfax	3
Prentis	9	Rhea	18	Willard	4
Garnett	2	Epes	4	Wingfield	8
Lupton	1	Peery	3	Forward	5
Adams	9	Ozlin	11	Williams	1
Fletcher	16	Norris	0	Shewmake	1
Apperson	4	Downs	5	Hooker	47
King	10	Catterall	24	Bradshaw	13
Dillon	14	Harwood	19	Lacy	4
Shannon	20	Morrison	3		

Preface

The Constitution of Virginia establishes the State Corporation Commission as a specific department of State government. The Commission is Virginia's principal regulatory body in the business and economic fields. It sets electric and intrastate telephone utility rates - as most citizens know - but its regulatory authority goes far beyond this.

Insurance, all State savings and lending institutions, rail and truck transportation, and investment securities are under Commission supervision. The Commission also assesses public service corporations for State and local taxation as well as charters all domestic and foreign corporations doing business in Virginia.

The primary reason for the Commission's existence is to administer the laws which promote fair and equitable treatment of the public by all businesses which are deemed by the State to provide a vital public service.

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

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PART 1
THE STATE CORPORATION COMMISSION

1:1. *Constitutionally Created*. The Commission is a permanent body with powers and duties prescribed by Article IX of the Constitution and by statute (Code §§ 12.1-2, 12.1-12, *et seq*.).

1:2. *Seal of Commission*. As described by the Code of Virginia, and when affixed to any paper, record or document, customarily by the Clerk of the Commission, the seal has the same force and effect for authentication as the seal of a court of record in the State (Code §§ 12.1-3, 12.1-19).

1:3. *Principal Office*. Jefferson Building, Corner of Bank and Governor Streets, Richmond, Virginia; mailing address: Box 1197, Zip Code 23209.

1:4. *Public Sessions*: Writ or Process. Public sessions for the hearing of any complaint, proceeding, contest or controversy instituted or pending, whether of the Commission's own motion or otherwise, shall be at its principal office, or, in its discretion, when public necessity or the convenience of the parties requires, elsewhere in the State. All notices, writs and processes of the Commission shall be returnable to the place of any such session (Code §§ 12.1-5, 12.1-26, 12.1-29). Sessions are held throughout the year except during August. All cases will be set for a day certain and the parties notified.

PART II
ORGANIZATION

2:1. *The Commission*. The Commission consists of three members elected by the joint vote of the two houses of the General Assembly for regular staggered terms of six years (Code § 12.1-6).

2:2. *Chairman*. One of its members is elected chairman by the Commission for a one-year term beginning on the first day of February of each year (Code § 12.1-7).

2:3. *Quorum*. A majority of the Commissioners shall constitute a quorum for the exercise of judicial, legislative, and discretionary functions of the Commission, whether there be a vacancy in the Commission or not, but a quorum shall not be necessary for the exercise of its administrative functions (Code § 12.1-8).

2:4. *Administrative Divisions*. The public responsibilities of the Commission are divided among the following divisions:

(a) Accounting and Finance.

Periodic audit of all public utilities, electric, gas, telephone, electric and telephone cooperatives, radio common carriers, water and sewer. Preparation of the analyses and studies incident to all utility applications to engage in affiliates' transactions, issue securities, acquire certificates of convenience and necessity and/or to increase rates.

(b) Bureau of Financial Institutions.

Examination of and supervisory responsibility for all state-chartered banks, trust companies, savings and loan associations, industrial loan associations, credit unions, small loan companies, money order sales and non-profit debt counseling agencies, as provided by law.

(c) Bureau of Insurance.

Licensing and examination of insurance companies and agents, including contracts and plans for future hospitalization, medical and surgical services, and premium finance companies; approval of policy forms; collection of premium taxes and fees; public filings of financial statements and premium rates; rate regulation.

(d) Clerk's Office.

Administration of the corporate statutes concerning the issuance of certificates of incorporation, amendment, merger, etc., the qualification of foreign corporations, and the assessment of annual registration fees; administration of the limited partnership statutes concerning the filing of certificates of limited partnership, amendment and cancellation, the registration of foreign limited partnerships, and the assessment of annual registration fees; public depository of corporate and limited partnership documents required to be filed with the Commission; provides certified and uncertified copies of documents and information filed with the Commission; statutory agent for service of process pursuant to Code §§ 8.01-285 et seq., 13.1-637, 13.1-766, 13.1-836, 13.1- 928, and 40.1-68; powers and functions of a clerk of a court of record in all matters within the Commission's jurisdiction.

(e) Communications.

Responsible for regulation of rates and services of telephone and radio common carriers, including administrative interpretations and rulings related to rules, regulations, rates and charges; investigation of consumer complaints; provides testimony in rate and service

proceedings; development of special studies, including depreciation prescriptions; monitoring construction programs and service quality; administration of the Utility Facilities Act and maintenance of territorial maps as pertains to communications.

(f) Corporate Operations.

Records and maintains on computer systems or microfilm the information and documents filed with the Clerk's Office by corporations and limited partnerships; takes telephonic requests for copies of such documents and information; provides facilities for "walk-in" viewing of such information and documents; responds to telephonic requests for specific information concerning corporations and limited partnerships of record in the Clerk's Office; processes requests for corporate and limited partnership forms prepared or prescribed by the Commission; processes various types of documents delivered to the Commission for filing, including annual reports, registered office/agent changes and annual registration fee payments.

(g) Economic Research and Development.

Performs basic economic and financial research on matters involving the regulation of public utilities; conducts research on policy matters confronting the Commission; provides financial and economic testimony in rate hearings, and engages in developing administrative processes to facilitate the conduct of the Commission's regulatory responsibilities.

(h) Energy Regulation.

Responsible for regulation and rates and services of electric, gas, water and sewer utilities, including administrative interpretations and rulings relating to rules, regulations, rates and charges; investigation of consumer complaints; maintenance of territorial maps; preparation of testimony for rate and service proceedings; development of special studies, including depreciation prescriptions; monitoring construction programs and service quality; administration of the Utility Facilities Act and enforcement of safety regulations affecting gas pipelines and other facilities of gas utilities.

(i) General Counsel.

Analysis of facts and legal issues for the Commission, and for purposes of appeal, relative to all matters coming before the Commission, including certificates of convenience and necessity, facilities and rates affecting public utilities, insurance, banking, securities, transportation, etc.

(j) Motor Carrier.

Reviews and evaluates motor carrier rules and regulations; develops legislative and internal procedural changes or modifications pertaining to motor carriers; work with other state and federal regulatory agencies and with motor carrier associations. Responsible for the registration of vehicles and commodity authorization pertinent to all tractors, three-axle trucks (private and for-hire) and all for-hire buses qualified to move interstate through Virginia, and all intrastate for-hire carriers, including taxicabs: certification or evidence of liability and cargo insurance: emergency authority to qualified carriers, a registry of agents for process on interstate carriers. The Motor Carrier Division is also responsible for the collection of the Virginia Motor Fuel Road Tax on a quarterly basis and also audits and examines the records of motor carriers for road tax liability. Enforcement of motor carrier laws, Code §§ 56-273 *et seq.*, and related rules and regulations of the Commissions, by investigation and the power to arrest. Analysis of facts and issues of the Commission relative to transportation companies, such as certificates of convenience and necessity sought by common carriers of persons or property, charter party carriers, household goods carriers, petroleum tank truck carriers, sight-seeing carriers, and restricted parcel carriers, together with applications for rate increases or alterations of service by motor and other surface carriers. Analysis of information for use in prosecution before the Commission pertaining to transportation services.

(k) Public Service Taxation.

Administration of Code §§ 58.1-2600 to 58.1-2690, evaluation and assessment for local taxation to all real and tangible personal property of public service corporations: electric, gas, water, telephone and telegraph companies. Assessment of state taxes of public service corporations: gross receipts tax, pole line tax, and special revenue tax. The assessment, collection and distribution of taxes to localities for the rolling stock of certificated common carriers.

(l) Railroad Regulation.

Investigates, at its own volition or upon complaint, rail service and the compliance with rules, regulations, and rates by rail common carriers when intrastate aspects are involved. Analyzes and handles applications for intrastate rate increases or alteration of service, together with all or other rail tariff matters.

(m) Securities and Retail Franchising.

Registration of publicly offered securities, broker-dealers, securities salesmen, investment advisors and investment advisor representatives; complaint investigation - "Blue Sky Laws"; registration of franchises and complaint investigation - Retail Franchising Act; registration of intrastate trademarks and service marks; administration of Take-Over-Bid Disclosure Act.

(n) Uniform Commercial Code.

Administration of Code §§ 8.9-401, *et seq.*, U.C.C. central filing office for financing statements, amendments, termination statements and assignments by secured parties nationwide, being primary secured interests in equipment and inventories; discharge the duties of the filing officer under the Uniform Federal Tax Lien Registration Act, Code §§ 55-142.1, *et seq.*

PART III
ADMINISTRATIVE FUNCTIONS

3:1. *Conduct of Business*. Persons who have business with the Commission will deal directly with the appropriate division, and all correspondence should be addressed thereto.

3:2. *Acts of Officers and Employees*. Administrative acts of officers and employees are the acts of the Commission, subject to review by the Commissioner under whose assigned supervision within the Commission's internal division the function was performed.

3:3. *Review of Acts of Officers and Employees*. Anyone dissatisfied with any administrative action of an employee should make informal complaint to the division head, and if not thereby resolved, may present a complaint, as provided in Rule 5:4, for review by the Commissioner under whose supervision the division head acted. Subject to the equitable doctrine of laches, and unless contrary to statute, administrative acts may be reviewed and corrected for error of fact or law at any time. If necessary to complete relief, an order may be entered effective retroactively.

3:4. *Hearing Before the Commission*. Upon written petition of any person in interest dissatisfied with any action taken by a division of the Commission, or by its failure to act, resulting from disputed facts or from disputed statutory interpretation or application, the Commission will set the matter for hearing. If the dispute be one of law only, in lieu of a hearing, the Commission may order a stipulation of facts and submission of the issues and argument by written briefs. Oral argument in any such case shall be with the consent of the Commission.

PART IV
PARTIES TO PROCEEDINGS

4:1. *Parties*. Parties to a proceeding before the Commission are designated as applicants, petitioners, complainants, defendants, protestants, or interveners, according to the nature of the proceeding and the relationship of the respective parties.

4:2. *Applicants*. Persons filing formal written requests with the Commission for some right, privilege, authority or determination subject to the jurisdiction of the Commission are designated as applicants.

4:3. *Petitioners*. Persons filing formal written requests for redress of some alleged wrong arising from acts or things done or omitted to be done in violation of some law administered by the Commission, or in violation of some rule, regulation or order issued thereby, are designated as petitioners.

4:4. *Complainants*. Persons making informal written requests for redress of some alleged wrong arising from acts or things done or omitted to be done in violation of some law administered by the Commission, or in violation of some rule, regulation or order issued thereby are designated as complainants.

4:5. *Defendants*. In all complaints, proceedings, contests, or controversies by or before the Commission instituted by the Commonwealth or by the Commission on its own motion, or upon petition, the party against whom the complaint is preferred, or the proceeding instituted, shall be the defendant.

4:6. *Protestants*. Persons filing a notice of protest and/or protest in opposition to the granting of an application, in whole or in part, are designated as protestants. All protestants must submit evidence in support of their protest, and comply with the requirements of Rules 5:10, 5:16, and 6:2. A protestant may not act in the capacity of both witness and counsel except in his own behalf. All cross-examination permitted by a protestant shall be material and relevant to protestant's case as contemplated by Rules 5:10, 5:16 and 6:2.

4:7. *Interveners*. Any interested person may intervene in a proceeding commenced by an application, or by a Rule to Show Cause under Rule 4:11, or by the Commission pursuant to Rule 4:12, by *attending* the hearing and executing and filing with the bailiff a notice of appearance on forms provided for that purpose. An intervener, subject to challenge for lack of interest and subject to the general rules of relevancy and redundancy, may testify in support of or in opposition to the object of the proceeding, may file a brief, and may make oral argument with leave of the Commission, but may not otherwise participate in the proceeding before the Commission.

4:8. *Counsel*. No person not duly admitted to practice law before the court of last resort of any state or territory of the United States or of the District of Columbia shall appear as attorney or counsel in any proceeding except in his own behalf when a party thereto, or in behalf of a partnership, party to the proceeding, of which such person is adequately identified as a member; provided, however, no foreign attorney may appear unless in association with a member of the Virginia State Bar.

4:9. *Commission's Staff*. Members of the Commission's staff appear neither in support of, nor in opposition to, any party in any cause, but solely on behalf of the general public interest to see that all the facts appertaining thereto are clearly presented to the Commission. They may conduct investigations and otherwise evaluate the issue or issues raised, may testify and offer exhibits with reference thereto, and shall be subject to cross-examination as any other witness. In all proceedings the Commission's staff is represented by the General Counsel division of the Commission.

4:10. *Consumer Counsel*. Code § 2.1-133.1 provides for a Division of Consumer Counsel within the office of the Attorney General, the duties of which, in part, shall be to appear before the Commission to represent and be heard on behalf of consumers' interests, and investigate such matters relating to such appearance, with the objective of insuring that any matters adversely affecting the interests of the consumer are properly controlled and regulated. In all such proceedings before the Commission, the Division of Consumer Counsel shall have as full a right of discovery as is provided by these Rules for any other party, and otherwise may participate to the extent reasonably necessary to discharge its statutory duties.

4:11. *Rules To Show Cause*. Investigative, disciplinary, and penal proceedings will be instituted by rule to show cause at the instigation of the Commonwealth, by the Commission's own motion as a consequence of any unresolved valid complaint upon petition, or for other good cause. In all such proceedings the public interest shall be represented and prosecuted by the General Counsel division. The issuance of such a rule does not place on the defendant the burden of proof.

4:12. *Promulgation of General Orders, Rules or Regulations*. Before promulgating any general order, rule or regulation, the Commission shall give reasonable notice of its contents and shall afford interested persons having objections thereof an opportunity to present evidence and be heard. Oral argument in all such cases shall be by leave of the Commission, but briefs in support or opposition will be received within a time period fixed by the Commission.

4:13. *Consultation by Parties with Commissioners*. No party, or person acting on behalf of any party, shall confer with, or otherwise communicate with, any Commissioner with respect to the merits of any pending proceeding without first giving adequate notice to all other parties, other than interveners under Rule 4:7, and affording such other parties full opportunity to be present and to participate, or otherwise to make appropriate response to the substance of the communication.

4:14. *Consultation between Commissioners and their Staff*. As provided by Rule 4:9, no member of the Commission's Staff is a "party" to any proceeding before the Commission, regardless of his participation in Staff investigations with respect thereto or of his participation therein as a witness. Since the purpose of the Staff is to aid the Commission in the proper discharge of Commission duties, the Commissioners shall be free at all times to confer with their Staff, or any of them, with respect to any proceeding. Provided, however, no facts not of record which reasonably could be expected to influence the decision in any matter pending before the Commission shall be furnished to any Commissioner unless all parties to the proceeding, other than interveners under Rule 4:7, be likewise informed and afforded a reasonable opportunity to respond.

PART V
PLEADINGS

5:1. *Nature of Proceeding*. The Commission recognizes both formal and informal proceedings. Matters requiring the taking of evidence and all instances of rules to show cause are considered to be formal proceedings and must be instituted and progressed in conformity with applicable rules. Whenever practicable, informal proceedings are recommended for expeditious adjustment of complaints of violations of statute, rule or regulation, or of controversies arising from administrative action within the Commission.

5:2. *Filing Fees*. There are no fees, unless otherwise provided by law, for filing and/or prosecuting formal or informal proceedings before the Commission.

5:3. *Declaratory Judgments*. A person having no other adequate remedy may petition the Commission for a declaratory judgment under Code § 8.01-184. In such a proceeding, the Commission shall provide by order for any necessary notice to third persons and intervention thereof, which intervention shall be by motion.

5:4. *Informal Proceedings (Complaints)*. Informal proceedings may be commenced by letter, telegram, or other instrument in writing, directed to the appropriate Administrative Division, setting forth the name and post office address of the person or persons, or naming the Administrative Division of the Commission, against whom the proceeding is instituted, together with a concise statement of all the facts necessary to an understanding of the grievance and a statement of the relief desired. Matters so presented will be reviewed by the appropriate division or Commissioner and otherwise handled with the parties affected, by correspondence or otherwise, with the object of resolving the matter without formal order or hearing; but nothing herein shall preclude the issuance of a formal order when necessary or appropriate for full relief.

5:5. *Complaint - An Informal Pleading*. All complaints under Rule 5:4 are regarded initially as instituting an informal proceeding and need comply only with the requisites of that Rule.

5:6. *Subsequent Formal Proceeding*. The instigation of an informal proceeding is without prejudice to the right thereafter to institute a formal proceeding covering the same subject matter. Upon petition of any aggrieved party, or upon its own motion if necessary for full relief, the Commission will convert any unresolved valid complaint to a formal proceeding by the issuance of a rule to show cause, or by an appropriate order setting a formal hearing, upon at least ten (10) days notice to the parties, or as shall be required by statute.

5:7. *Rules to Show Cause* - Style of Proceeding.

(a) Cases instituted by the Commission on its own motion against a defendant will be styled:

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
(Defendant's name)

(b) Cases instituted by others against a defendant will be styled:

COMMONWEALTH OF VIRGINIA, *ex rel.* (Complainant's name)
v.
(Defendant's name)

5:8 *Promulgation of General Orders, Rules or Regulations - Style of Proceeding*. Proceedings Instituted by the Commission for the captioned purposes will be styled:

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
Ex Parte, in re

5:9. *Formal Pleadings*. Pleadings in formal proceedings include applications, petitions, notices of protest, protests, answers, motions, and comments on Hearing Examiners' Reports. Printed form applications supplied by Administrative Divisions are not subject to Rules 5:10, 5:12 and 5:13.

5:10. *Contents*.

(a) In addition to the requirements of Rules 5:15 and 5:16, all formal pleading shall be appropriately designated ("Notice of Protest", "Answer", etc.) and shall contain the name and post office address of each party by or for whom the pleading is filed, and the name and post office address of counsel, if any. No such pleading need be under oath unless so required by statute, but shall be signed by counsel, or by each party in the absence of counsel.

(b) Applications for tax refunds or the correction of tax assessments must comply with the applicable statutes.

5:11. *Amendments*. No amendments shall be made to any formal pleading after it is filed except by leave of the Commission, which leave shall be liberally granted in the furtherance of justice. The Commission shall make such provision for notice and for opportunity to respond to the amended pleadings as it may deem necessary and proper.

5:12. *Copies and Paper Size Required*.

(a) The provisions of this rule as to the number of copies required to be filed shall control in all cases unless other rules applicable to specific types of proceedings provide for a different number of copies or unless otherwise specified by the Commission. The Commission may require additional copies of any formal pleading to be filed at any time.

(b) Applications, together with petitions filed by utilities, shall be filed in original with fifteen (15) copies unless otherwise specified by the Commission. Applications, petitions, and supporting exhibits which are filed by a utility shall be bound securely on the left hand margin. An application shall not be bound in volumes exceeding two inches in thickness. An application containing exhibits shall have tab dividers between each exhibit and shall include an index identifying its contents.

(c) Petitions, other than those of utilities, shall be filed in original and five (5) copies.

(d) Pre-trial motions whether responsive or special, shall be filed in original with four (4) copies, together with service of one (1) copy upon all counsel of record and upon all parties not so represented.

(e) Protests, notices of protest, answers, and comments on Hearing Examiners' Reports shall be filed in original with fifteen (15) copies, together with service of one (1) copy upon counsel of record for each applicant or petitioner and upon any such party not so represented.

(f) All documents of whatever nature filed with the Clerk of the Commission (Document Control Center) shall be produced on pages 8 1/2 x 11 inches in size. This rule shall not apply to tables, charts, plats, photographs, and other material that cannot be reasonably reproduced on paper of that size.

In addition all documents filed with the Clerk shall be fully collated and assembled into complete and proper sets ready for distribution and use, without the need for further assembly, sorting or rearrangment.

5:13. *Filing and Service by Mail*. Any formal pleading or other related document or paper shall be considered filed with the Commission upon receipt of the original and required copies by the Clerk of the Commission at the following address: State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216. Said original and copies shall immediately be stamped by the Clerk showing date and time of receipt. Informal complaints shall conform to Rule 5:4. Any formal pleading or other document or paper required to be served on the parties to any proceeding, absent special order of the Commission to the contrary, shall be effected by delivery of a true copy thereof, or by depositing same in the United States mail properly addressed and stamped, on or before the day of filing. Notices, findings of fact, opinions, decisions, orders or any other papers to be served by the Commission may be served by United States mail; provided however, all writs, processes, and orders of the Commission acting in conformity with Code § 12.1-27 shall be attested and served in compliance with Code § 12.1-29. At the foot of any formal pleading or other document or paper required to be served, the party making service shall append either acceptance of service or a certificate of counsel of record that copies were mailed or delivered as required. Counsel herein shall be as defined in Rule 1:5, Rules of the Supreme Court of Virginia.

5:14. *Docket or Case Number*. When a formal proceeding is filed with the Commission, it shall immediately be assigned an individual number. Thereafter, all pleadings, papers, briefs, correspondence, etc., relating to said proceeding shall refer to such number.

5:15. *Initial Pleadings*. The initial pleading in any formal proceeding shall be an application or a petition.

(a) Applications: An application is the appropriate initial pleading in a formal proceeding wherein the applicant seeks authority to engage in some regulated industry or business subject to the Commission's regulatory control, or to make any changes in the presently authorized service, rate, facilities, or other aspects of the public service purpose or operation of any such regulated industry or business for which Commission authority is required by law. In addition to the requirements of Rule 5:10, each application shall contain (i) a full and clear statement of facts which

the party or parties are prepared to prove by competent evidence, the proof of which will warrant the objective sought; and (ii) details of the objective sought and the legal basis therefor.

(b) Petitions: A petition is the appropriate initial pleading in a formal proceeding wherein a party complainant seeks the redress of some alleged wrong arising from prior action or inaction of the Commission, or from the violation of some statute or rule, regulation or order of the Commission which it has the legal duty to administer or enforce. In addition to the requirements of Rule 5:10, each petition shall contain (i) a full and clear statement of facts which the party or parties are prepared to prove by competent evidence, the proof of which will warrant the relief sought; and (ii) a statement of the specific relief sought and the legal basis therefor.

5:16. *Responsive Pleadings*. The usual responsive pleadings in any formal proceeding shall be a notice of protest, protest, motion, answer, or comments on a Hearing Examiner's Report, as shall be appropriate, supplemented with such other pleadings, including stipulations of facts and memoranda, as may be appropriate.

(a) Notice of Protest: A notice of protest is the proper initial response to an application in a formal proceeding by which a protestant advises the Commission of his interest in protecting existing rights against invasion by an applicant. Such notice is appropriate only in those cases in which the Commission requires the pre-filing of prepared testimony and exhibits as provided by Rules 6:1 and 6:2. In all other cases, the appropriate initial responsive pleading of a protestant will be by protest as hereafter provided. In addition to the requirements of Rule 5:10, a notice of protest shall contain a precise statement of the interest of the party or parties filing same, and it shall be filed within the time prescribed by the Commission as provided by Rule 6:1.

(b) Protests: A protest is a proper responsive pleading to an application in a formal proceeding by which the protestant seeks to protect existing rights against invasion by the applicant. It shall be the initial responsive pleading by a protestant in all cases in which the parties are not required to pre-file testimony and exhibits. When such a pre-trial filing is required, a protest must be filed in support of, and subsequent to, a notice of protest. A protest must be filed within the time prescribed by the Commission Order which, in cases involving pre-filed testimony and exhibits, will always be subsequent to such filing by the applicant. In addition to the requirements of Rule 5:10, a protest shall contain (i) a precise statement of the interest of the protestant in the proceeding; (ii) a full and clear statement of the facts which the protestant is prepared to prove by competent evidence, the proof of which will warrant the relief sought; and (iii) a statement of the specific relief sought and the legal basis therefor.

(c) Answers: An answer is the proper responsive pleading to a petition or rule to show cause. An answer, in addition to the requirements of Rule 5:10, shall contain (i) a precise statement of the interest of the party filing same; (ii) a full and clear statement of facts which the party is prepared to prove by competent evidence, the proof of which will warrant the relief sought; and (iii) a statement of the specific relief sought and the legal basis therefor. An answer must be filed within the time prescribed by the Commission.

(d) Motions: A motion is the proper responsive pleading for testing the legal sufficiency of any application, protest, or rule to show cause. Recognized for this purpose are motions to dismiss and motions for more definite statement.

(i) Motion to Dismiss: Lack of Commission jurisdiction, failure to state a cause of action, or other legal insufficiency apparent on the face of the application, protest, or rule to show cause may be raised by motion to dismiss. Such a motion, directed to any one or more legal defects, may be filed separately or incorporated in a protest or any other responsive pleading which the Commission may direct be filed. Responsive motions must be filed within the time prescribed by the Commission.

(ii) Motion for More Definite Statement: Whenever an application, protest, or rule to show cause is so vague, ambiguous, or indefinite as to make it unreasonably difficult to determine a fair and adequate response thereto, the Commission, at its discretion, on proper request, or of its own motion, may require the filling of a more definite statement or an amended application, protest, or rule and make such provision for the filing of responsive pleadings and postponement of hearing as it may consider necessary and proper. Any such motion and the response thereto must be filed within the time prescribed by the Commission.

(e) Comments on a Hearing Examiner's Report: Comments are the proper responsive pleading to a report of a Hearing Examiner. Such comments may note a party's objections to any of the rulings, findings of fact or recommendations made by an Examiner in his Report, or may offer remarks in support of or clarifications regarding the Examiner's Report. No party may file a reply to comments on the Examiner's Report.

5:17. *Improper Joinder of Causes*. Substantive rules or standards, or the procedures intended to implement same, previously adopted by the Commission, governing the review and disposition of applications, may not be challenged by any party to a proceeding intended by these Rules to be commenced by application. Any such challenge must be by independent petition.

5:18. *Extension of Time*. The Commission may, at its discretion, grant an extension of time for the filing of any responsive pleading required or permitted by these Rules. Applications for such extensions shall be made by special motion and served on all parties of record and filed with the Commission at least three (3) days prior to the date on which the pleading was required to have been filed.

PART VI
PREHEARING PROCEDURES

6.1. Docketing and Notice of Cases. All formal proceedings before the Commission are set for hearing by order, which, in the case of an application shall also provide for notice to all necessary and potentially interested parties - either by personal service or publication, or both. This original order shall also fix dates for filing prepared testimony and responsive pleadings, together with such other directives as the Commission deem necessary and proper. The filing of a petition resulting in the issuance of a show cause order (except for a declaratory judgment) shall be served as required by law upon the defendant or defendants. This order shall prescribe the time of hearing and provide for such other matters as shall be necessary or proper.

6.2. Prepared Testimony and Exhibits. Following the filing of all applications dependent upon complicated or technical proof, the Commission may direct the applicant to prepare and file with the Commission, well in advance of the hearing date, all testimony in question and answer or narrative form, including all proposed exhibits, by which applicant expects to establish his case. Protestants, in all proceedings in which an

applicant shall be required to pre-file testimony, shall be directed to pre-file in like manner and by a date certain all testimony an proposed exhibits necessary to establish their case. Failure to comply with the directions of the Commission, without good cause shown, will result in rejection of the testimony and exhibits by the Commission. For good cause shown, and with leave of the Commission, any party may correct or supplement, before or during hearing, all pre-filed testimony and exhibits. In all proceedings all such evidence must be verified by the witness before the introduction into the record. An original and fifteen (15) copies of prepared testimony and exhibits shall be filed unless otherwise specified in the Commission's order and public notice. Documents of unusual bulk or weight, and physical exhibits other than documents, need not be prefiled, but shall be described and made available for pretrial examination. Interveners are not subject to this Rule.

6:3. Process, Witnesses and Production of Documents and Things.

(a) In all matters within its jurisdiction, the Commission has the powers of a court of record to compel the attendance of witnesses and the production of documents, and any party complainant (petitioner) or defendant in a show cause proceeding under Rule 4:11 shall be entitled to process, to convene parties, and to compel the attendance of witnesses and the production of books, papers or documents as hereinafter provided.

(b) In all show cause proceedings commenced pursuant to Rule 4:11, notice to the parties of the nature of the proceeding, hearing date and other necessary matters shall be effected by the Commission in accordance with Code § 12.1-29. Upon written request to the Clerk of the Commission by any party to such a proceeding, with instructions as to mode of service, a summons will likewise be issued directing any person to attend on the day and place of hearing to give evidence before the Commission.

(c) In a Rule 4:11 proceeding, whenever it appears to the Commission, by affidavit filed with the Clerk by a party presenting evidence that any book, writing or document, sufficiently described in said affidavit, is in the possession, or under the control, of any identified persons not a party to the proceeding, and is material and proper to be produced in said proceeding, either before the Commission or before any person acting under its process or authority, the Commission will order the Clerk to issue a subpoena and to have same duly served, together with an attested copy of the aforesaid order, compelling production at a reasonable time and place.

(d) In all proceedings intended by these Rules to be commenced by application, the subpoena of witnesses and for the production of books, papers and documents shall be by order of the Commission upon special motion timely filed with the Clerk. Such a motion will be granted only for good cause shown, subject to such conditions and restrictions as the Commission shall deem proper.

6.4. Interrogatories to Parties or Requests for Production of Documents and Things. Any party to any formal proceeding before the Commission, except an intervener and other than a proceeding under Rule 4:12 or a declaratory judgment proceeding, may serve written interrogatories upon any other party, other than the Commission's Staff, provided a copy is filed simultaneously with the Clerk of the Commission, to be answered by the party served, or if the party served is a corporation, partnership or association, by an officer or agent thereof, who shall furnish such information as is known to the party. No interrogatories may be served which cannot be timely answered before the scheduled hearing date without leave of the Commission for cause shown and upon such conditions as the Commission may prescribe.

Answers are to be signed by the person making them. Objections, if any, to specified questions shall be noted within the list of answers. Answers and objections shall be served within 21 days after the service of interrogatories, or as the Commission may otherwise prescribe. Upon special motion of either party, promptly made, the Commission will rule upon the validity of any objections raised by answers, otherwise such objections shall be considered sustained.

Interrogatories may relate to any matter, not privileged, which is relevant to the subject matter involved, including the existence, description, nature, custody, condition and location of any books, documents or other tangible things and the identity and location of persons having knowledge of evidentiary value. It is not necessarily grounds for objection that the information sought will be inadmissible at the hearing if such information appears reasonably calculated to lead to the discovery of admissible evidence.

All interrogatories which request answers requiring the assembling or preparation of information or data which might reasonably be considered as original work product are subject to objection. Where the answer to an interrogatory may be derived or ascertained from the business records of the party questioned or from an examination, audit or inspection of such business records, or from a compilation, abstract or summary based thereon, and the burden of deriving or ascertaining the answer is substantially the same for one party as for the other, an answer is sufficient which specifies the records from which the answer may be derived and tenders to the questioning party reasonable opportunity to examine, audit or inspect such records and to make copies, compilations, abstracts, or summaries.

This rule shall apply, insofar as practicable, to requests for the production of documents and things and to the production of same in the same manner as it applies to written interrogatories and the answers filed thereto.

6:5. Hearing Preparation - Experts. In a formal proceeding intended by these Rules to be commenced by application, the applicant, any party protestant, and the Commission staff may serve on any other such party a request to examine the work papers of any expert employed by such party and whose prepared testimony has been pre-filed in accordance with the Rule 6:2. The examining party may make copies, abstracts or summaries of such work papers, but in every case, except for the use of the Commission staff, copies of all or any portion or part of such papers will be furnished the requesting party only upon the payment of the reasonable cost of duplication or reproduction. A copy o any request served as herein provided shall be filed with the Commission.

6:6 Postponements. For cause shown, postponements, continuances and extensions of time will be granted or denied at the discretion of the Commission, except as otherwise provided by law. Except in cases of extreme emergency, requests hereunder must be made at least fourteen (14) days prior to the date set for hearing. In every case in which a postponement or continuance is granted it shall be the obligation of the requesting party to arrange with all other parties for a satisfactory available substitute hearing schedule. Absent the ability of the parties to agree, the Commission will be so advised and a hearing date will be set by the Commission. In either case, the requesting party shall prepare an appropriate draft of order for entry by the Commission, which order shall recite the agreement of the parties, or the absence thereof, and file the same with an additional copy for each counsel of record as prescribed in Rule 5:13. Following entry, an attested copy of the order shall be served by the Clerk on each counsel of record.

6:7 Prehearing Conference. The Commission has the discretion in any formal proceeding to direct counsel of record to appear before it for conference to consider:

(a) The simplification or limitation of issues;

(b) The nature and preparation of prepared testimony and exhibits;

(c) The possibility of obtaining admissions of fact and of documents which will avoid unnecessary proof;

(d) The limitation of witnesses;

(e) Such other matters as may aid in the disposition of the proceeding.

The Commission shall enter an order reciting the action taken at the conference, including any agreements made by the parties which limit the issues for hearing to those not disposed of by admissions or agreements of counsel. Such other shall control the subsequent course of the proceeding unless subsequently modified to prevent injustice.

Substantive rules or regulations, and any procedures intended to implement same, previously adopted by order of the Commission, applicable to regulated businesses or industries, or classes thereof, will be applied by the Commission in reviewing and disposing of any application thereafter filed by any such business or industry, whether incorporated in an appropriate prehearing order or not. Testimony or argument intended to cancel or modify any such rule or regulation, or implementing procedures, will not be entertained except in a separate proceeding instituted by the filing of an appropriate petition as provided in Rule 5:17.

PART VII
PROCEEDINGS BEFORE A HEARING EXAMINER

7:1. Proceedings Before a Hearing Examiner. The Commission may, by order, assign any matter pending before it to a Hearing Examiner. In such event, and unless otherwise ordered, the Examiner shall conduct all further proceedings in the matter on behalf of the Commission, concluding with the filing of the Examiner's final Report to the Commission. In the discharge of such duties, the Hearing Examiner shall exercise all the inquisitorial powers possessed by the Commission, including, but not limited to, the power to administer oaths, require the appearance of witnesses and parties and the production of documents, schedule and conduct pre-hearing conferences, admit or exclude evidence, grant or deny continuances, and rule on motions, matters of law, and procedural questions. Any party objecting to any ruling or action of said Examiner shall make known its objection with reasonable certainty at the time of the ruling, and may argue such objections to the Commission as a part of its comments to the final report of said Examiner; provided, however, if any ruling by the Examiner denies further participation by any party in interest in a proceeding not thereby concluded, such party shall have the right to file a written motion with the Examiner for his immediate certification of such ruling to the Commission for its consideration. Pending resolution by the Commission of any ruling so certified, the Examiner shall retain procedural control of the proceeding. Unless otherwise ordered, these Rules of Practice and Procedure shall apply to all proceedings conducted by Hearing Examiners in like manner as proceedings conducted by the Commission.

PART VIII
FORMAL HEARING

8:1. Official Transcript of Hearing. The official transcript of a formal hearing before the Commission shall be the transcript of the stenographic notes taken at the hearing by the Commission's regularly-employed court reporter and certified by him as a true and correct transcript of said proceeding. In the absence of the Commission's regular court reporter, the Commission will arrange for a suitable substitute whose certified transcript will be recognized as the official record. Parties desiring to purchase copies of the transcript of record shall make arrangement therefor directly with the Commission's reporter or substitute reporter. Stenographic notes are not transcribed unless specifically requested by the Commission or by some party in interest who wishes to purchase same. When the testimony is transcribed, a copy thereof is always lodged with the Clerk where it is available for public inspection. (In the event of appeal from the Commission action the full record must be certified by the Clerk.)

8:2 Procedure at Hearing. Except as otherwise provided in a particular case, hearings shall be conducted by and before the Commission substantially as follows:

(a) Open the Hearing. The presiding Commissioner shall call the hearing to order and thereafter shall give or cause to be given

(i) The title of the proceeding to be heard and its docket number;

(ii) The appearances of the parties, or their representatives, desiring to participate in the hearing which appearances shall be stated orally for the record and shall give the person's name, post office address, and the nature of his interest in the proceeding. Parties will not be permitted to appear "as one's interest may appear". Appearances will not be allowed for anyone who is not personally present and participating in the hearing. Interveners shall comply with Rule 4:7;

(iii) The introduction into the record of a copy of the notice stating the time, place and nature of the hearing, the date or dates such notice was given, and the method whereby it was served, together with any supporting affidavits which may be required;

(iv) A brief statement of the issues involved, or the nature and purpose of the hearing;

(v) Any motions, or other matters deemed appropriate by the presiding Commission, that should be disposed of prior to the taking of testimony; and

(vi) The presentation of evidence.

(b) Order of Receiving Evidence. Unless otherwise directed by the Commission, or unless provided for in special rules governing the particular case, direct evidence ordinarily will be received in the following order, followed by such rebuttal evidence as shall be necessary and proper:

(i) Upon Applications: (1) interveners, (2) applicant, (3) Commission's staff, (4) Division of Consumer Counsel, (5) protestants.

(ii) Upon Rules to Show Cause under Rule 4:11: (1) complainant, (2) Commission's staff, (3) Division of Consumer Counsel, (4) defendant.

(iii) Upon Hearing as provided under Rule 4:12: (1) Commission's staff, (2) Division of Consumer Counsel, (3) supporting interveners, (4) opposing interveners.

(iv) Upon Petition under Rule 3:4: (1) petitioner, (2) Commission's staff.

(c) Exhibits. Whenever exhibits are offered in evidence during a hearing, they will be received for identification and given an identifying number. All exhibits will be numbered consecutively beginning with the numeral "1", but will bear an identifying prefix such as "Applicant's", "Defendant's", "protestant's", the name or initials of the witness, etc. Exhibits will not be received in evidence until after cross-examination. Parties offering exhibits at the hearing (other than those whose size or physical character make it impractical) must be prepared to supply sufficient copies to provide one (1) each for the record, the court reporter, each Commissioner, and each Commission staff member and party or counsel actively participating in the hearing.

(d) Cross-Examination and Rules of Evidence. In all proceedings in which the Commission shall be called upon to decide or render judgment only in its capacity as a court of record, the common law and statutory rules of evidence shall be as observed and administered by the courts of record of this State. In all other proceedings, due regard shall be given to the technical and highly complicated subject matter the Commission must consider, and exclusionary rules of evidence shall not be used to prevent the receipt of evidence having substantial probative effect. Otherwise, effect shall be given to the rules of evidence recognized by the courts or record of this State. In all cases, cross-examination of witnesses shall first be by the Commission's counsel and then by the adverse parties, in such order as the Commission shall determine, limited as provided in PART IV hereof. Ordinarily, cross-examination of a witness shall follow immediately after the direct examination. However, the Commission , as its discretion, may allow the cross-examination to be deferred until later in the hearing or postponed to a subsequent date. Repetitious cross-examination will not be allowed.

8:3 Cumulative Evidence. Evidence offered by a party may be excluded whenever in the opinion of the Commission such evidence is so repetitious and cumulative as to unnecessarily burden the record without materially adding to its probative qualtities. When a number of interveners present themselves at any hearing to testify to the same effect so that the testimony of the several witnesses would be substantially the same, the Commission may, at its discretion, cause one of such witnesses to testify under oath and all other witnesses to adopt under oath such testimony of the first witness. However, the proper parties shall have the right to cross-examine any witnesses who adopts the testimony of another and does not personally testify in detail.

8:4. Judicial Notice. The Commission will take judicial notice of such matters as may be judicially noticed by the court of this State, and the practice with reference thereto shall be the same before the Commission as before a court. In addition the Commission will take judicial notice of its own decisions, but not of the facts on which the decision was based.

8:5. Prepared Statements. A witness may read into the record as his testimony statements of fact prepared by him, or written answers to questions of counsel; provided, such statements or answers shall not include argument. At the discretion of the Commission, such statements or answers may be received in evidence as an exhibit to the same extent and in the same manner as other exhibits concerning factual matters. In all cases, before any such testimony is read or offered in evidence, one (1) copy each thereof shall be furnished for the record, the court reporter, each Commissioner, Commission staff member and party or counsel actively participating in the hearing. The admissibility of all such written statements or answers shall be subject to the same rules as if such testimony were offered in the usual manner.

8:6. Objections. Rule 5:21 of the Rules of the Supreme Court of Virginia declares that error will not be sustained to any ruling below unless the objection was stated with reasonable certainty at the time of the ruling, except for good cause shown or to enable the Court to attain the ends of justice.

8:7. Oral Arguments. The Commission at any formal hearing may require or allow oral argument on any issue presented for decision. In adversary proceedings thirty (30) minutes ordinarily will be allowed each side for oral argument; provided, however, the Commission may allow more or less time for such argument. The Commission may require, or grant requests for, oral argument on questions arising prior or subsequent to a formal hearing and fix the time and place for such argument. In all cases the Commission may limit the questions on which oral argument will be heard.

8:8. Briefs. Written briefs may be required or allowed at the discretion of the Commission. The time for filing briefs shall be fixed at the time they are required or authorized. For the purpose of expediting any proceeding wherein briefs are to be filed, the parties may be required to file their respective briefs on the same date, and, unless otherwise ordered by the Commission, reply briefs will not then be permitted · · received. The time for filing reply briefs, if any, will be fixed by the Commission. Briefs should conform to the standards prescribed by Rule 5:33, Rules of the Supreme Court of Virginia. Five (5) copies shall be filed with the Clerk, unless otherwise ordered, and three (3) copies each shall be mailed or delivered to all other parties on or before the day on which the brief is filed. One or more counsel representing one party, or more than one party, shall be considered as one party.

8:9. Petition for Rehearing or Reconsideration. All final judgments, orders and decrees of the Commission, except judgments as prescribed by Code § 12.1-36, and except as provided in Code §§ 13.1-614 and 13.1-813, shall remain under the control of the Commission and subject to be modified or vacated for twenty-one (21) days after the date of entry, and no longer. A petition for a rehearing or reconsideration must be filed within said twenty-one (21) days, but the filing thereof will not suspend the execution of the judgment, order or decree, nor extend the time for taking an appeal, unless the Commission, solely at its discretion, within said twenty-one (21) days, shall provide for such suspension in an order or decree granting the petition. A petition for rehearing or reconsideration must be served on all other parties as provided by Rule 5:12, but no

response to the petition, or oral argument thereon, will be entertained by the Commission. An order granting a rehearing or reconsideration will be served on all parties by the Clerk.

8:10. Appeals Generally. Any final finding, decision settling the substantive law, order, or judgment of the Commission may be appealed only to the Supreme Court of Virginia, subject to Code §§ 12.1-39, et seq., and to Rule 5:21 of that Court. Suspension of Commission judgment, order or decree pending decision of appeal is governed by Code § 8.01-676.

Adopted: September 1, 1974
Revised: May 1, 1985 by Case No. CLK850262
Revised: August 1, 1986 by Case No. CLK860572

LEADING MATTERS DISPOSED OF BY FORMAL ORDERS

BUREAU OF FINANCIAL INSTITUTIONS

CASE NO. BFI900237
JANUARY 17, 1991

APPLICATION OF
STEVEN C. GIBBONEY

Pursuant to § 6.1-416.1 of the Code of Virginia

ORDER DENYING THE ACQUISITION

ON A FORMER DAY came Steven C. Gibboney and filed his application, as required by Virginia Code § 6.1-416.1, to acquire control of Summit Mortgage Group, Inc. Thereupon the application was referred to the Bureau of Financial Institutions for investigation and report.

Having considered the report of investigation and the recommendation of the Bureau of Financial Institutions, the Commission is of the opinion and finds that (1) the applicant, Steven C. Gibboney, acquired more than 25 percent of Summit Mortgage Group, Inc. prior to applying and obtaining Commission approval as required by § 6.1-416.1 of the Virginia Code; (2) Steven C. Gibboney became president of Summit Mortgage Group, Inc. without notifying the Commissioner of Financial Institutions as required by § 6.1-416(C) of the Virginia Code; (3) while Steven C. Gibboney was a director, president, and principal of Summit Mortgage Group, Inc., the licensee repeatedly violated various laws applicable to the conduct of its business; (4) despite assurances by Steven C. Gibboney, president of the licensee, of future compliance the licensee continued violating various applicable laws; and (5) the application of Steven C. Gibboney for permission to acquire control of Summit Mortgage Group, Inc. should be denied and hereby is denied because the applicant does not have the general fitness to warrant belief that the business will be operated efficiently and fairly, in the public interest, and in accordance with law.

Accordingly it is ordered that this matter be placed among the ended cases.

CASE NO. BFI900238
JANUARY 17, 1991

APPLICATION OF
MARK W. CLARK

Pursuant to § 6.1-416.1 of the Code of Virginia

ORDER DENYING THE ACQUISITION

ON A FORMER DAY came Mark C. Clark and filed his application, as required by Virginia Code § 6.1-416.1, to acquire control of Summit Mortgage Group, Inc. Thereupon the application was referred to the Bureau of Financial Institutions for investigation and report.

Having considered the report of investigation and the recommendation of the Bureau of Financial Institutions, the Commission is of the opinion and finds that (1) the applicant, Mark W. Clark, acquired more than 25 percent of Summit Mortgage Group, Inc. prior to applying and obtaining Commission approval as required by § 6.1-416.1 of the Virginia Code; (2) Mark W. Clark became a senior officer of Summit Mortgage Group, Inc. without notifying the Commissioner of Financial Institutions as required by § 6.1-416(C) of the Virginia Code; (3) while Mark W. Clark was a director, senior officer, and principal of Summit Mortgage Group, Inc., the licensee repeatedly violated various laws applicable to the conduct of its business; and (4) the application of Mark W. Clark for permission to acquire control of Summit Mortgage Group, Inc. should be denied and hereby is denied because the applicant does not have the general fitness to warrant belief that the business will be operated efficiently and fairly, in the public interest, and in accordance with law.

Accordingly, it is ordered that this matter be placed among the ended cases.

CASE NO. BFI910009
JANUARY 10, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
J. OSCAR HINSHAW, d/b/a DOLLARS THAT MAKE SENSE,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, J. Oscar Hinshaw d/b/a Dollars That Make Sense, is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that a bond filed by the Defendant pursuant to Virginia Code § 6.1-413 was canceled on November 27, 1990; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on October 12, 1990 that his license would be revoked on November 28, 1990 unless a new bond was filed by that date, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before November 1, 1990; and that no new bond, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to maintain a bond in force as required by Virginia Code § 6.1-413, and it is

ORDERED that the license granted to J. Oscar Hinshaw d/b/a Dollars That Make Sense to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910069
MARCH 27, 1991

APPLICATION OF
KEVIN J. RYAN

Pursuant to Section 6.1-416.1 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came Kevin J. Ryan and filed his application, as required by Virginia Code Section 6.1-416.1, to acquire 25 percent or more of the ownership of TMC Mortgage Corporation. Thereupon the application was referred to the Bureau of Financial Institutions.

Having considered the application and the report of the Bureau of Financial Institutions, the Commission is of the opinion and finds that there has been compliance with the prerequisites set forth in Virginia Code Section 6.1-416.1. Therefore, the Commission hereby approves the acquisition of 25 percent or more of the ownership of TMC Mortgage Corporation by Kevin J. Ryan, and orders that this matter be placed among the ended cases.

CASE NO. BFI910070
FEBRUARY 8, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
G & G FINANCIAL CORP.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, G & G Financial Corp., is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that a bond filed by the Defendant pursuant to Virginia Code § 6.1-413 was canceled on January 26, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on December 10, 1990 that its license would be revoked on January 28, 1991 unless a new bond was filed, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before January 2, 1991; and that no new bond, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to maintain a bond in force as required by Virginia Code § 6.1-413, and it is

ORDERED that the license granted to G & G Financial Corp. to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910079
MAY 14, 1991

APPLICATION OF
COASTAL FINANCIAL CORPORATION

Pursuant to § 6.1-416.1 of the Code of Virginia

ORDER DENYING THE ACQUISITION

ON A FORMER DAY came Coastal Financial Corporation and filed its application, as required by Virginia Code § 6.1-416.1, to acquire control of Colonial Mortgage Corporation. Thereupon the application was referred to the Bureau of Financial Institutions for investigation and report.

Having considered the report of investigation and the recommendation of the Bureau of Financial Institutions, the Commission is of the opinion and finds that (1) the applicant acquired control of Colonial Mortgage Corporation without the required prior approval of the Commission; and (2) the applicant has not complied with Bureau requests for required information after having been given a reasonable opportunity to do so. Accordingly, the application of Coastal Financial Corporation to acquire control of Colonial Mortgage Corporation is denied.

CASE NO. BFI910096
MAY 14, 1991

APPLICATION OF
SENTINEL SAVINGS BANK

For approval of its conversion into a bank and for a banking certificate of authority

ORDER APPROVING THE APPLICATION AND GRANTING A CERTIFICATE

Sentinel Savings Bank, a state stock association, filed an application, pursuant to Virginia Code § 6.1-194.38, for approval of its conversion to a bank and for a certificate granting First Sentinel Bank, which will result from the conversion, authority to do a banking business in Tazewell County, Virginia. The application was referred to the Bureau of Financial Institutions for investigation and report.

Having considered the application and the report of investigation, the Commission is of the opinion and finds that the public interest will be served by additional banking facilities in Tazewell County, Virginia, where the bank is proposed. Furthermore, the Commission ascertains and finds with respect to the application that: (1) all applicable provisions of law have been complied with; (2) the applicant has capital in an amount deemed sufficient to warrant successful operation; (3) the oaths of all directors have been taken and filed in accordance with the provisions of Code § 6.1-48; (4) the applicant was formed for no other reason than to conduct a legitimate banking business; (5) the moral fitness, financial responsibility, and business qualifications of those named as officers and directors of the proposed bank are such as to command the confidence of the community in which the bank will be located; and (6) the resulting bank's deposits are to be insured by the Federal Deposit Insurance Corporation.

Therefore, it is ordered that the application of Sentinel Savings Bank to convert to a bank be approved, and the application hereby is approved, subject to the receipt of evidence that the deposit accounts of the institution will continue to be insured by the Federal Deposit Insurance Corporation. A certificate of authority to do a banking business at 315 Railroad Avenue, Richlands, is hereby granted to First Sentinel Bank. The authority granted shall be effective upon the issuance by the Clerk of the Commission of a certificate of amendment changing the name and the purpose set forth in the corporation's articles of incorporation. At that time First Sentinel Bank shall have all the powers conferred by law on banks, be subject to all restrictions applicable to banks, and for all purposes be a bank. The bank shall be permitted to operate a branch at the corner of East Riverside Drive and Valley View Street, Tazewell, Tazewell County, Virginia.

The authority granted herein shall lapse and be void unless exercised within one year from this date, or unless it is earlier extended by order of the Commission.

CASE NO. BFI910117
JUNE 14, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
SUMMIT MORTGAGE GROUP, INC.,
Defendant

FINAL ORDER AND INJUNCTION

ON THIS DAY Staff Counsel appeared before the Commission and moved that the Commission enjoin the Defendant from engaging in business as a mortgage lender or mortgage broker in the future, and that this case be dismissed. Staff Counsel also presented to the Commission a written request, made by counsel for the Defendant, that the Defendant be permitted to assist in closing mortgage loans previously arranged for certain persons, identified on a list accompanying said written request, for a period of time. Upon consideration thereof, and of the record and papers filed in this case,

IT IS ORDERED that the Defendant, and its employees and agents, shall have authority to do all acts reasonable or necessary to assist in effecting the closing of mortgage loans previously arranged for the persons named on the aforesaid list, for a period of time ending July 16, 1991, or on such later date as closing may occur due to delays resulting from causes beyond the Defendant's control; and

IT IS FURTHER ORDERED that the Defendant, and its employees and agents, are hereby permanently enjoined from engaging in business as a mortgage lender or mortgage broker unless and until they, or any of them, shall hereafter be issued a license pursuant to Chapter 16 of Title 6.1 of the Virginia Code; and

IT IS FURTHER ORDERED that the papers herein be placed in the file for ended causes.

CASE NO. BFI910146
APRIL 9, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
METROFUND MORTGAGE SERVICES, INC.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, Metrofund Mortgage Services, Inc., is licensed to engage in business as a mortgage lender and broker under Chapter 16 of Title 6.1 of the Virginia Code; that a bond filed by the Defendant pursuant to Virginia Code § 6.1-413 was canceled on March 28, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on February 12, 1991 that its license would be revoked on March 29, 1991 unless a new bond was filed by that date, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before March 1, 1991; and that no new bond, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to maintain a bond in force as required by Virginia Code § 6.1-413, and it is

ORDERED that the license granted to Metrofund Mortgage Services, Inc. to engage in business as a mortgage lender and broker be, and it is hereby, revoked.

CASE NO. BFI910188
MAY 20, 1991

APPLICATION OF
CHRISTOPHER W. BURCH

Pursuant to § 6.1-416.1 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came Christopher W. Burch and filed his application, as required by Virginia Code § 6.1-416.1, to acquire 45.1 percent of the shares of TMC Mortgage Corporation. Thereupon the application was referred to the Bureau of Financial Institutions.

Having considered the application and the report of the Bureau of Financial Institutions, the Commission is of the opinion and finds that there has been compliance with the prerequisites set forth in Virginia Code § 6.1-416.1. Therefore, the Commission hereby approves the acquisition of 45.1 percent of the shares of TMC Mortgage Corporation by Christopher W. Burch, and orders that this matter be placed among the ended cases.

CASE NO. BFI910203
MAY 10, 1991

APPLICATION OF
SIGNET BANKING CORPORATION

Pursuant to Section 6.1-406 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came Signet Banking Corporation and filed its notice, as required by Virginia Code Section 6.1-406, to acquire Madison National Bank, Washington, D.C. The application was referred to the Bureau of Financial Institutions.

Having considered the aforesaid notice and the report herein of the Bureau of Financial Institutions, the Commission is of the opinion and finds that the proposed acquisition will not affect detrimentally the safety or soundness of any Virginia bank. Therefore the Commission hereby approves the acquisition of Madison National Bank by Signet Banking Corporation. This matter shall be placed among the ended cases.

CASE NO. BFI910212
MAY 17, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COLONIAL MORTGAGE & INVESTMENTS, INC.,
Defendant

ORDER REVOKING LICENSE

ON THIS DAY the Staff reported to the Commission that on April 17, 1991, the Defendant was lawfully served with written notice that its license to engage in business as a mortgage broker would be revoked on May 16, 1991; that said notice set forth, with particularity, the grounds for the proposed license revocation, and required the Defendant to file a written request for a hearing with the Clerk of the Commission on or before May 1, 1991; and that no written request for hearing in this matter has been filed with the Clerk as of this date.

Upon consideration whereof, the Commission finds that the Defendant has been given a reasonable opportunity for a hearing in this case, and is of the opinion that the Defendant's license should be revoked on the grounds set forth in the aforesaid notice.

Accordingly, IT IS ORDERED that the license issued to the Defendant to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910219
JUNE 21, 1991

APPLICATION OF
UNIVERSITY OF VIRGINIA EMPLOYEES CREDIT UNION, INC.
and
COUNTY OF ALBEMARLE FEDERAL CREDIT UNION

To merge under the charter and title of the former

ORDER APPROVING THE MERGER

ON A FORMER DAY came University of Virginia Employees Credit Union, Inc. and County of Albemarle Federal Credit Union, and filed their proposal to merge, pursuant to the provisions of Section 6.1-225.27 of the Code of Virginia. It is proposed that University of Virginia Employees Credit Union, Inc. be the surviving credit union.

The plan of merger was reviewed by the Commissioner of Financial Institutions.

On this day, the Commission having considered the application herein and the recommendation of the Commissioner of Financial Institutions, is of the opinion and finds: (1) That the common bond of interest specified in the bylaws of the credit union which is to survive the merger will include the common bonds of both credit unions; (2) That the plan of merger will promote the best interests of the members of the credit unions; and (3) That the members of the merging credit union and the board of directors of the surviving credit union have approved the plan of merger in accordance with applicable laws and regulations.

THEREFORE, IT IS ORDERED that the merger of County of Albemarle Federal Credit Union into University of Virginia Employees Credit Union, Inc, and the conduct of the credit union business by University of Virginia Employees Credit Union, Inc. at the former office of County of Albemarle Federal Credit Union at 401 McIntire Road, Charlottesville, Virginia are approved, subject to the following conditions: (1) that the shares of the surviving credit union be insured by the National Credit Union Share Insurance Fund (NCUSIF), and (2) that the merger be accomplished not later than one year from this date.

After the Bureau of Financial Institutions receives evidence satisfactory to it that the resulting credit union will continue to be insured by the NCUSIF, and after the Clerk of the Commission receives and approves the plan of merger and articles of merger, and receives payment of the required fees, the merger will be effective when the Clerk issues a certificate of merger.

CASE NO. BFI910225
JUNE 21, 1991

APPLICATION OF
PIEDMONT EDUCATIONAL EMPLOYEES' CREDIT UNION INCORPORATED
and
R AND B EMPLOYEES CREDIT UNION

To merge under the charter and title of the former

ORDER APPROVING THE MERGER

ON A FORMER DAY came Piedmont Educational Employees' Credit Union Incorporated and R and B Employees Credit Union, and filed their proposal to merge, pursuant to the provisions of Section 6.1-225.27 of the Code of Virginia. It is proposed that Piedmont Educational Employees' Credit Union Incorporated be the surviving credit union.

The plan of merger was reviewed by the Commissioner of Financial Institutions.

On this day, the Commission having considered the application herein and the recommendation of the Commissioner of Financial Institutions, is of the opinion and finds: (1) That the common bond of interest specified in the bylaws of the credit union which is to survive the merger will include the common bonds of both credit unions; (2) That the plan of merger will promote the best interests of the members of the credit unions; and (3) That the members of the merging credit union and the board of directors of the surviving credit union have approved the plan of merger in accordance with applicable laws and regulations.

THEREFORE, IT IS ORDERED that the merger of R and B Employees Credit Union into Piedmont Educational Employees' Credit Union Incorporated is approved, subject to the following conditions: (1) that the shares of the surviving credit union be insured by the National Credit Union Share Insurance Fund (NCUSIF), and (2) that the merger be accomplished not later than one year from this date.

After the Bureau of Financial Institutions receives evidence satisfactory to it that the resulting credit union will continue to be insured by the NCUSIF, and after the Clerk of the Commission receives and approves the plan of merger and articles of merger, and receives payment of the required fees, the merger will be effective when the Clerk issues a certificate of merger.

CASE NO. BFI910226
MAY 24, 1991

IN THE MATTER OF
FIRST SECURITY BANK
5002 Williamson Road, N.W.
Roanoke, Virginia 24012

CLOSING ORDER

Upon examination of First Security Bank, a bank organized and operating under Chapter 2, Title 6.1 of the Code of Virginia, and a member of the Federal Reserve System, the Commission finds that it is necessary in order to protect the public interest to close First Security Bank without prior notice, in accordance with Virginia Code § 6.1-100, and to seek the appointment of the Federal Deposit Insurance Corporation as receiver for the Bank, as provided by law. The Commission further finds, based on a report of examination by the Bureau of Financial Institutions and on other information and conclusions related to the Commission by the Commissioner of Financial Institutions, that the Bank is at or near an insolvent condition, that its liquidity position is precarious, that it has insufficient capital for safe and sound operation, that no reasonable prospect for rehabilitation of the Bank exists, and that an FDIC-assisted transfer of the liabilities and assets of the Bank is needed in order to avoid its failure and a liquidation that may be harmful to depositors.

IT IS THEREFORE ORDERED:

(1) That First Security Bank be closed, and said Bank hereby is closed as of 6:00 p.m., Friday, May 24, 1991;

(2) That First Security Bank deliver its books, assets and affairs to the Commissioner of Financial Institutions, or such agents as he may designate; and

(3) That the Commissioner or his agents take charge of such books, assets and affairs, and then relinquish them to the Federal Deposit Insurance Corporation or other duly appointed receiver of the Bank. The Commissioner shall notify the Commission when he has transferred the books, assets and affairs to the Receiver.

This order shall be timely delivered to the President of First Security Bank, and copies shall be sent to the Federal Reserve Bank of Richmond and to the Federal Deposit Insurance Corporation. A Notice of Closing shall be posted at the main entrance of the Bank.

CASE NO. BFI910227
MAY 24, 1991

APPLICATION OF
FIRST CENTURY BANK

For a certificate of authority to begin business as a bank and trust company at 5002 Williamson Road, City of Roanoke, Virginia

ON A FORMER DAY came the applicant and filed its application for a certificate of authority, under Chapter 2, Title 6.1 of the Code of Virginia, to begin business as a bank and trust company at 5002 Williamson Road, City of Roanoke, Virginia. Thereupon the application was referred to the Commissioner of Financial Institutions for investigation and report.

NOW, ON THIS DAY, having considered the application herein and the investigation made by the Commissioner of Financial Institutions, the Commission is of the opinion and finds that the public interest will be served by additional banking facilities in the City of Roanoke, Virginia where the applicant bank is proposed. Furthermore, the Commission ascertains with respect to the application herein;

(1) That all provisions of law have been complied with;

(2) That financially responsible individuals have subscribed for capital stock, surplus, and a reserve for operation in an amount deemed by the Commission to be sufficient to warrant successful operation;

(3) That the oaths of all directors have been taken and filed in accordance with the provisions of Section 6.1-48 of the Code of Virginia;

(4) That the applicant was formed for no other reason than a legitimate banking business;

(5) That the moral fitness, financial responsibility, and business qualifications of those named as officers and directors of the proposed bank are such as to command the confidence of the community in which the bank is proposed to be located; and

(6) That the applicant's deposits are to be insured by the Federal Deposit Insurance Corporation.

THEREFORE, IT IS ORDERED that a certificate of authority authorizing First Century Bank to do a banking and trust business at 5002 Williamson Road, City of Roanoke, Virginia be granted, and said certificate hereby is granted, subject to and contingent upon the following conditions being met before the bank opens for business:

1. That capital funds totaling $3,000,000 be paid into the bank and allocated as follows: $1,500,000 to capital stock, $750,000 to surplus, and $750,000 to a reserve for operation;

2. That the bank actually obtain insurance of its accounts by the Federal Deposit Insurance Corporation;

3. That the applicant receive approval of appointment of its chief executive officer from the Commissioner of Financial Institutions, and that it notify him of the date the applicant is to open for business; and

4. That the applicant acquire the assets and assume the liabilities from the appointed receiver of First Security Bank, Roanoke.

5. That if for any reason the bank fails to acquire the assets and assume the liabilities of First Security Bank within thirty days from this date, the authority granted herein shall expire. Provided, however, that the Commission may renew or extend such authority by order entered prior to the expiration date.

CASE NO. BFI910228
MAY 24, 1991

APPLICATION OF
POCAHONTAS BANKSHARES CORPORATION
Bluefield, West Virginia

To acquire First Century Bank and First Security Bank, Roanoke, Virginia

ORDER OF APPROVAL

ON A FORMER DAY came Pocahontas Bankshares Corporation, a bank holding company having its principal place of business in West Virginia, and filed its application pursuant to Chapter 15 of Title 6.1 of the Code of Virginia (Va. Code Section 6.1-398, ff.), to acquire First Century Bank and First Security Bank, Roanoke, Virginia. The application was referred to the Bureau of Financial Institutions for an investigation.

Having considered initially the relevant statutes of Virginia and of West Virginia and the Bureau's report of investigation herein, the Commission is of the opinion and finds that the statutory prerequisites to approval of the application set forth in Code Section 6.1-399 are met in this case, viz:

(1) The laws of West Virginia permit Virginia bank holding companies meeting the criteria of Chapter 15 to acquire banks and bank holding companies in that jurisdiction;

(2) The laws of West Virginia would permit this particular transaction to be done in reverse,

(3) First Security Bank opened for business November 15, 1988 and has operated continuously since that date, a period of more than two years; and

(4) First Century Bank is organized soley for the purpose of facilitating the acquisition of First Security Bank, Roanoke, Virginia.

Based upon the application and the Bureau's report of investigation, the Commission further determines, pursuant to Code Section 6.1-400, that

(1) The proposed acquisition would not be detrimental to the safety or soundness of the applicant or First Century Bank and First Security Bank;

(2) The applicant, its officers and directors, are qualified by character, experience and financial responsibility to control and operate a Virginia bank;

(3) The proposed acquisition would not be prejudicial to the interests of depositors, creditors, beneficiaries of fiduciary accounts or shareholders of the applicant or First Century Bank and First Security Bank; and

(4) The acquisition is in the public interest.

Therefore, the Commission hereby approves the acquisition of First Century Bank and First Security Bank by Pocahontas Bankshares Corporation.

CASE NO. BFI910229
MAY 30, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COLONIAL MORTGAGE CORPORATION OF D.C.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, Colonial Mortgage Corporation of D.C., is licensed to engage in business as a mortgage lender and broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant failed to file the annual report required by Virginia Code § 6.1-418 by March 25, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 16, 1991 that its license would be revoked on May 9, 1991 unless an annual report was filed by May 2, 1991, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before May 2, 1991; and that no annual report, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to file the annual report required by Virginia Code § 6.1-418, and it is

ORDERED that the license granted to Colonial Mortgage Corporation of D.C. to engage in business as a mortgage lender and broker be, and it is hereby, revoked.

CASE NO. BFI910230
MAY 30, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
HERITAGE MORTGAGE AND INVESTMENT CO., INC.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, Heritage Mortgage and Investment Co., Inc., is licensed to engage in business as a mortgage lender and broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant failed to file the annual report required by Virginia Code § 6.1-418 by March 25, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 16, 1991 that its license would be revoked on May 9, 1991 unless an annual report was filed by May 2, 1991, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before May 2, 1991; and that no annual report, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to file the annual report required by Virginia Code § 6.1-418, and it is

ORDERED that the license granted to Heritage Mortgage and Investment Co., Inc. to engage in business as a mortgage lender and broker be, and it is hereby, revoked.

CASE NO. BFI910231
MAY 30, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
AIDA V. MCCARTHY,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, Aida V. McCarthy, is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant failed to file the annual report required by Virginia Code § 6.1-418 by March 25, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 16, 1991 that her license would be revoked on May 9, 1991 unless an annual report was filed by May 2, 1991, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before May 2, 1991; and that no annual report, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to file the annual report required by Virginia Code § 6.1-418, and it is

ORDERED that the license granted to Aida V. McCarthy to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910232
MAY 30, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
CITY WIDE MORTGAGE, INC.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, City Wide Mortgage, Inc., is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant failed to file the annual report required by Virginia Code § 6.1-418 by March 25, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 16, 1991 that its license would be revoked on May 9, 1991 unless an annual report was filed by May 2, 1991, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before May 2, 1991; and that no annual report, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to file the annual report required by Virginia Code § 6.1-418, and it is

ORDERED that the license granted to City Wide Mortgage, Inc. to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910233
MAY 30, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
USALOAN, INC.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, USALOAN, Inc., is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant failed to file the annual report required by Virginia Code § 6.1-418 by March 25, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 16, 1991 that its license would be revoked on May 9, 1991 unless an annual report was filed by May 2, 1991, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before May 2, 1991; and that no annual report, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to file the annual report required by Virginia Code § 6.1-418, and it is

ORDERED that the license granted to USALOAN, Inc. to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910234
MAY 30, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
BANKERS MORTGAGE GROUP, INC.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, Bankers Mortgage Group, Inc., is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant failed to file the annual report required by Virginia Code § 6.1-418 by March 25, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 16, 1991 that its license would be revoked on May 9, 1991 unless an annual report was filed by May 2, 1991, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before May 2, 1991; and that no annual report, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to file the annual report required by Virginia Code § 6.1-418, and it is

ORDERED that the license granted to Bankers Mortgage Group, Inc. to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910245
JUNE 21, 1991

APPLICATION OF
EUGENE J. METZGER

Pursuant to Title 6.1, Chapter 13, Code of Virginia

ORDER GIVING NOTICE OF INTENT NOT TO DISAPPROVE AN ACQUISITION

ON A FORMER DAY came Eugene J. Metzger and filed his application, as required by Virginia Code Section 6.1-383.1, to acquire 32 percent of the shares of Ballston Bancorp, Inc., Arlington, Virginia. Thereupon the application was referred to the Bureau of Financial Institutions.

Having considered the application and the report of the Bureau of Financial Institutions, the Commission is of the opinion and finds that there has been compliance with the prerequisites set forth in Virginia Code Section 6.1-383.1, and it finds further that no reasonable basis exists for taking any of the other actions permitted the Commission by the provisions of Section 6.1-383.2 of the Code.

THEREFORE, the Commission hereby issues this notice of its intent not to disapprove the acquisition of 32 percent of the shares of Ballston Bancorp, Inc. by Eugene J. Metzger and orders that this matter be placed among the ended cases.

CASE NO. BFI910264
SEPTEMBER 4, 1991

APPLICATION OF
A. B. AND W TRANSIT EMPLOYEES CREDIT UNION, INCORPORATED
and
POTOMAC YARD FEDERAL CREDIT UNION

To merge under the charter and title of the former

ORDER APPROVING THE MERGER

ON A FORMER DAY came A. B. and W Transit Employees Credit Union, Incorporated and Potomac Yard Federal Credit Union, and filed their proposal to merge, pursuant to the provisions of Section 6.1-225.27 of the Code of Virginia. It is proposed that A.B. and W Transit Employees Credit Union, Incorporated be the surviving credit union.

The plan of merger was reviewed by the Commissioner of Financial Institutions.

On this day, the Commission having considered the application herein and the recommendation of the Commissioner of Financial Institutions, is of the opinion and finds: (1) That the common bond of interest specified in the bylaws of the credit union which is to survive the merger will include the common bonds of both credit unions; (2) That the plan of merger will promote the best interests of the members of the credit unions; and (3) That the members of the merging credit union and the board of directors of the surviving credit union have approved the plan of merger in accordance with applicable laws and regulations.

THEREFORE, IT IS ORDERED that the merger of Potomac Yard Federal Credit Union into A. B. and W Transit Employees Credit Union, Incorporated and the conduct of the credit union business by A. B. and W Transit Employees Credit Union, Incorporated at the former office of Potomac Yard Federal Credit Union at 2801 Jefferson Davis Highway, Alexandria, Virginia are approved, subject to the following conditions: (1) that the shares of the surviving credit union be insured by the National Credit Union Share Insurance Fund (NCUSIF), and (2) that the merger be accomplished not later than one year from this date.

After the Bureau of Financial Institutions receives evidence satisfactory to it that the resulting credit union will continue to be insured by the NCUSIF, and after the Clerk of the Commission receives and approves the plan of merger and articles of merger, and receives payment of the required fees, the merger will be effective when the Clerk issues a certificate of merger.

CASE NO. BFI910282
JULY 12, 1991

APPLICATION OF
ASSOCIATES CORPORATION OF NORTH AMERICA

Pursuant to Virginia Code Section 6.1-416.1

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came Associates Corporation of North America an indirect subsidiary of Ford Motor Company, and filed its application, pursuant to Virginia Code Section 6.1-416.1, to acquire 100 percent of the shares of KFC Mortgage Loans, Inc., a licensed mortgage lender. The applicant proposes to acquire KFC Mortgage Loans, Inc. indirectly, as a result of the acquisition by it of Kentucky Finance Co., Inc., parent of KFC Mortgage Loans, Inc. The application was referred to the Bureau of Financial Institutions.

Having considered the application and the report of the Bureau of Financial Institutions, the Commission is of the opinion and finds that there has been compliance with the prerequisites set forth in Virginia Code Section 6.1-416.1.

Accordingly,

THE COMMISSION hereby permits Associates Corporation of North America to acquire indirectly 100 percent of the shares of KFC Mortgage Loans, Inc. This matter shall be placed among the ended cases.

CASE NOS. BFI910285 and BFI910288 - BFI910299
JULY 5, 1991

APPLICATIONS OF
CRFC INTERIM SAVINGS BANK

For a certificate of authority as a Savings and Loan Association at 500 Forest Avenue, Henrico County, Virginia and for authority to establish certain offices

ORDER GRANTING THE APPLICATIONS

ON A FORMER DAY CRFC Interim Savings Bank applied to the Commission, under Virginia Code Section 6.1-194.12, for a certificate of authority as a state savings and loan association at 500 Forest Avenue, Henrico County, Virginia, and for authority to establish, i.e., acquire and own, the following offices: (a) 10201 Ironbridge Road, Chesterfield County, Virginia; (b) 7601 Midlothian Turnpike, Chesterfield County, Virginia; (c) 11440 Midlothian Turnpike, Chesterfield County, Virginia; (d) 2373 Atlee Road, Hanover County, Virginia; (e) 6200 Lakeside Avenue, Henrico County, Virginia; (f) 1650 Parham Road, Henrico County, Virginia; (g) 8721 Staples Mill Road, Henrico County, Virginia; (h) 4926 West Broad Street, Henrico County, Virginia; (i) 3543 Cary Street, City of Richmond, Virginia; (j) 1001 East Main Street, City of Richmond, Virginia; (k) 6980 Forest Hill Avenue, City of Richmond, Virginia; and (l) 2024-A Grove Avenue, City of Richmond, Virginia. The application was referred to the Commissioner of Financial Institutions for an investigation and report.

HAVING considered the application herein and the recommendation of the Commissioner of Financial Institutions, it appears to the Commission that the proposed savings and loan association is formed for the purpose of acquiring from a federal agency certain assets, including the offices, and assume certain liabilities of Heritage Federal Savings Bank, and, without the applicant's ever operating, to merge into Crestar Bank. The Commission finds with respect to the application: (1) All provisions of law have been complied with by the applicant; (2) Shares of stock to the value of at least $500,000 have been subscribed by the stockholder of the applicant; (3) Regulations governing directors of the applicant have been complied with; (4) The public interest will be served by granting the application; (5) The officers and directors of the applicant are of moral fitness, financial responsibility, and business ability; and (6) The deposit accounts of the applicant will be insured by a federal agency. Accordingly, the Commission is of the opinion that the applications herein should be granted.

THEREFORE, IT IS ORDERED that a certificate of authority as a state savings and loan association at 500 Forest Avenue, Henrico County, Virginia be issued, and such a certificate hereby is issued, to CRFC Interim Savings Bank. CRFC Interim Savings Bank is hereby authorized to establish, i.e., acquire and own, the twelve offices listed above prior to its merging into Crestar Bank.

CASE NO. BFI910286
JULY 5, 1991

APPLICATION OF
CRESTAR FINANCIAL CORPORATION

To acquire CRFC Interim Savings Bank

ORDER APPROVING THE ACQUISITION OF A SAVINGS AND LOAN ASSOCIATION

ON A FORMER DAY Crestar Financial Corporation, a Virginia bank holding company, filed an application, pursuant to Virginia Code Section 6.1-194.87, to acquire 100 percent of the shares of CRFC Interim Savings Bank. The application was referred to the Bureau of Financial Institutions for investigation.

Having considered the application and the report of the investigation of the Bureau, the Commission is of the opinion and finds that: (1) The proposed acquisition will not be detrimental to the safety and soundness of the applicant or of the savings institution sought to be acquired; (2) the applicant is qualified to control and operate the state association; (3) the proposed acquisition will not be prejudicial to the interests of depositors, creditors, beneficiaries of fiduciary accounts and shareholders of the savings institution sought to be acquired; and (4) the proposed acquisition is in the public interest.

ACCORDINGLY, IT IS ORDERED that Crestar Financial Corporation be authorized to acquire 100 percent of the shares of CRFC Interim Savings Bank.

CASE NO. BFI910287
JULY 5, 1991

APPLICATION OF
CRESTAR BANK

To merge CRFC Interim Savings Bank into Crestar Bank

ORDER APPROVING THE MERGER

Crestar Bank, a bank chartered by the Commonwealth, filed an application pursuant to Virginia Code Section 6.1-194.40 to merge into itself CRFC Interim Savings Bank, which is a state savings and loan association. The application was referred to the Commissioner of Financial Institutions for an investigation and report.

Having considered the application and the report of investigation, the Commission is of the opinion and finds that the resulting entity will do business as a bank, and that the applicant meets the standards established by Virginia Code Section 6.1-13.

THEREFORE, IT IS ORDERED that the merger into Crestar Bank of CRFC Interim Savings Bank is approved. The resulting bank, having its main office at 919 East Main Street, City of Richmond, Virginia, will have the authority, as provided in Section 6.1-194.40, to operate all the offices of CRFC Interim Savings Bank; namely, (1) 10201 Ironbridge Road, Chesterfield County, Virginia; (2) 7601 Midlothian Turnpike, Chesterfield County, Virginia; (3) 11440 Midlothian Turnpike, Chesterfield County, Virginia; (4) 2373 Atlee Road, Hanover County, Virginia; (5) 6200 Lakeside Avenue, Henrico County, Virginia; (6) 1650 Parham Road, Henrico County, Virginia; (7) 8721 Staples Mill Road, Henrico County, Virginia; (8) 4926 West Broad Street, Henrico County, Virginia; (9) 3543 Cary Street, City of Richmond, Virginia; (10) 1001 East Main Street, City of Richmond, Virginia; (11) 6980 Forest Hill Avenue, City of Richmond, Virginia; (12) 2024-A Grove Avenue, City of Richmond, Virginia; and (13) 500 Forest Avenue, Henrico County, Virginia. Within one year of the merger, as provided by law, the resulting bank shall conform its assets and operations to the provisions of law regulating the operation of banks.

The merger approved by this order shall be effective upon the issuance by the Commission to Crestar Bank of a certificate of merger of CRFC Interim Savings Bank into Crestar Bank.

CASE NO. BFI910300
JULY 11, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ROBERT E. HINTZ,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, Robert E. Hintz, is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that a bond filed by the Defendant pursuant to Virginia Code § 6.1-413 was canceled on June 14, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the

Defendant by certified mail on May 24, 1991 that his license would be revoked on June 17, 1991 unless a new bond was filed by that date, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before June 10, 1991; and that no new bond, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to maintain a bond in force as required by Virginia Code § 6.1-413, and it is

ORDERED that the license granted to Robert E. Hintz to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910304
SEPTEMBER 4, 1991

APPLICATION OF
VIRGINIA LEAGUE CENTRAL CREDIT UNION, INCORPORATED
and
STROTHER DRUG EMPLOYEES CREDIT UNION, INCORPORATED

To merge under the charter and title of the former

ORDER APPROVING THE MERGER

ON A FORMER DAY came Virginia League Central Credit Union, Incorporated and Strother Drug Employees Credit Union, Incorporated, and filed their proposal to merge, pursuant to the provisions of Section 6.1-225.27 of the Code of Virginia. It is proposed that Virginia League Central Credit Union, Incorporated be the surviving credit union.

The plan of merger was reviewed by the Commissioner of Financial Institutions.

On this day, the Commission having considered the application herein and the recommendation of the Commissioner of Financial Institutions, is of the opinion and finds: (1) That the common bond of interest specified in the bylaws of the credit union which is to survive the merger will include the common bonds of both credit unions; (2) That the plan of merger will promote the best interests of the members of the credit unions; and (3) That the members of the merging credit union and the board of directors of the surviving credit union have approved the plan of merger in accordance with applicable laws and regulations.

THEREFORE, IT IS ORDERED that the merger of Strother Drug Employees Credit Union, Incorporated into Virginia League Central Credit Union, Incorporated is approved, subject to the following conditions: (1) that the shares of the surviving credit union be insured by the National Credit Union Share Insurance Fund (NCUSIF), and (2) that the merger be accomplished not later than one year from this date.

After the Bureau of Financial Institutions receives evidence satisfactory to it that the resulting credit union will continue to be insured by the NCUSIF, and after the Clerk of the Commission receives and approves the plan of merger and articles of merger, and receives payment of the required fees, the merger will be effective when the Clerk issues a certificate of merger.

CASE NO. BFI910350
AUGUST 16, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
PERCY A. EVERSON, d/b/a SIMPLEX BUSINESS SERVICES,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Staff reported to the Commission that the Defendant, Percy A. Everson, d/b/a Simplex Business Services, is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant was required to pay an annual fee pursuant to Virginia Code § 6.1-420 by May 25, 1991, but failed to do so; that the Commissioner of Financial Institutions, pursuant to delegated authority, gave written notice to the Defendant by certified mail on July 1, 1991 that his license would be revoked on July 31, 1991 unless the annual fee was paid by that date, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before July 16, 1991; and that the Defendant failed to pay the annual fee or file a written request for hearing.

Accordingly, the Commission finds that the Defendant has failed to pay the annual fee required by Virginia Code § 6.1-420 and it is

ORDERED that the license granted to Percy A. Everson, d/b/a Simplex Business Services to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910351
AUGUST 16, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
DIVERSIFIED MORTGAGE CORPORATION,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Staff reported to the Commission that the Defendant, Diversified Mortgage Corporation, is licensed to engage in business as a mortgage lender and broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant was required to pay an annual fee pursuant to Virginia Code § 6.1-420 by May 25, 1991, but failed to do so; that the Commissioner of Financial Institutions, pursuant to delegated authority, gave written notice to the Defendant by certified mail on July 1, 1991 that its license would be revoked on July 31, 1991 unless the annual fee was paid by that date, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before July 16, 1991; and that the Defendant failed to pay the annual fee or file a written request for hearing.

Accordingly, the Commission finds that the Defendant has failed to pay the annual fee required by Virginia Code § 6.1-420 and it is

ORDERED that the license granted to Diversified Mortgage Corporation to engage in business as a mortgage lender and broker be, and it is hereby, revoked.

CASE NO. BFI910352
AUGUST 16, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COMMONWEALTH MORTGAGE CORPORATION,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Staff reported to the Commission that the Defendant, Commonwealth Mortgage Corporation, is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant was required to pay an annual fee pursuant to Virginia Code § 6.1-420 by May 25, 1991, but failed to do so; that the Commissioner of Financial Institutions, pursuant to delegated authority, gave written notice to the Defendant by certified mail on July 1, 1991 that its license would be revoked on July 31, 1991 unless the annual fee was paid by that date, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before July 16, 1991; and that the Defendant failed to pay the annual fee or file a written request for hearing.

Accordingly, the Commission finds that the Defendant has failed to pay the annual fee required by Virginia Code § 6.1-420 and it is

ORDERED that the license granted to Commonwealth Mortgage Corporation to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910353
AUGUST 16, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
CHARLES B. TAYLOR,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Staff reported to the Commission that the Defendant, Charles B. Taylor, is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant was required to pay an annual fee pursuant to Virginia Code § 6.1-420 by May 25, 1991, but failed to do so; that the Commissioner of Financial Institutions, pursuant to delegated authority, gave written notice to the Defendant by certified mail on July 1, 1991 that his license would be revoked on July 31, 1991 unless the annual fee was paid by that date, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before July 16, 1991; and that the Defendant failed to pay the annual fee or file a written request for hearing.

Accordingly, the Commission finds that the Defendant has failed to pay the annual fee required by Virginia Code § 6.1-420 and it is

ORDERED that the license granted to Charles B. Taylor to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910361
OCTOBER 4, 1991

APPLICATION OF
BANK OF SHAWSVILLE

For a certificate of authority to: (1) do a banking and trust business upon the merger of Bank of Speedwell, Incorporated into Bank of Shawsville under the charter of the latter and title of Premier Bank, Inc.; and (2) operate the main office of the now Bank of Speedwell, Incorporated and its six branch offices

ON A FORMER DAY came Bank of Shawsville, the surviving bank in a proposed merger with Bank of Speedwell, Incorporated, and subject to the issuance by the Commission of a certificate of merger of said banks, applied to the Commission for (1) Certificate of authority to do a banking and trust business at U. S. Route 460, Shawsville, Montgomery County, Virginia, and elsewhere in this State as it may now or hereafter be authorized by law; and (2) Authority to operate the main office of the now Bank of Speedwell, Incorporated at U. S. Route 21 South, Speedwell, Wythe County, Virginia; and the following six offices; (1) 170 E. Main Street, Wytheville, Wythe County, Virginia; (2) 1055 E. Main Street, Wytheville, Wythe County, Virginia; (3) 1105 Bob White Boulevard, Pulaski, Pulaski County, Virginia; (4) 4655 Cleburne Boulevard, Dublin, Pulaski County, Virginia; (5) Intersection of U.S. Route 52 and State Route 94, Max Meadows, Wythe County, Virginia; and (6) Parsonage Avenue, Rural Retreat, Wythe County, Virginia as branch offices. Thereupon the application was referred to the Commissioner of Financial Institutions for investigation and report.

AND THE COMMISSION having considered the application herein and the recommendation of the Commissioner of Financial Institutions with respect thereto, is of the opinion that a certificate of authority to begin business as a bank and trust company should be issued to the applicant, effective upon the issuance by the Commission of a certificate of merger of Bank of Speedwell, Incorporated into Bank of Shawsville, and with respect thereto the Commission finds: (1) that all of the provisions of law with respect to said bank and its application for a certificate of authority to begin business have been complied with; (2) that the surviving bank's capital stock will be $3,000,000 and its surplus and reserve for operations will amount to not less than $8,421,000; (3) that, in its opinion, the public interest will be served by additional banking facilities in the community where the applicant is proposed to be; (4) that the oaths of all directors have been taken and filed in accordance with the provisions of Section 6.1-48 of the Code of Virginia; (5) that the bank was formed for no other reason than a legitimate banking business; (6) that the moral fitness, financial responsibility and business qualifications of those named as officers and directors are such as to command the confidence of the community in which the bank is proposed to be located; and (7) that its deposits are to be insured by the Federal Deposit Insurance Corporation.

THE COMMISSION is further of the opinion and finds that, subject to the issuance by the Commission of a certificate of merger, and of amendment and restatement changing the name of Bank of Shawsville to Premier Bank, Inc., the public interest will be served by authorizing the applicant, Bank of Shawsville the surviving bank in such merger, to operate the main office of the now Bank of Speedwell, Incorporated and six branch offices.

IT IS THEREFORE, ORDERED:

That effective upon the issuance by the Commission of a certificate of merger to Bank of Shawsville, the surviving bank in a proposed merger of Bank of Speedwell, Incorporated, and of amendment and restatement changing the name of Bank of Shawsville to Premier Bank, Inc., a certificate be, and it is hereby, granted Premier Bank, Inc. (formerly Bank of Shawsville) authorizing it to do a banking and trust business at U.S. Route 460, Shawsville, Montgomery County, Virginia and elsewhere in this State as authorized by law, and to operate the aforesaid branch offices.

CASE NOS. BFI910370 AND BFI910371
NOVEMBER 25, 1991

APPLICATION OF
NCNB CORPORATION
Charlotte, North Carolina

To acquire C&S/Sovran Corporation and its banking subsidiaries, including Sovran Bank, N.A.

ORDER OF APPROVAL

NCNB Corporation, a regional bank holding company with a Virginia bank subsidiary, filed an application, pursuant to Chapter 15 of Title 6.1 of the Code of Virginia, to acquire C&S/Sovran Corporation, a Delaware corporation that is a Virginia bank holding company, and its bank subsidiaries, including Sovran Bank, N.A., a Virginia bank.

NCNB Corporation also gave notice, in accordance with Virginia Code § 6.1-406, of its intention to acquire by virtue of the same transaction the several banks outside Virginia that are subsidiaries of C&S/Sovran Corporation, namely; The Citizens and Southern National Bank, Savannah, Georgia; The Citizens and Southern National Bank of S.C., Columbia, South Carolina; The Citizens and Southern National Bank of Florida, Ft. Lauderdale, Florida; Sovran Bank/DC National, Washington, D.C.; C&S/Sovran Trust Company, (Georgia), National Association, Atlanta, Georgia; C&S/Sovran Trust Company, (South Carolina), National Association, Columbia, South Carolina; C&S/Sovran Trust Company (Florida), National Association, Ft. Myers, Florida; Sovran Bank/Tennessee, Nashville Tennessee; Sovran Bank/Maryland, Bethesda, Maryland; and Sovran Bank/Kentucky, Hopkinsville, Kentucky. The application and the notice were referred to the Bureau of Financial Institutions for investigation. The Bureau published notice of the application in its Weekly Information Bulletin dated August 30, 1991, and no objection was received.

Having considered the application, the notice, and the report of the investigation of the Bureau, the Commission finds that (1) the proposed acquisition will not be detrimental to the safety and soundness of NCNB Corporation or C&S/Sovran Corporation; (2) the applicant, and its officers and directors, are qualified by character, experience and financial responsibility to control and operate a Virginia bank or bank holding company; (3) the proposed acquisition will not be prejudicial to the interests of depositors, creditors, beneficiaries of fiduciary accounts or shareholders of NCNB Corporation or C&S/Sovran Corporation; and (4) the acquisition is in the public interest. And the Commission further finds that the test set forth in Virginia Code § 6.1-399, Subsection B.1, is satisfied in the case of this application, and that no condition, restriction, requirement, or other limitation of the kind referred to in Subsection B.2 of § 6.1-399 is present in this case.

Therefore, the Commission hereby approves the application and notice of NCNB Corporation to acquire C&S/Sovran Corporation and its banking subsidiaries. This matter shall be placed among the ended cases.

CASE NO. BFI910377
OCTOBER 24, 1991

APPLICATION OF
H. C. HOY

Pursuant to Section 6.1-416.1 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came H. C. Hoy and filed his application, as required by Virginia Code Section 6.1-416.1, to acquire 25 percent of the shares of Mortgage Loan Services, Inc. Thereupon the application was referred to the Bureau of Financial Institutions.

Having considered the application and the report of the Bureau of Financial Institutions, the Commission is of the opinion and finds that there has been compliance with the prerequisites set forth in Virginia Code Section 6.1-416.1. Therefore, the Commission hereby approves the acquisition of 25 percent of the shares of Mortgage Loan Services, Inc. by H. C. Hoy, and orders that this matter be placed among the ended cases.

CASE NO. BFI910383
OCTOBER 24, 1991

APPLICATION OF
HOWARD E. GRAY

Pursuant to Section 6.1-416.1 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came Howard E. Gray and filed his application, as required by Virginia Code Section 6.1-416.1, to acquire more than 25 percent of the shares of Mortgage Loan Services, Inc. Thereupon the application was referred to the Bureau of Financial Institutions.

Having considered the application and the report of the Bureau of Financial Institutions, the Commission is of the opinion and finds that there has been compliance with the prerequisites set forth in Virginia Code Section 6.1-416.1. Therefore, the Commission hereby approves the acquisition of more than 25 percent of the shares of Mortgage Loan Services, Inc. by Howard E. Gray, and orders that this matter be placed among the ended cases.

CASE NO. BFI910404
SEPTEMBER 13, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ACTION MORTGAGE, INC.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Staff reported to the Commission that the Defendant, Action Mortgage, Inc., is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that the Defendant was required to pay an annual fee pursuant to Virginia Code § 6.1-420 by May 25, 1991, but failed to do so; that the Commissioner of Financial Institutions, pursuant to delegated authority, gave written notice to the Defendant by certified mail on August 7, 1991 that its license would be revoked on September 6, 1991 unless the annual fee was paid by that date, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before August 21, 1991; and that the Defendant failed to pay the annual fee or file a written request for hearing.

Accordingly, the Commission finds that the Defendant has failed to pay the annual fee required by Virginia Code § 6.1-420 and it is

ORDERED that the license granted to Action Mortgage, Inc. to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NOS. BFI910409 and BFI910410
SEPTEMBER 19, 1991

APPLICATIONS OF
CRESTAR FINANCIAL CORPORATION

To own CRFC Interim Federal Savings Bank

and

CRESTAR BANK

To merge CRFC Interim Federal Savings Bank into Crestar Bank

ORDER APPROVING THE ACQUISITION AND THE MERGER

Pursuant to Virginia Code Section 6.1-194.40, Crestar Financial Corporation, a Virginia bank holding company, applied to own CRFC Interim Federal Savings Bank ("CRFC"), and Crestar Bank, a state bank, applied to merge CRFC into itself. CRFC is a federal savings institution formed solely to facilitate the transfer of certain assets and liabilities of United Federal Savings Bank, Vienna, Virginia, from the Resolution Trust Corporation to Crestar Bank. CRFC was issued a federal charter and was duly authorized by the Office of Thrift Supervision to operate the offices formerly belonging to United Federal.

The applications were referred to the Bureau of Financial Institutions for investigation. Upon consideration of the applications and the report of investigation of the Bureau, the Commission is of the opinion and finds that the ownership of CRFC by Crestar Financial Corporation and the merger should be approved. In connection with the application to merge CRFC into Crestar Bank, the Commission finds that the resulting entity will do business as a bank and that the applicant, Crestar Bank, meets and, as the resulting bank, will meet the standards established by Virginia Code Section 6.1-13.

Accordingly, it is ordered that the applications of Crestar Financial Corporation to own CRFC Interim Federal Savings Bank and of Crestar Bank to merge CRFC Interim Federal Savings Bank into itself are approved. The resulting bank, having its main office at 919 East Main Street, City of Richmond, Virginia, will have authority, as provided in Section 6.1-194.40, to operate all the offices of CRFC Interim Federal Savings Bank; namely, (1) 8219 Leesburg Pike, Vienna, Fairfax County, Virginia; (2) 3141 Lee Highway, Arlington County, Virginia; (3) 9450 Arlington Boulevard, Fairfax County, Virginia; (4) 3709 Columbia Pike, Arlington County, Virginia; (5) 9527 Braddock Road, Fairfax County, Virginia; (6) 10777 Main Street, City of Fairfax, Virginia; (7) 5616-A Ox Road, Fairfax County, Virginia; (8) 1320 Old Chain Bridge Road, McLean, Fairfax County, Virginia; (9) 13900 Lee Jackson Memorial Highway, Chantilly, Fairfax County, Virginia; (10) 8697 Sudley Road, City of Manassas, Virginia; (11) 2340 Dulles Corner Boulevard, Herndon, Fairfax County, Virginia; (12) 6225 Brandon Avenue, Springfield, Fairfax County, Virginia; (13) 501 Maple Avenue, West, Vienna, Fairfax County, Virginia; and (14) 3829-A S. George Mason Drive, Fairfax County, Virginia. Within one year of the merger, as provided by law, the resulting bank shall conform its assets and operations to the provisions of law regulating the operation of banks.

The merger approved by this order shall be effective upon the issuance by the Commission to Crestar Bank of a certificate of merger of CRFC Interim Federal Savings Bank into Crestar Bank.

CASE NO. BFI910415
DECEMBER 31, 1991

APPLICATION OF
MYOUNG HO KONG AND YUP KONG

Pursuant to § 6.1-416.1 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came Myoung Ho Kong and Yup Kong and filed their application, as required by Virginia Code § 6.1-416.1, to acquire 100 percent of the shares of Center Mortgage Corporation. Thereupon the application was referred to the Bureau of Financial Institutions.

Having considered the application and the report of the Bureau of Financial Institutions, the Commission is of the opinion and finds that there has been compliance with the prerequisites set forth in Virginia Code § 6.1-416.1. Therefore, the Commission hereby approves the acquisition of 100 percent of the shares of Center Mortgage Corporation by Myoung Ho Kong and Yup Kong, and orders that this matter be placed among the ended cases.

CASE NO. BFI910445
DECEMBER 3, 1991

APPLICATION OF
F & M BANK - WINCHESTER (in organization)

For a certificate of authority to do a banking and trust business upon the conversion of Farmers and Merchants National Bank.

ORDER ISSUING A CERTIFICATE OF AUTHORITY

F & M Bank - Winchester has applied, pursuant to Virginia Code Sections 6.1-33 and 6.1-38, for a certificate of authority to do banking and trust business as a state bank with its main office at 115 Cameron Street, City of Winchester, Virginia. Those Sections provide for the issuance of such a certificate upon the conversion of a national banking association into a state-chartered bank. The application was referred to the Commissioner of Financial Institutions for investigation.

According to the report of the Commissioner, F & M Bank - Winchester has been incorporated as a Virginia corporation empowered by its certificate of incorporation to do a banking and trust business. The corporation was formed to be the successor of Farmers and Merchants National Bank, a national banking association having its main office at 115 Cameron Street, Winchester. Farmers and Merchants National Bank is a subsidiary of F & M National Corporation. The bank has assets of approximately $475.7 million, and it operates 22 branches, at (1) 1850 Apple Blossom Mall, City of Winchester, Virginia; (2) 748 Berryville Avenue, City of Winchester, Virginia; (3) 509A Amherst Street, City of Winchester, Virginia; (4) 100 North Loudoun Street, City of Winchester, Virginia; (5) 124 West Piccadilly Street, City of Winchester, Virginia; (6) 2082 South Pleasant Valley Road, City of Winchester, Virginia; (7) 2004 South Pleasant Valley Road, City of Winchester, Virginia; (8) 2252 Valley Avenue, City of Winchester, Virginia; (9) 829 North Loudoun Street, City of Winchester, Virginia; (10) 1900 Front Royal Road, City of Winchester, Virginia; (11) 3451 Valley Avenue, Frederick County, Virginia; (12) 5306 Main Street, Stephens City, Frederick County, Virginia; (13) 7800 Main Street, Middletown, Frederick County, Virginia; (14) 23 North Church Street, Berryville, Clarke County, Virginia; (15) 102 East Main Street, Front Royal, Warren County, Virginia; (16) 215 North Royal Avenue, Front Royal, Warren County, Virginia; (17) 433 South Street, Front Royal, Warren County, Virginia; (18) 123 East Sixth Street, Front Royal, Warren County, Virginia; (19) State Route 522, Main Street, Flint Hill, Rappahannock County, Virginia; (20) Apple Avenue & U.S. Route 11, Mount Jackson, Shenandoah County, Virginia; (21) 158 South Main Street, Woodstock, Shenandoah County, Virginia; (22) 9383 Congress Street, New Market, Shenandoah County, Virginia. The Commissioner reports that the requirements of Virginia Code Section 6.1-33 and the applicable requirements of Section 6.1-13 have been fulfilled and he recommends approval of this application.

Now having considered the application and the report of the Commissioner of Financial Institutions, the Commission is of the opinion and finds that the procedure required by federal law for conversion has been followed, that the conversion has been approved by the stockholders of the national banking association in the manner and by the percentage vote so required, that the applicable requirements of Virginia Code Section 6.1-13 have been met in this case, and that the certificate of authority should be granted.

THEREFORE, IT IS ORDERED that a certificate of authority to do a banking and trust business as a state bank, with the main office and the branches set forth above, be issued to F & M Bank - Winchester, and such a certificate is issued contingent upon the following conditions being met: (1) the applicant shall obtain insurance of its deposit accounts by the Federal Deposit Insurance Corporation, and (2) the applicant shall notify the Bureau of the date on which it will commence business as a state bank. In the event the applicant does not fulfill the foregoing conditions, the authority granted herein will expire sixty days from this date, unless the sixty-day period is extended by Order of the Commission.

CASE NO. BFI910446
OCTOBER 4, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
LEROY G. TALBOTT, JR.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant, Leroy G. Talbott, Jr., is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.1 of the Virginia Code; that a bond filed by the Defendant pursuant to Virginia Code § 6.1-413 was canceled on September 19, 1991; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on August 21, 1991 that his license would be revoked on September 19, 1991 unless a new bond was filed by that date, and that a written request for hearing was required to be filed in the Office of the Clerk of the Commission on or before September 5, '991; and that no new bond, or written request for hearing, was filed by the Defendant.

Accordingly, the Commission finds that the Defendant has failed to maintain a bond in force as required by Virginia Code § 6.1-413, and it is

ORDERED that the license granted to Leroy G. Talbott, Jr. to engage in business as a mortgage broker be, and it is hereby, revoked.

CASE NO. BFI910455
DECEMBER 3, 1991

APPLICATION OF
EAGLE FINANCIAL SERVICES, INC.

Pursuant to Title 6.1, Chapter 13, Code of Virginia

ORDER GIVING NOTICE OF INTENT NOT TO DISAPPROVE AN ACQUISITION

ON A FORMER DAY came Eagle Financial Services, Inc. and filed its application, as required by Virginia Code § 6.1-383.1, to acquire 100 percent of the shares of Bank of Clarke County, Berryville, Virginia. Thereupon the application was referred to the Bureau of Financial Institutions.

Having considered the application and the report of the Bureau of Financial Institutions, the Commission is of the opinion and finds that there has been compliance with the prerequisites set forth in Virginia Code § 6.1-383.1, and it finds further that no reasonable basis exists for taking any of the other actions permitted the Commission by the provisions of § 6.1-383.2 of the Code.

THEREFORE, the Commission hereby issues this notice of its intent not to disapprove the acquisition of 100 percent of the shares of Bank of Clarke County by Eagle Financial Services, Inc. and orders that this matter be placed among the ended cases.

CASE NO. BFI910463
OCTOBER 31, 1991

APPLICATION OF
OLD STONE CREDIT CORPORATION

Pursuant to § 6.1-416.1 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came Old Stone Credit Corporation, a Delaware corporation, and filed its application, as required by Virginia Code § 6.1-416.1, to acquire 100 percent of the shares of Old Stone Credit Corporation of Virginia. Thereupon the application was referred to the Bureau of Financial Institutions.

Having considered the application and the report of the Bureau of Financial Institutions, the Commission is of the opinion and finds that there has been compliance with the prerequisites set forth in Virginia Code § 6.1-416.1. Therefore, the Commission hereby approves the acquisition of 100 percent of the shares of Old Stone Credit Corporation of Virginia by Old Stone Credit Corporation, and orders that this matter be placed among the ended cases.

CASE NO. BFI910465
OCTOBER 29, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
DIVERSIFIED LENDING SERVICES, INC.,
Defendant

ORDER SUSPENDING LICENSE

ON A FORMER DAY the Staff reported to the Commission that the Defendant is licensed to engage in business as a mortgage lender and broker under Chapter 16 of Title 6.1 of the Virginia Code; that in the course of a series of examinations of the Defendant's business by Bureau of Financial Institutions ("the Bureau") examiners, it was found that the Defendant repeatedly violated various laws and regulations applicable to the conduct of its business; and the Commissioner of Financial Institutions recommended that Defendant's license be suspended for a period of six months.

Upon consideration thereof,

IT IS ORDERED that the license granted to the Defendant to engage in business as a mortgage lender and broker be, and it is hereby, suspended for a period of time through and including March 31, 1992, and that the Defendant shall forward said license to the Bureau forthwith.

IT IS FURTHER ORDERED that the Defendant is hereby enjoined and restrained from engaging in business as a mortgage lender or mortgage broker, as those terms are defined in Virginia Code § 6.1-409, during the suspension period herein prescribed, except that the Defendant may do all acts reasonable or necessary to assist in effecting the closing of mortgage loans for which applications were received by Defendant prior to September 5, 1991.

The Bureau shall reinstate Defendant's license effective April 1, 1992, if the following conditions are met, namely

(1) The Defendant files a written request for reinstatement of its license with the Bureau prior to April 1, 1992;

(2) The Defendant makes application to the Bureau prior to April 1, 1992, in accordance with Virginia Code § 6.1-416, for approval of relocation of its office to any address at which it intends to conduct business other than the address which presently appears upon its license; and

(3) No additional grounds for denial, revocation or suspension of Defendant's license arise prior to April 1, 1992.

If any condition specified herein is not met on April 1, 1992, the license granted to Defendant to engage in business as a mortgage lender and broker shall not be reinstated, and shall stand revoked on that date. The Defendant waives its right to a hearing in this case by the endorsement of its counsel upon this order.

CASE NO. BFI910466
DECEMBER 3, 1991

APPLICATION OF
F & M BANK - MASSANUTTEN (in organization)

For a certificate of authority to do a banking and trust business upon the conversion of F&M Bank-Massanutten, N.A.

ORDER ISSUING A CERTIFICATE OF AUTHORITY

F & M Bank - Massanutten has applied, pursuant to Virginia Code Sections 6.1-33 and 6.1-38, for a certificate of authority to do banking and trust business as a state bank with its main office at 1855 East Market Street, City of Harrisonburg, Virginia. Those Sections provide for the issuance of such a certificate upon the conversion of a national banking association into a state-chartered bank. The application was referred to the Commissioner of Financial Institutions for investigation.

According to the report of the Commissioner, F & M Bank - Massanutten has been incorporated as a Virginia corporation empowered by its certificate of incorporation to do a banking and trust business. The corporation was formed to be the successor of F&M Bank-Massanutten, N.A., a national banking association having its main office at 1855 East Market Street, Harrisonburg. F&M Bank-Massanutten, N.A. is a subsidiary of F & M National Corporation. The bank has assets of approximately $62.9 million, and it operates four branches at (1) 3150 South Main Street, City of Harrisonburg, Virginia; (2) 611 Mt. Clinton Pike, City of Harrisonburg, Virginia; (3) 1900 South High Street, City of Harrisonburg, Virginia; and (4) 200 Augusta Avenue, Grottoes, Rockingham County, Virginia. The Commissioner reports that the requirements of Virginia Code Section 6.1-33 and the applicable requirements of Section 6.1-13 have been fulfilled, and he recommends approval of this application.

Now having considered the application and the report of the Commissioner of Financial Institutions, the Commission is of the opinion and finds that the procedure required by federal law for conversion has been followed, that the conversion has been approved by the stockholders of the national banking association in the manner and by the percentage vote so required, that the applicable requirements of Virginia Code Section 6.1-13 have been met in this case, and that the certificate of authority should be granted.

THEREFORE, IT IS ORDERED that a certificate of authority to do a banking and trust business as a state bank, with the main office and the branches set forth above, be issued to F & M Bank - Massanutten, and such a certificate is issued contingent upon the following conditions being met: (1) the applicant shall obtain insurance of its deposit accounts by the Federal Deposit Insurance Corporation, and (2) the applicant shall notify the Bureau of the date on which it will commence business as a state bank. In the event the applicant does not fulfill the foregoing conditions, the authority granted herein will expire sixty days from this date, unless the sixty-day period is extended by Order of the Commission.

CASE NO. BFI910474
DECEMBER 3, 1991

APPLICATION OF
F & M BANK - BROADWAY (in organization)

For a certificate of authority to do a banking business upon the conversion of The First National Bank of Broadway

ORDER ISSUING A CERTIFICATE OF AUTHORITY

F & M Bank Broadway has applied, pursuant to Virginia Code Sections 6.1-33 and 6.1-38, for a certificate of authority to do banking business as a state bank at 153 North Main Street, Broadway, Rockingham County, Virginia. Those Sections provide for the issuance of such a certificate upon the conversion of a national banking association into a state-chartered bank. The application was referred to the Commissioner of Financial Institutions for investigation.

According to the report of the Commissioner, F & M Bank - Broadway has been incorporated as a Virginia corporation empowered by its certificate of incorporation to do a banking business. The corporation was formed to be the successor of The First National Bank of Broadway, a national banking association having its main office at 153 North Main Street, Broadway, Rockingham County. The First National Bank of Broadway is a subsidiary of F & M National Corporation. The bank has assets of approximately $60.5 million. The Commissioner reports that the requirements of Virginia Code Section 6.1-33 and the applicable requirements of Section 6.1-13 have been fulfilled, and he recommends approval of this application.

Now having considered the application and the report of the Commissioner of Financial Institutions, the Commission is of the opinion and finds that the procedure required by federal law for conversion has been followed, that the conversion has been approved by the stockholders of the national banking association in the manner and by the percentage vote so required, that the applicable requirements of Virginia Code Section 6.1-13 have been met in this case, and that the certificate of authority should be granted.

THEREFORE, IT IS ORDERED that a certificate of authority to do a banking business as a state bank be issued to F & M Bank - Broadway, and such a certificate is issued contingent upon the following conditions being met: (1) the applicant shall obtain insurance of its deposit accounts by the Federal Deposit Insurance Corporation, and (2) the applicant shall notify the Bureau of the date on which it will commence business as a state bank. In the event the applicant does not fulfill the foregoing conditions, the authority granted herein will expire sixty days from this date, unless the sixty-day period is extended by Order of the Commission.

BUREAU OF INSURANCE

CASE NO. INS840215
NOVEMBER 15, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
COLUMBIA LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, in part, that the Commission may suspend or revoke the license of any insurance company whenever the Commission finds that the company is insolvent or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered October 21, 1991, in the Commonwealth Court of Pennsylvania, Defendant was found to be insolvent and was ordered liquidated by the Insurance Commissioner of the Commonwealth of Pennsylvania;

WHEREAS, the Bureau of Insurance has recommended that Defendant's license to transact the business of insurance in the Commonwealth of Virginia be revoked;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to November 29, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia, unless on or before November 29, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing to contest the proposed revocation of Defendant's license.

CASE NO. INS840215
DECEMBER 19, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
COLUMBIA LIFE INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an Order entered herein November 15, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to November 29, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before November 29, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's License;

THEREFORE IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS870107
MAY 22, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
WESTERN EMPLOYERS INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein April 21, 1987, for the reasons stated therein, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended; and

WHEREAS, by order entered in the Superior Court of the State of California, Orange County on April 19, 1991, Defendant was found to be insolvent and was ordered to be liquidated by the Insurance Commissioner of the State of California;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to June 6, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before June 6, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS870107
JUNE 19, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
WESTERN EMPLOYERS INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein May 22, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to June 6, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before June 6, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license,

IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) The Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS870277
MAY 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
STONE MOUNTAIN INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein November 11, 1987, for the reasons stated therein, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended; and

WHEREAS, by order entered in the Superior Court of Fulton County, State of Georgia on February 2, 1989, Defendant was found to be insolvent and was ordered to be liquidated by the Insurance Commissioner of the State of Georgia;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to May 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before May 30, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond,Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS870277
MAY 31, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
STONE MOUNTAIN INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein May 16, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to May 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before May 30, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license,

IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS880030
AUGUST 16, 1991

APPLICATION OF
WESTMORELAND INDEMNITY COMPANY

For approval of surrender of license, transfer of assets pursuant to Virginia Code § 38.2-216, and return of deposit pursuant to Virginia Code § 38.2-1045

ORDER APPROVING APPLICATION

ON A FORMER DAY came Westmoreland Indemnity Company ("WIC"), a Virginia domiciled insurance company, and (i) surrendered its license to transact the business of insurance in the Commonwealth of Virginia; (ii) requested approval to transfer all of its remaining assets to its parent Westmoreland Casualty Company ("WCC"), pursuant to Va. Code § 38.2-216; and (iii) requested return of its deposit with the Treasurer of Virginia, pursuant to Va. Code § 38.2-1045; and

THE COMMISSION, having considered the requests of WIC, the affidavit of WIC that all fixed or contingent liabilities, including policyholder and creditor obligations, secured by deposits held, have been satisfied or terminated, or have been assumed by another insurance company licensed to transact the business of insurance in the Commonwealth of Virginia, the recommendation of the Bureau of Insurance that the requests be approved, and the law applicable in this matter, is of the opinion that the Commission should approve the requests of WIC;

THEREFORE, IT IS ORDERED:

(1) That the surrender of the license of Westmoreland Indemnity Company be, and it is hereby, accepted;

(2) That the Bureau of Insurance shall forthwith cancel the license of Westmoreland Indemnity Company and record the same upon its records;

(3) That Westmoreland Indemnity Company be, and it is hereby, authorized to transfer its remaining assets to Westmoreland Casualty Company;

(4) That the Treasurer of Virginia shall, upon written request for the same by the company or by its legal successor and notice to the Commission, forthwith return Westmoreland Indemnity Company's deposit; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS880432
DECEMBER 20, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
WAYLON BRUCE JACKSON,
Defendant

FINAL ORDER

THE COMMISSION, having been advised that Defendant has paid his penalty to the Clerk of the Commission, is of the opinion that the papers herein should be, and they are hereby, passed to the file for ended causes.

CASE NO. INS890021
MAY 31, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
COMMONWEALTH HEALTH ALLIANCE GROUP INSURANCE TRUST,
Defendant

ORDER DIRECTING PARTIAL DISTRIBUTION

WHEREAS, by order dated March 17, 1989, the Circuit Court of the City of Richmond appointed the State Corporation Commission (the "Commission") Receiver to rehabilitate or liquidate the insurance affairs of Commonwealth Health Alliance Group Insurance Trust (the "Trust"); and

WHEREAS, the Commission has heretofore determined that it is in the best interest of the Trust, its members, participants and creditors, and the public to liquidate the insurance affairs of the Trust; and

WHEREAS, the Commission's Special Deputy Receiver has reported to the Commission and recommended that a partial distribution of the current assets of the Trust be made on account of unpaid claims of persons formerly insured by the Trust and properly filed with the Receiver on or before April 13, 1990 as required under the Commission's Order herein dated February 16, 1990; and

WHEREAS, the Commission is of the opinion and finds that after providing for a reasonable reserve for those expenses and claims accorded a priority superior to claims of policyholders (claimants) under Section 38.2-1509.B of the Code of Virginia, a distribution equal to twelve and one-half percent (12.5%) of each claim properly filed with the Receiver should be made.

IT IS ORDERED:

(1) That the Special Deputy Receiver be, and he is hereby, authorized and directed to make as soon as practicable, a distribution from the current assets of the Trust in an account equal to twelve and one-half percent (12.5%) of each claim properly filed with the Receiver;

(2) That payment of the aforesaid amounts, except in the case of payments on account of prescription drugs dispensed by a pharmacy to a claimant, shall be made jointly to the policyholder (claimant) and the health care provider which rendered or provided the service to the policyholder (claimant) on account of which the claim was properly filed and shall be forwarded to the said health care provider;

(3) That payments on account of claims for prescription drugs dispensed to a claimant by a pharmacy shall be made and forwarded to the policyholder (claimant); and

(4) That the Special Deputy Receiver is authorized in any case wherein he receives appropriate certification from a health care provider that such provider has made a diligent effort but has been unable to locate a policyholder (claimant) and that the said provider is entitled to all or certain portion of the amount distributed on account of services rendered which would have been covered by the Trust to make such payment or the appropriate portion thereof to the said health care provider.

CASE NO. INS890209
FEBRUARY 6, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN MUTUAL LIABILITY INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered March 9, 1989, the Supreme Judicial Court for Suffolk County, Commonwealth of Massachusetts found Defendant be insolvent and ordered Defendant liquidated; and

WHEREAS, the Bureau of Insurance has recommended that the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be revoked;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to February 18, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before February 18, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS890209
FEBRUARY 20, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN MUTUAL LIABILITY INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein February 6, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to February 18, 1991 revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before February 18, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS890210
FEBRUARY 6, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN MUTUAL INSURANCE COMPANY OF BOSTON,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered March 9, 1989, the Supreme Judicial Court for Suffolk County, Commonwealth of Massachusetts found Defendant be insolvent and ordered Defendant liquidated; and

WHEREAS, the Bureau of Insurance has recommended that the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be revoked;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to February 18, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before February 18, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS890210
FEBRUARY 20, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN MUTUAL INSURANCE COMPANY OF BOSTON,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein February 6, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to February 18, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before February 18, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS890217
MAY 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNITED FIRE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein April 3, 1989, for the reasons stated therein, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended; and

WHEREAS, by order entered in the Circuit Court of Cook County, State of Illinois on March 3, 1989, Defendant was found to be insolvent and was order to be liquidated by the Director of Insurance of the State of Illinois;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to May 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before May 30, 1991, Defendant files with the Clerk of the Commission, Docume Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS890217
MAY 31, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNITED FIRE INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein May 16, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to May 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before May 30, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license,

IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS890219
MAY 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PAXTON NATIONAL INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein July 6, 1989, for the reasons stated therein, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended; and

WHEREAS, by orders entered in the Commonwealth Court of Pennsylvania on July 26, 1989 and July 27, 1989, Defendant was found to be insolvent and was ordered to be liquidated by the Insurance Commissioner of the Commonwealth of Pennsylvania;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to May 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before May 30, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS890219
MAY 31, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PAXTON NATIONAL INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein May 16, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to May 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before May 30, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license,

IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS890451
SEPTEMBER 17, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ROCKWOOD INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, in part, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and the public in this Commonwealth;

WHEREAS, by order entered August 14, 1991, in the Commonwealth Court of Pennsylvania, Defendant was found to be insolvent and the Insurance Commissioner of the Commonwealth of Pennsylvania was appointed Liquidator of Defendant; and

WHEREAS, the Bureau of Insurance has recommended that Defendant's license to transact the business of insurance in the Commonwealth of Virginia be revoked;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to September 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before September 30, 1991, Defendant files with the Clerk of the Com is on, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission to contest the proposed revocation of Defendant's license.

CASE NO. INS890451
OCTOBER 2, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ROCKWOOD INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein September 17, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to September 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before September 30, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission to contest the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license;

THEREFORE IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS890452
AUGUST 21, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
TWENTIETH CENTURY LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, by order entered herein September 19, 1990, for the reasons stated therein, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended;

WHEREAS, by order entered in the General Court of Justice, Superior Court Division, Wake County, North Carolina on July 18, 1991, Defendant was found to be insolvent and the Insurance Commissioner for the State of North Carolina was appointed liquidator of Defendant; and

WHEREAS, the Bureau of Insurance has recommended that Defendant's license be revoked pursuant to Virginia Code § 38.2-1040;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to September 4, 1991, revoking the license of Defendant to transact the business of insurance in Virginia, unless on or before September 4, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS890452
SEPTEMBER 6, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
TWENTIETH CENTURY LIFE INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein August 21, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to September 4, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before September 4, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS900090
AUGUST 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN SECURITY LIFE ASSURANCE COMPANY OF NORTH CAROLINA,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, by order entered herein October 15, 1990, for the reasons stated therein, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended;

WHEREAS, by order entered on July 26, 1991, in the General Court of Justice, Superior Court Division, Wake County, North Carolina, Defendant was found to be insolvent and the Insurance Commissioner of the State of North Carolina was appointed the liquidator of Defendant; and

WHEREAS, the Bureau of Insurance has recommended that the Commission revoke the license of Defendant to transact the business of insurance pursuant to Virginia Code § 38.2-1040;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to August 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before August 30, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission to contest the proposed revocation of Defe dant's license.

CASE NO. INS900090
SEPTEMBER 4, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN SECURITY LIFE ASSURANCE COMPANY OF NORTH CAROLINA,
Defendant

ORDER REVOKING LICENSE

WHEREAS, by order entered herein August 16, 1991, for the reasons stated therein, Defendant was ordered to take notice that the Commission would enter an order subsequent to August 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before August 30, 1991, Defendant filed with the Clerk of the Commission a request for a hearing to contest the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has failed to file a request for a hearing;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS900174
FEBRUARY 25, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
CAROLYN V. PENCE
and
SNYDER-PENCE INSURANCE AGENCY, INC.,
Defendants

JUDGMENT ORDER

WHEREAS, by Rule to Show Cause entered herein May 21, 1990, for the reasons stated therein, the Commission's Hearing Examiner conducted a show cause hearing on behalf of the Commission on July 17, 1990 and September 13, 1990, where the Bureau of Insurance appeared represented by counsel and Defendants appeared represented by counsel;

WHEREAS, on December 21, 1990, the Commission's Hearing Examiner issued his final report which contained his findings of fact, conclusions of law and his recommendations that the Commission adopt the findings in his final report, that Defendants' licenses to transact the business of insurance in the Commonwealth of Virginia be revoked and that Defendants be penalized a sum of eight thousand two hundred dollars ($8,200) for Defendants' violations of Virginia Code §§ 38.2-1813, 38.2-1804 and 38.2-1806; and

THE COMMISSION, having considered the record herein, the findings of fact, conclusions of law and recommendations of its Hearing Examiner, adopts the Hearing Examiner's findings of fact and conclusions of law as its own and the Commission is of the opinion that Defendants' licenses to transact the business of insurance in the Commonwealth of Virginia should be revoked and that Defendants should be penalized a sum of eight thousand two hundred dollars ($8,200) for Defendants' violations of Virginia Code §§ 38.2-1813, 38.2-1804 and 38.2-1806;

THEREFORE, IT IS ORDERED:

(1) That, pursuant to Virginia Code § 38.2-1831, the licenses of Defendants to transact the business of insurance as agents in the Commonwealth of Virginia be, and they are hereby, revoked;

(2) That all appointments issued under said licenses be, and they are hereby, void;

(3) That Defendants transact no further business in the Commonwealth of Virginia as insurance agents;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendants hold an appointment to act as an insurance agent in the Commonwealth of Virginia;

(5) That, pursuant to Virginia Code § 38.2-218, Defendants be, and they are hereby, penalized a sum of eight thousand two hundred dollars ($8,200) for Defendants' violations of Virginia Code §§ 38.2-1813, 38.2-1804 and 38.2-1806, which sum Defendant shall forthwith pay to the Clerk of the Commission; and

(6) That the papers herein be placed in the file for ended causes.

CASE NO. INS900174
MAY 31, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
CAROLYN V. PENCE
and
SNYDER-PENCE INSURANCE AGENCY, INC.,
Defendants

PRELIMINARY ORDER

On May 21, 1990, the Commission issued a Rule to Show Cause against Carolyn V. Pence and Snyder-Pence Insurance Agency, Inc. (Defendants) alleging violations of Virginia Code §§ 38.2-1813, 38.2-1804, 38.2-1806 and 38.2-512. Defendants were ordered to show cause why the Commission should not penalize Defendants under Virginia Code § 38.2-218 or suspend or revoke Defendants' licenses to transact the business of insurance in the Commonwealth of Virginia.

A Commission Hearing Examiner conducted hearings on July 17 and September 13, 1990, and issued a Report on December 21, 1990. The Hearing Examiner found that Defendants had violated Virginia Code § 38.2-1813 on two occasions, Virginia Code § 38.2-1804 on six occasions, and Virginia Code § 38.2-1806 on two occasions. The Report recommended that the Commission adopt the Hearing Examiner's findings, revoke Defendants' licenses, and impose monetary penalties totaling $8,200.

On February 25, 1991, the Commission issued a Judgment Order adopting the Hearing Examiner's findings of fact and conclusions of law and revoked Defendants' licenses to transact the business of insurance pursuant to Virginia Code § 38.2-1831, and penalized Defendants the sum of $8,200 pursuant to Virginia Code § 38.2-218.

Defendants filed a Petition for Reconsideration and Rehearing on March 4, 1991. The Petition stated that the penalties and fines levied in the February 25, 1991, Order were an inappropriately harsh punishment for the alleged offenses. Defendants characterized the offenses as sloppy and improper bookkeeping, resulting in technical errors and lack of follow-up.

The Commission granted Defendants' Petition and suspended the February 25, 1991, Judgment Order. By Order dated March 4, 1991, the Commission scheduled a hearing for March 20, 1991, to allow Defendants to present evidence and oral argument to support mitigation of the previously imposed penalties, at which hearing the Commission heard testimony and oral arguments from Defendants and the Bureau of Insurance.

NOW HAVING FURTHER CONSIDERED the fines and penalties ordered previously for Defendants' violations of the Code of Virginia, and having heard Defendants' evidence supporting mitigation, the Commission has determined that Defendants' total monetary penalty shall be reduced and the revocation of Defendants' licenses shall be suspended for a period of one year pending the conclusion of a re-examination by the Bureau of Insurance.

ACCORDINGLY, IT IS ORDERED:

1. That, pursuant to Virginia Code § 38.2-1831, the licenses of Defendants to transact the business of insurance as agents in the Commonwealth of Virginia hereby are revoked;

2. That the revocation of Defendants' licenses is suspended for one year pending re-examination of Defendants and a report to the Commission by the Bureau of Insurance, upon which a final Commission decision and Judgment Order will be based;

3. That the Bureau of Insurance conduct an unannounced examination of Defendants beginning within eight months of the date of this Order, and file its report no later than twelve months from the date hereof;

4. That Defendants are penalized the sum of five thousand dollars ($5,000) for violating Virginia Code §§ 38.2-1813, 38.2-1804, and 38.2-1806, which Defendants shall pay forthwith to the Clerk of the Commission; and

5. That this proceeding shall remain open pending further Commission action.

CASE NO. INS900282
FEBRUARY 22, 1991

APPLICATION OF
NATIONAL COUNCIL ON COMPENSATION INSURANCE

For revision of workers' compensation insurance rates

Opinion, Harwood, Commissioner:

On October 17, 18 and 19, 1990, the Commission conducted a hearing on the application of National Council on Compensation Insurance (NCCI) for a 27.7% increase in the level of premiums charged for policies of workers' compensation insurance to be issued or renewed on and after a proposed date of November 1, 1990. Testimony was prefiled pursuant to the schedule set forth in the Commission's order of July 31, 1990 setting this matter for hearing. The Applicant, the Division of Consumer Counsel of the Office of the Attorney General, protestant Iron Workers Employers Association of Metropolitan Washington, D.C., protestant Washington Construction Employers Association and the Commissioner of Insurance appeared by counsel.

The overall 27.7% increase in premium level requested by NCCI in its application was comprised of seven components: (i) 4.4% increase for experience: (ii) 4.2% increase for trend; (iii) 1.0% increase for general expense: (iv) 0.5% increase for loss adjustment expense: (v) 0.2% increase for benefits; (vi) 0.1% increase for premium taxes; and (vii) 15.4% increase for profit and contingency.

Regarding the 4.4% increase proposed for experience, the Commission has accepted as reasonable in the past a methodology for projecting ultimate losses known as the "total incurred method" in the absence of any indication of manipulation of reserves. NCCI again in this application employed the total incurred method for projecting ultimate losses for the period under consideration. The actuarial witness for the Bureau of Insurance, Ms. Bass, testified , however, that the use of the total incurred method by NCCI is questionable on its face since it forces the NCCI estimate of ultimate losses including IBNR (incurred but not reported losses) to be based on the sum of individual insurer estimates of ultimate losses including IBNR which have consistently been found to be inaccurate. Moreoever, Ms. Bass testified that NCCI's use of the total incurred method has resulted in the use of insurers' first reports of Virginia accident year indemnity total incurred losses which consistently overstate such losses by large amounts as compared to insurers' second reports of such losses in Virginia. Ms. Bass further testified that a more reasonable method by which to project ultimate losses lies in the use of the methodology known as the "excluding IBNR loss development method" (ex-IBNR method). Ms. Bass also testified to the methodological advantages of using more than the most recent two year average diagonals to calculate Virginia loss development factors. Attorney General witness Schwartz employed several different methods for projecting ultimate losses and made a recommendation to the Commission based on a composite of the different methods he examined. Because of the overstatement of ultimate losses projected by the use of the total incurred method and the attendant excessive increase in premium level indications, the Commission adopts the recommendation of Ms. Bass of the ex-IBNR method and the present level of premiums thereby shall be increased by 0.3% due to experience.

As concerns the 4.2% increase in premium level proposed for trend, the proposed change is based upon total incurred losses including IBNR; upon a revised credibility formula; and upon a newly introduced countrywide indemnity trend as the default assumption when Virginia indemnity trend data is not 100% statistically credible. Based upon testimony of the Bureau's actuarial witness, Ms. Bass, the Commission rejects, for the purpose of calculating trend, the use of total incurred losses including IBNR and the use of a countrywide average indemnity as the default assumption in Virginia. However, the Commission also rejects Ms. Bass' proposal that the indemnity default assumption be that Virginia indemnity losses are increasing at the same rate as wages in Virginia. In lieu therof, the Commission finds that it is reasonable to assume at this time that the indemnity trend indication based upon Virginia indemnity losses excluding IBNR is fully credible. Therefore, the present level of premiums shall be increased by 1.8% to reflect the overall change in trend in Virginia.

With respect to the 1.0% increase in premium level proposed by NCCI for general expense, based upon the testimony of Ms. Bass, the Commission finds that Virginia data does not support an increase in the provision for general expense. Therefore, no change in this provision is appproved and such provision shall remain at 5.9% as approved in the 1988 filing.

As for the various increases in premium level proposed by NCCI for loss adjustment expense (+0.5%), benefits (+0.2%) and taxes (+0.1%), no objection was raised at the hearing concerning these matters, and the Commission hereby adopts those proposed increases as appropriate.

The final and largest of the components making up the overall proposed increase of 27.7% is an increase of 15.4% in premium level for profit and contingency. In the last NCCI rate application in 1988, the Commission adopted a profit and contingency factor of -11.56% to recognize investment income realized by insurers and thereby to avoid excessive premium charges. Moreoever, for the past several years, the Commission has adopted the internal rate of return (IRR) model employed by NCCI in its filings with certain modifications to exclude the effects of dividends and deviations in determining an appropriate profit and contingency factor.

As in past proceedings, except for witnesses for NCCI, expert testimony in the present proceeding uniformly has been against recognition of dividends and deviations in the rate-making process for determining an appropriate factor for profit and contingencies. Among the various reasons cited for the exclusion of dividends and deviations in rate-making is the fact that both are voluntary and may be omitted by insurers. Furthermore, it would appear more appropriate and equitable that any dividends and deviations be funded by better than anticipated loss experience and expense savings rather than by "loading" the premium charges of all insureds to pay for special considerations which, the record herein shows, are enjoyed by a decided minority of all insureds.

Accordingly, the Commission again adopts the internal rate of return model employed by NCCI, without provision for dividends and deviations, as a reasonable method to determine an appropriate profit and contingency factor.

The IRR model contains several variables to which values are assigned to arrive at an appropriate profit and contingency factor. Among these variables are the reserve-to-surplus ratio, post-tax yield on investments and rate of return. With respect to the reserve-to-surplus ratio, Ms.

Bass, actuarial witness for the Bureau of Insurance, recommended that a ratio of 3.5 to 1 be employed as opposed to the ratio of 3.44 to 1 selected by NCCI. Based on the 1984-1988 five year average as cited by Ms. Bass in her pre-filed testimony, the Commission believes that it is appropriate to continue the reserve-to-surplus ratio of 3.5 to 1 adopted by the Commission in the 1988 proceeding.

With respect to the post-tax yield on investments, NCCI selected a value of 7.2% for use in the IRR model. Bureau of Insurance witness Parcell testified that the specific data used by NCCI to derive its post-tax investment yields were not proper for use in this proceeding. Mr. Parcell further testified that, while he agreed with the weighting procedure used by NCCI, he derived a value of 7.88% by using a somewhat different mix of securities with differing yields. Attorney General witness Cohn testified about his concern regarding the reasonableness of the estimated post-tax rate of return on investments used by NCCI in the filing and that the NCCI IRR model understates the after-tax rate of return from investments. Mr. Cohn also testified, however, that he did not undertake to quantify the extent of this understatement or downward bias and that he would accept, on the whole, NCCI's value of 7.2%. On balance, the Commission believes that a value of 7.88% as recommended by witness Parcell is reasonable and should be assigned to post-tax yield on investments for the purposes of the IRR model.

With respect to the rate of return issue, three sets of cost of capital recommendations were presented to the Commission in this proceeding. NCCI witness Borba recommended that the cost of equity for the property and casualty industry is 16.70-18.81%. He further recommended that this range be utilized as the total cost of capital for workers' compensation insurance. Dr. Borba also testified that workers' compensation insurance is more risky than property and casualty insurance in general.

Attorney General witness Cohn estimated that the cost of equity capital for the property and casualty industry is 13.0%. Mr. Cohn applied this cost to a capital structure comprised of 10% debt and 90% common equity to arrive at a cost of capital recommendation of 12.3%.

Bureau of Insurance witness Parcell estimated the cost of equity for the property and casualty industry to be 14.0%. He further estimated that a range of 2.0% around his 14.0% recommendation properly reflects risk differences among the various lines of property and casualty insurance. Based upon an analysis of the relative riskiness among lines of property and casualty insurance, Mr. Parcell concluded that workers' compensation insurance is of somewhat below-average risk. He concluded, based upon a regression analysis, that 13.86% represents the cost of equity for the workers' compensation line of insurance. Combining this 13.86% cost of equity with the overall capital structure and cost rates of debt and preferred stock for the property and casualty industry, Mr. Parcell concluded that the total cost of capital for the property and casualty industry is 12.24%.

Based upon all of the evidence presented, including the provision that no allowance be made for dividends and deviations, the Commission concludes that the cost of equity capital for the property and casualty industry is 14.5%. The Commission further concludes that the risk of workers' compensation insurance is no greater than that of the property and casualty industry in general and, therefore, a cost of common equity of 14.5% shall apply to the workers' compensation line of insurance. Moreover, the Commission finds that the total cost of capital concept represents the proper estimate of the return on surplus for use in the IRR model. Accordingly, based on witness Parcell's recommendation, combining the 14.5% cost of common equity with the capital structure of the property and casualty industry results in a total cost of capital of 12.88%.

With the values adopted above for the reserve-to-surplus ratio, the post-tax yield on investments anf the rate of return, the resultant profit and contingency factor is -10.619 and represents an increase in the level of premiums of 1.1% as opposed to the 15.4% premium level increase proposed by NCCI.

All of the adjustments to the filing adopted by the Commission result in a premium level increase of 4.1%. which shall be applicable to new and renewal policies issued in the Commonwealth on and after November 1, 1990.

NCCI also proposed the adoption of two programs concerning the residual or assigned-risk workers' compensation insurance market: Assigned Risk Adjustment Plan (ARAP) and Assigned Risk Rating Program (ARRP). With regard to ARAP, we believe that such program should be approved for use in the Commonwealth. However, based upon the testimony of the Bureau of Insurance's actuarial witness, the Commission finds that the manual rate offset for ARAP based upon expected annual premium resulting form ARAP is insufficient. The Commission also finds that the rate offset in the filing failed to recognize that the ARAP plan will not be implemented until six months after the November 1, 1990 effective of the premium level increase herein approved. Accordingly, the Commission approves a rate offset for ARAP effective November 1, 1990 of 0.988. Upon consideration of the agreement of NCCI and the Bureau of Insurance with respect to ARRP, that program is disapproved.

The Commission also approves a 2.9% premium level decrease for the "F" classifications in lieu of the 11.9% premium level increase proposed by NCCI. Adjustments identical to those those made in the industrial classifications above have been made in the areas of general expense, profit and contingencies and the ARAP rate offset to arrive at the 2.9% premium level decrease.

CASE NO. INS900291
FEBRUARY 4, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
LIFE ASSURANCE COMPANY OF PENNSYLVANIA,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent, or is

in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered January 10, 1991, the Commonwealth Court of Pennsylvania found Defendant to be insolvent and appointed the Insurance Commissioner of the Commonwealth of Pennsylvania to be the Liquidator of Defendant; and

WHEREAS, the Bureau of Insurance has recommended that the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be revoked;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to February 15, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before February 15, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS900291
FEBRUARY 19, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
LIFE ASSURANCE COMPANY OF PENNSYLVANIA,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein February 4, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to February 15, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before February 15, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS900300
JANUARY 15, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNITED LIBERTY LIFE INSURANCE COMPANY,
Defendant

FINAL ORDER

WHEREAS, by motion filed herein January 11, 1991, the Bureau of Insurance ("Bureau") requested that the above-captioned matter be dismissed since Defendant had surrendered its authority to transact the business of insurance in the Commonwealth of Virginia and that the papers herein be placed in the file for ended causes; and

THE COMMISSION, having considered the Bureau's Motion and for good cause shown, is of the opinion that the Bureau's motion should be granted;

THEREFORE, IT IS ORDERED:

(1) That the Bureau of Insurance's Motion filed herein January 11, 1991 be, and it is hereby, GRANTED; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS900319
JUNE 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
GEORGE WASHINGTON LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein December 13, 1990, for the reasons stated therein, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended; and

WHEREAS, by order entered in the Circuit Court of Kanawha County, State of West Virginia on June 3, 1991, Defendant was found to be insolvent and was ordered to be liquidated by the Insurance Commissioner of the State of West Virginia;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to July 11, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before July 11, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS900319
JULY 12, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
GEORGE WASHINGTON LIFE,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein June 27, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to July 11, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before July 11, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license,

IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS900324
APRIL 22, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
SIDNEY T. HOLLOWAY,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated February 7, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS900326
MAY 1, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PEMBROKE INSURANCE AGENCY, INC.,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, is alleged to have violated Virginia Code § 38.2-1813 by failing to forward return premiums to certain insureds when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing on the merits in this matter, whereupon Defendant has made an offer of settlement, which offer of settlement does not constitute, nor should be construed as, an admission of any violation

of law, wherein Defendant has (i) waived Defendant's right to a hearing in this matter; (ii) agreed to tender the sum of five thousand dollars ($5,000) to the Commonwealth of Virginia; (iii) acknowledged that Defendant's interpretation of when a refund premium comes "due" within the meaning of Virginia Code § 38.2-1813 differs from the Bureau's interpretation and implementation of the statute and that Defendant will hereafter comply with the Bureau's interpretation of the statute by refunding all return premiums, absent request for same, subsequent to a final resolution on each account, unless instructed otherwise by the insured; (iv) agreed to conduct a self-audit within six months of acceptance of Defendant's settlement offer in order to identify any return premiums due insureds and will report its findings to the Bureau for confirmation, provided; however, that compliance with this provision of the settlement offer shall not permit the Bureau to reopen the investigation based on said confirmation reports and (v) agreed to submit to the Bureau a copy of Defendant's written guidelines for Customer Service Representatives concerning procedures for handling account credits;

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15;

THEREFORE, IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant shall comply with all of the provisions of the offer herein accepted within six months of the date of this order; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS900351
MAY 3, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing Private Review Agents

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein October 23, 1990, the Commission ordered that a hearing be held in the Commission's Courtroom on November 27, 1990, for the purpose of considering the adoption of a regulation proposed by the Bureau of Insurance ("Bureau") entitled "Rules Governing Private Review Agents";

WHEREAS, the Commission conducted the aforesaid hearing and determined that, based on the comments received at the hearing, the record should remain open until December 14, 1990 for interested persons to file additional comments to the regulation;

WHEREAS, the Commission further ordered that the Bureau prepare a response to all of the comments of interested persons and file such response together with the Bureau's recommendations with respect to possible amendments to the regulation on or before January 31, 1991;

WHEREAS, by order entered herein February 6, 1991, the Commission ordered that a second hearing should be held to receive additional comments from interested persons on the regulation, as amended by the Bureau in its aforesaid response;

WHEREAS, on March 6, 1991, the Commission conducted a hearing on the amended regulation for the purpose of receiving additional comments of interested persons;

WHEREAS, at the conclusion of the aforesaid hearing, the Commission ordered the Bureau to prepare a response to all of the comments of interested persons received by the Commission at the hearing and file such response together with the Bureau's recommendations with respect to possible further amendments to the regulation, which response was filed with the Commission; and

NOW, THEREFORE, having considered the record herein, the comments of interested persons and the recommendations of the Bureau of Insurance, IT IS ORDERED that the regulation entitled "Rules Governing Private Review Agents," which is attached hereto and made a part of hereof, should be, and it is hereby, ADOPTED to be effective July 1, 1991.

NOTE: A copy of Insurnace Regulation No. 37, "Rules Governing Private Review Agents" is on file and may be examined at the State Corporation Commission, Document Control Center, Floor B-1, Jefferson Building, Governor and Bank Streets, Richmond, Virginia.

CASE NO. INS900353
JANUARY 9, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MUTUAL SECURITY LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein October 25, 1990, Defendant was ordered to eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer on or before December 31, 1990; and

WHEREAS, as of the date of this order Defendant has failed to eliminate the impairment in its surplus;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to January 21, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 21, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P. O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS900353
JANUARY 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MUTUAL SECURITY LIFE INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein January 9, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to January 21, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 21, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS900363
JANUARY 4, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
GROUP HEALTH ASSOCIATION,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of health maintenance organization in the Commonwealth of Virginia, in a certain instance, violated Virginia Code § 38.2-610 by failing to send a certain person an Adverse Underwriting Decision Notice in the form and manner prescribed by statute;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violation;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000), has waived its right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code and § 38.2-610;

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS900369
FEBRUARY 28, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
JOSEPH W. MUNDY,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated January 25, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS900369
MARCH 4, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
JOSEPH W. MUNDY,
Defendant

VACATING ORDER

GOOD CAUSE having been shown, the order entered herein February 28, 1991, is hereby vacated.

CASE NO. INS900370
MAY 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EDISON INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein November 29, 1990, for the reasons stated therein, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended; and

WHEREAS, by order entered in the Circuit Court of Cook County, State of Illinois on February 20, 1989, Defendant was found to be insolvent and was ordered to be liquidated by the Director of Insurance of the State of Illinois;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to May 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before May 30, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond,Virginia 23216, a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license.

CASE NO. INS900370
MAY 31, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EDISON INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein May 16, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to May 30, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before May 30, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license,

IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS900371
JANUARY 9, 1991

APPLICATION OF
VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

For approval of amended plan of operation pursuant to Va. Code § 38.2-5017

ORDER APPROVING AMENDED PLAN OF OPERATION

ON A FORMER DAY came the Virginia Birth-Related Neurological Injury Compensation Program, by its counsel, and, pursuant to Virginia Code § 38.2-5017, filed with the Clerk of the Commission an amended plan of operation. The original plan of operation was approved by the Commission by Order dated November 20, 1987, in Case No. INS870294.

THE COMMISSION, having considered the amended plan of operation, the recommendation of the Bureau of Insurance that said plan be approved, and the law applicable in this matter, is of the opinion and orders that the amended plan of operation, which is attached hereto and made a part hereof, should be, and it is hereby, APPROVED.

NOTE: A copy of the plan of operation is on file and may be examined at the State Corporation Commission Document Control Center, Floor B-1, Jefferson Building, Richmond, Virginia.

CASE NO. INS900384
MARCH 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MITCHELL A. LANCASTER,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing

to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated February 26, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS900388
MARCH 18, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PROGRESSIVE CASUALTY INSURANCE COMPANY
PROGRESSIVE SPECIALITY INSURANCE COMPANY
AND
UNITED FINANCIAL CASUALTY COMPANY,
Defendants

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendants, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated certain provisions of the Code of Virginia, to wit: Progressive Casualty Insurance Company violated Virginia Code §§ 38.2-231, 38.2-305.A, 38.2-602, 38.2-1822, 38.2-1905, 38.2-1906.B, 38.2-2014, 38.2-2202.A, 38.2-2206, 38.2-2208, 38.2-2210, 38.2-2212, 38.2-2215, 38.2-2220 as well as Section 4.4 and Section 4.5 of the Commission's Rules Governing Insurance Premium Finance Companies; Progressive Specialty Insurance Company violated Virginia Code §§ 38.2-305.A, 38.2-2202.A, 38.2-2210, 38.2-2212, 38.2-2220 as well as Section 4.4 of the Commission's Rules Governing Insurance Premium Finance Companies; United Financial Casualty Company violated Virginia Code §§ 38.2-2208 and 38.2-2212;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendants' licenses upon a finding by the Commission, after notice and opportunity to be heard, that Defendants have committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendants have been advised of their right to a hearing in this matter, whereupon Defendants have made an offer of settlement to the Commission wherein Defendants have tendered to the Commonwealth of Virginia the sum of eighteen thousand dollars ($18,000), have waived their right to a hearing and have agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendants pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendants in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant, Progressive Casualty Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-1905, 38.2-1906.B, 38.2-2014, 38.2-2208, 38.2-2212, 38.2-2220, or Section 4.4 and 4.5 of the Commission's Rules Governing Insurance Premium Finance Companies;

(3) That Defendant, Progressive Specialty Insurance Company, cease and desist from conduct which constitutes a violation of Virginia Code §§ 38.2-2212, 38.2-2220, or Section 4.4 of the Commission's Rules Governing Insurance Premium Finance Companies;

(4) That Defendant, United Financial Casualty Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-2208 or 38.2-2212; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS900390
JANUARY 22, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MID-AMERICA LIFE ASSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein December 14, 1990, Defendant was ordered to take notice that the Commission would enter an order subsequent to December 26, 1990, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before December 26, 1990, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS900394
FEBRUARY 5, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ERNA R. BLOME,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-512 by making false or fraudulent statements or representations on or relative an application for an insurance policy for the purpose of obtaining a fee, commission, or other benefit from any insurer, agent or other person;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated December 19, 1990 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of her right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-512 by making false or fraudulent statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee, commission, or other benefit from any insurer, agent or other person;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS900395
MARCH 26, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ASSOCIATED BENEFIT ADMINISTRATORS,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Defendant has failed to comply timely and substantively with the terms of a settlement agreement reached with counsel for the Commission in the above-captioned matter;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to April 12, 1991, permanently enjoining Defendant from acting as a third party administrator in the Commonwealth of Virginia and penalizing Defendant the sum of five thousand dollars ($5,000) for acting as a third party administrator in the Commonwealth of Virginia without first obtaining approval from the Commission, unless on or before April 12, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing.

CASE NO. INS900395
APRIL 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ASSOCIATED BENEFIT ADMINISTRATORS,
Defendant

JUDGMENT ORDER

WHEREAS, by order entered herein March 26, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to April 12, 1991, permanently enjoining Defendant from acting as a third party administrator in the Commonwealth of Virginia and penalizing Defendant the sum of five thousand dollars ($5,000) for acting as a third party administrator in the Commonwealth of Virginia without first obtaining approval from the Commission, unless on or before April 12, 1991, Defendant filed with the Clerk of the Commission a request for a hearing; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission;

THEREFORE, IT IS ORDERED:

(1) That Defendant be, and it is hereby, permanently enjoined from acting as a third party administrator in the Commonwealth of Virginia; and

(2) That Defendant be, and it is hereby, penalized a sum of five thousand dollars ($5,000) for acting as a third party administrator in the Commonwealth of Virginia without first obtaining approval from the Commission, which sum Defendant shall forthwith pay to the Clerk of the Commission.

CASE NO. INS900396
MARCH 26, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNION BENEFITS TRUST, INC.,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Defendant has failed to comply timely and substantively with the terms of a settlement agreement reached with counsel for the Commission in the above-captioned matter;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to April 12, 1991, permanently enjoining Defendant from acting as a third party administrator in the Commonwealth of Virginia and penalizing Defendant the sum of five thousand dollars ($5,000) for acting as a third party administrator in the Commonwealth of Virginia without first obtaining approval from the Commission, unless on or before April 12, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing.

CASE NO. INS900396
APRIL 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNION BENEFITS TRUST, INC.,
Defendant

JUDGMENT ORDER

WHEREAS, by order entered herein March 26, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to April 12, 1991, permanently enjoining Defendant from acting as a third party administrator in the Commonwealth of Virginia and penalizing Defendant the sum of five thousand dollars ($5,000) for acting as a third party administrator in the Commonwealth of Virginia without first obtaining approval from the Commission, unless on or before April 12, 1991, Defendant filed with the Clerk of the Commission a request for a hearing; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission;

THEREFORE, IT IS ORDERED:

(1) That Defendant be, and it is hereby, permanently enjoined from acting as a third party administrator in the Commonwealth of Virginia; and

(2) That Defendant be, and it is hereby, penalized a sum of five thousand dollars ($5,000) for acting as a third party administrator in the Commonwealth of Virginia without first obtaining approval from the Commission, which sum Defendant shall forthwith pay to the Clerk of the Commission.

CASE NO. INS900397
FEBRUARY 20, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
CONSOLIDATED BARBERS AND BEAUTICIANS BENEFIT TRUST PLAN,
Defendant

JUDGMENT ORDER

WHEREAS, by order entered herein January 2, 1991, Defendant was temporarily enjoined from enrolling any new members in the Commonwealth of Virginia for a period of ninety (90) days and the Defendant was further ordered to appear before the Commission and show cause, if any, why the Commission should not (i) permanently enjoin Defendant from operating a multiple employer health care plan in the Commonwealth of Virginia; (ii) impose a monetary penalty against Defendant, in accordance with Virginia Code § 38.2-218, for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia; and (iii) require Defendant to make restitution, in accordance with the Virginia Code § 38.2-218.D.c., for unpaid health care claims;

WHEREAS, on February 20, 1991, the Commission conducted the aforesaid show cause hearing in its Courtroom where the Bureau of Insurance appeared represented by counsel and the Defendant failed to appear after notice of the proceedings by certified mail and pursuant to Virginia Code §§ 8.01-329 and 38.2-801; and

THE COMMISSION, having considered the record herein, is of the opinion that Defendant should be permanently enjoined from operating a multiple employer health care plan in the Commonwealth of Virginia, that Defendant should be penalized a sum of five thousand dollars ($5,000) for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia, and that Defendant should make restitution in such amount that the Commission may determine in the future is owed to residents of the Commonwealth of Virginia for Defendant's failure to pay amounts explicitly required by the terms of Defendant's health care insurance contracts;

THEREFORE, IT IS ORDERED:

(1) That Defendant be, and it is hereby, permanently enjoined from operating a multiple employer health care plan in the Commonwealth of Virginia;

(2) That Defendant be, and it is hereby, penalized a sum of five thousand dollars ($5,000) for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia, which sum Defendant shall forthwith pay to the Clerk of the Commission; and

(3) That Defendant make restitution in such amount the Commission may determine in the future is owed to residents of the Commonwealth of Virginia for Defendant's failure to pay amounts explicitly required by the terms of Defendant's health care insurance contracts.

CASE NO. INS900398
JANUARY 29, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
NATIONWIDE MUTUAL FIRE INSURANCE COMPANY
NATIONWIDE MUTUAL INSURANCE COMPANY
and
NATIONWIDE GENERAL INSURANCE COMPANY,
Defendants

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendants, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated certain provisions of the Code of Virginia, to wit: Nationwide Mutual Fire Insurance Company violated Virginia Code §§ 38.2-231, 38.2-304, 38.2-305, 38.2-1906.B, 38.2-2014, 38.2-2113, 38.2-2114, 38.2-2208, 38.2-2210, 38.2-2212 and 38.2-2220; Nationwide Mutual Insurance Company violated Virginia Code §§ 38.2-231, 38.2-304, 38.2-305, 38.2-1908, 38.2-2014, 38.2-2113, 38.2-2202, 38.2-2208, 38.2-2210, 38.2-2212 and 38.2-2220 as well as Section 4 the Commission's Rules Governing Unfair Claim Settlement Practices; Nationwide General Insurance Company violated Virginia Code §§ 38.2-1906.B, 38.2-2113, 38.2-2114, 38.2-2208 and 38.2-2212;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219, and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendants' licenses upon a finding by the Commission, after notice and opportunity to be heard, that Defendants have committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendants have been advised of their right to a hearing in this matter, whereupon Defendants have made an offer of settlement to the Commission wherein Defendants have tendered to the Commonwealth of Virginia the sum of eighteen thousand dollars ($18,000), have waived their right to a hearing and have agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendants pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendants in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant, Nationwide Mutual Fire Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-231, 38.2-304, 38.2-305, 38.2-1906.B, 38.2-2014, 38.2-2113, 38.2-2114, 38.2-2208, 38.2-2210, 38.2-2212 or 38.2-2220;

(3) That Defendant, Nationwide Mutual Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-231, 38.2-304, 38.2-305, 38.2-1908, 38.2-2014, 38.2-2113, 38.2-2202, 38.2-2208, 38.2-2210, 38.2-2212, 38.2-2220 or Section 4 of the Commission's Rules Governing Unfair Claim Settlement Practices;

(4) That Defendant, Nationwide General Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-1906.B, 38.2-2113, 38.2-2114, 38.2-2208 or 38.2-2212; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS900402
FEBRUARY 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
TRAVELERS HEALTH NETWORK,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-502.1, 38.2-511, 38.2-1833.A.1, 38.2-4301.C, 38.2-4304.B, 38.2-4306, 38.2-4306.B.1, 38.2-4308.A, 38.2-4308.B as well as the Commission's Rules Governing Advertisement of Accident and Sickness Insurance and the Commission's Rules Governing Health Maintenance Organizations;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000) and has waived its right to a hearing; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS900402
MARCH 18, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
TRAVELERS HEALTH NETWORK,
Defendant

VACATING ORDER

GOOD CAUSE having been shown, the order entered herein February 27, 1991 is hereby vacated.

CASE NO. INS900402
MARCH 19, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
TRAVELERS HEALTH NETWORK,
Defendant

AMENDED SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, in certain instances, is alleged to have violated Virginia Code §§ 38.2-502.1, 38.2-511, 38.2-1833.A.1, 38.2-4301.C, 38.2-4304.B., 38.2-4306, 38.2-4306.B.1, 38.2-4308.A, 38.2-4308.B as well as the Commission's Rules Governing Advertisement of Accident and Sickness Insurance and the Commission's Rules Governing Health Maintenance Organizations;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer, without admitting any violation of any law and solely for purpose of a settlement, to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000) and has waived its right to a hearing; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS900403
JANUARY 11, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ELLIOTT B. BOOTH,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit these premiums to an insurer, insured or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of his right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000), has waived his right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-1813; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910001
FEBRUARY 5, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
BETTY THOMPSON EATON,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to account for or remit when due premiums collected on behalf of a certain insurance company;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated December 21, 1990 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of her right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to account for or remit when due premiums collected on behalf of a certain insurance company;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910002
MARCH 4, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
RUSSELL D. JARVIS,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated January 7, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

THEREFORE, IT IS ORDERED: .

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910003
JANUARY 15, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
RUSSELL PATRICK CARRINGTON,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a property and casualty agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to the insurer entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated December 17, 1990 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to the insurer entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910004
JANUARY 11, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
TRANS-PACIFIC INSURANCE COMPANY (FSM),
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code §§ 38.2-1024 and 38.2-4811 require insurers transacting the business of insurance in the Commonwealth of Virginia to be either licensed by the Commission as an insurance company or approved by the Commission to issue surplus lines insurance; and

WHEREAS, Trans-Pacific Insurance Company (FSM), domiciled in Pohnpei, Federated States of Micronesia, is currently transacting the business of insurance in the Commonwealth of Virginia without first being licensed as an insurance company or approved as a surplus lines insurer;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to January 28, 1991, ordering Defendant to cease and desist from transacting the business of insurance in the Commonwealth of Virginia unless on or before January 28, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed entry of the cease and desist order.

CASE NO. INS910005
FEBRUARY 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
WILBUR SWANSON,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated January 10, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collect premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured or assignee entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910006
MARCH 12, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ROGER DARRYL FONS,
Defendant

FINAL ORDER

WHEREAS, by motion filed herein March 6, 1991, the Bureau of Insurance requested that the above-captioned matter be dismissed on the grounds that Defendant had voluntarily surrendered his authority to transact the business of insurance in the Commonwealth of Virginia in lieu of hearing before the Commission;

WHEREAS, by ruling entered herein March 7, 1991, the Commission's Hearing Examiner granted the Bureau's Motion to Dismiss and recommended that the Commission enter and order dismissing the Rule to Show Cause from its docket of pending proceedings; and

THE COMMISSION, having considered the Hearing Examiner's ruling and recommendation, is of the opinion that the Rule to Show Cause entered herein should be dismissed and that the papers herein should be passed to the file for ended causes;

THEREFORE, IT IS ORDERED:

(1) That the Rule to Show Cause entered herein be, and it is hereby, DISMISSED; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910007
JANUARY 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN UNIVERSAL INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered January 8, 1991, the Superior Court for the State of Rhode Island for the Counties of Providence and Bristol found Defendant to be insolvent and appointed the Director of Business Regulation of the State of Rhode Island to be the Receiver of Defendant; and

WHEREAS, the Bureau of Insurance has recommended that the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be suspended;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to January 28, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 28, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed suspension of Defendant's license.

CASE NO. INS910007
JANUARY 30, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN UNIVERSAL INSURANCE COMPANY,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein on January 16, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to January 28, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 28, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed suspension of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed suspension of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That the Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia until further order of the Commission;

(3) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(4) That Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia until further order of the Commission;

(5) That the Bureau of Insurance shall cause an attested copy of this order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment; and

(6) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910009
JANUARY 24, 1991

APPLICATION OF
VIRGINIA FARM BUREAU MUTUAL INSURANCE COMPANY

For approval of redemption of certificates pursuant to Virginia Code § 38.2-1034

ORDER GRANTING APPROVAL OF APPLICATION

WHEREAS, Virginia Code § 38.2-1034 provides that a domestic mutual insurance company may not repay, in whole or in part, any funds borrowed pursuant to said section without (i) sufficient earned surplus and (ii) the prior approval of the Commission;

WHEREAS, by letter dated January 8, 1991, and filed herein, Virginia Farm Bureau Mutual Insurance Company (VFBM), a domestic insurance company licensed by the Commission, has applied to the Commission for approval to redeem up to $300,000 of funds borrowed pursuant to the aforesaid Code section through June 30, 1991; and

WHEREAS, the Bureau of Insurance has recommended that the Commission approve the application of VFBM;

NOW, THEREFORE, the Commission, having considered the application of VFBM, the recommendation of the Bureau of Insurance and the law applicable in this matter, is of the opinion that approval of the application of VFBM should be granted.

ACCORDINGLY, IT IS ORDERED that approval of the application of Virginia Farm Bureau Mutual Insurance Company to redeem through June 30, 1991, up to $300,000 of funds borrowed pursuant to Virginia Code § 38.2-1034 be, and it is hereby, GRANTED.

CASE NO. INS910011
FEBRUARY 28, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
JOSEPH R. SOWERS,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke defendant's license upon a finding by the Commission, after notice and hearing, that defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that defendant has been notified of defendant's right to a hearing before the Commission in this matter by certified letter dated January 25, 1991 and mailed to the defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon defendant's failure to request a hearing, has recommended that the Commission enter an order revoking defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910014
MARCH 11, 1991

APPLICATION OF
EQUITABLE LIFE INSURANCE COMPANY

For approval of extraordinary dividend pursuant to Virginia Code § 38.2-1330.C.

ORDER GRANTING APPROVAL OF APPLICATION

ON A FORMER DAY came Equitable Life Insurance Company, a domestic insurer, and, pursuant to Virginia Code § 38.2-1330.C., filed with the Commission an application for approval of the payment of an extraordinary dividend to its parent, American General Corporation; to wit, $75,700,000 in cash and 74,000 shares of American General Corporation common stock;

AND THE COMMISSION, having considered the application, the recommendation of the Bureau of Insurance that the Commission grant approval of the application and the law applicable herein, is of the opinion that approval of the application should be granted pursuant to Virginia Code § 38.2-1330.A. and C.

THEREFORE, IT IS ORDERED that approval of the application of Equitable Life Insurance Company to pay the aforesid extraordinary dividend be, and it is hereby, GRANTED.

CASE NO. INS910015
FEBRUARY 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PARTNERS HEALTH PLANS, INC.
(formerly Aetna Health Programs of Virginia, Inc.),
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-316, 38.2-510.A.3, 38.2-510.A.5, 38.2-511, 38.2-1822.A, 38.2-1834.C, 38.2-4301.C., 38.2-4304.B, 38.2-4306.A.2, 38.2-4306.B.1, 38.2-4308.A, 38.2-4308.B as well as the Commission's Rules Governing Advertisement of Accident and Sickness Insurance and the Commission's Rules Governing Health Maintenance Organizations;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of twenty-two thousand dollars ($22,000) and has waived its right to a hearing; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910016
FEBRUARY 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AETNA HEALTH PLANS OF THE MID-ATLANTIC, INC.
(formerly Partners Health Plan of the Mid-Atlantic, Inc.),
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-502.1, 38.2-510.A.5, 38.2-511, 38.2-1812.A, 38.2-1822.A, 38.2-1833.A.1, 38.2-1834.C, 38.2-4301.C, 38.2-4304.B, 38.2-4306.A.2, 38.2-4306.B.1, 38.2-4308.A, 38.2-4308.B as well as the Commission's Rules Governing Advertisement of Accident and Sickness Insurance and the Commission's Rules Governing Health Maintenance Organizations;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of twenty-six thousand dollars ($26,000) and has waived its right to a hearing; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910018
FEBRUARY 13, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EXECUTIVE KAR CARE, LTD.,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code §§ 38.2-1024 and 38.2-4811 require insurers transacting the business of insurance in the Commonwealth of Virginia to be either licensed by the Commission as an insurance company or approved by the Commission to issue surplus lines insurance; and

WHEREAS, Executive Kar Care, Ltd., domiciled in Mechanicsburg, Pennsylvania, is currently transacting the business of insurance in the Commonwealth of Virginia without first being licensed by the Commission as an insurance company or approved as a surplus lines insurer;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to February 25, 1991, ordering Defendant to cease and desist from transacting the business of insurance in the Commonwealth of Virginia unless on or before February 25, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed entry of the cease and desist order.

CASE NO. INS910018
FEBRUARY 28, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EXECUTIVE KAR CARE, LTD.,
Defendant

CEASE AND DESIST ORDER

WHEREAS, for the reasons stated in an order entered herein on February 13, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to February 25, 1991, ordering Defendant to cease and desist from transacting the business of insurance in the Commonwealth of Virginia unless on or before February 25, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission; and

WHEREAS, as of the date of this order, Defendant has not filed such request to be heard before the Commission;

THEREFORE, IT IS ORDERED that, pursuant to Virginia Code § 38.2-219, Defendant cease and desist from transacting the business of insurance in the Commonwealth of Virginia.

CASE NO. INS910024
FEBRUARY 8, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PHYSICIANS HEALTH PLAN, INC.,
Defendant

IMPAIRMENT ORDER

WHEREAS, Physicians Health Plan, Inc., ("PHP") a domestic corporation licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, is required by regulation adopted by the Commission in Case No. INS850209 to have a net worth that is at least equal to the sum of all uncovered expenses as defined in subsection 7.H of the regulation for the last three months reported on; however, in no case shall a health maintenance organization be required to maintain a minimum net worth in excess of $2,000,000; and

WHEREAS, based on PHP's Financial Statement as of December 30, 1990, filed with the Bureau of Insurance, PHP had uncovered expenses for the last three months reported on totaling $969,886 and a reported net worth of $533,630 resulting in an impairment of its net worth of $436,256;

THEREFORE, IT IS ORDERED:

(1) That, on or before March 11, 1991, Defendant eliminate the impairment in its net worth and restore the same to at least the amount required by law and advised the Commission of the accomplishment there by affidavit of Defendant's president or other authorized officer; and

(2) That Defendant shall issue no new group contracts while the impairment of Defendant's net worth exists and until further order of the Commission.

CASE NO. INS910024
APRIL 22, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PHYSICIANS HEALTH PLAN, INC.,
Defendant

FINAL ORDER

WHEREAS, by order entered herein February 8, 1991, Defendant was ordered to eliminate the impairment in its net worth and restore the same to at least the amount required by law and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer;

WHEREAS, by order entered herein February 22, 1991, Defendant was temporarily enjoined from wasting any and all assets of Defendant;

WHEREAS, by affidavit filed with the Bureau of Insurance, the Commission has been advised, by Defendant's president, that Defendant's net worth exceeds the minimum amount required by Virginia law; and

WHEREAS, the Bureau of Insurance has recommended that the Commission vacate the aforesaid orders;

THEREFORE, IT IS ORDERED:

(1) That the Impairment Order entered herein February 8, 1991 be, and it is hereby, VACATED; and

(2) That the Temporary Injunction entered herein February 22, 1991 be, and it is hereby, VACATED.

CASE NO. INS910029
APRIL 19, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ATLANTIC HEALTHCARE BENEFITS TRUST,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, not licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated the Commission's Rules Governing Multiple Employer Health Care Plans adopted in Case No. INS870162, by operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218 and 38.2-219 to impose certain monetary penalti and issue cease and desist orders upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has waived its right to a hearing and has made an offer of settlement to the Commission wherein Defendant has agreed to (i) the entry of order permanently enjoining Defendant from operating as a multiple employer health care plan in the Commonwealth of Virginia; (ii) tender to the Commonwealth of Virginia the sum of five thousand dollars ($5,000) as a penalty for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia, and (iii) make restitution in accordance with Virginia Code § 38.2-218.D.c to residents of the Commonwealth of Virginia for any unpaid health care claims;

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15;

THEREFORE, IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant, be and it is hereby, permanently enjoined from operating a multiple employer health care plan in the Commonwealth of Virginia;

(3) That Defendant make restitution in accordance with Virginia Code § 38.2-218.D.c to residents of the Commonwealth of Virginia for any unpaid health care claims; and

(4) That the papers herein be placed in the file for ended causes.

CASE NO. INS910034
MARCH 21, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
SOPHIA Y. LEGER,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated February 21, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of her right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910036
APRIL 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
CARLA L. BEASLEY,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated March 8, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of her right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, or assignee entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910044
JULY 5, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing the Reporting of Cost Utilization Data Relating to Mandated Benefits and Mandated Providers

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein March 25, 1991, the Commission ordered that a hearing be held in the Commission's Courtroom on May 14, 1991, for the purpose of considering the adoption of a regulation proposed by the Bureau of Insurance ("Bureau") entitled "Rules Governing the Reporting of Cost Utilization Data Relating to Mandated Benefits and Mandated Providers";

WHEREAS, the Commission conducted the aforesaid hearing where it received the comments of interested persons and at the conclusion of the hearing the Commission ordered that the record remain open until May 31, 1991, in order for interested persons to file additional comments to the regulation for consideration by the Commission; and

THE COMMISSION, having considered the record herein, the comments of interested persons and the recommendations of the Bureau of Insurance, is of the opinion that the regulation should be adopted, with certain amendments;

THEREFORE, IT IS ORDERED that the regulation entitled "Rules Governing the Reporting of Cost Utilization Data Relating to Mandated Benefits and Mandated Providers" which is attached hereto and made a part hereof, should be, and it is hereby, ADOPTED to be effective October 1, 1991.

NOTE: A copy of the Regulation entitled "Rules Governing the Reporting of Cost Utilization Data Relating to Mandated Benefits and Mandated Providers" is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910045
MARCH 26, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MIDDLE ATLANTIC LIFE INSURANCE COMPANY,
Defendant

IMPAIRMENT ORDER

WHEREAS, Middle Atlantic Life Insurance Company, a foreign corporation domiciled in the State of Pennsylvania and licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, is required to maintain minimum capital of $1,000,000 and minimum surplus of $1,000,000;

WHEREAS, Virginia Code § 38.2-1036 provides, inter alia, that if the Commission finds an impairment of the required minimum surplus of any foreign insurer, the Commission may order the insurer to eliminate the impairment and restore the minimum surplus to the amount required by law and may prohibit the insurer from issuing any new policies in the Commonwealth of Virginia while the impairment of its surplus exists; and

WHEREAS, Defendant's Annual Statement as of December 31, 1990, filed with the Commission's Bureau of Insurance, indicates that Defendant has capital of $1,200,000 and surplus of $722,241;

THEREFORE, IT IS ORDERED that, on or before May 29, 1991, Defendant eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer.

IT IS FURTHER ORDERED that Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia while the impairment of Defendant's surplus exists and until further order of the Commission.

CASE NO. INS910045
MAY 30, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MIDDLE ATLANTIC LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein March 26, 1991, Defendant was ordered to eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer on or before May 29, 1991; and

WHEREAS, as of the date of this order Defendant has failed to eliminate the impairment in its surplus,

IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to June 12, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before June 12, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed suspension of Defendant's license.

CASE NO. INS910045
SEPTEMBER 17, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MIDDLE ATLANTIC LIFE INSURANCE COMPANY,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, Virginia Code § 38.2-1040 provides, in part, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth; and

WHEREAS, by letter filed herein, Defendant has consented to a voluntary suspension of its license to transact the business of insurance in the Commonwealth of Virginia;

THEREFORE, IT IS ORDERED:

(1) That, pursuant to Virginia Code § 38.2-1040, the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That the Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia until further order of the Commission;

(3) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(4) That Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia until further order of the Commission;

(5) That the Bureau of Insurance shall cause an attested copy of this order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment;

(6) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043; and

(7) That the Rule to Show Cause entered herein be, and it is hereby, DISMISSED.

CASE NO. INS910046
MARCH 26, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
THE CHESAPEAKE LIFE INSURANCE COMPANY,
Defendant

IMPAIRMENT ORDER

WHEREAS, The Chesapeake Life Insurance Company, a foreign corporation domiciled in the State of Maryland and licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, is required to maintain minimum capital of $1,000,000 and minimum surplus of $1,000,000;

WHEREAS, Virginia Code § 38.2-1036 provides, inter alia, that if the Commission finds an impairment of the required minimum surplus of any foreign insurer, the Commission may order the insurer to eliminate the impairment and restore the minimum surplus to the amount required by law and may prohibit the insurer from issuing any new policies in the Commonwealth of Virginia while the impairment of its surplus exists; and

WHEREAS, Defendant's Annual Statement as of December 31, 1990, filed with the Commission's Bureau of Insurance, indicates that Defendant has capital of $1,542,022 and surplus of $941,230;

THEREFORE, IT IS ORDERED that, on or before May 29, 1991, Defendant eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer.

IT IS FURTHER ORDERED that Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia while the impairment of Defendant's surplus exists and until further order of the Commission.

CASE NO. INS910046
MAY 30, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
THE CHESAPEAKE LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein March 26, 1991, Defendant was ordered to eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer on or before May 29, 1991; and

WHEREAS, as of the date of this order Defendant has failed to eliminate the impairment in its surplus,

IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to June 12, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before June 12, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed suspension of Defendant's license.

CASE NO. INS910046
JUNE 14, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
THE CHESAPEAKE LIFE INSURANCE COMPANY,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein May 30, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to June 12, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless, on or before June 12, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed suspension of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request for a hearing before the Commission;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia until further order of the Commission;

(3) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(4) That Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia until further order of the Commission;

(5) That the Bureau of Insurance shall cause an attested copy of this order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment; and

(6) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910046
AUGUST 21, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
THE CHESAPEAKE LIFE INSURANCE COMPANY,
Defendant

FINAL ORDER

WHEREAS, by order entered herein June 14, 1991, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended for failing to restore Defendant's surplus to the minimum amount required by Virginia law;

WHEREAS, by affidavit of Defendant's Acting President the Commission has been advised that Defendant has returned its surplus to the minimum amount required by Virginia law, $1,000,000; and

WHEREAS, the Bureau of Insurance has recommended that Defendant's license be restored to one in good standing;

THEREFORE, IT IS ORDERED:

(1) That the order entered herein suspending Defendant's license be, and it is hereby, VACATED; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910051
APRIL 4, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
INTERNATIONAL SERVICE INSURANCE COMPANY,
Defendant

IMPAIRMENT ORDER

WHEREAS, Virginia Code § 38.2-1028 provides that International Service Insurance Company (ISICO), a foreign stock insurer domiciled in the State of Texas and licensed by this Commission to transact the business of insurance in the Commonwealth of Virginia, shall maintain a minimum capital of $1,000,000 (one million dollars) and minimum surplus of $1,000,000 (one million dollars);

WHEREAS, the 1990 Annual Statement recently filed with the Bureau of Insurance reflects an impairment of the surplus of ISICO in the amount of $2,722,435 (two million seven hundred and twenty two thousand four hundred and thirty five dollars),

IT IS ORDERED, pursuant to Virginia Code § 38.2-1036:

(1) That, on or before June 3, 1991, ISICO remove the impairment in its surplus and restore the same to at least the minimum amount required by law and advise the Commission of the accomplishment thereof by affidavit of its president or other authorized officer; and

(2) That, during the pendency of the impairment of ISICO's surplus and until further order of the Commission, ISICO shall write no new policies of insurance in this Commonwealth.

CASE NO. INS910051
JUNE 4, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COM IISSION
v.
INTERNATIONAL SERVICE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, inter alia, that the Commission may suspend or revoke the license of any insurance company to transact the business of insurance in the Commonwealth of Virginia whenever the Commission finds that the Company is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered herein April 4, 1991, Defendant was ordered to eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer on or before June 3, 1991; and

WHEREAS, as of the date of this order Defendant has failed to eliminate the impairment in its surplus,

IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to June 18, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before June 18, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing before the Commission with respect to the proposed suspension of Defendant's license.

CASE NO. INS910051
JUNE 19, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
INTERNATIONAL SERVICE INSURANCE COMPANY,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein June 4, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent June 18, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless, on or before June 18, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission with respect to the proposed suspension of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request for a hearing before the Commission;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia until further order of the Commission;

(3) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(4) That Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia until further order of the Commission;

(5) That the Bureau of Insurance shall cause an attested copy of this order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment; and

(6) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910055
MAY 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
WORLD ACCESS SERVICE CORPORATION
(d/b/a ACCESS AMERICA SERVICE CORPORATION),
Defendant

SETTLEMENT ORDER

IT APPEARING that the Bureau of Insurance has alleged, from an examination conducted by the Bureau, that Defendant, in certain instances, may have violated § 38.2-510.A.3 of the Code of Virginia relating to standards for the prompt investigation of claims arising under trip cancellation coverage;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218 and 38.2-219 to impose certain monetary penalties and to issue cease and desist orders upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant, without admitting any violation of law and solely for the purpose of settlement, has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000), has waived its right to a hearing, and has agreed to the entry by the Commission of this Settlement Order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant, World Access Service Corporation, (d/b/a Access America Service Corporation), cease and desist from any conduct which constitutes a violation of § 38.2-510.A.3 of the Code of Virginia; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910056
MAY 9, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
BCS INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-510.A.3, 38.2-1822.A and 38.2-1833.A by failing to implement standard policies for investigating claims concerning trip cancellation insurance, by knowingly permitting unlicensed persons to solicit, negotiate, procure or effect contracts of insurance in the Commonwealth of Virginia, and by failing to file with the Bureau of Insurance notice of appointment for certain agents acting on behalf of the Company;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000), has waived its right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code and §§ 38.2-510.A.3, 38.2-1822.A or 38.2-1833.A; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910057
MAY 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
DAVID W. BROWN,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated April 11, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer, insured, or assignee entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910058
APRIL 23, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
KATHY ANN MELSON,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a property and casualty agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to pay unearned commissions to a certain insurance company;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke defendant's license upon a finding by the Commission, after notice and hearing, that defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that defendant has been notified of defendant's right to a hearing before the Commission in this matter by certified letter dated March 22, 1991 and mailed to the defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that defendant, having been advised in the aforesaid manner of her right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon defendant's failure to request a hearing, has recommended that the Commission enter an order revoking defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that defendant has violated Virginia Code § 38.2-1813 by failing to pay unearned commissions to a certain insurance company;

THEREFORE, IT IS ORDERED:

(1) That the license of defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910061
MAY 17, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
LINCOLN NATIONAL HEALTH PLAN, INC.,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-316.A, 38.2-316.B, 38.2-502.1, 38.2-510.A.5, 38.2-510.A.14, 38.2-511, 38.2-606.6, 38.2-606.7.b.1, 38.2-606.8, 38.2-1812.A, 38.2-1822.A, 38.2-1833.A.1, 38.2-4301.C, 38.2-4304.B, 38.2-4306.A.2, 38.2-4306.B.1, 38.2-4308.A, 38.2-4308.B as well as the Commission's Rules Governing the Advertisement of Accident and Sickness Insurance and the Commission's Rules Governing Health Maintenance Organizations;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of sixteen thousand dollars ($16,000), and has waived its right to a hearing;

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910062
MAY 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
HOW INSURANCE COMPANY
A RISK RETENTION GROUP,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code § 38.2-503 by disseminating an advertisement which was untrue, deceptive or misleading;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000), has waived its right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-503; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910063
AUGUST 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
IVY JOE BOSTICK, SR.,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-502.1, 38.2-503 and 38.2-1804 by circulating a statement which misrepresented the benefits, advantages, conditions or terms of a certain insurance policy or which contained information which was untrue, deceptive or misleading, and by allowing applicants to sign incomplete or blank forms pertaining to insurance;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of his right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000), has waived his right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-502.1, 38.2-503 or 38.2-1804; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910065
MAY 17, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
HARVEY S. BLUEFIELD,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code §§ 38.2-512 and 38.2-1826 by making false or fraudulent statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee, commission, or other benefit from an insurer and by failing to report timely to the Bureau of Insurance a change of address;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated May 6, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code §§ 38.2-512 and 38.2-1826 by making false or fraudulent statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee, commission, or other benefit from an insurer and by failing to report timely to the Bureau of Insurance a change of address;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910065
MAY 30, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
HARVEY S. BLUEFELD,
Defendant

CORRECTING ORDER

IT APPEARING that the order entered herein May 17, 1991, contained a typographical error;

THEREFORE, IT IS ORDERED that any reference to Defendant's last name be and it is hereby corrected to read Bluefeld vice Bluefield.

CASE NO. INS910067
JUNE 28, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
OPTIMA HEALTH PLAN,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, in a certain instances, violated Virginia Code §§ 38.2-316, 38.2-502.1, 38.2-508.2, 38.2-510.A.5, 38.2-510.A.14, 38.2-511, 38.2-1812.A, 38.2-1833.A.1, 38.2-1834.C, 38.2-4301.C, 38.2-4306.A.2, 38.2-4306.B.1, 38.2-4308.A, 38.2-4308.B, 38.2-4312.A(iii) as well as the Commission's Rules Governing Advertisement of Accident and Sickness Insurance and the Commission's Rules Governing Health Maintenance Organizations;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of twenty-five thousand dollars ($25,000) and has waived its right to a hearing; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910068
MAY 13, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
FIDELITY BANKERS LIFE INSURANCE COMPANY,
Defendant

ORDER APPOINTING DEPUTY RECEIVER FOR CONSERVATION AND REHABILITATION

WHEREAS, by order entered herein in the Circuit Court of the City of Richmond on May 13, 1991, the Commission was appointed the Receiver of Fidelity Bankers Life Insurance Company ("Fidelity Bankers");

WHEREAS, the Bureau of Insurance has recommended that a Deputy Receiver be appointed to conserve the assets of Defendant and to determine whether Defendant should be rehabilitated; and

THE COMMISSION, having considered the record herein, is of the opinion that the Commissioner of Insurance, State Corporation Commission, Bureau of Insurance should be appointed Deputy Receiver of Defendant to act on behalf of the Commission for the period the Commission is the Receiver of Defendant, whether it be Temporary Receiver or Permanent Receiver;

THEREFORE, IT IS ORDERED:

(1) That Steven T. Foster, Commissioner of Insurance, State Corporation Commission, Bureau of Insurance, and his successors in office, are hereby appointed Deputy Receiver of Defendant to act on behalf of the Commission and are vested, in addition to the powers set forth herein, with all the powers and authority expressed or implied under the provisions of Virginia Code §§ 38.2-1500 through 38.2-1521. The Deputy Receiver may do all acts necessary or appropriate for the conservation or rehabilitation of Defendant.

(2) The Deputy Receiver is hereby vested with exclusive title both legal and equitable to all of Defendant's assets, books, records, property, real and personal, including all property or ownership rights, choate or inchoate, whether legal or equitable of any kind or nature, including but not limited to all causes of action, defenses, letters of credit relating to the Defendant or its business, all stocks, bonds, certificates of deposit, cash, cash equivalents, contract rights, reinsurance contracts and reinsurance recoverables, in force insurance contracts and business, deeds, mortgages, leases, book entry deposits, bank deposits, certificates of deposit, evidences of indebtedness, bank accounts, securities of any kind or nature, both tangible and intangible, including but without being limited to any special, statutory or other deposits or accounts made by or for Defendant with any officer or agency of any state government or the federal government or with any banks, savings and loan associations, or other depositories and including such property of Defendant which may be discovered hereafter, wherever the same may be located and in whatever name or capacity it may be held (all of the foregoing being hereinafter referred to as the "Property") and is hereby directed to take immediate and exclusive possession and control of same. In addition to vesting title to all of the Property in the Deputy Receiver or his successors, the said Property is hereby placed in the custodia legis of the Commission and the Commission hereby assumes and exercises sole and exclusive jurisdiction over all the Property and any claims or rights respecting such Property to the exclusion of any other court or tribunal, such exercise of sole and exclusive jurisdiction being hereby found to be essential to the safety of the public and of the claimants against Defendant.

(3) The Deputy Receiver is authorized to employ and to fix the compensation of such deputies, counsel, employees, accountants, actuaries, investment counselors, asset managers, consultants, assistants and other personnel as he considers necessary. All compensation and expenses of such persons and of taking possession of Defendant and conducting this proceeding shall be paid out of the funds and assets of Defendant in accordance with Virginia Code § 38.2-1510.

(4) Until further order of the Commission all persons, corporations, partnerships, associations and all other entities wherever located, are hereby enjoined and restrained from interfering in any manner with the Deputy Receiver's possession of the property or his title to or right therein and from interfering in any manner with the conduct of the receivership of Defendant. Said persons, corporations, partnerships, associations and all other entities are hereby enjoined and restrained from wasting, transferring, selling, disbursing, disposing of, or assigning the Property and from attempting to do so.

(5) The Deputy Receiver may change to his own name the name of any of Defendant's accounts, funds or other property or assets held with any bank, savings and loan association or other financial institution, wherever located, and may withdraw such funds, accounts and other assets from such institutions or take any lesser action necessary for the proper conduct of the receivership.

(6) All secured creditors or parties, pledge holders, lien holders, collateral holders or other persons claiming secured, priority or preferred interest in any property or assets of Defendant, including any governmental entity, are hereby enjoined from taking any steps whatsoever to transfer, sell, encumber, attach, dispose of or exercise purported rights in or against the Property.

(7) The officers, directors, trustees, partners, affiliates, agents, creditors, insureds, employees and policyholders of Defendant, and all other persons or entities of any nature including, but not limited to, claimants, plaintiffs, petitioners, and any governmental agencies who have claims of any nature against Defendant, including crossclaims, counterclaims and third party claims, are hereby permanently enjoined and restrained from doing or attempting to do any of the following except in accordance with the express instructions of the Deputy Receiver:

a) conducting any portion or phase of the business of Defendant;

b) commencing, bringing, maintaining or further prosecuting any action at law, suit in equity, arbitration, or special or other proceeding against Defendant or its estate, or the Deputy Receiver and his successors in office, as Deputy Receiver thereof, or any person appointed pursuant to paragraph 4 hereinabove;

c) making or executing any levy upon, selling, hypothecating, mortgaging, wasting, conveying, dissipating, or asserting control or dominion over the Property or the estate of Defendant;

d) seeking or obtaining any preferences, judgments, foreclosures, attachments, levies, or liens of any kind against the Property;

e) interfering in any way with these proceedings or with the Deputy Receiver, or any successor in office, in his acquisition of possession of, the exercise of dominion or control over, or his title to the Property, or in the discharge of his duties as Deputy Receiver thereof; or

f) commencing maintaining or further prosecuting any direct or indirect actions, arbitrations, or other proceedings against any insurer of Defendant for proceeds of any policy issued to Defendant.

(8) However, notwithstanding any other provision of this Order, the commencement of conservatorship, receivership, liquidation or other delinquency proceedings against Defendant in another jurisdiction by an official lawfully authorized to commence such proceeding shall not constitute a violation of this Order.

(9) No bank, savings and loan association or other financial institution shall, without first obtaining permission of the Deputy Receiver, exercise any form of set-off, alleged set-off, lien, or other form of self-help whatsoever or refuse to transfer the Property to the Deputy Receiver's control.

(10) The Deputy Receiver shall have the power:

(a) to collect all debts and monies due and claims belonging to Defendant, wherever located, and for this purpose: (i) to institute and maintain timely actions in other jurisdictions, in order to forestall garnishment and attachment proceedings against such debts; (ii) to do such other acts as are necessary or expedient to marshal, collect, conserve or protect its assets or property, including the power to sell, compound, compromise or assign debts for purposes of collection upon such terms and conditions as he deems appropriate, and the power to initiate and maintain actions at law or equity or any other type of action or proceeding of any nature, in this and other jurisdictions; (iii) to pursue any creditor's remedies available to enforce his claims;

(b) to conduct public and private sales of the assets and property of Defendant, including any real property;

(c) to acquire, invest, deposit, hypothecate, encumber, lease, improve, sell, transfer, abandon, or otherwise dispose of or deal with any asset or property of Defendant, and to sell, reinvest, trade or otherwise dispose of any securities or bonds presently held by, or belonging to, Defendant upon such terms and conditions as he deems to be fair and reasonable, irrespective of the value at which such property was last carried on the books of Defendant. He shall also have the power to execute, acknowledge and deliver any and all deeds, assignments, releases and other instruments necessary or proper to effectuate any sale of property or other transaction in connection with the receivership;

(d) to borrow money on the security of Defendant's assets, with or without security, and to execute and deliver all documents necessary to that transaction for the purpose of facilitating the receivership;

(e) to enter into such contracts as are necessary to carry out this Order and to affirm or disavow any contracts to which Defendant is a party;

(f) to institute and to prosecute, in the name of Defendant or in his own name, any and all suits and other legal proceedings, to defend suits in which Defendant or the Receiver is a party in this state or elsewhere, whether or not such suits are pending as of the date of this Order, to abandon the prosecution or defense of such suits, legal proceedings and claims which he deems inappropriate, to pursue further and to compromise suits, legal proceedings or claims on such terms and conditions as he deems appropriate;

(g) to prosecute any action which may exist on behalf of the policyholders, insureds or creditors, of Defendant against any officer or director of Defendant, or any other person;

(h) to remove any or all records and other property of Defendant to the offices of the Deputy Receiver or to such other place as may be convenient for the purposes of the efficient and orderly execution of the receivership; and to dispose of or destroy, in the usual and ordinary course, such of those records and property as the Deputy Receiver may deem or determine to be unnecessary for the receivership;

(i) to file any necessary documents for recording in the office of any recorder of deeds or record office in this Commonwealth or wherever the Property of Defendant is located;

(j) to intervene in any proceeding wherever instituted that might lead to the appointment of a conservator, receiver or trustee of Defendant or its subsidiaries, and to act as the receiver or trustee whenever the appointment is offered;

(k) to enter into agreements with any ancillary conservator, receiver or Insurance Commissioner of any other state as he may deem to be necessary or appropriate; and

(l) to perform such further and additional acts as he may deem necessary or appropriate for the accomplishment of or in aid of the purpose of the receivership, it being the intention of this Order that the aforestated enumeration of powers shall not be construed as a limitation upon the Deputy Receiver.

(11) Defendant, its officers, directors, partners, agents and employees, and all other persons, having any property or records belonging to Defendant, including data processing information and records of any kind such as, by way of example only, source documents, are hereby directed to assign, transfer and deliver to the Deputy Receiver all of such property in whatever name the same may be held, and any persons, firms or corporations having any books, papers or records relating to the business of Defendant shall preserve the same and submit these to the Deputy Receiver for examination at all reasonable times;

(12) In addition to that provided by statute or by the Defendant's policies or contracts, the Deputy Receiver may, at such time he deems appropriate, without prior notice, subject to the following provisions, impose such full or partial policy liens, moratoria or suspension upon the following payments, obligations, or alterations which arise as sums due under the policies or contracts issued by Defendant: policy surrenders, policy loans (except automatic premium loans), contract conversions, and other similar payments, obligations or alterations. The policy liens, moratoria or suspension shall not affect the payment of death benefits, accident and health benefits and periodic payments under the Defendant's annuities and other contracts.

(a) Any such policy lien, suspension or moratorium shall apply in the same manner or to the same extent to all policies or contracts of the same type or to the particular types or payments due thereunder. However, the Deputy Receiver may, in his sole discretion, impose the same upon only certain types, but not all, of the payments due under any particular type of contract or policy.

(b) Notwithstanding any other provision of this Order, the Deputy Receiver may implement a procedure for the exemption from any such policy lien, moratorium or suspension, those hardship claims, as he may define them, that he, in his sole discretion deems proper under the circumstances.

(c) The Deputy Receiver shall only impose such policy lien, moratorium or suspension when the same is not specifically provided for by contract or statute as part, or in anticipation, of a plan for the partial or complete rehabilitation of Defendant or when necessary to determine whether such partial or complete rehabilitation is reasonably feasible.

(d) Under no circumstances shall the Deputy Receiver be liable to any person or entity for his good faith decision to impose, or to refrain from imposing, such policy lien, moratorium or suspension.

(e) Notice of such policy lien, moratorium or suspension, which may be by publication, shall be provided to the holders of all policies or contracts affected thereby.

(13) The Deputy Receiver and all deputies, special deputies, attorneys, accountants, actuaries, investment counselors, asset managers, peace officers and other consultants are deemed to be public officers acting in their official capacities on behalf of the state and shall have no personal liability for or arising out of their acts or omissions performed in good faith in connection with their services performed in connection with these or related proceedings or pursuant to this or related orders except as regards claims by the Receiver or Deputy Receiver.

(14) No judgment, order, attachment, garnishment sale, assignment, transfer, hypothecation, lien, security interest or other legal process of any kind with respect to or affecting the Defendant or the Property shall be effective or enforceable or form the basis for a claim against Defendant or the Property unless entered by the Commission, or unless the Commission has issued its specific order, upon good cause shown and after due notice and hearing, permitting same.

(15) All costs, expenses, fees or any other charges of the Receivership, including but not limited to fees and expenses of accountants, peace officers, actuaries, investment counselors, asset managers, attorneys, special deputies, and other assistants employed by the Deputy Receiver, the giving of the Notice required herein, and other expenses incurred in connection herewith shall be paid from the assets of the Defendant. Provided, further, that the Deputy Receiver may, in his sole discretion, require third parties, if any, who propose rehabilitation plans with respect to Defendant to reimburse the estate of Defendant for the expenses, consulting or attorney's fees and other costs of evaluating and/or implementing any such plan.

(16) If any provision of this Order or the application thereof is for any reason held to be invalid, the remainder of this Order and the application thereof to other persons or circumstances shall not be affected thereby.

(17) The Deputy Receiver may at any time make further application for such further and different relief as he sees fit.

(18) The Commission shall retain jurisdiction for all purposes necessary to effectuate and enforce this Order.

(19) The Deputy Receiver is authorized to deliver to any person or entity a certified copy of this Order, or of any subsequent order of the Commission, such certified copy, when so delivered, being deemed sufficient notice to such person or entity of the terms of such Order. But nothing herein shall relieve from liability, nor exempt from punishment by contempt, any person or entity who, having actual notice of the terms of any such Order, shall be found to have violated the same.

CASE NO. INS910068
SEPTEMBER 19, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
FIDELITY BANKERS LIFE INSURANCE COMPANY,
Defendant

FIRST ORDER IN AID OF RECEIVERSHIP

CAME on this day to be heard the Deputy Receiver's APPLICATION FOR FIRST ORDER IN AID OF RECEIVERSHIP seeking the Commission's approval of the Deputy Receiver's proposed claim handling and appeal procedure. After due consideration, the Commission finds and decrees as follows:

I. A claims appeal procedure should be adopted as part of the receivership proceeding through which a dissatisfied creditor or other interested person may challenge the Deputy Receiver's determination of his, her or its claim against the Receivership estate of Fidelity Bankers Life Insurance Company ("Fidelity Bankers").

II. The Deputy Receiver has developed, and submitted to this Commission, a proposed Receivership Appeal Procedure (the "Procedure") for the disposition of such challenges.

III. The Receivership Appeal Procedure suggested by the Deputy Receiver provides:

RECEIVERSHIP APPEAL PROCEDURE

THIS PROCEDURE GOVERNS APPEALS AND CHALLENGES OF ANY DECISION MADE BY THE DEPUTY RECEIVER OF FIDELITY BANKERS LIFE INSURANCE COMPANY.

A. APPLICABILITY OF PROCEDURE

1. For purposes of this procedure, the term "Deputy Receiver" includes the Special Deputy Receiver and any other duly authorized representative of the Deputy Receiver. In order to challenge or seek review of any "appealable decision" of the Deputy Receiver, including any decision concerning a claim against fidelity Bankers Life Insurance Company in Receivership ("the Company"), you must adhere strictly to the following steps and deadlines. Failure to fully adhere to this procedure will result in a waiver of your appeal, and the Deputy Receiver's decision as to your claim or any other matter will become final and non-appealable.

2. A decision of the Deputy Receiver is an "appealable decision" only if:

   a. it concerns a specific claim made against the Company, whether or not arising under a policy or contract issued by the Company; or

   b. it affects, or may affect, a financial interest, contract right or legal entitlement of the person making the appeal.

3. The date by which an appeal must be presented is governed by the "DATE OF DECISION" of the matter being appealed. The DATE OF DECISION is:

   a. with respect to the Deputy Receiver's decision on a specific claim, the date shown on the NOTICE OF CLAIM DETERMINATION;

   b. with respect to any non-claim matter, the day the Deputy Receiver announces his decision; or

   c. with respect to any non-claim matter that is not announced, the date the decision is made.

4. There are two levels of appeal which may be available to you: appeal to the Deputy Receiver and appeal to the State Corporation Commission ("the Commission"). You may not appeal to the State Corporation Commission without first appealing to the Deputy Receiver in the manner described below.

B. APPEAL TO THE DEPUTY RECEIVER: DEADLINE: 30 DAYS FROM DATE OF DECISION

1. Decisions by the Deputy Receiver must be appealed within thirty (30) days following the DATE OF DECISION.

2. Once the Deputy Receiver concludes his review of a specific claim, the claimant will be sent a NOTICE OF CLAIM DETERMINATION advising him or her of the disposition of his or her claim. Such a notice may have been sent to you before, or with, this "RECEIVERSHIP APPEAL PROCEDURE".

3. Within thirty (30) days after the DATE OF DECISION regarding the matter being appealed, you must file with the Deputy Receiver and the Deputy Receiver must receive a "NOTICE OF APPEAL" containing a narrative or documentary explanation of the reason for your appeal and including all documents supporting your appeal. No particular form is necessary for this notice of appeal (a letter may be sufficient) but whatever you send must be clearly labelled "NOTICE OF APPEAL" on the first page. It must also contain:

   a. a copy of the NOTICE OF CLAIM DETERMINATION or, if in writing, a copy of the other matter being appealed;

   b. a full and detailed explanation of your appeal;

   c. adequate documentation to support it; and

   d. the following or a substantially similar jurat so that the appeal is sworn:

      State of _____ §
      County of _____ §

      BEFORE ME, the undersigned authority, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing NOTICE OF APPEAL, and having by me been first duly sworn, upon his (her) oath deposed and stated that the facts therein contained are true and correct to his (her) knowledge or belief.

Given under my hand and seal of office on this ____ day of _____, 1991.

(Notary Seal) _____
(Notary's name)
Notary public in and for
_____ County,
_____ State

4. Because the date on which the Deputy Receiver receives your NOTICE OF APPEAL is very important in determining your appeal, you should employ a method of delivery that will enable you to know when it is actually received by the Deputy Receiver.

5. You must present all grounds and bases for appeal to the Deputy Receiver in your NOTICE OF APPEAL. Any ground or basis not presented in this Notice will be deemed waived and may not be presented for the first time to the State Corporation Commission; unless the Commission determines that consideration of additional grounds or bases is necessary to attain the ends of justice.

6. Your NOTICE OF APPEAL must be received by the Deputy Receiver at the following address no later than thirty (30) days after the DATE OF DECISION.

Claim Appeals
Fidelity Bankers Life Insurance
Company, in Receivership for
Conservation and Rehabilitation
1011 Boulder Springs Drive
Richmond, Virginia 23225

7. If your NOTICE OF APPEAL is not received at the above address by the above deadline, your right to appeal the Deputy Receiver's decision will be waived and that decision (including, but not limited to, a decision set out in a NOTICE OF CLAIM DETERMINATION) will become final and non-appealable.

8. Except as noted below, the Deputy Receiver will advise you of his decision regarding your appeal by sending you a written "DETERMINATION OF APPEAL" ("Determination") on or before thirty (30) days after receipt of your NOTICE OF APPEAL. However, the Deputy Receiver may extend the time by which he must determine your appeal by up to ninety (90) additional days by sending you a written "EXTENSION OF APPEAL" notification on or before thirty (30) days after receipt of your NOTICE OF APPEAL.

9. If the Deputy Receiver does not send you a written DETERMINATION OF APPEAL or an EXTENSION OF APPEAL notification within thirty (30) days following receipt of your NOTICE OF APPEAL, your appeal will be deemed automatically rejected and you will then have thirty (30) days within which to challenge the Deputy Receiver's decision.

10. If you receive a DETERMINATION OF APPEAL that you believe is incorrect, or if for any other reason you are dissatisfied with the Deputy Receiver's determination of your appeal, whether automatic or by specific decision, you may challenge such determination by following the procedures set out below. Note however, such appeal may only proceed if you have timely filed a Notice of Appeal using the procedures set forth above.

C. APPEAL TO THE STATE CORPORATION COMMISSION: DEADLINE: 30 DAYS FROM A DETERMINATION OF APPEAL; OR, IF NO DETERMINATION, SIXTY DAYS FROM NOTICE OF APPEAL; OR, 30 DAYS FROM THE EXPIRATION OF AN EXTENSION OF APPEAL IF NO DETERMINATION.

1. You may challenge the Deputy Receiver's determination of your appeal no later than thirty (30) days after the date reflected on the Deputy Receiver's DETERMINATION OF APPEAL or no later than thirty (30) days following an automatic rejection, by filing a "PETITION FOR REVIEW OF DEPUTY RECEIVER'S DETERMINATION OF APPEAL" in the receivership proceeding identified as follows:

Commonwealth of Virginia
State Corporation Commission

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v. CASE NO. INS910068
FIDELITY BANKERS LIFE INSURANCE COMPANY,
Defendant

2. An appeal of the Deputy Receiver's DETERMINATION OF APPEAL, whether automatic or by specific decision, and only after compliance with section B, above, must be filed with the State Corporation Commission in the receivership proceeding no later than the applicable date as specified below:

a. the thirtieth (30th) day following the date shown on the Deputy Receiver's DETERMINATION OF APPEAL; or

b. if no such written DETERMINATION OF APPEAL and no EXTENSION OF APPEAL notification is sent to you, the sixtieth (60th) day following the date on which the Deputy Receiver actually received your NOTICE OF APPEAL; or

c. if an EXTENSION OF APPEAL notification is sent to you, but no DETERMINATION OF APPEAL is sent to you, then within thirty (30) days of the expiration of the date to which the EXTENSION OF APPEAL extended the time of response by the Deputy Receiver.

3. Your appeal may not present grounds or bases for appeal that were not presented in the preceding appeal to the Deputy Receiver; unless the Commission determines that consideration of such grounds or bases is necessary to attain the ends of justice.

4. Except as provided in applicable sections of the Virginia Insurance Laws and the Orders of the State Corporation Commission, proceedings regarding your PETITION FOR REVIEW OF DEPUTY RECEIVER'S DETERMINATION OF APPEAL ("Petition") will be governed by the Rules of Practice and Procedure of the State Corporation Commission ("the Rules").

5. Any formal pleading or other related document or paper shall be considered filed with the Commission upon receipt of the original and required copies by the Clerk of the Commission at the following address: State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216. Service must also be made upon the Deputy Receiver at Fidelity Bankers Life Insurance Company, In Receivership for Conservation and Rehabilitation, 1011 Boulder Springs Drive, Richmond, Virginia 23225. Failure to file your Petition as required under this Receivership Appeal Procedure waives any further right you have to appeal and the Deputy Receiver's determination of your appeal becomes final.

6. Any finding, decision, judgment, order or decree of the Commission made and entered in connection with such PETITION FOR REVIEW OF DEPUTY RECEIVER'S DETERMINATION OF APPEAL shall be deemed a final judgment, order or decree of the Commission as described in, and be governed by, Rules 8:9 and 8:10 of the Rules.

D. QUESTIONS REGARDING THIS PROCEDURE MUST BE DIRECTED IN WRITING TO THE ADDRESS IN PARAGRAPH B.5., ABOVE.

IV. The Procedure is fair, reasonable and consonant with the best interest of the receivership estate and its creditors. That procedure should therefore be adopted by the Commission and should govern challenges by any creditor or interested party to any claim decision made by the Deputy Receiver.

It is, therefore, ORDERED that:

1. The Commission has the power and authority to adopt the Deputy Receiver's suggested RECEIVERSHIP APPEAL PROCEDURE and that the same is necessary for the protection of Fidelity Bankers' policyholders and creditors and the preservation of its property;

2. All challenges to determinations made by the Deputy Receiver as to claims presented against Fidelity Banker's Life Insurance Company, In Receivership for Conservation and Rehabilitation shall be governed by, and subject to, the Receivership Appeal Procedure set out in paragraph III, above;

3. Failure by a creditor or interested party to comply with said Procedure, shall constitute a waiver by such creditor or party of any right to challenge the Deputy Receiver's decision as to the disposition of claims against the estate, and such decision shall thereupon become final and non-appealable as to such creditor or party;

4. All of the foregoing is subject to the further Orders of the Commission.

CASE NO. INS910072
JULY 19, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing Annual Audited Financial Reports

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein May 17, 1991, the Commission ordered that a hearing be held in the Commission's Courtroom on July 18, 1991, for the purpose of considering the adoption of a regulation proposed by the Bureau of Insurance ("Bureau") entitled "Rules Governing Annual Audited Financial Reports";

WHEREAS, the Commission conducted the aforesaid hearing where the Bureau appeared and recommended several technical corrections to the regulation and several substantive changes to the regulation in response to the filed written comments of interested parties; and

THE COMMISSION, having considered the record herein, the comments of interested persons and the recommendations of the Bureau of Insurance, is of the opinion that the regulation should be adopted, with certain amendments;

THEREFORE, IT IS ORDERED that the regulation entitled "Rules Governing Annual Audited Financial Reports" which is attached hereto and made a part hereof should be, and it is hereby, ADOPTED to be effective September 1, 1991.

NOTE: A copy of the Regulation entitled "Rules Governing Annual Audited Financial Reports" is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910161
JUNE 6, 1991

PETITION OF
THE PENINSULA INSURANCE COMPANY

For approval to replace all or substantially all of its policies in another insurer pursuant to Virginia Code § 38.2-2212.1

ORDER GRANTING PETITION

ON A FORMER DAY came The Peninsula Insurance Company ("Peninsula") and, pursuant to Virginia Code § 38.2-2212.1, filed with the State Corporation Commission a petition to rollover its existing book of automobile insurance to Peninsula Indemnity Company, a wholly owned subsidiary; and

THE COMMISSION, having considered the petition of Peninsula, the recommendation of the Bureau of Insurance and the law applicable hereto, is of the opinion that the petition should be granted;

THEREFORE, IT IS ORDERED that the petition of Peninsula Insurance Company, which is attached hereto and made a part hereof, be, and it is hereby, GRANTED.

NOTE: A copy of the Petition of Peninsula Insurance Company is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910162
JUNE 6, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
COMBINED UNDERWRITERS LIFE INSURANCE COMPANY,
Defendant

IMPAIRMENT ORDER

WHEREAS, Combined Underwriters Life Insurance Company, a foreign corporation domiciled in the State of Texas and licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, is required to maintain minimum capital of $1,000,000 and minimum surplus of $1,000,000;

WHEREAS, Virginia Code § 38.2-1036 provides, inter alia, that if the Commission finds an impairment of the required minimum surplus of any foreign insurer, the Commission may order the insurer to eliminate the impairment and restore the minimum surplus to the amount required by law and may prohibit the insurer from issuing any new policies in the Commonwealth of Virginia while the impairment of its surplus exists; and

WHEREAS, Defendant's Quarterly Statement as of March 31, 1991, filed with the Commission's Bureau of Insurance, indicates that Defendant has capital of $1,000,000 and surplus of $67,633;

THEREFORE, IT IS ORDERED that, on or before August 7, 1991, Defendant eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer.

IT IS FURTHER ORDERED that Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia while the impairment of Defendant's surplus exists and until further order of the Commission.

CASE NO. INS910162
AUGUST 16, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
At the relation of the
STATE CORPORATION COMMISSION
v.
COMBINED UNDERWRITERS LIFE INSURANCE COMPANY,
Defendant

FINAL ORDER

WHEREAS, by order entered herein June 6, 1991, Defendant was ordered to make good an impairment in its surplus and restore the same to at least the minimum amount required by Virginia law and to issue no new contracts or policies of insurance in the Commonwealth of Virginia during the existence of such impairment and until further order of the Commission; and

WHEREAS, by affidavit of Defendant's President, the Commission has been advised that Defendant has restored its surplus to at least the minimum amount required by Virginia law, $1,000,000;

THEREFORE, IT IS ORDERED:

(1) That the provisions in the order of June 6, 1991, enjoining Defendant from issuing any new contracts or policies of insurance in the Commonwealth of Virginia during the existence of the aforesaid impairment in Defendant's surplus be, and it is hereby, VACATED; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910169
JUNE 21, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
SOUTHERN HEALTH SERVICES,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-510.A.5, 38.2-511, 38.2-1834.C, 38.2-4301.C, 38.2-4304.B, 38.2-4306.A.2, 38.2-4306.B.1, 38.2-4308.A, 38.2-4312.A.3 as well as the Commission's Rules Governing Advertisement of Accident and Sickness Insurance and the Commission's Rules Governing Health Maintenance Organizations;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of ten thousand dollars ($10,000), has waived its right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code and §§ 38.2-510.A.5, 38.2-511, 38.2-1834.C, 38.2-4301.C., 38.2-4304.B, 38.2-4306.A.2, 38.2-4306.B.1, 38.2-4308.A, 38.2-4312.A.3 as well as the Commission's Rules Governing Advertisement of Accident and Sickness Insurance and the Commission's Rules Governing Health Maintenance Organizations; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910171
JUNE 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
OPTIMUM CHOICE, INC.,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-316.B, 38.2-1822.A, 38.2-1833.A.1, 38.2-4301.A and 38.2-4306.A2;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of ten thousand dollars ($10,000), has waived its right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-316.B, 38.2-1822.A, 38.2-1833.A.1, 38.2-4301.A and 38.2-4306.A2; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910187
JULY 5, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EMPIRE TRUST FOR THE WHOLESALE INDUSTRY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Section 6.D of the Commission's Rules Governing Multiple Employer Health Care Plans adopted in Case No. INS870162 provides that any multiple employer health care plan which ceases to maintain full coverage shall, within 30 days of the date of coverage termination, (i) notify the Commission of a replacement policy, or (ii) apply for a license and be subject to all licensing and regulatory requirements set forth in the regulation;

WHEREAS, on June 3, 1991, an Agreed Order of Liquidation was entered in the Circuit Court of Kanawha County, West Virginia against George Washington Life Insurance Company ("George Washington") which cancelled all of the insurance policies issued by George Washington and further ordered the Insurance Commissioner of the State of West Virginia to liquidate the company; and

WHEREAS, Defendant's policy of insurance with George Washington has been cancelled and Defendant has failed to notify the Commission of a replacement policy or apply for a license as a multiple employer health care plan, within the time prescribed by the Commission's aforesaid regulation;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to July 23, 1991, permanently enjoining Defendant from operating as a multiple employer health care plan in the Commonwealth of Virginia unless on or before July 23, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the permanent injunction and a request for a hearing.

CASE NO. INS910188
JULY 5, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EMPIRE TRUST FOR THE MANUFACTURING INDUSTRY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Section 6.D of the Commission's Rules Governing Multiple Employer Health Care Plans adopted in Case No. INS870162 provides that any multiple employer health care plan which ceases to maintain full coverage shall, within 30 days of the date of coverage termination, (i) notify the Commission of a replacement policy, or (ii) apply for a license and be subject to all licensing and regulatory requirements set forth in the regulation;

WHEREAS, on June 3, 1991, an Agreed Order of Liquidation was entered in the Circuit Court of Kanawha County, West Virginia against George Washington Life Insurance Company ("George Washington") which cancelled all of the insurance policies issued by George Washington and further ordered the Insurance Commissioner of the State of West Virginia to liquidate the company; and

WHEREAS, Defendant's policy of insurance with George Washington has been cancelled and Defendant has failed to notify the Commission of a replacement policy or apply for a license as a multiple employer health care plan, within the time prescribed by the Commission's aforesaid regulation;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to July 23, 1991, permanently enjoining Defendant from operating as a multiple employer health care plan in the Commonwealth of Virginia unless on or before July 23, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the permanent injunction and a request for a hearing.

CASE NO. INS910189
JULY 5, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EMPIRE TRUST FOR THE SERVICES INDUSTRY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Section 6.D of the Commission's Rules Governing Multiple Employer Health Care Plans adopted in Case No. INS870162 provides that any multiple employer health care plan which ceases to maintain full coverage shall, within 30 days of the date of coverage termination, (i) notify the Commission of a replacement policy, or (ii) apply for a license and be subject to all licensing and regulatory requirements set forth in the regulation;

WHEREAS, on June 3, 1991, an Agreed Order of Liquidation was entered in the Circuit Court of Kanawha County, West Virginia against George Washington Life Insurance Company ("George Washington") which cancelled all of the insurance policies issued by George Washington and further ordered the Insurance Commissioner of the State of West Virginia to liquidate the company; and

WHEREAS, Defendant's policy of insurance with George Washington has been cancelled and Defendant has failed to notify the Commission of a replacement policy or apply for a license as a multiple employer health care plan, within the time prescribed by the Commission's aforesaid regulation;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to July 23, 1991, permanently enjoining Defendant from operating as a multiple employer health care plan in the Commonwealth of Virginia unless on or before July 23, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the permanent injunction and a request for a hearing.

CASE NO. INS910190
JULY 5, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EMPIRE TRUST FOR THE TRANSPORTATION INDUSTRY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Section 6.D of the Commission's Rules Governing Multiple Employer Health Care Plans adopted in Case No. INS870162 provides that any multiple employer health care plan which ceases to maintain full coverage shall, within 30 days of the date of coverage termination, (i) notify the Commission of a replacement policy, and (ii) apply for a license and be subject to all licensing and regulatory requirements set forth in the regulation;

WHEREAS, on June 3, 1991, an Agreed Order of Liquidation was entered in the Circuit Court of Kanawha County, West Virginia against George Washington Life Insurance Company ("George Washington") which cancelled all of the insurance policies issued by George Washington and further ordered the Insurance Commissioner of the State of West Virginia to liquidate the company; and

WHEREAS, Defendant's policy of insurance with George Washington has been cancelled and Defendant has failed to notify the Commission of a replacement policy or apply for a license as a multiple employer health care plan, within the time prescribed by the Commission's aforesaid regulation;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to July 23, 1991, permanently enjoining Defendant from operating as a multiple employer health care plan in the Commonwealth of Virginia unless on or before July 23, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the permanent injunction and a request for a hearing.

CASE NO. INS910191
JULY 5, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EMPIRE TRUST FOR THE RETAIL TRADE INDUSTRY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Section 6.D of the Commission's Rules Governing Multiple Employer Health Care Plans adopted in Case No. INS870162 provides that any multiple employer health care plan which ceases to maintain full coverage shall, within 30 days of the date of coverage termination, (i) notify the Commission of a replacement policy, or (ii) apply for a license and be subject to all licensing and regulatory requirements set forth in the regulation;

WHEREAS, on June 3, 1991, an Agreed Order of Liquidation was entered in the Circuit Court of Kanawha County, West Virginia against George Washington Life Insurance Company ("George Washington") which cancelled all of the insurance policies issued by George Washington and further ordered the Insurance Commissioner of the State of West Virginia to liquidate the company; and

WHEREAS, Defendant's policy of insurance with George Washington has been cancelled and Defendant has failed to notify the Commission of a replacement policy or apply for a license as a multiple employer health care plan, within the time prescribed by the Commission's aforesaid regulation;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to July 23, 1991, permanently enjoining Defendant from operating as a multiple employer health care plan in the Commonwealth of Virginia unless on or before July 23, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the permanent injunction and a request for a hearing.

CASE NO. INS910192
JULY 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ASSOCIATED EMPLOYERS COMPANIES TRUST,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Section 6.D of the Commission's Rules Governing Multiple Employer Health Care Plans adopted in Case No. INS870162 provides that any multiple employer health care plan which ceases to maintain full coverage shall, within 30 days of the date of coverage termination, (i) notify the Commission of a replacement policy, or (ii) apply for a license and be subject to all licensing and regulatory requirements set forth in the regulation;

WHEREAS, on June 3, 1991, an Agreed Order of Liquidation was entered in the Circuit Court of Kanawha County, West Virginia against George Washington Life Insurance Company ("George Washington") which cancelled all of the insurance policies issued by George Washington and further ordered the Insurance Commissioner of the State of West Virginia to liquidate the company; and

WHEREAS, Defendant's policy of insurance with George Washington has been cancelled and Defendant has failed to notify the Commission of a replacement policy or apply for a license as a multiple employer health care plan, within the time prescribed by the Commission's aforesaid regulation;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to August 12, 1991, permanently enjoining Defendant from operating as a multiple employer health care plan in the Commonwealth of Virginia unless on or before August 12, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the permanent injunction and a request for a hearing.

CASE NO. INS910202
SEPTEMBER 3, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
TIMOTHY P. CREECH,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a life and health agent, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold certain premiums in a fiduciary capacity and by failing to account for and remit the premiums to an insurer when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated August 19, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold certain premiums in a fiduciary capacity and by failing to account for and remit the premiums to an insurer when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910204
JULY 26, 1991

APPLICATION OF
LAWYERS TITLE CORPORATION

For approval of acquisition of control of Lawyers Title Insurance Company pursuant to Virginia Code § 38.2-1323

ORDER GRANTING APPROVAL OF APPLICATION

ON A FORMER DAY came Lawyers Title Corporation (LTC) and, pursuant to Virginia Code § 38.2-1323, filed with the Clerk of the Commission an application for Commission approval of LTC's proposed acquisition of control of Lawyers Title Insurance Company (LTIC), a domestic insurer;

AND THE COMMISSION, having considered the application of LTC, the recommendation of the Bureau of Insurance that the Commission grant approval of the application and the law applicable herein, is of the opinion that approval thereof should be granted.

THEREFORE, IT IS ORDERED, pursuant to the authority granted the Commission in Virginia Code § 38.2-1326, that approval of the application of Lawyers Title Corporation to acquire control of domestic insurer Lawyers Title Insurance Company be, and it is hereby, GRANTED.

CASE NO. INS910207
JULY 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
SYNESYS SERVICE CORPORATION,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Defendant is a multiple employer health care plan domiciled in the State of Georgia which is providing health care coverage, or has provided health care coverage, in the Commonwealth of Virginia; and

WHEREAS, Defendant is not licensed by the Commission as an insurer pursuant to Title 38.2 of the Code of Virginia or a multiple employer health care plan pursuant to the Commission's Rules Governing Multiple Employer Health Care Plans adopted in Case No. INS870162, nor is Defendant exempted from Commission regulation by the Commission's own rules or any law or regulation of the federal government;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to August 12, 1991, (i) permanently enjoining Defendant from operating a multiple employer health care plan in the Commonwealth of Virginia; (ii) imposing a monetary penalty against Defendant in the amount of five thousand dollars ($5,000) for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia; and (iii) requiring Defendant to make restitution, in accordance with Virginia Code § 38.2-218.D.C, for unpaid health care claims, unless on or before August 12, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P. O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the aforesaid order and a request for a hearing.

CASE NO. INS910207
AUGUST 14, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
SYNESYS SERVICE CORPORATION,
Defendant

FINAL ORDER

WHEREAS, by order entered herein July 24, 1991, for the reasons stated therein, Defendant was ordered to TAKE NOTICE that the Commission would enter an order subsequent to August 12, 1991, (i) permanently enjoining Defendant from operating a multiple employer health care plan in the Commonwealth of Virginia; (ii) imposing a monetary penalty against Defendant in the amount of five thousand dollars ($5,000) for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia; and (iii) requiring Defendant to make restitution, in accordance with Virginia Code § 38.2-218.D.C for unpaid health care claims, unless on or before August 12, 1991, Defendant filed with the Clerk of the Commission a responsive pleading to object to the entry of the aforesaid order and a request for a hearing; and

WHEREAS, as of the date of this order, Defendant has failed to file a responsive pleading to object to the entry of this order or a request for hearing before the Commission;

THEREFORE, IT IS ORDERED:

(1) That Defendant be, and it is hereby, permanently enjoined from operating a multiple employer health care plan in the Commonwealth of Virginia;

(2) That Defendant be, and it is hereby, penalized the sum of five thousand dollars ($5,000) for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia;

(3) That Defendant make restitution, in accordance with Virginia Code § 38.2-218.D.c for any unpaid health care claims; and

(4) That the papers herein be placed in the file for ended causes.

CASE NO. INS910208
JULY 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
BENEFIT AMERICA,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Defendant is a third party administrator domiciled in the State of Georgia and it is the third party administrator for Synesys Service Corporation, an unlicensed multiple employer health care plan which is providing health care coverage, or has provided health care coverage, in the Commonwealth of Virginia; and

WHEREAS, Defendant has not been approved by the Commission to act as a third party administrator for a multiple employer health care plan pursuant to Section 6.B.8 of the Commission's Rules Governing Multiple Employer Health Care Plans;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to August 12, 1991, (i) permanently enjoining Defendant from acting as a third party administrator in the Commonwealth of Virginia; and (ii) imposing a monetary penalty of five thousand dollars ($5,000.00) for acting as a third party administrator in the Commonwealth of Virginia without first obtaining approval from the Commission, unless on or before August 12, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P. O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the aforesaid order and a request for a hearing.

CASE NO. INS910209
JULY 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
IBEX BENEFITS, INC.,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Defendant is a third party administrator domiciled in the State of North Carolina and it is the third party administrator for Stop Loss Concepts Employee Benefit Trust, an unlicensed multiple employer health care plan which is providing health care coverage, or has provided health care coverage, in the Commonwealth of Virginia; and

WHEREAS, Defendant has not been approved by the Commission to act as a third party administrator for a multiple employer health care plan pursuant to Section 6.B.8 of the Commission's Rules Governing Multiple Employer Health Care Plans;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to August 12, 1991, (i) permanently enjoining Defendant from acting as a third party administrator in the Commonwealth of Virginia; and (ii) imposing a monetary penalty of five thousand dollars ($5,000.00) for acting as a third party administrator in the Commonwealth of Virginia without first obtaining approval from the Commission, unless on or before August 12, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P. O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the aforesaid order and a request for a hearing.

CASE NO. INS910209
AUGUST 14, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
IBEX BENEFITS, INC.,
Defendant

FINAL ORDER

WHEREAS, by order entered herein July 24, 1991, for the reasons stated therein, Defendant was ordered to TAKE NOTICE that the Commission would enter an order subsequent to August 12, 1991, (i) permanently enjoining Defendant from acting as a third party administrator for a multiple employer health care plan in the Commonwealth of Virginia; and (ii) imposing a monetary penalty of five thousand dollars ($5,000.00) for acting as a third party administrator for a multiple employer health care plan in the Commonwealth of Virginia without first obtaining approval from the Commission, unless on or before August 12, 1991, Defendant filed a responsive pleading to object to the entry of the aforesaid order and a request for a hearing; and

WHEREAS, as of the date of this order, Defendant has failed to file a responsive pleading to object to the entry of this order or a request for a hearing before the Commission;

THEREFORE, IT IS ORDERED:

(1) That Defendant, be and it is hereby, permanently enjoined from acting as a third party administrator for a multiple employer health care plan in the Commonwealth of Virginia; and

(2) That Defendant be, and it is hereby, penalized a sum of five thousand dollars ($5,000.00) for acting as a third party administrator for a multiple employer health care plan in the Commonwealth of Virginia without first obtaining approval from the Commission; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910210
JULY 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
STOP LOSS CONCEPTS EMPLOYEE BENEFIT TRUST,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Defendant is a multiple employer health care plan domiciled in the State of California which is providing health care coverage, or has provided health care coverage, in the Commonwealth of Virginia; and

WHEREAS, Defendant is not licensed by the Commission as an insurer pursuant to Title 38.2 of the Code of Virginia or a multiple employer health care plan pursuant to the Commission's Rules Governing Multiple Employer Health Care Plans adopted in Case No. INS870162, nor is Defendant exempted from Commission regulation by the Commission's own rules or any law or regulation of the federal government;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to August 12, 1991, (i) permanently enjoining Defendant from operating a multiple employer health care plan in the Commonwealth of Virginia; (ii) imposing a monetary penalty against Defendant in the amount of five thousand dollars ($5,000) for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia; and (iii) requiring Defendant to make restitution, in accordance with Virginia Code § 38.2-218.D.C, for unpaid health care claims, unless on or before August 12, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P. O. Box 2118, Richmond, Virginia 23216, a responsive pleading to object to the entry of the aforesaid order and a request for a hearing.

CASE NO. INS910210
SEPTEMBER 19, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
STOP LOSS CONCEPTS EMPLOYEE BENEFIT TRUST,
Defendant

FINAL ORDER

WHEREAS, by order entered herein July 24, 1991, for the reasons stated therein, Defendant was ordered to TAKE NOTICE that the Commission would enter an order subsequent to August 12, 1991, (i) permanently enjoining Defendant from operating a multiple employer health care plan in the Commonwealth of Virginia; (ii) imposing a monetary penalty against Defendant in the amount of five thousand dollars ($5,000) for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia; and (iii) requiring Defendant to make restitution, in accordance with Virginia Code § 38.2-218.D.c for unpaid health care claims, unless on or before August 12, 1991, Defendant filed with the Clerk of the Commission a responsive pleading to object to the entry of the aforesaid order and a request for a hearing; and

WHEREAS, as of the date of this order, Defendant has failed to file a responsive pleading to object to the entry of this order or a request for a hearing before the Commission;

THEREFORE, IT IS ORDERED:

(1) That Defendant be, and it is hereby, permanently enjoined from operating a multiple employer health care plan in the Commonwealth of Virginia;

(2) That Defendant be, and it is hereby, penalized the sum of five thousand dollars ($5,000) for operating an unlicensed multiple employer health care plan in the Commonwealth of Virginia;

(3) That Defendant make restitution, in accordance with Virginia Code § 38.2-218.D.c, for any unpaid health care claims; and

(4) That the papers herein be placed in the file for ended causes.

CASE NO. INS910220
OCTOBER 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Establishing Standards for Life, Annuity, and Accident and Sickness Reinsurance Agreements

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein July 24, 1991, the Commission ordered that a hearing be held in the Commission's Courtroom on September 24, 1991, for the purpose of considering the adoption of a regulation proposed by the Bureau of Insurance ("Bureau") entitled "Rules Establishing Standards for Life, Annuity, and Accident and Sickness Reinsurance Agreements";

WHEREAS, the Commission's Senior Hearing Examiner conducted the aforesaid hearing on behalf of the Commission where he received the comments of interested persons;

WHEREAS, the Senior Hearing Examiner has filed his report in this matter wherein he found that the regulation, as amended, should be adopted by the Commission and he recommended that the Commission enter its order adopting the proposed amended regulation; and

THE COMMISSION, having considered the record herein, the comments of interested persons, the report and recommendation of its Senior Hearing Examiner, is of the opinion that the regulation, as amended, should be adopted;

THEREFORE, IT IS ORDERED that the regulation entitled "Rules Establishing Standards for Life, Annuity, and Accident and Sickness Reinsurance Agreements" which is attached hereto and made a part hereof, should be, and it is hereby, ADOPTED to be effective December 1, 1991.

NOTE: A copy of the Rules entitled "Establishing Standards for Life, Annuity, and Accident and Sickness Reinsurance Agreements" is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910222
AUGUST 5, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
WAYLON BRUCE JACKSON,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1826 requires each licensed agent to report within thirty days to the Commission, and to every insurer for which he is appointed any change in his residence or name; and

WHEREAS, Defendant has failed to notify the Commission of a change of address as required by the aforesaid statute;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to August 23, 1991, revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia unless on or before August 23, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing to contest the proposed revocation of Defendant's insurance agent's license.

CASE NO. INS910238
AUGUST 26, 1991

PETITION OF
ATLANTIC MUTUAL INSURANCE COMPANY

For approval to replace all or substantially all of its policies in another insurer pursuant to Virginia Code § 38.2-2212.1

ORDER GRANTING PETITION

ON A FORMER DAY came Atlantic Mutual Insurance Company ("Atlantic Mutual") and, pursuant to Virginia Code § 38.2-2212.1, filed with the Clerk of the Commission a petition to replace all of its homeowners insurance policies in its wholly-owned subsidiary, Centennial Insurance Company; and

THE COMMISSION, having considered the petition of Atlantic Mutual, the recommendation of the Bureau of Insurance and the law applicable hereto, is of the opinion that the petition should be granted;

THEREFORE, IT IS ORDERED that the petition of Atlantic Mutual Insurance Company, which is attached hereto and made a part hereof, be, and it is hereby, GRANTED.

NOTE: A copy of the petition of Atlantic Mutual Insurance Company is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910239
NOVEMBER 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing Long-Term Care Insurance

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein August 9, 1991, the Commission ordered that a hearing be held in the Commission's Courtroom on October 17, 1991, for the purpose of considering the adoption of a regulation proposed by the Bureau of Insurance ("Bureau") entitled "Rules Governing Long-Term Care Insurance";

WHEREAS, the Commission conducted the aforesaid hearing where it received the comments of interested persons; and

THE COMMISSION, having considered the record herein, the comments of interested persons and the recommendations of the Bureau of Insurance, is of the opinion that the regulation should be adopted, with certain amendments;

THEREFORE, IT IS ORDERED that the regulation entitled "Rules Governing Long-Term Care Insurance" which is attached hereto and made a part hereof, should be, and it is hereby, ADOPTED to be effective January 1, 1992.

NOTE: A copy of the Regulation entitled Rules Governing Long-Term Care Insurance is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910244
DECEMBER 30, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing Multiple Employer Welfare Arrangements

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein August 19, 1991, the Commission ordered that a hearing be held in the Commission's Courtroom on October 24, 1991, for the purpose of considering the adoption of a regulation proposed by the Bureau of Insurance ("Bureau") entitled "Rules Governing Multiple Employer Welfare Arrangements";

WHEREAS, the Commission conducted the aforesaid hearing where it received the comments of interested persons; and

THE COMMISSION, having considered the record herein, the comments of interested persons and the recommendations of the Bureau of Insurance, is of the opinion that the regulation, as amended, should be adopted;

THEREFORE, IT IS ORDERED that the regulation entitled "Rules Governing Multiple Employer Health Care Plans" which is attached hereto and made a part hereof, should be, and it is hereby, ADOPTED to be effective January 15, 1992.

NOTE: A copy of the Regulation entitled Rules Governing Multiple Employer Welfare Arrangements is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910249
SEPTEMBER 27, 1991

APPLICATION OF
EQUITABLE LIFE INSURANCE COMPANY

For approval of plan of merger pursuant to Virginia Code § 38.2-216

ORDER GRANTING APPROVAL OF PLAN OF MERGER

ON A FORMER DAY came Equitable Life Insurance Company (ELICO), a domestic insurer, and, pursuant to Virginia Code § 38.2-216.B., filed with the Clerk of the Commission for Commission approval a plan of merger of ELICO with and into its parent, Gulf Life Insurance Company (GLICO), a Florida corporation licensed in this Commonwealth to transact the business of insurance, GLICO being the surviving entity under the proposed plan of merger;

AND THE COMMISSION, having considered the proposed plan of merger filed herein, the recommendation of the Bureau of Insurance that the approval of the proposed plan of merger be granted and the law applicable in this matter, is of the opinion that approval of the proposed plan of merger should be granted.

THEREFORE, IT IS ORDERED that approval of the proposed plan of merger of Equitable Life Insurance Company with and into Gulf Life Insurance Company be, and the same is hereby, GRANTED.

CASE NO. INS910250
AUGUST 21, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
LINCOLN LIBERTY LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, in part, that the Commission may suspend or revoke the license of any insurance company whenever the Commission finds that the company is insolvent or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered April 11, 1991, before the Department of Insurance, State of Nebraska, the Defendant was found to be in a condition that its continued operation would be hazardous to the public or holders of its policies or certificates; and

WHEREAS, the Bureau of Insurance has recommended that Defendant's license to transact the business of insurance in the Commonwealth of Virginia be suspended;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to September 4, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia, unless on or before September 4, 1991, Defendant fi s with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing to contest the proposed suspension of Defendant's license.

CASE NO. INS910250
SEPTEMBER 6, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
LINCOLN LIBERTY LIFE INSURANCE COMPANY,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein August 21, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to September 4, 1991, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before September 4, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission to contest the proposed revocation of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed revocation of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, REVOKED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, REVOKED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia; and

(4) That the Bureau of Insurance cause notice of the revocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910250
SEPTEMBER 12, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
LINCOLN LIBERTY LIFE INSURANCE COMPANY,
Defendant

ORDER VACATING REVOCATION ORDER

IT IS ORDERED that the order entered herein September 6, 1991 revoking defendant's license be, and it is hereby, VACATED.

CASE NO. INS910250
SEPTEMBER 12, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
LINCOLN LIBERTY LIFE INSURANCE COMPANY,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein August 21, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to September 4, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before September 4, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission to contest the proposed suspension of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed suspension of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia until further order of the Commission; and

(4) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910251
AUGUST 26, 1991

PETITION of
VIRGINIA CHIROPRACTIC ASSOCIATION, et al.

For review and rescission of Bureau of Insurance approval of Blue Cross and Blue Shield of Virginia subscription contract forms concerning certain monetary limitations on chiropractic services

ORDER DENYING PETITION

ON A FORMER DAY came Virginia Chiropractic Association et al. and filed with the Clerk of the Commission a petition requesting, inter alia, certain relief with respect to the Bureau of Insurance's former approval of certain Blue Cross and Blue Shield of Virginia subscription contract forms concerning monetary limitations on payments for certain chiropractic services;

AND THE COMMISSION, having considered the petition, the comments of the Bureau of Insurance filed with the Clerk and the law applicable in this matter, makes the following findings of law:

1. Virginia Code § 38.2-4221 does not require that any health services plan subject to Chapter 42 of Title 38.2 of the Code of Virginia offer chiropractic services in its subscription contracts.

2. Neither Virginia Code § 38.2-4221 nor any other section of Title 38.2 of the Code of Virginia proscribes a monetary limitation for any chiropractic or other service not required by law to be offered in a subscription contract.

3. A health services plan licensed by the Commission under Chapter 42 of Title 38.2 may, in its discretion, pursuant to Virginia Code § 38.2-4221, make provision in its subscription contracts for such chiropractic or other services as are not required by law to be offered in such contracts and may limit monetarily that which the health services plan will agree to pay for such services; provided, however, that no such plan may refuse to pay for such service when rendered by a chiropractor or other health care provider set forth in Virginia Code § 38.2-4221 within the scope of his or her license.

4. The Commission is without authority to order, and may not grant, the relief sought by the petitioners.

ACCORDINGLY, IT IS ORDERED that the petition of Virginia Chiropractic Association et al. be, and it is here, DENIED and that the papers herein be placed in the file for ended causes.

CASE NO. INS910251
DECEMBER 9, 1991

PETITION OF
VIRGINIA CHIROPRACTIC ASSOCIATION, et al.

For review and rescission of Bureau of Insurance approval of Blue Cross and Blue Shield of Virginia subscription contract forms concerning certain monetary limitations on chiropractic services

OPINION, Harwood, Commissioner

This matter arose before the Commission in August, 1991 upon the petition of Virginia Chiropractic Association (VCA) and certain of its members, a copy thereof having been provided to the Commissioner of Insurance as administrative head of the Commission's Bureau of Insurance and to counsel for Blue Cross and Blue Shield of Virginia (BCBS). The petitioners complain of the approval by the Bureau of Insurance on June 2, 1988 of certain endorsements to certain Blue Cross and Blue Shield contracts. The Commissioner of Insurance upheld the Bureau's approval thereof upon an informal complaint submitted to him by VCA in November, 1990.[1]

The endorsements in question provide coverage for certain "spinal manipulation" or "vertebral column" services and set a monetary limitation on coverage for such services. With the exception of certain group subscription contracts, coverage for such services was not generally made available under other BCBS contracts until after the Bureau's approval of the endorsements in 1988. BCBS's submission of the endorsements to the Bureau was subsequent to the General Assembly's 1988 amendment to Virginia Code § 38.2-4221 by which the class of non-physician

providers of health care to which said code section applies was expanded to include chiropractors. Other than the inclusion of additional providers of health care, as with the 1988 amendment including chiropractors, § 38.2-4221 has not been amended materially since the 1980 decision in Blue Cross v. Commonwealth, 221 Va. 349, 269 S.E.2d 827 (1980), discussed infra.

As we understand VCA's petition, no issue is taken with the Bureau's approval of the inclusion of "spinal manipulation" or "vertebral column" services in BCBS contracts. However, petitioners do challenge the Bureau's approval of the monetary limitation on such services based on petitioners' construction of § 38.2-4221 that any monetary limitation on services rendered by chiropractors and, we assume, other providers of health care included in that code section, is thereby proscribed.

By way of relief, petitioners called upon the Commission "to enforce Virginia Code § 38.2-4221, to rescind its approval of the amendments permitting a $500 cap, to order payment of all charges over $500 rendered by chiropractors and refused by BCBS since the inception of this policy and to enjoin BCBS from prospectively enforcing this limitation."

Petitioners did not request an opportunity to present evidence or to argue their construction of § 38.2-4221 before the Commission. Accordingly, the Commission looked upon the petition as presenting solely a matter of disputed statutory interpretation and issued its order of August 26, 1991 pursuant to Rule 3:4 of the Commission's Rules of Practice and Procedure.

Section 38.2-4221, as it concerned optometrists, opticians and psychologists, was construed in 1980 in Blue Cross v. Commonwealth, supra. There the court stated that, "[a]s a means to increase the accessibility of such services to the public, the legislature by the 1973 amendment has required defendants to recognize and pay for the services rendered by optometrists, opticians and psychologists, *but only if* the services are provided for by the contract and if the services are those which those providers are licensed to render in Virginia." (Emphasis in original, Italics added).

Based on this decision and the crucial use of the word "if" in the applicable code section, it appears to the Commission that inclusion of coverage for the services in BCBS contracts by the 1988 endorsements approved by the Bureau of Insurance was entirely a discretionary, rather than a required or mandatory, act on the part of BCBS. In other words, for all that the 1988 amendment of § 38.2-4221 required, BCBS could have elected to leave the matter as it was and thereby continue to exclude coverage for such services altogether.

Whether BCBS may provide in its contracts for a monetary limitation for services rendered by providers of health care services to whom § 38.2-4221 is applicable, initially, we would note the absence in § 38.2-4221 of any proscription on monetary limitations on reimbursements for services included in a subscription contract. Moreover, we also note that the court stated in Blue Cross v. Commonwealth, supra, "[t]here is no indication that the legislature intended to give preferred status to psychologists, optometrists or opticians" and that § 38.2-4221 "does not require that those providers be given greater reimbursement than the amount paid participating or non-participating physicians." (Emphasis supplied).

By the endorsements in question, BCBS has provided coverage for "spinal manipulation" or "vertebral column" services and must pay therefor, up to $500, without regard to whether the provider is a chiropractor or a physician or any other provider of health care included in the code section in question, as long as the provider thereof is licensed to render such services in the Commonwealth. Thus, BCBS may not be said to have provided for any lesser or greater payment for such services when rendered by a chiropractor than when rendered by a physician or any other covered provider of health care licensed to provide such services. In fact, all providers of health care services, including physicians and chiropractors, licensed to provide "spinal manipulation" or "vertebral column" services must be reimbursed directly (or indirectly through payment to the subscriber) the same number of dollars for the same services to the extent that such services are included in a subscription contract.

Accordingly, (i) as § 38.2-4221 does not proscribe monetary limitations on covered services once and if a health care plan, in its discretion, provides such services in a subscription contract; (ii) pursuant to Blue Cross v. Commonwealth, providers of health care subject to § 38.2-4221 are not entitled to greater reimbursement for their services than physicians are entitled to for the same services; and (iii) the endorsements in question clearly provide for the same reimbursement for the same services for all health care providers eligible for reimbursement, it is our opinion that the disputed endorsements are not in violation of § 38.2-4221. Therefore, the Bureau of Insurance's approval of such endorsements was appropriate and should be upheld.

An order so finding and affirming the Bureau of Insurance's approval of the disputed endorsements was entered herein on August 26, 1991.

[1]The Commission has recently become aware that the Bureau of Insurance's approval of the endorsements in question was a subject of a motion for declaratory judgment filed by VCA in the Circuit Court of the City of Richmond in February, 1990. The Commission was not made a party to the proceeding nor otherwise advised of its existence. Nevertheless, in August, 1990, upon the granting of a motion for summary judgment filed by Blue Cross and Blue Shield of Virginia, the court dismissed the proceeding for lack of jurisdiction to determine the issues raised in VCA's aforesaid motion.

CASE NO. INS910254
AUGUST 29, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EXECUTIVE LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, in part, that the Commission may suspend or revoke the license of any insurance company whenever the Commission finds that the company is insolvent or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered April 11, 1991, in the Superior Court of the State of California for the County of Los Angeles, Defendant was found to be in such condition that the further transaction of its business outside of a conservation proceeding would be hazardous to its policyholders, creditors and to the public;

WHEREAS, Defendant has failed to file its March 31, 1991, Quarterly Statement with the Commission, as required pursuant to Va. Code § 38.2-1301; and

WHEREAS, the Bureau of Insurance has recommended that Defendant's license to transact the business of insurance in the Commonwealth of Virginia be suspended;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to September 13, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia, unless on or before September 13, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing to contest the proposed suspension of Defendant's license.

CASE NO. INS910254
SEPTEMBER 17, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EXECUTIVE LIFE INSURANCE COMPANY,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein August 29, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to September 13, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before September 13, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission to contest the proposed suspension of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed suspension of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia;

(4) That Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia;

(5) That the Bureau of Insurance shall cause an attested copy of this order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment; and

(6) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910255
AUGUST 29, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EXECUTIVE LIFE INSURANCE COMPANY OF NEW YORK,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, in part, that the Commission may suspend or revoke the license of any insurance company whenever the Commission finds that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered April 23, 1991, in the Supreme Court of the State of New York, County of Nassau, Defendant was found to be in such a condition that further transaction of its business will be hazardous to its policyholders, its creditors and to the public; and

WHEREAS, the Bureau of Insurance has recommended that Defendant's license to transact the business of insurance in the Commonwealth of Virginia be suspended;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to September 13, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia, unless on or before September 13, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing to contest the proposed suspension of Defendant's license.

CASE NO. INS910255
SEPTEMBER 17, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EXECUTIVE LIFE INSURANCE COMPANY OF NEW YORK,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein August 29, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to September 13, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before September 13, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission to contest the proposed suspension of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed suspension of Defendant's license;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia;

(4) That Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia;

(5) That the Bureau of Insurance shall cause an attested copy of this order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment; and

(6) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910258
DECEMBER 6, 1991

PETITION OF
CONSUMERS LIFE INSURANCE COMPANY

For review of a decision by the Bureau of Insurance to disapprove certain credit accident and sickness insurance forms

FINAL ORDER

WHEREAS, by letter filed with the Clerk of the Commission, Petitioner, by counsel, has withdrawn its request for a hearing concerning the above-caption matter;

WHEREAS, the Commission's Hearing Examiner has recommended that the Commission enter an order dismissing the petition from its docket of pending proceedings; and

THE COMMISSION, having considered the record herein and the recommendation of its hearing examiner, is of the opinion that the petition of Consumers Life Insurance Company ("Consumers Life") should be dismissed;

THEREFORE, IT IS ORDERED that the petition of Consumers Life be, and it is hereby, DISMISSED.

CASE NO. INS910260
DECEMBER 6, 1991

PETITION OF
CONSUMERS LIFE INSURANCE COMPANY OF NORTH CAROLINA

For review of a decision by the Bureau of Insurance to disapprove certain credit accident and sickness insurance forms

FINAL ORDER

WHEREAS, by letter filed with the Clerk of the Commission, Petitioner, by counsel, has withdrawn its request for a hearing concerning the above-caption matter;

WHEREAS, the Commission's Hearing Examiner has recommended that the Commission enter an order dismissing the petition from its docket of pending proceedings; and

THE COMMISSION, having considered the record herein and the recommendation of its hearing examiner, is of the opinion that the petition of Consumers Life Insurance Company of North Carolina ("Consumers Life") should be dismissed;

THEREFORE, IT IS ORDERED that the petition of Consumers Life be, and it is hereby, DISMISSED.

CASE NO. INS910261
SEPTEMBER 3, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Establishing Standards for Companies Deemed to be in Hazardous Financial Condition

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 12.1-13 provides that the Commission shall have the power to promulgate rules and regulations in the enforcement and administration of all laws within its jurisdiction and Virginia Code §§ 38.2-223, 38.2-1038, 38.2-1316.2, 38.2-4811, 38.2-5103 as well as Chapter 15 of Title 38.2 of the Code of Virginia provide that the Commission is authorized to issue reasonable rules and regulations establishing standards for companies deemed to be in hazardous financial c ıdition;

WHEREAS, the Bureau of Insurance has submitted to the Commission a proposed regulation entitled "Rules Establishing Standards for Companies Deemed to be in Hazardous Financial Condition" which is attached hereto and made a part hereof; and

WHEREAS, the Commission is of the opinion that the proposed regulation should be adopted;

THEREFORE, IT IS ORDERED:

(1) That all interested persons TAKE NOTICE that the Commission shall enter an order subsequent to October 15, 1991, adopting the regulation proposed by the Bureau of Insurance unless on or before October 15, 1991, any person objecting to the adoption of such regulation files a request for a hearing, specifying in detail their objection to the adoption of the proposed regulation, with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216;

(2) That an attested copy hereof shall be sent by the Clerk of the Commission to the Bureau of Insurance in care of Deputy Commissioner Alfred W. Gross, who shall forthwith give further notice of the proposed adoption of the regulation by mailing a copy of this order together with a copy of the proposed regulation to all insurance companies, health services plans and health maintenance organizations licensed in the Commonwealth of Virginia; and

(3) That the Bureau of Insurance shall file with the Clerk of the Commission an affidavit of compliance with the notice requirements of paragraph (2) above.

NOTE: A copy of the Regulation entitled "Rules Establishing Standards for Companies Deemed to be in Hazardous Financial Condition" is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910261
DECEMBER 6, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Establishing Standards for Companies Deemed to be in Hazardous Financial Condition

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein September 3, 1991, the Commission ordered all interested parties to take notice that the Commission would enter an order subsequent to October 15, 1991, adopting a regulation proposed by the Bureau of Insurance entitled "Rules Establishing Standards for Companies Deemed to be in Hazardous Financial Condition" unless on or before October 15, 1991, any person objecting to the adoption of such regulation filed a request for a hearing, specifying in detail their objection to the adoption of the proposed regulation;

WHEREAS, as of the date of this order, no interested party has filed a request for a hearing before the Commission to object to the adoption of the proposed regulation; and

THE COMMISSION, having considered the record herein, the comments of interested parties and the recommendations of the Bureau of Insurance, is of the opinion that the regulation, as proposed, should be adopted;

THEREFORE, IT IS ORDERED that the regulation entitled "Rules Establishing Standards for Companies Deemed to be in Hazardous Financial Condition" which is attached hereto and made a part hereof, should be, and it is hereby, ADOPTED to be effective January 15, 1992.

NOTE: A copy of the Regulation entitled Rules Establishing Standards for Companies Deemed to be in Hazardous Financial Condition is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910262
SEPTEMBER 25, 1991

APPLICATION OF
HENRICO MUTUAL FIRE INSURANCE COMPANY
and
ROCKINGHAM MUTUAL FIRE INSURANCE COMPANY

For approval of merger pursuant to Virginia Code § 38.2-1018

ORDER GRANTING APPROVAL OF APPLICATION

ON A FORMER DAY came Henrico Mutual Fire Insurance Company (Henrico) and Rockingham Mutual Fire Insurance Company (Rockingham), Virginia-domiciled mutual assessment property and casualty insurers licensed pursuant to Chapter 25 of Title 38.2 of the Code of Virginia, and, pursuant to Virginia Code § 38.2-1018, filed with the Clerk of the Commission an application for Commission approval of a plan of merger of Henrico with and into Rockingham, Rockingham being the surviving entity;

AND THE COMMISSION, having considered the application, the recommendation of the Bureau of Insurance that the application be granted and the law applicable in this matter, is of the opinion that the application should be granted.

THEREFORE, IT IS ORDERED, pursuant to the authority of granted the Commission in Virginia Code § 38.2-1018, that the application herein for approval of the merger of Henrico with and into Rockingham be, and it is hereby, GRANTED.

CASE NO. INS910265
NOVEMBER 15, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
COLONIAL INSURANCE COMPANY OF CALIFORNIA,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, may have violated Virginia Code §§ 38.2-305.A.6, 38.2-305.B, 38.2-510.A(6), 38.2-610.A, 38.2-1906.B, 38.2-2014, 38.2-2202, 38.2-2208.A.1b, 38.2-2208.A.3, 38.2-2208.B, 38.2-2210.A, 38.2-2212.E and 38.2-2212.K;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of eighteen thousand dollars ($18,000), has waived its right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-305.A.6, 38.2-305.B, 38.2-610.A, 38.2-2014, 38.2-2202, 38.2-2208.A.1b, 38.2-2208.A.3, 38.2-2208.B, 38.2-2212.E or 38.2-2212.K; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910274
NOVEMBER 15, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PHYSICIANS HEALTH PLAN, INC.,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, in certain instances, may have violated Virginia Code §§ 38.2-316, 38.2-502.1, 38.2-510.A.5, 38.2-510.A.6, 38.2-511, 38.2-1812.A, 38.2-1822.A, 38.2-1822.B.1, 38.2-1833.A.1, 38.2-1834.C,38.2-3418.1, 38.2-4301.C, 38.2-4304.B, 38.2-4306.A.2,38.2-4306.B.1, 38.2-4308.A, 38.2-4308.B, 38.2-4312.A.1,38.2-4312.A.2, as well as, the Commission's Rules Governing Advertisement of Accident and Sickness Insurance and the Commission's Rules Governing Health Maintenance Organizations;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-4316 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of nineteen thousand five hundred dollars ($19,500) and has waived its right to a hearing;

IT FURTHER APPEARING that the Bureau of Insurance has agreed to allow Defendant a period of six months from the date hereof to correct the violations stated herein and such additional violations which may occur during this period shall not be cited by the Bureau in any future market conduct examination; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910276
OCTOBER 10, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
WILLIE SHELTON, JR.,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code§ 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer or insured entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated September 4, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer or insured entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910277
OCTOBER 10, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
BERNARD A. OVERTON, JR.,
Defendant

ORDER REVOKING LICENSE

IT APPEARING from an investigation by the Bureau of Insurance that Defendant, duly licensed to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer or insured entitled to payment when due;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and hearing, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been notified of Defendant's right to a hearing before the Commission in this matter by certified letter dated September 4, 1991 and mailed to the Defendant's address shown in the records of the Bureau of Insurance;

IT FURTHER APPEARING that Defendant, having been advised in the aforesaid manner of his right to a hearing in this matter, has failed to request a hearing and has not otherwise communicated with the Bureau of Insurance; and

IT FURTHER APPEARING that the Bureau of Insurance, upon Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking Defendant's license to transact the business of insurance in the Commonwealth of Virginia,

THE COMMISSION is of the opinion and finds that Defendant has violated Virginia Code § 38.2-1813 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer or insured entitled to payment when due;

THEREFORE, IT IS ORDERED:

(1) That the license of Defendant to transact the business of insurance as an agent in the Commonwealth of Virginia be, and it is hereby, revoked;

(2) That all appointments issued under said license be, and they are hereby, void;

(3) That Defendant transact no further business in the Commonwealth of Virginia as an insurance agent;

(4) That the Bureau of Insurance cause a copy of this order to be sent to every insurance company for which Defendant holds an appointment to act as an insurance agent in the Commonwealth of Virginia; and

(5) That the papers herein be placed in the file for ended causes.

CASE NO. INS910278
SEPTEMBER 9, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
GUARANTEE SECURITY LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, in part, that the Commission may suspend or revoke the license of any insurance company whenever the Commission finds that the company is insolvent or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered August 12, 1991, in the Circuit Court of the Second Judicial Circuit in and for Leon County, Florida, Defendant was found to be in such condition or using such methods or practices in the conduct of its business as to render the further transaction of insurance presently or prospectively hazardous to its subscribers, policyholders, creditors and the public;

WHEREAS, the Bureau of Insurance has recommended that Defendant's license to transact the business of insurance in the Commonwealth of Virginia be suspended;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to September 19, 1991,suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia, unless on or before September 19, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing to contest the proposed suspension of Defendant's license.

CASE NO. INS910278
SEPTEMBER 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
GUARANTEE SECURITY LIFE INSURANCE COMPANY,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein September 9, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to September 19, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia, unless, on or before September 19, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission to contest the proposed suspension of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed suspension of Defendant's license,

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia;

(4) That Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia;

(5) That the Bureau of Insurance shall cause an attested copy of this order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment; and

(6) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910280
OCTOBER 16, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNITED SERVICES LIFE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-316, 38.2-510, 38.2-606.5, 38.2-606.6, 38.2-606.7.b(2), 38.2-606.8, 38.2-1834.C, as well as § VII(2)(b) of the Commission's Rules Governing Life Insurance Replacements, §§ 6(a) and 7(a) of the Commission's Rules Governing Unfair Claim Settlement Practices, and §§ V(1)(d) and V(6)(a) of the Commission's Rules Governing Life Insurance and Annuity Marketing Practices;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of eight thousand dollars ($8,000) and has waived its right to a hearing;

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910281
SEPTEMBER 24, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
DURHAM LIFE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code § 38.2-610 by failing to provide certain persons with the proper notice of an adverse underwriting decision;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000) and has waived its right to a hearing; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910284
SEPTEMBER 17, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
FRANKLIN AMERICAN LIFE INSURANCE COMPANY,
Defendant

IMPAIRMENT ORDER

WHEREAS, Franklin American Life Insurance Company, a foreign corporation domiciled in the State of Tennessee and licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, is required to maintain minimum capital of $100,000 and minimum surplus of $50,000;

WHEREAS, Virginia Code § 38.2-1036 provides, in part, that if the Commission finds an impairment of the required minimum surplus of any foreign insurer, the Commission may order the insurer to eliminate the impairment and restore the minimum surplus to the amount required by law and may prohibit the insurer from issuing any new policies in the Commonwealth of Virginia while the impairment of its surplus exists; and

WHEREAS, the Quarterly Statement of Defendant as of June 30, 1991, filed with the Commission's Bureau of Insurance, indicates capital of $1,200,000, and surplus of ($278,100);

THEREFORE, IT IS ORDERED that, on or before November 15, 1991, Defendant eliminate the impairment in its surplus and restore the same to at least $50,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer.

IT IS FURTHER ORDERED that Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia while the impairment of Defendant's surplus exists and until further order of the Commission.

CASE NO. INS910284
NOVEMBER 27, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
FRANKLIN AMERICAN LIFE INSURANCE COMPANY,
Defendant

FINAL ORDER

WHEREAS, by order entered herein September 17, 1991, Defendant was ordered to eliminate the impairment in its surplus and restore the same to at least $50,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer;

WHEREAS, by affidavit filed with the Commission by Defendant's president, the Commission has been advised that Defendant has restored its surplus to the minimum amount required by Virginia law;

WHEREAS, the Bureau of Insurance has recommended that the Impairment Order entered by the Commission be vacated; and

THE COMMISSION, having considered the record herein and the recommendation of the Bureau of Insurance, is of the opinion that the Impairment Order entered by the Commission should be, and it is hereby, VACATED.

CASE NO. INS910286
OCTOBER 4, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MARKEL AMERICAN INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-305.A, 38.2-510.A(6), 38.2-510.A(10), 38.2-1905, 38.2-1906.B, 38.2-2208, 38.2-2212, 38.2-2220 as well as Sections 4.4 and 4.5 of the Commission's Rules Governing Insurance Premium Finance Companies;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of itsright to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of seven thousand five hundred dollars ($7,500), has waived its right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-305.A, 38.2-510.A(6), 38.2-510.A(10), 38.2-1905, 38.2-1906.B, 38.2-2208, 38.2-2212, 38.2-2220 as well as Sections 4.4 and 4.5 of the Commission's Rules Governing Insurance Premium Finance Companies; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910287
NOVEMBER 26, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EDEN FINANCIAL GROUP, INC.,
EDEN FINANCIAL SERVICES, INC.,
and
EDEN FINANCIAL AND INSURANCE SERVICES, INC.,
Defendants

ORDER DENYING MOTIONS

Pursuant to a Rule to Show Cause issued against the above Defendants (collectively "Eden" or "Defendant") on September 20, 1991, this matter came to be heard by the Commission on October 8, 1991, by which time Defendant had filed its Answer in response to the Rule and its Motion to Dismiss the Rule.

In its Answer, Eden admitted all allegations of the Rule, except that it denied that its letter to Patrick H. Cantilo of August 13, 1991, described in paragraph 5 of the Rule, constituted the institution of arbitration proceedings against Fidelity Bankers Life Insurance Company. The Answer also set forth Eden's general denials and affirmative defenses.

At the hearing on October 8, 1991, Eden, by counsel, made three new motions to the Commission, to wit: (1) that outside counsel appearing at the hearing on behalf of Steven T. Foster, the Deputy Receiver, and Patrick H. Cantilo, the Special Deputy Receiver, be excluded from participation in the case; (2) that said counsel's previously submitted memorandum be stricken from the record; and (3) that this Commission recuse itself from hearing this matter.

At the October 8th hearing, oral argument was received on Eden's motions. At the conclusion of the argument, the Commission established a schedule for Eden to submit the new motions in writing, and for the parties to brief the issues. It set further oral argument for November 5, 1991.

On said date, the matter came on again to be heard by the Commission for consideration of the pending motions. At the conclusion of that hearing, Eden, by counsel, made another verbal motion that the Rule should be dismissed on the additional grounds that the party bearing the burden of proof had rested its case without presenting any evidence on the merits of the Rule. Counsel were heard briefly on this issue, and the Commission then took all motions under advisement.

This order is therefore for the purpose of disposing of all pending motions.

In logical sequence, the first motion which should be considered and resolved is that asking that the Commission recuse itself from hearing this matter, and as a consequence thereof, dismiss this Rule.

Eden notes that it made the Commission a party to Eden's lawsuit filed in the U.S. District Court for the Eastern District of Virginia on August 29, 1991; that the Commission appeared and filed motions therein; and that the Commission issued this Rule to Show Cause requiring Eden to explain here why it should not be held in contempt of our May 13, 1991, Receivership Order for filing that federal suit. Eden therefore contends that the Commission, as a defendant in the federal suit, has an "impermissible interest in the outcome of the contempt proceeding" here and that it is "not proper for the Commission to conduct a hearing or make a ruling which may materially affect the outcome of a case in which the Commission is simultaneously appearing as a party litigant."[1] Thus, says Eden, the Commission should recuse itself and, since the Commission has exclusive jurisdiction over these matters, the practical effect of such recusal is that the Rule to Show Cause must be dismissed.

Despite Eden's efforts to disguise the substance of this motion, it is a classic circular argument. Eden and others were directed by our Receivership Order of May 13, 1991 not to file lawsuits in regard to the Fidelity Bankers Life Insurance matter. Eden did file such a lawsuit, naming the Commission as one of the defendants. Now that it has done precisely what it was forbidden to do, Eden suggests the Commission is powerless to rectify the violation. A holding in agreement with that theory doubtless would be greeted with enthusiasm by all variety of litigants who are subjected to court orders not to their liking.

But, Eden claims in its memorandum of November 1, 1991, it is not seeking our recusal merely because the Commission is a defendant in the federal suit. Rather, it says, it is because the Commission, by initiating this contempt proceeding, has "set itself up to affect the federal suit in which the Commission is a party defendant." This alleged motive is not the purpose of the present proceeding. That purpose is to determine whether Eden has violated this Commission's Receivership Order, and if so, what, if any, corrective action is appropriate. Eden never successfully explains why it believes those matters would have been of any interest to the federal court in the litigation there.[2]

Eden also denies that it is suggesting that a court cannot preside over its own contempt proceedings. In discussing this point, Eden says in its November 1st memorandum that:

> The reason a court usually can judge its own contempt proceedings is because, in normal situations, the court is concerned solely with upholding the general proposition that the law must be obeyed.

The Commission agrees completely. That is, as just noted, the reason for this case. The Commission did not intend its Receivership Order of May 13, 1991, to be viewed as a precatory document; it meant for it to be obeyed by those subject to it and with notice of it, as was Eden.

Finally, as has been noted, if the Commission did recuse itself, there would be no forum available to hear this matter. Eden therefore concludes that the only remedy for this state of affairs is to dismiss the Rule. In response to the contention that such a result would violate the "rule of necessity" that the disqualification of a tribunal should not be permitted if such action would incapacitate the only forum with power to decide the question, Eden argues that there is no necessity here. That is, the receivership case is proceeding under a different case number, and Eden has not asked that the Commission recuse itself in that case. Further, says Eden: "This contempt proceeding is between the Commission and Eden. The Commission does not have to rule in this contempt case." (Eden Memorandum, November 1, 1991, page 8)

The only virtue of the latter argument is that it is frank, but it is obviously one which any defendant would like to make in a contempt proceeding. It is not for Eden to decide whether this Commission needs to rule in this case, for it is the Commission's order which allegedly has been violated, and it is the Commission's right to inquire into the matter. Also, despite the distinction concerning case numbers made by Eden, the instant case is obviously an enforcement proceeding brought with regard to the Receivership Order. If the Commission cannot act in this case, then a precedent would have been set which would make it impossible for the Commission to effectively enforce its Receivership Order against other similarly-situated defendants. In that event, the continued viability of the Virginia statutory scheme for the rehabilitation of insurance companies would be highly questionable.

Finally, the case of Virginia National Bank v. Virginia ex rel. State Corporation Commission, 320 F.Supp. 260 (E.D. Va, 1970) cited by Eden is inapposite to this situation. The essence of that decision was only that any rulings made by the Commission on an issue in a case then pending before it could not be admitted as evidence in a related federal lawsuit.

This Commission therefore finds no reason why it should recuse itself in this case, and Eden's motion to that effect is denied.

Next to be considered is Eden's motion that the firms of Rubinstein & Perry and Williams, Mullen, Christian & Dobbins, both counsel for the Deputy Receiver and the Special Deputy Receiver ("Receivers"), be disqualified from participation in this case, that their previously submitted briefs be stricken, and that the Rule be dismissed because counsel's participation to date has already tainted the proceeding against Eden.

Eden bases this challenge on certain alleged violations of our own Rules of Practice and Procedure ("Rules"), as well as on state and federal constitutional due process grounds.

We first find nothing objectionable about this situation as it relates to our Rules. In our view of the case, the Receivers stand in the posture of Complainants here, as that term is defined in the Rules, and their participation by counsel in the proceeding is quite proper. The Rule to Show Cause opens with the statement that:

> A report having been filed by Steven T. Foster, Commissioner of Insurance, as Deputy Receiver of Fidelity Bankers Life Insurance Company, alleging that:

Thus, the Commission received a complaint from the Receivers, and Rule 4:4 states that Complainants are those who file

> informal written requests for redress of some alleged wrong arising from acts or things done...in violation of some law administered by the Commission,...or order issued thereby....

Rule 5:4 provides that such complaints may be converted to formal proceedings when necessary or appropriate for full relief. The Commission chose that course here. Upon review of the report, it found it appropriate to institute this Rule to Show Cause proceeding against Eden. This action was consistent with Rule 4:11 as well, since that Rule provides that rules to show cause may be instituted "by the Commission's own motion as a consequence of any unresolved valid complaint upon petition, or for other good cause."

Rule 5:7(a) states that a case "instituted by the Commission on its own motion against a defendant will be styled" in the manner of the instant case.

Eden makes two principal attacks under our Rules. First, it says that the Receivers must not be Complainants here because, otherwise, the style of the case would have been in conformity with Rule 5:7(b), rather than (a). In addition to the fact that, if true, this would be a minor matter correctable by motion, Eden overlooks the first portion of Rule 5:7(b), which is that cases "instituted by others against a defendant will be styled..." (emphasis supplied). This case was not instituted by others; it was instituted by the Commission. True, it was begun after the Commission reviewed the Receiver's complaint, but Eden misapprehends the Rules when it suggests that the receipt of such a complaint makes it impossible for the Commission to proceed on its own motion under Rule 5:7(a) instead of (b).

Secondly, Eden notes that Rule 4:11 provides that, in show cause proceedings, "the public interest shall be represented and prosecuted by the General Counsel division." This Rule has been violated, says Eden, since the public interest is the sole one involved here, and the General Counsel has turned over its responsibilities to the outside counsel.

We, of course, expect the public interest in this matter to be represented by General Counsel, but we find no indication that its duties have been abdicated to date, nor do we interpret the Rule to mean that General Counsel may not cooperate in this role with other counsel, including complainants' counsel. We also disagree with Eden that only the public interest is concerned here. The Receivers have an interest in seeing to the proper administration of their duties, which, though closely tied to the public interest, is sufficiently apart from it to justify separate representation. Finally, if the public interest were exclusive in a show cause proceeding, Rule 8:2(b)(ii) would be a nullity. That Rule provides for the order of proceeding in hearings under Rule 4:11 and states that the complainant is to proceed first, followed by the Commission's staff, etc.

We thus find no reason to grant Eden's motion on the grounds of any violations of our Rules. We would also observe that such a violation, even if found, would hardly require dismissal of the whole proceeding, as Eden contends.

Eden next raises a challenge of due process dimensions, relying principally on the case of Cantrell v. Commonwealth, 229 Va. 387 (1985). (Eden also cites the federal case of Young v. U.S. ex rel. Vuitton Et Fils S. A., 481 U.S. 787 (1987), but we note, as did the parties, that this case was decided by the U.S. Supreme Court under its supervisory powers over subordinate federal courts. The court specifically declined to base its holding on due process grounds. We thus find Young inapplicable.)

Eden's arguments regarding Cantrell and its application to this case have been extensively set forth, and will not be repeated here. Essentially, Eden says that the Cantrell rule forbids an attorney with an interest in civil litigation from appearing as prosecutor in related criminal proceedings against the same defendant. That principle is offended here, according to Eden, since private counsel represent the Receivers in the federal lawsuit, and are attempting to have Eden convicted here to gain an advantage in the federal case.

First, this argument is of doubtful continued validity, since the federal court ruled on the merits of that case prior to our resolution of this case, and apparently without being influenced by it. Obviously, any coercive effect which Eden feared did not come to pass, unless it contends its advocacy there was somehow diminished in effectiveness because of the proceeding here, which we doubt.

Secondly, there are vast differences between our case and Cantrell. Cantrell was a prosecution for the first-degree murder of a wife by her husband, tried before a jury, where the private attorney had been retained by the parents of the victim to "help get...Cantrell convicted," Cantrell, 229 Va. at 391, and had also been retained by the parents in their attempt to wrest legal custody of the couple's only child from the defendant. The Court also noted concerns related to the question of the defendant's right to inherit from his wife, and a possible wrongful death action, both of which issues would be greatly affected by a murder conviction.

The case of Ganger v. Peyton, 379 F.2d 709 (4th Cir. 1967), cited with approval in Cantrell, involved similar facts. There, an element of specific coercion was even alleged, since the defendant testified that the attorney offered to drop an assault charge against the defendant's wife upon his agreement to a favorable settlement in a divorce case based on the assault.

The holding in Cantrell is, we believe, found in the following passage from the court's opinion:

> A lawyer who represents the victim of a crime, or the victim's family, in a civil case arising out of the occurrence which gives rise to a criminal prosecution, for which he is hired as a special prosecutor, necessarily incurs a conflict of interest. He cannot serve two masters.

Cantrell, 229 Va. at 393.

That holding, and the facts of Cantrell, cannot be made to fit this situation. This case is strictly a dispute of a commercial and business nature involving a corporate defendant, with no possibility of incarceration of any individual. There is considerable doubt, under the case law, that a proceeding of this nature is even a criminal matter, though we find no need to answer that question in order to resolve this motion.[3] There is no jury here, and, contrary to Eden's suggestion (Eden Memorandum, October 17, 1991, page 9), the Commission feels capable of ignoring or correcting any overzealousness that might appear, though we expect none. As noted above, there is very little need, given Eden's admissions, for evidence, and thus no possibility of tampering with facts or overblowing their significance. There is no "victim," except this tribunal, since the "crime" if such it is, consisted only of violating this Commission's Receivership Order. Even the alignment of the parties is different. In Cantrell and Ganger, the private attorney was on the "plaintiff's" side in both the civil and the criminal matters. Here, outside counsel appeared in the federal suit as defendants' counsel, since it was Eden which initiated the civil matter.

For all these reasons, we find no due process violation here, and no congruency of the Cantrell case with this case. Eden's motion to disqualify counsel, strike their brief, and dismiss the Rule is accordingly denied.

Having resolved Eden's motions with respect to the recusal of the Commission and disqualification of counsel, we will now consider the more general Motion to Dismiss the Rule. For purpose of this motion, we must of course consider the factual allegations of the Rule to be true.

In support of this motion, Eden argues that it had the right to take both actions complained of, that is, to request arbitration under its contract with Fidelity, and to file suit in federal court to test that question when the Special Deputy Receiver refused to proceed in the arbitration process. It also argues that its initial actions in this regard did not constitute the "commencing [or] bringing" of arbitration, as forbidden by the Receivership Order. Eden therefore concludes that there is no basis on which it may be held in contempt here.

First, as to the import of its August 13, 1991, letter to the Special Deputy Receiver, Eden makes a latter-day attempt to characterize this action as nothing more than a proposal to discuss the possibility of arbitrating this dispute. Eden's own pleadings here and in federal court belie that effort. Eden's Answer acknowledges that the letter "requested arbitration in accordance with the terms and conditions of Eden's contract with Fidelity." As Eden's Motion to Dismiss notes, that contract "provides for arbitration 'upon the request of one' of the parties." In fact, the provision is quite specific. It states that disputes "shall, upon the request of one (1) of the parties hereto, be submitted to the decision of a board of arbitration...." (emphasis supplied). Thus, a simple "request" is the triggering event under that provision. Eden obviously meant to invoke that clause by sending its letter.

Eden's federal court complaint served upon us characterizes its actions quite differently than it has portrayed them here:

> Eden's Demand for Arbitration and Notice
>
> (18) Because of the irreconcilable difference of opinion existing between Eden and the Deputy Receiver and Special Deputy Receiver for Fidelity concerning the terms of the Marketing Agreement and related transactions, Eden demanded by letter dated August 1, 1991 ..., that the dispute be submitted to arbitration pursuant to Section 8.8 of the Marketing Agreement, and requested to be advised as to the identity of Fidelity's appointee to the board of arbitration.
>
> (19) By letter of August 13, 1991 ..., Eden advised Fidelity and the Special Deputy Receiver as to the identity and qualifications of Eden's appointee to the board of arbitration in accordance with Section 8.8 of the Marketing Agreement, and again requested that Fidelity advise Eden as to the identity of Fidelity's appointee to the board of arbitration.

Eden Complaint, Eden Fin'l. Group, Inc. v. Fidelity Bankers Life Ins. Co., at 10 (E.D. Va. filed Aug. 29, 1991). (emphasis supplied).

Eden contends here, however, that its failure to unilaterally appoint the second arbitrator when Mr. Cantilo refused to do so, as was its right under the contract, shows that it never actually commenced the arbitration process. Eden's stopping short of this step may have been due to a strategic reevaluation of its posture in relation to the Receivership Order at that point. Perhaps it realized it had already gone too far. In any event, we find that the measures Eden admittedly did take were adequate, for the purposes of this motion, to find that it commenced an arbitration in violation of our Receivership Order.[4]

Eden's more extensive arguments go to its plea that it had a right under federal law to take the alleged actions, and that therefore the Commission had no authority to forbid Eden from exercising those rights in its Receivership Order initially, and is now powerless to punish Eden for the alleged violation of that order.

We first note that the existence and supremacy of such federal "rights" is cast into grave doubt, if not oblivion, by the November 19 order and memorandum opinion of the U. S. District Court, which held that Eden may not assert its claims outside the receivership procedure established here.

Nevertheless, it is not necessary that we undertake to resolve such questions here. The proper time for Eden to have raised those issues was shortly after our Receivership Order was entered on May 13, 1991. Eden admits in its Answer that it received notice of that order, and the report of the Deputy Receiver states that, by at least May 24, 1991, Eden had been sent numerous copies of it.

Our rules provide that petitions to reconsider our orders must be filed within 21 days after their entry. Rule 8:9. A notice of appeal of an order to the Virginia Supreme Court must be filed with our clerk within 30 days after entry of the order. Va. Sup. Ct. R. 5:21(c). It is not important that we decide whether, in this situation, those times should run from the date of the order, or the date Eden actually received notice of the order. Suffice it to say that, in either event, the times permitted for Eden to take such actions challenging our order were long past before Eden's August letter to Mr. Cantilo, which initiated this chain of events.

Eden did not take such steps to challenge any aspect of our Receivership Order. Instead, some three months after the order was entered, it commenced an arbitration and it filed a related lawsuit, both actions forbidden by our order. When called upon to answer for these actions, it now seeks to collaterally attack that order and contend that it never should have been entered in the first place.

Ample authority exists in cases such as Walker v. City of Birmingham, 388 U.S. 307 (1967); U.S. v. United Mine Workers, 330 U.S. 258 (1947); Howat v. Kansas, 258 U.S. 181 (1922); and Maness v. Meyers, 419 U.S. 449 (1975) to demonstrate that the course Eden has chosen here was an improper one. Parties may not wait until they have violated an order of a tribunal to contest the validity of the tribunal's actions which they have chosen to disregard.

Eden suggests, October 17, 1991 Memorandum, page 8, that the case of Donovan v. City of Dallas, 377 U.S. 408 (1964), on which Eden has placed heavy reliance throughout these arguments, somehow constitutes an exception to the Walker line of cases. Donovan clearly cannot be read in this manner. There, the U.S. Supreme Court held that it had been incorrect for the Texas Court of Civil Appeals to enjoin certain litigants from prosecuting an action in federal court. However, the Texas court had also punished those parties in contempt for violating that order. Nevertheless, the U.S. Supreme Court specifically declined to decide whether it was still proper for the Texas court to persist in the contempt finding now that the underlying order had been declared invalid. This holding, plus the fact that the Donovan case was decided prior to the Walker case, obviously furnishes no exception to the collateral bar rule.

We therefore deny Eden's Motion to Dismiss the Rule.

Finally, we consider Eden's last mentioned motion, that is, that the Rule should be dismissed for lack of evidence. That motion is also denied. First, as noted earlier, Eden has, in its Answer, admitted the allegations of the Rule to Show Cause, with the only caveat being that it disputes the interpretation which should be given to its letter of August 13, 1991. That question, of course, is one for legal argument and is not an issue on which evidence is required. It therefore ill-behooves Eden to question the lack of evidence at this point. Secondly, the Commission made it clear at the conclusion of the October 8th hearing that the hearing on November 5th would be to consider only the various motions filed in the case, not the merits of the Rule. See pages 59-62 of the Transcript. Thus, there was no occasion for evidence to be presented at the November 5th hearing, as that hearing was only to receive legal argument. The Commission said on November 5th that an evidentiary hearing would be set after we disposed of the pending motions.

Having done so, this matter is continued for receipt of evidence on the Rule to Show Cause to December 17, 1991 at 2:00 p.m.

[1]On November 19, 1991, the U.S. District Court granted the motion of the defendants, including the Commission, to dismiss that suit without prejudice. But for the possibility that Eden might seek to appeal that decision, the Commission could now therefore reasonably consider the motion to recuse to be moot.

[2]The U.S. District Court's Memorandum Opinion of November 19, 1991 does not mention this proceeding.

[3]This question does present Eden with something of a dilemma. If the matter is not criminal, then Cantrell does not apply, but if it is criminal, then the only sanction will presumably be a penalty imposed for past actions. It would then be questionable how such a penalty would be expected to have any effect on the federal lawsuit. Some impermissible connection between the two matters seems to be of the essence of the Cantrell rule.

[4]We note also that the Receivership Order forbids all parties from "doing or attempting to do" (emphasis supplied) any of the prohibited acts, and it is axiomatic, even in criminal law, that an attempt is a lesser included offense to that charged. Va. Code § 19.2-286, Va. Sup. Ct. R. 3A:17(c). If, in some views, Eden did not actually commence this process, it surely attempted to do so.

CASE NO. INS910298
OCTOBER 4, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EMPLOYERS CASUALTY COMPANY,
Defendant

IMPAIRMENT ORDER

WHEREAS, Employers Casualty Company, a foreign corporation domiciled in the State of Texas and licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, is required to maintain minimum capital of $1,000,000 and minimum surplus of $1,000,000;

WHEREAS, Virginia Code § 38.2-1036 provides, in part, that if the Commission finds an impairment of the required minimum surplus of any foreign insurer, the Commission may order the insurer to eliminate the impairment and restore the minimum surplus to the amount required by law and may prohibit the insurer from issuing any new policies in the Commonwealth of Virginia while the impairment of its surplus exists; and

WHEREAS, the Quarterly Statement of Defendant as of June 30, 1991, filed with the Commission's Bureau of Insurance, indicates capital of $12,162,500 and surplus of ($28,654,165);

THEREFORE, IT IS ORDERED that, on or before December 5, 1991, Defendant eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer.

IT IS FURTHER ORDERED that Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia while the impairment of Defendant's surplus exists and until further order of the Commission.

CASE NO. INS910298
NOVEMBER 13, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
EMPLOYERS CASUALTY COMPANY,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein October 4, 1991, Defendant was ordered to eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer; and

WHEREAS, by letter dated November 5, 1991, Defendant, by its President, has consented to a suspension of Defendant's authority to write new or renewal insurance business in the Commonwealth of Virginia until further order of the Commission;

THEREFORE, IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby, SUSPENDED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia;

(4) That Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia;

(5) That the Bureau of Insurance shall cause an attested copy of this order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment; and

(6) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910300
OCTOBER 15, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
NEW JERSEY LIFE INSURANCE COMPANY,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-1040 provides, in part, that the Commission may suspend or revoke the license of any insurance company whenever the Commission finds that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and public in this Commonwealth;

WHEREAS, by order entered September 5, 1991, in the Superior Court of New Jersey, Chancery Division, Bergen County, Defendant was found to be in such financial condition as to render its further transaction of business hazardous to its policyholders, creditors and the general public; and

WHEREAS, the Bureau of Insurance has recommended that Defendant's license to transact the business of insurance in the Commonwealth of Virginia be suspended;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to October 25, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia, unless on or before October 25, 1991, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, a request for a hearing to contest the proposed suspension of Defendant's license.

CASE NO. INS910300
OCTOBER 29, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
NEW JERSEY LIFE INSURANCE COMPANY,
Defendant

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein October 15, 1991, Defendant was ordered to take notice that the Commission would enter an order subsequent to October 25, 1991, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before October 25, 1991, Defendant filed with the Clerk of the Commission a request for a hearing before the Commission to contest the proposed suspension of Defendant's license; and

WHEREAS, as of the date of this order, Defendant has not filed a request to be heard before the Commission with respect to the proposed suspension of Defendant's license;

THEREFORE IT IS ORDERED:

(1) That pursuant to Virginia Code § 38.2-1040 the license of Defendant to transact the business of insurance in the Commonwealth of Virginia be, and it is hereby, SUSPENDED;

(2) That the appointments of Defendant's agents to act on behalf of Defendant in the Commonwealth of Virginia be, and they are hereby SUSPENDED;

(3) That Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia;

(4) That Defendant's agents shall transact no new insurance business on behalf of Defendant in the Commonwealth of Virginia;

(5) That the Bureau of Insurance shall cause an attested copy of this order to be sent to each of Defendant's agents appointed to act on behalf of Defendant in the Commonwealth of Virginia as notice of the suspension of such agent's appointment; and

(6) That the Bureau of Insurance cause notice of the suspension of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS910305
DECEMBER 18, 1991

PETITION OF
THE VIGILANT INSURANCE COMPANY,
GREAT NORTHERN INSURANCE COMPANY,
ALLIANCE ASSURANCE COMPANY, LTD.,
and
SUN INSURANCE OFFICE, LTD.

For approval to replace all or substantially all of its policies in another insurer pursuant to Virginia Code § 38.2-2212.1

ORDER GRANTING PETITION

ON A FORMER DAY came The Vigilant Insurance Company ("Vigilant"), Great Northern Insurance Company ("Great Northern"), Alliance Assurance Company, Ltd. ("Alliance"), and Sun Insurance Office, Ltd. ("Sun") (collectively the "Companies") and, pursuant to Virginia Code § 38.2-2212.1, filed with the State Corporation Commission a petition to rollover their existing books of automobile insurance into other companies; specifically, all business in Vigilant and Great Northern will be placed in Federal Insurance Company, all business in Sun will be placed in Vigilant, and all business in Alliance will be placed in Great Northern; and

THE COMMISSION, having considered the petition of the Companies, the recommendation of the Bureau of Insurance and the law applicable hereto, is of the opinion that the petition should be granted;

THEREFORE, IT IS ORDERED that the petition of the Companies, which is attached hereto and made a part hereof, be, and it is hereby, GRANTED.

NOTE: A copy of the Petition is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. INS910317
NOVEMBER 15, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
FORD LIFE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code § 38.2-3710.H by using certain credit accident and sickness rates and forms which were not on file with the Commission;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000), has waived its right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-3710.H; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910318
NOVEMBER 15, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
VISTA LIFE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code § 38.2-3710.H by using certain credit accident and sickness rates and forms which were not on file with the Commission;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of five thousand dollars ($5,000), has waived its right to a hearing and has agreed to the entry by the Commission of a cease and desist order; and

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) That Defendant cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-3710.H; and

(3) That the papers herein be placed in the file for ended causes.

CASE NO. INS910329
NOVEMBER 15, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
COMBINED UNDERWRITERS LIFE INSURANCE COMPANY,
Defendant

IMPAIRMENT ORDER

WHEREAS, Combined Underwriters Life Insurance Company, a foreign corporation domiciled in the State of Texas and licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, is required to maintain minimum capital of $1,000,000 and minimum surplus of $1,000,000;

WHEREAS, Virginia Code § 38.2-1036 provides, in part, that if the Commission finds an impairment of the required minimum surplus of any foreign insurer, the Commission may order the insurer to eliminate the impairment and restore the minimum surplus to the amount required by law and may prohibit the insurer from issuing any new policies in the Commonwealth of Virginia while the impairment of its surplus exists; and

WHEREAS, the Quarterly Statement of Defendant as of September 30, 1991, after certain adjustments were made by the Bureau of Insurance, indicates capital of $1,000,000 and surplus of $820,056;

THEREFORE, IT IS ORDERED that, on or before January 15, 1992, Defendant eliminate the impairment in its surplus and restore the same to at least $1,000,000 and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer.

IT IS FURTHER ORDERED that Defendant shall issue no new contracts or policies of insurance in the Commonwealth of Virginia while the impairment of Defendant's surplus exists and until further order of the Commission.

CASE NO. INS910330
DECEMBER 19, 1991

APPLICATION OF
VIRGINIA FARM BUREAU MUTUAL INSURANCE COMPANY

For approval of redemption of certificates pursuant to Virginia Code § 38.2-1034

ORDER GRANTING APPROVAL OF APPLICATION

WHEREAS, Virginia Code § 38.2-1034 provides that a domestic mutual insurance company may not repay, in whole or in part, any funds borrowed pursuant to said section without (i) sufficient earned surplus and (ii) the prior approval of the Commission;

WHEREAS, by letter dated November 11, 1991, and filed herein, Virginia Farm Bureau Mutual Insurance Company (VFBM), a domestic insurance company licensed by the Commission, has applied to the Commission for approval to redeem up to $300,000 of funds borrowed pursuant to the aforesaid Code section through June 30, 1992; and

WHEREAS, the Bureau of Insurance has recommended that the Commission approve the application of VFBM;

NOW, THEREFORE, the Commission, having considered the application of VFBM, the recommendation of the Bureau of Insurance and the law applicable in this matter, is of the opinion that approval of the application of VFBM should be granted.

ACCORDINGLY, IT IS ORDERED that approval of the application of Virginia Farm Bureau Mutual Insurance Company to redeem through June 30, 1992, up to $300,000 of funds borrowed pursuant to Virginia Code § 38.2-1034 be, and it is hereby, GRANTED.

CASE NO. INS910332
DECEMBER 13, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
HOME BENEFICIAL LIFE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conducted by the Bureau of Insurance that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-316.C, 38.2-502.1, 38.2-510, 38.2-511, 38.2-514, 38.2-3115.B as well as Sections VI(2) and VII(1) of the Commissions Rules Governing Life Insurance Replacements, Sections 6.A(1), 9.C and 13.A of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance, Sections 4, 6(a), 7(a) and 7(b) of the Commission's Rules Governing Unfair Claim Settlement Practices, V(1)(b), V(1)(d), V(3)(b), V(4)(b), V(4)(m) and V(5)(d) of the Commission's Rules Governing Life Insurance and Annuity Marketing Practices;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219 and 38.2-1040 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendant's license upon a finding by Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of sixteen thousand dollars ($16,000) and has waived its right to a hearing;

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in Virginia Code § 12.1-15,

IT IS ORDERED:

(1) That the offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) That the papers herein be placed in the file for ended causes.

CASE NO. INS910336
DECEMBER 17, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
JOSE H. VILLANUEVA, JR.,
Defendant

ORDER TO TAKE NOTICE

IT APPEARING from an investigation conducted by the Bureau of Insurance that Defendant, not licensed to transact the business of insurance in the Commonwealth of Virginia, violated Virginia Code §§ 38.2-1822 and 38.2-1812 by soliciting, negotiating, procuring, or effecting contracts of insurance in the Commonwealth of Virginia without first obtaining an insurance agent's license from the Commission, and by accepting insurance commissions for insurance placed while Defendant was not licensed;

IT IS ORDERED that Defendant TAKE NOTICE that, pursuant to Virginia Code § 38.2-219, the Commission shall enter an order subsequent to January 3, 1992, ordering Defendant to cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-1822 or 38.2-1812, unless on or before January 3, 1992, Defendant files a request for hearing with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216.

CASE NO. INS910341
DECEMBER 18, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
GROUP HEALTH ASSOCIATION, INC.,
Defendant

IMPAIRMENT ORDER

WHEREAS, Group Health Association, Inc. ("GHA"), a foreign corporation licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, is required by regulation adopted by the Commission in Case No. INS850209, to have a net worth that is at least equal to the sum of all uncovered expenses as defined in subsection 7.H of the regulation for the last three months reported on; however, in no case shall a health maintenance organization be required to maintain a minimum net worth in excess of $2,000,000;

WHEREAS, based on an examination conducted by the Bureau of Insurance, GHA had total uncovered expenses which would require GHA to maintain a minimum net worth of $2,000,000 as of October 31, 1991;

WHEREAS, based on an examination of GHA's October 31, 1991 financial statement, after certain adjustments were made by the Bureau of Insurance, GHA's adjusted net worth was in the range of ($1,044,141) to ($2,764,141) resulting in an impairment of its net worth of between at least $3,044,141 and $4,764,141;

IT IS ORDERED that, on or before January 30, 1992, Defendant eliminate the impairment in its net worth and restore the same to at least the amount required by law and advise the Commission of the accomplishment thereof by affidavit of Defendant's president or other authorized officer.

IT IS FURTHER ORDERED that until further order of the Commission, GHA not enroll any new participants who are residents of the Commonwealth of Virginia except for new employees of existing employer groups and newborn children or newly acquired dependents of existing participants.

MOTOR CARRIER DIVISION - AUDITS

CASE NO. MCA900068
MAY 1, 1991

PETITION OF
ROANOKE ELECTRIC STEEL CORPORATION

ORDER OF DISMISSAL

On July 9, 1990, a petition was filed by Roanoke Electric Steel Corporation under § 58.1-2030 of the Code of Virginia (1950), as amended for a refund of motor fuel taxes. A memorandum was filed by the petitioner in support of its petition and the petitioner waived oral argument;

UPON CONSIDERATION WHEREOF, it appearing to the Commission that the sole question presented is whether the refund procedure is controlled by § 58.1-2030 or § 58.1-2706 of the Code of Virginia. The Commission is of the opinion that § 58.1-2706 specifically sets forth the procedure for payment of refunds due to tax credits allowed for fuel purchased in the Commonwealth and as such, refunds will be limited to those quarters within 180 days of the Application for Refund. The petitioner has stipulated it has been refunded the full amount to which it is entitled for the quarters within this 180 day limitation period; accordingly,

IT IS ORDERED:

(1) That the petition of Roanoke Electric Steel Corporation be, and the same is hereby dismissed.

CASE NO. MCA900104
FEBRUARY 8, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
VANCE TRUCKING CO., INC.
P.O. Box 1119
Henderson, North Carolina 27536

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on January 11, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a sum of twelve thousand, four hundred twenty four dollars and seventy-one cents ($12,424.71);

(2) That unless said penalty is paid prior to March 16, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned or operated by the Defendant shall be null and void and shall be surrendered for cancellation;

(3) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until said penalty is paid.

CASE NO. MCA900135
MARCH 20, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
PROPANE TRANSPORT, INC.
1734 State Route 131
P.O. Box 232
Milford, Ohio 45150,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of additional taxes in the amount of $5,871.34, and the Commission's staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant is to pay the sum of $5,871.34, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA900141
AUGUST 2, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ACE DORAN HAULING & RIGGING CO.
1601 Blue Rock Street
Cincinnati, Ohio 45223,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant was heard on March 18, 1991, the Defendant requested and was allowed to file a brief and reply brief to the Staff's response brief; upon consideration thereof,

IT APPEARING to the Commission that the Defendant has understated its Virginia miles traveled by 18.8 percent and that after due consideration of all the evidence presented a 4.5 mile per gallon fuel consumption factor should be applied and as such the Defendant is liable for an additional $12,187.00 for motor fuel road taxes, penalties and interest; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $500;

(2) That judgment in the amount of $12,187.00 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfies the penalty and judgment set forth in (1) and (2) above, prior to September 2, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA900141
NOVEMBER 27, 1991

STATE CORPORATION COMMISSION
v.
ACE DORAN HAULING AND RIGGING COMPANY, INC.,
Defendant

OPINION

On December 7, 1990, the Commission issued a Rule to Show Cause against Ace Doran Hauling and Rigging Company (Ace Doran). The Commission's Motor Carrier Division (Audits) had audited Ace Doran's operations for the period January 1, 1987 through June 30, 1990 and concluded that Ace Doran had underreported its motor fuel road tax liability under § 58.1-2700 et. seq. of the Code of Virginia. Ace Doran contested the Division's finding.

We heard evidence on March 18, 1991. Thereafter, we received written briefs from Ace Doran and the Division. By Final Judgment Order of August 2, 1991, the Commission found that Ace Doran owed additional motor fuel road taxes, penalties, and interest of $12,187 and penalized Ace Doran an additional $500 for failure to report its motor fuel road taxes properly.

Ace Doran is an interstate carrier which, at the time of the audit, permanently leased approximately 300 tractor units from owner/operators and operated as a specialized heavy hauler (iron, steel, machinery, etc.). It tabulates mileage figures used to calculate its tax liability by use of a computer program based upon the Rand McNally Practical Route System, in which points of origin and destination are used by the computer to determine the most practical route of travel between the points. The system, as used by Ace Doran, receives no input as to the actual routes traveled by the subject vehicles; nor are the drivers required or requested to follow a predetermined route.

Thus, the computer-determined route is not necessarily the actual route. The record reflects that all routes are predetermined by the computer system, but the predetermined routes are not given to the drivers in advance in order to preserve their status as independent contractors rather than Ace Doran employees. Ace Doran's witness agreed that its computer-determined mileage could vary from the actual mileage traveled by 15 to 20 percent. Under these circumstances, we concluded that Ace Doran's computer mileage system, as used, is unreliable as a measure of mileage for purposes of the motor fuel road tax statutes.

Our inquiry could not end there, however, since it remained to calculate Ace Doran's correct tax liability. The Division made a study in the course of its audit to attempt to correct the computer-generated mileage figures. Actual mileage figures were reconstructed on 20 tractors which had traveled in Virginia in the second quarter of 1990. Based on this data, the Division concluded that Ace Doran's mileage for tax purposes was understated by 18.8 percent, and we agreed based on the evidence of record.

Section 58.1-2704 provides:

> The amount of gasoline or other motor fuel used in the operations of any motor carrier in the Commonwealth shall be such proportion of the total amount of gasoline or other motor fuel used in its entire operations by vehicles that have traveled within, or within and without, the Commonwealth during a calendar quarter as the total number of miles traveled within the Commonwealth bears to the total number of miles traveled by all vehicles of the motor carrier that have traveled in the Commonwealth during such quarter.

In other words, the percentage of Virginia miles traveled as it relates to the total miles traveled by the carrier is then multiplied by the total amount of fuel consumed to obtain the amount of fuel used in Virginia operations. In using this method, an accurate total miles traveled figure must be available. In this case, accurate mileage figures were unavailable because Ace Doran did not adequately verify its computer-generated figures.

It is manifest from the language of § 58.1-2704 that its purpose is to apportion tax liability on the basis of the actual motor fuel used in Virginia. The failure of Ace Doran to establish the reliability of its mileage figures has prevented literal application of the statutory mathematics. Application of the statute using accurate data results in an implied calculation of miles per gallon of fuel used by Ace Doran.

Ace Doran was audited by the Division in 1980 and 1986. On both of those occasions, the auditors were unable to obtain reliable figures needed to determine the amount of fuel used in its operations as required in § 58.1-2704. In each audit, a 4.00 m.p.g. factor was used to calculate Ace Doran's tax liability. The 1986 audit instructed Ace Doran to continue this method of computing its road use tax liability to Virginia until it developed a system which would reflect actual fuel and miles. Ace Doran made no attempt to improve the accuracy of its reporting method, and at all times during the audit period (January 1, 1987 through June 30, 1990), filed its returns based upon 4.00 m.p.g. for fuel consumed in the Commonwealth.

Under these circumstances, the proper tax liability must be determined by increasing reported Virginia miles for the audit period by 18.8 percent and dividing this by an m.p.g. factor. Ace Doran contended that its fleet has better mileage figures than the 4.00 m.p.g. figure that it has used in its tax filings, but the evidence does not reveal any precise consumption factor.

We used a 4.50 m.p.g. figure in our calculation of Ace Doran's tax liability, the consumption factor urged by the taxpayer.

Based on the correction of the mileage figures reported by Ace Doran and the 4.50 m.p.g. figure, we calculated Ace Doran's tax liability to be understated by $12,187.00, and entered judgment against it for that amount rather than the $20,572 found by the Division. We also imposed an additional penalty of $500 pursuant to § 58.1-2709.

CASE NO. MCA900142
JANUARY 18, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
HO-RO TRUCKING COMPANY, INC.
560 State Street
P.O. Box 871
Perth Amboy, NJ 08862,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on January 14, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $500;

(2) That judgment in the amount of $8,140.26 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfy the penalty and judgment set forth in (1) and (2) above prior to February 14, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA900147
MARCH 21, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
TRAILERLOAD EXPRESS, INC.
1500 Waverly Avenue
P.O. Box 14443
Cincinnati, Ohio 45250,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of additional taxes in the amount of $10,572.44, and the Commission's staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant is to pay the sum of $10,572.44, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA910006
JANUARY 25, 1991

COMMONWEALTH OF VIRGINIA ex rel.
STATE CORPORATION COMMISSION
v.
KOCH CARBON, INC.
P.O. Box 2256
Wichita, Kansas 67201,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of the additional taxes, penalty and interest, and the Commission's Staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant to pay in the sum of $46,233.08, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA910007
FEBRUARY 13, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
FRANK MARZIANI, t/a Frank Marziani Trucking
1005 Wilde Avenue
Drexel Hill, PA 19026,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on February 11, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $500;

(2) That judgment in the amount of $8,702.33 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfy the penalty and judgment set forth in (1) and (2) above prior to March 13, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA910009
MARCH 20, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
KAPLAN TRUCKING COMPANY
6600 Bessemer Avenue
Cleveland, Ohio 44127,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of additional taxes in the amount of $8,624.53, and the Commission's staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant is to pay the sum of $8,624.53, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA910013
MARCH 20, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ARLINGTON J. WILLIAMS, INC.
1398 S. DuPont Highway
P.O. Box 448
Smyrna, Delaware 19977-0448,
Defendant

FINAL JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settl this case by payment of additional taxes in the amount of $5,229.30, and the Commission's staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant is to pay the sum of $5,229.30, which amount having been paid, the case is ordered removed fror the docket.

CASE NO. MCA910022
MAY 28, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
INTERSTATE TRUCKING CORPORATION OF AMERICA
P.O. Box 646
Merrill, Wisconsin 54452,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on May 20, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $500;

(2) That judgment in the amount of $8,542.63 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfy the penalty and judgment set forth in (1) and (2) above prior to June 20, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA910022
JUNE 18, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
INTERSTATE TRUCKING CORPORATION OF AMERICA
P.O. Box 646
Merrill, Wisconsin 54452,
Defendant

ORDER OF DENIAL

On May 28, 1991, the State Corporation entered a Final Judgment Order and on June 17, 1991, the Defendant filed a Petition for Rehearing and Reconsideration under Rule 8:9 of the Commission's Rules of Practice and Procedure; and

WHEREAS the Commission has examined the record as well as the reasons to rehear alleged by the Defendant, and can find no reason to rehear or reconsider this case; accordingly,

IT IS ORDERED:

(1) That the Defendant's Petition for Rehearing be, and the same is hereby, denied.

CASE NO. MCA910040
MAY 17, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
NATIONAL FREIGHT, INC.
71 West Park Avenue
Vineland, NJ 08369,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settl this case by payment of the additional taxes, penalty and interest as set forth in the Rule to Show Cause, and the Commission's Staff offering n objection thereto; accordingly.

IT IS ORDERED that the Defendant pay the sum of $32,167.43, which amount having been paid, the case is ordered removed from th docket.

CASE NO. MCA910048
JUNE 17, 1991

IN THE MATTER OF
BUILDERS TRANSPORT, INC.
2029 W. Dekalb Street
P.O. Box 7005
Camden, South Carolina 29020

ORDER OF COMPROMISE AND SETTLEMENT

A report having been filed by the Commission's Motor Carrier Division (Audit) stating that an audit of April 22, 1991, records for th period April 1, 1988 through December 31, 1990, indicated additional motor fuel road tax was due and that Builders Transport, Inc. had not com into compliance with the Commission's order of December 7, 1989, entered in Case No. MCA890028; and

IT APPEARING that Builders Transport, Inc. has since the audit of April 22, 1991, instigated Accounting methods to come int compliance with the requirements of said order; and

Builders Transport, Inc. having offered to settle and compromise this matter by paying $175,000 in additional motor fuel road taxes fo the period in question, as well as to settle any liability it may have had in connection with Case No. MCA890028 for its failure to comply with th Judgment of Compromise and Settlement entered therein;

THE COMMISSION, UPON CONSIDERATION of Builders Transport, Inc. offer of compromise and settlement, is of the opinion an finds that the offer is fair and reasonable under the circumstances and should be accepted as authorized by § 12.1-15 of the Code of Virginia Accordingly,

IT IS ORDERED:

(1) That the offer of Builders Transport, Inc. to compromise and settle its motor fuel road tax liability for $175,000 be, and the same i hereby, accepted;

(2) That Builders Transport, Inc. be and it is hereby admonished to continue to maintain such accounting methods as will comply wit the Commission's Order of December 7, 1989, entered in Case No. MCA890028.

CASE NO. MCA910053
JUNE 26, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
HAROLD MEADE COMPANY, INC.
125 Cannery Road
P.O. Box 97
Whitesburg, Tennessee 37891,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on June 24, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $1,000.00;

(2) That judgment in the amount of $12,330.77 be, and same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfies the penalty and judgment set forth in (1) and (2) above prior to July 24, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA910063
AUGUST 2, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
BLUE HEN LINES, INC.
P.O. Box 280
Milford, Delaware 19963,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on July 29, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $1,000;

(2) That judgment in the amount of $7,356.63 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfies the penalty and judgment set forth in (1) and (2) above prior to August 30, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA910066
OCTOBER 22, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
LANDAIR TRANSPORT, INC.
P.O. Box 1058
Greenville, Tennessee 37744,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of the additional taxes, penalty and interest in the amount of $6,258.22, and the Commission's Staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $6,258.22, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA910068
SEPTEMBER 12, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
CHEROKEE TRANSPORTATION, INC.
9913 Rutledge Pike
Corryton, TN 37721,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on September 9, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $1,000;

(2) That judgment in the amount of $6,791.29 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfies the penalty and judgment set forth in (1) and (2) above prior to October 10, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA910078
OCTOBER 22, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MCDONNELL DOUGLAS TRUCK SERVICES, INC.
501 Office Center Drive
Fort Washington, Pennsylvania 19034,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of additional taxes, penalty and interest in the amount of $11,540.44, and the Commission's Staff offering no objection thereto accordingly,

IT IS ORDERED that the Defendant pay the sum of $11,540.44, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA910079
NOVEMBER 5, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
N. E. DELTA, INC.
Columbus Road
P.O. Box 98
Florence, New Jersey 08518,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on November 4, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $300;

(2) That judgment in the amount of $6,340.52 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfy the penalty and judgment set forth in (1) and (2) above prior to December 5, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA910080
OCTOBER 8, 1991

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
BULLDOG HIWAY EXPRESS
P.O. Box 10264
Charleston, SC 29411,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on October 7, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly;

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $1,000;

(2) That judgment in the amount of $4,193.64 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfies the penalty and judgment set forth in (1) and (2) above prior to November 7, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA910087
NOVEMBER 6, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
TNT FREIGHT EXPRESS, INC.
65 Willowbrook Boulevard
Wayne, New Jersey 07470,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of the additional taxes, penalty and interest as set forth in the Rule to Show Cause, and the Commission's Staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $12,933.29, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA910088
DECEMBER 10, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
THE STANLEY WORKS
Dept. 676
P.O. Box 1800
New Britain, Connecticut 06053,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on December 9, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $1,000;

(2) That judgment in the amount of $8,530.66 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfy the penalty and judgment set forth in (1) and (2) above prior to January 10, 1992, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA910088
DECEMBER 30, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
THE STANLEY WORKS
Dept. 676
P.O. Box 1800
New Britain, Connecticut 06053,
Defendant

VACATING AND DISMISSAL ORDER

IT APPEARING to the State Corporation Commission that by Final Judgment Order, dated December 10, 1991, the Defendant was ordered to surrender for cancellation on January 10, 1992, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission unless, before that date, the Defendant paid to the Commonwealth a penalty in the sum of nine thousand five hundred thirty dollars and sixty-six cents ($9,530.66); and

IT FURTHER APPEARING that the Commission's Motor Carrier Division has filed a report requesting the Final Judgment Order be vacated as erroneous and the case established against the Defendant be dismissed; and

THE COMMISSION, upon consideration of said report, is of the opinion that the Final Judgment Order was issued erroneously and should be vacated; accordingly,

IT IS ORDERED:

(1) That the Final Judgment Order issued in this case on December 10, 1991 be, and the same is hereby, vacated;

(2) That the Rule to Show Cause entered against the Defendant on September 23, 1991, be, and the same is hereby, dismissed.

CASE NO. MCA910094
NOVEMBER 6, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COLONIAL FREIGHT SYSTEMS, INC.
#1 McBride Lane
P.O. Box 22168
Knoxville, Tennessee 37933,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of the additional taxes, penalty and interest as set forth in the Rule to Show Cause, and the Commission's Staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $31,766.27, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA910095
NOVEMBER 6, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
AUGUSTA TRUCKING COMPANY
Route 1, Box 17A
Staunton, Virginia 24401,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on November 4, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $1,000;

(2) That judgment in the amount of $20,897.30 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfy the penalty and judgment set forth in (1) and (2) above prior to December 5, 1991, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalty and judgment amounts are satisfied.

CASE NO. MCA910101
OCTOBER 22, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
THE MASON & DIXON LINES, INC.
Special Commodities Division
Attn: Tax Department
P.O. Box 80
Warren, MI 48090,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to sett this case by payment of the additional taxes, penalty and interest as set forth in the Rule to Show Cause, and the Commission's Staff offering n objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $9,040.72, which amount having been paid, the case is ordered removed from th docket.

CASE NO. MCA910103
NOVEMBER 5, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
AMERICAN TRANSPORT, INC.
450 Elaine Street
Weirton, West Virginia 26062,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to sett this case by payment of the additional taxes, penalty and interest as set forth in the Rule to Show Cause, and the Commission's Staff offering r objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $5,891.69, which amount having been paid, the case is ordered removed from th docket.

CASE NO. MCA910106
OCTOBER 29, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ROLLINS LEASING CORPORATION
1413 Foulk Road
P.O. Box 1791
Wilmington, Delaware 19803,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to sett this case by payment of the additional taxes, penalty and interest as set forth in the Rule to Show Cause, and the Commission's Staff offering r objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $60,564.70, which amount having been paid, the case is ordered removed from th docket.

CASE NO. MCA910107
NOVEMBER 6, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
C. I. WHITTEN TRANSFER COMPANY
4417 Earl Court
P.O. Box 1758
Huntington, West Virginia 25718,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of the additional taxes, penalty and interest as set forth in the Rule to Show Cause, and the Commission's Staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $9,140.39, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA910110
DECEMBER 10, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
VIRGINIAN POWER TRANSPORT COMPANY, INC.
P.O. Box 630
Poca, West Virginia 25159,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against it, but rather to settle this case by payment of the additional taxes, penalty and interest in the amount of $7,327.31, and the Commission's Staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $7,327.31, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA910112
DECEMBER 10, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
JOHNSON BROTHERS TRUCKERS, INC.
1858 9th Avenue, N.E.
P.O. Box 848
Hickory, North Carolina 28601,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on December 9, 1991, and the Commission having found the Defendant to be in violation of the law as alleged; accordingly,

IT IS ORDERED:

(1) That Defendant pay to the Commonwealth a penalty in the sum of $1,000;

(2) That judgment in the amount of $7,397.83 be, and the same is hereby, entered against the Defendant for additional motor fuel road taxes, penalties and interest;

(3) That unless Defendant satisfy the penalty and judgment set forth in (1) and (2) above prior to January 10, 1992, all registration cards, identification markers, stamps, warrants, exemption cards and decals issued by the Commission to the Defendant for motor vehicles owned and operated by the Defendant shall be null and void and all authority issued by the Commission to the Defendant shall be revoked;

(4) That no authority be hereafter issued by the Commission for the operation by the Defendant of any motor vehicle until the penalt and judgment amounts are satisfied.

MOTOR CARRIER DIVISION - RATES AND TARIFFS

CASE NO. MCS890053
OCTOBER 3, 1991

APPLICATION OF
AIRLINES TRANSPORT COMPANY, INCORPORATED,
Transferor
and
GROOME TRANSPORTATION INCORPORATED,
Transferee

To transfer certificates of public convenience and necessity as a common carrier of passengers Nos. P-1969 and P-2242

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a hearing examiner to receive evidence on this application for the transfer of certificates of public convenience and necessity as a common carrier of passengers No. P-1969 and P-2242, which would authorize the holder thereof to transport passengers as a common carrier by motor vehicle.

On the appointed day, the hearing was held before Hearing Examiner Howard P. Anderson, Jr.. Hammell D. Jones, Jr., Esquire, appeared as counsel for the applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel for the Commission. No protestants or intervenors appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificates No. P-1969 and P-2242;

(2) That the Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) That the application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined to be unnecessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion, and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That the transfer of certificates of public convenience and necessity as a special or charter party carrier No. P-1969 and P-2242 be, and the same is hereby, granted.

CASE NO. MCS900042
APRIL 16, 1991

PETITION OF
MIDDLE ATLANTIC CONFERENCE

For authorization to use shipper or receiver names in motor carrier tariffs

FINAL ORDER

On May 1, 1990, Middle Atlantic Conference filed a petition requesting authority for intrastate common carriers of freight to file tariffs of rates and charges which name specific shippers or receivers. On July 26, 1990, the Commission assigned this petition to Hearing Examiner, Glenn P. Richardson, for further proceedings. On August 31, 1990, petitioner filed a "Statement of Facts and Argument" to support the relief requested. Staff filed a statement opposing the petition on grounds that § 56-308 of the Code of Virginia expressly prohibits naming shippers or receivers in the tariffs. No other comments were filed to the petition. On September 10, 1990, the Hearing Examiner filed a report recommending that the petition be denied for the following reasons:

1. That § 56-308 of the Code of Virginia, which delineates the principle that regulated monopolies must treat similarly situated customers equally, prohibits the special treatment for certain individual customers that is envisioned by the petition;

2. That the lack of competition among Virginia intrastate freight carriers within their certificated territories distinguishes our situation from that obtaining in interstate service, where such tariff practices are allowed;

3. That the alleged simplicity of tariff application and differences in costs of serving individual customers are not sufficient reasons to justify the proposal.

Upon consideration of the petition and the evidence presented, the Commission adopts the finding of the Hearing Examiner that § 56-308 of the Code of Virginia prohibits intrastate common carriers of freight from naming specific shippers or receivers in tariffs filed with this Commission. Section 56-308 prohibits "any undue or unreasonable preference or advantage to any particular person,...or any undue or unreasonable prejudice or disadvantage in any respect whatsoever." Though such language does not, in exact terms, expressly forbid the practice of making tariffs on a "named-customer" basis, the undue preference or disadvantage which is foreclosed by the statute arises because an "unnamed" customer would be denied the privilege of using the special tariff, even though his shipping characteristics might be identical to those of the "named" customer. The Commission thus agrees that Middle Atlantic's petition must be denied.

However, such a practice as proposed here may well be justified in a competitive environment, as the Interstate Commerce Commission has decided for transportation within its purview. Indeed, "competition" means little if it does not include the concept of carriers vying for individual customers on the basis of price and other factors. We believe that the objectives of the petition are a fair subject for debate, when considered as part of the larger question of whether the current principle of franchised, exclusive territories should be abandoned for motor carrier regulation in Virginia. This issue is the prerogative of the General Assembly, however, since fundamental statutory changes would be required to bring about such competition.

ACCORDINGLY, IT IS ORDERED:

1. That the petition of Middle Atlantic for authorization to use shipper and receiver names in motor carrier tariffs is denied; and

2. That there appearing to be nothing further to be done in this proceeding, the same is hereby dismissed from the Commission's docket, with the papers herein to be placed in the file for ended causes.

CASE NO. MCS900068
JANUARY 2, 1991

APPLICATION OF
TRAVEL MATES OF VIRGINIA, INCORPORATED

For a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on October 17, 1990 to receive evidence on this application for a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle. Applicant seeks authority to provide service from the Cities of Waynesboro and Charlottesville and the Counties of Albemarle, Page and Green, Virginia to all points in Virginia.

ON THE APPOINTED DAY, the application came on for hearing before Hearing Examiner Howard P. Anderson, Jr. Richard A. Claybrook, appeared as counsel for the Applicant. Graham G. Ludwig Jr., appeared as counsel to the Commission. No protests were filed and no intervener(s) participated in the proceeding.

The Hearing Examiner filed his report on December 7, 1990 and no comments were filed within the 15-day comment period.

The Hearing Examiner made the following findings:

(1) The Applicant is fit, willing and able to render adequate and reliable service as a special or charter party carrier by motor vehicle;

(2) The Applicant can and will comply with all provisions of law and the rules and regulations of the Commission; and

(3) The application for the points of origin for the Cities of Charlottesville and Waynesboro and the County of Albemarle is warranted by the public convenience and necessity but the evidence was insufficient to support the points of origin of Page and Green counties;

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is justified by the public convenience and necessity and should be granted; accordingly,

IT IS ORDERED:

(1) That the Hearing Examiner's findings be, and the same are hereby, adopted in their entirety;

(2) That Travel Mates of Virginia, Incorporated is granted a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle, authorizing it to transport passengers in special or charter parties by motor Vvehicle to all points in Virginia from points of origin in the Cities of Waynesboro and Charlottesville and the County of Albemarle.

CASE NO. MCS900079
MARCH 4, 1991

APPLICATION OF
PARK AVENUE LIMOUSINES, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Park Avenue Limousines, Inc. ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on December 20, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before February 10, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of December 20, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Park Avenue Limousines, Inc., authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900092
JANUARY 2, 1991

APPLICATION OF
A-PAIMA INTERNATIONAL TRANSPORT INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that A-Paima International Transport Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on August 15, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before October 3, 1990; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of August 15, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to A-Paima International Transport Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900101
APRIL 5, 1991

APPLICATION OF
LIMELIGHT LIMOUSINES, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Limelight Limousines, Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on October 1, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before November 14, 1990; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of October 1, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Limelight Limousines, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900103
FEBRUARY 20, 1991

APPLICATION OF
LESTER CLAYTON BROOKS, JR.
t/a OLD DOMINION LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Lester Clayton Brooks, Jr. t/a Old Dominion Limousine Service ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on October 1, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before November 16, 1990; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of October 1, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Lester Clayton Brooks, Jr. t/a Old Dominion Limousine Service, authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900104
MARCH 29, 1991

APPLICATION OF
PHYLLIS LORRAINE HATTEN AND ROLAND HATTEN
t/a ENCHANTE LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Phyllis Lorraine Hatten and Roland Hatten t/a Enchante Limousine Service ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Amending Order on January 24, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before March 18, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Amending Order of January 24, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Phyllis Lorraine Hatten and Roland Hatten t/a Enchante Limousine Service authorizing them to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900105
JANUARY 2, 1991

APPLICATION OF
ARLINGTON LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Arlington Limousine Service, Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on October 1, 1990,directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before November 16, 1990; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of October 1, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Arlington Limousine Service, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900107
FEBRUARY 19, 1991

APPLICATION OF
J.C.B. TRANSPORT INC.

For a certificate of public convenience and necessity as a petroleum tank truck carrier

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on December 20, 1990 to receive evidence on this application for a certificate of public convenience and necessity as a petroleum tank truck carrier which would authorize the holder to transport petroleum products.

ON THE APPOINTED DAY, the application came on for hearing before Sr. Hearing Examiner Howard P. Anderson. C. Flippo Hicks, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested from points of origin in the cities of Richmond and Chesapeake and the counties of Chesterfield, Henrico and York to points of destination in the counties of Gloucester, Mathews, Middlesex, King and Queen and King William, restricted to the account of J.C. Brown Oil Company, Inc.

(2) The Applicant can and will comply with all provisions of law and the rules and regulations of the Commission; and

(3) The application is proper and is warranted by the public convenience and necessity.

The Transcript and Examiner's Report were filed on the 29th day of January 1991. No comments were filed in the fifteen (15) day comment period.

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is warranted by the public convenience and necessity and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That a certificate of public convenience and necessity as a petroleum tank truck carrier authorizing the holder thereof to transport petroleum products from points of origin in cities of Richmond and Chesapeake and the counties of Chesterfield, Henrico and York to points of destination in the counties of Gloucester, Mathews, Middlesex, King and Queen and King William, be, and the same is hereby, granted.

CASE NO. MCS900111
MARCH 4, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
J & K TRANSPORT, INCORPORATED
808 Rear Holly Springs Road
Richmond, Virginia 23224,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on February 12, 1991, and the Commission having found the Defendant to be in violation of the law as alleged. Accordingly;

IT IS ORDERED:

(1) That the Defendant's certificate of public convenience and necessity as a petroleum tank truck carrier No. K-101 is revoked.

CASE NO. MCS900112
JANUARY 2, 1991

APPLICATION OF
TANTASTIC TANNING CENTER, LTD.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Tantastic Tanning Center, Ltd. filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on October 18, 1990,directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before December 6, 1990; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of October 18, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Tantastic Tanning Center, Ltd. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900115
JANUARY 2, 1991

APPLICATION OF
STEVE G. VANGELDER & MARIA VANGELDER,
t/a ACE LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Steve G. VanGelder and Maria VanGelder, t/a Ace Limousine Service, ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on October 18, 1990,directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before December 6, 1990; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of October 18, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Steve G. VanGelder and Maria VanGelder, t/a Ace Limousine Service, authorizing them to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900116
JANUARY 3, 1991

APPLICATION OF
DEBORAH ANN POPE, t/a STYLN II

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Deborah Ann Pope, t/a Styln II ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on October 29, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before December 18, 1990; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of October 29, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Deborah Ann Pope, t/a Styln II, authorizing her to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900118
APRIL 16, 1991

APPLICATION OF
HARTEC CORPORATION

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Hartec Corporation ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on October 29, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before December 18, 1990; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of October 29, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Hartec Corporation, authorizing it to transport passengers by limousine between all points in Virginia; and

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900120
FEBRUARY 11, 1991

APPLICATION OF
EASTERN MOTOR TRANSPORT INCORPORATED

For a certificate of public convenience and necessity as a petroleum tank truck carrier

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on January 10, 1991 to receive evidence on this application for a certificate of public convenience and necessity as a petroleum tank truck carrier which would authorize the holder to transport petroleum products.

ON THE APPOINTED DAY, the application came on for hearing before Sr. Hearing Examiner Russell W. Cunningham. Calvin F. Major, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., appeared as counsel to the Commission. Charles W. Hundly, Esquire appeared as counsel for the protestants. No interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested from points of origin in Stephens City, Chesapeake and Yorktown;

(2) There is no showing of public convenience or necessity for a point of origin in Lynchburg;

(3) The Applicant can and will comply with all provisions of law and the rules and regulations of the Commission; and

(4) The application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel that he would recommend that the Commission enter an order granting the application. The Transcript and Examiners Report was filed on the 22nd day of January 1991. No comments were filed in the fifteen (15) day comment period.

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That a certificate of public convenience and necessity as a petroleum tank truck carrier authorizing the holder thereof to transport petroleum products from points of origin in Roanoke, Virginia to all points in Virginia, be, and the same is hereby, granted.

CASE NO. MCS900120
MARCH 12, 1991

APPLICATION OF
EASTERN MOTOR TRANSPORT, INCORPORATED

For a certificate of public convenience and necessity as a petroleum tank truck carrier

AMENDING ORDER

IT APPEARING to the Commission that by Final Order dated February 11, 1991, there was an error reference to points of origin in Stephens City, Chesapeake and Yorktown, when in fact the point of original requested was Roanoke, Virginia which was the point of origin requested and granted; accordingly,

IT IS ORDERED:

(1) That reference to Stephens City, Chesapeake and Yorktown be amended to Roanoke.

CASE NO. MCS900123
JANUARY 4, 1991

APPLICATION OF
TWIN CITY COACH COMPANY, INC.,
Transferor
and
TAR HEEL STAGE LINES, INC.,
Transferee

To transfer certificate of public convenience and necessity as a special or charter party carrier No. B-47

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a hearing examiner on December 18, 1990, to receive evidence on this application for the transfer of certificate of public convenience and necessity as a special or charter party carrier No. B-47 which would authorize the holder thereof to transport passengers in special or charter parties as a restricted common carrier by Motor Vehicle.

On the appointed day, the hearing was held before Hearing Examiner Glenn Richardson, Calvin F. Major, Esquire, appeared as counsel for the applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel for the Commission. No protestants or inventors appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. B-47;

(2) That the Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) That the application is justified by the public convenience and necessity.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined to be unnecessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion, and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a special or charter party carrier No. B-47 be, and the same is hereby, granted.

CASE NO. MCS900124
JANUARY 2, 1991

APPLICATION OF
WINN BUS LINES, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Winn Bus Lines, Inc., ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on November 8, 1990,directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before December 27, 1990; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of November 8, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Winn Bus Lines, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900125
JANUARY 4, 1991

APPLICATION OF
AIRPORT SEDAN, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Airport Sedan, Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on November 15, 1990,directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before January 3, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of November 15, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Airport Sedan, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900127
APRIL 15, 1991

APPLICATION OF
AKER'S LIMOUSINES, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Aker's Limousines, Inc. ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Amending Order on January 28, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before March 18, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of January 28, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Aker's Limousines, Inc., authorizing it to transport passengers by limousine between all points in Virginia; and

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900128
FEBRUARY 20, 1991

APPLICATION OF
HARVEY N. BLACK

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Harvey N. Black ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on November 30, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before January 17, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of November 30, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Harvey N. Black, authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900129
MARCH 12, 1991

APPLICATION OF
THOMAS DI PIETRANTONIO
t/a CHOICE LIMOUSINE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Thomas Di Pietrantonio t/a Choice Limousine ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on November 30, 1990,directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before January 17, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of November 30, 1990; that no request for hear g was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Thomas De Pietrantonio t/a Choice Limousine authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900131
FEBRUARY 1, 1991

APPLICATION OF
B & L TRANSFER AND STORAGE COMPANY INCORPORATED,
Transferor
and
COOK'S MOVING SERVICE INCORPORATED,
Transferee

To transfer certificate of public convenience and necessity as a household goods carrier No. HG-26

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on January 7, 1991, to consider this application to transfer certificate of public convenience and necessity as a household goods carrier No. HG-26 which authorizes the holder thereof to transport household goods between all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. Meredith A. House, Esquire, appeared as counsel for Applicants. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. HG-26;

(2) The Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the Application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary 15-day comment period was determined not to be necessary.

Upon consideration of the Application and the Hearing Examiner's Report, the Commission is of the opinion and so finds that the Application is proper and the transfer should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a household goods carrier No. HG-26 be, and the same is hereby, granted.

CASE NO. MCS900133
FEBRUARY 8, 1991

APPLICATION OF
TOP CAT LIMO SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Top Cat Limo Service, Inc.("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on December 7, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before January 24, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of December 7, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Top Cat Limo Service, Inc., authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900134
FEBRUARY 4, 1991

APPLICATION OF
THE POLO BAY CORPORATION

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that The Polo Bay Corporation ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on December 7, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before January 24, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of December 7, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to The Polo Bay Corporation, authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900135
FEBRUARY 15, 1991

APPLICATION OF
HUNT'S FIRST CLASS LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Hunt's First Class Limousine Service, Inc. ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on December 7, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before January 24, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of December 7, 1990; that no request for hearing was made but comments and objections were timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto the comments and objections and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Hunt's First Class Limousine Service, Inc., authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900136
FEBRUARY 13, 1991

APPLICATION OF
DULLES AIRPORT LOUDOUN TAXI AND LIMOUSINE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Dulles Airport Loudoun Taxi and Limousine, Inc. ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on December 20, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before February 7, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of December 20, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Dulles Airport Loudoun Taxi and Limousine, Inc., authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900137
FEBRUARY 13, 1991

APPLICATION OF
CONTINENTAL SEDAN, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Continental Sedan, Inc. ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on December 20, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before February 7, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of December 20, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Continental Sedan, Inc., authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900138
MARCH 4, 1991

APPLICATION OF
LIMELIGHT LIMOUSINE OF VIRGINIA

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Limelight Limousine of Virginia ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on December 21, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before February 7, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of December 21, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Limelight Limousine of Virginia, authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900139
FEBRUARY 19, 1991

APPLICATION OF
TRI GAS, INC.

For a certificate of public convenience and necessity as a petroleum tank truck carrier

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held to receive evidence on this application for a certificate of public convenience and necessity as a petroleum tank truck carrier which would authorize the holder thereof to transport alcohol blended petroleum products from points of origin in Floyd, Virginia, New Church, Virginia, Richmond, Virginia, Williamsburg, Virginia and Madison, Virginia to locations in Newington, Virginia, Richmond, Virginia, Montvale, Virginia, New Church, Virginia and Floyd, Virginia.

ON THE APPOINTED DAY, the application came on for hearing before Sr. Hearing Examiner Russell W. Cunningham. Jonathan S. Gibson, III, Esquire, appeared as counsel for Applicant. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protests were filed and no interveners participated in the proceeding.

At the conclusion of the hearing, the Examiner announced his findings from the bench and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file comments to the Hearing Examiner's Report.

The Hearing Examiner made the following findings:

(1) The Applicant is fit, willing and able to render adequate and reliable service as a petroleum tank truck carrier;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The application is warranted by the public convenience and necessity;

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is justified by the public convenience and necessity and should be granted; accordingly,

IT IS ORDERED:

(1) That the Hearing Examiner's findings be, and the same are hereby, adopted in their entirety;

(2) That Tri Gas, Inc. is granted a certificate of public convenience and necessity as a petroleum tank truck carrier authorizing it to transport alcohol blended petroleum products from points of origin in Floyd, Virginia, New Church, Virginia, Richmond, Virginia, Williamsburg, Virginia and Madison, Virginia to locations in Newington, Virginia, Richmond, Virginia, Montvale, Virginia, New Church, Virginia and Floyd, Virginia.

CASE NO. MCS900140
FEBRUARY 4, 1991

APPLICATION OF
MADISON LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Madison Limousine Service, Inc. ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on December 21, 1990, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before January 30, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of December 21, 1990; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Madison Limousine Service, Inc., authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS900141
MARCH 7, 1991

APPLICATION OF
NOEL ESPINA AND EDUARDO A. VILLAREAL

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Noel Espina and Eduardo A. Villareal ("Applicants") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on January 2, 1991,directing the Applicants to provide public notice of their application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before February 21, 1991; that the Applicants have complied with all requirements of public notice as set forth in the Commission's order of January 2, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicants are fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicants pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Noel Espina and Eduardo A. Villareal authorizing them to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicants upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910001
APRIL 11, 1991

APPLICATION OF
ALONZO L. HASSELL, SR.,
Transferor
and
FORTUNE 500 LIMOUSINES, LTD.,
Transferee

For transfer of Certificate No. LM-78 to provide service as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Alonzo L. Hassell, Sr. and Fortune 500 Limousine, Ltd. ("Applicant") filed a petition with the Commission for transfer of Certificate No. LM-78 to provide service as the Commonwealth of Virginia pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on February 7, 1991, directing the Applicants to provide public notice of their application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before March 26, 1991; that the Applicants have complied with all requirements of public notice as set forth in the Commission's order of February 7, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That Fortune 500 Limousines, Ltd. is fit, willing and able to provide the proposed service; and

(2) That transfer of Certificate No. LM-78 should be granted pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That Certificate No. LM-78 as a limousine carrier be, and the same is hereby transferred to Fortune 500 Limousines, Ltd. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That Certificate No. LM-78 described in paragraph (1) above be issued to Fortune 500 Limousines, Ltd. upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910002
MARCH 4, 1991

APPLICATION OF
WAINWRIGHT TRANSFER CORPORATION OF VIRGINIA,
Transferor
and
PIEDMONT MOVERS, INCORPORATED,
Transferee

To transfer certificate of public convenience and necessity as a household goods carrier No. HG-376

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on February 25, 1991, to receive evidence on this application to transfer certificate of public convenience and necessity as a household goods carrier No. HG-376 which authorizes the holder thereof to transport household goods between points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Sr. Hearing Examiner Russell W. Cunningham. Jeffrey A. Vogelman, Esquire, appeared as counsel for the Applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transferee of certificate No. HG-376;

(2) The Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission.

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary 15 day comment period was determined not to be necessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion and so finds that the Application is proper and the transfer should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a household goods carrier No. HG-376 be, and the same is hereby, granted.

CASE NO. MCS910003
AUGUST 26, 1991

APPLICATION OF
WALI ABDULLAH HASSAN, t/a ATW Limousine Service

For a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle over irregular routes

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner to receive evidence on this application for a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle over irregular routes within the geographic area of the counties of Arlington, Fairfax and Prince William, Virginia.

ON THE APPOINTED DAY, the application came on for hearing before Hearing Examiner Howard P. Anderson, Jr. Myron C. Smith, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., appeared as counsel to the Commission. No interveners or protestants appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested, with the restriction that the Applicant will provide no service to Dulles International Airport and Washington National Airport;

(2) The Applicant can and will comply with all provisions of law and the rules and regulations of the Commission; and

(3) The application is justified by the public convenience and necessity.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and his customary fifteen (15) day comment period.

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle over irregular routes within the geographic area of the counties of Arlington, Fairfax and Prince William, Virginia be, and the same is hereby granted. The Certificate shall, however, be restricted so as not to allow service to Dulles International Airport and Washington National Airport.

CASE NO. MCS910007
APRIL 5, 1991

APPLICATION OF
G. WOODSON JOYNES

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that G. Woodson Joynes ("Applicant"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on February 7, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before March 21, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of February 7, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to G. Woodson Joynes, authorizing him to transport passengers by limousine between all points in Virginia; and

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910011
APRIL 15, 1991

APPLICATION OF
DWAYNE E. WEIL AND KAREN S. WEIL t/a CLASSIC WHEEL'S

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Dwayne E. Weil and Karen Weil t/a Classic Wheel's ("Applicants"), filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on February 20, 1991, directing the Applicants to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before April 10, 1991; that the Applicants have complied with all requirements of public notice as set forth in the Commission's order of February 20, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicants are fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicants pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That certificate as a limousine carrier be, and the same is hereby, granted to Dwayne E. Weil and Karen S. Weil, t/a Classic Wheel's authorizing them to transport passengers by limousine between all points in Virginia; and

(2) That the certificate described in paragraph (1) above be issued to the Applicants upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910012
APRIL 22, 1991

APPLICATION OF
FRIENDSHIP TOURS, INCORPORATED

For a license to broker the transportation of passengers by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on April 15, 1991, to receive evidence on this application for a license to broker the transportation of passengers by motor vehicle to all points in Virginia from points of origin located within the Counties of Chesterfield, Hanover, and Henrico and the City of Richmond.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Russell W. Cunningham. Calvin F. Major, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was deemed not to be necessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted; and

(2) That a license to broker the transportation of passengers by motor vehicle to all points in Virginia from the Counties of Chesterfield, Hanover, and Henrico, and the City of Richmond, and the same is hereby, granted.

CASE NO. MCS910014
JULY 25, 1991

APPLICATION OF
ATEF I. ABDELHADI, t/a HADI LIMOUSINE CO.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Atef I. Abdelhadi t/a Hadi Limousine Co. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Amending Order on June 4, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before July 16, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of June 4, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Atef I. Abdelhadi t/a Hadi Limousine Co. authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910015
MAY 30, 1991

APPLICATION OF
J. J. NIKITAKIS & CO., INC., t/a SOPHIA STREET CATERERS

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that J.J. Nikitakis & Co., Inc., t/a Sophia Street Caterers ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on March 26, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before May 14, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of March 26, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to J.J. Nikitakis & Co., Inc., t/a Sophia Street Caterers authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910016
MAY 30, 1991

APPLICATION OF
C. M. C., INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that C.M.C., Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on March 26, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before May 14, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of March 26, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to C.M.C., Inc. pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to C.M.C., Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910017
JUNE 20, 1991

APPLICATION OF
CARDINAL TOURING ASSOCIATES, INC.,
Transferor
and
P. D. Q. II, INC., t/a CARDINAL TOURING ASSOCIATES,
Transferee

For a license to broker the transportation of passengers by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on June 6, 1991, to consider the Application to transfer a license to broker the transportation of passengers by motor vehicles B-87 between all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner, Russell W. Cunningham. Thomas H. Cave, Esquire, appeared as counsel for Applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of license No. B-87;

(2) The Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the Application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary 15-day comment period was determined not to be necessary.

Upon consideration of the Application and the Hearing Examiner's Report, the Commission is of the opinion and so finds that the Application is proper and the transfer should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner be, and the same are hereby, adopted;

(2) That the transfer of certificate of License No. B-87 to broker the transportation of passengers by motor vehicle be, and the same is hereby, granted.

CASE NO. MCS910018
JULY 5, 1991

APPLICATION OF
TIDEWATER TOURING, INC.

For a certificate of public convenience and necessity as a sightseeing and special or charter party carrier by boat

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on May 8, 1991, to receive evidence on this application for a certificate of public convenience and necessity as a sightseeing and special or charter party carrier by boat. On the appointed day the hearing was commenced and recessed until June 12, 1991, at which time the hearing was reconvened. Applicant seeks authority to provide service as shown on Appendix A attached hereto.

ON THE NEXT APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Calvin F. Major, Esquire, appeared as counsel for Applicant. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. Hamill D. Jones, Esquire, appeared as counsel for the protestants. At the hearing on June 12, 1991, the protests were withdrawn. No interveners participated.

At the conclusion of the hearing, the Examiner announced his findings from the bench and advised counsel of record that he would recommend that the Commission enter an order granting the application. Counsel for the Applicant then waived his right to file comments to the Hearing Examiner's Report.

The Hearing Examiner made the following findings:

(1) The Applicant is fit, willing and able to render adequate and reliable service as a sightseeing and special or charter party carrier by boat;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The application is warranted by the public convenience and necessity.

(4) The certificate shall be restricted so as not to allow sale, lease or transfer.

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is justified by public convenience and necessity and should be granted; accordingly,

IT IS ORDERED:

(1) That the Hearing Examiner's findings be, and the same are hereby, adopted in their entirety;

(2) That Tidewater Touring, Inc. is granted a certificate of public convenience and necessity as a sightseeing and special or charter party carrier by boat subjected to the restriction that there can be no sale, lease or transfer of said certificate.

NOTE: A copy of Appendix A is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. MCS910019
MAY 30, 1991

APPLICATION OF
SUPERTRAVEL, LTD.

For a license to broker the transportation of passengers by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on May 15, 1991, to receive evidence on this application for a license to broker the transportation of passengers by motor vehicle from all points in Virginia to all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. Rosalie Wacker O'Brien, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was deemed not to be necessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted; and

(2) That a license to broker the transportation of passengers by motor vehicle to all points in Virginia from all points in Virginia be, and the same is hereby, granted.

CASE NO. MCS910023
JUNE 12, 1991

APPLICATION OF
ALONZO WINDSOR,
Transferor
and
FOUR CITY TOURS, INC.,
Transferee

To transfer certificate of public convenience and necessity as a special or charter party carrier No. B-108

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a hearing examiner on May 28, 1991, to receive evidence on this application for the transfer of certificate of public convenience and necessity as a special or charter party carrier No. B-108 which would authorize the holder thereof to transport passengers in special or charter parties as a restricted common carrier by motor vehicle.

On the appointed day, the hearing was held before Hearing Examiner Glenn P. Richardson. Thomas E. Glasscock, Esquire, appeared as counsel for the applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel for the Commission. No protestants or intervenors appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. B-108;

(2) That the Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) That the application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined to be unnecessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion, and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a special or charter party carrier No. B-108 be, and the same is hereby granted.

CASE NO. MCS910026
JUNE 19, 1991

APPLICATION OF
ALPINE LIMOUSINES OF TIDEWATER, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Alpine Limousines of Tidewater, Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on April 2, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before May 20, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of April 2, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Alpine Limousines of Tidewater, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910028
JUNE 11, 1991

APPLICATION OF
STAFFORD LIMOUSINE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Stafford Limousine, Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on April 5, 199, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before May 27, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of April 5, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Stafford Limousine, Inc., authorizing it to transport passengers by limousine between all points of Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910029
MAY 30, 1991

APPLICATION OF
HUGHES ENTERPRISES (A sole proprietorship of E.T. Hughes)
t/a LEISURE "N" LUXURY

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Hughes Enterprises (A sole proprietorship of E. T. Hughes) t/a Leisure "N" Luxury ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on April 5, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before May 27, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of April 5, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Hughes Enterprises (a sole proprietorship of E. T. Hughes) t/a Leisure "N" Luxury authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910032
JUNE 19, 1991

APPLICATION OF
DELTA VAN AND STORAGE, INC.,
Transferor
and
COLONIAL STORAGE CO.,
Transferee

To transfer certificate of public convenience and necessity as a household goods carrier No. HG-370

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on June 3, 1991, to consider this application to transfer certificate of public convenience and necessity as a household goods carrier No. HG-370 which authorizes the holder thereof to transport household goods between all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. Calvin F. Major, Esquire, appeared as counsel for Applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel for the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. HG-370;

(2) The Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the Application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary 15-day comment period was determined not to be necessary.

Upon consideration of the Application and the Hearing Examiner's Report, the Commission is of the opinion and so finds that the Application is proper and the transfer should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a household goods carrier No. HG-370 be, and the same is hereby, granted.

CASE NO. MCS910033
JUNE 20, 1991

APPLICATION OF
SHAVER BROTHERS TRANSFER, INC.,
Transferor
and
HILLDRUP MOVING AND STORAGE OF RICHMOND, INC.,
Transferee

To transfer certificate of public convenience and necessity as a household goods carrier No. HG-267

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on June 5, 1991, to consider this application to transfer certificate of public convenience and necessity as a household goods carrier No. HG-267 which authorizes the holder thereof to transport household goods between all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner, Glenn P. Richardson. Charles W. Hundley, Esquire, appeared as counsel for Applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. HG-267;

(2) The Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the Application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary 15-day comment period was determined not to be necessary.

Upon consideration of the Application and the Hearing Examiner's Report, the Commission is of the opinion and so finds that the Application is proper and the transfer should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a household goods carrier No. HG-267 be, and the same is hereby, granted.

CASE NO. MCS910034
JUNE 28, 1991

APPLICATION OF
VIRGINIA LAUNCH SERVICE, INC.,
Transferor
and
SANDY POINT ASSOCIATES, INC., t/a SANDY POINT LAUNCH SERVICE,
Transferee

To transfer certificate of public convenience and necessity as a carrier by Motor Launch No. ML-4

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on June 6, 1991, to consider this application to transfer certificate of public convenience and necessity as a carrier by Motor Launch No. ML-4 which authorizes the holder thereof to transport household goods between all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Alan I. Garrison, Esquire, appeared as counsel for Applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer to certificate No. ML-4;

(2) The Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the Application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary 15-day comment period was determined not to be necessary.

Upon consideration of the Application and the Hearing Examiner's Report, the Commission is of the opinion and so finds that the Application is proper and the transfer should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a carrier by Motor Launch No. ML-4 be, and the same is hereby, granted.

CASE NO. MCS910037
APRIL 30, 1991

IN THE MATTER OF
MARJORIE ANN PELL t/a IN STYLE LIMOUSINE,
Transferor
and
IN STYLE LIMOUSINE, LTD.,
Transferee

To transfer certificate as Limousine Carrier No. LM-25

ORDER OF TRANSFER

On April 15, 1991, Marjorie Ann Pell t/a In Style Limousine, Inc. filed with this Commission an application for the transfer of her certificate as a Limousine Carrier No. LM-25 to In Style Limousine, Ltd., a Virginia corporation, of which she is both president and majority stockholder;

UPON CONSIDERATION THEREOF, it appearing to the Commission that the transfer is in the public interest and should be granted in accordance with § 56-338.118 of the Code of Virginia; accordingly,

IT IS ORDERED:

(1) That the transfer or Certificate No. LM-25 as a limousine carrier be, and the same is hereby, granted.

CASE NO. MCS910039
AUGUST 14, 1991

APPLICATION OF
THE ESTATE OF EDWARD VERNON BAILEY,
Transferor,
and
JAMES BUS SERVICE, INCORPORATED,
Transferee

To transfer certificate of public convenience and necessity as a special or charter party carrier No. B-94

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on July 30, 1991, to receive evidence on this application for the transfer of certificate of public convenience and necessity as a special or charter party carrier No. B-94 which would authorize the holder thereof to transport passengers in special or charter parties as a restricted common carrier by motor vehicle.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. Thomas E. Glasscok, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. B-94;

(2) The Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) That the application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined to be unnecessary.

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a special or charter party carrier No. B-94 be, and the same is hereby, granted.

CASE NO. MCS910041
JULY 2, 1991

APPLICATION OF
SPIRIT MARINE COMPANY

For a certificate of public convenience and necessity as a sightseeing and special or charter party carrier by boat

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on June 17, 1991, to receive evidence on this application for a certificate of public convenience and necessity as a sightseeing and special or charter party carrier by boat. Applicant seeks authority to provide service as shown on Appendix A attached hereto.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. Thomas W. Moss, Jr., Esquire, appeared as counsel for Applicant. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protests were filed and no interveners participated at the hearing.

At the conclusion of the hearing, the Examiner announced his findings from the bench and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file comments to the Hearing Examiner's Report.

The Hearing Examiner made the following findings:

(1) The Applicant is fit, willing and able to render adequate and reliable service as a sightseeing and special or charter party carrier by boat;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The application is warrant by the public convenience and necessity.

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is justified by public convenience and necessity and should be granted; accordingly,

IT IS ORDERED:

(1) That the Hearing Examiner's findings be, and the same are hereby, adopted in their entirety; and

(2) That Spirit Marine Company is granted a certificate of public convenience and necessity as a sightseeing and special or charter party carrier by boat.

NOTE: A copy of Appendix A is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. MCS910043
AUGUST 14, 1991

APPLICATION OF
AMERICAN ROYALTY CORP., t/a ROYALTY LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that American Royalty Corp. t/a Royalty Limousine Service ("Applicant") filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on May 16, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before July 8, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of May 16, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to American Royalty Corp. t/a Royalty Limousine Service authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910046
JULY 12, 1991

APPLICATION OF
THE MCLEAN LIMOUSINE COMPANY

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that The McLean Limousine Company ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on May 17, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before July 8, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of May 17, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to The McLean Limousine Company authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910051
DECEMBER 9, 1991

APPLICATION OF
ROGER D. CRIGGER, MARK L. HARRIS
and
MICHAEL L. HARRIS, t/a SHANNON LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Roger D. Crigger, Mark L. Harris and Michael L. Harris t/a Shannon Limousine Service ("Applicants") filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Amending Order on September 3, 1991, directing the Applicants to provide public notice of their application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before October 20, 1991; that the Applicants have complied with all requirements of public notice as set forth in the Commission's order of September 3, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicants are fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicants pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Roger D. Crigger, Mark L. Harris and Michael L. Harris t/a Shannon Limousine Service authorizing them to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicants upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910052
JULY 22, 1991

APPLICATION OF
INTERNATIONAL MANAGEMENT AND INVESTMENT GROUP, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that International Management and Investment Group, Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on May 30, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before July 18, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of May 30, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to International Management and Investment Group, Inc.authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910054
AUGUST 1, 1991

APPLICATION OF
J. C. B. TRANSPORT, INC.

For a certificate of public convenience and necessity as a petroleum tank truck carrier

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on July 24, 1991, to receive evidence on this application for a certificate of public convenience and necessity as a petroleum tank truck carrier which would authorize the holder thereof to transport petroleum products.

ON THE APPOINTED DAY, the application came on for hearing before Sr. Hearing Examiner Russell W. Cunningham. C. F. Hicks, Esquire, appeared as counsel for Applicant. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No Protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested;

(2) The Applicant can and will comply with all provisions of law and the rules and regulations of the Commission; and

(3) The application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined to be unnecessary.

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is proper and in the public interest and should be granted; further, that the authority requested supplements the Applicant's existing Certificate No. K-133 by adding points of destination in the Cities of Newport News, Hampton, Poquoson, Williamsburg, and the Counties of James City and York; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That a certificate of public convenience and necessity as a petroleum tank truck carrier No. K-133 authorizing the holder thereof to transport petroleum products be, and the same is hereby supplemented to add as points of destinations the Cities of Newport News, Hampton, Poquoson, Williamsburg, and the Counties of James City and York.

CASE NO. MCS910055
AUGUST 14, 1991

APPLICATION OF
LLOYD RALPH WILSON, t/a L R LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Lloyd Ralph Wilson t/a L R Limousine Service ("Applicant") filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on June 6, 1991, directing the Applicant to provide public notice of his application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before July 23, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of June 6, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Lloyd Ralph Wilson t/a L R Limousine Service authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910056
AUGUST 28, 1991

APPLICATION OF
SAV-MOR OIL COMPANY, INC.

For a certificate of public convenience and necessity as a petroleum tank truck carrier

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing to be held to receive evidence on this application for a certificate of public convenience and necessity as a petroleum tank truck carrier which would authorize the holder thereof to transport petroleum products from facilities owned and operated by Parker Oil Company, Inc., Bradley, Inc. and First Energy Corporation in Richmond, Mechanicsville and South Hill to all facilities owned and operated by those companies.

ON THE APPOINTED DAY, the application came on for hearing before Senior Hearing Examiner Russell W. Cunningham. Charles H. Tenser, III, Esquire, appeared as counsel for Applicant. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protests were filed and no interveners participated in the proceeding.

At the conclusion of the hearing, the Examiner announced his findings from the bench and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file comments to the Hearing Examiner's Report.

The Hearing Examiner made the following findings:

(1) The Applicant is fit, willing and able to render adequate and reliable service as a petroleum tank truck carrier;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The application is warranted by the public convenience and necessity;

UPON CONSIDERATION of the applicantion and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is justified by the public convenience and necessity and should be granted; accordingly,

IT IS ORDERED:

(1) That the Hearing Examiner's findings be, and the same are hereby, adopted in their entirety;

(2) That Sav-Mor Oil Company, Inc. is granted a certificate of public convenience and necessity as a petroleum tank truck carrier authorizing it to transport petroleum products from facilities owned and operated by Parker Oil Company, Inc., Bradley, Inc. and First Energy Corporation in Richmond, Mechanicsville and South Hill to all facilities owned and operated by those companies.

CASE NO. MCS910058
OCTOBER 22, 1991

APPLICATION OF
ABDUL M. IDELBI

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Abdul M. Idelbi ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on June 20, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 9, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of June 20, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Abdul M. Idelbi authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910059
AUGUST 14, 1991

APPLICATION OF
SKI TRAVEL ASSOCIATES OF VIRGINIA, INC., t/a PREFERRED LIMOUSINE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Ski Travel Associates of Virginia, Inc. t/a Preferred Limousine ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on June 20, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 9, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of June 20, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Ski Travel Associates of Virginia, Inc. t/a Preferred Limousine authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910060
OCTOBER 18, 1991

APPLICATION OF
RICHARDS BUS LINES, INC.

For a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a Hearing Examiner to receive evidence on this application for a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle requesting authority to provide service from and to all points in Virginia.

ON THE APPOINTED DAY, the application came on for hearing before Hearing Examiner Howard P. Anderson, Jr. Robert S. Janney, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., appeared as counsel to the Commission. Protests were filed but after the Applicant agreed to limit its request to specific points of origin all protests were withdrawn. The hearing was continued to the 3rd of October, 1991, at which time it was reconvened. No interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested;

(2) That the Applicant can and will comply with all provisions of law and the rules and regulations of the Commission; and

(3) The application is justified by the public convenience and necessity.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and his customary fifteen (15) day comment period.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle to all points in Virginia from points of origin located in the Counties of Frederick, Clark, Rockingham, Albemarle, Madison, Culpepper, Orange, and the Cities of Winchester, Harrisonburg, Waynesboro and Charlottesville be, and the same is hereby, granted.

CASE NO. MCS910061
AUGUST 14, 1991

APPLICATION OF
CORPORATE TRANSPORTATION NETWORK, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Corporate Transportation Network, Inc. ("Applicant") filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on June 19, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 9, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of June 19, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Corporate Transportation Network, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910063
SEPTEMBER 27, 1991

APPLICATION OF
AAA AUTO PARTS, INC., t/a Mabon Motors

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that AAA Auto Parts, Inc. t/a Mabon Motors ("Applicant"), filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on June 19, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 9, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of June 19, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to AA. . Auto Parts, Inc. t/a Mabon Motors authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910066
OCTOBER 1, 1991

APPLICATION OF
GILL MEMORIAL EYE, EAR, NOSE AND THROAT HOSPITAL, INC.
t/a BURRELL CONTINUING CARE CENTER,
Transferor
and
BURRELL CONTINUING CARE CENTER, INC.,
Transferee

To transfer certificate of public convenience and necessity as a special or charter party carrier No. B-330

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a hearing examiner to receive evidence on this application for the transfer of certificate of public convenience and necessity as a special or charter party carrier No. B-330 which would authorize the holder thereof to transport passengers in special or charter parties as a restricted common carrier by motor vehicle from the Burrell Home for Adults in the City of Roanoke to points within the City of Salem and Counties of Roanoke, Botetourt and return. The certificate is restricted to the transportation of residents of Burrell Home to and from medical facilities.

On the appointed day, the hearing was held before Hearing Examiner Glenn P. Richardson, Elizabeth Schell, Esquire, appeared as counsel for the applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel for the Commission. No protestants or intervenors appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. B-330;

(2) That the Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) That the application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined to be unnecessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion, and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a special or charter party carrier No. B-330 be, and the same is hereby, granted.

CASE NO. MCS910067
SEPTEMBER 25, 1991

APPLICATION OF
SMITH'S LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Smith's Limousine Service ("Applicant"), filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on July 11, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 26, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of July 11, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Smith's Limousine Service, authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910068
AUGUST 28, 1991

APPLICATION OF
RENAISSANCE LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Renaissance Limousine Service, Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on July 11, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 26, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of July 11, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Renaissance Limousine Service, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910069
AUGUST 28, 1991

APPLICATION OF
PAUL RICHARD REPKO

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Paul Richard Repko ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on July 11, 1991, directing the Applicant to provide public notice of his application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 26, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of July 11, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Paul Richard Repko authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910072
AUGUST 28, 1991

APPLICATION OF
GEORGE H. TRAMMEL, JR.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that George H. Trammel, Jr. ("Applicant") filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on July 11, 1991, directing the Applicant to provide public notice of his application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 26, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of July 11, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to George H. Trammel, Jr. authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910073
AUGUST 28, 1991

APPLICATION OF
BOSTON COACH-WASHINGTON CORP.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Boston Coach-Washington Corp. ("Applicant") filed an application with the Commission requesting a certificate as an executive sedan carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on July 17, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 15, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of July 17, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as an executive sedan carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as an executive sedan carrier be, and the same is hereby, granted to Boston Coach-Washington Corp. authorizing it to transport passengers by motor vehicle as an executive sedan carrier between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910074
SEPTEMBER 25, 1991

APPLICATION OF
HOME RIDE OF VIRGINIA, INC.

For a license to broker the transportation of passengers by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on September 24, 1991, to receive evidence on this application for Home Ride of Virginia for a license to broker the transportation of passengers by motor vehicle.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. Calvin F. Major, Esquire, appeared for counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No protestants appeared or participated at the hearing, one intervener appeared.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was deemed not to be necessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same is hereby, adopted; and

(2) That a license to broker the transportation of passengers by motor vehicle to all points in Virginia from points of origin located within the Cities of Radford, Blacksburg, Harrisonburg and Charlottesville, Virginia be, and the same is hereby, granted.

CASE NO. MCS910075
OCTOBER 16, 1991

APPLICATION OF
WALTER THOMPSON
t/a T & T AND ASSOCIATES LIMO SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Walter Thompson, t/a T & T and Associates Limo Service ("Applicant") filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on July 11, 1991, directing the Applicant to provide public notice of his application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before August 22, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of July 11, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Walter Thompson, t/a T & T and Associates Limo Service authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910078
OCTOBER 2, 1991

APPLICATION OF
NORTHERN VIRGINIA SEDAN SERVICE, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Northern Virginia Sedan Service, Inc. ("Applicant") filed an application with the Commission requesting a certificate as an executive sedan carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on August 14, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before September 30, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of August 14, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as an executive sedan carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as an executive sedan carrier be, and the same is hereby, granted to Northern Virginia Sedan Service, Inc. authorizing it to transport passengers by executive sedan between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910079
NOVEMBER 19, 1991

APPLICATION OF
J. P. LANDAHL, JR., t/a ECONOMY MOVERS

For a certificate of public convenience and necessity as a household goods carrier

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on September 26, 1991, to consider this application for a certificate of public convenience and necessity as a household goods carrier which would authorize the holder thereof to transport household goods between all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Joseph F. Manson, III, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. Joseph E. Blackburn appeared as counsel for the Protestants.

After considering the evidence presented in the case the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the certificate; but

(2) That there was no showing of public convenience and necessity for the services applied for.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel that he would recommend that the Commission enter an order denying the Application. No comments were filed within the 15-day comment period.

Upon consideration of the Application and the Hearing Examiner's Report, the Commission is of the opinion and so finds that the Application should be denied; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner be, and the same are hereby, adopted;

(2) That the Application be, and the same is hereby, denied.

CASE NO. MCS910080
OCTOBER 16, 1991

APPLICATION OF
CHIDIADI E. JONAH

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Chidiadi E. Jonah ("Applicant") filed an application with the Commission requesting a certificate as an executive sedan carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on August 14, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before September 30, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of August 14, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as an executive sedan carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as an executive sedan carrier be, and the same is hereby, granted to Chidiadi E. Jonah authorizing him to transport passengers by executive sedan between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910083
OCTOBER 2, 1991

APPLICATION OF
EXECUTIVE CAR SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Executive Car Service, Inc. ("Applicant") filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on August 14, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before September 30, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of August 14, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Executive Car Service, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910087
OCTOBER 8, 1991

APPLICATION OF
ADMIRAL LIMOUSINE TRANSPORTATION SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Admiral Limousine Transportation Service, Inc. ("Applicant") filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on August 14, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before September 30, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of August 14, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Admiral Limousine Transportation Service, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910090
SEPTEMBER 27, 1991

APPLICATION OF
REGINALD J. WILLIAMS, D/B/A YUM-YUM LIMO SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Reginald J. Williams D/B/A Yum-Yum Limo Service ("Applicant"), filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on August 14, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before September 23, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of August 14, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) The Applicant is fit, willing and able to provide the proposed service; and

(2) A certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Reginald J. Williams, D/B/A Yum-Yum Limo Service, authorizing him to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910091
OCTOBER 16, 1991

APPLICATION OF
LAIDLAW TRANSIT (VA) INC.,
Transferor
and
DOMINION COACH COMPANY, INC.
t/a VIRGINIA OVERLAND BUS LINES,
Transferee

To transfer certificate of public convenience and necessity as a common carrier of passengers No. B-349

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a hearing examiner on October 2, 1991, to receive evidence on this application for the transfer of certificate of public convenience and necessity as a special or charter party carrier No. B-349 which would authorize the holder thereof to transport passengers in special or charter parties by motor vehicles from points of origin located within the Cities of Virginia Beach, Chesapeake, Norfolk, Portsmouth and Suffolk, Virginia to all points in Virginia.

On the appointed day, the hearing was held before Hearing Examiner Howard P. Anderson, Calvin F. Major, Esquire, appeared as counsel for the applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel for the Commission. No protestants or intervenors appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. P-349;

(2) That the Transferee can and will company with all provisions of law and the Rules and Regulations of the Commission; and

(3) That the application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined to be unnecessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion, and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a common carrier of passengers No. P-2576 be, and the same is hereby, granted.

CASE NO. MCS910092
OCTOBER 16, 1991

APPLICATION OF
LAIDLAW TRANSIT (VA) INC.,
Transferor
and
DOMINION COACH COMPANY, INC.
t/a VIRGINIA OVERLAND BUS LINES,
Transferee

To transfer certificate of public convenience and necessity as a common carrier of passengers No. P-2576

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a hearing examiner on October 2, 1991, to receive evidence on this application for the transfer of certificate of public convenience and necessity as a special or charter party carrier No. P-2576 which would authorize the holder thereof to transport passengers by motor vehicle between Portsmouth and Norfolk, Virginia via Interstate 264.

On the appointed day, the hearing was held before Hearing Examiner Howard P. Anderson, Calvin F. Major, Esquire, appeared as counsel for the applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel for the Commission. No protestants or intervenors appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. P-2576;

(2) That the Transferee can and will company with all provisions of law and the Rules and Regulations of the Commission; and

(3) That the application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined to be unnecessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion, and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a common carrier of passengers No. P-2576 be, and the same is hereby, granted.

CASE NO. MCS910096
OCTOBER 16, 1991

APPLICATION OF
WINN BUS LINES

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Winn Bus Lines ("Applicant") filed an application with the Commission requesting a certificate as an executive sedan carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on August 26, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before October 9, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's order of August 26, 1991; that no request for hearing was made nor were any comments or objections timely filed.

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as an executive sedan carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as an executive sedan carrier be, and the same is hereby, granted to Winn Bus Lines, Inc. authorizing it to transport passengers by executive sedan between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910098
DECEMBER 4, 1991

APPLICATION OF
HUSSEIN AHMED SUBHI

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Hussein Ahmed Subhi ("Applicant") filed an application with the Commission requesting a certificate as an executive sedan carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on September 3, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before October 20, 1991; that the Applicant has complied with all requirements of public notice as

set forth in the Commission's Order of September 3, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as an executive sedan carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as an executive sedan carrier be, and the same is hereby, granted to Hussein Ahmed Subhi authorizing him to transport passengers by executive sedan between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910108
DECEMBER 11, 1991

APPLICATION OF
B T S BROKERS, INC.

For a license to broker the transportation of passengers by motor vehicles

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on November 21, 1991, to receive evidence on this application for B T S Brokers, Inc. for a license to broker the transportation of passengers by motor vehicle to all points in Virginia from points of origin located within the County of Albemarle and the City of Charlottesville, Virginia;

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Leroy R. Hamlett, Jr., Esquire appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined not to be necessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same is hereby, adopted; and

(2) That a license to broker the transportation of passengers by motor vehicle to all points in Virginia from all points in Virginia be, and the same is hereby, granted.

CASE NO. MCS910109
DECEMBER 11, 1991

APPLICATION OF
BEHIND THE SCENES, INC.

For a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on November 21, 1991 to receive evidence on this application for a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle. Applicant seeks authority to provide service from points of origin located in the City of Charlottesville and the County of Albemarle to all points within the Commonwealth of Virginia.

ON THE APPOINTED DAY, the application came on for hearing before Senior Hearing Examiner Russell W. Cunningham. Leroy R. Hamlett, Jr., Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., appeared as counsel to the Commission. No protests were filed and no intervener(s) participated in the proceeding.

At the conclusion of the hearing, the Examiner announced his findings from the bench and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file comments to the Hearing Examiner's Report.

The Hearing Examiner made the following findings:

(1) The Applicant is fit, willing and able to render adequate and reliable service as a special or charter party carrier by motor vehicle;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The application is warranted by the public convenience and necessity;

UPON CONSIDERATION of the application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the application is justified by the public convenience and necessity and should be granted; accordingly,

IT IS ORDERED:

(1) That the Hearing Examiner's findings be, and the same are hereby, adopted in their entirety;

(2) That Behind the Scenes, Inc. is granted a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle, authorizing it to transport passengers as a special or charter party carrier by motor vehicle from points of origin located in the City of Charlottesville and the County of Albemarle to all points within the Commonwealth of Virginia.

CASE NO. MCS910112
DECEMBER 13, 1991

APPLICATION OF
CHESAPEAKE VAN AND STORAGE CORPORATION,
Transferor
and
PAUL ARPIN VAN LINES, INC.,
Transferee

To transfer certificate of public convenience and necessity as a household goods carrier No. HG-421

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on November 21, 1991, to consider this application to transfer certificate of public convenience and necessity as a household goods carrier No. HG-421 which authorizes the holder thereof to transport household goods between all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Calvin F. Major, Esquire, appeared as counsel for Applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protests were filed and no intervener(s) participated in the proceeding.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. HG-421;

(2) The Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an Order granting the Application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15)-day comment period was determined not to be necessary.

Upon consideration of the Application and the Hearing Examiner's Report, the Commission is of the opinion and so finds that the Application is proper and the transfer should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a household goods carrier No. HG-421 be, and the same is hereby, granted.

CASE NO. MCS910120
DECEMBER 18, 1991

APPLICATION OF
RENAISSANCE LIMOUSINE SERVICE

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Renaissance Limousine Service ("Applicant") filed an Application with the Commission requesting a certificate as an executive sedan carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on September 19, 1991, directing the Applicant to provide public notice of its Application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the Application to file such comment, objection or request for hearing on or before November 7, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of September 19, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application and the exhibits thereto, and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as an executive sedan carrier should be granted to the Applicant pursuant to § 56-338.14; accordingly,

IT IS ORDERED:

(1) That a certificate as an executive sedan carrier be and the same is hereby, granted authorizing them to transport passengers by executive sedan between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910122
DECEMBER 11, 1991

APPLICATION OF
EXCLUSIVE LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Exclusive Limousine Service, Inc. ("Applicant") filed a petition with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on September 26, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before November 15, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of September 26, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Exclusive Limousine Service, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910128
DECEMBER 17, 1991

APPLICATION OF
UNI-AMERI-CAN, LTD.

For a license to broker the transportation of property by motor vehicles

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on November 25, 1991, to receive evidence on this application for Uni-Ameri-Can, Ltd. for a license to broker the transportation of property by motor vehicle to and from all points in Virginia;

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Calvin F. Major, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined not to be necessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same is hereby, adopted; and

(2) That a license to broker the transportation of property by motor vehicle to all points in Virginia from all points in Virginia be, and the same is hereby, granted.

CASE NO. MCS910129
NOVEMBER 27, 1991

APPLICATION OF
HOME STRETCH, INC.

For a license to broker the transportation of passengers by motor vehicles

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on November 26, 1991, to receive evidence on this application for Home Stretch, Inc. for a license to broker the transportation of passengers by motor vehicle to all points in Virginia from points of origin located within the City of Charlottesville, Virginia;

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Calvin F. Major, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No protestants or

interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Applicant is fit, willing and able to provide the service requested;

(2) The Applicant can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicant that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined not to be necessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted; and

(2) That a license to broker the transportation of passengers by motor vehicle to all points in Virginia from points of origin located within the City of Charlottesville, Virginia be, and the same is hereby, granted.

CASE NO. MCS910134
DECEMBER 4, 1991

APPLICATION OF
RICKSHAW, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Rickshaw, Inc. ("Applicant") filed an application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on October 3, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before November 19, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of October 3, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds that:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be, and the same is hereby, granted to Rickshaw, Inc. authorizing it to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910136
DECEMBER 11, 1991

APPLICATION OF
CABELL WALTON DANIEL and FRANCES MARION DANIEL

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Cabell Walton Daniel and Frances Marion Daniel ("Applicants") filed a application with the Commission requesting a certificate as a limousine carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that

the Commission entered an Initial Order on October 16, 1991 directing the Applicants to provide public notice of its Application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the Application to file such comment, objection or request for hearing on or before November 27, 1991; that the Applicants have complied with all requirements of public notice as set forth in the Commission's Order of October 16, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application and the exhibits thereto, the objection and the report of the Staff is of the opinion and finds:

(1) That the Applicants are fit, willing and able to provide the proposed service; and

(2) That a certificate as a limousine carrier should be granted to the Applicants pursuant to § 56-338.14; accordingly,

IT IS ORDERED:

(1) That a certificate as a limousine carrier be and the same is hereby, granted authorizing them to transport passengers by limousine between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicants upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910139
DECEMBER 18, 1991

APPLICATION OF
QUALITY MOVING & STORAGE COMPANY, INC.,
Transferor
and
EXECUTIVE MOVING SYSTEMS, INC.,
Transferee

To transfer certificate of public convenience and necessity as a household goods carrier No. HG-355

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on December 3, 1991, to consider this application to transfer certificate of public convenience and necessity as a household goods carrier No. HG-355 which authorizes the holder thereof to transport household goods between all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. James S. D. Eisenhower, III, Esquire, appeared as counsel for Applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. No protests were filed and no intervener(s) participated in the proceeding.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of Certificate No. HG-355;

(2) The Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) The Application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an Order granting the Application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15)-day comment period was determined not to be necessary.

Upon consideration of the Application and the Hearing Examiner's Report, the Commission is of the opinion and so finds that the Application is proper and the transfer should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a household goods carrier No. HG-355 be, and the same is hereby, granted.

CASE NO. MCS910140
DECEMBER 5, 1991

APPLICATION OF
M & L DISTRIBUTORS, INCORPORATED,
Transferor
and
POPE TRANSPORT CO. OF VA.,
Transferee

To transfer certificate of public convenience and necessity as a petroleum tank truck carrier No. K-92

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a hearing examiner on December 4, 1991, to receive evidence on this application for the transfer of certificate of public convenience and necessity as a petroleum tank truck carrier No. K-92 which would authorize the holder thereof to transport petroleum from Hopewell; Richmond; Chesapeake; American Oil Refinery near Yorktown; Montvale terminal, Montvale; Fairfax terminals, Fairfax City and Fairfax County.

On the appointed day, the hearing was held before Hearing Examiner Howard P. Anderson, Jr. Calvin F. Major, Esquire, appeared as counsel for the applicants. Graham G. Ludwig, Jr., Esquire, appeared as counsel for the Commission. No protestants or interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) The Transferee is fit, willing and able to provide the services required under the transfer of certificate No. K-92;

(2) That the Transferee can and will comply with all provisions of law and the Rules and Regulations of the Commission; and

(3) That the application is proper and in the public interest.

At the conclusion of the hearing on this application, the Hearing Examiner announced the above findings and advised counsel for the Applicants that he would recommend that the Commission enter an order granting the application. Counsel then waived his right to file any comments to the Hearing Examiner's Report and the customary fifteen (15) day comment period was determined to be unnecessary.

Upon consideration of the application and the Hearing Examiner's Report, the Commission is of the opinion, and so finds, that the application is proper and in the public interest and should be granted; accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report be, and the same are hereby, adopted;

(2) That the transfer of certificate of public convenience and necessity as a petroleum tank truck carrier No. K-92 be, and the same is hereby, granted.

CASE NO. MCS910141
DECEMBER 5, 1991

APPLICATION OF
MAGED M. ABDALLA

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Maged M. Abdalla ("Applicant") filed an application with the Commission requesting a certificate as an executive sedan carrier pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Initial Order on October 16, 1991, directing the Applicant to provide public notice of its application to interested persons and further directing any person desiring to file a written comment on, object to or request a formal hearing on the application to file such comment, objection or request for hearing on or before November 27, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of October 16, 1991; that no request for hearing was made nor were any comments or objections timely filed;

NOW THE COMMISSION, upon consideration of the application and the exhibits thereto and the report of the Staff is of the opinion and finds:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That a certificate as an executive sedan carrier should be granted to the Applicant pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That a certificate as an executive sedan carrier be, and the same is hereby, granted to Maged M. Abdalla authorizing him to transport passengers by executive sedan between all points in Virginia;

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910153
DECEMBER 11, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
WAGGONER LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

DISMISSAL ORDER

IT APPEARING to the State Corporation Commission that by Final Order, dated December 7, 1990, the Applicant was granted authority by the Commission as a limousine carrier; and

IT FURTHER APPEARING that the certificate was to be issued upon satisfaction by the Applicant of requirements for operation as set by law and the Rules and Regulations of this Commission; and

IT FURTHER APPEARING that the Commission's Motor Carrier Division (Rates and Tariffs) reports that Waggoner Limousine Service, Inc. has not complied with the provisions of law for operating over the highways of Virginia; and

THE COMMISSION, upon consideration of the circumstances, is of the opinion that the conditions subsequent to the Final Order have not been met; accordingly,

IT IS ORDERED:

(1) That the application on behalf of Waggoner Limousine Service, Inc., be, and the same is hereby, dismissed and no certificate be issued.

DIVISION OF PUBLIC SERVICE TAXATION

CASE NO. PST910001
AUGUST 6, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COLUMBIA GAS TRANSMISSION CORPORATION,
Defendant

FINAL ORDER

This matter was heard by the Commission on May 20, 1991, pursuant to a Rule to Show Cause issued against Columbia Gas Transmission Corporation ("Columbia") on April 23, 1991, regarding Columbia's failure to file, when due, the annual report required by Virginia Code § 58.1-2628(B).

Counsel appearing were Stephen H. Watts, II, Esq., for Columbia, and Wayne N. Smith, Esq., for the Commission's staff. In the Rule, the Commission had found that its decision on this matter could affect operations of the Department of Taxation. It therefore invited the Tax Commissioner and the Attorney General to participate in the case. No appearance was made by these parties, however.

Columbia and the staff filed a thorough stipulation of facts with the Commission which obviated the necessity for taking evidence in the case. The significant facts are clear. Columbia, an interstate natural gas transmission company doing business in Virginia, merged in December of 1990 with Commonwealth Gas Pipeline Corporation ("Commonwealth") an intrastate company, leaving Columbia as the survivor. Part of the service Commonwealth had previously provided in Virginia, and which was assumed by Columbia as a result of the merger, was gas transportation service to the Allied Signal, Inc. plant ("Allied") in Hopewell, Virginia. Pipeline facilities are directly connected to Allied at that point, through which gas purchased by Allied from suppliers other than Commonwealth, now Columbia, is transported to the plant. Prior to November 1, 1989, Commonwealth had sold Allied gas and transported gas which Allied had purchased from other suppliers. On that date, however, Commonwealth ceased making sales of gas, but continued to transport gas for Allied.[1]

Columbia did not file the report required under Virginia Code § 58.1-2628 by its due date of April 15, 1991, because it believes it should be classified as a "pipeline transmission company" under the Code. If correct, it is required to file its report of property with the Department of Taxation rather than the Commission, which it did, and the Department is charged with assessing the value of that property for local government taxing purposes.

The Public Service Taxation division of this Commission contends, on the other hand, that Columbia is actually a "pipeline distribution company" under the Code, which means it is this Commission's duty to assess the company's property. Thus, the ultimate issue here is merely which state agency should make the property evaluation.

With the comprehensive stipulation of facts developed by the parties, that question is one of law, and it is indeed a close one, given the Code provisions on the subject. Chapter 26 of Title 58.1 of the Code deals with the subject of taxation of public service corporations. Section 58.1-2600 defines a number of terms used throughout the Chapter, among which are the following:

> "Pipeline distribution company" means a corporation, other than a pipeline transmission company, which transmits, by means of a pipeline, natural gas, manufactured gas or crude petroleum and the products or by-products thereof to a purchaser for purposes of furnishing heat or light.
>
> "Pipeline transmission company" means a corporation authorized to transmit natural gas, manufactured gas or crude petroleum and the products or by-products thereof in the public service by means of a pipeline or pipelines from one point to another when such gas or petroleum is not for sale to an ultimate consumer for purposes of furnishing heat or light.

Columbia contends, first, that it is a "pipeline transmission company" under these definitions, and, as such, it cannot be a "pipeline distribution company," because the very definition of a distribution company requires that it be a corporation "other than a pipeline transmission company...." Columbia believes that these two definitions are therefore mutually exclusive. Secondly, it argues that it is also not a distribution company because it does not transmit gas to "a purchaser." Of course, it acknowledges that it transmits gas to Allied for the purposes of furnishing heat or light, but says that Allied is not a "purchaser" of the gas from Columbia, since it has bought this gas from other upstream suppliers, and is merely hiring Columbia to transport its property to its plant.

Examining the above definitions in isolation, it becomes difficult not to grant the merits of the company's first argument, that is, that a transmission company cannot be a distribution company because of the apparent exclusivity of the two terms as thus defined.

However, Virginia Code § 58.1-2627.1, later in the chapter, confronts us with a provision which casts considerable doubt on the above tentative conclusion. First, that Code section states, as noted earlier, that a transmission company's property is to be reported to and assessed by the Department of Taxation, while that of a distribution company is to be handled by this Commission. Then, Code § 58.1-2627.1(D) provides:

When a company qualifies as both a pipeline transmission company and a pipeline distribution company, it shall for property tax valuation purposes be considered a pipeline distribution company.

This provision seems to stand in stark contrast to the mutual exclusivity argument suggested by the two definitions from Code § 58.1-2600. That is, if a distribution company must be something "other than a pipeline transmission company" under § 58.1-2600, how can it qualify as both, as envisioned by § 58.1-2627.1(D)?

When engaged in statutory interpretation, we must give effect to all relevant provisions if possible, and we believe the only way to resolve this apparent conflict is to focus on the phrase in the latter section which provides that, if a company has such a dual nature, it shall "for property tax valuation purposes" be considered a distribution company. Thus, it appears that the general definitions found in Code § 58.1-2600 should control throughout the chapter, except with regard to the specific subject of property tax valuation. In that discrete instance, we believe the law intends that the two definitions not be mutually exclusive, so that a particular company could be found to have the characteristics of both a distribution and a transmission company. If so, then for property tax valuation purposes only (as opposed to gross receipts or special tax liability for example), such a company is to be considered solely a distribution company.

The next inquiry is whether Columbia meets either or both definitions. First, is it a pipeline transmission company? Clearly it is. The stipulation shows it is engaged in transmitting natural gas through pipelines under many situations where such gas "is not for sale to an ultimate consumer for purposes of furnishing heat or light."

A more difficult question is whether Columbia also qualifies as a distribution company, ignoring, as we have explained we must for property tax valuation purposes, the phrase in that definition reading "other than a pipeline transmission company." That is, does Columbia transmit gas by means of a pipeline "to a purchaser for purposes of furnishing heat or light?"

Columbia, of course, argues that the word "purchaser" implies that a purchase of gas must be made from the distribution company, and that no such situation presently exists here.[2] We find it instructive, however, to note the difference in terminology chosen by the legislature in the concluding clauses of each of the two definitions. That is, a transmission company transmits gas which "is not for sale to an ultimate consumer," while a distribution company transmits gas "to a purchaser." Had the intention been only to establish diametrically opposed conditions, a distribution company could have been said to be a company which transmits gas which "is for sale to an ultimate consumer." Since this language was not used, we agree with the staff that the word "purchaser" does not necessarily imply a gas sales customer of the distribution company. We believe that that term was intended merely to indicate the entity which will use the gas to produce heat or light, that is, an "end-user." Such an entity does not resell the gas, does not transport it onward to a different point, but in fact consumes it for its own purposes. That is clearly the case for Allied here.

In conclusion, we find that Columbia, under the facts of this case, qualifies as both a pipeline distribution company and a pipeline transmission company. Virginia Code § 58.1-2627.1(D) therefore mandates that, for property tax valuation purposes, it is to be considered a pipeline distribution company. Thus, it is with this Commission which its annual report should have been filed under Virginia Code § 58.1-2628(B), and it was due by April 15, 1991.

Virginia Code § 58.1-2610 fixes a penalty of $100 per day for the late filing of such a report. It also provides, however, that the penalty may be waived for good cause. We find that, in this situation, the state of the law was such that Columbia could have reasonably concluded that its reporting obligation was to the Tax Commissioner rather than to this Commission. We therefore will waive the penalty in this case, but will direct that the company file its delinquent report promptly.

IT IS, THEREFORE, ORDERED:

(1) That Columbia Gas Transmission Corporation file the annual report of its real and tangible personal property owned on January 1, 1991, with the Commission, as required by Virginia Code § 58.1-2628, on or before October 7, 1991.

(2) Failure to file such report by such date will subject Columbia to the penalty provided in Virginia Code § 58.1-2610 for each day of delinquency after that date.

(3) That there being nothing further to be done herein, this matter is hereby dismissed.

[1]Prior to the merger, Commonwealth was considered a pipeline distribution company, under the definitions discussed below, and filed its required annual reports with the Commission, concluding with the one due April 15, 1990. The Commission assessed Commonwealth's property in the years preceding the merger.

[2]It is possible, as acknowledged in the stipulation, that Columbia may reinstitute actual sales service at some point in the future.

CASE NO. PST910003
JUNE 25, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MID-ATLANTIC PAGING COMPANY, INC.,
Defendant

JUDGMENT

This matter came before the Commission at a public hearing held June 24, 1991, in Richmond, Virginia. The Defendant did not appear.

The Commission finds that Mid-Atlantic Paging Company, Inc. was properly served with process giving the time and location of the hearing. We further find that Mid-Atlantic Paging Company, Inc. is a telephone company and that it did not file on or before April 15, 1991, the annual report for taxation required by § 58.1-2628(A) of the Code. Accordingly,

IT IS ORDERED that, as provided by § 58.1-2610 of the Code, judgment in the amount of $5,000 be entered against Mid-Atlantic Paging Company, Inc. (Federal Taxpayer Identification Number (E-521581893) in favor of the Commonwealth.

IT IS FURTHER ORDERED that this judgment be paid within thirty days of the date of this order in accordance with the instructions set out in the statement attached to and made part of this judgment.

NOTE: A copy of the Notice of Judgment for Failure to File 1991 Annual Tax Report is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

DIVISION OF PUBLIC UTILITY ACCOUNTING

CASE NO. PUA870017
FEBRUARY 12, 1991

APPLICATION OF
UNITED INTER-MOUNTAIN TELEPHONE COMPANY

For authority to enter into affiliate agreements

AMENDING ORDER

By Commission Order dated January 27, 1988, United Inter-Mountain Telephone Company ("Company", "Applicant", "United") was granted authority to enter into a Management Services Agreement and a Telecommunications Services and Facilities Agreement with and loan up to $50,000 to UTLD, an affiliate. On January 8, 1991, Applicant filed an amendment to the authorization in order that up to $50,000 can be advanced by Company to UTLD and repaid by UTLD and reborrowed on an as needed basis, up to a maximum $50,000 outstanding at any one time, similar to a line of credit.

THE COMMISSION, upon consideration of the amendment and representations of Applicant and having been advised by its Staff, is of the opinion that the proposed amendment to the Commission's January 27, 1988 Order would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

(1) That ordering paragraph (7) of the Commission's January 27, 1988 Order be changed to read as follows:

> (7) That the Applicant is authorized to advance funds to UTLD to be repaid and reborrowed by UTLD on an as needed basis up to a maximum amount outstanding at any one time of $50,000, under the terms and conditions and for the purposes as stated in the application;

(2) That all other provisions of the January 27, 1988 Order shall remain in full force and effect; and

(3) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA870029
APRIL 11, 1991

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to sell utility property

ORDER GRANTING AUTHORITY

On August 6, 1987, by Interim Order, the Commission granted The Potomac Edison Company ("Company", "Applicant") interim approval of the sale of utility assets to the Town of Front Royal, Virginia ("Front Royal"), provided that final approval would be subject to modification and correction by the Commission pending receipt of the actual sales price of the electric facilities.

In its report to the Commission dated April 4, 1991, Company advised that due to operating problems associated with the transfer, Company and Front Royal plan to accomplish the sale in two phases. Customers located in the John Marshall Highway and Crises Apartment sections of the 1976 and 1978 annexed areas would be transferred to Front Royal on April 10, 1991. Customers located in the Happy Creek Road area would be transferred on December 31, 1991.

Company, therefore, requests final approval of the sale and transfer of the electric facilities located in the John Marshall Highway and Criser Apartment areas of the Town of Front Royal, Virginia, to Front Royal as of April 10, 1991, for a sales price of $308,964.01. The original cost of the facilities was reported by Applicant as $292,963.60. The sales price was calculated on the basis of replacement cost less accumulated depreciation using Company's depreciation rates applied to the replacement cost. The original cost of the facilities, the cost of removal, if any, and depreciation would be a net debit to General Ledger Account 102-Electric Plant Purchased or Sold. The purchase price received from Front Royal for the facilities would be credited to General Ledger Account 102.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that the sale and transfer of the electric facilities located in the John Marshall Highway and Criser Apartment sections of the 1976 and 1978 annexed areas of Front Royal at a sales price of $308,964.01 determined in the manner described herein would not jeopardize adequate service to the public at just and reasonable rates. Final approval of the facilities in the Happy Creek Road area should not be granted until the final sales price of the facilities is reported to the Commission. Accordingly,

IT IS ORDERED:

(1) That The Potomac Edison Company is authorized to sell and transfer to the Town of Front Royal the electric facilities in the John Marshall Highway and Criser Apartment sections of the 1976 and 1978 annexed areas of Front Royal Virginia at a sales price of $308,964.01 determined as described herein;

(2) That final approval of the facilities in the Happy Creek Road area shall be postponed pending receipt of the final sales price for the facilities;

(3) That any gains realized from the sale shall be booked above-the-line, although this has no implications for ratemaking purposes; and

(4) That this matter shall be continued until June 28, 1991, for the presentation by Applicant on or before said date of a report of the action taken, such report to include the accounting entries reflecting the transaction approved herein.

CASE NO. PUA880080
JANUARY 24, 1991

APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA

For authority to enter into directory publishing arrangement with affiliate

ORDER GRANTING AUTHORITY

On December 13, 1988, Central Telephone Company of Virginia ("Company", "Applicant") filed an application under the Public Utilities Affiliates Act for authority to enter into a directory publishing agreement (the "Agreement") with an affiliate, The CenDon Partnership ("CenDon", "Affiliate"), for the publication and distribution of telephone directories in the service areas of Company from and after January, 1990. By letter dated December 14, 1990, Company submitted certain changes to the agreement.

As stated in application, CenDon is a partnership organized and existing under the laws of the State of Illinois between Centel Directory Company, a Delaware corporation, and The Reuben H. Donnelley Corporation ("Donnelley"), also a Delaware corporation. Each of the partners owns a fifty per cent (50%) interest in the partnership.

Company represents that it has published and distributed telephone directories in those areas of the Commonwealth of Virginia in which it was authorized to provide local exchange telephone service. Company contracted with Donnelley to serve as its agent to assist in the publication and distribution of the telephone directories. This agency agreement was due to expire December 31, 1989.

Under the Agreement, Company would provide to CenDon all information necessary to publish the telephone directories. CenDon or its designee would compile, compose, insert, advertise, print, and handle claims, uncollectibles, and other miscellaneous matters necessary to publish white and yellow page directories. CenDon would also be responsible for promoting the use of advertising, selling, or arranging for the sale of advertising, and preparing art for advertisers in yellow page directories.

Under the Agreement, Company would receive a payment of 48.65% of net collected revenue annually (gross revenue less uncollectibles). Applicant states that a payment of 48.65% is appropriate because Company estimates that the commission to Donnelley would have increased to a minimum of 45% had Company merely renegotiated its prior agreement with Donnelley. In addition, Applicant represents that it would have continued to incur directory expenses, estimated over the term of the renegotiated agreement at 6.35%. These expenses would include: required directory enhancements to meet competition, announcements of closing dates, design and composition of directory covers, directory addendums, purchasing listings from other local exchange carriers, promotional advertising, printing preliminary and community pages, additional composition charges, fees for billing and collecting foreign advertising, and effects of inflation. The term of the contract would be five years with a renewable option upon mutual agreement of the parties.

THE COMMISSION, upon consideration of the application and subsequent representations of Applicant, and having been advised by its Staff, is of the opinion that approval of the above-described arrangement for a five-year period beginning January 1, 1990, would not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

(1) That Central Telephone Company of Virginia is authorized to enter into the directory publishing arrangement with The CenDon Partnership under the terms and conditions and for the purposes as described in its application and as described in its changes submitted by letter dated December 14, 1990, relative to the term of the contract and compensation to be paid to Applicant;

(2) That the agreement is approved for a five-year period beginning January 1, 1990;

(3) That any renewal of the Agreement beyond the five-year period approved herein shall require Commission approval;

(4) That, in the event the terms and conditions of the Agreement change, Commission approval shall be required for such changes;

(5) That the approval granted herein shall not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(6) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia;

(7) That Company maintain records, subject to Commission inspection and review, detailing all payments made to CenDon under the agreement, including the expense items and the corresponding amounts comprising the 6.35% expenses;

(8) That Applicant file a report of action beginning February 28, 1992, for 1990 and 1991 data, and annually thereafter, showing year-to-date actual white and yellow page revenues and expenses for Company and CenDon with an itemization of expense levels by expense categories; and

(9) That this matter be continued until February 28, 1995, subject to the continuing review, audit and further directive of this Commission.

CASE NO. PUA890032
APRIL 17, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to sell medium term notes

ORDER EXTENDING AUTHORITY

Virginia Electric and Power Company ("Applicant"), by Order dated August 1, 1989, was granted authority to issue and sell up to $400 million in unsecured medium term notes ("Notes") for a period of two years after the effective date of its Securities and Exchange Commission ("SEC") registration statement. The SEC registration statement's effective date was August 21, 1989.

Applicant submitted its Reports of Action as directed in the August 1, 1989 Order. Based on the information contained therein, Applicant, from October 16, 1989, to December 22, 1989, issued and sold $85 million in Notes. The proceeds were used to retire borrowings under its Inter-Company Credit Agreement with Dominion Resources, Inc.

Applicant's authority granted by the August 1, 1989 Order expires on August 21, 1991. By letter dated April 2, 1991, Applicant represents that it now anticipates issuing the remaining balance of $315 million in Notes during 1991 but not before authority expires. Therefore, Applicant requested that the authority to issue the remaining Notes be extended to December 31, 1991.

THE COMMISSION, upon consideration of the original application, Applicant's letter dated April 2, 1991 and having been advised by its Staff, is of the opinion that extending the authority will not be detrimental to the public interest. Accordingly;

IT IS ORDERED:

1) That Applicant is authorized to issue and sell up, through December 31, 1991, up to $315 million in unsecured medium term notes, under the terms and conditions and for the purposes as stated in the original application;

2) That all the requirements and guidelines prescribed in the August 1, 1989 Order shall remain in full force and effect; and

3) That this matter be continued until Decemebr 31, 1991, subject to the continued review, audit, and directive of the Commission.

CASE NO. PUA900013
MAY 31, 1991

APPLICATION OF
TOLL ROAD CORPORATION OF VIRGINIA

For a certificate of authority and approval of rates of return, toll rates and ratemaking methodology pursuant to the Virginia Highway Corporation Act of 1988

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 56-539, as amended effective April 5, 1991 (Acts of Assembly, Chapt. 272, 1991), provides that a certificate of authority for operation of a private toll road may be transferred with approval of the Commission ". . . after consultation with the [Commonwealth Transportation] Board and notice to the governing body of any jurisdiction through which the roadway passes"; and

WHEREAS, the Commission, by Opinion and Final Order of July 6, 1990, granted the Toll Road Corporation of Virginia a certificate to construct a private toll road passing through Loudoun and Fairfax Counties and the Town of Leesburg; and

WHEREAS, the Toll Road Corporation of Virginia, by Petition dated May 23, 1991, has asked the Commission to permit transfer of the certificate to Toll Road Investors Partnership II (TRIP II), among other requests; and

WHEREAS, the Petition has been served upon the appropriate officials of Loudoun and Fairfax Counties and the Town of Leesburg;

NOW THEREFORE, IT IS ORDERED that the governing bodies of Loudoun and Fairfax Counties, and the Town of Leesburg, TAKE NOTICE that the Commission will issue a final order subsequent to June 14, 1991, adjudicating the issues raised by the Petition and that any position to be expressed on the Petition, by Loudoun or Fairfax County, or the Town of Leesburg, should be expressed in writing in this docket on or before June 14, 1991.

CASE NO. PUA900013
JUNE 28, 1991

APPLICATION OF
TOLL ROAD CORPORATION OF VIRGINIA

For a certificate of authority and approval of rates of return, toll rates and ratemaking methodology pursuant to the Virginia Highway Corporation Act of 1988

ORDER AMENDING CERTIFICATE

By its Opinion and Final Order of July 6, 1990, the Commission granted Toll Road Corporation of Virginia (TRCV) a certificate to construct and operate a private toll road between the western end of the existing, state-owned Dulles Toll Road and Leesburg, Virginia. TRCV was expected to finance its project, called the Dulles Toll Road Extension (DTRE), by retaining ownership of the land but selling the roadway and facilities to a third party and leasing them back from the purchaser. We approved the project assuming this financing arrangement, and, based on TRCV's representations, we expected construction of the DTRE to begin in late 1990.

Progress reports, which we required TRCV to file with the Commission, indicated that achievement of the various milestones for development of the project required more time than originally anticipated by TRCV. In addition, the 1991 Session of the General Assembly adopted amendments to the Virginia Highway Corporation Act of 1988 (Va. Code § 56-535, et. seq.) with an effective date of April 5, 1991. Under the amendments, private toll roads were permitted to be owned and operated by entities other than corporations and transfers of certificates were authorized upon Commission approval.

TRCV filed a "Petition for Amendment and Transfer of Certificate," dated May 23, 1991. The Petition requests Commission approval of the transfer of TRCV's certificate to a limited partnership to be called Toll Road Investors Partnership II (TRIP II). Upon approval of the transfer, the project would be financed in a different manner than the sale/leaseback arrangement we heretofore considered. Accordingly, our consideration of the transfer also requires an evaluation of the newly proposed financing arrangements for the project.

Under the amendments to the Virginia Highway Corporation Act, approval to transfer a certificate may be granted if the Commission finds, after notice to the localities through which the project would pass and consultation with the Commonwealth Transportation Board (Board), that the transfer is in the public interest. By order of May 31, 1991, notice was given to the localities through which the project would pass. No response to that notice has been received.

Our Staff evaluated the Petition and filed a report to us on June 21, 1991. Staff contacted the Board's counsel and was advised that no objection to the transfer was expressed during consideration of the project by the Board on May 16, 1991. The Board adopted, on June 20, 1991, a motion indicating no objection to the transfer. The Board, in its resolutions of May 16 and June 20, expressed a desire that any transferee of the certificate assume the duties and obligations of TRCV under the current certificate. We agree with that position. Based on the notice to the localities, the Staff's contacts with the Board's counsel and the Board's resolutions of May 16 and June 20, 1991, we find that the request for transfer is ripe for our consideration.

As we noted in our July 6, 1990 Opinion and Final Order, there is no public alternative to the private DTRE project. Moreover, the Board has renewed its approval of the project including the current alignment, project costs and schedules. Notwithstanding the changes approved by the Board and the delays encountered by TRCV over the last year, the project itself remains in the public interest. Significant progress toward consummation of the project has been made, and there remains no alternative. In these circumstances, transfer of the certificate would be in the public interest to the extent that it would permit continued advancement of the project.

TRCV proposes to transfer the certificate to a limited partnership in order to permit the project greater financing flexibility. The change from a corporate form of ownership of the project to a limited partnership does not diminish our regulatory authority. The 1991 amendments to § 56-542 of the Virginia Highway Corporation Act provide that we have authority to regulate any operator of a private toll road as if it were a public service corporation. TRIP II will be subject to our jurisdiction to the same extent as if it were organized like TRCV, as a public service corporation.

The Petition does not request changes in the toll structure we have previously approved, although that approved toll structure will permit a toll of $1.75 at the opening of the road rather than the $1.50 toll because of the delay in the scheduled opening date for the project. Nor does the Petition request changes in other regulatory requirements we have imposed with respect to rates of return or the Reinvested Earnings Account mechanism. We note, however, that Staff and TRCV agree that the settlement between John R. Reilly and TRCV should not be included in project costs for regulatory purposes, and we agree.

Approval of the transfer turns wholly on whether the financing plan now proposed is a reasonable alternative to the previous sale and leaseback proposal. Our Staff reviewed the currently proposed financing plan. It concluded that the plan is reasonable and offers greater financing flexibility than the previous proposal. Staff also noted that Fitch Investors Service has issued a private rating on the project's senior secured notes which would make them investment grade.

Based on the Petition and the subsequent Staff Report, we find that the revised financing plan is reasonable and that the proposed transfer of the certificate is in the public interest. Accordingly,

IT IS ORDERED:

(1) That the transfer of the certificate granted to TRCV to construct the DTRE, and the associated financing plan, are authorized and approved, provided that the limited partnerships described in the Petition are organized in substantial conformance to the description in the Petition and, provided further that such limited partnerships are organized, and that such transfer occur, no later than the closing of financing;

(2) That ordering paragraph (3) of the Commission's Opinion and Final Order of July 6, 1990 is amended to read:

(3) That the effective returns on equity are approved as follows:

30% - until 1.15 x debt service coverage, or 5 years, whichever is longer;
25% - until 1.25 x debt service coverage, or 2 years, whichever is longer;
20% - until 1.5 x debt service coverage, or 4 years, whichever is longer;
15% - until 1.75 x debt service coverage, or 5 years, whichever is longer;
14% - remaining term;

subject to the Commission's jurisdiction to alter allowed rates of return prospectively;

(3) That ordering paragraph (5) of the Commission's Opinion and Final Order of July 6, 1990 is deleted from the certificate;

(4) That all other provisions of the Opinion and Final Order of July 6, 1990, shall remain in full force and effect;

(5) That the Opinion and Final Order of July 6, 1990, as modified by the Commission's Order of January 28, 1991, and this Order Amending Certificate shall hereafter constitute the certificate required by the Virginia Highway Corporation Act, authorizing construction and operation of the proposed DTRE;

(6) That, upon a transfer of the certificate in accordance with this order, TRIP II shall become the operator of the project and all provisions of the certificate shall apply to it thereafter; and

(7) This case shall remain open pending further order of the Commission.

CASE NO. PUA900052
FEBRUARY 12, 1991

APPLICATION OF
UNITED CITIES GAS COMPANY

For authority to enter into affiliate arrangements

ORDER GRANTING AUTHORITY

United Cities Gas Company ("Applicant", "Company", "United") has filed an application with the Commission under the Public Utilities Affiliates Act (the "Affiliates Act") for authority to enter into certain affilate arrangements with UCG Energy Corporation ("UCG", "Affiliate"). In its application, Company requests authority to enter into a Services Agreement (the "Agreement"), an Automotive Vehicle Finance Lease, a Personal Property and Equipment Lease and certain real property lease agreements.

The Services Agreement was entered into January 1, 1989. Under the Agreement, United provides overall management services to its affiliate, UCG Energy Corporation, for which charges are made to UCG based upon the salaries of such officers or employees of United providing such services, together with all proper applicable overheads based upon the time spent by such officers or employees. Company further states in the Agreement that Affilate has from time to time loaned available funds to United for use as working capital and for construction costs. Company was advised that any borrowings from UCG would not be considered for approval in this application but must be approved under the Public Utilities Securities Act in a separate filing. Applicant also states in the Agreement that Affiliate has, from time to time, purchased for United spot supplies of natural gas and propane principally in states in which United does not do business and has arranged for the delivery or the transmittal through displacement of such supplies to Company. UCG acts as broker, or marketer, and purchases all of the spot gas for United's system supply. The gas is sold to United at UCG cost without any markup. United pays the transportation cost for delivery to Company's city gates. UCG has also entered into agreements with certain industrial customers of United, whereby Affiliate purchases spot gas supplies for such customers. Affiliate is paid directly by those industrial customers for purchases of those spot supplies which arrangements are mutually beneficial to both parties. Under this program, UCG acts as a marketer and purchases spot gas for specific industrial customers, at cost, plus an administrative charge as approved by the various State Commissions. United's role in this program is that the gas is sold to United's industrial customers and delivered through its distribution. The program is not in effect in Virginia.

Company represents that the Automotive Vehicle Finance Lease was entered into on January 1, 1990. Under this lease, UCG will lease one or more vehicles to United, and United will pay to UCG a monthly rental per vehicle of 1.25% of the original invoice cost plus a monthly depreciation expense.

Applicant states that the Personal Property and Equipment Lease was entered into on January 1, 1989. Under this lease, United will lease from Affiliate all items of personal property and equipment named and described in the Books of Account and Records of UCG Energy Corporation. United will pay to UCG a monthly rental of 1.5% of the original cost plus depreciation expense.

United represents that seven real property lease agreements have been entered into with Affiliate from January 1, 1984, through January 1, 1989. Under these agreements, United will lease from UCG certain tracts of land together with all improvements thereto, and United will make rental payments to UCG. None of the rental payments made by United under these lease agreements are allocated to Virginia ratepayers.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that the affiliate arrangements as described herein, with the exception of borrowings from UCG, which should be reviewed in a separate filing, would not be detrimental to the public interest and should be approved. The Commission is of the further opinion, however, that any changes in the agreements as described herein, including the rental on vehicle leases and any allocations to Virginia ratepayers not approved herein, shall require Commission approval. It is also the Commission's opinion that, in order to assure that the public's interest is protected, Company shall, in any future affiliate leases submitted for Commission approval, provide justification in terms of third-party rates and provide proof that third-party bids have been sought and results of such bids. The fact that the affiliated arrangements for which Applicant seeks authority herein were entered into well in advance of seeking Commission approval causes concern to the Commission in that Applicant has shown apparent disregard for the provisions of the Public Utilities Affiliates Act. The Commission urges Company to take the necessary steps in the future to assure that such future arrangements are approved by the Commission prior to entering into the arrangements. Accordingly,

IT IS ORDERED:

(1) That United Cities Gas Company is authorized to enter into the Services Agreement with UCG Energy Corporation as described in the application, with the exception of the borrowings from UCG Energy described herein, under the terms and conditions and for the purposes as described in the application;

(2) That Applicant is authorized to enter into the Automotive Vehicle Finance Lease under the terms and conditions and for the purposes as described in the application;

(3) That Company is authorized to enter into the Personal Property and Equipment lease as described herein;

(4) That Company is authorized to enter into the seven real property leases with UCG as described in the application;

(5) That any changes in the agreements as described herein, including the rental on vehicle leases and any allocations to Virginia ratepayers not approved herein, shall require Commission approval;

(6) That any future lease agreements submitted to the Commission shall be justified in terms of third-party lease rates, and Company shall be required to provide proof that third-party bids have been sought and results of such bids;

(7) That the approvals granted herein shall have no ratemaking implications;

(8) That the approvals granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(9) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia hereafter; and

(10) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA900066
MAY 15, 1991

APPLICATION OF
SHENANDOAH TELEPHONE COMPANY

For authority to modify a previously approved affiliates agreement

ORDER GRANTING AUTHORITY

Sher ndoah Telephone Company ("Shenandoah", "Applicant") and its affiliates received approval on June 20, 1986, in Case No. PUA840067, for authority to allocate expenses and return on asset allocations among affiliates. On October 9, 1987, Shenandoah received approval in Case No. PUA870054 to include its affiliate, Shenandoah Long Distance Company ("ShenLong"), as part of the allocation procedures. Shenandoah received authority on September 13, 1989, in Case No. PUA890030, to include its affiliate, Shenandoah Network Company ("Network") as part of its allocation procedures and received authority to include its affiliate, Virginia 10 RSA Limited Partnership ("VA10"), in the arrangement in Case No. PUA900029. On October 30, 1991, Shenandoah filed an application with the Commission for authority to modify the aforementioned affiliates agreement pursuant to the Public Utilities Affiliates Law.

Applicant proposes to include its new affiliate, Virginia 10 RSA Resale Limited Partnership, d/b/a Shenandoah Cellular Company ("ShenCell"), as part of the allocation procedures. ShenCell was established to offer retail cellular service to end user customers. ShenCell expects to obtain its management and employee services from Shenandoah and its affiliates. Shenandoah and ShenTel Service Company ("ShenTel") may desire to become installation and service agents for ShenCell. All agent relationships with ShenCell will be on the same terms and conditions as that offered to other agents by ShenCell.

Additionally, Shenandoah Telecommunications Company ("Shencom") has established a private foundation to handle the organization's charitable contributions. Shenandoah proposes to exclude contributions from the allocation process since additional contributions are expected to be insignificant. With the exception of eliminating contributions from the allocation process, no other allocation methods will change, and ShenCell will simply be incorporated into the previously approved procedures. In addition to the allocation of general overhead expenses, ShenCell will pay tariffed charges to Applicant and VA10 for any services Applicant and VA10 provide under tariff.

THE COMMISSION, upon consideration of said application and having been advised by its Staff, is of the opinion that approval of the application will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That the Applicant is authorized to incorporate ShenCell into the allocation methods and procedures as approved in Case No. PUA840067 and amended in Case Nos. PUA870054, PUA890030 and PUA900029 and to render services to ShenCell under the terms and conditions and for the purposes stated in the application;

2) That the Applicant is authorized to update the allocation procedures authorized in Case No. PUA840067 and amended in Case Nos. PUA870054, PUA890030 and PUA900029 to allow for the exclusion of contributions from the allocation process;

3) That the authority granted herein shall in no way include the authority, expressed or implied, to establish an affiliate for the purpose of handling the charitable contributions for Company and its affiliates;

4) That the Applicant shall secure Commission approval for any changes in the agreement or the allocator methods and procedures;

5) That approval of the application does not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

6) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein, pursuant to Section 56-79 of the Code of Virginia; and

7) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA900070
OCTOBER 28, 1991

APPLICATION OF
UNITED INTER-MOUNTAIN TELEPHONE COMPANY

For approval of agreement with affiliate

ORDER GRANTING AUTHORITY

On December 17, 1990, United Inter-Mountain Telephone Company ("United", "Company", "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act (the "Affiliates Act") for approval of an Independent Contractor Sales Agreement (the "Agreement") between United Telecommunications, Inc. ("UTI"), on behalf of United, and US Sprint Communications Company Limited Partnership ("Sprint", "Affiliate"), pursuant to which United will perform sales and certain sales and operations support activities on behalf of Sprint. United filed an amendment to the Agreement on September 12, 1991. Pursuant to the Agreement, United will market Sprint's interLATA network services including long distance, Dial 1 Wats, FONELINE 800, Dial 1 MTS, Sprint Plus, Ultra WATS, Ultra 800, FONCARD, and Private Line telecommunications service. United currently provides intraLATA local exchange services as well as markets key, PBX, and other terminal equipment. United states in its application that this arrangement will provide customers with a single point of contact for the procurement of telecommunications services and products.

The term of the Agreement is for one (1) year and shall continue to remain in full force and effect unless terminated by either party. Either party may terminate the Agreement upon thirty (30) days written notice after the first twelve months. Pursuant to the Agreement, United will receive a commission on the sale of Sprint services of six per cent (6%) as long as monthly sales volumes have been met. If sales volumes have not been met, the rate will range from 5-5.75%.

United will follow its Cost Allocation Manual ("CAM") produced in accordance with Federal Communications Commission ("FCC") Docket 86-111 in accounting for transactions with its affiliate. In addition, in compliance with FCC requirements, unregulated activity, such as IXC sales agency agreements are removed from the regulated accounts. United, in conformance with the 86-111 guidelines, uses exception time reporting for sales personnel. The time spent on CPE sales and on IXC sales agency sales is exception reported and removed from the Part 64 regulated accounts. United pays the sales and administration costs of IXC sales agency agreements and, therefore, these costs are not allocated to Sprint.

On May 7, 1991, the Commission provided all certificated interexchange carriers with the opportunity to comment on the proposed agreement. AT&T Communications of Virginia, Inc. ("AT&T") filed comments on May 29, 1991. Subsequently, MCI Telecommunications Corporation ("MCI") and Central Telephone Company of Virginia ("Centel") filed comments on May 31, 1991 and June 6, 1991, respectively.

In its comments, Centel states that the described services should be provided to customers on a non-discriminatory basis and in the most convenient and cost-effective manner. Centel further comments to the effect that the proposed arrangement as described herein should achieve those goals.

MCI states, in its comments, that the proposed agreement between United and Affiliate should be given special scrutiny by the Commission. MCI states that it believes that the fact that a sales commission will be paid does not address or mitigate the potential for harm to United's monopoly ratepayers inherent in the type of agreement proposed between the local exchange monopoly provider and an affiliated unregulated interexchange carrier. MCI further comments to the effect that dealings between affiliated companies have a particular propensity to result in cross-subsidization of the services provided to the competitive long distance company from the monopoly local exchange rates. It is MCI's opinion that this could result in higher and unfair charges for the monopoly customers of the local exchange carrier, including local exchange ratepayers and access customers.

MCI further states that, if the Commission approves the proposed arrangement, such approval should be conditioned on the following:

1) No use of United-Sprint affiliate relationship- The Commission should expressly prohibit United from holding Sprint out to prospective customers as affiliated with United or in any other way attempting to induce prospective customers to sign up for Sprint services on the basis of an affiliated relationship with United. United should be instructed that its duty to be an unbiased access provider must not be impaired in any way by virtue of its position as sales agent for Sprint;

2) Nonexclusivity- The Commission should instruct United that it must offer its marketing and sales support services to all interexchange carriers at the same price, terms, and conditions as it proposes to undertake with Affiliate;

3) Equal access to United information- The Commission should order United to give all interexchange carriers equal access to any United information provided to or used for the benefit of Sprint, pursuant to the Agreement. Such information should be provided at the same prices as provided to United and in a fully non-discriminatory manner; and

4) No cross-subsidization- The Commission should order United to refrain from any and all cross-subsidization of its marketing and sales support activities by its monopoly rates. To this end, United should be ordered to periodically fully account for all costs associated with this sales agreement to insure that this service is not provided to Sprint at below cost. Such accounting should be filed with the Commission and available for all interested parties.

AT&T's comments were as follows:

1) The Commission should recognize that each local exchange carrier's access to customers in connection with telecommunications services is a unique asset which it acquires along with its monopoly franchise. As such, the Commission should insure that this monopoly asset is not used in an anticompetitive manner;

2) The Commission should require United to develop procedures, to be included in its CAM, which would direct the accounting for costs incurred and revenues realized under the Agreement; and

3) Because the potential for unfair self-dealing is inherent in the fact that United is a wholly-owned subsidiary of Sprint's majority parent corporation, the Commission should prohibit United from engaging in marketing activities under the Agreement during presubscription balloting and treating the subject marketing agreement as exclusive. The Commission should require Company to enter into reasonable marketing agreements with other interexchange carriers upon request.

NOW THE COMMISSION, upon consideration of the application, representations of Applicant, comments of the interexchange carriers, and advice of its Staff, is of the opinion and finds that the above-described arrangement will not be detrimental to the public interest and should be approved. In reviewing the comments made by Centel, AT&T, and MCI, the Commission is also of the opinion that even though the comments may have some merit, the comments relate to competitive practices and are not within the scope of Chapter 4 affiliate concerns. By approving this Agreement, however, the Commission does not intend to authorize any anticompetitive practices. United and Sprint must, therefore, comply with other laws governing competitive market conduct. Accordingly,

IT IS ORDERED:

1) That United Inter-Mountain Telephone Company be and hereby is authorized to enter into the Independent Contractor Sales Agreement under the terms and conditions and for the purposes as described in the application;

2) That should any terms and conditions of the Agreement change from that described herein, Commission approval for such changes shall be required;

3) That should the Commission adopt costing methodologies differing from those set forth herein, the authority herein granted for use of such methods shall be considered null and void;

4) That Applicant shall take the necessary steps to assure that, to the extent possible, no cross-subsidization of its marketing and sales support activities by its monopoly rates exists and that the described services are not provided to Sprint at below cost;

5) That Applicant shall file a report with the Director of Public Utility Accounting by April 1 of each year for the previous calendar year, the first of which shall be filed on or before April 1, 1992, and each year thereafter, such report to provide an accounting of revenues and costs associated with the Agreement;

6) That the approval granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

7) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

8) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910002
FEBRUARY 21, 1991

APPLICATION OF
UNITED CITIES GAS COMPANY

For approval of revised storage agreements

ORDER GRANTING AUTHORITY

United Cities Gas Company ("Company", "Applicant") has filed an application with the Commission under the Public Utilities Affiliates Act for approval of revised storage agreements between United Cities Gas Company and United Cities Gas Storage Company relating to the Illinois, Tennessee, and Kansas operations.

Company has filed for approval for the revised storage agreements pursuant to Commission Order dated August 17, 1990, paragraph three (3) in Case No. PUA900045. The changes in the Tennessee and Kansas schedules are per the original agreements. Company filed for approval of an Amended Storage Agreement and an Addendum to Amended Storage Agreement relating to the Illinois operations. Applicant represents that the proposed changes will have no effect on Virginia operations.

THE COMMISSION, upon consideration of said application and representations of Applicant, and having been advised by its Staff, is of the opinion that the above-described revisions will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

(1) That Applicant is authorized to enter into the revised Storage Agreements as described in the application;

(2) That should any changes occur in the Storage Agreements as described herein, Commission approval shall be required for such changes;

(3) That the approval granted herein shall not preclude the Commission form exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(4) That the Commission reserves the right to examine the books and records of any affiliate in connection with the approval granted herein whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia hereafter; and

(5) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910003
MARCH 25, 1991

APPLICATION OF
GTE SOUTH INCORPORATED

For authority to enter into agreements with Sylvania Lighting Services Corporation, an affiliate

ORDER GRANTING AUTHORITY

GTE South Incorporated ("Company", "Applicant") has filed an application under the Public Utilities Affiliates Act for authority to enter into lighting service agreements (the "Agreements") with Sylvania Lighting Services Corporation ("Sylvania"), an affiliate of GTE South Incorporated. Sylvania is an affiliate of Applicant as contemplated by Section 56-76(c) by virtue of the fact that Sylvania is a wholly-owned subsidiary of GTE Products Corporation.

Under the proposed Agreements, Sylvania will provide lighting services for the relamping and installation of occupancy sensor lighting controls at three GTE South facilities, two in Durham, North Carolina and one in Myrtle Beach, South Carolina. Company represents in its application that it decided to retrofit the lighting systems at these facilities with Sylvania's new Octron lamp. At the same time, it was deemed prudent to include new electronic ballasts and also install occupancy sensor lighting controls.

In making such modifications, Applicant represents it would achieve enhanced lighting quality and reduce its overall energy costs. Company represents in its application that the prices which it will pay for the services outlined in the Agreements are competitive, market-based, and are at least equal to or better than those prices charged to Sylvania's most favored customers. Applicant has provided documentation to support this representation.

THE COMMISSION, upon consideration of the application and representations of Applicant, and having been advised by its Staff, is of the opinion and finds that the above-described arrangements will not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

(1) That GTE South Incorporated is authorized to enter into the lighting services agreements with Sylvania Lighting Services Corporation under the terms and conditions as described in the application;

(2) That the approval granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(3) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

(4) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910004
MARCH 13, 1991

APPLICATION OF
RESTON/LAKE ANNE AIR CONDITIONING CORPORATION

For approval of an affiliate agreement

ORDER GRANTING AUTHORITY

Reston/Lake Anne Air Conditioning Corporation (the "Applicant") has filed an application with the Commission for approval of an affiliate arrangement pursuant to the Public Utilities Affiliates Act. The Applicant has entered into a property lease agreement with Douglas and Barbara Cobb, officers of the corporation and landowners. The proposed annual lease for 1991 and 1992 is $15,600. The property, located in Fairfax, Virginia is used to support a pumping plant.

THE COMMISSION, upon consideration of said application and having been advised by its Staff, is of the opinion that approval of the application would not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That the Applicant is authorized to enter into the property lease agreement under the terms and conditions and for the purposes stated in the application;

2) That this authority is granted through December 31, 1992;

3) That approval granted herein does not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

4) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate isregulated by this Commission pursuant to Section 56-79 of the Code of Virginia hereafter; and

5) That there appearing nothing further to be done in this matter, the same be, and it hereby is, closed.

CASE NO. PUA910005
FEBRUARY 15, 1991

APPLICATION OF
SHENANDOAH TELEPHONE COMPANY

For authority to loan funds to parent

ORDER GRANTING AUTHORITY

Shenandoah Telephc e Company ("Shenandoah" or "Company") has filed an application under the Public Utilities Affiliates Act. Company is a wholly-owned subsidiary of Shenandoah Telecommunications Company ("Telecommunications").

Shenandoah represents that from time to time it has excess funds and Telecommunications and its subsidiaries have a need for funds. Therefore, Company requests authority to lend to Telecommunications from time to time, between now and December 31, 1993, up to a maximum outstanding amount of $2,000,000 at any one time. Such loans will be evidenced by notes of Telecommunications maturing no more than twelve months after the date of issue and will bear interest payable monthly at the New York prime rate.

THE COMMISSION, upon consideration of said application and having been advised by its Staff, is of the opinion that, due to the affiliated nature of the loan arrangement, approval for a time period ending December 31, 1991, would not be detrimental to the public interest and should be approved subject to the conditions and limitations as set forth below. Accordingly,

IT IS ORDERED:

1) That Company is authorized to lend excess funds from time to time to Shenandoah Telecommunications Company under the terms and conditions as described in the application except that the authority granted herein shall expire December 31, 1991;

2) That should the Company wish to continue the described arrangement after December 31, 1991, an application should be filed with the Commission for subsequent approval;

3) That the authority granted herein shall not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

4) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein, pursuant to Section 56-79 of the Code of Virginia hereafter; and

5) That this matter be continued until January 30, 1992, subject to Company filing with the Commission on or before this date, a report of action taken in accordance with the authority granted in this Order, such report to include a schedule of funds loaned to Telecommunications showing date of the note(s), amount, maturity, interest rate, and use of loan proceeds; a schedule of short-term borrowings by the Company showing date, amount, maturity, interest rate, and use of proceeds; and a balance sheet reflecting the action taken.

CASE NO. PUA910006
MAY 31, 1991

APPLICATION OF
OLD DOMINION POWER COMPANY

For authority to effect the creation of a holding company and merger and to enter into agreement with affiliate

ORDER GRANTING AUTHORITY

On January 22, 1991, Old Dominion Power Company ("Old Dominion", "Company", "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act and the Utility Transfers Act for authority to effect the creation of a holding company, Holdings, Inc., and the merger of Company into Kentucky Utilities Company ("KU"). In the application, Company also requests approval of an affiliates agreement between Holdings, Inc. and KU. On January 31, 1991, Company filed an amendment to the application changing the name of the holding company from Holdings, Inc. to KU Energy Corporation ("KU Energy").

In its application, Company states that it is a Virginia public service company currently providing electric service in its certificated electric service territory in Virginia. All of Company's common stock and notes are currently held by KU. KU is a corporation organized and existing under the laws of the Commonwealth of Kentucky and is an electric utility engaged in providing electric service. KU Energy is a new, unregulated company, organized and existing under the laws of the Commonwealth of Kentucky for the purpose of becoming the parent holding company for KU and Applicant.

Company proposes, in its application, to effect a reorganization such that KU Energy will become the owner of all the common stock of KU. To accomplish this, KU has caused KU Energy to be incorporated under the laws of the Commonwealth of Kentucky. The stock of KU Energy will be issued in exchange for the stock of KU. KU will incorporate under the laws of the Commonwealth of Virginia and thereafter exist as a dually incorporated Virginia and Kentucky corporation. Company will then be merged into KU, with Company operated thereafter as a division of KU.

The proposed reorganization will consist of two phases. In the first phase, KU Energy will issue its common stock to the holders of KU's common stock in exchange for such holders' shares of KU's common stock, each share of KU's common stock being exchanged for one share of KU Energy's common stock. Upon consummation of this transaction, KU Energy will own all the outstanding common stock of KU, and the former holders of the common stock of KU will own all the outstanding stock of KU Energy. KU's preferred stock and debt obligations, including first mortgage bonds, will not be converted or otherwise exchanged in the reorganization and will continue to be the preferred stock and debt obligations of KU. In the second phase, Old Dominion will be merged into KU, Old Dominion's common stock and notes will be canceled, and KU will own all of the assetsand succeed to all of the rights and obligations of Old Dominion by operation of law. Company anticipates that the merger will take place around July, 1991. No securities will be issued in connnection with the proposed merger. From the date of the merger, KU will operate as a Virginia public service company and provide electric service through the operation of Old Dominion as a division of KU.

Pursuant to the reorganization, KU Energy will become a holding company for KU. KU will continue to own 20% of the outstanding common stock of Electric Energy Inc., an Illinois public utility company, and 2.50% of the common stock of Ohio Valley Electric Corporation, an Ohio utility. KU Energy has applied to the Securities and Exchange Commission for approval of its acquisition of these utility companies to the extent required under the Public Utility Holding Company Act of 1935 ("PUHCA") and has requested an exemption from all the provisions of PUHCA under Section 3(a)(1) thereof (except for those provisions relating to the acquisition of voting stock of other public utility companies). In order to facilitate the approval of the SEC under PUHCA and the granting of the requested exemption, Company represents that it is necessary and desirable for Old Dominion to be merged into KU.

After the reorganization, KU will own, control, operate and manage all of the facilities used in connection with the generation, transmission and distribution of electricity to or for the public in the present Virginia Old Dominion service territory. KU will, therefore, become a Virginia "public service corporation" as defined in Virginia Code Section 56-1, subject to all applicable laws, regulations, rules, decisions and policies governing the regulation of Virginia public service corporations. Company represents that the reorganization will not in any way affect the technical, financial and managerial abilities of KU to provide reasonable service.

In connection with the reorganization, it is anticipated that both KU and KU Energy will require services of the same character and that it will be more cost effective for such services to be performed by the same personnel rather than separately by KU and KU Energy themselves. Therefore, approval is sought in this application for a Service Agreement ("Agreement") between KU and KU Energy under which corporate, treasury, financial, accounting, purchasing and data processing services will be provided by KU to KU Energy as requested by KU Energy. KU will charge KU Energy the actual costs of providing all such services, including an allocation of applicable overheads.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that the above-described reorganization would not be detrimental to the public interest and should be approved. However, it is the Commission's further opinion that Kentucky Utilities Company should comply with the Federal Energy Regulatory Commission ("FERC") Uniform System of Accounts in maintaining its records and books of accounts whereas KU Energy Corporation should follow generally accepted accounting principles. Accordingly,

IT IS ORDERED:

(1) That Old Dominion Power Company is authorized to effect the creation of a holding company and the merger of Old Dominion into KU as described herein;

(2) That the Service Agreement between Kentucky Utilities Company and KU Energy Corporation is hereby approved under the terms and conditions as described herein except that KU shall comply with the FERC Uniform System of Accounts in maintaining its records and books of account;

(3) That, subject to the issuance by the Commission of a certificate of merger and a certificate of public convenience and necessity authorizing Kentucky Utilities Company to serve the territory now served by Old Dominion Power Company, Old Dominion and KU are authorized under Chapters 4 and 5 of Title 56 of the Code of Virginia to consummate the merger proposed herein and to do all acts necessary or incidental thereto in accordance with the application filed herein;

(4) That, in the event the terms and conditions of the Service Agreement between Kentucky Utilities Company and KU Energy Corporation change from that described in this application, Commission approval of such changes shall be required;

(5) That Kentucky Utilities Company shall respond promptly and fully to any Staff requests for information in connection with this matter;

(6) That the approval granted herein shall not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(7) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia;

(8) That on or before April 1 of each year hereafter, Kentucky Utlities Company shall file with the Director of Public Utility Accounting of the Commission a report showing a detailed description of services provided by KU to KU Energy pursuant to the authority granted herein, such report to include the charges to KU Energy for such services provided and the methods for determining such charges for the previous calendar year; and

(9) That this matter shall be continued until September 30, 1991, for the presentation by Kentucky Utilities Company of a report of the action taken pursuant to the authority granted by this Order including copies of assignment and other agreements and regulatory approvals authorizing, evidencing, or otherwise implementing the arrangements contemplated herein.

CASE NO. PUA910007
MARCH 18, 1991

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to dispose of utility assets

ORDER GRANTING AUTHORITY

The Potomac Edison Company ("Applicant", "Company") has filed an application under the Utility Transfers Act for authority to sell .29 acres of real property in Stephens City, Frederick County, Virginia to the Town of Stephens City, Virginia ("Buyer").

Company represents that the property was purchased in 1960 by Northern Virginia Power Company, predecessor in title to Company for use as a 34.5-12kV distribution substation. As a result of the construction of a new substation in the area, the distribution substation was removed from the premises and retired in 1988. Company continues to own and operate a 12kV distribution line across the property. The substation having been retired and removed, the substation lot now represents excess property.

The proposed purchase price for the property is Three Thousand, Six Hundred Fifty Dollars ($3,650.00) of which Three Hundred Sixty-Five Dollars ($365.00) shall be paid in cash or certified check by Buyer at the time of execution of the Contract of Sale, the receipt of which Company acknowledges, and Three Thousand, Two Hundred and Eight-Five Dollars ($3,285.00) shall be paid in cash or by certified check by Buyer at the time of settlement. Company will reserve to itself an easement for its existing utility line across the property.

THE COMMISSION, upon consideration of said application and representations of Applicant and having been advised by its Staff, is of the opinion that approval of the sale of property as described in the application will neither impair nor jeopardize adequate service to the public at just and reasonable rates, and is in the public interest.

Accordingly,

IT IS ORDERED:

(1) That Applicant is authorized to sell the property described in the application to the Town of Stephens City, Virginia under the terms and conditions set forth therein;

(2) That the approval granted herein shall have no implications for ratemaking purposes; and

(3) That this matter be continued until August 30, 1991,for the presentation by Applicant, on or before said date, of a report showing all accounting entries related to the transaction.

CASE NO. PUA910008
MARCH 22, 1991

APPLICATION OF
SOUTHWESTERN VIRGINIA GAS COMPANY

For authority to enter into a contract with Midway Bottled Gas Company, Inc., an affiliate

ORDER GRANTING AUTHORITY

On February 15, 1991, Southwestern Virginia Gas Company ("Company", "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to enter into a contract with Midway Bottled Gas Company,Inc. ("Midway") under which Midway would supply propane bottled gas for Company's metered propane gas customers being served under Company's Rate Schedule A. Under the contract, Midway has agreed to supply Applicant's propane gas requirements to serve its metered propane customers at the rate of the supplier's posted propane price plus shipping charges plus a margin of $.2821 per gallon. Midway has agreed to notify Company in writing when its supplier's posted price changes and/or its shipping charges change.

THE COMMISSION, upon consideration of the application and representations of Applicant, and having been advised by its Staff, is of the opinion and finds that the above-described contract for the purchase of propane gas under the terms and conditions described and at a margin of $.2821 per gallon would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

(1) That Southwestern Virginia Gas Company is authorized to enter into the contract for the purchase of propane bottled gas for Company's metered propane gas customers under the terms and conditions as described in the application;

(2) That should the margin charged Applicant increase from the current $.2821 per gallon, a new application must be filed for Commission approval;

(3) That the approval granted herein shall have no ratemaking implications;

(4) That the approval granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(5) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia hereafter; and

(6) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910009
MARCH 22, 1991

APPLICATION OF
VIRGINIA - AMERICAN WATER COMPANY

For authority to enter into an agreement with an affiliate, Maryland-American Water Company

ORDER GRANTING AUTHORITY

On February 15, 1991, Virginia-American Water Company ("Virginia-American", "Company", "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to enter into a billing and accounting services agreement (the "Agreement") with its affiliate, Maryland-American Water Company ("Maryland-American", "Affiliate"). Under the proposed Agreement, Virginia-American would provide certain billing and accounting services to Affiliate. Affiliate would pay Company its full cost for providing such services. As described in its

application, Virginia-American would use customer meter reading data transmitted to Company from Affiliate to calculate the monthly bills and update Affiliate's records. Virginia-American would then forward the calculations to a data processing center operated by American Water Works Service Company, Inc. ("Service Company") in Hershey, Pennsylvania. Monthly bills would then be mailed directly from Service Company to Maryland-American.

The allocation of costs associated with the computer system used for billing and accounting referred to in the application as the System 36 computer would be based upon the number of customers served by Maryland-American compared to the total number of customers served by both Maryland-American and Virginia-American. Applicant represents that during the first twelve months that service is provided under the Agreement, Affiliate would pay Company the sum of $1,000 per month. At the end of the first twelve months and at the end of every twelve-month period thereafter during the term of the Agreement, the monthly payment would be adjusted to reflect any increases or decreases in actual operating expenses. Affiliate's estimated share of costs for 1991 is $12,708. The term of the Agreement is five years and from year to year thereafter until terminated by either party. Following the initial five-year period, either party may terminate the Agreement upon 180 days' written notice.

THE COMMISSION, upon consideration of the application and representations of Applicant, and having been advised by its Staff is of the opinion that the above-described arrangement would not be detrimental to the public interest. The Commission is of the further opinion, however,that the rate of return component used in determining the allocation of costs of the System 36 computer in connection with this Agreement should be no less than Applicant's authorized rate of return in effect from time to time. Accordingly,

IT IS ORDERED:

(1) That Virginia-American Water Company is authorized to enter into the billing and accounting services agreement as described in the application; provided, however, that the rate of return component used in allocating the costs associated with the System 36 computer in connection with the Agreement shall be no less than Applicant's authorized rate of return in effect from time to time;

(2) That should any terms and conditions change from those described in Applicant's February 15, 1991 application, Commission approval shall be required for such changes;

(3) That the approval granted herein shall have no ratemaking implications;

(4) That the approval granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(5) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

(6) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910011
JULY 1, 1991

APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA

For approval of an affiliate agreement with Centel Cellular Company of Charlottesville

ORDER GRANTING AUTHORITY

On March 12, 1991, Central Telephone Company of Virginia ("Company", "Centel-Virginia") and Centel Cellular Company of Charlottesville ("Centel Cellular"), (collectively referred to as "Applicants") filed an application with the Commission under the Public Utilities Affiliates Act for approval of certain affiliate arrangements among Applicants. In the application, Applicants request approval of a Cellular Interconnection Agreement (the "Agreement") entered into on January 8, 1990 between Applicants under which Applicants will interconnect their facilities for the provision of through communications services. In addition, Applicants request approval of Addendum I to Interconnection Agreement (the "Addendum") dated January 8, 1990, which amends the Agreement to include services provided in connection with Calling Party Pays cellular telephone service. Pursuant to the Agreement, Centel-Virginia and Centel Cellular will physically connect their facilities and will interchange traffic in Centel-Virginia's service territory. The interchanged traffic will be handled over connecting circuits owned and provided by Company. Applicants represent that the Agreement is solely for the interchange of traffic between Applicants' communications networks and does not represent a joint undertaking by either company to furnish service to the other's customers. Centel Cellular will construct its communications system for use in furnishing cellular radio services. Centel Cellular will also provide Centel-Virginia, at no charge, with equipment space and electrical space and electrical power at the point of connection necessary for the telephone company to provide services under the Agreement. The point of connection designated under the Agreement is Rio Road in Charlottesville, Virginia. Company will provide connection circuits as requested by Centel Cellular. Centel-Virginia will bill Centel Cellular for facilities and services provided under the Agreement according to local network usage rates, which are equivalent to those set forth in Company's tariff on file with the Commission.

Under the Addendum, a landline user is billed by Company for cellular usage charges when originating a call that terminates on Centel Cellular's system. The cellular usage charges are in addition to the landline user's regular local exchange telephone charges. Centel-Virginia will be responsible for billing and collecting from the landline users for calls to Centel Cellular's system.

The Agreement has an initial term of one year and is automatically renewed for successive one year terms. The Agreement provides for termination for cause upon thirty days written notice or upon ninety days written notice without cause.

THE COMMISSION, upon consideration of the application and representations of Applicants and having been advised by its Staff, is of the opinion that approval of the above-described arrangements will not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That the Cellular Interconnection Agreement and Addendum I to Cellular Interconnection Agreement as described herein are hereby approved effective January 8, 1990;

2) That the authority granted herein shall not preclude the Commission from applying the provisions of Section 56-78 and 56-80 of the Code of Virginia hereafter;

3) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein, pursuant to Section 56-79 of the Code of Virginia; and

4) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910012
APRIL 11, 1991

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

For authority to enter into a contract with an affiliate

ORDER GRANTING AUTHORITY

On March 18, 1991, Virginia Cellular Limited Partnership ("Company", "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to enter into a contract with an affiliate, Virginia Cellular Retail Limited Partnership ("Retail", "Affiliate"). Virginia Cellular Limited Partnership and Virginia Cellular Retail Limited Partnership are both Virginia Limited Partnerships. Virginia Cellular Limited Partnership is a Virginia public service company. Contel Cellular, Inc. is the operating general partner of both entities.

Applicant represents that the proposed contract provides for the purchase and resale of cellular mobile radio communications service (cellular service) in each of the cellular geographic service areas ("CGSAs") in which Company is currently authorized or becomes authorized by the Federal Communications Commission and by this Commission to provide cellular service. The proposed contract provides that access to and usage of the cellular service provided by Company would be purchased according to the terms, conditions, and rates set forth in the applicable tariffs filed with this Commission.

THE COMMISSION, upon consideration of the application and representations of Applicant, and having been advised by its Staff, is of the opinion and finds that the above-described arrangement would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

(1) That Virginia Cellular Limited Partnership is authorized to enter into the contract with Virginia Cellular Retail Limited Partnership for the purchase and resale of cellular mobile radio communications service as described in the application;

(2) That the approval granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(3) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

(4) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910013
OCTOBER 4, 1991

APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA

For approval of agreement with affiliates

ORDER GRANTING AUTHORITY

Central Telephone Company of Virginia ("Centel-Virginia", "Company", "Applicant") filed an application under the Public Utilities Affiliates Act for authority to enter into a Joint Projects Agreement ("the Agreement") with the following affiliates: Central Telephone Company of Florida ("Centel-Florida"), Central Telephone Company of Illinois ("Centel-Illinois"), Central Telephone Company of Ohio ("Centel-Ohio"), Central Telephone Company of Texas ("Centel-Texas"), and Central Telephone Company ("Central"), (collectively referred to as "Affiliates"). In its application, Company requests approval of an agreement dated December 14, 1990, under which certain administrative services will be provided

among Centel-Virginia and Affiliates as needed. The Agreement is to be effective January 1, 1991. The services to be provided under the Agreement will be those services or activities the provider otherwise provides, performs, or constructs for itself in the ordinary course of business. Such services will be discrete projects of limited duration and will not include ongoing projects.

Under the Agreement, recipients will be charged monthly for the costs and expenses incurred by the provider of services. The costs and expenses charged include: employee expenses, payroll costs, operational expenses of equipment used to provide services, including rentals; and other miscellaneous expenses directly associated with providing the services.

The costs and expenses for the services provided will be charged to the recipient on a direct bill basis. Time reporting will be used by employees performing the services, and direct reporting will be used for directly identifiable expenses. Where no direct measure of costs is practicable, costs and expenses will be attributed based on indirect measures consistent with the affiliated transaction rules promulgated by the Federal Communications Commission ("FCC"). Any party to the Agreement may withdraw from the Agreement as of the end of the calendar month with thirty days written notice to the other parties.

Company represents that the provision of administrativeservices among itself and Affiliates is not inconsistent with the public interest and ultimately provides benefits for the ratepayers of the regulated utilities in that this method offers an efficient and economical means of providing essential services to the parties to the Agreement. Company further represents that the use of the direct billing method will insure that the costs of the services provided are fairly charged to the Applicant receiving benefit of the services.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that the Joint Projects Agreement as described herein does not appear to be detrimental to the public interest. However, due to lack of experience under the Agreement, the Commission feels that it would be appropriate to grant approval for a limited time period through December 31, 1992. During the approval period, Applicant should be required to maintain accurate records of all services provided to or received from Applicant, all costs involved, and the determination of charges and allocations. If Applicant desires to continue the arrangement beyond December 31, 1992, subsequent approval should be required. Accordingly,

IT IS ORDERED:

1) That Applicant is granted approval for the Joint Projects Agreement as described herein from January 1, 1991; through December 31, 1992;

2) That Applicant shall maintain accurate records of all services provided to or received from Applicant during the approval period;

3) That such records shall be subject to Commission review as deemed necessary;

4) That should Applicant desire to continue the Joint Projects Agreement beyond December 31, 1992, subsequent approval shall be required;

5) That any applications for subsequent approval of the Joint Projects Agreement shall contain information as described above on Applicant's experience during the original approval period;

6) That all costs and expenses for the services provided shall be charged and allocated as described in the application;

7) That should the Commission adopt costing methodologies different from those set forth in the affiliated transaction rules promulgated by the FCC, the approval granted herein for use of such methods shall be considered null and void;

8) That, in the event the terms and conditions of the Agreement change, then Commission approval for such changes shall be required;

9) That the approval granted herein shall not preclude the Commission from applying the provisions of the Code of Virginia, Sections 56-76 or 56-80 hereafter;

10) That the Commission reserves the right to examine the books and records of any affiliate in connection with the approvals granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

11) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910014
MAY 31, 1991

APPLICATION OF
THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA

For authority to participate in affiliate agreement

ORDER GRANTING AUTHORITY

The Chesapeake and Potomac Telephone Company of Virginia ("C&P" or "Company") has filed an application with the Commission, in accordance with the Public Utilities Affiliates Act, for authority to participate in an agreement between Bell Atlantic Network Services, Inc. ("NSI") and Bell Atlantic Business Systems Services, Inc., formerly Sorbus, Inc., ("BABSS") for which billings are expected to exceed $250,000 annually.

Under the proposed agreement, BABSS will provide preventative and remedial maintenance of data processing equipment located at C&P's Richmond Data Center and at other C&P locations throughout the Commonwealth. The contract has a three-year term beginning April 1, 1991. Company represents that BABSS was chosen to receive the contract as a result of a competitive bidding process. The competitive bidding process identified BABSS as the vendor which would provide the necessary services at the lowest overall cost. C&P states that three potential suppliers were determined to be acceptable from a technical standpoint, and the purchase decision was based upon a financial analysis of the three bids.

THE COMMISSION, upon consideration of the application and representations of Company and having been advised by its Staff, is of the opinion that approval of the above-described agreement is in the public interest. Accordingly,

IT IS ORDERED:

1) That Company is authorized to participate in the contract between Bell Atlantic Network Services, Inc. and Bell Atlantic Business Systems Services, Inc. under the terms and conditions and for the purposes as described in the application through April 1, 1994;

2) That approval of the application shall not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

3) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia;

4) That there appearing nothing further to be done in this matter, the same be, and it hereby is, closed.

CASE NO. PUA910015
AUGUST 8, 1991

APPLICATION OF
UNITED CITIES GAS COMPANY

For authority to enter into lease agreement with affiliate

ORDER GRANTING AUTHORITY

On April 2, 1991, United Cities Gas Company ("United Cities", "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to enter into a lease agreement with an affiliate, UCG Energy Corporation ("UCG Energy") for a service center and warehouse. The proposed lease provides that UCG Energy will lease to United Cities a specified tract of land, with all improvements thereon, located in Bristol, Virginia, for an original term of twenty-five (25) years. The original annual rental payments under the lease were revised in Applicant's filings on May 9, 1991 and July 16, 1991. The final revision consisted of lease payments to be made as follows: annual rental of $258,000 for the first year and annual payments of $183,600 for years two (2) through twenty-five (25) with total lease payments over the twenty-five (25) year period amounting to $4,664,400.

Under the terms of the lease, rent would be paid monthly in advance. United Cities would be responsible for payment of all taxes assessed against the property during the lease term and would also be responsible for carrying fire and extended coverage insurance on the property. Maintenance of the property would also be United Cities' responsibility. The lease does not contain a purchase option.

THE COMMISSION, upon consideration of the application and representations of Applicant, and having been advised by its Staff, is of the opinion that approval of the lease agreement based upon the revised terms contained in Applicant's July 16, 1991, revision would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That United Cities Gas Company is hereby authorized to enter into the lease agreement with UCG Energy Corporation for a service center and warehouse under the terms and conditions and for the purposes as described in the application;

2) That the lease payments shall be those reflected in Applicant's July 16, 1991, revisions;

3) That should any terms and conditions of the lease agreement change from those in the application and July 16, 1991, revisions, Commission approval shall be required for such changes;

4) That the approval granted herein shall not preclude the Commission from applying the provisions of the Code of Virginia, Sections 56-76 or 56-80 hereafter;

5) That the Commission reserves the right to examine the books and records of any affiliate in connection with the approvals granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

6) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910016
AUGUST 21, 1991

APPLICATION OF
GTE SOUTH INCORPORATED
and
CONTEL OF VIRGINIA, INC.

For approval of contracts with affiliated entities

ORDER GRANTING AUTHORITY

GTE South Incorporated ("GTE South") and Contel of Virginia, Inc., d/b/a GTE Virginia ("GTE Virginia"), (collectively, "Joint Applicants") filed an application with the Commission under the Public Utilities Affiliates Act for approval of the following: a proposed revised Operating Agreement ("Agreement") between Joint Applicants and the other GTE Telephone Operating Companies ("GTOCs"); a proposed agreement ("Service Agreement") between GTE Service Corporation ("Service Corporation") and GTE Virginia; and a proposed agreement ("Supply Agreement") between GTE Supply, a division of GTE Communication Systems Corporation and GTE Virginia.

As a result of the merger of GTE Corporation and Contel Corporation, which was completed on March 14, 1991, each Joint Applicant is a wholly owned subsidiary of GTE Corporation. Further GTE Virginia is now an affiliate, as defined in Section 56-76 of the Code of Virginia, of GTE South, GTE Service Corporation and GTE Communication Systems Corporation.

By Commission Order dated July 6, 1989, in Case No. PUA880073, GTE South was granted authority to enter into an operating agreement with GTE North Incorporated, GTE Southwest Incorporated, GTE California Incorporated, GTE Hawaiian Telephone Company Incorporated, GTE Northwest Incorporated, GTE West Coast Incorporated, GTE Alaska Incorporated and GTE Florida Incorporated. Under the terms of that contract, certain of the general and administrative functions of GTE South and the other parties to the agreement were consolidated into a common general office and four Areas of operations.

Joint Applicants and the other GTOCs propose to execute a new operating agreement to include all of the GTOCs as follows: GTE North Incorporated, Contel of Illinois, Inc. d/b/a GTE Illinois, Contel of Indiana, Inc. d/b/a GTE Indiana, Contel of Maine, Inc. d/b/a GTE Maine, Contel of New Hampshire, Inc. d/b/a GTE New Hampshire, Contel of New York, Inc. d/b/a GTE New York, Contel of Pennsylvania, Inc. d/b/a GTE Pennsylvania, Contel of Vermont, Inc. d/b/a/ GTE Vermont, GTE Southwest Incorporated, Contel of Arkansas, Inc. d/b/a GTE Arkansas, Contel of Iowa, Inc. d/b/a GTE Iowa, Contel of Minnesota, Inc. d/b/a GTE Minnesota, Contel of Missouri, Inc. d/b/a GTE Missouri, Contel of North Dakota, Inc. d/b/a GTE North Dakota, Contel of South Dakota, Inc. d/b/a GTE South Dakota, Contel of Texas, Inc. d/b/a GTE Texas, Contel System of Missouri, Inc. d/b/a GTE Systems of Missouri, The Kansas State Telephone Company d/b/a Contel of Eastern Missouri and d/b/a GTE of Eastern Missouri, J.B.N. Telephone Company, Inc. d/b/a GTE Telephone Company, Contel of Kansas, Inc. d/b/a Contel Systems of Arkansas, d/b/a Contel Systems of Iowa, d/b/a GTE Systems of Arkansas and d/b/a GTE Systems of Iowa, GTE California Incorporated, GTE Hawaiian Telephone Company Incorporated, GTE Northwest Incorporated, GTE West Coast Incorporated, GTE Alaska Incorporated, Contel of California, Inc., Contel of the Northwest, Inc. d/b/a GTE Systems of Northwest, Contel of the West, Inc. d/b/a GTE West, GTE South Incorporated, GTE Florida Incorporated, Contel of Kentucky, Inc. d/b/a/ GTE Kentucky, Contel of North Carolina, Inc. d/b/a GTE North Carolina, Contel of the South, Inc. d/b/a GTE Systems of the South, Contel of South Carolina, Inc. d/b/a GTE South Carolina, Contel of Virginia, Inc. d/b/a GTE Virginia, and Contel of West Virginia, Inc. d/b/a GTE West Virginia. In addition, the current contract has been revised to enable Joint Applicants to provide common management of their operations within the Commonwealth of Virginia.

Under the proposed Operating Agreement, the GTOCs will have one General Office staff which will provide various general corporate services including administrative, financial, information management, accounting, sales, marketing, legal, traffic support, operational, engineering, planning and personnel services. The GTOCs will be organized into four areas: the North Area, the Central Area, the West Area and the South Area. In each area, executive and certain of the general and administrative functions of the area companies will be consolidated into common area staff, and certain network and operations functions will be centralized and shared among the area companies. Joint Applicants are included in the South Area. The South Area will have four regions. The management of operations in each region will also be performed by a common staff. Joint Applicants will be in the Virginia Region.

Under the proposed Agreement, existing divisions and districts would be combined to result in a total of fourteen Divisions to achieve operating efficiencies. At the present time, Joint Applicants will retain their status as separate corporations with separate certificates of authority to provide telecommunications service under separate tariffs.

According to the proposed Agreement, the General Office Staff located in Irving, Texas, will be employees of GTE North Incorporated. The General Office Staff in locations other than Irving, and the area, region and division staffs will remain employees of the GTOC in whose operating territory they are located. This GTOC is referred to as the Host Company. The facilities and equipment used by the General Office Staff will remain at the property of each Host Company.

The GTOCs will reimburse each other for the cost of the service rendered by staff which are common to one or more of the parties of the Agreement. Expenses incurred by staff will be recorded in the appropriate account on the books of the individual companies. These books will be kept in accordance with the rules and regulations of the appropriate regulatory agencies. The expenses will be assigned to the various companies using an allocation following the Part 36 methodology ("Part 36") of the Federal Communications Commission ("FCC") Rules and Regulations or its successor. Where the allocation is not covered by Part 36 or would not result in the most equitable allocation of cost, such expenses will be allocated on an equitable basis mutually acceptable to the parties. The payment by each party for the services rendered by any common staff will cover all of the costs incurred by each Host Company.

The Agreement also allows for each company to transfer and sell tangible personal property when one company has an immediate requirement for such property and where such a transfer would not impair the ability of the selling company to render service to its customers. Such transfer would be made in accordance with either the then-current GTE Cost Allocation Manual approved by the FCC in CC Docket 86-111; Part 32; or the statutes, rules, and regulations of the state regulatory agency having jurisdiction with respect to the transaction.

Under the proposed Agreement, each company may also lease from any other company tangible personal property where a company has an immediate need for such property and the owning company's ability to serve its customers will not be impaired. Where costs can be determined for such property from the books of the leasing/owning company, the rental rate will be based on booked operating costs. For those items of property which have arms length, commercially established rental rates, as evidenced by contracts with an outside vendor, the rental rate would be the same rate most recently established by such outside contracts.

The initial term of the Agreement is one year, with continuation on a year-to-year basis, subject to the right of any company, including either Joint Applicant, to terminate its portion of the Agreement on not less than thirty days written notice.

In Case No. 15136, GTE South was granted approval of an agreement with GTE Service Corporation under which Service Corporation provides a central organization to the GTE System which renders advisory, supervisory and other services to GTE system companies, including GTE South, at cost. In addition, the Commission previously approved a management service agreement between GTE Virginia and Contel Management Company ("Contel Management") pursuant to which Contel Management provides advisory, management and other services to GTE Virginia. It is proposed, in this application, that the same contractual relationship exist between GTE Virginia and Service Corporation as exists between GTE South and Service Corporation. Additionally, the terms and conditions of the proposed Service Agreement are very similar to the terms and conditions of the agreement between GTE Virginia and Contel Management. Joint Applicants further represent that the quality and value of the services proposed to be provided by Service Corporation to GTE Virginia will be as high as or higher than that of the services currently provided by Contel Management Company.

In Case No. PUA880009, GTE South was granted authority to enter into an agreement with GTE Supply pursuant to which GTE Supply sells products and provides purchasing and distribution services to GTE South. GTE Virginia currently purchases many of its materials and supplies and receives purchasing and distribution services from Contel Material Management Company. Under the proposed Supply Agreement, GTE Supply will sell products and provide purchasing and distribution services to GTE Virginia. The Supply Agreement involves the same types of services previously received from Contel Material Management and will be under the same terms and conditions as provided to other GTOCs by GTE Supply.

THE COMMISSION, upon consideration of the application and representations of Joint Applicants and having been advised by its Staff, is of the opinion that approval of the Operating Agreement, Service Agreement, and Supply Agreement will be in the public interest. However, the Commission is of the further opinion that Joint Applicants should make separate filings for Commission approval of the transfer and leasing of property. Joint Applicants should file separate applications for these activities and such filings should be reviewed on a case by case basis. In addition, Joint Applicants should file an application with the Commission for authority to allocate costs associated with centralized services if costs are to be allocated in a manner other than that which is set forth in Part 36 of the FCC's Rules and Regulations. The Commission believes that these additional requirements will be in the interest of Joint Applicants' ratepayers. Accordingly,

IT IS ORDERED:

1) That GTE South Incorporated and and Contel of Virginia, Inc. are hereby authorized to participate in the Operating Agreement as described herein, provided that, Joint Applicants file applications for the transfer and leasing of real property on a case by case basis prior to actually transferring or leasing equipment or property to or from any of the other affiliated companies which are parties to the Agreement;

2) That the Operating Agreement approved herein shall replace the Operating Agreement approved in Case No. PUA880073;

3) That Joint Applicants shall file for authority to allocate the common costs associated with the investment utilized to provide services to more than one company if such allocations are different from those set forth in Part 36 of the FCC Rules and Regulations;

4) That should the Commission adopt costing methodologies differing from those set forth in Part 36, the authority herein granted for use of such method shall be considered null and void;

5) That Contel of Virginia, Inc. is hereby granted authority to enter into Service Agreement with GTE Service Corporation as described herein;

6) That Contel of Virginia, Inc. is hereby granted authority to enter into Supply Agreement with GTE Supply as described herein;

7) That, in the event the terms and conditions of any of the above-described agreements change, then Commission approval for such changes shall be required;

8) That the approval granted herein shall not preclude the Commission from applying the provisions of the Code of Virginia, Sections 56-76 or 56-80 hereafter;

9) That the Commission reserves the right to examine the books and records of any affiliate in connection with the approvals granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia;

10) That Joint Applicants shall file an annual report detailing the status of the consolidation process for centralized operations and management functions until such consolidation is complete;

11) That Joint Applicants shall file an annual report summarizing the various services and costs, as well as the bases for such costs charged, which are provided by the GTOCs for the benefit of Joint Applicants, along with the Virginia jurisdictional costs;

12) That Joint Applicants shall file an annual report summarizing the various services and costs which are provided by GTE Supply and GTE Service Corporation to GTE South and GTE Virginia and the bases for such costs charged;

13) That the above-described reports shall be filed as one combined report or as separate reports, however decided by Joint Applicants, provided that, however, all such reports as set forth herein shall be filed with the Director of Public Utility Accounting of the Commission on or before February 1 of each year for the preceding calendar year, the first of which shall be filed on or before February 1, 1992; and

14) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910017
JULY 18, 1991

APPLICATION OF
VIRGINIA PILOT ASSOCIATION

To change or alter rates for pilotage and other charges

ORDER GRANTING INCREASE IN RATES AND CHARGES

On July 16, 1991, a public hearing was held before the Commission, Commissioner Harwood presiding, on this application filed by L. D. Amory, III, on behalf of himself and other members of the Virginia Pilot Association (Association). No interested persons protested the application or intervened. At the hearing, the Association presented proof of newspaper publication of notice of this application, as required by the Commission's Order of May 24, 1991. The Association also presented the testimony and exhibits of its President, L. D. Amory, III. The Commission Staff offered the testimony and exhibits of S. F. Leis.

The Commission finds that proper notice of the time and place of the hearing was given by publication in newspapers of general circulation in the Cities of Norfolk, Portsmouth, and Newport News. Based on the evidence presented, the Commission finds that the Association's necessary operating expenses have increased since its rates were last fixed in 1985. The Association has also acquired equipment and property used in providing pilotage with attendant increases in maintenance and depreciation expenses. Accordingly, we find that additional operating revenues of approximately 10% per year are necessary and reasonable.

The Association proposes no change in the basic design of its schedules of pilotage rates and other charges previously approved by the Commission. The basic formula for calculating ship units would be unchanged, but the Association proposes to increase the rate per ship unit for sea pilotage, harbor pilotage, and assisting in docking and undocking vessels. Other rates and charges would not be changed. The Association presented evidence showing that its proposed rates and charges would be lower than rates and charges applied by pilots at the ports of New York, Philadelphia, and Baltimore. The evidence also showed that the proposed rates and charges were comparable to or, in total, slightly lower than rates imposed at the ports of Wilmington, Charleston, and Savannah. Based on the evidence, we find that the proposed rates and charges are fair for the service rendered, and we grant the application as filed. Accordingly,

IT IS ORDERED:

(1) That, as provided by § 54.1-918 of the Code of Virginia, this application to charge or alter rates for pilotage and other charges be granted, effective August 1, 1991;

(2) That the Association promptly file fifteen (15) copies of its revised rates for pilotage and other charges bearing an effective date of August 1, 1991, with Judy A. McPherson, Motor Carrier Division, State Corporation Commission, P.O. Box 1419, Richmond, Virginia 23211;

(3) That this case be dismissed from the docket of active proceedings and the papers herein be transferred to the records of closed proceedings.

CASE NO. PUA910018
OCTOBER 17, 1991

APPLICATION OF
UNITED INTER-MOUNTAIN TELEPHONE COMPANY

For authority to enter into agreement with North Supply Company, an affiliate

ORDER GRANTING AUTHORITY

United Inter-Mountain Telephone Company ("United", "Company," "Applicant") filed an application with the Commission for authority to enter into a Warehousing and Distribution Agreement (the "Agreement") with its affiliate, North Supply Company ("North Supply", "Affiliate") pursuant to which North Supply will perform certain storage and distribution functions for United. Pursuant to the Agreement, North Supply will store and warehouse, at one of its distribution centers, telecommunications equipment and supplies owned by United. In addition, North Supply will maintain an inventory of telephone equipment and supplies in amounts and brands specified by United. North Supply will distribute the equipment and supplies pursuant to orders by Company. Affiliate will charge United based on hours of work performed. Such charges will be the fully distributed cost as determined under Federal Communication Commission ("FCC") rules in FCC Docket No. 86-111.

Company represents in its application that the realignment of warehouse and distribution functions will not impact any employees located in Virginia; however, certain Tennessee employees may be affected. Company also represents that by consolidating warehouse and distribution functions throughout the United Telecom service areas, unneeded duplicate functions and facilities will be eliminated, and reduced inventory levels

will be needed. The proposed term of the Agreement is two (2) years, automatically renewing for successive one-year periods unless specifically canceled by either party.

In reviewing Company's application, it was determined that United currently purchases and has in the past purchased equipment and supplies from Affiliate without Commission approval. Company has been advised that such approval is necessary, and Company representatives have assured the Commission Staff that an application for authority to make such purchases from North Supply will be forthcoming.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion and finds that the above-described agreement will not be detrimental to the public interest and should be approved. The Commission is of the further opinion that the above-mentioned application for authority to make purchases from North Supply shall be filed with the Commission in a timely manner. Accordingly,

IT IS ORDERED:

1) That United Inter-Mountain Telephone Company is hereby authorized to enter into the Warehousing and Distribution Agreement under the terms and conditions and for the purposes as described in the application;

2) That within thirty (30) days from the date of this Order, Applicant shall file an application with the Commission for authority to purchase supplies and equipment from North Supply Company;

3) That should any terms and conditions of the Agreement change from that described herein, Commission approval for such changes shall be required;

4) That should the Commission adopt costing methodologies differing from those set forth in FCC Docket No. 86-111, the authority herein granted for use of such method shall be considered null and void;

5) That the approval granted herein shall not preclude the Commission from exercising the provisions of Sections 56-76 and 56-80 of the Code of Virginia hereafter;

6) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

7) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910020
AUGUST 8, 1991

APPLICATION OF
UNITED CITIES GAS COMPANY

For approval of lease agreements with affiliates

ORDER GRANTING AUTHORITY

On June 27, 1991, United Cities Gas Company ("United Cities", "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to enter into lease agreements with its affiliates, UCG Energy Corporation ("Energy") and UCG Leasing, Inc. ("Leasing").

In its application, United Cities requests approval of three real property lease agreements with Energy and one real property lease agreement with Leasing (collectively referred to as the "Leases") under which United Cities will lease certain tracts of land together with all improvements thereon, and United Cities will make rental payments to Energy and Leasing. Applicant represents that none of the rental payments made by United Cities under the lease agreements will be allocated to Virginia ratepayers. The Leases are for office and service centers located in Tennessee, Missouri, and Georgia and will not be used to serve any Virginia customers.

The lease agreements are as follows:

a) A lease agreement between United Cities and Energy for two specified tracts of land in Johnson City, Tennessee. The lease is for a twenty-five year period beginning July 1, 1991, and ending on June 30, 2016. The annual rental will be $300,000.

b) A lease agreement between United Cities and Energy for a specified tract of land in Union City, Tennessee. The lease is for a twenty-five year period beginning January 1, 1992, and ending December 31, 2016. The annual rental will be $92,381.

c) A lease agreement between United Cities and Energy for three specified tracts of land in Hannibal, Missouri. The lease is for a twenty-five year period beginning July 1, 1991, and ending June 30, 2016. The annual rental will be $32,670.

d) A lease agreement between United Cities and Leasing for a specified tract of land in Columbus, Georgia. The lease is for a twenty-five year period beginning January 1, 1992, and ending December 31, 2016. The annual rental will be $419,025.

On expiration of the original term of the leases, the leases may be extended or renewed upon such terms and conditions to be agreed upon by both parties.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that the above-described lease agreements would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That United Cities Gas Company is authorized to enter into the Leases with UCG Energy Corporation and UCG Leasing, Inc. under the terms and conditions as described in the application;

2) That the approvals granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

3) The the Commission reserves the right to examine the books and records of any affiliate in connection with the approvals granted herein whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

4) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910021
SEPTEMBER 4, 1991

APPLICATION OF
SHENANDOAH TELEPHONE COMPANY

For authority to modify a previously approved affiliates agreement

ORDER GRANTING AUTHORITY

Shenandoah Telephone Company ("Shenandoah", "Applicant") and its affiliates received approval on June 20, 1986, in Case No. PUA840067, for authority to allocate expenses and return on asset allocations among affiliates. On October 9, 1987, Shenandoah received approval in Case No. PUA870054 to include its affiliate, Shenandoah Long Distance Company ("ShenLong"), as part of the allocation procedures. Shenandoah received authority on September 13, 1989, in Case No. PUA890030, to include its affiliate, Shenandoah Network Company ("Network") as part of its allocation procedures and received authority to include its affiliate, Virginia 10 RSA Limited Partnership ("VA10"), in the arrangement in Case No. PUA900029. On May 15, 1991, Shenandoah received approval in Case No. PUA900066 to include its affiliate, Virginia 10 RSA Resale Limited Partnership, d/b/a Shenandoah Cellular Company ("ShenCell"), as part of the allocation procedures and to exclude contributions from the allocation process due to the establishment of a private foundation to handle the organization's charitable contributions. On July 2,1991, Shenandoah filed an application with the Commission for authority to modify the aforementioned affiliates agreement pursuant to the Public Utilities Affiliates Law.

Applicant proposes to include its new affiliate, ShenTel Foundation ("Foundation"), as part of the allocation procedures. Foundation was established by Shenandoah Telecommunications Company (Shencom") to handle the organization's charitable contributions. Internal Revenue Service ("IRS") regulation of private foundations generally prohibit the foundation from entering into any transactions with certain related persons. For these purposes, Shencom and its subsidiaries are considered related to Foundation. An exception to the prohibition is allowed for compensation to a foundation manager as long as the compensation is necessary and reasonable. Shenandoah proposes to provide only accounting and general management services for Foundation and to use the allocation procedures for compensation of these services.

THE COMMISSION, upon consideration of said application and having been advised by its Staff, is of the opinion that approval of the application will not be detrimental to the public interest; Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to incorporate Foundation into the allocation methods and procedures as approved in Case No. PUA840067 and amended in Case Nos. PUA870054, PUA890030, PUA900029, and PUA900066 and to render services to Foundation under the terms and conditions and for the purposes stated in the application;

2) That Applicant shall secure Commission approval for any changes in the agreement or the allocator methods and procedures;

3) That approval of the application does not preclude the Commission from a[illegible]plying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

4) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein, pursuant to Section 56-79 of the Code of Virginia; and

5) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910022
NOVEMBER 1, 1991

APPLICATION OF
UNITED INTER-MOUNTAIN TELEPHONE COMPANY

For authority to enter into agreement with an affiliate

ORDER GRANTING AUTHORITY

On July 24, 1991, United Inter-Mountain Telephone Company ("United", "Company", "Applicant") filed an application under the Public Utilities Affiliates Act for authority to enter into an Agreement for the Provision of Operator Services (the "Agreement") with Carolina Telephone and Telegraph Company ("CT&T"), a subsidiary of United Telecom and, therefore, an affiliate of United. Pursuant to the Agreement, CT&T would provide certain operator service functions for Company.

United has for many years and currently provides intraLATA and local operator services to its customers in Southwest Virginia and Northeast Tennessee through operators employed by United and located in Johnson City, Tennessee. Approximately two (2) years ago, American Telephone and Telegraph Company ("AT&T"), elected to cancel an agreement with United wherein United provided interLATA and other operator services on behalf of AT&T. As result of this terminated agreement, Company experienced a greatly reduced requirement for operators in view of the much smaller call volumes received at its Johnson City operator location.

Company represents that, as a result of the reduced requirements, efficiencies can be gained by adding United's operator service requirements to those handled by CT&T. Also, CT&T has recently obtained state of the art operator provisioning equipment.

According to the Agreement, specific services to be provided by CT&T would include station to station, person to person, and directory assistance operator services. The charge to United would be based on hundred call seconds handled each month by CT&T. Company represents that these rates are comparable to the expense incurred by United when handled internally. The Agreement is for five (5) years. Either party would have the right to terminate the Agreement upon eighteen (18) months written notice to the other party.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that the above-described agreement will not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

(1) That United Inter-Mountain Telephone Company is hereby authorized to enter into the Agreement for the Provision of Operator Services with Carolina Telephone and Telegraph Company as described in the application;

(2) That, should any of the terms and conditions of the Agreement change from those described in the application, Commission approval shall be required for such changes;

(3) That the approval granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(4) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

(5) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910023
NOVEMBER 1, 1991

APPLICATION OF
UNITED INTER-MOUNTAIN TELEPHONE COMPANY

For authority to enter into agreement with an affiliate

ORDER GRANTING AUTHORITY

On August 8, 1991, United Inter-Mountain Telephone Company ("United", "Company", "Applicant") filed an application under the Public Utilities Affiliates Act for authority to enter into an Agreement for the Provision of End User Trouble Report Processing Service (the "Agreement") with Carolina Telephone and Telegraph Company ("CT&T"), a subsidiary of United Telecom and, therefore, an affiliate of United. Pursuant to the Agreement, CT&T would process trouble reports from United customers which occur after normal business hours. Company states that this service is necessary in view of the proposed transfer to CT&T of certain operator service functions, which is addressed in Case No. PUA910022.

As a result of the transfer proposed in Case No. PUA910022, United has determined that it would no longer be feasible to continue its present practice of using operators and automated recorders to handle trouble reports made after normal office hours. CT&T has a repair staff which provides live responses to trouble reports twenty-four (24) hours a day and seven (7) days a week. Company represents that by moving the processing of after hours trouble reports to a department in CT&T which performs only this type of service on a full time basis for all time periods, Company and its customers will obtain more effective handling and live personal contact on all of the calls reported.

The specific services to be provided to United pursuant to the Agreement would include answering trouble reports, recording necessary information, and contacting United for immediate repair. The charge to United would be $1.98 per trouble report handled with a monthly minimum administrative charge of $500.00. The monthly minimum charge would apply only when the monthly compensation due CT&T for handling United trouble reports is less than $500.00 based on the $1.98 per trouble report. Company represents that these rates will be less than the expense incurred by United if handled internally. The proposed agreement is for a five year period. Either party shall have the right to terminate the Agreement upon ninety days written notice to the other party.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that the above-described agreement will not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

(1) That United Inter-Mountain Telephone Company is hereby authorized to enter into the Agreement for the Provision of End User Trouble Report Processing with Carolina Telephone and Telegraph Company as described in the application;

(2) That should any of the terms and conditions of the Agreement change from those described in the application, Commission approval shall be required for such changes;

(3) That the approval granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(4) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

(5) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910024
SEPTEMBER 4, 1991

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to dispose of utility assets

ORDER GRANTING AUTHORITY

The Potomac Edison Company (Applicant", "Company") has filed an application under the Utility Transfers Act for authority to sell approximately .5 acre of real property in the Opequon District of Frederick County, Virginia, to John H. Herbaugh and Judith J. Herbaugh, his wife, (collectively, "Buyer") of Middleton, Virginia.

Company represents that the property, known as part of Company's Meadow Brook Substation complex, was purchased in 1985 to screen the Meadow Brook Substation. Buyer has built some type of garage in the rear of his property adjacent to the above-described approximate .5 acre that Buyer wants to purchase to provide better access to the garage. Buyer will be responsible for transplanting cedar trees planted along Company's southern property line to a location north of the new property line.

The proposed purchase price for the property is Two Thousand, Seven Hundred Dollars ($2,700.00). Two Hundred Dollars ($200.00) of this purchase price shall be paid in cash or certified check by Buyer at the time of the execution of the Contract of Sale, and Company acknowledges receipt of this amount. Two Thousand, Five Hundred Dollars ($2,500.00) shall be paid in cash or by certified check by Buyer at the time of settlement. Settlement is scheduled for December 31, 1991.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that approval of the sale of property as described in the application will neither impair nor jeopardize adequate service to the public at just and reasonable rates, and is in the public interest.

Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to sell the property described in the application to John H. Herbaugh and Judith J. Herbaugh under the terms and conditions set forth therein;

2) That the approval granted herein shall have no implications for ratemaking purposes; and

3) That this matter be continued until February 28, 1992, for the presentation by Applicant, on or before said date, of a report showing all accounting entries related to the transaction.

CASE NO. PUA910030
DECEMBER 10, 1991

APPLICATION OF
SHENANDOAH TELEPHONE COMPANY

For authority to loan funds to parent

ORDER GRANTING AUTHORITY

Shenandoah Telephone Company ("Shenandoah" or "Company") has filed an application under the Public Utilities Affiliates Act. Company is a wholly-owned subsidiary of Shenandoah Telecommunications Company ("Telecommunications").

Shenandoah represents that from time to time it has excess funds and Telecommunications has a need for funds. Therefore, Company requests authority to lend to Telecommunications from time to time, between now and December 31, 1992, up to a maximum outstanding amount of $2,000,000 at any one time. Such loans will be evidenced by notes of Telecommunications maturing less than twelve months after the date of issue and will bear interest payable monthly at the New York prime rate.

THE COMMISSION, upon consideration of said application and having been advised by its Staff, is of the opinion that the proposed loan arrangement would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That Company is authorized to lend excess funds from time to time to Shenandoah Telecommunications Company under the terms and conditions as described in the application;

2) That should Company wish to continue the described arrangement after December 31, 1992, an application shall be filed with the Commission for subsequent approval;

3) That the authority granted herein shall not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

4) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein, pursuant to Section 56-79 of the Code of Virginia; and

5) That this matter be continued until January 29, 1993, subject to Company filing with the Commission on or before this date, a report of action taken in accordance with the authority granted herein, such report to include a schedule of funds loaned to Telecommunications showing date of the note(s), amount, maturity, interest rate, and use of loan proceeds; a schedule of short-term borrowings by Company showing date, amount, maturity, interest rate, and use of proceeds; and a balance sheet reflecting the action taken.

CASE NO. PUA910032
DECEMBER 30, 1991

APPLICATION OF
THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA

For authority to purchase equipment from an affiliate

ORDER GRANTING AUTHORITY

The Chesapeake and Potomac Telephone Company of Virginia ("C&P of Virginia", "Applicant") has filed an application under the Public Utilities Affiliates Act for authority to purchase one (1) DEC 6320 computer processor and associated equipment which has been used by C&P of Maryland in its Hunt Valley, Maryland data center, but for which it has no present use. Total sales price will be the net book value of the computer at the time of sale, which is estimated to be about $721,900.

Applicant represents that it has a need for this processor at its data center in Richmond, Virginia, to support systems used in directory production, specifically to provide relief for the current processor, which is at 99% utilization during on-line hours. Applicant further represents that the sale is necessary and in the public interest, because it assures that C&P of Virginia's directory production operations will continue to operate in an efficient and cost-effective manner.

THE COMMISSION, upon consideration of said application and representations of Applicant, and having been advised by its Staff, is of the opinion and finds that the above-described transfer of equipment from C&P of Maryland to C&P of Virginia will not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That C&P of Virginia is authorized to purchase from C&P of Maryland one (1) DEC 6320 computer processor and associated equipment at the net book value of the computer at the time of sale as described in the application;

2) That the approval granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

3) That the Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission, pursuant to Section 56-79 of the Code of Virginia; and

4) That this matter be continued until February 28, 1992 for the presentation by Applicant on or before said date of a report of the action taken pursuant to the authority granted herein, such report to include the accounting entries reflecting the purchase and a balance sheet reflecting the action taken.

DIVISION OF COMMUNICATIONS

CASE NO. PUC880032
JANUARY 18, 1991

THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA
v.
VIRGINIA ELECTRIC AND POWER COMPANY

ORDER OF DISPOSITION OF REPORT AND REQUEST FOR CONSENT

The merits of the captioned case were settled by order of this Commission, dated August 3, 1990, favorable to the Petitioner, the Chesapeake and Potomac Telephone Company ("C&P"). That order directed Virginia Electric and Power Company ("Virginia Power") to terminate its leasing to a third party of certain fiber optic cable facilities in Richmond, Virginia, and to report to this Commission the action taken to effectuate that directive.

Virginia Power has delivered to the Commission the required report, said document being dated January 14, 1991, and styled, REPORT AND REQUEST FOR CONSENT.

It appears from the aforesaid report that Virginia Power proposes to terminate its forbidden lease of fiber optic facilities by entering into an agreement with the existing lessee thereof, whereby the latter would purchase the facilities, subject, however, to an option held by Virginia Power to repurchase the same facilities on June 30, 2000. Virginia Power would maintain through that date the fiber optic cable involved, and would be reimbursed by the owner the cost of any repairs to the fiber pairs themselves. The purchaser of the facilities would be prohibited by the terms of the purchase from selling or leasing the facilities to others without the consent of Virginia Power and this Commission.

It further appears to this Commission that the proposed "sale and option to repurchase" does not avoid the legal infirmities afflicting the earlier arrangement. However, consent for this case only to the proposal outlined in the report has been obtained from C&P by Virginia Power, evidenced by the endorsement of the report by counsel for C&P.

Therefore, in light of the acquiescence by C&P to the proposed arrangement, it will be accepted for this case only by the Commission, and it is hereby so ORDERED.

It is further ORDERED that a copy of the REPORT AND REQUEST FOR CONSENT, herein tendered by Virginia Power, be received by the Clerk of the Commission and filed with the record under the captioned case number.

NOTE: A copy of the Report and Request for Consent referred to herein is on file and may be examined at the State Corporation Commission, Document Control Center, Floor B-1, Jefferson Building, Richmond, Virginia.

CASE NO. PUC890024
JUNE 10, 1991

APPLICATION OF
AT&T COMMUNICATIONS OF VIRGINIA, INC.

To require local exchange carriers to discontinue offering Inter-LATA Circle Calling and Tele-Plan as if they were AT&T services

FINAL ORDER

On May 8, 1989, AT&T Communications of Virginia, Inc. ("AT&T") filed its Petition asking this Commission to require three local exchange carriers, North River Telephone Cooperative, Contel of Virginia, Inc., and Central Telephone Company of Virginia, Inc., to discontinue offering Inter-LATA, Circle Calling, and Tele-Plan as if those were AT&T services. Our Order of December 21, 1990 directed the three local exchange companies to continue offering Circle Calling and Tele-Plan at their tariffed rates, billing their customers, and retaining all of the revenues. It also directed that AT&T provide the inter-LATA transport and called for the parties to negotiate agreements setting out the associated terms and compensation to AT&T. These agreements were to be submitted to the Commission's Staff for review.

Those agreements have been submitted to the Staff and by memorandum of May 21, 1991, the Staff has advised that all three agreements appear reasonable.

The Commission is of the opinion that the agreements AT&T has entered into with North River Telephone Cooperative, Contel of Virginia, Inc., and Central Telephone Company of Virginia, Inc. represent an appropriate assurance that Inter-LATA Circle Calling and Tele-Plan will continue to be available to subscribers while reasonably distributing revenues among the affected companies. Accordingly,

IT IS THEREFORE ORDERED that the matters in dispute having been resolved satisfactorily among the parties, this case is hereby dismissed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC890045
SEPTEMBER 20, 1991

APPLICATION OF
UNITED INTER-MOUNTAIN TELEPHONE COMPANY

To reclassify services as actually competitive

FINAL ORDER

On November 27, 1989, United Inter-Mountain Telephone Company ("United") filed a notice with the Commission's Division of Communications that it intended to reclassify certain services to the "Actually Competitive" category pursuant to paragraph 24 of the Commission's Experimental Plan for Alternative Regulation of Virginia Telephone Companies adopted in Case No. PUC880035 by Final Order of December 15, 1988. On December 22, 1989, the Staff advised United that it did not believe it appropriate to reclassify these services to Actually Competitive. On March 14, 1990, United filed a petition asking the Commission to review this proposed reclassification. On April 4, 1990, United asked the Commission to delay any decision until the Company's cost allocation manual (CAM) had been approved. By order of April 19, 1990, we granted United's request to hold this matter in abeyance.

On July 15, 1991 United, filed a letter advising the Commission that it considered this filing to be antiquated and requesting that it be withdrawn even though the CAM had not been approved. The Commission is of the opinion that the request should be granted. Accordingly,

IT IS THEREFORE ORDERED that United's request to withdraw its Petition to reclassify services is granted, this docket is dismissed without prejudice, and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC900022
FEBRUARY 20, 1991

APPLICATION OF
REDI-CALL COMMUNICATIONS COMPANY d/b/a RADIO COMMUNICATIONS COMPANY

For a certificate to provide radio common carrier services throughout the Commonwealth

FINAL ORDER

On August 24, 1990, Radio Communications Company ("Company" or "Applicant") filed an application pursuant to § 56-508.6 of the Code of Virginia and the Commission's Rules Governing Radio Common Carrier Services ("RCC Rules") (adopted by Final Order of February 26, 1990 in Case No. PUC890042) for a certificate to provide radio common carrier service throughout the Commonwealth. Initially, service will be offered along Virginia's Eastern Shore in and around the Town of Exmore.

By order of October 9, 1990, the Commission directed Company to provide notice to Virginia's existing radio common carriers and to officials of the cities, towns and counties in which service will initially be offered. That same order provided that a public hearing would be scheduled only if objections to the Application were received.

The deadline for objections was November 19, 1990. That date has passed and no objections have been filed. Company has filed proof of notices as directed in the Commission order of October 9, 1990. On December 26, 1990, the Company amended its application in order to substitute Redi-Call Communications Company, d/b/a Radio Communications Company as the party in interest. The name change was necessary to create a Virginia public service corporation whose name was distinguishable from Radio Communications Company, Inc. Redi-Call has received its corporate charter and the new name is hereby substituted as the party in interest.

The Commission's Staff has no objection to granting the requested authority. Having considered the Application and the lack of objections from other radio common carriers, governmental officials, or the Commission's Staff, the Commission is of the opinion that the Application should be granted and, pursuant to the terms of § 56-508.6 of the Code of Virginia and the RCC Rules, Redi-Call Communications Company, d/b/a Radio Communications Company should be granted a certificate to provide radio common carrier services throughout the Commonwealth. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Redi-Call Communications Company, d/b/a Radio Communications Company is granted RCC Certificate No. 166 authorizing it to provide service throughout the Commonwealth. Initially service will be offered in and around the Town of Exmore along Virginia's Eastern Shore, as shown on the map attached to the Application; and

(2) That there being nothing further to come before the Commission, this docket is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC900033
APRIL 3, 1991

APPLICATION OF
ROANOKE & BOTETOURT TELEPHONE COMPANY,
BOTETOURT COMMUNICATIONS, INC., AND
R&B NETWORK, INC.

For the issuance of a certificate of public convenience and necessity to provide interLATA, interexchange telephone service

FINAL ORDER

On October 23, 1990, Botetourt Communications, Inc. ("Communications"), Roanoke & Botetourt Telephone Company ("Telephone Company"), and R&B Network, Inc. ("Network") filed a joint application to cancel the interLATA interexchange certificate of public convenience and necessity held by Telephone Company, to reissue the certificate to Network, and to continue competitive pricing of interexchange interLATA services, as currently authorized by the certificate of Telephone Company.

By order of February 8, 1991, the Commission directed the Applicants to publish notice of the proposed notice throughout the counties where service is provided and to serve the notice on certain governmental officials. That order provided that a public hearing would be scheduled if sufficient objections were received. By the specified deadline of March 15, 1991, no objections had been received.

Based upon the application and the absence of objections, the Commission is of the opinion that all of the interLATA, interexchange services and tariffs of Telephone Company should be transferred to its sister company, Network. The certificate of convenience and necessity held by Telephone Company, No. TT-9A cannot be transferred, but it will be cancelled and a new certificate, No. TT-18A, issued to Network. In approving this structural separation such that Telephone Company will provide local exchange operations and Network will provide interexchange operations, the Commission is of the opinion that the same restrictions placed upon Telephone Company in Case No. PUC840041, Final Order of March 8, 1985, should also be imposed upon Network. Those conditions are as follows:

(1) That Botetourt Communications, Telephone Company, and Network shall disclose and describe to the Commission the affiliation or other relationship between themselves and any company (or companies) engaged in the provision of interLATA services to end users in Virginia, if any such relationship exists;

(2) That no cross-subsidization will be permitted to exist between end user interexchange services offered by the Applicants or any affiliate or other company in which the Applicants will have a relationship or financial interest and any local exchange services provided by the Applicants;

(3) That the rates for access services which Network will incur as a provider of interexchange services will be the same as rates charged other interexchange carriers for interexchange services;

(4) That the rates for access services paid by any other interexchange carrier affiliated with the companies or in which the companies have a financial interest will be the same as the rates charged nonaffiliated interexchange carriers.

THE COMMISSION is particularly concerned that no cross-subsidization occur between the interLATA interexchange services of Network (or any other affiliate), and Telephone Company's local exchange business. The Commission's Division of Public Utility Accounting will continue to review and monitor the operations and accounting procedures used by the applicants to assure that there is no cross-subsidization. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificate of public convenience and necessity previously granted to Telephone Company, No. TT-9A is hereby revoked and re-issued to Network as No. TT-18A. Such certificate is granted (a) for the purchase or construction of interLATA interexchange facilities, (b) for the provision of interLATA, interexchange services to other interexchange carriers pursuant to the tariffs on file with the Commission and (c) for the provision of interLATA, interexchange services to end users throughout Network's service territory, provided that Network file appropriate tariffs with the Commission prior to commencing such service to end users. Each interLATA, interexchange service offered by Network may be offered throughout the service territory of Network subject to the restrictions for interLATA service set out in Rule 2 of the Commission's Rules Governing the Certification of InterLATA, Interexchange Carriers and in Virginia Code § 56-265.4:4;

(2) That the Applicants abide by the conditions set forth above in this order and if any of the Applicants develops a financial relationship with any other interexchange carrier, the Commission shall be informed;

(3) That the Applicants respond to Staff data requests and submit reports as requested by the Staff concerning the relationship between the local exchange operations of Telephone Company and the interexchange operations of Network;

(4) That tariffs filed by Network for interLATA, interexchange service to other interexchange carriers are hereby approved. We find that the criteria set out in Virginia Code § 56-481.1 for the provision of service on a competitive basis have been met and those services may continue to be offered on a competitive basis. Further changes in those rates shall be made as set forth in Rule 11 of the Commission's Rules Governing the Certification of InterLATA, Interexchange Carriers. If Network desires to begin interexchange service to end users, it may do so on a competitive basis by filing initial rates for such service with the Commission prior to commencing service unless the Commission, prior to that time, has determined that interexchange carriers are once again to be regulated pursuant to the provisions of Chapter 10 of Title 56 of the Code of Virginia; and

(5) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC900034
JANUARY 18, 1991

APPLICATION OF
PACTEL PAGING OF VIRGINIA, INC.

For a certificate to provide radio common carrier services throughout the Commonwealth

FINAL ORDER

On November 1, 1990, PacTel Paging of Virginia, Inc. ("PacTel" or "Company") filed an application pursuant to § 56-508.6 of the Code of Virginia and the Commission's Rules Governing Radio Common Carrier Services (adopted by Final Order of February 26, 1990 in Case No. PUC890042) for a certificate to provide radio common carrier service throughout the Commonwealth. Initially, PacTel will offer service in Northern Virginia, in the greater Washington, D.C. metropolitan area.

By order of December 4, 1990, the Commission directed PacTel to provide notice to Virginia's existing radio common carriers and to officials of the cities, towns, and counties in which service will initially be offered. That same order provided that a public hearing would be scheduled only if objections to the application were received.

The deadline for objections was January 14, 1991. That date has passed and no objections have been filed. PacTel has filed proof of notice as directed in the Commission's order of December 4, 1990. The Commission's Staff has no objection to granting the requested authority. Having considered the application and the lack of objections from other radio common carriers, governmental officials, or the Commission's Staff, the Commission is of the opinion that the application should be granted and, pursuant to the terms of § 56-508.6 of the Code of Virginia and the RCC Rules, PacTel should be granted a certificate to provide radio common carrier service throughout the Commonwealth. Accordingly,

IT IS THEREFORE ORDERED:

(1) That PacTel is granted RCC Certificate No. 165 authorizing it to provide service throughout the Commonwealth. Initially, service will be offered in Northern Virginia, in the greater Washington, D.C. metropolitan area, as shown on the map attached to the application; and

(2) That there being nothing further to come before the Commission, this docket is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC900039
MARCH 12, 1991

APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA

To eliminate Improved Mobile Telephone Service in Charlottesville and Gum Tree

FINAL ORDER

On November 13, 1990, the Central Telephone Company of Virginia ("Centel") filed an application seeking authority to discontinue Improved Mobile Telephone Service ("IMTS") in Charlottesville and Gum Tree. The Commission's order of December 19, 1990 directed Centel to mail notice to each affected subscriber on or before December 31, 1990 and allowed subscribers to file comments or requests for hearing on or before January 31, 1991.

On February 15, 1991, the Staff reported that no comments or objections had been received by the deadline. It further advised that the application should be approved because the equipment is obsolete and spare parts are not available. Cellular service provides an attractive alternative to IMTS. Having considered the application, the lack of objections, and the Staff recommendations, the Commission is of the opinion that the application should be granted; Accordingly

IT IS THEREFORE ORDERED:

(1) That Centel may discontinue the offering of Improved Mobile Telephone Service in Charlottesville and Gum Tree as of the date of this order or any subsequent date chosen by the Company;

(2) That there being nothing further to come before the Commission, this case is dismissed from the docket and the record developed herein shall be placed in a file for ended causes.

CASE NO. PUC900050
FEBRUARY 15, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
INSTITUTIONAL COMMUNICATIONS COMPANY-VIRGINIA

ORDER IMPOSING FINE

On December 21, 1990, the Commission issued an Order requiring Institutional Communications Company-Virginia ("ICC-V" or "Company") to appear before the Commission on February 19, 1991 at 10:00 a.m. to show cause why it should not be fined pursuant to Virginia Code § 12.1-33 or § 56-483 or have its certificate of public convenience and necessity revoked or suspended for failure to file timely reports as required by §§ 56-482.1 and 56-482.2 of the Code of Virginia and Rule 6 of the Commission's Rules Governing the Certification of InterLATA, Interexchange Carriers. On January 25, 1991, ICC-V filed its response explaining the difficulty it had previously experienced in filing quarterly reports on time. The response states that as of January 22, 1991, Gregory M. Kapfer, Vice President of Finance and CFO has assumed responsibility for the timely filing of the reports on or before the specified due date. The response requests that ICC-V's certificate of public convenience and necessity not be suspended or revoked and that no fines be imposed upon it.

In lieu of the hearing scheduled herein for February 19, 1991, the Commission's Staff has negotiated a proposal with ICC-V for the Commission to impose a fine, but suspend the entire amount contingent upon the timely filing of all four of ICC-V's quarterly reports for the year 1991. If the four quarterly reports for 1991 are filed in a timely manner, the fine will be vacated in its entirety and this case will be closed by a Final Order. Staff proposes that the amount of the fine be $1,000 per day as authorized by § 12.1-33 of the Code of Virginia and that it be imposed for the 22 business days that lapsed between the November 30, 1990 deadline and the actual filing of ICC-V's third quarter 1990 report. Staff represents that this proposal has been verbally presented to counsel for ICC-V, and ICC-V's counsel has responded that the fine, suspended as detailed above, is acceptable to ICC-V in lieu of further litigation.

The Commission is of the opinion that settlement reached between the Staff and ICC-V is reasonable and should be adopted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That pursuant to the provisions of § 12.1-33 of the Code of Virginia, ICC-V is hereby fined the sum of $22,000, i.e., $1,000 per day for each business day the third quarter 1990 usage report was late. Provided, however, that the entire amount of the fine is suspended upon the condition that ICC-V file complete and timely quarterly reports for the four quarters of 1991. Upon the timely filing of complete quarterly reports for all of 1991, the suspended fine shall be vacated and this case closed by a Final Order; and

(2) That the hearing scheduled herein for 10:00 a.m., February 19, 1991 is cancelled and this matter is continued generally pending the filing of timely quarterly reports for the year 1991.

CASE NO. PUC910001
MARCH 27, 1991

APPLICATION OF
CONTEL CELLULAR OF NORFOLK, INC.

To amend certificate to reflect expanded CGSA

FINAL ORDER

By letter of January 15, 1991, Contel Cellular of Norfolk, Inc., ("Contel") requested that the Commission modify its certificate of convenience and necessity to reflect that the Federal Communications Commission ("FCC") has enlarged the Norfolk/Newport News Cellular Geographical Service Area ("CGSA"). The maps reflecting the change have been filed with the Division of Communications. The Commission is of the opinion that the request should be granted.

Accordingly, IT IS THEREFORE ORDERED:

(1) That Cellular Certificate No. C-3C of Contel Cellular of Norfolk, Inc. be amended and reissued as No. C-3D to reflect the expanded CGSA depicted on the maps filed with the Division of Communications; and

(2) That there being nothing further to come before the Commission, this case is dismissed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910002
MARCH 27, 1991

APPLICATION OF
NORFOLK-VIRGINIA BEACH-PORTSMOUTH MSA LIMITED PARTNERSHIP

To amend certificates to reflect its name change

FINAL ORDER

By letter of February 13, 1991, Norfolk-Virginia Beach-Portsmouth MSA Limited Partnership ("Partnership") requested that the Commission amend its certificates of convenience and necessity to reflect that the Partnership's name had been changed to the Virginia Cellular Limited Partnership ("Limited Partnership"). The two certificates affected are No. C-30 for the provision of cellular service in RSA12-Caroline CGSA and C-32 for the provision of cellular service in RSA9-Greensville CGSA. A copy of the letters notifying the Federal Communications Commission ("FCC") of the name change are attached to the application. The Commission is of the opinion that the request should be granted.

Accordingly, IT IS THEREFORE ORDERED:

(1) That Cellular Certificate No. C-30 is amended and reissued as No. C-30A to reflect that it is held by the Virginia Cellular Limited Partnership;

(2) That Cellular Certificate No. C-32 is amended and reissued as No. C-32A to reflect that it is held by the Virginia Cellular Limited Partnership; and

(3) That there being nothing further to come before the Commission, this case is dismissed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910003
MARCH 11, 1991

APPLICATION OF
CHARLES REASE BRALEY, III

For a certificate to provide cellular mobile radio communications service in and around Augusta, Rockingham, Highland and Nelson Counties

ORDER GRANTING CERTIFICATE

On February 15, 1991, Charles Rease Braley, III ("Mr. Braley" or "Applicant") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in and around Augusta, Rockingham, Highland and Nelson Counties. As required by § 56-508.11 of the Code of Virginia, Mr. Braley has received his mobile radio authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in the area known as Virginia RSA 6-Highland, depicted on the maps referred to in the application and filed directly with the Commission's Division of Communications. Mr. Braley applies as an individual, residing in the State of New York.

The Commission's Staff has reviewed the application and the proposed tariff and has determined the tariff should be allowed to take effect as of the date of this order or any subsequent date Mr. Braley is ready to commence service. The Commission is of the opinion that Mr. Braley should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Charles R. Braley, III is hereby granted a certificate of public convenience and necessity No. C-37, to render cellular mobile radio communications service within the Cellular Geographic Service Area (CGSA) depicted on the map filed herein and known as Virginia Rural Service Area 6-Highland;

(2) That the tariff submitted by Mr. Braley may take effect as the date of this order, or any subsequent date chosen by Mr. Braley for service rendered in his CGSA; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910004
MARCH 6, 1991

APPLICATION OF
LYNCHBURG CELLULAR JOINT VENTURE

For a certificate of public convenience and necessity to provide cellular mobile communications service in the Lynchburg Cellular Geographic Service Area

ORDER GRANTING CERTIFICATE

On February 19, 1991, Lynchburg Cellular Joint Venture ("Applicant" or "Lynchburg Cellular"), a New York Joint Venture Partnership comprised of two Virginia public service corporations, Century Lynchburg Cellular Corporation and Lynchburg Metronet Inc., filed an application for a certificate of public convenience and necessity to provide cellular mobile communications service in the Lynchburg Cellular Geographic Service Area (CGSA). Pursuant to the provisions of § 56-508.11 of the Code of Virginia, Lynchburg Cellular represents that it has been granted authority by the Federal Communications Commission (FCC) to provide service. The application includes maps depicting the CGSA in which service will be provided. No protests to the application have been filed and none are anticipated. The Commission's Staff has reviewed the proposed tariff and has no-objection to its becoming effective.

The Commission is of the opinion that pursuant to § 56-508.11 of the Code of Virginia, the Applicant should be authorized to commence service in the Lynchburg CGSA depicted on its maps, provided that the Applicant comply with Chapter 3 of Title 56 of the Code of Virginia by filing for any future borrowings, even if the borrowings come from an arrangement established prior to this Order and provided that neither Virginia public service corporation convey its interest in the joint venture to a third party without Commission approval. The proposed tariffs may take effect as of the date of this Order or any subsequent date chosen by the Applicant. Accordingly,

IT IS THEREFORE ORDERED:

(1) That pursuant to § 56-508.11 of the Code of Virginia, Lynchburg Cellular Joint Venture is granted a certificate of public convenience and necessity, No. C-36, to render cellular mobile radio communications service within the area authorized by its FCC license as depicted on the maps filed with its application. This certificate is granted contingent upon Lynchburg Cellular's seeking approval of any borrowings and seeking Commission approval before either Virginia public service corporation conveys its interest in the joint venture to a third party; as directed above;

(2) That the tariff proposed by the Partnership may take effect for service within its service territory as of the date of this Order or any subsequent date chosen by Lynchburg Cellular; and

(3) That there being nothing further to come before the Commission, this case is dismissed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910005
APRIL 11, 1991

APPLICATION OF
CONTEL CELLULAR OF RICHMOND INC.

To amend certificates

FINAL ORDER

By letter of February 25, 1991, Contel Cellular of Richmond, Inc. ("Applicant" or "Contel of Richmond") asked the Commission to alter the name of the holder of certificates No. C-4D and C-11 to reflect that a new entity, Virginia Cellular Limited Partnership ("Virginia Partnership"). is the provider of service in the Richmond Cellular Geographic Service Area ("CGSA") and in the Petersburg CGSA. The Application explains that heretofore Certificate No. C-40 for the Richmond CGSA has been held by the majority partner (Contel of Richmond) of a partnership comprised of Contel of Richmond and Bell Atlantic Mobile Systems of Richmond, Inc. (BAMS-Richmond). Each of those partners has assigned its interest to the Virginia Partnership. Contel of Richmond was the sole owner and provider of service for Certificate No. C-11 (the Petersburg CGSA). It also assigned that interest to the Virginia Partnership.

The attachments to the application contain copies of the Federal Communications Commission's ("FCC's") Consents to Assignment of Common Carrier Radio Station Construction Permit or License. In each of those assignments, the license of Contel Cellular of Richmond, Inc. was assigned to Norfolk-Virginia Beach-Portsmouth MSA Limited Partnership. By letters of February 7, 1991, Norfolk-Virginia Beach-Portsmouth MSA Limited Partnership notified the FCC of its name change to Virginia Cellular Limited Partnership.

The assignments and name change result in the Virginia Partnership being the licensee and service provider in the Richmond and Petersburg CGSAs. In turn, Contel of Richmond has a 37.3225% share in that partnership and BAMS-Richmond has a 0.3825% share.

The Commission is of the opinion that the certificates held by Contel of Richmond should be reissued to reflect that the Virginia Cellular Limited Partnership now holds the FCC license. Accordingly,

IT IS THEREFORE ORDERED:

(1) That certificates held by Contel of Richmond, Inc., Nos. C-4D and C-11 are hereby cancelled and shall be reissued as Nos. C-39 and C-40 to show that they are held by the Virginia Cellular Limited Partnership;

(2) That the tariffs on file for the Richmond and Petersburg CGSAs shall remain in effect but be modified to reflect that the service provider is the Virginia Cellular Limited Partnership; and

(3) That there being nothing further to come before the Commission, this docket shall be closed and the record developed herein placed in the file for ended causes.

CASE NO. PUC910005
APRIL 22, 1991

APPLICATION OF
CONTEL CELLULAR OF RICHMOND INC.

To amend certificates

CORRECTING ORDER

On April 11, 1991, the Commission entered its Final Order in this case. The Application and the Final Order incorrectly referred to Certificate No. C-11 which had been held by Contel Cellular of Richmond Inc. ("Contel") for the Petersburg Cellular Geographic Service Area ("CGSA"). Upon Staff's reviewing the certificate files, it was discovered that Certificate No. C-11 had previously been cancelled and the Petersburg CGSA merged into the Richmond CGSA which Contel of Richmond held as Certificate No. C-4D. Consequently, it was not necessary to issue Certificate No. C-39. That number will be issued to another carrier. It is necessary to correct ordering paragraph No. 1 of our order of April 11, 1991. Accordingly,

IT IS THEREFORE ORDERED:

(1) That ordering paragraph No. 1 of our Final Order of April 11, 1991 is hereby amended to read as follows: "That the certificate held by Contel Cellular of Richmond Inc., No. C-4D, is hereby cancelled and shall be reissued as No. C-40 to show that it is held by the Virginia Cellular Limited Partnership;"

(2) That the reference to Certificate No. C-40 contained in the eighth line of the first paragraph of the Final Order of April 11, 1991 should be read as "Certificate No. C-4D"; and

(3) That in all other respects the Final Order of April 11, 1991 remains unchanged.

CASE NO. PUC910006
APRIL 11, 1991

APPLICATION OF
CONTEL CELLULAR OF NORFOLK, INC.

To amend certificate to reflect partnership name

FINAL ORDER

By letter of February 14, 1991, Contel Cellular of Norfolk, Inc. ("Applicant" or "Contel of Norfolk") requested that the Commission amend certificate No. C-3D for the Norfolk/Newport News Cellular Geographic Service Area ("CGSA") to reflect that the licenses granted by the Federal Communications Commission ("FCC") have been assigned to a limited partnership. Attached to the application are the FCC's Consents to Assignment of Common Carrier Radio Station Construction Permit or License for assignment of the Norfolk-Virginia Beach-Portsmouth and Newport News-Hampton licenses from Contel of Norfolk to the Norfolk-Virginia Beach-Portsmouth MSA Limited Partnership. Also attached is a February 7, 1991 letter notifying the FCC that the name of the Partnership has been changed to Virginia Cellular Limited Partnership.

Previously, Contel of Norfolk had held the FCC licenses and the certificate for the Norfolk-Virginia Beach-Portsmouth CGSA and the Newport News-Hampton CGSA on behalf of the partnership it had with Bell Atlantic Mobile Systems of Norfolk, Inc. (BAMS-Norfolk). Contel of Norfolk owned 93.6% of the partnership and BAMS-Norfolk 6.4%. Both transferred their interests in the partnership to the limited partnership now called the Virginia Cellular Limited Partnership ("Virginia Partnership") in exchange for proportionate interests in the limited partnership. Contel of Norfolk was merged into Contel Cellular Inc., which acts as general partner for the Virginia Partnership and holds the interests previously held by Contel of Norfolk.

The Commission is of the opinion that the certificate held by Contel of Norfolk should be amended to reflect the name of the partnership now holding the FCC licenses. Accordingly,

IT IS THEREFORE ORDERED:

(1) That certificate No. C-3D held by Contel Cellular of Norfolk, Inc. is hereby cancelled and reissued as No. C-38 to show that it is now held by the Virginia Cellular Limited Partnership;

(2) That the tariffs filed by Contel of Norfolk should remain in effect but be modified to reflect that the service provider is the Virginia Cellular Limited Partnership; and

(3) That there being nothing further to come before the Commission, this docket shall be closed and the record developed herein placed in the file for ended causes.

CASE NO. PUC910008
AUGUST 26, 1991

APPLICATION OF
METROCALL OF DELAWARE, INC.

To eliminate direct dial mobile telephone service in the Rushmere area

FINAL ORDER

On March 1, 1991, Metrocall of Delaware, Inc. ("Metrocall" or "Applicant") filed an application seeking authority pursuant to Rule 7 of the Commission's Rules Governing Radio Common Carrier Services ("Rules") to discontinue direct dial mobile radio telephone service on Channels 7 and 13 in the areas around Newport News, Rushmere, and Williamsburg. By order of March 21, and June 14, 1991, the Commission suspended the proposed effective date for terminating the service and prescribed the direct notice be mailed to each affected subscriber, affording subscriber's opportunity to file objections about the proposed termination or to request a hearing.

On July 31, 1991, Metrocall filed proof that it had mailed the prescribed notice to its affected customers. On August 12, 1991, the Commission Staff filed a report indicating that none of the affected customers had objected or requested a hearing and recommended that the proposed termination be approved. Having considered the Staff report and the lack of objections, the Commission is of the opinion that Metrocall's application should be granted.

Accordingly, IT IS THEREFORE ORDERED:

(1) That Metrocall is hereby authorized to cease providing direct dial mobile telephone service on its Channels 7 and 13 as of the date of this order or any subsequent date chosen by Metrocall; and

(2) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910009
APRIL 22, 1991

APPLICATION OF
CENTEL CELLULAR COMPANY OF VIRGINIA

For a certificate to provide cellular mobile radio communications in and around Mecklenburg, Lunenburg, Brunswick, Nottoway, and Amelia Counties

ORDER GRANTING CERTIFICATE

On March 6, 1991, Centel Cellular Company of Virginia ("Centel Cellular" or "Applicant") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in and around Mecklenburg, Lunenburg, Nottoway, Brunswick and Amelia Counties. As required by § 56-508.11 of the Code of Virginia, Centel Cellular has received its Mobile Radio Authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in the area known as Virginia RSA-8 - Amelia, depicted on the map attached as Exhibit D to the application. Centel Cellular is a Virginia public service corporation.

The Commission Staff has reviewed the application and the proposed tariff and has determined the tariff should be allowed to take effect as of the date of this order or any subsequent date Centel Cellular is ready to commence service. The Commission is of the opinion that Centel Cellular should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Centel Cellular is hereby granted a certificate of public convenience and necessity, No. C-39, to render cellular mobile radio communications service within the Cellular Geographic Service Area depicted on the map filed herein;

(2) That the tariff submitted by Centel Cellular may take effect as of date of this order, or any subsequent date chosen by Centel Cellular for service rendered within the Cellular Geographic Service Area known as Virginia RSA-8 - Amelia; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910017
APRIL 12, 1991

APPLICATION OF
WASHINGTON, D.C. SMSA LIMITED PARTNERSHIP

For a certificate to provide cellular mobile radio communications in Spotsylvania, Stafford and Prince William Counties

ORDER GRANTING CERTIFICATE

On March 22, 1991, the Washington, D.C. SMSA Limited Partnership ("Limited Partnership" or "Applicant") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communication service in and around Spotsylvania, Stafford and Prince William Counties. As required by § 56-548.11 of the Code of Virginia, Limited Partnership has received its mobile radio authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in the area known as Virginia RSA-11 Madison, depicted on the map appended as Attachment No. 2 to the Application. The Application shows that Limited Partnership's general partner is Bell Atlantic Mobile Systems of Washington, Inc., a Virginia public service corporation, and its limited partner is Contel Cellular, Inc. The partnership is organized as a Virginia limited partnership.

The Commission's Staff has reviewed the Application and the proposed tariff and has determined the tariff should be allowed to take effect as of the date of this order or any subsequent date Limited Partnership is ready to commence service. The Commission is of the opinion that Limited Partnership should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Washington, D.C. SMSA Limited Partnership is hereby granted a certificate of public convenience and necessity, No. C-41, to render cellular mobile radio communication service within the Cellular Graphic Service Area depicted on the map filed herein;

(2) That the tariffs submitted by Limited Partnership may take effect as of date of this order or any subsequent date chosen by Limited Partnership for service rendered within the service area known as Virginia RSA-11 Madison; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910018
APRIL 4, 1991

PETITION OF
AT&T COMMUNICATIONS OF VIRGINIA INC.

For Authority to Offer Limited IntraLATA Private Line Services to the Commonwealth of Virginia

ORDER DENYING PETITION

On March 26, 1991, AT&T Communications of Virginia Inc. ("AT&T") filed its Petition requesting that the Commission grant it a waiver to provide intraLATA private line service to the Commonwealth of Virginia. This, according to AT&T, would permit it to submit a more cost-effective and efficient bid to the pending Request for Proposals (RFP91-085) from the Department of Information Technology of the Commonwealth. On March 29, 1991 the Chesapeake and Potomac Telephone Company of Virginia ("C&P") filed a responsive motion asking that the Commission establish a schedule for filing responses or reject AT&T's petition outright.

Having considered the arguments contained in the Petition, the Commission is of the opinion that it should be rejected. The Petition offers no reasons for allowing this intraLATA exception different from the matters currently being considered in our investigation of intraLATA competition, Commonwealth of Virginia, ex rel. State Corporation Commission, Ex parte: Investigation of Competition for IntraLATA, Interexchange Telephone Service, 1986 S.C.C. Ann. Rep. 224, Case No. PUC850035. Indeed, while that docket is still under consideration, the granting of AT&T's proposed waiver would compromise the integrity of the Commission's current prohibition on certificated interexchange carriers offering intraLATA services. See Rule 2 of the Commission's Rules Governing the Certification of InterLATA Interexchange Carriers, 1984 S.C.C. Ann. Rep. 326, 60 PUR4th 327, Case No. PUC840017. AT&T and other certificated interexchange carriers are able to bid on this RFP without a waiver of R le 2 and no other certificated interexchange carrier has asked for such a waiv Accordingly,

IT IS THEREFORE ORDERED that AT&T's request for a waiver is hereby dismissed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910019
JULY 12, 1991

APPLICATION OF
COMMUNICATIONS SERVICES OF VIRGINIA, INC.

To amend certificate to reflect new corporate name

FINAL ORDER

By letter of March 28, 1991, Communications Services of Virginia, Inc. ("CSVI") informed the Commission its corporate name is changed to Metromedia Communications Corporation of Virginia ("Metromedia"). The change in corporate name requires only an amendment to the company's articles of incorporation and does not change the corporate organization in substance. The Commission finds that the certificate of public convenience and necessity held by CSVI should reflect the new corporate name.

IT IS THEREFORE ORDERED:

(1) That the certificate of public convenience and necessity held by CSVI, No. TT-4C, is hereby amended, and redesignated No. TT-4D, to show the new corporate name as Metromedia Communications Corporation of Virginia, formerly Communications Services of Virginia, Inc.; and

(2) That there being nothing further to come before the Commission, this docket shall be closed and the record developed herein placed in the file for ended causes.

CASE NO. PUC910020
MAY 7, 1991

APPLICATION OF
BLUE RIDGE CELLULAR, INC.

For a certificate to provide cellular mobile radio communications in and around Giles, Pulaski, Montgomery, Carroll, Floyd and Patrick Counties

ORDER GRANTING CERTIFICATE

On April 11, 1991, Blue Ridge Cellular, Inc. ("Blue Ridge" or "Applicant") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communication service in and around Giles, Pulaski, Montgomery, Carroll, Floyd and Patrick Counties. As required by § 56-508.11 of the Code of Virginia, Blue Ridge has received its Mobile Radio Authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in the area known as Virginia No. 3 - Giles Rural Service Area, depicted on the map attached as Exhibit F to the Application. The Application shows that Blue Ridge is a Virginia public service corporation.

The Commission Staff has reviewed the application and the proposed tariff and has determined that the tariff should be allowed to take effect as of the date of this order or any subsequent date Blue Ridge is ready to commence service. The Commission is of the opinion that Blue Ridge should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Blue Ridge Cellular, Inc. is hereby granted a certificate of public convenience and necessity No. C-42, to render cellular mobile radio communications service within the Cellular Geographic Service Area depicted on the map filed herein;

(2) That the tariff submitted by Blue Ridge Cellular, Inc. may take effect as of the date of this order or any subsequent date chosen by the Applicant for service rendered within the Cellular Geographic Service Area known as Virginia No. 3 - Giles Rural Service Area; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the records developed herein shall be placed in the file for ended causes.

CASE NO. PUC910021
MAY 31, 1991

APPLICATION OF
WASHINGTON, D.C. SMSA LIMITED PARTNERSHIP

For a certificate to provide cellular mobile radio communications in Rural Service Area Market No. 692, Virginia 12-Caroline

ORDER GRANTING CERTIFICATE

On May 8, 1991, Washington, D.C. SMSA Limited Partnership ("Partnership" or "Applicant") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in Rural Service Area Market No. 692, Virginia 12-Caroline ("Virginia 12-Caroline RSA"). As required by § 56-508.11 of the Code of Virginia, the Partnership has received its construction permit

from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in Virginia 12-Caroline RSA. A copy is appended to the Application as Attachment No. 2. A copy of the map depicting the Cellular Geographic Service Area for Virginia 12-Caroline RSA is appended to the Application as Attachment No. 1. The partnership is a Virginia limited partnership. Its general partner is Bell Atlantic Mobile Systems of Washington, Inc., a Virginia public service corporation.

The Commission's Staff has reviewed the Application and the proposed tariff and has determined that the tariff should be allowed to take effect on its proposed effective date of June 1, 1991, or any subsequent date chosen by the Partnership. The Commission is of the opinion that the Partnership should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the Washington, D.C. SMSA Limited Partnership is hereby granted a certificate of public convenience and necessity, No. C-43, to render cellular mobile radio communications service within the cellular geographic service area depicted on the map filed with the application:

(2) That the tariff submitted by the partnership may take effect as of the proposed effective date of June 1, 1991 or any subsequent date chosen by the Partnership for service rendered within the Virginia 12-Caroline RSA; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910022
JUNE 18, 1991

APPLICATION OF
VIRGINIA CELLULAR, INC.

For a certificate to provide cellular mobile radio communications service in and around Augusta, Rockingham, Highland and Nelson Counties

ORDER GRANTING CERTIFICATE

On June 7, 1991, Charles Rease Braley, III and Virginia Cellular, Inc. filed an application seeking transfer of the certificate of public convenience and necessity, No. C-37, held by Mr. Braley to Virginia Cellular, Inc. The Application states that Mr. Braley is the sole shareholder of Virginia Cellular, Inc. and that he desires to transact his cellular business in corporate form. To comply with Chapter 16.2 of Title 56 of the Code of Virginia, Virginia Cellular, Inc. has amended its Articles of Incorporation to transform itself into a public service corporation established for the purpose of providing cellular mobile radio telephone service. The amended articles have been approved by the Commission. The Federal Communications Commission has issued its Consent to Assignment of Common Carrier Radio Station Construction Permit or License assigning the permit from Mr. Braley to Virginia Cellular, Inc. A copy is attached as Exhibit 2 to the application. Virginia Cellular, Inc. will use the same tariffs, with the same rates, terms and conditions as used by Mr. Braley. The map filed by Mr. Braley in Case No. PUC910003 depicting his service area known as Virginia RSA 6-Highland is unaltered and may be used to depict the service territory sought by Virginia Cellular, Inc.

The Commission's Staff has reviewed the Application and has determined that Virginia Cellular, Inc. should be authorized to transact the cellular business heretofore transacted by Mr. Braley as a sole proprietor. The Commission is of the opinion that the authority should be granted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That certificate of public convenience and necessity No. C-37 heretofore granted to Charles R. Braley, III is hereby canceled and Certificate No. C-44 is issued to Mr. Braley's public service corporation, Virginia Cellular, Inc., which is authorized to render cellular mobile radio communications service within the Cellular Geographic Service Area (CGSA) depicted on the map filed in Case No. PUC910003 and known as Virginia Rural Service Area 6-Highland;

(2) That the tariffs submitted by Virginia Cellular Inc. may take effect as of the date of this order, or any subsequent date chosen by the corporation for service rendered in its CGSA; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910023
AUGUST 28, 1991

APPLICATION OF
CENTEL CELLULAR COMPANY OF VIRGINIA

For certificates to provide cellular mobile radio communications in Rural Service Areas Virginia 6, 7, 9, and 11

ORDER GRANTING CERTIFICATES

On December 2, 1990, Centel Cellular Company of Virginia ("Applicant" or "Centel Cellular") filed an application for certificates of public convenience and necessity to provide cellular mobile radio communication services in areas known as Rural Service Areas ("RSAs") Virginia 6-Highland, 7-Buckingham, 9-Greenville, and 11-Madison. As required by § 56-508.11 of the Code of Virginia, Centel Cellular has received its Mobile Radio Authorization from the Federal Communications Commission ("FCC") to construct and operate the cellular radio telecommunications systems in the RSAs listed above, all depicted on the maps attached as Exhibit E to the Application. On August 13, 1991, Centel Cellular filed an addendum describing the partition of RSAs 6, 7, and 11 with another wireline carrier. Centel Cellular has the southern part of Virginia 6B, the area within the boundaries of Nelson County. In Virginia 7B, Centel Cellular has the portions within the boundaries of Halifax County and the portion within the boundaries of Buckingham County. In Virginia 11B, Centel Cellular has the portions within the boundaries of Madison County and the portions within the boundaries of Culpepper County. The partitions are depicted on maps attached to the addendum and marked Virginia 6B2, Virginia 7B2, and Virginia 11B2, respectively. The Application shows that Centel Cellular is a Virginia public service corporation.

The Commission Staff has reviewed the application and the proposed tariffs and has determined the tariffs should be allowed to take effect as of the date of this order or any subsequent date Centel Cellular is ready to commence service in the various RSAs. The Commission is of the opinion that Centel Cellular should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Centel Cellular is hereby granted certificates of public convenience and necessity Nos. C-46, C-47, C-48, and C-49 to render cellular mobile radio communications service within the areas depicted on the maps filed herein and known as RSA Virginia 6-Highland, 7-Buckingham, 9-Greenville, and 11-Madison, respectively;

(2) That the tariffs submitted by Centel Cellular may take effect as of date of this order, or any subsequent date chosen by Applicant for service rendered within the Virginia 6-Highland, 7-Buckingham, 9-Greenville, and 11-Madison Rural Service Areas; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910024
AUGUST 28, 1991

APPLICATION OF
VIRGINIA RSA 4 INC. (NORTH) LIMITED PARTNERSHIP

For a certificate to provide cellular mobile radio communications in and around Henry and Bedford Counties

ORDER GRANTING CERTIFICATE

On July 2, 1991, the Virginia RSA 4 (North) Limited Partnership ("Applicant" or "Virginia RSA 4 (North)") filed an Application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in and around Henry and Bedford Counties. As required by § 56-508.11 of the Code of Virginia, Virginia RSA 4 (North) has received its Mobile Radio Authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in the area known as Virginia 4-Bedford Rural Service Area ("RSA"), depicted on the map attached as Exhibit E to the application. On August 13, 1991, Applicant filed an addendum which described the partition of Virginia 4-Bedford RSA between two wireline carriers. Virginia RSA 4 (North) has the portion of Virginia RSA 4B lying south of the border between Franklin and Henry Counties and the north eastern portion of Bedford County, east of Virginia State Road 43. The partitioned RSA is depicted on a map attached to the addendum and marked Virginia 4B2.

The application shows that Virginia RSA 4 (North) is a limited partnership whose general partner is Centel Cellular Company of Virginia and its limited partners are Citizens Telephone Cooperative, Pembroke Telephone Cooperative, Peoples Mutual Telephone Company, and also Centel Cellular Company of Virginia. Each of the partners is a Virginia public service corporation.

The Commission Staff has reviewed the application and the proposed tariff and has determined the tariff should be allowed to take effect as of the date of this order or any subsequent date Virginia RSA 4 (North) is ready to commence service. The Commission is of the opinion that Virginia RSA 4 (North) should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Virginia RSA 4 (North) is hereby granted a certificate of public convenience and necessity, No. C-45, to render cellular mobile radio communications service within the Area depicted on the maps filed with the application and the August 13, 1991 addendum;

(2) That the tariff submitted by Virginia RSA 4 (North) may take effect as of the date of this order, or any subsequent date chosen by the Applicant for service rendered within the Virginia 4-Bedford Rural Service Area; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910025
JULY 12, 1991

APPLICATION OF
VIRGINIA HOT SPRINGS TELEPHONE COMPANY

To amend certificates to reflect new corporate name

FINAL ORDER

By letter of June 10, 1991, Virginia Hot Springs Telephone Company informed the Commission its corporate name is being changed to Virginia Telephone Company. Changing the corporate name requires only an amendment to the Company's articles of incorporation and does not change the corporate organization in substance.

The Commission finds that the certificates of public convenience and necessity held by Virginia Hot Springs Telephone Company should reflect the new corporate name. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificates of public convenience and necessity held by Virginia Hot Springs Telephone Company, Nos. T-300b and T-347, are hereby amended, and redesignated Nos. T-300c and T-347a to show the new corporate name as Virginia Telephone Company, formerly Virginia Hot Springs Telephone Company; and

(2) That there being nothing further to come before the Commission, this docket shall be closed and the record developed herein placed in the file for ended causes.

CASE NO. PUC910028
SEPTEMBER 12, 1991

APPLICATION OF
VIRGINIA RSA #5 INC.

For a certificate to provide cellular mobile radio communications in Rural Service Area Virginia 5

ORDER GRANTING CERTIFICATE

On July 30, 1991, Virginia RSA #5 Inc. ("Applicant" or "Virginia 5") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communication service in the area known as Rural Service Area ("RSA") Virginia 5-Bath. As required by § 56-508.11 of the Code of Virginia, Applicant has received its Mobile Radio Authorization form the Federal Communications Commission ("FCC") to construct and operate the cellular radio telecommunications system in the area known as RSA Virginia 5-Bath depicted on the map attached as Exhibit 4 to the Application. The Application shows that applicant is a Virginia public service corporation.

The Commission's Staff has reviewed the application and its proposed tariff and has determined the tariff should be allowed to take effect as of the date of this order or any subsequent date Virginia 5 is ready to commence service. The Commission is of the opinion that applicants should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Virginia RSA #5 Inc. is hereby granted a certificate of public convenience and necessity, No. C-50, to render cellular mobile radio communication service within the area depicted on the map filed herein and known as RSA Virginia 5-Bath;

(2) That the tariffs submitted by Virginia RSA #5 Inc. may take effect as of the date of this order, or any subsequent date chosen by Applicant for service rendered within the Virginia 5-Bath Rural Service Area; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910029
SEPTEMBER 13, 1991

APPLICATION OF
VIRGINIA RSA #7 INC.

For a certificate to provide cellular mobile radio communications in Rural Service Area Virginia 7

ORDER GRANTING CERTIFICATE

On July 30, 1991, Virginia RSA #7 Inc. ("Applicant" or "Virginia 7") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communication service in the area known as Rural Service Area ("RSA") Virginia 7-Buckingham. As required by § 56-508.11 of the Code of Virginia, Applicant has received its Mobile Radio Authorization form the Federal Communications Commission ("FCC") to construct and operate the cellular radio telecommunications system in the area known as RSA Virginia 7-Buckingham depicted on the map attached as Exhibit 4 to the Application. The Application shows that Virginia 7 is a Virginia public service corporation.

The Commission's Staff has reviewed the application and its proposed tariff and has determined the tariff should be allowed to take effect as of the date of this order or any subsequent date Virginia 7 is ready to commence service. The Commission is of the opinion that applicants should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Virginia RSA #7 Inc. is hereby granted a certificate of public convenience and necessity, No. C-51, to render cellular mobile radio communication service within the area depicted on the map filed herein and known as RSA Virginia 7-Buckingham;

(2) That the tariffs submitted by Virginia 7 may take effect as of the date of this order, or any subsequent date chosen by Applicant for service rendered within the Virginia 7-Buckingham Rural Service Area; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910030
SEPTEMBER 20, 1991

APPLICATION OF
WASHINGTON, D.C. SMSA LIMITED PARTNERSHIP

For a certificate to provide cellular mobile radio communications in Rural Service Area Virginia 10

ORDER GRANTING CERTIFICATE

On August 13, 1991, The Washington, D.C. SMSA Limited Partnership ("Applicant" or "Partnership") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in the area known as Rural Service Area ("RSA") Virginia 10-Frederick. As required by § 56-508.11 of the Code of Virginia, the Partnership has received its authorization from the Federal Communications Commission and has attached to its application a copy of the Consent to Assignmentissued on April 23, 1991. Applicant is authorized to construct and operate a cellular mobile radio telecommunication system in RSA 10-Frederick depicted on the map attached as Exhibit 1 to the application. As indicated on the map, RSA Virginia 10 has been partitioned between Applicant and another wireline carrier. The service territory of the Partnership, Virginia 10B1, is depicted by the dashed line separating that service territory from Virginia 10B2. The application states that the general partner of the Partnership is Bell Atlantic Mobile Systems of Washington, Inc., a Virginia public service corporation. The limited partner is Contel Cellular Inc., a majority-owned subsidiary of GTE Corporation.

The Commission Staff has reviewed the application and the proposed tariffs and has determined the tariffs should be allowed to take effect as of the date of this order or any subsequent date selected by the Partnership. The Commission is of the opinion that the Partnership should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the Washington, D.C. SMSA Limited Partnership is hereby granted certificate of public convenience and necessity No. C-52 to render cellular mobile radio communications service within the areas depicted on the map filed with the application known as RSA VA 10-Frederick;

(2) That the tariff referenced by the Application may take effect as of the date of this Order or any subsequent date chosen by the Partnership for service rendered within RSA VA 10-Frederick; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910032
SEPTEMBER 12, 1991

APPLICATION OF
VIRGINIA RSA 4 LIMITED PARTNERSHIP

To amend certificate for a new cell site and to expand its Rural Service Area

FINAL ORDER

On August 13, 1991, Virginia RSA 4 Limited Partnership, filed a modified service territory map depicting its new cell site at Montvale, which would have the effect of expanding its Rural Service Area ("RSA"). The RSA granted to Virginia RSA 4 Limited Partnership by certificate No. C-33 should be amended and the new service territory map should be referenced on the amended certificate. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificate of Virginia RSA 4 Limited Partnership, No. C-33, is hereby cancelled and shall be reissued as certificate No. C-33a. The new certificate shall refer to the new service territory map filed with this application; and

(2) That there being nothing further to come before the Commission, this docket is closed and record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910034
OCTOBER 17, 1991

APPLICATION OF
SDK ENTERPRISES

For a certificate to provide cellular mobile radio communications in Rural Service Area Virginia 1

ORDER GRANTING CERTIFICATE

On September 12, 1991, SDK Enterprises ("Applicant" or "SDK") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in the area known as Rural Service Area ("RSA") Virginia 1 - Lee. As required by § 56-508.11 of the Code of Virginia, SDK has received its authorization from the Federal Communications Commission and has attached to its application a copy of its Mobile Radio Authorization. SDK is authorized to construct and operate a cellular mobile radio telecommunications system in RSA 1 - Lee as depicted on the map filed separately with the Division of Communications. The application states that SDK Enterprises is a North Carolina general partnership with Sally D. King of Charlotte, North Carolina as its managing partner and a majority partner, All Pro Cellular LTD., holding a 60 percent interest.

The Commission Staff has reviewed the application and the proposed tariffs and has determined the tariff should be allowed to take effect as of the date of this order or any subsequent date selected by SDK. The Commission is of the opinion that SDK should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That SDK Enterprises is hereby granted Certificate of Public Convenience and Necessity C-53 to render cellular mobile radio communications service within the areas depicted on the map filed with the Division of Communications known as RSA Virginia 1 - Lee;

(2) That the tariff attached to the application may take effect as of the date of this order or any subsequent date chosen by SDK for service rendered within RSA Virginia 1 - Lee; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910037
DECEMBER 9, 1991

APPLICATION OF
WILTEL OF VIRGINIA, INC.

For a certificate of public convenience and necessity to provide inter-LATA, interexchange telephone service in Virginia and to have rates determined competitively

ORDER GRANTING INTERIM AUTHORITY

On October 17, 1991, WilTel of Virginia, Inc. ("WilTel" or "Applicant") filed its application for a certificate of public convenience and necessity to provide inter-LATA, interexchange telephone service within the Commonwealth and to have its rates determined competitively. On

November 8, 1991, WilTel filed its Petition for Emergency, Interim Authority or, in the Alternative, Expedited Treatment of the Application for Permanent Authority because it had agreed to purchase certain assets and existing subscribers from Telesphere Communications, Inc. ("TCI").

The petition explains that Telesphere Network, Inc. ("TNI") and Telesphere Limited, Inc. ("TLI"), two subsidiaries of TCI, both provide intrastate, interexchange telecommunication services within Virginia on a nonregulated resale basis. The intrastate services that WilTel would acquire from TNI and TLI include MTS, WATS, calling card, 800, and private line services together with certain associated network equipment. The petition further explains that because TCI, TNI and TLI are currently involved in a bankruptcy reorganization pursuant to Chapter 11 of the U.S. Bankruptcy Code (Title 11 of the U.S. Code), and do not have the necessary financing to continue providing telecommunications services, it is urgent that the sale be consummated by December 10, 1991 in order to maintain service to the existing customers of TCI and its subsidiaries. In order to complete the sale and allow WilTel to maintain existing service to these customers, the petition requests that WilTel be granted interim authority to serve these selected customers or that the certification process be expedited in order that WilTel could have its certificate on or before December 10, 1991.

The process of certification has already begun with the Commission entering its Order Prescribing Notice on November 19, 1991. That process cannot be shortened to accommodate the December 10, 1991 deadline. However, the Commission is of the opinion that it can grant interim authority to WilTel to maintain the status quo. TCI customers who wish may continue receiving intrastate service on a resale basis pending the ultimate certification of WilTel as an inter-LATA, interexchange carrier.

As stated in the petition, TCI and its subsidiaries have been providing Virginia intrastate service on a resale basis. Virginia Code § 56-265.4:4 contemplates that certificates of public convenience and necessity are required for facilities-based interexchange carriers and not for those engaged in resale using the transmission facilities of certificated carriers. WilTel is a facilities-based carrier and it is proper that it has applied for a Virginia certificate pursuant to § 56-265.4:4. However, while that certification is pending, WilTel can continue the Telesphere practice of providing service to those customers, primarily on a resale basis. While continuing existing service to those Telesphere customers, WilTel should be able to add to or alter the service needed by those customers but should not solicit new subscribers until its certificate has been granted.

Upon receiving its certificate, WilTel should offer its Telesphere customers the option of receiving service under WilTel tariffs if the rates, terms or conditions are more favorable to the customer than the contract terms WilTel had assumed from Telesphere. Upon certification, those customers who perceive that they would not be better off under the tariffs of WilTel may continue receiving service under the contracts entered into with Telesphere for a period of six months from the date WilTel receives its certificate. That six month period will permit WilTel to accommodate those customers in a smooth transition to the Company's tariffs. All customers should be informed that upon changing from contract rates to tariffed rates, their intra-LATA service will be furnished by their certificated local exchange carrier. Accordingly,

IT IS THEREFORE ORDERED:

(1) That WilTel may continue providing Virginia intrastate service to existing customers acquired from TCI, TNI and TLI on a primary resale basis until the Commission grants a certificate of public convenience and necessity to WilTel;

(2) That WilTel will not solicit new subscribers until it has been granted a certificate of public convenience and necessity;

(3) That upon certification, WilTel offer those customers acquired from TCI, TNI and TLI the option of receiving service pursuant to WilTel's tariffs;

(4) That those customers acquired from TCI, TNI and TLI who so choose may continue their existing service pursuant to the contracts negotiated with TCI or its subsidiaries for a period not to exceed six months from the date WilTel receives its certificate;

(5) That this matter is continued generally pending the granting of a certificate of public convenience and necessity to WilTel.

CASE NO. PUC910038
DECEMBER 23, 1991

APPLICATION OF
VIRGINIA RSA #4 INC.

For a certificate to provide cellular mobile radio communications in Rural Service Area Virginia 4

ORDER GRANTING CERTIFICATE

On October 13, 1991, Virginia RSA #4 Inc. ("Applicant" or "Virginia 4") filed an Application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in the area known as Rural Service Area ("RSA") Virginia 4-Bedford. As required by § 56-508.11 of the Code of Virginia, Applicant has received its Mobile Radio Authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in the area known as RSA Virginia 4-Bedford depicted on the map attached as Exhibit 4 to the Application. The Application shows that Applicant is a Virginia public service corporation.

On November 8, 1991, Applicant filed revised tariff sheets correcting typographical errors that appeared in the original filing. The Commission Staff has reviewed the Application and the corrected tariff sheets and has determined that the tariff, as corrected, should be allowed to take effect as of the date of this Order or any subsequent date Virginia 4 is ready to commence service. The Commission is of the opinion that Applicant should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Virginia RSA #4 Inc. is hereby granted a certificate of public convenience and necessity, No. C-58, to render cellular mobile radio communications service within the area depicted on the map filed herein and known as RSA Virginia 4-Bedford;

(2) That the tariffs submitted by Virginia RSA #4 Inc. may take effect as of the date of this Order, or any subsequent date chosen by Applicant for service rendered within the Virginia 4-Bedford Rural Service Area; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910039
DECEMBER 23, 1991

APPLICATION OF
VIRGINIA RSA #1 LIMITED PARTNERSHIP, d/b/a Centel Cellular Company

For a certificate to provide cellular mobile radio communications in Rural Service Area Virginia 1

ORDER GRANTING CERTIFICATE

On November 1, 1991, Virginia RSA #1 Limited Partnership ("Applicant" or "the Partnership") d/b/a Centel Cellular Company ("Centel") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in the Rural Service Area ("RSA") known as Virginia 1-Lee. As required by § 56-508.11 of the Code of Virginia, the Partnership has received its Mobile Radio Authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular mobile radio telecommunications system in the area known as RSA Virginia 1-Lee depicted on the map filed with the Application. The Application shows that the Partnership is a Virginia Limited Partnership whose general partner is United Inter-Mountain Telephone Company, a Virginia public service corporation. The only limited partner is Bell Atlantic Mobile Systems of Washington, Inc. and the service is to be managed by Centel Cellular Company.

The Commission Staff has reviewed the Application and its proposed tariff and has determined the tariff should be allowed to take effect as of the date of this Order or any subsequent date the Partnership is ready to commence service. The Commission is of the opinion that the Partnership should be authorized to commence service as requested.

ACCORDINGLY, IT IS THEREFORE ORDERED:

(1) That Virginia RSA #1 Limited Partnership is hereby granted a certificate of public convenience and necessity, No. C-54, to render cellular mobile radio communication service within the area depicted on the map filed herein and known as RSA Virginia 1-Lee;

(2) That the tariff submitted by Virginia RSA #1 Limited Partnership may take effect as of the date of this Order or any subsequent date chosen by Applicant for services rendered within the Virginia 1-Lee Rural Service Area; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910040
DECEMBER 24, 1991

APPLICATION OF
VIRGINIA RSA #2 LIMITED PARTNERSHIP, d/b/a Centel Cellular Company

For a certificate to provide cellular mobile radio communications in Rural Service Area Virginia 2

ORDER GRANTING CERTIFICATE

On November 1, 1991, Virginia RSA #2 Limited Partnership ("Applicant" or "the Partnership") d/b/a Centel Cellular Company ("Centel") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in the area known as Rural Service Area ("RSA") Virginia 2-Tazewell. As required by § 56-508.11 of the Code of Virginia, the Applicant has received its Mobile Radio Authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in the area known as RSA Virginia 2-Tazewell as depicted on the map attached to the Application. The application shows that the Partnership is a Virginia Limited Partnership whose general partner is United Inter-Mountain Telephone Company, a Virginia public service corporation. Limited partners are Telephone and Data Systems, Inc., Bell Atlantic Mobile Systems, Inc. and Centel Cellular Company. The services will be managed by Centel Cellular Company.

The Commission Staff has reviewed the Application and its proposed tariff and has determined the tariff should be allowed to take effect as of the date of this Order or any subsequent date the Partnership is ready to commence service. The Commission is of the opinion that the Partnership should be authorized to commence service as requested.

ACCORDINGLY, IT IS THEREFORE ORDERED:

(1) That Virginia RSA #2 Limited Partnership is hereby granted a certificate of public convenience and necessity, No. C-55, to render cellular mobile radio communication service within the area depicted on the map filed herein and known as RSA Virginia 2-Tazewell;

(2) That the tariff submitted by Virginia RSA #2 Limited Partnership may take effect as of the date of this Order or any subsequent date chosen by Applicant for services rendered within the Virginia 2-Tazewell Rural Service Area; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910044
DECEMBER 20, 1991

APPLICATION OF
CONTEL CELLULAR OF RICHMOND, INC.

For a certificate to provide cellular mobile radio communications in Rural Service Area Virginia 7

ORDER GRANTING CERTIFICATE

On November 26, 1991, Contel Cellular of Richmond, Inc. ("Applicant" or "Contel Cellular") filed an Application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in the area known as Rural Service Area ("RSA") Virginia 7-Buckingham. As required by § 56-508.11 of the Code of Virginia, Applicant has received its Mobile Radio Authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in the area known as RSA Virginia 7-Buckingham, depicted on the map filed with the Division of Communications. The Application shows that Contel Cellular is a Virginia public service corporation.

The Commission's Staff has reviewed the Application and its proposed tariff and has determined the tariff should be allowed to take effect as of the date of this Order or any subsequent date Contel Cellular is ready to commence service. The Commission is of the opinion that Contel Cellular should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Contel Cellular is hereby granted a certificate of public convenience and necessity, No. C-57, to render cellular mobile radio communications service within the area depicted on the map filed herein and known as RSA Virginia 7-Buckingham;

(2) That the tariffs submitted by Contel Cellular may take effect as of the date of this Order, or any subsequent date chosen by Applicant for service rendered within the Virginia 7-Buckingham Rural Service Area; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910045
DECEMBER 20, 1991

APPLICATION OF
SOUTHWEST VIRGINIA CELLULAR TELEPHONE, INC.

For a certificate to provide cellular mobile radio communications in Rural Service Area Virginia 2

ORDER GRANTING CERTIFICATE

On December 2, 1991, Southwest Virginia Cellular Telephone, Inc. ("Applicant" or "Southwest Cellular") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications service in the area known as Rural Service Area ("RSA") Virginia 2-Tazewell. As required by § 56-508.11 of the Code of Virginia, Applicant has received its Mobile Radio Authorization from the Federal Communications Commission ("FCC") to construct and operate a cellular radio telecommunications system in the area known as RSA Virginia 2-Tazewell depicted on the map filed separately with the Division of Communications. The Application states that Southwest Cellular is in the process of being chartered as a Virginia public service corporation.

The Commission's Staff has reviewed the application and its proposed tariff and has determined the tariff should be allowed to take effect as of the date of this order or any subsequent date Southwest Cellular is ready to commence service. Moreover, Southwest Cellular has demonstrated that it is now chartered as a Virginia public service corporation. The Commission is of the opinion that applicants should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Southwest Virginia Cellular Telephone, Inc. is hereby granted a certificate of public convenience and necessity, No. C-56, to render cellular mobile radio communications service within the area depicted on the map filed with the Division of Communications and known as RSA Virginia 2-Tazewell;

(2) That the tariffs submitted by Southwest Cellular may take effect as of the date of this order, or any subsequent date chosen by Applicant for service rendered within the Virginia 2-Tazewell Rural Service Area; and

(3) That there being nothing further to come before the Commission, this case is removed from the docket and the record developed herein shall be placed in the file for ended causes.

DIVISION OF ENERGY REGULATION

CASE NO. PUE790018
JANUARY 9, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
BROADVIEW WATER WORKS, INC.
and
N. THOMAS POFF,
President

FINAL ORDER

This proceeding was initiated in 1975 as a result of several petitions filed by customers of Broadview Water Works, Inc. ("Broadview" or "Company"). The petitions requested that the Commission investigate the Company's service and rates pursuant to Virginia Code § 13.1-50, later recodified as § 13.1-620.

Several hearings were held during the mid-1970's for the purpose of receiving evidence relating to the allegations contained in the petitions. As a result of these hearings, the Commission entered an order on November 19, 1976, setting a $10 per month unmetered water rate and directing the Company to make certain improvements to its business practices and water system. Specifically, the Company was directed to:

(1) Establish and implement a maintenance management system;

(2) Establish and implement standard operating procedures for reporting and responding to service complaints;

(3) Lower water hardness where necessary;

(4) Maintain standby equipment as necessary;

(5) Adjust rates to allow for a reasonable profit; and

(6) Maintain its books and records in accordance with the NARUC Uniform System of Accounts for Class D water companies.

The Company was further directed to keep the Commission advised of its progress in making these improvements by filing written reports with the Commission's Staff every sixty (60) days until all work was completed.

On July 1, 1977, the Company filed a motion requesting that the Commission amend the water hardness level required by the Commission's November 19 Order. In support of its motion, the Company claimed that complying with the water hardness level required by the order would create an undue financial hardship for the Company.

The Commission took no action on the motion because Staff was unable to verify Company's claim of financial hardship since the Company had failed to maintain its books and records in accordance with the Uniform System of Accounts. The Commission, retained jurisdiction over the matter and entered an Interim Order on July 6, 1983, directing the Company to maintain its present $10 per month water rate and continued the case generally until such time as the Company filed a ". . . completed application for an increase in rates, including accounting data" which was "substantially in compliance with the Uniform System of Accounts . . ." Interim Order (July 6, 1983).

There was no further activity in this case for over six years until the Commission's Staff filed a Motion to Dismiss on November 3, 1989. This motion was later withdrawn. In April of 1990, Company's customers again sent complaints to the Commission with regard to Broadview's quality of service. Additionally, the customers alleged that the poor quality of service stemmed from Company's failure to comply with the Commission's previous orders. In response to customers' complaints, the Commission entered a Rule to Show Cause on June 21, 1990, directing the Company and its President, N. Thomas Poff, to appear before the Commission on October 2, 1990, to show cause why they should not be penalized for failure to comply with the Commission's Orders of November 19, 1976 and July 6, 1983.

Pursuant to the Commission's June 21, 1990 Order, the matter came to be heard by Glenn P. Richardson, Hearing Examiner on October 2, 1990. J. T. Showalter, Jr., Esquire, appeared for the Company and its President, N. Thomas Poff; and Marta B. Davis, Esquire and Deborah V. Ellenberg, Esquire, appeared as counsel for the Commission's Staff. Two customers of the Company appeared and testified on behalf of Staff.

On October 16, 1990, the Hearing Examiner filed a report. In the report, the Hearing Examiner stated that the record reflects that the relief requested in the Rule to Show Cause was not of primary importance. The Hearing Examiner noted that the issue that dominated the proceeding was the Company's ability to continue providing water service given the poor financial condition of the Company and its affiliates. At the hearing the customers expressed concern over service problems, namely low water pressure and water outages. The record also reflects that there are no other immediately available options for the operation for the Broadview system from either the Montgomery County Public Service Authority, the homeowners of the subdivision or a third party.

In his report, the Hearing Examiner stated that the record reveals that the Company had "substantially complied" with the Commission's Orders of November 19, 1976 and July 6, 1983. The Hearing Examiner expressed concern over Company's service related problems and the limited options available to ensure customers of adequate water service. The Hearing Examiner concluded that the only viable solution was an increase in Company's water rates.

The Hearing Examiner, in the October 16, 1990 Report, made the following findings and recommendations:

(1) Broadview Water Works and N. Thomas Poff, its president, has substantially complied with the Commission's Orders of November 19, 1976 and July 6, 1983;

(2) The Rule to Show Cause issued against Broadview Water Works and N. Thomas Poff should be dismissed;

(3) The Commission should continue exercising jurisdiction over Broadview Water Works pursuant to Virginia Code § 13.1-620;

(4) The Commission's Staff should continue its investigation of Broadview Water Works and make recommendations on the most appropriate method to resolve water outages and low pressure at the Viewland Subdivision in Montgomery County, Virginia;

(5) Broadview Water Works should be directed to file an application for a rate increase designed to recover all of its prudently incurred expenses to operate the system on a stand alone basis and earn a reasonable return on its investment; and

(6) Broadview Water Works and its current owner and officers, Charles Poff, N. Thomas Poff and Robert L. Poff, should be ordered not to abandon service without obtaining advanced approval of the Commission as required by Virginia Code § 56-265.1(b)(1).

The Examiner recommended that the Commission enter an order consistent with the findings. Several comments were filed by customers of the Company in response to the Hearing Examiner's Report.

NOW THE COMMISSION, upon consideration of the record, the Hearing Examiner's Report and customer comments, is of the opinion and finds that the findings and recommendations of the October 16, 1990 Hearing Examiner's Report should be adopted except that the Company will not be directed to file a rate case, because it has already requested increased rates in its filing of November 2, 1990 (Case No. PUE900063). Accordingly,

IT IS ORDERED:

(1) That the Rule to Show Cause issued against Broadview Water Works, Inc. and N. Thomas Poff be, and the same is hereby dismissed;

(2) That the Commission continue exercising jurisdiction over Broadview Water Works, Inc. pursuant to Virginia Code § 13.1-620;

(3) That the Commission's Staff continue its investigation of Broadview Water Works, Inc. and make recommendations on the most appropriate method to resolve water outages and low water pressure at the Viewland Subdivision in Montgomery County, Virginia;

(4) That Broadview Water Works, Inc., and its current owner and officers, Charles Poff, N. Thomas Poff and Robert L. Poff, shall not abandon service without obtaining advanced approval of the Commission as required by Virginia Code § 56-265.1(b)(1); and

(5) That this case shall remain open until further order of the Commission.

CASE NO. PUE790018
JULY 26, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
BROADVIEW WATER WORKS, INC.
and
N. THOMAS POFF, PRESIDENT

DISMISSAL ORDER

On January 9, 1991, the Commission entered a Final Order in this case dismissing the Rule to Show Cause issued against Broadview Water Works, Inc. ("Broadview" or "Company") and N. Thomas Poff, its President. In that Order the Commission found that Broadview and N. Thomas Poff, its president, had substantially complied with previous Commission orders which required, among other things, establishment of a Maintenance Management System; establishment and implementation of standard operating procedures for reporting and responding to service complaints; lower water hardness where necessary; maintaining standby equipment as necessary; and maintaining books and records in accordance with the Uniform System of Accounts for Class D water companies.

Although the Commission found the Company to be in substantial compliance, a number of the customers complained about the Company's quality of service. Accordingly, the Commission directed its Staff to continue its investigation of the Broadview water system and make recommendations on the most appropriate method to resolve service problems including water outages and low pressure in the Viewland Subdivision in Montgomery County, Virginia. The Commission continued this case and its jurisdiction over Broadview pursuant to Virginia Code § 13.1-620.

Staff conducted an investigation of the service problems associated with the entire Broadview system in conjunction with its review of the Company's application for an increase in rates which was docketed as Case No. PUE900063. In a Staff Report filed with this case on July 3, 1991. Staff discussed the results of its investigation.

In its Report, Staff noted that testimony presented in the rate case, Case No. PUE900063, confirmed that the Broadview system had been sold. Specifically, on May 22, 1991, New River Company ("New River") purchased the assets of the Broadview system. In addition, Staff reports that improvements were made to the water system during the new company's first week of operation.

Staff recommends that the Commission dismiss this case from its docket of active cases. Many of the concerns regarding water service and future improvements have been alleviated by New River's ability to make capital improvements as exhibited during the first week of operation. Moreover, that there is an additional opportunity for Staff to monitor service and improvements when the new company applies for a certificate of public convenience and necessity.

NOW THE COMMISSION, having considered Staff's Report, is of the opinion that this case should be closed. Accordingly,

IT IS ORDERED that there being nothing further to be done in this matter, this proceeding shall be, and hereby is, dismissed. The papers filed herein shall be placed in the file for ended causes.

CASE NO. PUE870009
AUGUST 28, 1991

APPLICATION OF
RICHARD F. MARILLEY, TRUSTEE, t/a WILDERNESS WATER AND UTILITY COMPANY

To transfer certificate of public convenience and necessity to a new corporation

DISMISSAL ORDER

On February 17, 1987, Richard F. Marilley, Trustee, t/a Wilderness Water and Utility Company ("Applicant") filed an application with the State Corporation Commission requesting authority to transfer Certificate No. 186A to Wilderness Utility Associates, Inc. In a July 22, 1987 Hearing Examiner's Ruling, this proceeding was continued generally pending the outcome of Case No. PUE860079, which was initiated against Wilderness Water and Utility Company by customers complaining about the water service quality and certain tariff provisions.

On August 5, 1991, the Applicant requested permission to withdraw its application due to a change in circumstances. In a Hearing Examiner's Ruling dated August 7, 1991, the Examiner granted Applicant's request and recommended that the Commission enter an order dismissing this application from its docket of pending proceedings.

NOW THE COMMISSION, upon consideration of Applicant's request and the Examiner's Ruling, is of the opinion that the Hearing Examiner's recommendation is reasonable and should be adopted. Accordingly,

IT IS ORDERED that this proceeding shall be dismissed and removed from the Commission's docket of active cases.

CASE NOS. PUE870082 and PUE890074
AUGUST 12, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte, In re: Investigation to determine appropriate fuel factor cogeneration tariffs pursuant to Virginia Code § 56-249.6 and PURPA § 210 for The Potomac Edison Company

FINAL AUDIT FOR TWELVE-MONTH PERIOD ENDED DECEMBER 31, 1989 FUEL COST - RECOVERY POSITION

By previous order dated August 25, 1988, in Case No. PUE870082, the Commission established a levelized fuel factor of 1.039¢/kwh for The Potomac Edison Company ("Potomac Edison") effective with the September, 1988, billing cycle. By order dated May 25, 1989, in the instant case, the Commission reduced Potomac Edison's fuel factor to 0.945¢/kwh effective with the June, 1989, billing cycle. By Order dated November 28, 1989, in Case No. PUE890074, the Commission increased the Company's fuel factor to 1.133¢/kwh effective with billing month of December, 1989.

The Commission's Staff investigated the jurisdictional level of fuel expenses incurred and revenues collected by Potomac Edison during the twelve months ended December 31, 1989, and filed a report herein on March 8, 1991. Staff concluded that for the twelve-month period ended December 31, 1989:

- Potomac Edison's delivered fuel prices were reasonable.

- Potomac Edison's generating unit performance was reasonable.

- Potomac Edison's generating unit thermal efficiencies were reasonable.

- Potomac Edison was in cumulative under-recovery position of $253,054 as of November 30, 1989. This level of under-recovery decreased to $220,745 as of December 31, 1989.

Potomac Edison did not contest Staff's audit report.

NOW, THE COMMISSION, having considered the record herein, finds:

That as of December 31, 1989, Potomac Edison experienced a cumulative under-recovery of its jurisdictional fuel expenses in the amount of $220,745. Accordingly,

IT IS ORDERED that the cumulative recovery position found herein shall be used in the calculation of Potomac Edison's future fuel expense recovery position.

IT IS FURTHER ORDERED that Case No. PUE870082 be, and the same is hereby, closed and Case No. PUE890074 be, and the same is hereby continued generally.

CASE NO. PUE870093
MAY 21, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For a certificate of public convenience and necessity to construct a 16-mile lateral pipeline

ORDER GRANTING CERTIFICATE

On November 16, 1987, Virginia Electric and Power Company ("Virginia Power" or "the Company") filed an application with the State Corporation Commission ("Commission") under Virginia Code § 56-265.2 for a certificate of public convenience and necessity to construct a 16-mile lateral pipeline from the joint-use terminus of the proposed Virginia Natural Gas, Inc. ("VNG") pipeline in Mechanicsville, Virginia, to the Company's Chesterfield Power Station. In our October 7, 1988 Order, we docketed the Company's application, appointed a hearing examiner to hear evidence relevant to the application, and established a procedural schedule for the case.

On December 2, 1988, Virginia Power advised us that the City of Richmond ("the City" or "Richmond") had tentatively agreed to construct, own, and operate that portion of the pipeline between the proposed VNG pipeline and the James River. The Company requested that the procedural schedule be suspended and that it be allowed to file revised testimony and exhibits. The Hearing Examiner granted the Company's Motion in his December 6, 1988 Ruling.

During the time the proceeding was continued, the City was unable to obtain Henrico County's ("the County's") permission to construct a pipeline through the County. Virginia Power, therefore, filed an amended application on November 16, 1990, renewing its request for a certificate of public convenience and necessity authorizing its construction of the entire 16-mile lateral pipeline. The Company's application was similar to its original application except that: (1) a residential development in the Mechanicsville area prompted Virginia Power to relocate the pipeline's point of interconnection with the proposed VNG pipeline approximately 4500 feet northwest of the original interconnection point; (2) a tap was proposed in Henrico County to deliver gas to the Company's Darbytown combustion turbine units; (3) the estimated cost of the project had increased from the original amount of $9,200,000 in 1987 to $14,116,650; and (4) Commonwealth Gas Services, Inc. ("Commonwealth") would own that portion of the pipeline from the center of the James River to the Company's Chesterfield Power Station.

By Hearing Examiner's Ruling dated December 4, 1990, the amended application was scheduled for hearing on March 14, 1991; the Company was directed to provide additional public notice due to the relocation of the interconnection point with the proposed VNG pipeline; and a revised procedural schedule was established for the filing of pleadings, prepared testimony and exhibits.

On the appointed day, the matter came to be heard by Glenn P. Richardson, Hearing Examiner. Counsel appearing at the March 14 hearing were Evans B. Brasfield, Esquire, and Kendrick R. Riggs, Esquire, Counsel for Virginia Power; Edward L. Flippen, Esquire, Stanley W. Balis, Esquire, Robert J. Grey, Jr., Esquire, and David B. Kearney, Esquire, Counsel for the City; James C. Dimitri, Esquire, Counsel for Allied-Signal Inc. and Bear Island Paper Company; Stephen H. Watts, II, Esquire, Giles D. H. Snyder, Esquire, and Marye L. Wright, Esquire, Counsel for Columbia Gas Transmission Corporation ("TCo"); and Sherry H. Bridewell, Esquire, Counsel for the Commission's Staff. Walter T. Kenney, Mayor of the City of Richmond, and Maurice B. Sullivan, the Chairman of the Chesterfield County Board of Supervisors, appeared as intervenors.

During the hearing the Company presented the testimony of A. L. Parrish, III and Henry H. Barbour in support of its application. The City presented the testimony of three witnesses: Jerry N. Johnson, Steven W. Ruback, and James D. Cotton. The City did not oppose the issuance of a certificate authorizing Virginia Power to construct the pipeline, but recommended that a condition be attached to the certificate requiring Virginia Power to sell the pipeline to the City after the City had obtained all required permits and easements to own and operate the pipeline. Mayor Kenney and Chairman Sullivan supported the City's request.

The City asserted that requiring Virginia Power to sell the pipeline to the City would promote the public interest for three reasons: (1) it would avoid "bypass" of the City's gas facilities; (2) it would eliminate the negative financial impact Company ownership would have on the City's gas operations and its small, core customers; and (3) it would accelerate economic development in eastern Henrico County.

The Commission's Staff witness was R. Scott Gahn. Mr. Gahn analyzed Virginia Power's application using the traditional test for "public convenience and necessity" established by the Commission in Application of Virginia Electric and Power Company, 1987 S.C.C. Ann. Rept. 262. He concluded that the Company's application met that test, and therefore recommended that the application be granted.

At the conclusion of the hearing, the Hearing Examiner invited the participants in the proceeding to file post-hearing briefs. Virginia Power, the City, and the Commission's Staff did so and on April 19, 1991, the Hearing Examiner filed his Report in the captioned matter.

After reviewing the record, the Examiner found that:

(1) the proposed pipeline lateral is needed to ensure an adequate and reliable supply of natural gas to the Company's Chesterfield Power Station and its Darbytown combustion turbine units;

(2) the Company's cost estimates, choice of technology, construction plans and proposed manner of carrying out the project are reasonable;

(3) there are no suitable alternatives to the construction of the proposed pipeline; and

(4) the condition proposed by the City is not supported by the evidence.

The Examiner found that imposition of the condition requested by the City was not necessary to protect the City's operations or its core customers. The Examiner determined that there would be little, if any, material financial impact on the City's gas operations and its core customers by allowing Virginia Power to own the pipeline. He said that requiring transfer of ownership to the City could delay the construction of the pipeline to the financial detriment of Virginia Power's general body of ratepayers and was not supported by the evidence.

The Hearing Examiner recommended that the Commission grant the Company's application.

The Examiner invited the parties to file comments in response to his Report. On May 6, 1991, Virginia Power filed comments supporting the Report and urging its adoption.

On the same day the City filed its comments. It argued that the Commission had the authority to issue a certificate subject to its requested condition of sale. It asserted that Virginia Power's ownership and operation of the pipeline would result in a delay in economic development and could result in a duplication of facilities when such development occurred.

NOW, UPON CONSIDERATION of the record, the applicable statutes, the Hearing Examiner's Report, and the comments thereto, the Commission is of the opinion that the findings and recommendations of the April 19, 1991 Hearing Examiner's Report are reasonable and should be adopted with one qualification.

None of the parties to this proceeding take issue with the need for the pipeline, and all of them agree that it should be constructed. The record shows that the Company requires the pipeline lateral to assure adequate supplies of natural gas to its Chesterfield Power Station and the Darbytown combustion turbines at the most economical price. Without the proposed lateral Virginia Power would have to deliver natural gas to the Chesterfield Power Station through Columbia Gas Transmission Company's ("TCo's") and Commonwealth Gas Services, Inc.'s ("Commonwealth's") systems. However, access through these systems is limited in terms of both physical capacity and supply resources. Exclusive reliance upon Commonwealth's and TCo's delivery systems could increase the level of interruptions of gas service for the Chesterfield units. The costs for the operation of the Chesterfield Power Station would increase by approximately $114,000 for each day one of these units operates using No. 2 oil, rather than natural gas supplied through an interconnection with VNG's intrastate pipeline. It further appears that additional natural gas storage is unavailable on TCo's system. Consequently, the Company would not be able to purchase low cost natural gas in the summer and store those supplies for use in the winter when gas costs are generally higher.

The estimated cost of the pipeline is $14,116,650, and it is scheduled to be completed by December 31, 1991, in order to meet the start-up testing date for Chesterfield Unit No. 8. The pipeline will be 18-inches in diameter and will be constructed in accordance with American Petroleum Institute specifications. The Company has acknowledged our jurisdiction over the pipeline safety aspects of the construction and operation of the pipeline and has represented that construction of the lateral will take place primarily in Virginia Power's existing transmission line corridor, with no significant environmental impact. A tap off the line will be installed adjacent to the Darbytown Power Station. Commonwealth will own the metering and regulation station at the Chesterfield Power Station and the lateral from the center of the James River to the metering and regulation station.

The only controversial issue in this proceeding is whether a condition should be attached to the certificate of public convenience and necessity requiring the Company to sell the pipeline to Richmond upon its completion. We agree with the Hearing Examiner that the facts do not support imposition of such a condition.

As noted earlier, the City's request is based on its concerns that ownership by Virginia Power will result in "bypass" of the City's right to operate a gas utility in Henrico County; that it will result in lost business both from Virginia Power and from other potential gas customers in the area; and that it will hamper economic development in the County.

Without reciting the record on this point, suffice it to say that we do not find the evidence persuasive as to the existence of such dangers, or that, if true, requiring Virginia Power to sell the line to the City upon completion is the only solution to the problem.

One aspect of this case which concerns us from a public interest perspective is the fact that, as proposed by the Company, some of the capacity in this pipeline would be idle for significant portions of the average year, even after meeting the Company's needs. However, now that we have made the decision to authorize the line, we also find that we should encourage full utilization of this valuable resource as an appropriate incidence to the principal purpose of the line, supplying electrical generating stations.

In this regard, we are pleased to note that the Company has already pointed out a reasonable method of accomplishing this goal. On page 32 of its closing brief, the Company states that it would be willing to allow access to the line to the City or the County, subject to conditions such as protection of its own superior claim to the capacity, etc.

The Hearing Examiner made the same point:

> . . . the Company has offered to allow the City to provide service off the pipeline provided this service does not interfere with gas deliveries to the Company's generating units, and the Commission authorizes such an arrangement. (Report, p.8)

The Company cited this statement with approval in its comments to the Examiner's Report.

We find this approach fully consistent with the public interest, and since the City is the only party before us indicating a desire to develop new customer load in the area concerned, we would expect Virginia Power to negotiate an agreement with the City to allow it access to the line. It must be understood, of course, that Virginia Power is to be the primary beneficiary of the line; thus, Richmond's access should be only on an interruptible basis.

In summary, while we decline to attach the condition sought by the City to the certificate issued herein, we believe the direction we have given here will result in adequate accommodation of the interests of all participants to this proceeding.

We are also not foreclosing the possibility that Virginia Power may ultimately seek to sell its pipeline facility to another entity. If such an application under the Utility Transfers Act is filed by Virginia Power, we will of course make our determination based on the record developed in that case. Consideration of such an issue now would be premature.

We recognize that in its transmittal letter to the Clerk accompanying its Comments to the Hearing Examiner's report that the City requested "that the Commission consider oral argument." We will consider this as a Motion for Oral Argument and deal with it as such. In that letter, the City, in support of its request, argues that oral argument should be granted because the relief proposed by the City is "unprecedented" and that the Commission is being asked "to consider a broader public interest than the public interest that is the subject of the normal certificate proceeding."

The reasons for seeking oral argument appear to be identical to the issues extensively briefed by the parties both before and after the report of the Hearing Examiner. Thus, they are not matters which have not been fully considered by us in reaching our decision in this case. The record in this case appears to be complete and fully develops the issues. Those issues, while having considerable impact on the public interest and being somewhat unusual, are not complex and come before us with considerable clarity.

In denying oral argument, we take notice that this case has been pending for approximately three and one half years, and that further delay in rendering a decision may have the potential of jeopardizing the projected completion date of the project, a situation adverse to the interests of Virginia Power's customers.

We thus find that:

(1) Virginia Power's construction and operation of the pipeline facility described in its November 16, 1990 application, as further amended, is an improvement to the Company's system necessary to permit Virginia Power to furnish electric utility service, is subject to our natural gas pipeline safety authority, and is required by the public convenience and necessity, pursuant to Virginia Code § 56-265.2;

(2) Appropriate arrangements should be concluded, as described above, for utilization of the excess capacity inherent in this line; and

(3) Upon the filing of the appropriate maps by the Company, a certificate of public convenience and necessity should be issued.

Accordingly, IT IS ORDERED:

(1) That the findings and recommendations found in the April 19, 1991 Hearing Examiner's Report, as modified herein, are hereby adopted;

(2) That, upon filing of the appropriate Virginia Department of Transportation maps with the Division of Energy Regulation, a certificate of public convenience and necessity shall be issued to Virginia Power, authorizing it to construct, own, and operate a pipeline lateral, subject to our natural gas pipeline safety authority, which lateral shall extend from a point of interconnection with the VNG pipeline, located near Mechanicsville through Henrico County to the middle of the James River, along the route specified in Virginia Power's November 16, 1990 application, as further amended at the hearing;

(3) That the City's request for oral argument is denied; and

(4) That this matter shall be continued until such time as appropriate Virginia Department of Transportation maps are filed with the Commission, whereupon it will be dismissed by further order.

CASE NO. PUE870093
JUNE 18, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For a certificate of public convenience and necessity to construct a 16-mile lateral pipeline

ORDER ISSUING CERTIFICATES AND DISMISSING PROCEEDING

On May 21, 1991, the State Corporation Commission ("Commission") entered an order which, among other things, directed that, upon filing the appropriate maps, certificates of public convenience and necessity should be issued to Virginia Electric and Power Company ("Virginia Power" or "the Company"). On June 4, 1991, the Company, by counsel, filed Virginia Department of Transportation maps with the Commission showing the route of the lateral pipeline which Virginia Power intends to construct.

NOW HAVING CONSIDERED the record, the May 21, 1991 Order entered herein, and the maps filed by the Company, we find that the Virginia Department of Transportation maps filed on June 4, 1991, should be accepted, appropriate certificates of public convenience and necessity should be issued, and that this matter should be dismissed from our docket.

Accordingly, IT IS ORDERED:

(1) That certificates of public convenience and necessity be issued to Virginia Power as follows:

Certificate No. GT-67, authorizing Virginia Electric and Power Company to construct and operate a natural gas transmission line in Hanover County, Virginia; and

Certificate No. GT-68, authorizing Virginia Electric and Power Company to construct and operate a natural gas transmission line in Henrico County, Virginia.

(2) That copies of this Order shall be placed in Certificate File No. 11655, which is lodged in the Commission's Division of Energy Regulation; and

(3) That there being nothing further to be done herein, the same is hereby dismissed.

CASE NOS. PUE880025 and PUE890023
AUGUST 12, 1991

APPLICATION OF
APPALACHIAN POWER COMPANY

To revise its fuel factor and cogeneration tariffs pursuant to Virginia Code § 56-249.6 and PURPA § 210

FINAL AUDIT FOR TWELVE-MONTH PERIOD ENDED DECEMBER 31, 1989 FUEL COST - RECOVERY POSITION

By previous order dated April 28, 1988, in Case No. PUE880025, the Commission established a fuel factor of 1.699¢/kwh for the Appalachian Power Company ("APCO") effective May 1, 1988. By order dated April 28, 1989, in Case No. PUE890023, the Commission approved for APCO a fuel factor of 1.589¢/kwh effective May 1, 1989. This factor remained operative through December 31, 1989.

The Commission's Staff investigated the level of jurisdictional fuel expenses incurred and revenues collected by APCO during the twelve months ended December 31, 1989, and filed a report on March 8, 1991. Staff concluded that for the twelve-month period ended December 31, 1989:

- APCO's delivered fuel prices were reasonable.
- APCO's generating unit performance was reasonable.
- APCO's generating unit thermal efficiencies were reasonable.
- APCO was in a cumulative under-recovery position of $400,018 as of April 30, 1989.
- As of December 31, 1989, APCO was in a cumulative over-recovery position of $1,465,789.

APCO did not contest Staff's audit report.

NOW, THE COMMISSION, having considered the record herein, finds:

That as of December 31, 1989, APCO experienced a cumulative over-recovery of its jurisdictional fuel expenses in the amount of $1,465,789. Accordingly,

IT IS ORDERED that the cumulative recovery position found herein shall be used in the calculation of APCO's future fuel expense recovery position.

IT IS FURTHER ORDERED that Case No. PUE880025 be, and the same is hereby, closed and Case No. PUE890023 be, and the same is hereby, continued generally.

CASE NOS. PUE880026 and PUE890048
AUGUST 12, 1991

APPLICATION OF
DELMARVA POWER & LIGHT COMPANY

To revise its fuel factor and cogeneration tariffs pursuant to Virginia Code § 56-249.6 and PURPA § 210

FINAL AUDIT FOR TWELVE-MONTH PERIOD ENDED DECEMBER 31, 1989 FUEL COST - RECOVERY POSITION

By previous order in Case No. PUE880026, dated April 28, 1988, the Commission established a fuel factor of 2.211¢/kwh for the Delmarva Power & Light Company ("Delmarva") effective with the billing month of May, 1988. By order dated June 29, 1989, in Case No. PUE890048, the Commission approved for Delmarva a fuel factor of 1.947¢/kwh effective with the billing month of July, 1989. This factor remained operative through December 31, 1989.

The Commission's Staff investigated the jurisdictional level of fuel expenses incurred and revenues collected by Delmarva during the twelve months ended December 31, 1989, and filed a report herein on March 8, 1991. Staff concluded that for the twelve-month period ended December 31, 1989:

- Delmarva's delivered fuel prices were reasonable.

- Delmarva's aggregate performance levels achieved during the reporting period were reasonable. As a result of an NRC Order, Peach Bottom No. 2 stayed off-line for four months, while Peach Bottom No. 3 stayed off-line for 10-1/2 months during the reporting period.

- Delmarva's generating unit thermal efficiencies were reasonable.

Delmarva was in a cumulative over-recovery position of $95,700 as of June 30, 1989. As of December 31, 1989, the Company was in an under-recovery of $133,983.

Delmarva did not contest Staff's audit report.

NOW, THE COMMISSION, having considered the record herein, finds:

That as of December 31, 1989, Delmarva experienced a cumulative under-recovery of its jurisdictional fuel expenses in the amount of $133,983. Accordingly,

IT IS ORDERED that the cumulative recovery position found herein shall be used in the calculation of Delmarva's future fuel expense recovery position.

IT IS FURTHER ORDERED that Case No. PUE880026 be, and the same is hereby, closed and Case No. PUE890048 be, and the same is hereby, continued generally.

CASE NOS. PUE880041 and PUE890037
AUGUST 12, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte, In re: Investigation to determine appropriate tariffs pursuant to Virginia Code § 56-249.6 for Old Dominion Power Company

FINAL AUDIT FOR TWELVE-MONTH PERIOD ENDED DECEMBER 31, 1989 FUEL COST - RECOVERY POSITION

By previous order dated May 27, 1988, in Case No. PUE880041, the Commission established a levelized fuel factor of 1.479¢/kwh for the Old Dominion Power Company ("Old Dominion") effective with the billing month of June, 1988. By order dated April 27, 1989, in Case No. PUE890037, the Commission reduced Old Dominion's fuel factor to 1.274¢/kwh effective with the billing month of May, 1989. This factor remained operative through December 31, 1989.

The Commission's Staff investigated the level of fuel expenses incurred and revenues collected by Old Dominion during the twelve months ended December 31, 1989, and filed a report herein on March 8, 1991. Staff concluded that the Company over-recovered Virginia jurisdictional fuel expenses by $1,359,898 as of April 30, 1989. This level of over-recovery was reduced to $639,481 as of December 31, 1989. Old Dominion accepted the Staff report without comment.

NOW, THE COMMISSION, having considered the record herein, finds that as of December 31, 1989, Old Dominion experienced a cumulative over-recovery of its fuel expenses in the amount of $639,481. Accordingly,

IT IS ORDERED that the cumulative recovery position found herein shall be used in the calculation of Old Dominion's future fuel expense recovery position.

IT IS FURTHER ORDERED that Case No. PUE880041 be, and the same is hereby, closed and Case No. PUE890037 be, and the same is hereby, continued generally.

CASE NO. PUE880072
JULY 23, 1991

APPLICATION OF
VIRGINIA ELECTRIC & POWER COMPANY

To amend its certificate of public convenience and necessity No. ET-79z authorizing operation of transmission lines and facilities in Fairfax County: Temporary 230 kV Line between Dulles Substation - Pleasant View - Reston - Line 227

ORDER CANCELING TEMPORARY CERTIFICATE

On October 27, 1988, the Commission issued Virginia Electric and Power Company ("Virginia Power or Company") an amended temporary certificate of public convenience and necessity for Fairfax County. The certificate authorizes Virginia Power to construct and operate, on a temporary basis, approximately 3.75 miles of 230 kV transmission line between its existing Dulles Substation and a tap point on the Company's existing Pleasant View - Reston 230 kV Transmission Line. When a major Virginia Power project to serve Dulles Airport is completed, the Company will remove temporary supporting structures and de-energize the conductor.

On July 19, 1991, Virginia Power filed with the Clerk of the Commission a report stating that the temporary line had been de-energized and the temporary supporting structures had either been removed or employed in the local distribution system. Virginia Power also advised that the map attached to its Certificate No. ET-79ff for the Cities of Falls Church and Alexandria and the Counties of Arlington and Fairfax issued March 12, 1991, shows the de-energizing of this temporary line, and that no corrected map is necessary.

On the basis of Virginia Power's report, the Commission finds that the amended temporary certificate of public convenience and necessity may be canceled and this proceeding dismissed. Accordingly,

IT IS ORDERED:

(1) That the amended temporary certificate of public convenience and necessity issued October 27, 1988, and authorizing construction and operation of facilities described above be canceled;

(2) That this case be dismissed from the docket of active proceedings and the papers herein be placed in the file for ended cases.

CASE NO. PUE880082
AUGUST 12, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte, In re: Investigation to determine appropriate tariffs pursuant to Virginia Code § 56-249.6 for Virginia Electric and Power Company

FINAL AUDIT FOR TWELVE-MONTH PERIOD ENDED DECEMBER 31, 1989 FUEL COST - RECOVERY POSITION

By order dated October 17, 1988, in Case No. PUE880082, the Commission established a fuel factor of 1.728¢/kwh for Virginia Electric and Power Company ("Virginia Power") effective October 18, 1988.

The Commission's Staff investigated the level of fuel expenses incurred and revenues collected by Virginia Power during the twelve months ended December 31, 1989, and filed a report herein on March 8, 1991. Staff concluded that for the twelve-month period ended December 31, 1989:

- Virginia Power's delivered fuel prices were reasonable.

- With the exception of the Surry units, the performance of the Company's generating units during the reporting period was reasonable; the Surry outages were investigated by Staff and the results were presented to the Commission in Case No. PUE900054.

- Virginia Power's generating unit thermal efficiencies were reasonable.

- Virginia Power was in a cumulative under-recovery position of $126,023,529 as of December 31, 1989.

- The Company made an adjustment in October, 1990, to reflect the $6.85 million of replacement power costs disallowed by the Commission Order dated October 31, 1990 (Case No. PUE900054).

Virginia Power did not contest Staff's audit report.

NOW, THE COMMISSION, having considered the record herein, finds that as of December 31, 1989, Virginia Power experienced a cumulative under-recovery of its Virginia jurisdictional fuel expenses in the amount of $126,023,529. Accordingly,

IT IS ORDERED that the cumulative recovery position found herein shall be used in the calculation of Virginia Power's future fuel expense recovery position.

IT IS FURTHER ORDERED that Case No. PUE880082 be, and the same is hereby, continued generally.

CASE NO. PUE890011
JANUARY 2, 1991

APPLICATION OF
VIRGINIA SUBURBAN WATER COMPANY

To extend Certificate W-219a and transfer Certificates W-222, W-223, W-224 and W-225 pursuant to Va. Code § 56-265.3

FINAL ORDER

On February 2, 1989, Virginia Suburban Water Company ("the Company" or "Virginia Suburban") filed with the State Corporation Commission ("the Commission"), pursuant to § 56-265.3(D), an application to amend its Certificate No. W-219a to extend the Company's service area and provide water service to the Bleak Hall and Church Point Subdivisions located in Westmoreland County, Virginia. The Company amended its application on November 20, 1989, to also request the Commission to combine the certificates of public convenience and necessity No. W-222, No. W-223, No. W-224, No. W-225 and No. W-219a under the name of Virginia Suburban. Those certificates are in the names of several different companies all of which were acquired and merged into Virginia Suburban.

On June 28, 1990, Virginia Suburban filed a request to further amend its application. Therein the Company noted that the Bleak Hall Subdivision was already certificated under Certificate No. W-219a. It, however, requested authority to provide water service to an extension of the Bleak Hall Subdivision, referred to as Bleak Hall II and to the Old Prospect Landing Subdivision. The Company renewed its original request to extend its service area to the Church Point Subdivision.

On September 7, 1990, the Commission issued its Order Inviting Comments and Requests for Hearing and directed Staff to review the application and file a report presenting its findings and recommendations. The Commission also directed the Company to publish notice of its application in a newspaper of general circulation in Westmoreland County, and to serve copies of the Commission's order on interested local officials. On October 16, 1990, Virginia Suburban provided the Commission with proof of its publication and service as required by the Commission's order. No interested persons or governmental entities have filed written comments or requests for hearing.

THE COMMISSION, having considered the application, is of the opinion and finds that the Company's request is reasonable and that there is no public opposition to the request. The Commission is of further opinion that there is no need for a Staff report and there are no issues in controversy. Accordingly,

IT IS ORDERED:

(1) That the directive for Staff to file a report is waived;

(2) That Certificate No. W-219 be amended to extend the Company's service area to provide water service to the Church Point and Old Prospect Landing Subdivisions and to an extension of the Bleak Hall Subdivision, referred to as Bleak Hall II;

(3) That Certificates No. W-222, No. W-223, No. W-224 and No. W-225 be combined and transferred to Certificate No. W-219a under the name of Virginia Suburban Water Company; and

(4) That this case be dismissed from the docket of active cases.

CASE NO. PUE890057
FEBRUARY 15, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend its certificate of public convenience and necessity No. ET-79ee authorizing operation of transmission lines and substations in Fairfax County; and to amend its certificate of public convenience and necessity No. ET-105s authorizing operation of transmission lines and substations in Prince William County.

ORDER GRANTING APPLICATION

Before the Commission is Virginia Electric and Power Company's ("Virginia Power" or "Company") Application to amend its certificates of public convenience and necessity for the counties of Fairfax and Prince William. In Fairfax County, the Company proposes to build a new Clifton 500/230 kV Substation which would be located adjacent to Virginia Power's existing 500 kV transmission line between Ox and Loudoun. A new 230 kV transmission line would run from the Clifton Substation, through Fairfax County, the City of Manassas Park, and Prince William County, to the existing Cannon Branch Substation in the City of Manassas. In cooperation with Manassas' municipal electric distribution system, Virginia Power proposes to convert the Cannon Branch Substation for operation at 230/115 kV. As explained below, we grant this application, as modified by Virginia Power during this proceeding.

By order entered July 28, 1989, the Commission directed Virginia Power to give notice of this application and authorized a Hearing Examiner to conduct all further proceedings concluding with the filing of a report recommending final action. As provided by that order, a public hearing was held in Manassas on November 8, 1989, and the Hearing Examiner conducted further hearing and oral argument on January 4 and January 11, 1990, in Richmond. Fairfax County (Fairfax) and the Clifton Ridge Homeowners Association and the Clifton Creek Ridge Homeowners Association (collectively Clifton Homeowners) participated as protestants, and several individuals and organizations, including the Mayor of the City of Manassas and Northern Virginia Electric Cooperative (NVEC), intervened.

On the basis of the record developed at these hearings, Senior Hearing Examiner Russell W. Cunningham filed his report on August 7, 1990, recommending that the Commission grant Virginia Power's application, as modified with revised site plan for the Clifton Substation. Senior Examiner Cunningham placed two conditions on approval: Virginia Power should cooperate with the Town of Clifton to reduce traffic congestion and the Company should align the main line exiting the Clifton Substation to pass through the center of the future NVEC substation.

On September 13, 1990, the Commission granted the motion of Historic Manassas, Inc. to reopen the record, and we directed Senior Examiner Cunningham to conduct further hearing. In that order, we found that appropriate notice of the application had been given and that hearings had been held. The further hearing would be limited to the issues of the visual impact of the proposed transmission line on historic structures in Manassas and the alternative of underground construction of a portion of the proposed transmission line adjacent to these structures. We also authorized Historic Manassas to intervene in this proceeding.

Pursuant to that order, an additional day of public hearing was held in Manassas on November 19, 1990. On December 19, Senior Examiner Cunningham filed a supplemental report recommending approval of the proposed transmission line route adjacent to historical structures in Manassas, as that routing was modified by Virginia Power at the November 19 hearing. The Hearing Examiner recommended further modifying the routing by relocating two supporting structures across a street from the Company's proposed location.

In response to Senior Examiner Cunningham's report of August 7, 1990, Clifton Homeowners and Fairfax filed comments. Virginia Power advised the Commission by letter that it would not file formal comments, but it was prepared to undertake all environmental mitigation measures stated during the hearing. In response to the supplemental report of December 19, Historic Manassas and Virginia Power filed comments. We have considered the Hearing Examiner's reports, the parties' comments, and the extensive record developed at the hearings. Upon consideration of this record, we adopt the principal findings and recommendations made by Senior Examiner Cunningham and grant the application.

We first address the issues surrounding construction of the proposed Clifton Substation and conversion of the existing Cannon Branch Substation to operate at a higher voltage. The Clifton Substation will lie outside Virginia Power's service territory certificated pursuant to § 56-265.3 of the Code of Virginia and within territory certificated to NVEC. Likewise, the existing Cannon Branch Substation lies outside the Company's certificated service territory and within the City of Manassas which operates a municipal electric distribution system. We have also previously determined that the construction or conversion of substations to operate at 500 and 230 kV is an extraordinary extension or improvement. For these reasons, the Commission must certificate these facilities pursuant to § 56-265.2 of the Code before Virginia Power may construct the Clifton Substation or convert the Cannon Branch Substation in cooperation with Manassas.

Senior Examiner Cunningham found in his August 7, 1990, report that Virginia Power had established that the public convenience and necessity requires construction of the Clifton Substation. The record shows that Virginia Power requires an additional 500/230 kV substation to assure adequate and reliable service to its own retail customers and to NVEC and the City of Manassas which depend upon Virginia Power for transmission and supply of electricity to their systems. Senior Examiner Cunningham also found that the better location for the substation would be along the existing Ox-Loudoun transmission line corridor.

Two sites along the corridor were considered during the hearing, the site proposed by the Company and the alternate Compton site. Senior Examiner Cunningham found that the site proposed by the Company was the better alternative. The record shows that Virginia Power has considered the environmental impact of the proposed station and land-use plans. The Company proposed in its application a number of measures to mitigate adverse environmental impact and offered at the hearing additional measures to reduce visual impact and to preserve the natural characteristics of the site. These measures included a revised site plan.

Based on the record, we agree with the Hearing Examiner that the public convenience and necessity require construction of the substation at the proposed Clifton site. We also find that NVEC has no objection to the construction of this facility within its service territory.

Virginia Power has considered the environment of the site and proposed measures to mitigate adverse impact. We find these measures appropriate, and our approval of the Clifton Substation is conditioned on Virginia Power making all reasonable efforts to construct the facility following the revised site plan. As recommended by the Hearing Examiner, we will also require Virginia Power to realign the main line exiting the substation and to cooperate with the Town of Clifton in traffic control.

Turning to the Cannon Branch Substation, the record establishes that conversion of this facility to operate at a higher voltage is a vital element of the joint plans of Virginia Power and the City of Manassas to improve electric service and to meet anticipated growth. Virginia Power also presented evidence that landscaping of the site and planting of shrubbery would reduce the visual impact of the substation after the reconstruction was completed.

Based on the record, the Commission, like the Hearing Examiner, finds that Virginia Power has established that the public convenience and necessity require conversion of the Cannon Branch Substation as proposed by Virginia Power. We also find that Manassas endorses this construction within its boundaries.

As a condition for approval of the transmission line under both §§ 56-46.1 and 56-265.2, the Commission must determine that the proposed line is needed. Senior Examiner Cunningham found in his August 7, 1990, report that Virginia Power had established a need for the proposed transmission line joining the Clifton and Cannon Branch Substations, and we agree with his reading of the record. The transmission line is an integral component of the project to improve service in Northern Virginia and to meet anticipated growth in demand for electric service. Further, neither NVEC nor the City of Manassas opposes construction of the line through their respective service areas.

As required by § 56-46.1, the Commission must also determine that Virginia Power has established that existing rights of way cannot adequately service the need and that the proposed route will "reasonably minimize adverse impact on the scenic assets and on the environment". The record shows that no existing Virginia Power right-of-way or combination of rights-of-way could be reasonably employed to connect the Clifton and Cannon Branch Substations. Virginia Power has made the maximum use of existing railroad and pipeline rights-of-ways to develop a route for the transmission line.

Senior Examiner Cunningham found that the proposed transmission line route, as further modified by Virginia Power at the hearing on November 19, 1990, reasonably minimizes the impact of the transmission line. Based upon our review of the evidence presented, the Commission makes the same finding. The record supports, and we will adopt, the Hearing Examiner's recommendation that Virginia Power locate the two supporting structures proposed for the south side of Prince William Street on the north side.

The Commission has found that Virginia Power has met its statutory burden of proposing a transmission route that reasonably minimizes environmental impact, but we have in the past modified authorizations given under §§ 56.46.1 and 56.265.2 as circumstances have changed. For example, if a local source of funding for underground construction of a portion of the transmission line through Manassas were found, Virginia Power could seek modification of this order to authorize underground construction.

In conclusion, the Commission finds that Virginia Power has established that the public convenience and necessity require construction of the proposed Clifton Substation, conversion of the existing Cannon Branch Substation, and construction of the proposed transmission line. We further find that the proposed route for the transmission line, as modified herein, will minimize adverse environmental impact as required by § 56-46.1 of the Code. We also find that notice of the application was proper and that all necessary hearings were held. ACCORDINGLY,

IT IS ORDERED:

(1) That, pursuant to §§ 56-46.1 and 56-265.2 of the Code, this application of Virginia Power, as amended during the hearings, be granted, subject to modifications made and conditions imposed in this order;

(2) That upon issuance of appropriate certificates of public convenience and necessity, Virginia Power be authorized to construct and to operate the Clifton Substation; to convert and to operate the Cannon Branch Substation; and to construct and to operate a single-circuit transmission line at 230 kV from the Clifton Substation, Fairfax County, to the Cannon Branch Substation, City of Manassas, along the route approved by this Order;

(3) That, forthwith upon receipt of this Order, Virginia Power shall file maps showing revisions in routing ordered above so that appropriate certificates of public convenience and necessity may be issued.

CASE NO. PUE890057
MARCH 12, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend certificate of public convenience and necessity No. ET-79ee authorizing operation of transmission lines and substations in Fairfax County; and to amend its certificate of public convenience and necessity No. ET-105s authorizing operation of transmission lines and substations in Prince William County

ORDER GRANTING CERTIFICATES

By Order of February 15, 1991, entered in this case, the Commission approved, pursuant to §§ 56-46.1 and 56-265.2 of the Code of Virginia, the modified and amended application of Virginia Electric and Power Company comply to construct the Clifton Substation and a single-circuit 230 kV transmission line between the proposed Clifton Substation in Fairfax County and the existing Cannon Branch Substation in the City of Manassas and to convert it the Cannon Branch Substation to 230 kV operation.

In addition, the Commission ordered that amended certificates of convenience and necessity be issued forthwith upon the filing by the Company of maps indicating the route approved in that order. The appropriate maps were filed on March 1, 1991. Accordingly,

IT IS ORDERED:

(1) That amended Certificates of Public Convenience and Necessity be issued to Virginia Electric and Power Company, as follows:

A. Certificate No. ET-79ff, for the Cities of Falls Church and Alexandria and the Counties of Arlington and Fairfax, authorizing Virginia Electric and Power Company to operate present transmission lines and facilities and to construct and operate in Fairfax County a single-circuit transmission line and the Clifton Substation, all as shown on the map attached thereto; Certificate No. ET-79ff, will supersede Certificate No. ET-79ee, issued on April 3, 1989 and

B. Certificate No. ET-105t, for the County of Prince William, authorizing the Virginia Electric and Power Company to operate the present transmission lines and facilities and to construct and operate a single-circuit transmission line and to convert the Cannon Branch Substation to 230 kV; all as shown on the map attached thereto; Certificate No. ET-105t, will supersede Certificate No. ET-105s, issued on March 22, 1989.

(2) That this case be dismissed from the docket of active proceedings and the papers herein be placed in the files for ended cases.

CASE NO. PUE890057
JUNE 13, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend its certificate of public convenience and necessity No. ET-79ee authorizing operation of transmission lines and substations in Fairfax County; and to amend its certificate of public convenience and necessity No. ET-105s authorizing operation of transmission lines and substations in Prince William County

OPINION

Harwood, Commissioner

Virginia Electric and Power Company ("Virginia Power" or "Company") has applied to amend its certificates of public convenience and necessity for the counties of Fairfax and Prince William. In Fairfax County the Company proposes to build a new Clifton 500/230 kV Substation which would be located adjacent to Virginia Power's existing 500 kV and 230 kV transmission lines running between Ox Substation, Fairfax County, and Loudoun Substation, Loudoun County. Virginia Power also seeks authorization to build a 230 kV transmission line on new right-of-way running approximately 6.6 miles from the proposed Clifton Substation, through Fairfax County, the City of Manassas Park, and Prince William County, to the Company's existing Cannon Branch Substation in the City of Manassas. Virginia Power also proposes to convert its Cannon Branch Substation to operation at 230/115 kV.

The application was protested by several parties, and a number of interveners also participated. Protestants Clifton Ridge Homeowners Association and Clifton Creek Ridge Homeowners Association (collectively "Clifton Homeowners") and the County of Fairfax ("Fairfax") focused their attention on the proposed Clifton Substation. Historic Manassas, Inc. ("Historic Manassas") opposed the overhead routing of a portion of the proposed transmission line that would connect Clifton and Cannon Branch. The City of Manassas and Northern Virginia Electric Cooperative ("NVEC") intervened in support of the application, and the Town of Clifton intervened in opposition to the Clifton Substation.

The central component of this integrated project is the proposed Clifton Substation. According to Virginia Power, construction of this substation at the proposed location would have two benefits. First, the reliability of Virginia Power's electric transmission and distribution system serving northern Virginia would be improved. Further, the substation would provide a new transmission path for electric power for the City of Manassas municipal electric distribution system, as well as for Virginia Power customers.

Most of the electricity consumed in northern Virginia is generated outside that region and transmitted to the Loudoun and Ox Substations by 500 kV transmission lines. Using two 500/230 kV transformer banks at Loudoun and three similar banks at Ox, the Company transforms the power to lower voltage for distribution to approximately 70 other substations, where voltage is further reduced. The power is also transmitted to NVEC and the Manassas municipal system for distribution to their customers.

Based on its load data, Virginia Power calculates that loss of one of the two Loudoun transformer banks would result in overloading the other transformer bank located at that substation. Also, the Company projects that, by 1993, the loss of one of the three transformer banks at Ox would cause the two remaining transformer banks at that substation to overload. Either of these contingencies could cause interruption of service to northern Virginia during periods of peak demand. Virginia Power also presented evidence that repair or replacement of one of these large transformer banks could take six to nine months.

To address these contingencies and support the substations the Company proposes to install additional 500/230 kV transformer banks at a new substation along the existing 500 kV transmission line linking Ox and Loudoun. In addition to housing additional transformer banks the proposed substation would improve transmission reliability. The 500 kV transmission line, as well as two 230 kV transmission lines linking Loudoun and Ox, would be divided at the proposed substation. A failure along a transmission line segment between Clifton and Ox or between Clifton and Loudoun could then be isolated from the remainder of the transmission system serving northern Virginia. Power could be rerouted around the isolated segment until service was restored.

The record shows that Virginia Power considered and rejected alternative locations for additional 500/230 kV transformer banks. At Loudoun there was insufficient land to install additional transformer banks. At Ox substantial grading and filling would be required before additional banks could be installed. Virginia Power also pointed out that installing additional transformer banks at the same location as existing banks would subject the added facilities to the same location - specific risks, i.e. fire and lightning, as the existing facilities.

Virginia Power also considered installing 500/230 kV transformer banks at its Gainesville or Pleasantview Substations to support Loudoun and at its Possum Point Power Station to support Ox. As the record shows, this proposal is more costly and less efficient than the proposed single substation, which could support either Ox or Loudoun. In addition, Virginia Power does not own sufficient land to build additional facilities at Gainesville. Based on the delays encountered by NVEC in securing land to construct a facility adjacent to Virginia Power's Gainesville Substation, the Company anticipated considerable difficulty and cost if it tried to secure additional land at that location.

The record supports Virginia Power's position that additional 500/230 kV transformer banks are required to provide reliable service to northern Virginia. The record also demonstrates that locating these additional transformer banks between the Loudoun and Ox Substations is the most efficient means of addressing this need.

Locating the substation between Ox and Loudoun has the added benefit of providing a new access to power near existing and anticipated load centers. The City of Manassas municipal electric system and NVEC, as well as Virginia Power's own customers in the area around Manassas, are presently served by a 115 kV transmission line loop running from Loudoun to Cannon Branch to Gainesville and back to Loudoun. The evidence shows that the load on this loop has increased substantially. Additional utility construction at other locations has already been necessary to reduce the load on the Loudoun to Cannon Branch to Gainesville loop. Notwithstanding these steps, additional load growth along the loop requires additional facilities.

A 230 kV transmission line from Clifton to Cannon Branch and the conversion of Cannon Branch to operate at 230 kV would provide means of reducing load on the loop, while providing the Manassas municipal system with a 230 kV source of electric power. Manassas has undertaken a program to improve its municipal electric system, and the proposed Clifton-Cannon Branch transmission line would allow the City to convert two of its substations, Battery Park and Prince William, to 230 kV operation. Extension of 230 kV service to supplement the current 115 kV service would increase the reliability and efficiency of the Manassas system.

No evidence was offered to refute that of Virginia Power that a substation between Loudoun and Ox would efficiently serve the two needs identified by the Company: a suitable location for additional 500/230 kV transformer banks and a new access to power.

While not disputing the needs for a substation identified by Virginia Power, Clifton Homeowners advocated either locating the substation at another site between Loudoun and Ox, the "Compton site," or constructing a 230 kV transmission line from Gainesville to Cannon Branch.

The Company presented evidence that the alternative of supplying power to Cannon Branch from Gainesville would require conversion of approximately seven miles of existing transmission line from 115 kV to 230 kV operation, with the installation of necessary breakers and transformers. An additional five miles of existing 115 kV transmission line would have to be rebuilt for 230 kV operation. Virginia Power would also have to acquire additional right-of-way for portions of this 12-mile line to upgrade to 230 kV. The proposed Clifton Substation would therefore offer a more efficient and less costly alternative than Gainesville. Further, using Gainesville as a transformer site would address only one need identified by Virginia Power. The Company would still need to provide 500/230 kV transformer banks at some other location to support Loudoun and Ox.

The Clifton Homeowners also maintained that the Clifton site is not usable for a substation and that the Compton site is better suited for this purpose. First, the Clifton Homeowners argue that the Clifton site is in a sensitive drainage area and that construction could have an adverse impact on wetlands and the watershed. The Homeowners offered evidence touching on potential drainage problems, disruption of springs, and possible erosion problems. The record shows that Virginia Power recognized these constraints and proposed a number of mitigation measures to avoid erosion and runoff. Fairfax approved of these measures and suggested additional steps, which Virginia Power agreed to adopt.

A Clifton Homeowner witness also contended that Virginia Power had not offered an adequate plan for controlling leakage of oil from any transformers to be installed at the proposed site. Virginia Power presented evidence that its plan meets the requirements of the U.S. Environmental Protection Agency and that the plan would be implemented when the transformers were installed.

Clifton Homeowners also contended that electric and magnetic fields created by the transmission line and proposed substations may be dangerous to humans. As Virginia Power noted, however, the current residents moved into the area after the present transmission lines had been constructed, so they already live within the electric and magnetic fields created by these lines. According to studies prepared by Virginia Power's consultant, construction of the Clifton Substation would increase the existing magnetic fields, but not the electric fields. The increase in magnetic fields would vary with distance from the proposed substation, so some houses would experience a greater increase in magnetic field readings than others. Virginia Power also presented testimony that the construction of the substation would actually reduce the strength of existing magnetic fields in some locations because of a cancellation effect caused by the transformer and other equipment.

The Company has extensively evaluated the electric and magnetic fields caused by the existing transmission lines and proposed substation. Clifton Homeowners does not challenge either the conduct of these studies or the estimates of field strength. Based on this record, the Commission cannot find that the estimated strength of electric and magnetic fields associated with the proposed Clifton Substation pose a threat to health.

Clifton Homeowners maintained that the Compton site offered a number of advantages. It is true that this site is accessible by road and avoids many of the drainage, flood plain, and wetlands problems attributed to the Clifton site. However, the Compton site is not without its own environmental problems. It is located in an area planned for residential development; some houses have already been built in the vicinity; and there are potential drainage and flood plain problems. Finally, Virginia Power already owns the Clifton site, while acquiring the Compton site would entail considerable additional expense. Virginia Power has owned the Clifton site since approximately 1973, apparently long before any homes were built in the area. The 500 kV and 230 kV transmission lines also predate the homes surrounding the Clifton site.

In planning for this substation and making application to the Commission the Company gave reasonable consideration to the environmental impact of this project. The record includes an extensive environmental study made by Virginia Power and a further study of the site made by Fairfax. Fairfax did not oppose locating the substation on the proposed site but did recommend a number of steps to minimize adverse environmental impact.

The record also shows that Virginia Power addressed the concerns of neighboring homeowners and the adjacent Town of Clifton. Virginia Power has acquired a 95-acre site for the substation, but its facilities will occupy only a portion of the property. The Company's site plan will permit substantial buffers between the equipment located at the substation and neighboring homes. During the hearing Virginia Power proposed a modification of its plan which would further reduce the visual impact of its project. Also, according to Virginia Power's testimony and exhibits, the proposed site can be served by rail. Delivery of heavy equipment by rail would avoid the need to route trucks through the Town of Clifton and adjacent residential areas.

Virginia Power has met its burden of establishing that the public convenience and necessity require the construction and operation of the Clifton Substation as proposed and the conversion of the Cannon Branch Substation. The record also shows that Virginia Power properly considered the impact that the Clifton Substation would have on the environment and on adjacent homeowners. The Company has proposed a number of steps to mitigate any impact and has pledged to adopt all proposals recommended by Fairfax County. Accordingly, the appropriate certificate of public convenience and necessity should be granted for these facilities.

Under § 56-46.1 of the Virginia Code the Commission must also approve the new transmission line, which will provide 230 kV service to Cannon Branch. As provided by that section, the Commission must first find that a transmission line of 150 kV or more is needed, and that the proposed route will "reasonably minimize adverse impact on the scenic assets and environment." The applicant must also establish that existing rights-of-way cannot adequately meet the established need. As discussed above, the Commission has found that Virginia Power has established the need for upgrading service at Cannon Branch from 115 kV to 230 kV. The Commission has also found that the public convenience and necessity require construction of the Clifton Substation with its 500/230 kV transformer banks. As an added benefit, the Clifton Substation provides a more centrally located source of 230 kV power which would efficiently serve Cannon Branch. While the existing right-of-way between Gainesville and Cannon Branch could be utilized to provide 230 kV service, the Commission finds that more economical and efficient service could be provided from Clifton.

Thus, the remaining issue before the Commission is whether the proposed route from Clifton to Cannon Branch reasonably minimizes adverse impact on the environment. The record shows that a substantial portion of the proposed route would follow an existing major rail line. Virginia Power has also committed itself to observing numerous safeguards in clearing, constructing, and maintaining the right-of-way to minimize environmental impact.

The principal controversy about the route was Historic Manasssas' proposal to construct underground a portion of the transmission line adjacent to the Manassas National Historic District. Historic Manassas makes several arguments for undergrounding a segment. First, the supporting structures for an overhead line would be significantly taller than the two-story buildings found in the District and would be out of scale with the structures. Further, the presence of the supporting structures and lines would diminish the aesthetic values which Historic Manassas hopes to foster. Finally, Historic Manassas contends that the transmission lines would operate as a barrier between the Historic District to the north of the railroad tracks and the City of Manassas Museum to the south.

During the course of this proceeding Virginia Power proposed an alternate alignment for a portion of the transmission line through the City of Manassas. The alternative would locate the transmission line approximately one block further south of the railroad tracks rather than adjacent to the tracks. The line would still lie between the museum and the Historic District. In response to requests from Senior Hearing Examiner Cunningham presiding at the hearing, Virginia Power agreed to some additional modifications to further reduce the impact of this alternate route.

Based on the record before us, the Commission finds that the proposed routing of the transmission line, as modified by Virginia Power prior to the hearing and further modified in response to concerns raised by Senior Hearing Examiner Cunningham, reasonably minimizes the impact on the environment. In enacting § 56-46.1 of the Virginia Code, the General Assembly directed the Commission to give special deference to localities through which transmission lines pass. The City of Manassas has endorsed the application, including the construction of the transmission line along the railroad right-of-way. There is abundant evidence in the record showing that the City and Virginia Power cooperated in developing this proposal. In fact, the City of Manassas had originally proposed to construct its own 115 kV transmission line along the railroad and had secured this right-of-way. The City transferred these rights to Virginia Power for construction of the 230 kV line.

As in the case of the Clifton Substation, the record shows that Virginia Power has responded to concerns raised by adjacent property owners, including members of Historic Manassas. Rerouting the transmission line further to the south of the railway tracks should further reduce concerns arising from the scale of the supporting structures with the scale of the structures in the Historic District. Such a route would also not preclude any of the development or commercial activity planned by Historic Manassas and its members. As part of this project Virginia Power has also agreed to reconstruct the City of Manassas' Prince William Substation located just across the rail tracks from the principal Historic District. Virginia Power will rebuild the substation with new equipment of lower profile and place screening material and embankments to further reduce the visual impact of the substation.

With regard to the isolation of the Manassas Museum from the Historic District, the record shows that the existing rail right-of-way is doubletracked through Manassas with sidings adjacent to the Historic District. For several blocks there are four separate sets of tracks. These tracks and the station at Manassas will serve the planned commuter rail service for northern Virginia as well as the Norfolk Southern Railway. The Museum is thus already isolated by a considerable rail facility. Virginia Power presented testimony that construction of the proposed 230 kV line along its proposed route, as modified, would allow the City of Manassas to dismantle its existing 115 kV transmission line and its supporting structures which now lie between the Museum and the Historic District. In light of these facts we find that the proposed transmission line would not further separate the museum site and the Historic District.

The law requires that we find the proposed transmission line reasonably minimizes adverse impact on the environment. It does not require that the line avoid any such impact. A policy of no impact would, in many situations, bar construction of necessary facilities. We do not find

that minimization of the environmental impact as required by the statute requires construction of a portion of the transmission line underground. We find that the alternate routing proposed by Virginia Power, in conjunction with the reconstruction of the Prince William Substation, reasonably minimizes adverse impact along the route, including the impact on the Historic District.

In conclusion, the Commission finds that Virginia Power has established that public convenience and necessity require construction of the Clifton Substation, modification of the existing Cannon Branch Substation, and construction of the transmission line between Clifton and Cannon Branch. The record also establishes that the proposed routing of the transmission line reasonably minimizes adverse environmental impact. Accordingly, the application will be granted.

CASE NO. PUE890073
JUNE 20, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend certificates of public convenience and necessity authorizing transmission lines and facilities in the County of Charles City (Certificate No. ET-71f), in the County of Chesterfield (Certificate No. 73-p), and in the County of Henrico (Certificate No. ET-86k): Chesterfield-Chickahominy 230 kV Transmission Line

ORDER ISSUING CERTIFICATES

By order of December 28, 1990, the Commission granted, with modifications, Virginia Electric and Power Company's (Virginia Power or Company) application to amend its certificates of public convenience and necessity for the counties of Charles City, Chesterfield, and Henrico. We ordered Virginia Power to file appropriate maps showing the revisions in routing so that appropriate certificates of public convenience and necessity could be issued. We also included the following ordering clauses in the Order of December 28:

> (4) That the transmission line shall be routed as far west as possible through Curles Neck Swamp; and that it be routed immediately adjacent to the existing distribution line in the area around Point Bremo, with overbuilding of that existing line if preferable.
>
> (5) That Virginia Power shall consult with Curles Neck in all phases of planning and construction on Curles Neck Farm, including, but not limited to, the placement of supporting structures, the realignment of the transmission line as directed herein through Curles Neck Swamp and around Point Bremo, and the reduction of impact on other activities conducted on Curles Neck Farm during construction of the line.

On June 6, 1991, Virginia Power filed a map showing the revisions in routing and a report on its consultations with Curles Neck on this routing. Virginia Power reported that agreement was reached on locating transmission line as far west as possible through Curles Neck Swamp. Curles Neck and Virginia Power also agreed to move the routing of the transmission line on Point Bremo to the west.

In granting this application, the Commission directed Virginia Power to consult with Curles Neck, and our Order contemplated some adjustment in the routing as a result of these discussions. We find that Virginia Power has complied with the intent of our Order of December 28, and that the appropriate certificates of public convenience and necessity should be issued. Accordingly,

IT IS ORDERED:

(1) That amended certificates of public convenience and necessity be issued to Virginia Electric and Power Company as follows:

> (a) Certificate No. ET-73s, for Chesterfield County, authorizing Virginia Electric and Power Company to operate present transmission lines and generating facilities, and to construct and operate the proposed transmission lines and facilities; all as shown on the map attached thereto; Certificate No. ET-73s, will supersede Certificate No. ET-73r, issued on April 5, 1990;
>
> (b) Certificate No. ET-71h, for Charles City and New Kent Counties authorizing Virginia Electric and Power Company to operate present transmission lines and facilities and to construct and operate the proposed transmission line in Charles City County; all as shown on map attached thereto; Certificate No. ET-71h, will supersede Certificate No. ET-71g, issued August 8, 1990; and
>
> (c) Certificate No. ET-86m, for Henrico County, authorizing Virginia Electric and Power Company to operate present transmission lines and Combustion Turbines and to construct and operate the proposed transmission line; all as shown as map attached thereto; Certificate No. ET-86m, will supersede Certificate No. ET-86l, issued on August 8, 1990.

(2) That this case be dismissed from the docket of active proceedings and the papers herein be placed in the files for ended cases.

CASE NO. PUE890082
DECEMBER 20, 1991

APPLICATION OF
VIRGINIA SUBURBAN WATER COMPANY

To revise its tariffs

FINAL ORDER

On November 22, 1989, Virginia Suburban Water Company ("Virginia Suburban" or "the Company") filed an application with the Commission to revise its tariffs. In its application, the Company proposed to increase its gross annual revenues by $78,686. It also proposed that an appropriate tax gross-up charge be added to connection fees, customer advances and contributions in aid of construction ("CIAC"). The application was supported by operating data for the test period of the twelve months ending September 30, 1989. On December 20, 1989, Kenneth G. Miller, Esquire, filed a Notice of Protest. Subsequently, Mr. Miller indicated that he agreed with the position taken by the Northern Neck Property Owners Association ("POA" or "Protestant").

On December 21, 1989, the Commission issued its procedural order and appointed a hearing examiner to the matter. On January 10, 1990, counsel for the POA requested a continuance of the April 5, 1990 hearing. This request for continuance was subsequently granted. The proposed rates were placed into effect, subject to refund, on January 6, 1990.

A hearing was held on April 5, 1990, to receive the testimony of public witnesses. Several other continuances were requested and granted.

On June 1, 1990, the matter came again before Howard P. Anderson, Jr., Hearing Examiner. Testimony at the hearing focused on the following issues: federal income tax ("FIT"), the Company's rate base, and adjustments to Company's revenues and expenses. The Company, Protestant, and the Commission Staff filed post-hearing briefs.

On October 12, 1990, the Hearing Examiner filed his Report. In his Report, the Hearing Examiner recommended that the Commission enter an order that adopted the findings of his Report, granted Virginia Suburban Water Company an increase in gross annual revenues of $78,686 and dismissed this case from the Commission's docket of active cases.

In his Report, the Examiner discussed the basis for his conclusions relative to calculation of Virginia Suburban's FIT expense and the associated rate base effects thereof. In accepting the stand-alone methodology for calculating the Company's FIT expense, the Examiner noted the Commission's decision in Company's last rate case (Case No. PUE880069), FIT regulations and fairness to Virginia Suburban's ratepayers. The Examiner referred to § 1.1502-75 of the Internal Revenue Code, which provides that a company must elect to file a consolidated federal tax return. The Examiner concluded that since Virginia Suburban was not "required" to file its tax return as a member of a consolidated group, its customers should not be required to bear the additional costs associated with its decision.

The Examiner also addressed the Company's other concerns regarding calculation of Company's FIT expense. The Examiner stated that Company's concern about undue recovery of actual tax liability in the future was speculative. He noted that the 15% tax rate was the rate applicable to Company's test year taxable income and that increases in taxable income could be addressed in future rate proceedings.

In accepting Staff's methodology for calculating FIT expense, the Examiner extended the stand-alone calculation to the rate base effects of calculating Accumulated Deferred Federal Income Tax ("ADFIT") and all the components thereof. The Examiner noted that Staff correctly applied the 15% stand-alone rate to both components of the Modified Accelerated Cost Recovery System ("MACRS") portion and the CIAC portion of ADFIT. In finding that the Company should maintain all FIT accounts on a stand-alone basis, the Examiner based his conclusion on the Commission's order in Company's last rate case, the rate impact of FIT accounts and Staff's need to accurately monitor the financial condition of the Company.

The Examiner further found that Virginia Suburban had failed to meet its burden of proof to establish the rate base for Bay Quarter Shores, Stratford Harbour, Sherwood Forest and Corrotoman ("the four systems"). In rejecting the Protestant's contention that certain other systems, now a part of the Virginia Suburban system, should be excluded from the Company's rate base as contributed property, the Examiner noted that the Commission had previously accepted Staff's position for accounting for these Virginia Suburban water system purchases as an acquisition adjustment rather than CIAC (Cases Nos. 20142 and PUE840027). The Examiner added that there was insufficient evidence to "revisit the question of rate base for these systems."

In his Report, the Hearing Examiner invited the parties to the proceeding to file comments to his Report within fifteen days from the date thereof. On November 16, 1990, the Company and the Protestant filed exceptions to the Examiner's October 12, 1990 Report. The Protestant also requested that the Commission hear oral argument relative to the issues raised in its exceptions.

On February 14, 1991, the Commission issued an order convening oral argument on issues raised by the Protestant in its exceptions to the October 12, 1990 Hearing Examiner's Report. Pursuant to that Order, oral argument was held before the Commission on April 24, 1991. On May 14, 1991, the Commission issued an order, remanding the matter to the Office of the Hearing Examiner and directing that evidence be taken on the propriety of considering an acquisition adjustment to the Company's rate base.

In his May 30, 1991 Ruling, the Hearing Examiner reopenedthe record to allow the parties to supplement the record on the issue of the propriety of establishing a rate base for Virginia Suburban which reflected an acquisition adjustment, set the matter for hearing on July 24, 1991, and established a procedural schedule for filing testimony and exhibits.

At the appointed time, the matter came for hearing before Howard P. Anderson, Jr., Hearing Examiner. On August 16, 1991, the Company, Protestant and Staff filed post-hearing briefs on remand.

Protestant also filed a Motion to Dismiss stating that Company did not present reliable rate base figures on which the Commission could base its decision. On August 28, 1991, the Company filed a response to Protestant's motion and requested that Protestant's motion be denied. In an August 28, 1991 Hearing Examiner's Ruling, the Examiner denied Protestant's Motion to Dismiss.

On September 19, 1991, the Hearing Examiner issued a Supplement to his Final Report. In his September 19, 1991 Report, the Hearing Examiner again recommended that the Commission enter an order that adopted the findings of his Report, granted Virginia Suburban Water Company an increase in gross annual revenues of $78,686, and dismissed the case from the Commission's docket of active proceedings.

In his discussion of the issues, the Examiner concluded that Company had met the criteria for an acquisition adjustment and accepted Staff's methodology for calculating that adjustment. The criteria for an acquisition adjustment identified by the Hearing Examiner were that (1) the purchase price be determined through arm's length bargaining, and (2) the investment be made prudently for the benefit of the customers and the utility. In his analysis of the propriety of making an acquisition adjustment, the Examiner stated that General Waterworks Corporation's ("General Waterworks") purchase of the five systems from James R. Byrd for $1,010,000 was an arm's length transaction. In addition, the Examiner stated that Virginia Suburban had met the second prong of the test in that General Waterworks' investment was prudently made for the benefit of the customer and the utility. He cited Company witness Creel's testimony in support of his conclusion that both customers and the Company benefited from this transaction. The Examiner found there was an improvement in the Company's customer service and a benefit to the Company by having a financially solvent owner and additional capital for system improvements. Moreover, the Examiner accepted Staff's equity method for calculating the acquisition adjustment and Staff's amortization of the adjustment retroactive to the date of purchase.

On October 4, 1991, Virginia Suburban and Protestant filed Comments on the Supplement to the Final Report.

NOW THE COMMISSION, having considered the record, the Hearing Examiner Reports and the comments thereto, is of the opinion and finds that, with the modifications set forth below, the Examiner's findings and recommendations on remand are reasonable and should be adopted. Based upon the record, it is obvious that the Company may support a revenue increase of $78,686 irrespective of the level of rate base accepted or legal theory supporting that rate base. However, after review of the record in this case, we find it appropriate to authorize this Company to book an acquisition adjustment to reflect the acquisition of the utility's stock from its previous owner.

We recognize that the determination to authorize a utility to make an acquisition adjustment must rest on the particular facts developed in each case. The facts developed herein support the use of an adjustment. The negotiations between James Byrd, the systems' previous owner, and General Waterworks were at arm's length; the price paid for the acquisition was supportable; and the acquisition resulted in operational benefits for both the utility and its ratepayers. General Waterworks' acquisition of the utility's stock resulted in its assumption of the liabilities and duties of the acquired public utility. The record supports the conclusion that these systems have benefited from an owner who is financially solvent and who has provided additional capital for system improvements.

In addition, we accept the Staff's equity methodology of computing an acquisition adjustment, modified to recognize ADFIT calculated at a 15% rate as noted by the Company in its Comments on Remand. We accept an equity method because we find it to be more representative of the means by which General Waterworks acquired this system. If Staff's rate base at September 30, 1989, is modified to reflect ADFIT at a 15% rate and to recognize the associated cash working capital effect of the Protestant's revenue change as discussed at p. 9, infra, and an acquisition adjustment employing the equity method is accepted, we find the Company's rate base to be $1,235,197. The details of these modifications are shown in Attachment A, Rate Base at September 30, 1989, and Attachment B, a rate of return statement for the test period ending September 30, 1989.

We consider it appropriate to amortize the acquisition adjustment as of August, 1987. Upon acquisition of this utility's stock, the Company had the option to request recognition of an acquisition adjustment, and recovery of the amortization of this adjustment in its rates. Failing to do so, the Company may not now complain that it will not recover in cost of service revenues related to the earlier acquisition. What has happened in this case is similar to what happens when a public utility requests an increase in its revenues based on one level of depreciation rates and then, after the case has been concluded, receives approval to increase the level of depreciation expense. If the utility fails to file a rate case to recover these expenses through its tariffs, the increased level of expenses relating to an earlier period remain unrecovered. However, when the utility files its rate case, it may recover the increased level of known and certain expenses related to the future, but not those expenses relating to a prior period.

With respect to the FIT issues raised by the Company, we find that the Company's taxes should be calculated on a stand-alone basis. Our policy relevant to calculating FIT expense on a stand-alone basis has been reinforced by decisions in recent Commission proceedings. See Petition of Occoquan Forest Owners Association, Case No. PUE870049, 1988 S.C.C. Ann. Rept. 291. See also Petition of Massanutten Property Owners Association, Inc., Case No. PUE870038, 1989 S.C.C. Ann. Rept. 235, 237.

Further, we agree with the Protestant that $455,258 represents the appropriate level of the utility's test period operating revenues. This figure, in our opinion, employs the correct level of annualized billing determinants, including year end customers who were connected to the system at the end of the test year.

In addition, we find that it is appropriate to allow the Company to recover its rate case expenses and its original cost study, as proposed by Staff. We have recognized the right of utilities to recover a reasonable level of expenses related to litigation and to rate cases unless they are shown to be wasteful, extravagant, or unnecessary. See Application of the Chesapeake and Potomac Telephone Company of Virginia, Case No. PUC800011, 1980 S.C.C. Ann. Rept. 180 at 186. See also Lake of the Woods Util. Co. v. State Corp. Comm., 223 Va. 100, 110 (1982). Our review of the record indicates that there is insufficient evidence to lead us to conclude that these expenses were wasteful, unnecessary, or extravagant. With respect to the $12,247 expense Protestant asserts was incurred prior to the test year, we find these amounts to be continuing maintenance expenses, which should be reduced to a going level amount of $4,082, as proposed by Staff.

In sum, we find as follows:

(1) That the use of the twelve months ending September 30, 1989 is an appropriate test year for this proceeding;

(2) That the Staff's accounting adjustments, as modified by the findings set forth above, are reasonable and should be accepted;

(3) That the Company's test year operating revenues, after all adjustments and after including the effects of an acquisition adjustment, are $455,258;

(4) That the Company's total operating revenue deductions for the test year, after all adjustments and after including the effect of the acquisition adjustment, were $422,403;

(5) That the Company's net operating income was $32,855 for the test year, after all adjustments and after including the effect of the acquisition adjustment accepted herein;

(6) That the Company's rate base for the twelve months ending September 30, 1989 was $1,235,197, and that after considering the effects of all adjustments and the acquisition adjustment, the Company earned a 2.66% return on rate base;

(7) That an increase in gross additional revenues of $78,686 is necessary in order for the Company to have an opportunity to earn a 7.91% return on rate base;

(8) That Company should record deferred taxes on tank repainting expense, rate case expense, and pension expense and should record the temporary differences related to the timing of cost recognition between book and taxes;

(9) That Company should maintain all of its FIT accounts on a stand-alone basis;

(10) That the Company's FIT expense should be calculated on a stand-alone basis;

(11) That the Company should be allowed to recover the tax liability relating to contributed property using the present value method, effective as of the date of the Final Order in this case; and

(12) That the Company should collect and submit to the Division of Energy Regulation before its next rate case cost information analyzing whether an additional rate block providing for a lower minimum would be a better way to meet the needs of Virginia Suburban's seasonal and limited usage water customers. Accordingly,

IT IS ORDERED:

(1) That, consistent with the findings made herein, the Company's proposed rates designed to produce $78,686 shall be made permanent, effective for service rendered on and after the date of this Order;

(2) That the Company shall, consistent with the recommendations of Staff witness Adams, recover the tax liability relating to contributed property using the present value method effective as of the date of the Final Order in this case, and shall file appropriate tariffs conforming to witness Adams' recommendations;

(3) That, consistent with the findings made herein, the Company shall implement the booking recommendations of Staff witness Adams forthwith; and

(4) That there being nothing further to be done here, the same is hereby dismissed from the docket of active cases.

NOTE: A copy of the Attachment A, Rate Base at September 30, 1989, and Attachment B, a rate of return statement for the test period ending September 30, 1989 is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. PUE900013
JUNE 11, 1991

APPLICATION OF
COMMONWEALTH ATLANTIC LIMITED PARTNERSHIP

For a certificate of public convenience and necessity pursuant to Virginia Code § 56-265.2

ORDER GRANTING CERTIFICATE

The Commission, by Final Order of June 12, 1990, in the above-referenced case, pursuant to the Virginia Code § 56-234.3 approved the construction of a simple-cycle generating plant consisting of three gas fired turbine generators, aggregating approximately 310 megawatts, to be constructed and operated by the applicant in the City of Chesapeake, Virginia.

In addition, the Commission ordered that a certificate of public convenience and necessity be issued to the applicant under Virginia Code § 56-265.2 upon the filing of the appropriate map.

Two copies of the appropriate map were filed on May 16, 1991. Accordingly,

IT IS ORDERED that a certificate of public convenience and necessity be issued to Commonwealth Atlantic Limited Partnership as follows:

Certificate No. ET-152, for the City of Chesapeake, authorizing Commonwealth Atlantic Limited Partnership to construct and operate a simple-cycle generating plant consisting of three gas fired turbine generators, aggregating approximately 310 megawatts, as shown on the map attached thereto.

CASE NO. PUE900016
APRIL 3, 1991

APPLICATION OF
NORTHERN VIRGINIA NATURAL GAS, A DIVISION OF WASHINGTON GAS LIGHT COMPANY

For an expedited increase in rates

FINAL ORDER

On June 6, 1990, Northern Virginia Natural Gas, a Division of Washington Gas Light Company ("NVNG" or "the Company"), filed an application for expedited rate relief with the State Corporation Commission ("Commission"). In its rate application, NVNG requested that the Commission authorize it to increase its gross annual operating revenues by $7,745,451, effective for service rendered on and after July 6, 1990. The Company also proposed to revise certain of its miscellaneous fees and charges, including its charge for moving an existing residential meter from the interior of a dwelling to the dwelling's exterior and its service reconnection charge for single and multiple dwelling units. In addition, NVNG proposed to adjust its risk sharing mechanism to properly reflect the level of the interruptible non-gas target margin at an equalized cost of service to the interruptible service class.

In its June 27, 1990 Interim Order, the Commission authorized NVNG to implement its proposed rates on an interim basis, subject to refund with interest, for service rendered on and after July 6, 1990. In the same order, the Commission also directed that a public hearing be convened before a hearing examiner on December 5, 1990, and established a procedural schedule for the Company, Staff, interveners, and Protestants.

On the appointed day, the matter came to be heard by Russell W. Cunningham, Senior Hearing Examiner. Counsel appearing were Donald R. Hayes, Esquire, counsel for the Company; Frann G. Frances, Esquire, and Steven W. Pearson, Esquire, counsel for the Apartment and Office Building Association of Metropolitan Washington, Inc. ("AOBA"), and Sherry H. Bridewell, Esquire, counsel for the Staff. Fairfax County appeared as a public witness at the hearing.

During the hearing, counsel for NVNG introduced an "Offer of Stipulation" which accepted Staff's accounting adjustments, cost of capital, cost of equity, revenue requirement and certain rate design recommendations. The Hearing Examiner identified the Offer of Stipulation as Exhibit B. Specifically, in Exhibit B, NVNG agreed to: accept Staff's accounting adjustments and recommended revenue deficiency of $7,082,000, based on a cost of capital of 11.047% and a cost of equity of 13%; update its capitalization ratios for its non-utility subsidiaries and provide all supporting documents related to the calculation of an adjustment removing amounts from the capital structure related to non-utility subsidiaries; and re-examine its current delivery service banking provisions in Rate Schedule No. 7 as part of its next rate proceeding. Fairfax County presented a statement which asked the Commission to disallow certain of NVNG's advertising expenses.

Witnesses for NVNG, the Staff, and AOBA took the stand to address the issues remaining in controversy. These issues included revenue apportionment issues, the propriety of the interruptible rate ceiling proposed by the Staff, and whether the proposed reconnect charge for multiple dwelling units with four or more dwelling units was reasonable and supported by the record.

On February 27, 1991, the Hearing Examiner filed his Final Report in this matter. In his Report, the Examiner determined to accept the Offer of Stipulation and found it to be supported by the evidence. He concluded that Fairfax County's request to disallow certain of NVNG's advertising expenses was not sufficiently developed in the proceeding to permit its resolution and noted that this issue could be reviewed in NVNG's next case. The Examiner accepted the Company and Staff's revenue apportionment recommendation. The Examiner also accepted Staff's proposal to establish ceiling rates for NVNG's interruptible and special contract customers. Staff's ceiling rates for interruptible customers who would be eligible for firm service under the commercial and industrial and group metered apartment rate schedules would be equal to the sum of (1) the average non-gas margins in the commercial and industrial and group metered apartment tariffs, including system charges, respectively, (2) the applicable base gas costs, and (3) the current monthly purchased gas adjustment ("PGA") charges. The Examiner found that the Company had supported its proposal to increase its reconnect charges and accepted that proposal. He recommended that the Commission enter an order adopting his findings and recommendations and invited the parties to file comments in response to his Report within fifteen days of its issuance.

On March 13, 1991, the Company, by counsel, filed comments in support of the Hearing Examiner's Report. On March 14, 1991, AOBA, by counsel, filed its exceptions to the Hearing Examiner's Report. In AOBA's exceptions, among other things, it argued that the Hearing Examiner failed to give proper consideration to its objections to the interruptible and special contract rate ceilings, the service reconnection fees for multi-unit dwellings, and the apportionment of revenues between the non-heating/non-cooling commercial and industrial and group metered apartment rate classes and NVNG'S other customer classes.

NOW THE COMMISSION, upon consideration of the record, the February 27 Hearing Examiner's Final Report, and the comments and exceptions thereto, is of the opinion and finds that the findings and recommendations of the Hearing Examiner's February 27, 1991 Final Report should be adopted. We agree with the Examiner that the Offer of Stipulation, identified as Exhibit B herein, is reasonable and should be adopted, and is incorporated herein as Attachment A hereto. Further, we find as follows:

(1) That the test period for the twelve months ended March 31, 1990, is appropriate;

(2) That the Staff's accounting adjustments are reasonable and should be accepted in this proceeding;

(3) That NVNG's operating revenue, after adjustments, during the test period was $252,330,000;

(4) That NVNG's total operating revenue deductions after all adjustments for the test year were $225,680,000;

(5) That the Company's net operating income for the test year, after all adjustments was $26,650,000, and its adjusted operating income after all adjustments for the test year was $26,366,000;

(6) That the Company's total rate base for the test year after all adjustments was $279,853,000, and the Company earned a return of 9.42% on its rate base during the test period;

(7) That the Company's overall weighted cost of capital, based on the March 31, 1990 end of test year consolidated capital structure of Washington Gas Light Company, ("WGL"), adjusted for investment in its non-regulated subsidiaries, is within the range of 10.767% - 11.326%, and that the midpoint of this range, 11.047%, should be used to establish rates in this proceeding;

(8) That the Company's currently authorized cost of equity of 12.50% - 13.50% and the midpoint of the range, i.e., 13.00%, is reasonable and should be used to establish rates in this proceeding;

(9) That in future proceedings, NVNG should update the capitalization ratios for WGL's non-utility subsidiaries and provide all supporting documents related to the calculation of the adjustment to WGL's capital structure for non-utility subsidiaries;

(10) That NVNG's request to implement rates designed to produce additional annual operating revenues of $7,745,451, will result in rates which are unjust and unreasonable;

(11) That the Company should implement rates designed to produce additional gross annual revenues of $7,082,000 in order to have rates which are just and reasonable;

(12) That the Company should promptly refund with interest any and all revenues collected under its interim rates which became effective and subject to refund with interest for service rendered on and after July 6, 1990, to the extent the revenues collected from the application of the interim rates exceed those found just and reasonable herein;

(13) That NVNG's delivery service banking provision found in Rate Schedule No. 7 should be examined in NVNG's next rate case; and

(14) That NVNG's increases in its miscellaneous charges are just and reasonable and should be accepted;

We turn now to the issues raised in AOBA's Exceptions to the February 27, 1991 Final Report. We will address the revenue apportionment, rate ceiling, and reconnection issues separately.

Revenue Apportionment

In its Exceptions, AOBA asserts that "given the large disparities among class rates of return that would still remain even after NVNG's and Staff's allocation of the revenue increase, greater effort can and should be taken in this case to narrow these substantial rate of return differentials, . . ." The record in this proceeding indicates that the residential class as a whole would be apportioned $5,231,000 of the $7,082,000 authorized herein, while only $126,000 of the increase would be apportioned to the non-heating/non-cooling subclass of the commercial and industrial rate schedule. The non-heating/non-cooling subclass of the group-metered apartment class would be apportioned only $64,000 of the $7,082,000 increase. It appears further that there has been a sizable movement toward the system rate of return for the residential class and the non-heating/non-cooling subclasses since NVNG's last rate proceeding. The record shows that the residential class will achieve an indexed return of approximately 87.77%. This is in comparison to an index of 78.06% achieved in Case No. PUE890016, NVNG's last rate case.

In contrast to the residential classes, the commercial and industrial non-heating/non-cooling subclass provided a 298.10% index return in NVNG's last case and will provide a 218.03% index return after the increase in this case. The group metered apartments non-heating/non-cooling subclass provided a 270.17% index return in Case No. PUE890016 and a 229.35% index of return after the rate increase of this case. While we recognize that the question of the appropriate returns to be recovered from one case to another is a matter of informed judgment, the movement toward parity achieved for these classes since NVNG's last rate case, together with recent increases in the cost of gas assigned to the residential class, leads us to conclude that a more conservative approach to parity is in order to guard against rate shock and to achieve the objective of continuity of rates. Indeed, as we have observed in Application of Virginia-American Water Company, For a general increase in rates, Case No. PUE900017 at 11 (Feb. 25, 1991 Final Order),

> . . . parity in and of itself is not so absolute that it should be permitted to obscure significant rate design objectives, such as rate continuity and avoidance of rate shock. Whether a more aggressive or a gradual movement to parity is appropriate in a particular proceeding is a function of the facts developed in that case, including, but not limited to, the magnitude of the increase sought from all customer classes, the movement to parity attained since the last proceeding, the relative positions of all customer classes to system return, and the exercise of informed judgment as to the likely impact of the proposed apportionments upon all rate classes.

We find that the Hearing Examiner's Report properly considers these factors and that the Company's proposed revenue apportionment gives appropriate recognition to the foregoing concerns and is reasonable. We agree that in returning the excess revenues collected by the Company's interim rates, NVNG should allocate the difference between its interim rates and the permanent rates authorized herein on the same basis as the revenue apportionment was applied in NVNG's application. Classes receiving the largest increase would thus receive the largest decrease.

Rate Ceiling for Special Contract and Interruptible Rates

The record indicates that the Staff has recommended that a ceiling be established for the rates that can be charged to NVNG's interruptible or special contract customers. Staff made this recommendation because it has determined that on occasion the rates for Schedule No. 4 - Interruptible Service and Schedule No. 6 - Special Contract customers were higher than those for firm residential customers. The Staff proposed that the ceiling for flexible rate Schedules No. 4 and No. 6 should be developed by deriving the non-gas rates for the commercial and industrial and group metered rate schedules and then adding the applicable base gas costs and purchased gas adjustment ("PGA") costs to these non-gas rates.

While AOBA supports the concept of a rate ceiling, it takes issue with the Staff's derivation of the ceiling. AOBA asserts that the Staff improperly uses average consumption of current group metered apartments and commercial and industrial firm customers to establish the non-gas component of its proposed price ceiling. In its Exceptions, AOBA notes that interruptible customers' non-gas costs under firm rates would be less than that of smaller, existing group metered apartment and commercial and industrial firm customers. It maintains that Staff's proposal will exacerbate these differences. However, AOBA presented no affirmative evidence quantifying an appropriate non-gas ceiling for Rate Schedules No. 4 and No. 6. When questioned about the usage of interruptible and special contract customers as well as their average non-gas cost per therm, the Company also acknowledged that it had not made these comparisons.

Further, the record appears to support the Examiner's conclusion that charging the otherwise applicable firm service rate would create an administrative burden for NVNG. NVNG has 279 customers to whom a rate ceiling could be applied. Twenty-nine of these customers are served under Rate Schedule No. 4; the remainder are special contract customers who do not have an applicable system charge. During the hearing, AOBA appeared to support a proposal which would require NVNG to prepare two sets of bills each month. This dual calculation would reflect each interruptible customer's rate under both the existing otherwise applicable firm service rates and interruptible rates for each month. AOBA proposes that the Company then bill the lower rate.

The Company presented testimony that in order to implement AOBA's proposed rate ceiling, it would be necessary to determine each interruptible customer's alternate price per therm based on the firm rate schedule each month. Because of the declining block rate scheme found in NVNG's firm rate structure, it would be necessary to run each Schedule No. 4 and No. 6 customers' consumed volumes through the applicable blocking schemes to get the average cost per therm each month. It appears that AOBA's proposed rate would be difficult to determine, and verification of the applicable ceiling to be applied to each of the 279 Schedule No. 4 and No. 6 customers would require multiple calculations on a monthly basis for each of these customers. We believe, therefore, that AOBA's recommendation should be rejected as not supported by affirmative evidence and as difficult to administer.

AOBA suggests an alternative to its parallel billing proposal for the first time in its post-hearing brief and Exceptions. It proposes that NVNG should "be required to use the average consumption of interruptible customers, not the average use of firm group metered apartment and commercial and industrial customers, to determine the non-gas cost component of the price ceiling". AOBA Exceptions at 4. Because this alternative proposal was not fully developed during the proceeding, we decline to consider it after the record has closed and after the participants have had an opportunity to test the validity of this recommendation through cross-examination and testimony.

Finally, we note that the purpose of a flexible rate ceiling for natural gas utilities is to prevent monopolistic pricing and to enhance a utility's competitive posture vis-a-vis alternate fuels. See Commonwealth of Virginia, at the relation of the State Corporation Commission, Ex Parte, in the matter of adopting Commission policy regarding natural gas industrial rates and transportation policies, Case No. PUE860024, 1986 S.C.C. Ann. Rept. 319, 321-22. See also Application of Washington Gas Light Company, For a change in its gas interruptible rate and other tariff provisions, Case No. PUE830008, 1984 S.C.C. Ann. Rept. 395, 397-98. Flexible rates by definition are not necessarily intended to reflect the embedded cost of service, and in fact, these rates reflect value of service principles. They were developed to allow natural gas companies to compete with alternate fuels, and therefore, these rates fluctuate with the marketplace. The embedded cost of serving interruptible customers may exceed the actual rate charged for interruptible service. Thus, it is not a matter of great concern if the Staff's suggested flexible rate ceiling occasionally results in rates that exceed the embedded cost of service associated with interruptible customers since flexible rates may often fluctuate at levels well below the rate ceiling. Consequently, we cannot conclude that the Staff's suggested ceiling will result in excessive flexible rates. In our opinion, the ceiling recommended by the Hearing Examiner will provide adequate protection against predatory pricing and is consistent with Commission precedent on this issue. We therefore find that the Hearing Examiner's findings and conclusions should be affirmed with respect to the rate ceiling issue.

Service Reconnection Fees for Multi-Unit Dwellings

In its application, NVNG proposed to increase its reconnection charge from $8.00 to $10.00 for each dwelling unit, but not less than $50.00 in the aggregate, for reconnections performed for four or more multiple dwelling units. The Staff did not take issue with the Company's reconnection proposals. AOBA argues that there is inadequate support for the proposed increase in service reconnection fees for multi-unit dwellings and urges us to reject this increase.

The record indicates that AOBA agrees that NVNG's proposed increase charge for reconnections for residential units is below cost. The cost for making residential connections is approximately $38.00. The process to reconnect multiple dwelling units involves some of the same operations as a residential reconnection, e.g., dispatching an employee in a truck. In some instances, a serviceman may be required to light pilots within multiple dwelling units if these units are not master metered or if service is taken for cooking purposes using stoves that do not have electric ignition. NVNG witness Young acknowledged that one serviceman may not perform all of these duties for all multi-dwelling units. He testified that this explained the difference in the magnitude of the proposed $25.00 reconnection charge for a single dwelling unit as compared with the Company's proposed $10.00 charge for dwellings with four or more units.

While NVNG presented some affirmative evidence supporting its increased reconnect charge, AOBA presented no cost of service study establishing what it believed the costs to reconnect multi-unit dwellings were. Further, AOBA did not present any evidence

contradicting NVNG's assertion that the costs to reconnect service have increased. We find that the costs to reconnect service for multi-unit dwellings have increased and that the record supports NVNG's proposal to increase this charge.

Accordingly, IT IS ORDERED:

(1) That the findings and recommendations of the February 27, 1991 Final Report filed herein are hereby adopted;

(2) That Attachment A hereto is accepted and incorporated by physical attachment hereto into this Final Order;

(3) That consistent with the findings made herein and Attachment A hereto, the Company shall forthwith file revised tariffs designed to produce $7,082,000 in additional gross annual revenues, effective for service rendered on and after July 6, 1990;

(4) That in future rate cases, NVNG shall update the capitalization ratios for Washington Gas Light Company's non-utility subsidiaries and shall provide all supporting documents related to the calculation of the adjustment for non-utility subsidiaries;

(5) That, consistent with the findings made herein, on or before July 31, 1991, NVNG shall complete the refund, with interest, as directed below, of all revenues collected from the application of its proposed rates which became effective for service rendered on and after July 6, 1990, to the extent that such revenues exceed, on an annual basis the revenues which would have been collected by application, in lieu thereof, of the permanent rates to be filed in compliance with this Order;

(6) That the interest upon the refund ordered herein shall be computed from the date payment of each monthly bill was due during the period the Company's proposed tariffs were in effect and subject to refund until the date refunds are made, at an average prime rate for each calendar quarter. The applicable average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one hundredth of one-percent of the prime rate values published in the Federal Reserve Bulletin, or in the Federal Reserve's "Selected Interest Rates" (Statistical Release G.13), for the three months of the preceding calendar quarter;

(7) That the interest required to be paid by NVNG shall be compounded quarterly;

(8) That the refunds ordered in paragraph (5) above may be accomplished by credit to the appropriate customer's account for current customers. Refunds to former customers shall be made by a check to the last known address of such customers when the refund amount owed is $1.00 or more. The Company may retain refunds owed to former customers when the refund amount is less than $1.00; however, the Company shall prepare and maintain a list detailing each of the former accounts for which refunds are less than $1.00, and in the event such former customers contact the Company and request refunds, these refunds shall be made promptly;

(9) That, on or before September 2, 1991, the Company shall file with the Commission's Staff a document showing that all refunds have been lawfully made pursuant to this Order and itemizing the costs of the refund. The itemization of these costs shall include, inter alia, computer costs, man-hours, associated salaries, costs for verifying and correcting the refund methodology, and the costs associated with developing the computer programs necessary to make the refunds;

(10) That the Company shall bear all costs of the refund; and

(11) That there being nothing further to be done herein, this matter is hereby dismissed from the Commission's docket of active cases.

NOTE: A copy of the "Offer of Stipulation" is on file and may be examined at the State Corporation Commission, Document Control Center, Floor B-1 Jefferson Building Bank and Governor Streets, Richmond, Virginia.

CASE NO. PUE900017
FEBRUARY 25, 1991

APPLICATION OF
VIRGINIA - AMERICAN WATER COMPANY

For a general increase in rates

FINAL ORDER

On March 16, 1990, Virginia-American Water Company ("Company" or "Virginia-American") delivered to the State Corporation Commission ("Commission") an application to increase its rates, accompanied by a motion which requested authority to phase-in the consolidation of rates for the Prince William and Alexandria operating Districts, as proposed in its application, over the course of two rate filings rather than one.

On April 10, 1990, the Company submitted additional data to complete its application. Virginia-American stated that its proposed rates were designed to increase its gross revenues by $1,945,328, an 8.7% increase in gross annual operating revenues.

On April 25, 1990, the Commission entered its Preliminary Order in this matter. The Order docketed the application, suspended the proposed tariff revisions for 150 days from the date the filing of the application was completed through September 7, 1990, and granted Virginia-American's motion, subject to a final decision on revenue requirement and the proper apportionment of revenue among the Company's operating districts.

On May 1, 1990, Virginia-American filed an amended application, which revised its requested total increase in gross annual revenues to $1,946,216. The Company proposed to recover $775,257 of that increase from its proposed Northern Division, which would consist of its former Prince William and Alexandria operating Districts, and $1,170,959 from its Southern Division (formerly, the Hopewell operating District). The amended application proposed to recover all of the Northern Division increase from its former Alexandria District, without any change in the rates to customers served within the Prince William District.

On May 11, 1990, the Commission entered its Order for Notice and Hearing. That Order appointed a hearing examiner, scheduled a public hearing for July 24, 1990, established a procedural schedule, and directed the Company to publish notice of its amended application throughout its service territory. The public notice for the Alexandria and Prince William Districts indicated that the Company proposed to increase the annual revenues to be derived from Alexandria by $775,237, but proposed no annual increase in revenues for the Prince William operating District.

On the appointed day, the matter was heard by Russell W. Cunningham, Senior Hearing Examiner. Counsel appearing were Richard D. Gary, Esquire, counsel for Virginia-American; Donald G. Owens, Esquire, Edward L. Flippen, Esquire, and Charles H. Tenser, III, Esquire, counsel for Protestant City of Hopewell ("Hopewell"); Louis R. Monacell, Esquire, and Carol K. Barnhill, Esquire, counsel for the Protestant Hopewell Committee for Fair Water Rates ("the Committee"); Timothy M. Kaine, Esquire, counsel for Protestant City of Alexandria ("Alexandria"); and Sherry H. Bridewell, Esquire, and Marta B: Davis, Esquire, counsel for the Commission's Staff. One intervenor, the Honorable Riley Ingram, Mayor of Hopewell, appeared and offered a statement opposing the Company's proposed rate increase.

At the hearing the prefiled direct testimony of Committee witnesses Bruce P. Highley, Kenneth D. Elliott, Cheryl G. Sawyer, James J. King, Jr., and Kevin O'Hara and the rebuttal testimony of Company witness Debbie J. Russin were accepted into the record without cross-examination. The remaining prefiled direct testimony of the Company, Staff, and Protestants, and the Company's remaining rebuttal testimony were sponsored by witnesses who took the stand and were cross-examined. The Examiner heard testimony on accounting adjustments, including the merits of proforming construction work in progress ("CWIP"); the appropriate capital structure; the appropriate cost of equity for the Company; revenue apportionment between the Northern and Southern Divisions of the Company; the appropriate revenue apportionment and rate design to be employed for industrial and domestic users in the Company's Southern Division; and whether rates should be consolidated within the Alexandria and Prince William Districts.

At the conclusion of the proceeding, the Hearing Examiner invited all participants to submit simultaneous briefs, which were filed on September 6, 1990. On the same day, the Company, by counsel, notified the Commission of its intent to place into effect a lesser increase in revenue than that for which it originally applied. The Company proposed that this increase be recovered as follows:

Southern Division -	$1,170,959
Northern Division -	$425,244

The Company submitted a bond, together with tariffs designed to collect its proposed increase. By ruling dated September 10, 1990, the Examiner accepted the bond and directed that it be filed in the Office of the Clerk of the Commission.

On November 7, 1990, the Hearing Examiner filed his Final Report in this matter. In his analysis of the evidence, the Examiner used the Staff's revenue recommendation as a starting point. He rejected Staff's adjustment for projecting revenues for the new Hopewell Cogeneration facility, opting instead to accept the Company's revenue adjustment of $185,593 in determining the Company's projected revenues for the facility. He accepted the Staff's adjustment eliminating the expenses associated with the contractual wage increases scheduled to become effective in April 1, 1991, agreeing with Staff that the instructions under Section II.C. of Schedule 14 of the Commission's Rules Governing Utility Rate Increase Applications and Annual Informational Filings ("rate case rules") limited proforma adjustments to changes occurring during the twelve months after the test year. The Examiner found that the Commission had previously held that a wage increase beginning after the end of the 12-month proforma period did not occur during the twelve months following the test year, as required by the Commission's rate case rules. The Examiner accepted Hopewell's adjustment eliminating legal and administrative expenses associated with the Company's pension fund in Hopewell, and agreed with the Committee that the test year expense of $39,302 for granular activated carbon should be eliminated.

With respect to the rate base for Virginia-American's Southern Division, the Examiner accepted Staff's zero cash working capital allowance and its recommendation to exclude the unamortized balance of tank repainting expense from the Company's rate base. He accepted the Staff's proposed CWIP adjustment related to the Hopewell construction program, but declined to allow proforma CWIP associated with the System 36 computer.

With respect to the Northern Division, the Hearing Examiner agreed with Staff's adjustment eliminating expenses associated with two prospective employees the Company expected to hire during the proforma year. As in the Southern Division, the Examiner determined that the unamortized portion of tank repainting expense should not be included in rate base for the Northern Division and, further, that the costs associated with the Company's System 36 computer should be eliminated from proforma CWIP attributable to this Division. He rejected Alexandria's proposal to adjust revenues in the Northern Division to reflect what Alexandria believed was abnormally low water usage in 1989, its proposal to allocate 100% of the gain on the sale of former utility property in Alexandria to Alexandria ratepayers, and its proposal to eliminate the expenses related to the Company's defense of a condemnation attempt by Prince William County.

The Examiner also accepted Staff's capital structure as of December 31, 1989, and determined that the appropriate cost of equity for the Company was within a range of 12% - 13%. He recommended that the midpoint of the range, 12.5%, should be used in determining revenue requirement. He also determined that the overall cost of capital for the Company was 10.902%.

Based upon the foregoing, the Examiner concluded that the Company required $1,218,531 in additional gross annual revenues, on a total Company basis, with $168,923 to be recovered from the Northern Division and $1,049,608 to be recovered from the Southern Division.

With respect to the cost allocation and rate design issues pertinent to the Southern Division, the Examiner found it improper to allocate the entire cost associated with the new filters, carbon contactors, and clearwell solely to the domestic class. The Examiner noted that cost of service studies are subjective. Specifically, he observed that "[c]ost of service studies should be used as a tool along with other factors such as rate continuity

in developing rates for the various customer classes. A 100% parity should not be a goal cast in concrete". The Examiner concluded that the domestic and industrial returns generated by his findings indicated that each customer class was providing adequate contributions toward the overall return, and that given the magnitude of the increase in rates which he proposed should be recovered from this Division, the Southern Division's increase should be applied on a uniform percentage basis to the domestic and industrial classes.

Finally, the Hearing Examiner found that the proposal to consolidate the rates within the Alexandria and Prince William operating Districts should be denied. He further found that the Commission could legally allocate part of the rate increase to Prince William customers. The Examiner recommended that the Commission enter an order consistent with his findings, directing customer refunds for the higher rates previously placed in effect.

The Company, Hopewell, the Committee, and Alexandria filed comments in response to the Hearing Examiner's Report. In addition, on November 21, 1990, Prince William County ("Prince William"), by counsel, filed a motion requesting that the matter be reopened, on the grounds of defective notice. Prince William further requested that it be made a protestant and allowed to present evidence concerning the recommended increase. On November 29, 1990, John D. Jenkins, a Prince William County Supervisor, filed a letter with the Commission expressing his disagreement with the Examiner's findings and conclusions with respect to Prince William County.

Upon consideration of the record developed herein and the applicable statutes, we are of the opinion and find that the evidence developed in this proceeding is insufficient to support consolidation of rates within the Northern Division at this time. Consequently, we find that the consolidation of rates within this Division should be denied for purposes of this case. The Company may revisit this issue in later proceedings, but should file its cost of service and requisite rate schedules in any subsequent case in a manner which reflects the cost to provide service within each of its operating districts, i.e., Hopewell, Alexandria, and Prince William.

Further, Virginia-American did not propose to increase the rates to be recovered from its Prince William operations. Consequently, it did not give notice of an increase in the rates and charges for its Prince William operations, as required by Va. Code § 56-237. We, therefore, find that no portion of the Company's increase may be apportioned to the Prince William District. Prince William's motion is moot insofar as it requests that this matter be reopened and a hearing reconvened.

We will adopt the remainder of the findings and recommendations in the November 7, 1990 Hearing Examiner's Report, with the exception of the findings as to the elimination of test year expenses related to granular activated carbon, the disallowance of the proforma CWIP associated with the System 36 computer, and the disallowance of certain expenses associated with the Company's pension fund. Further, the discussion and figures appearing below exclude the expenses associated with the Prince William condemnation effort since these expenses were specifically identified on the record as being attributable to the Company's Prince William operations rather than those of the remainder of the Northern or the Southern Divisions.

With respect to the test year level of expenses associated with the granular activated carbon, the record demonstrates that the Company spent $39,302 for activated carbon during the test year. After the test period, i.e., the twelve months ended December 31, 1989, the Company began capitalizing costs associated with granular activated carbon. The Company presented testimony that it would use the carbon purchased during the test period as filter media in its wooden tub filters, and that this carbon could be used for five years. Therefore, we find that the test year level of expense for granular activated carbon should be amortized over five years, rather than eliminated, as the Hearing Examiner's Final Report proposes.

With respect to the proforma CWIP related to the System 36 computer, we believe the evidence presented in this record supports inclusion of this CWIP within the Company's cost of service. The record indicates that the costs associated with this system were reasonable and ascertainable. We will thus include the costs associated with this computer in the Company's cost of service.

Further, Hopewell and the Examiner have proposed that the Company's $11,174 adjustment for legal and administrative expense for the Company's pension plan be eliminated. The record shows that American Water Works Company actually incurred these expenses and allocated them to the Company. It further reveals that if the pension fund were to pay these expenses, the corpus of that fund would be reduced. This, in turn, would accelerate the Company's payments to the fund. Therefore, we find that these costs should be included in the Company's cost of service.

We agree with the Hearing Examiner that the Staff's recommended capital structure and cost rates associated with Staff's capital structure, with the exception of Staff's recommended cost of equity, is appropriate. We find that the record supports a cost of equity estimate within the range of 12% - 13%. We also agree with the Examiner that the mid-point of this range, 12.5%, should be used to establish the Company's revenue deficiency. The range and cost of equity we adopt herein do not include an adjustment for flotation costs. We find there was insufficient evidence produced in this proceeding to support such an adjustment.

While the Company's recommended cost of equity did not include an adjustment for flotation costs, Staff made a flotation adjustment of 16 basis points to compensate the Company for its common stock issuance expenses. Staff recognized, however, that American Water Works Company had not issued common stock since 1955, and it noted that its flotation adjustment had little, if any impact, on its estimate of the appropriate return on equity range. Even so, we feel compelled to clarify our view of flotation costs in general.

In Application of Roanoke Gas Company, To revise its tariffs in an expedited proceeding, Case No. PUE890055 (Sept. 19, 1990 Final Order), we adopted the Hearing Examiner's recommendation rejecting Staff's flotation cost adjustment. Our decision there was also based on a lack of evidence regarding Roanoke's issuance expenses. However, our decision in the Roanoke case and here should not be interpreted as a blanket rejection of adjustments for such issuance expenses, given adequate supporting evidence.

With respect to revenue allocation and rate design in the Southern Division, we adopt the cost of service methodologyrecommended by the Hearing Examiner and agree that the rates should apportion the rate increase for that Division on a uniform percentage basis to the domestic and industrial classes served therein. A uniform percentage allocation of the Southern Division increase will, in our judgment, produce returns that approximate an appropriate range of parity of returns. We note, however, that parity in and of itself is not so absolute that it should be permitted to obscure significant rate design objectives, such as rate continuity and avoidance of rate shock. Whether a more aggressive or a gradual movement to parity is appropriate in a particular proceeding is a function of the facts developed in that case, including, but not limited to, the magnitude of the increase sought from all customer classes, the movement to parity attained since the last proceeding, the relative positions of all customer classes to

system return, and the exercise of informed judgment as to the likely impact of the proposed apportionments upon all rate classes.

We further note that class cost of service studies indicate only the probable magnitude of costs and involve considerable measures of judgment in the determination of cost causation. They are not scientifically exact. In general, cost of service studies should only be used as guides to cost causation and should not be applied blindly when apportioning revenue and designing rates. Instead, consideration must be given to rate continuity and rate stability, and the impact of any proposed increase in rates on all customer classes. We believe the recommendations found in the Hearing Examiner's Final Report give proper weight to these considerations.

In sum, giving effect to the foregoing analysis, we find:

(1) That the twelve months ending December 31, 1989, is an appropriate test period;

(2) That Staff's accounting adjustments, as modified herein, are reasonable and should be accepted;

(3) That, consistent with Staff Exhibit SRA-22, it is reasonable for the Company to correct its books retroactively, beginning January 1, 1990, to properly account for property tax costs during the relevant asset's construction period;

(4) That it is reasonable for the Company to normalize its deferred depreciation study cost on its books and records;

(5) That for the test year, after all adjustments, the Company's operating revenues for the Northern Division were $15,937,192, and its operating revenues for the Southern Division, after all adjustments, were $6,426,006;

(6) That for the test period, the Company's operating revenue deductions, after all adjustments, and excluding the expenses related to the Prince William condemnation efforts, were $12,791,558 for the Northern Division and $4,552,976 for the Southern Division;

(7) That for the test period, the Company's net operating income, after all adjustments, was $3,145,634 for the Northern Division and $1,873,030 for the Southern Division;

(8) That for the test year, the Company's adjusted net operating income after all adjustments was $3,139,339 for the Northern Division and $1,870,245 for the Southern Division;

(9) That for the test period, the Company's adjusted test year rate base was $29,714,578 for the Northern Division and $23,507,991 for the Southern Division;

(10) That the Company should employ a zero cash working capital benchmark until such time as it can substantiate a significant change in its cash working capital requirements. The Company may present evidence of a significant change in its working capital requirement either through the conduct of a new lead/lag study or by providing an updated balance sheet analysis for its current lead/lag study;

(11) That for the test period, the Company's overall cost of capital, based upon the subsidiary capital structure of Virginia-American as of December 31, 1989, and the cost rates shown in Staff witness Libassi's Schedule 1, as modified to reflect a cost of equity within the range of 12% - 13%, is within the range of 10.703% - 11.099%;

(12) That Virginia-American's revenue requirement should be established using the midpoint of the cost of capital range, 10.902%, and the midpoint of the estimated cost of equity range, i.e., 12.5%;

(13) That during the test period, the Company's previous rates produced a 10.56% return on rate base in the Northern Division and a 7.96% return on rate base within the Southern Division;

(14) That the Company's revised revenue request of $1,946,216, to be recovered by an increase of $775,257 from the Northern Division and $1,170,959 from the Southern Division, would result in unjust and unreasonable rates;

(15) That the Company requires additional gross annual revenues of $1,238,359 on a total Company basis, to be recovered as follows: $156,297 from the Northern Division and $1,082,062 from the Southern Division;

(16) That the Staff's recommendations found in Exhibit AAB-29, to revise the Company's Rider A purchased water surcharge formula as shown in Attachment AAB-3 are reasonable, and the Company should also file a summary page with its annual June purchased water surcharge filing;

(17) That within the Southern Division, the Company should design its rates so as to apply the $1,082,062 increase in revenues authorized herein on a uniform percentage basis between that Division's domestic and industrial customers. In any future expedited rate proceeding, the proposed increase for this Division should also be applied uniformly; and

(18) That consolidation of the rates within the Northern Division should be denied, and that the Prince William operating District's rates should not be increased.

Accordingly, IT IS ORDERED:

(1) That the findings and recommendations of the November 7, 1990 Final Report, as modified herein, are accepted;

(2) That consistent with the findings herein, the Company shall forthwith file revised tariffs designed to produce $1,238,359 in additional gross annual revenues, $156,297 of which shall be recovered from the Northern Division and $1,082,062 of which shall be recovered from the Southern Division, effective for service rendered on and after March 1, 1991;

(3) That the rates authorized herein shall be designed to reflect the effects of the growth adjustment accepted herein, and within the Southern Division shall apportion the increase authorized for that Division on a uniform percentage basis between the industrial and domestic classes;

(4) That in any future expedited rate application, the Company shall apply any increase within the Southern Division on a uniform percentage basis;

(5) That the Company shall forthwith correct its books retroactively, beginning January 1, 1990, to properly account for property tax costs during the relevant asset's construction period;

(6) That the Company shall normalize its deferred depreciation study cost on its books and records;

(7) That the Company shall employ a zero cash working capital benchmark until such time as it can substantiate a significant change in its cash working capital requirements;

(8) That the Company shall forthwith revise its Rider A purchase water surcharge formula as shown in Attachment AAB-3 to Exhibit AAB-29 and shall file a summary page with its annual June purchased water surcharge filing;

(9) That on or before May 15, 1991, Virginia-American shall complete the refund, with interest as directed below, of all revenues collected from the application of its proposed rates which became effective for service rendered on and after September 8, 1990, to the extent that such revenues exceed, on an annual basis, the revenues which would have been collected by application, in lieu thereof, of the permanent rates to be filed in compliance with this Order;

(10) That the interest upon the refund ordered above shall be computed from the date payment of each monthly bill was due during the period the Company's proposed tariffs were in effect and subject to refund until the date refunds are made, at an average prime rate for each calendar quarter. The applicable average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one hundredth of one percent of the prime rate values published in the Federal Reserve Bulletin, or in the Federal Reserve's "Selected Interest Rates" (Statistical Release G.13), for the three months of the preceding calendar quarter;

(11) That the interest required to be paid shall be compounded quarterly;

(12) That the refunds ordered in paragraph (9) above may be accomplished by credit to the appropriate customer's account for current customers. Refunds to former customers shall be made by a check to the last known address of such customers when the refund amount owed is $1.00 or more. The Company may retain refunds owed to former customers when such refund amount is less than $1; however, the Company shall prepare and maintain a list detailing each of the former accounts for which refunds are less than $1, and in the event such former customers contact the Company and request refunds, such refunds shall be made promptly;

(13) That on or before June 25, 1991, Virginia-American shall file with the Commission's Staff a document showing that all refunds have been lawfully made pursuant to this Order and itemizing the costs of the refund. The itemization of these costs shall include, inter alia, computer costs, man-hours, associated salaries, costs for verifying and correcting the refund methodology, and the costs associated with developing the computer programs necessary to make the refunds;

(14) That the Company shall bear all costs of the refund; and

(15) That there being nothing to be done further herein, the same is hereby dismissed from the Commission's docket of active cases.

CASE NO. PUE900017
MARCH 4, 1991

APPLICATION OF
VIRGINIA - AMERICAN WATER COMPANY

For a general increase in rates

ORDER GRANTING PETITION FOR RECONSIDERATION

On February 28, 1991, Virginia-American Water Company ("Virginia-American" or "the Company"), by counsel, filed a a Petition for Reconsideration regarding certain administrative matters, addressed in the State Corporation Commission's ("Commission's") Final Order of February 25, 1991. In its Petition, the Company requested that the Commission reconsider its Final Order for the sole purposes of allowing the Company sufficient time to complete its refund with interest to its customers and to report the completion of that task to the Commission Staff, as required by the February 25 Final Order. Virginia-American requested that the time for making its refunds be extended to July 1, 1991, and that the time specified in Ordering Paragraph (13) of the Final Order for it to provide proof that its refunds have been lawfully made be extended to August 15, 1991. In support of its request, the Company noted that it bills its customers on a quarterly basis and begins a new billing quarter on April 1, 1991. For the period February 28, 1991, until April, 1991, the Company has stated it will be programming its billing software to allow for the new rates to be billed, that it will determine the amount of the overpayments by each customer and that it will calculate the amount of interest that will be owed to each customer on those overpayments up to the payment date of the next bill.

NOW THE COMMISSION, upon consideration of the Company's Petition, is of the opinion and finds that said Petition for Reconsideration should be granted. The Company, of course, must refund with interest the revenues it has collected which exceeds those revenues finally determined by the February 25, 1991 Order, effective for service rendered on and after September 8, 1990. These refunds must bear interest until such time as all refunds have been made.

Accordingly, IT IS ORDERED:

(1) That the Company's Petition for Reconsideration is hereby granted;

(2) That the time in which the Company shall complete its refunds is extended to July 1, 1991, and Ordering Paragraph (9) of the February 25, 1991 Final Order is hereby amended accordingly;

(3) That the time in which Virginia-American must file proof with the Commission Staff that its refund with interest has been lawfully made is extended to August 15, 1991, and Ordering Paragraph (13) of the February 25, 1991 Final Order is amended accordingly; and

(4) That this matter is hereby dismissed from the Commission's docket of active cases.

CASE NO. PUE900018
JANUARY 7, 1991

APPLICATION OF
HIGHLAND LAKE WATER WORKS, INC.

To increase its tariffs pursuant to Va. Code § 56-265.13 et seq.

ORDER GRANTING RECONSIDERATION

On December 17, 1990, the Commission entered its Final Order directing Highland Lake Water Works, Inc. ("Company") to issue a prompt refund, with interest calculated in accordance with the Hearing Examiner's recommendations, of any revenue collected in excess of the rates, fees and charges approved by the Commission on January 1, 1988. In his November 15, 1990 Report, the Hearing Examiner stated that interest should be computed from the date payment is due until the date refunds are made, at an average prime rate for each calendar quarter.

By Petition filed January 7, 1991, the Company, by counsel, requests the Commission to reconsider its Final Order and extend the time-frame within which customer refunds must be made. In support of its Petition, Company states that the Company is without sufficient funds to comply with the Commission's directive requiring a prompt refund. In its request, Company states that extending the time-frame would enable the Company to put its affairs in order and meet its obligations while continuing to provide uninterrupted and adequate service to its customers.

Upon consideration of Company's request and the Commission's concern that Company continue to provide its customers with adequate water service, the Commission is of the opinion and finds that Company's request for reconsideration should be granted. The Commission is of the further opinion that additional time is needed to consider extending the time-frame within which customer refunds must be made. Accordingly,

IT IS ORDERED:

(1) That ordering paragraphs (1), (2) and (3) of the Commission's order dated December 17, 1990, be suspended; and

(2) That the Commission's jurisdiction over the above-referenced case be continued.

CASE NO. PUE900018
APRIL 4, 1991

APPLICATION OF
HIGHLAND LAKE WATER WORKS, INC.

To increase its tariffs pursuant to Va. Code § 56-265.13 et seq.

ORDER ON RECONSIDERATION

On December 17, 1990, the Commission entered its Final Order on the application of Highland Lake Water Works, Inc. (the "Company") for an increase in its rates pursuant to the Small Water or Sewer Public Utility Act. Therein the Commission found that since the Company had withdrawn its application, the additional revenues collected pursuant to the interim rates were not justified.

The Company therefore was directed to issue a prompt refund, with interest calculated in accordance with the Hearing Examiner's recommendations, of any revenue collected during the interim period in excess of the rates, fees and charges approved by the Commission on January 1, 1988.

By Petition filed January 7, 1991, the Company, by counsel, requested the Commission to reconsider its Final Order and extend the time frame within which customer refunds must be made. In its Petition, Company stated that the Company was without sufficient funds to comply with the Commission's directive requiring a prompt refund. The Company further stated that extending the time frame would enable the Company to put its affairs in order and meet its obligations while continuing to provide uninterrupted and adequate service to its customers. On January 7, 1991, the Commission issued an Order Granting Reconsideration. Therein the Commission suspended the directives of the Final Order and continued the Commission's jurisdiction over the case.

The most controversial issue in this proceeding related to the Company's proposed attrition allowance. The Hearing Examiner appropriately defined attrition as the inability of a utility to earn its authorized return because its costs of service increase more rapidly than its revenues. He noted that many factors can cause attrition, including inflation, increased operating expenses or increased capital costs flowing from a heightened construction program.

Virginia Power alleged that its attrition problem is a result of the current construction program undertaken at the urging of the Commission. See Application of Virginia Electric and Power Company, Case No. PUE890007, (May 1, 1990 Opinion and Final Order). The Company argued that current ratemaking practices in Virginia have an inherent bias against new construction, since rates have historically been based on an end-of-test-period rate base. The Company contended that it, therefore, cannot recover its carrying costs on post-test-year construction. Company further argued that recent Commission decisions and changes in the tax law have eliminated a large source of earnings and capital that traditionally offset attrition. Specifically, the Company cited decisions terminating projected AFUDC (Case No. PUE840071); approving an adjustment to annualize revenues for customer growth in the test year (Case No. PUE880014); eliminating the traditional formula approach to determine cash working capital (Case No. PUE890035); and the Company's loss of significant capital caused by the repeal of certain investment tax credits and the reduction in deferred taxes under the Tax Reform Act of 1986.

In response, the Company initially proposed to include $205.9 million of projected CWIP in rate base for the period January 1, 1990 through April 30, 1991. Staff opposed the Company's request to use projected CWIP because it was speculative and failed to distinguish revenue and nonrevenue producing plant. Staff, however, recommended that attrition be offset by updating the Company's rate base and other rate base sensitive items to a July 31, 1990 level. In its rebuttal, the Company endorsed Staff's recommendation, but further requested that it be allowed to use projected CWIP or accrue interim AFUDC for the remaining portion of the rate year.

The Committee and the Consumer Counsel opposed any attrition allowance, arguing that the Company had failed to demonstrate that it was experiencing an attrition problem. They also argued that the attrition adjustments proposed by the Company and Staff were contrary to basic ratemaking principles.

Rates must be forward looking. Accordingly, we should determine what impact the Company's construction program will have on its ability to earn its authorized return in the future. In that regard, we agree with the analysis and conclusions of the Hearing Examiner that an adjustment is necessary in this case to prevent erosion in future earnings. The Commission has encouraged the Company to pursue a balanced approach when meeting its future capacity needs and has cautioned the Company against relying too heavily on capacity purchases from other utilities and nonutility generators. It is important that we approve ratemaking adjustments consistent with that direction, and avoid treatment which undermines that balanced approach. We further agree with the Hearing Examiner's recommendation and Staff's proposal to update the rate base and rate base sensitive items through July 31, 1990. That proposal mitigates the potential for attrition caused by post-test-year construction, but it is not speculative and is readily measurable, since it is based on actual account balances. Revenues are also updated to account for customer growth for the same time period, thereby matching revenue with the rate base update.

Like the Hearing Examiner, we reject the Company's proposal to supplement the updated rate base with a projected CWIP adjustment or use of interim AFUDC. The record before us does not establish an attrition problem of a magnitude which might justify such an additional allowance.

As the Hearing Examiner recommended, it is necessary to give the Company explicit direction on how to proceed with its next rate filing relative to this adjustment. If the Company believes a similar adjustment continues to be necessary, it should project its rate base, rate base sensitive items and revenue attributable to customer growth six months beyond the end of the test period. Those projections can then be replaced by actual data by Staff and other parties in their prepared testimony submitted later in the case.

In conjunction with our decision to accept the proposed update, a related interest synchronization adjustment must be made to properly recognize tax savings flowing from the additional interest expense on debt supporting the incremental increase in rate base. We find that the Staff's interest synchronization adjustment is reasonable and consistent with past Commission decisions. Staff's proposal is not a change to the rate base methodology. Rather, Staff necessarily and properly assumed that the incremental increase in rate base was supported by the same capitalization ratios reflected in the December 31, 1989 capital structure.

Rate Year Capacity Charges

At the time of the hearing, the Company estimated the capacity costs it expected to incur during the rate year to be $178.73 million, an increase of approximately $43.24 million over the amount previously included in base rates. That estimate included an adjustment proposed by Staff and the Committee to compensate for growth in rate year sales. We find that level to be reasonable.

Activity Review and Resource Allocation Study Adjustments

As the Hearing Examiner observed, it is appropriate that Activity Review and Resource Allocation ("ARRA") severance costs be matched precisely with payroll-related savings. At the time of the last rate case, those costs and savings were not known and certain. Accordingly, the Commission deferred consideration of this issue until this case to facilitate proper matching. Further, we directed that these items be measured on and after September 1, 1989. We agree with the Hearing Examiner that the Company's proposed adjustment, as modified by Staff, accurately complies with the treatment prescribed in the last case. It matches all payroll savings and severance costs recorded after September 1, 1989, and includes only the impact of the ARRA terminations.

Three Mile Island Clean-Up Costs

The Company's contributions to Three Mile Island ("TMI") clean-up costs were made over a six-year period beginning in 1984. The Company included the final year's amortization of the clean-up costs in its cost of service in this case. The Consumer Counsel proposed an adjustment to eliminate those costs. We agree with the Consumer Counsel and the Examiner that the Company completed its six-year amortization of the TMI clean-up costs in 1989 and no further allowance is necessary.

Abandoned Plant Costs - North Anna 3 and 4

Beginning in 1979, we have directed that the Company's abandoned nuclear plant costs be recovered in equal amounts over a prescribed amortization period. In Application of Virginia Electric and Power Company, 1986 S.C.C. Ann. Rept. 258 (May 16, 1986), we rejected a proposal to change the established straight-line recovery of those costs. We thus reject the Committee's current proposal, which would modify the established method of recovery to adjust abandoned plant costs on the basis of sales during the recovery period. That proposal would upset the balance previously struck between the Company's investors and ratepayers for the recovery of abandoned plant costs. We agree with the Hearing Examiner that the ratemaking treatment prescribed for abandoned plant costs has been in effect for some time and should not be changed at this point.

Incentive Mechanism for Generating Unit Performance

The range of return on equity used in this case is the same 12.5%-13.5% approved by the Commission in the Company's last general rate case, Case No. PUE870014. In last year's expedited proceeding, Case No. PUE890035, the revenue requirement was based on a 13.25% return on equity, reflecting the fact that generating unit performance had continued at a commendable level through the 1988 test year.

The 1989 test year in this case was a different matter. The Company's base loaded nuclear units achieved a capacity factor of a mere 48%. That performance was offset somewhat by the 87.8% equivalent availability factor of the Company's fossil units.

The Company argued that 1989 was an aberration and urged the Commission not to lower its return until history showed a sustained degradation of generating unit performance. The Staff recommended that the return be reduced to 13% because the test year performance no longer warranted a 25 basis point premium. Fairfax County and the Consumer Counsel both urged a 50 basis point reduction, to a 12.75% return on equity. The Consumer Counsel's witness concluded that the severe problems encountered by the Company's nuclear units in 1988 and 1989 imposed additional costs upon ratepayers and, in his opinion, justified a 25 basis point penalty. Fairfax County would reduce the last authorized return by 25 basis points due to the test year's poor nuclear performance, and would impose an additional 25 basis point penalty for the Company's numerous Nuclear Regulatory Commission ("NRC") safety violations, which caused civil penalties to be levied on the Company by the NRC.

The Commission agrees with the moderate approach urged by the Staff and the Hearing Examiner. While the poor 1989 nuclear capacity factor may have been a short-term phenomenon, it was too drastic to be attributable to the typical nuclear refueling cycle. It was also significant enough to justify removing any reward granted for superior performance in prior years. By the same token, a single year's poor performance is not normally indicative of the sustained degradation of performance that would warrant assessing a penalty. Virginia Power achieved its generating unit performance premium in Case No. PUE870014 only after years of steady improvement. The lowering of its return should also proceed at a measured pace. We trust that 1989 was not the start of a trend, but merely a temporary setback.

Capital Structure and Cost of Senior Capital

We agree with the Examiner that the Staff's proposed capital structure and cost of capital should be accepted. Incorporating our finding on the appropriate return on equity, rates should be established on a cost of capital of 10.328%, as shown in Staff's testimony. This cost of capital reflects an update of the cost of the Company's variable rate securities, based on an average for the three months ended August, 1990, which we find reasonable.

Revenue Requirement

Based on our resolution of the issues presented in this case, we find that the Company's additional revenue requirement is $79,771,000.

REVENUE REQUIREMENT

	($000)
Adjusted Net Operating Income, Per Hearing Examiner	$636,998
1. To add back to expense the overcollection of capacity during the test period.	($11,225)
2. To add back to expense the additional EEI dues.	($74)
3. To reflect the West Virginia State Income Tax on the above adjustments.	$24
4. To reflect the Federal Income Tax effect on the above adjustments.	$3,834
Adjusted Net Operating Income (ANOI)	$629,557
Rate Base Per Hearing Examiner	$6,591,905
1. To reflect the effect of the above accounting changes on cash working capital.	$470
Rate Base	$6,592,375
Rate of Return @ 13.00% on Equity	0.10328
Required ANOI	$680,861
Less: Test Year ANOI, above	$629,557
Net Revenue Required	$51,304
Conversion Factor	0.641013
Gross Revenue Required Before Late Payment Revenue	$80,036
Less: Late Payment Revenue	$265
Gross Revenue Requirement	$79,771

Revenue Allocation and Rate Design

The Commission agrees with the Examiner in adopting the Company's proposed revenue allocation. The residential class should be assigned no more than 1.5 times the overall jurisdictional percentage increase. The remainder of the increase should be allocated among the other rate classes in proportion to the Company's proposed increases for those classes.

A. Regrouping of Schedules 5 and 6

The Company is to be commended for its efforts in regrouping Schedules 5 and 6 into four new general service rate schedules. GS-1 through GS-4. The Commission agrees with the Examiner that the demarcation between GS-1 and GS-2 should be a demand level of 30 kW as recommended by the Staff. Thus, small commercial customers with demands of 30 kW or less would receive service under Schedule GS-1 and customers with demands exceeding 30 kW, but less than 500 kW, would receive service under Schedule GS-2. These classifications should provide a more homogeneous customer grouping than the Company's proposed distribution-differentiated classification and should also track costs more accurately. Migration of those GS-1 customers who operate near the 30 kW ceiling should be mitigated by allowing them to exceed 30 kW two months out of twelve, as proposed by the Staff.

The Commission's decision to adopt the 30 kW demand threshold between proposed Schedules GS-1 and GS-2 may leave the Company without some of the data needed to design rates for those two schedules so as to implement them in its next rate case. We urge the Company to implement those schedules, as well as GS-3 and GS-4, as rapidly as feasible while phasing out old Schedules 5 and 6. Customers should be classified into the four new schedules in the next rate case. Current customers of Schedules 5 and 6 should be notified that they must shift to the appropriate schedule. They should be provided with a timetable for the change, and appropriate pricing mechanisms which may be used to encourage their leaving the old schedules.

B. Voltage Differentiated Fuel Factor

The Examiner correctly recommended rejection of the Committee's proposal to recognize voltage differentiated line losses in the fuel factor. This Commission has given full consideration to this concept in a number of previous cases and has consistently rejected it. We reiterate that a uniform fuel factor that reflects system line losses is the appropriate mechanism for the efficient recovery of fuel expenses from each of the customer classes.

Findings and Conclusions

In summary, we find:

(1) That the twelve months ending December 31, 1989, is an appropriate test period;

(2) That the Hearing Examiner's recommended adjustments, as modified herein, are reasonable and should be accepted;

(3) That for the test year, the Company's adjusted net operating income after all adjustments is $629,557,000;

(4) That for the test period, the Company's adjusted rate base is $6,592,375,000;

(5) That the Company's revenue requirement should be established using the midpoint of the authorized return on equity range, 13.0%, and that no generating unit performance reward should be incorporated;

(6) That the Company's overall cost of capital is 10.328% based on its capital structure as of December 31, 1989;

(7) That during the test period, the Company's previous rates produced a 9.80% return on rate base;

(8) That the Company's proposed revenue requirement would result in unjust and unreasonable rates;

(9) That the Company requires additional gross annual revenues of $79,771,000 net of late payment revenue; and

(10) That Staff's recommendation for a 30 kW demand differentiation between Schedules GS-1 and GS-2 is reasonable.

NOW, THEREFORE, IT IS ORDERED:

(1) That the findings and recommendations of the Hearing Examiner's February 28, 1991 report, as modified herein, are accepted;

(2) That the Company shall forthwith file revised tariffs designed to produce $79,771,000 in additional gross revenues effective for service rendered on and after May 1, 1991;

(3) That Company shall endeavor, in its next rate filing, to design rates for and implement Schedules GS-1 through GS-4. These rate schedules shall co-exist with Schedules 5 and 6, but only so long as is required to phase out Schedules 5 and 6;

(4) That, on or before July 1, 1991, Virginia Power shall refund, with interest as directed below, all revenues collected from the application of the interim rates which were effective for service beginning May 1, 1990, to the extent that such revenues exceeded, on an annual basis, the revenues which would have been produced by the rates approved herein;

(5) That interest upon such refunds shall be computed from the date payment of each monthly bill was due during the interim period until the date refunds are made, at an average prime rate for each calendar quarter. The applicable average prime rate for each

calendar quarter shall be the arithmetic mean, to the nearest one hundredth of one percent, of the prime rate values published in the Federal Reserve Bulletin, or in the Federal Reserve's Selected Interest Rates ("Selected Interest Rates") (Statistical Release G.13), for the three months of the preceding calendar quarter;

(6) That the interest required to be paid shall be compounded quarterly;

(7) That the refunds ordered in paragraph (4) above, may be accomplished by credit to the appropriate customer's account for current customers (each such refund category being shown separately on each customer's bill). Refunds to former customers shall be made by a check to the last known address of such customers when the refund amount is $1 or more. Virginia Power may offset the credit or refund to the extent no dispute exists regarding the outstanding balances of its past or current customers. To the extent that outstanding balances of such customers are disputed, no offset shall be permitted for the disputed portion. Virginia Power may retain refunds owed to former customers when such refund amount is less than $1; however, Virginia Power will prepare and maintain a list detailing each of the former accounts for which refunds are less than $1 and in the event such former customers contact Virginia Power and request refunds, such refunds shall be made promptly. All unclaimed refunds shall be handled in accordance with Virginia Code § 55-210.6:2;

(8) That on or before August 1, 1991, Virginia Power shall file with the Staff a document showing that all refunds have been lawfully made pursuant to this order and itemizing the costs of the refund and account charged. Such itemization of costs shall include, inter alia, computer costs, the personnel hours, associated salaries and cost for verifying and correcting the refund methodology and developing a computer program;

(9) That Virginia Power shall bear all costs of the refunds directed in this order; and

(10) That, there being nothing further to come before the Commission, this matter shall be removed from the docket and the papers placed in the file for ended causes.

CASE NO. PUE900023
MAY 13, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For an expedited increase in rates

ORDER ON RECONSIDERATION

On April 22, 1991, the Commission issued a Final Order granting Virginia Electric and Power Company ("Virginia Power" or "the Company") an increase in its rates designed to produce additional annual revenues of $79,771,000 ("Final Order").

On April 26, 1991, the Virginia Committee for Fair Utility Rates ("the Committee"), by counsel, filed a petition requesting the Commission to reconsider that Final Order. Specifically, the Committee requested reconsideration of the Commission's rulings on the memorandum account for capacity costs and updated rate base.

The Committee urged the Commission to reconsider and reverse its position with respect to the overcollection of capacity costs and to require an immediate refund or, in the alternative, to require the Company to maintain the overcollection as a credit in the memorandum account which could be used to offset any undercollection in the future. The Committee argued that allowing Virginia Power to keep the overcollection, despite its earnings position, would be unfair and result in a double collection of certain capacity charges. The Committee further argued that the Final Order itself was contradictory and that allowing the Company to retain the overcollection granted the Company yet another attrition allowance.

The Committee also urged the Commission to reconsider the adjustment to update rate base. The Committee asked that on reconsideration of that adjustment, the Commission establish a test to determine whether and when an updated rate base should be allowed and second, apply that test to the facts of this case. The Committee asserted that based on the record developed in this case the adjustment should be denied. The Committee concluded its argument by stating that the Company has a statutory duty to serve the public and if in that service prudence requires building generating facilities, a special incentive should not be necessary to build power plants.

The Division of Consumer Counsel, Office of the Attorney General ("Consumer Counsel") also filed a Petition for Reconsideration on May 10, 1991. The Consumer Counsel also requested reconsideration of the adjustment to update rate base.

Upon consideration of the Petitions for Reconsideration, the Commission is of the opinion and finds that they should be denied. As stated in the Final Order we have determined that, on the facts of this case, Virginia Power should not be directed to refund the overrecovery of capacity costs tracked through the memorandum account. The account was not intended to provide dollar-for-dollar recovery of capacity costs. Rather, it is a mechanism to track the recovery of capacity costs. That tracking allows us to evaluate the recovery of capacity costs in relation to the overall earnings position of the Company. The order establishing memorandum accounting clearly stated that the earnings test should apply when there was a deficiency in the memorandum account. Ex Parte: In the matter of establishing Commission policy regarding rate treatment of purchase power capacity charges by electric utilities, Case No. PUE880052, 1988 S.C.C. Ann. Rept. 346 (November 10, 1988). In such case, the Company would not be allowed to recoup the underrecovery if on a total cost of service basis the Company had earned its authorized return. We continue to believe it would be unfair to the Company to scrutinize recovery in the context of the Company's total cost of service in an underrecovery, overearning situation but not apply that same analysis in an overrecovery, underearning situation.

By subsequent Order dated May 15, 1990, we set this matter for public hearing before a hearing examiner to begin October 30, 1990.

Virginia Power filed revisions to the schedules supporting its application on June 19, 1990. Those revisions had the effect of reducing the Company's proposed additional revenue requirement to $136,889,000. On June 12, 1990, the Hearing Examiner ordered the Company to reduce its interim rates to reflect the revisions.

The public hearing on the application was held on October 30, 31 and November 1, 1990. Counsel appearing were Evans B. Brasfield and Richard D. Gary for Virginia Power; Hullihen W. Moore, Louis A. Monacell and Carol K. Barnhill for the Committee; Edward L. Petrini and William H. Chambliss for the Consumer Counsel; Dennis R. Bates for Fairfax County, Virginia; Edward L. Flippen for Chesapeake Corporation, Stone Container Corporation and Westvaco Corporation; Charles Cochran and Sharon Taylor for Philip Morris U.S.A.; and Deborah V. Ellenberg and Robert M. Gillespie for the Commission's Staff. Jean Ann Fox, President of the Virginia Citizen's Consumer Council, appeared as an intervener.

By the conclusion of the hearing, Virginia Power had agreed to a number of the adjustments proposed by the Staff and other parties. It had also revised its rate year capacity costs to reflect actual capacity costs incurred through September, 1990, and the latest projected in-service dates for nonutility generation. Its proposed increase at the end of the hearing was reduced to $101,812,000.

Glenn P. Richardson, Hearing Examiner, issued his Report on February 28, 1991, in which he discussed at length the issues raised in this proceeding and his recommendations for their resolution. The Hearing Examiner is commended for his exceptionally thorough and comprehensive analysis of the record and the issues in controversy. We adopt his recommendations with only two exceptions. We reach a different decision with regard to (1) recovery of the capacity costs tracked through the memorandum account and (2) Edison Electric Institute dues.

Comments and exceptions to the Hearing Examiner's Report were filed on March 15, 1991. In its comments to the Hearing Examiner's Report, Virginia Power further reduced its proposed revenue increase. The Company's current request is $98,370,000, if proforma CWIP is included, or $90,613,000, if an interim allowance for funds used during construction ("AFUDC") in lieu of proforma CWIP is permitted.

Memorandum Account for Capacity Costs

Turning to the first of the two issues on which we have reached a different conclusion from the Hearing Examiner, we find, on the facts of this case, that Virginia Power should not be directed to refund the overrecovery of capacity costs tracked through the memorandum account. In Ex Parte: In the matter of establishing Commission policy regarding rate treatment of purchased power capacity charges by electric utilities, 1988 S.C.C. Ann. Rept. 346 (November 10, 1988), we directed the use of a memorandum account to track actual reliability-related capacity cost recovery through base rates. It was our opinion that this approach provided an equitable balance between the ratemaking treatment accorded purchased power with that given company construction. We were concerned that dollar-for-dollar recovery of capacity costs through an expanded fuel factor or a separate capacity factor, regardless of the earnings position of the Company, might influence the Company to purchase more (and construct less) capacity than is otherwise warranted. We have repeatedly encouraged the Company to balance its capacity acquisitions. We, therefore, established the above mechanism, and stated our intent to apply an earnings test to examine recovery of prudently incurred reliability-related capacity charges in the context of a rate proceeding.

The memorandum account established to track Virginia Power's recovery of capacity costs showed an overrecovery of $11,224,544 at the end of the 1989 test year. The Hearing Examiner recommended that the overrecovery be returned to ratepayers by treating it as a prepayment or credit to rate year capacity costs. As noted above, in the past we have specifically rejected mechanisms such as a separate capacity factor, which would isolate this one cost of service item, without considering offsetting revenues or expenses. We elected instead to scrutinize recovery of capacity costs in the context of reviewing a company's total cost of service. In our opinion it would be unfair to require the Company to apply excess noncapacity charge revenues to a deficiency in the capacity charge recovery but not allow excess capacity charge revenue to offset an overall earnings deficiency. Fairness dictates consistent application of the earnings test.

The earnings test should be applied not only when there is a deficiency in the memorandum account but also when there is an overrecovery. In the present case the Company overrecovered its capacity expenses, but earned only a 12.18% rate of return on equity, calculated in accordance with Staff's earnings test. The Company thus earned below its authorized return range. We therefore will not adjust base rates as a means of refunding the overcollection of capacity costs.

We caution the Company against excessive overestimates of capacity expenses, however. We will carefully scrutinize Company's estimates relative to actual costs in future cases. If we determine that application of the earnings test provides an incentive to the Company to overestimate its capacity expenses in an overrecovery, underearnings situation such as exists in this case, we will not hesitate to revise our methods.

Edison Electric Institute Dues

The Consumer Counsel recommended an adjustment to remove 16.3% of the Company's Edison Electric Institute ("EEI") dues. The Consumer Counsel's witness testified that 10.79% of the EEI dues were for "legislative advocacy", 5.44% were for "legislative policy research" and .07% were for "political club dues". He characterized all of these legislative activities as lobbying activities. The Company eliminated only .9% of its EEI dues, testifying that the Edison Electric Institute identified only that portion as related to lobbying. The Hearing Examiner recommended adoption of the Consumer Counsel's adjustment eliminating 16.3% of the EEI dues.

Much legislative activity clearly benefits ratepayers. Expenses involving the analysis of proposed legislation, the dissemination of legislative information and the coordination of industry positions can be reasonable and prudent legislative expenses that are a legitimate cost of doing business. They insure that members are aware of proposed legislation which might affect them and provide analytical information to aid in the development of positions and determination of appropriate courses of action. We find that the evidence in this case justifies a disallowance of only .9% of the dues.

Attrition Adjustment

By Supplemental Petition also filed on January 7, 1991, the Company specified the relief it sought. It requested:

(1) That a specific repayment period for interim rates be set, said period not to exceed twelve months;

(2) That the Company be allowed to make refunds to existing customers by crediting the appropriate customer's account; and

(3) That the Company be relieved from the interest requirement in the Commission's December 17, 1990 order.

UPON CONSIDERATION of the Company's request, the Commission is of the opinion and finds, that the relief requested should be granted in part. Accordingly,

IT IS ORDERED:

(1) That ordering paragraph (1) of the Final Order is modified to adopt the findings of the Hearing Examiner that the interim rates were excessive and refund of excess rates, fees and charges should be made;

(2) That the Company shall refund, with interest, any revenue collected during the interim period in excess of the rates, fees and charges approved by the Commission on January 1, 1988;

(3) That the refunds, with interest, to current customers may be accomplished by credit to the appropriate customer's account on a quarterly basis (such refund being shown separately on each customer's bill). The refund credits shall be for service rendered during the interim period beginning April 1, 1990, with interest on the unpaid balance accruing as of January 1, 1991;

(4) That the refund credits, with interest, shall commence with Company's next billing and may be extended over a period of time not to exceed twelve (12) months;

(5) That refunds to former customers shall be made by a check to the last known address of such customers when the refund amount of $1 or more;

(6) That the Company may retain refunds owed to former customers when such refund amount is less than $1. The Company will prepare and maintain a list detailing each of the former accounts for which refunds are less than $1, and in the event such former customers contact the Company request refunds, such refunds shall be made promptly. All unclaimed refunds shall be handled in accordance with Virginia Code § 55-210.6:2;

(7) That the Company shall accrue interest on the unpaid refund balance. The interest shall be computed at an annual rate of six percent (6%) compounded monthly, to be paid quarterly;

(8) That the Company shall notify the Commission in writing when all customer refunds, with interest, have been accomplished; and

(9) That there being nothing further to be done; this case is dismissed from the Commission's docket of active cases.

CASE NO. PUE900023
APRIL 22, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For an expedited increase in rates

FINAL ORDER

On March 30, 1990, Virginia Electric and Power Company ("Virginia Power" or "the Company") filed an application for an expedited increase in rates pursuant to the Commission's Rules Governing Utility Rate Increase Applications and Annual Informational Filings. Virginia Power's proposed rates were designed to produce additional annual revenues of $147,500,000 based upon the test year ending December 31, 1989. The Company requested that the proposed rates be allowed to go into effect on an interim basis, subject to investigation and refund, for service rendered on and after May 1, 1990.

The Division of Consumer Counsel, Office of the Attorney General ("the Consumer Counsel") filed a Motion to Dismiss the Company's application or, in the alternative, to convert the application to a general rate case. The Virginia Committee for Fair Utility Rates ("the Committee") filed a Motion to Limit Issues or to Convert the Case to a General Rate Case. In support of their respective motions, the Consumer Counsel and the Committee argued that the Company's application raised several issues beyond the scope of an expedited proceeding.

The Commission issued a Preliminary Order on April 30, 1990, in which we allowed the Company to place its proposed rates in effect on an interim basis for service rendered on and after May 1, 1990. Therein we also denied the Consumer Counsel's Motion to Dismiss, but granted, in part, the Committee's Motion to Limit Issues. We determined that it was appropriate to consider the Company's proposed construction work in progress ("CWIP") adjustment in light of its expanded construction program. However, we found several other issues to be beyond the scope of an expedited case, and they were removed from consideration in this case.

Further, the memorandum account balance should not be carried on into the future. If the Company does not file a rate case in any given year, we would expect our Staff to review the balance in the memorandum account and take appropriate action if a large over or underrecovery balance was accumulating.

Finally, as stated in our Final Order,

> [w]e will carefully scrutinize Company's estimates relative to actual costs in future cases. If we determine that application of the earnings test provides an incentive to the Company to overestimate its capacity expenses in an overrecovery, underearning situation such as exists in this case, we will not hesitate to revise our methods.

Final Order at 5. The Committee's concern that the Company now has an incentive to overestimate its capacity costs is unfounded. Any attempt to consistently overestimate will be corrected.

The Commission is also unpersuaded by the Committee's and the Consumer Counsel's arguments in support of denying the adjustment to update the Company's rate base, rate base sensitive items and revenue. Ratemaking is a legislative process which must be constantly evaluated. Over the last few years we have rendered decisions terminating projected allowances for funds used during construction, providing adjustments to annualize revenues for customer growth in the test year and eliminating the traditional formula approach to determine cash working capital. Those ratemaking adjustments decreased the Company's revenue requirement. As the Company testified in this case, it also lost significant capital caused by the repeal of certain investment tax credits and the reduction in deferred taxes under the Tax Reform Act of 1986. Although the rate base adjustment in this case increased the Company's revenue requirement, the Commission has the statutory responsibility to approve just and reasonable rates. This requires us to provide the Company with a real opportunity to earn its authorized return.

The Committee argued that the Company has an obligation to serve the public in a reasonable and prudent manner and when such obligation requires building rather than purchasing capacity it should build. We agree. However, in our opinion, we should work towards levelizing ratemaking treatment between purchased capacity and company construction to the extent possible. The updated rate base adjustment is not intended to be an incentive to build rather than buy new capacity but is a ratemaking adjustment which moves toward levelized treatment consistent with our direction to the Company to pursue balanced capacity acquisition.

The adjustment alleviates attrition caused by post-test-year construction. If a company does not have significant post-test-year construction, such an adjustment would have only a small effect. The record before us supports the adjustment.

Finally, although not the subject of the Petitions for Reconsideration, ordering paragraph (2) must be corrected to require the Company to file revised tariffs designed to produce $79,771,000 in additional gross revenues effective for service rendered on and after May 1, 1990. Accordingly,

IT IS ORDERED that the Petitions for Reconsideration filed by the Virginia Committee for Fair Utility Rates and the Division of Consumer Counsel, Office of the Attorney General be and hereby are denied. IT IS FURTHER ORDERED that ordering paragraph (2) of the April 22, 1991 Final Order shall be corrected to read as follows:

> (2) That the Company shall forthwith file revised tariffs designed to produce $79,771,000 in additional gross revenues effective for service rendered on and after May 1, 1990.

CASE NO. PUE900023
AUGUST 21, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For an expedited increase in rates

OPINION

Opinion, Morrison, Commissioner.

The application of Virginia Electric and Power Company ("Virginia Power" or "the Company") for an expedited increase in rates was filed with the Commission on March 30, 1990. The Company requested an increase in its rates designed to produce additional annual revenues of $147,500,000 based on the test year ending December 31, 1989. The Company also requested the proposed rates be effective on an interim basis, subject to refund, for service rendered on and after May 1, 1990.

On April 13, 1990, the Division of Consumer Counsel, Office of the Attorney General ("the Consumer Counsel") filed a Motion to Dismiss. The Consumer Counsel moved to dismiss the application of Virginia Power, or, in the alternative, requested that the case be converted to a general rate case and the rates be suspended for 150 days from the date of filing. In support of its Motion the Consumer Counsel alleged that Virginia Power had violated numerous provisions of the Commission's Rules Governing Utility Rate Increase Applications and Annual Informational Filings ("Rate Case Rules"). Specifically, the Consumer Counsel stated that Rule II (2) provides that an applicant requesting an expedited increase in rates must comply "... with the instructions accompanying Schedules 12, 13 and 14 ..."

The instructions to Schedule 12 (Test Period Rate of Return Statement - Adjusted), Schedule 13 (Statement of Net Original Cost of Utility Plant and Allowance for Working Capital for the Test Period and Adjusted), and Schedule 14 (Explanation of Adjustments to Book Amounts) state that the schedules shall be prepared using the same ratemaking adjustments approved by the Commission in an applicant's last

general rate case. The Consumer Counsel argued that Virginia Power's schedules showed a proposed rate base adjustment for projected construction work in progress ("CWIP") which was not approved in the Company's last rate case. In addition to the CWIP adjustment, the Consumer Counsel also identified adjustments for post-retirement benefits and a summer/winter differential for residential customers that it argued were not consistent with adjustments approved in the Company's last rate case.

The Consumer Counsel further referenced Rule II of the Rate Case Rules which also provides:

> An applicant which has not experienced a substantial change in circumstances may file for an expedited increase in rates as an alternative to a general rate application.

The Consumer Counsel asserted that Virginia Power had violated that provision as well, alleging that the nature and scope of the adjustments and the magnitude of the increase proposed on the heels of the Company's previous rate increase constituted a substantial change. The Consumer Counsel, however, recognized that the "Rate Case Rules grant the Commission discretion to 'take appropriate action', including dismissal, if, upon timely consideration of an expedited application and supporting evidence, 'it appears to the Commission that a substantial change in circumstances has taken place since the applicant's last rate case.'" Motion at 13.

The Virginia Committee for Fair Utility Rates ("the Committee") filed a Motion to Limit Issues or to Convert the Case to a General Rate Case. The Committee also argued that the application raised several issues beyond the scope of an expedited increase, most notably the adjustment for projected CWIP. The Committee moved the Commission to require Virginia Power to remove issues dealing with projected CWIP, future funding of health and life insurance benefits for current and future retirees, future increases in the differential between summer and winter rates and connection charges for residential service, and the future replacement of Schedules 5 and 6 with Schedules GS-1 through GS-4. In the alternative, the Committee also requested the case be converted to a general rate case.

Virginia Power responded to the motions, arguing that it had complied with the Rate Case Rules. However, Virginia Power further asked that if its arguments were rejected, it be granted a partial waiver of the Rate Case Rules.

The Commission issued its ruling on April 30, 1990. We denied the Consumer Counsel's Motion to Dismiss and granted in part the Committee's Motion to Limit Issues. As the Consumer Counsel correctly noted in its Motion, the Rate Case Rules provide the Commission with the flexibility necessary to take "appropriate action" when an applicant faces a substantial change in circumstances. It was our opinion that it would not be in the public interest to convert this case to a general rate case as suggested by both the Consumer Counsel and the Committee. In a general rate case the applicant is allowed to raise any issue and to project all adjustments through the end of the rate year (the twelve months following the effective date of the increase). Although Virginia Power's proposed increase was large, it likely would have been larger as a general rate case. Further, the customers were protected by the refund with interest mechanism if any portion of the Company's proposed rate increase was later found excessive.

We also determined it was not appropriate to dismiss the rate case. In its application Virginia Power alleged that it had not earned its authorized return. No party argued to the contrary. Clearly it was proper for some issues relative to the level of rate relief to be considered by us.

We did find it was appropriate to exclude some of the issues raised by the Company's application. Accordingly, we agreed with the Committee, in part, that circumstances warranted limiting the issues, and we removed two of the four issues the Committee had identified from consideration in this case. We also concluded that it was appropriate to hear some of the issues to which objections were made. We did not agree that circumstances warranted excluding regrouping of Schedules 5 and 6. The Commission had previously directed Company to investigate regrouping these schedules and recommend appropriate rate design changes in its next case, that is, this case.

We also did not agree that the circumstances warranted excluding the projected CWIP issue. To the contrary, it was our opinion that the circumstances required us to address that issue. In Application of Virginia Electric and Power Company, 1990 S.C.C. Ann. Rept. 276 (May 1, 1990), the Company was criticized for its stated policy of purchasing the majority of its future capacity requirements. At our urging the Company embarked on a more balanced capacity acquisition approach which combined capacity purchases, building electric generating stations and energy conservation options. The Company now has an aggressive construction program. Application of Virginia Electric and Power Company, 1990 S.C.C. Ann. Rept. 321 (October 1, 1990); Application of Virginia Electric and Power Company, 1988 S.C.C. Ann. Rept. 359 (November 17, 1988); Application of Old Dominion Electric Cooperative and Virginia Electric and Power Company 1989 S.C.C. Ann. Rept. 308 (December 28, 1989). That change in direction represented a substantial change in circumstances which, in our opinion, required us to review the financial impact resulting from that program and accounting treatment of the related construction costs at this juncture.

The parameters for this case consequently were clearly established in its preliminary stages. The parties all had ample notice that the regrouping of Schedules 5 and 6 and projected CWIP would be litigated issues. The projected CWIP adjustment, in fact, developed as the most litigated issue in this case. Our decision to permit some issues to proceed in an expedited case, while excluding others, is an interpretation of the "appropriate action" language of our Rate Case Rules which is well established in practice before us. Westvaco Corp. v. Columbia Gas of Virginia, 233 Va. 135 (1987); Roanoke Gas Co. v. Corporation Commission, 225 Va. 186 (1983); Application of Virginia Electric and Power Company, 1988 S.C.C. Ann. Rept. 312 (December 30, 1988); Application of Virginia - American Water Company, Case No. PUE910028, Order for Notice and Hearing (May 20, 1991); Application of Shenandoah Gas Company, Case No. PUE910037, Preliminary Order (July 12, 1991).

The Final Order dated April 22, 1991 adequately discusses our decisions on the major issues in the case and most of them require no further explanation. We should, however, discuss further our decision on two accounting issues -- the "attrition adjustment", which was the Staff's alternative recommendation to the concerns underlying the Company's projected CWIP adjustment, and the memorandum accounting methodology for capacity costs.

First, we agreed with the Hearing Examiner's recommendation to update rate base and rate base related items, including revenue, but we disallowed Company's projected CWIP adjustment. This adjustment has been referred to as the "attrition adjustment" because it arose out of the Company's concern with an erosion of its earnings. The Company argued that it needed an immediate return on its current and projected construction costs to provide it with a fair opportunity to earn its overall authorized return. The Company therefore proposed an adjustment to increase CWIP above the historic end-of-test-year level to a projected level. Although we have approved projected CWIP adjustments in several gas

and water company cases, we rejected the Company's proposal here because it was speculative and failed to distinguish revenue and nonrevenue producing plant.

We did adopt Staff's recommendation to offset any attrition by updating the Company's rate base and certain other items to a July 31, 1990 level. That date corresponded with the end of the Staff's audit, provided known and certain historic data and also allowed interested parties an opportunity to review the data prior to the October 30, 1990 hearing. Those adjustments also comport with the Rate Case Rules and Commission precedent which clearly allow Staff and other parties to offer new proposals in expedited cases. Application of Virginia Electric and Power Company, 1988 S.C.C. Ann. Rept. 312, 314 (December 30, 1988). Based on the extensive record before us we found that an adjustment was necessary to mitigate the potential for attrition caused by post-test-year construction costs.

Recently, we determined that a similar adjustment was appropriate regardless of whether a showing of attrition had been made. Application of Virginia Natural Gas, Inc., Case No. PUE900028, Final Order (August 15, 1991). In that case we stated:

> Experience with the adjustment from previous cases indicates it yields the most current and therefore most accurate snapshot of rate base given current economic conditions. If an attrition problem exists, the updated figures help to alleviate it. But even if attrition is not shown, the adjustment is still a reliable method of determining rates based on the most current data.

Id. at 7.

The adjustments to update rate base were also criticized by the Consumer Counsel and the Committee as violating basic ratemaking principles. To the contrary, the adjustments are wholly consistent with ratemaking adjustments routinely made in other cases in an effort to set rates for the future. We typically approve adjustments for known changes to test period expenses and revenues. For example, we adjust salary expenses to reflect current numbers of employees and salary levels and we adjust revenue to reflect customer growth.

The second issue which has already been discussed at some length in the April 22, 1991 Final Order and the May 13, 1991 Order on Reconsideration relates to the proper treatment of capacity costs. Pursuant to our direction in Ex Parte: In the matter of establishing Commission policy regarding rate treatment of purchased power capacity charges by electric utilities 1988 S.C.C. Ann. Rept. 346 (November 10, 1988), the Company tracked its actual capacity cost recovery compared to the level projected in the last rate case which had been included in its base rates. Those actual costs were recorded in a memorandum account and thereby readily monitored. The question of recovery of those specific costs could thus be evaluated in relation to the Company's overall earnings position. We have repeatedly stated that it was not our intent to isolate this component of the cost of service and provide dollar for dollar recovery. If the latter type of mechanism or factor had been established, the Company would have flowed all capacity costs through to its customers, no more and no less, regardless of its earnings position.

To the contrary, in Case No. PUE880052 we clearly stated that an earnings test would be applied before the Company would be allowed to recover any deficiencies in the memorandum account. The Commission could thus determine whether sufficient revenues were produced by existing rates to cover a utility's total cost of service, including any deficiency in the memorandum account. If we are to use such an earnings test, fairness dictates that it be used uniformly.

In this case, the memorandum account showed an overrecovery of $11,224,544 at the end of the test year. Although the Company overrecovered this one component of its cost of service, it earned below its authorized return range, as reflected by Staff's calculation of the earnings test. Therefore, we did not direct the Company to refund the overrecovery balance in the memorandum account. Rather, after application of the earnings test, we treated it like any other cost of service item.

CASE NO. PUE900026
MAY 13, 1991

APPLICATION OF
APPALACHIAN POWER COMPANY

For a general increase in rates

FINAL ORDER

On March 30, 1990, Appalachian Power Company ("APCO" or "Company") filed an application for a general increase in rates pursuant to the Commission's Rules Governing Utility Rate Increase Applications and Annual Informational Filings ("Rules"). APCO's proposed rates were designed to produce additional annual revenues of $43,303,452 based on a test year ending December 31, 1989. By order of April 20, 1990, the Commission suspended the proposed rates for 150 days from the date of filing, pursuant to the provisions of § 56-238 of the Code of Virginia, and assigned the case to a Hearing Examiner to conduct a public hearing beginning September 13, 1990. APCO placed its revised rates in effect for service rendered on and after August 28, 1990. Those interim rates are subject to refund, with interest, to the extent that they exceed rates found reasonable by the Commission.

The public hearing on the application was held September 13, 14, and 18, 1990. Counsel appearing were John L. Walker, Jr. and H. Allen Glover, Jr. for the Company, Martha B. Brissette and William H. Chambliss for the Division of Consumer Counsel, Office of the Attorney General ("Attorney General"), Louis R. Monacell, James C. Dimitri and Carol K. Barnhill for the Old Dominion Committee for Fair Utility Rates ("Committee"), and Anthony Gambardella and Robert M. Gillespie for the Commission's Staff. Senator Virgil Goode, Jr. appeared as a public witness on behalf of constituents in the 20th Senatorial District.

Russell W. Cunningham, Senior Hearing Examiner, issued his report on February 26, 1991. Comments or exceptions to the Hearing Examiner's Report were filed by the Company, Attorney General, and the Committee on March 13, 1991. The report discusses at length the issues raised in this proceeding and the Examiner's recommendations for their resolution. With a few exceptions, we adopt his recommendations. We will address our conclusions on revenue and expense adjustments, rate base, cost of capital and revenue allocation and rate design.

I. Revenue and Expense Adjustments

a. Calculation of the Member Load Ratio

The Member Load Ratio ("MLR") is quite significant in allocating revenues and expenses among the member companies of the AEP System ("AEP"). APCO is a "deficit" company. It owns less installed generating capacity than necessary to meet its load and to provide a reasonable reserve margin. It is therefore allocated capacity provided by AEP "capacity excess" companies. The MLR determines, in part, the amount that APCO must pay to AEP for such capacity and for operating the AEP transmission system.

The AEP companies also share profits from AEP power sales to non-AEP companies ("off-system sales"). The MLR also determines, in part, the profits allocated to APCO from off-system sales.

As explained by the Examiner, APCO's MLR for the proforma year ending December 31, 1990 was affected by extremely cold weather that occurred on December 22, 1989 causing APCO to set a record peak demand of 5996 MW. That high demand required the Company to pay AEP higher capacity payments during all of 1990. Had APCO been a stand-alone company rather than part of the AEP System, it would have been unable to meet its December 22, 1989 peak unless it had previously built enough stand-by capacity or had contracted for sufficient capacity to meet that load. As a stand-alone company, APCO would not have been able to avoid various capacity and energy costs to meet the December 1989 peak demand and might, by now, have had utility plant embedded in its rate base to meet such high peaks. If the Commission were to allow APCO less expense than it was required to pay AEP during 1990, we would be penalizing the Company for being a part of an interconnected system. We will adopt the Staff's recommended average 1990 MLR of .32551, but we expressly leave open the question of the appropriate methodology to determine MLR in the future.

The Examiner, the Committee, and the Attorney General were concerned that the use of the average 1990 MLR could build into rates capacity equalization charges that are too high for 1991 and subsequent years. However, a number of factors affect the total capacity equalization and transmission equalization charges paid by the Company and it is the total of those charges, not the MLR alone, which is important in setting rates. We can monitor APCO's rates through APCO's Annual Informational Filings ("AIFs"). If we find APCO is overearning, we can reduce rates as we have done in previous cases.

b. Weather normalization, transmission equalization adjustment and off-system sales

The Hearing Examiner recommended using the January, 1991 MLR, which did not include the effects of the cold weather in December 1989. Accordingly, he removed some sales from the calculation of December 1989 revenues to provide for a better matching of revenues and expense. Since we are using the 1990 average MLR, an adjustment to remove weather effects from revenue is not necessary. Accordingly, we do not adopt the Hearing Examiner's revenue adjustment to remove the effects of weather.

Appropriate matching requires the use of the average proforma MLR to calculate the Company's share of profits from off-system sales, as well as its capacity equalization charges. The Hearing Examiner used the test period level of off-system sales as the base amount to allocate profits to APCO. We do not agree. Appropriate matching also requires that updated proforma off-system sales be used as a base for allocation of profits. Accordingly, we adopt the Staff's 1990 updated level of off-system sales for use in the allocation process.

In this case, there were adjustments to allocate transmission revenues and transmission expenses based on the MLR. Consistency also dictates the use of the average proforma MLR to determine APCO's share of profits from the Hoosier/Virginia Electric and Power Company transmission contract, the contract for the transmission of power from Rockport II to Carolina Power and Light, and transmission expense allocated under the Transmission Equalization Agreement.

c. GPU Contract

APCO argued that it should not be allocated any revenue from AEP's contract to sell power to General Public Utilities ("GPU") because that contract expired as of the end of the proforma year, December 31, 1990. Because that contract extended throughout the proforma year, our Rules contemplate full recognition of those revenues. The existence of the GPU contract demonstrates AEP's capability to make off-system sales at the level which occurred in the proforma period. The record is insufficient for us to conclude that a similar level of sales will not recur. We are not persuaded to eliminate GPU revenues as urged by the Company.

d. Fuel Inventory

The Examiner recommended a 43-day inventory of coal. We disagree. Because of the possibility of disruptions in the supply of coal, we find it prudent for the Company to maintain a 65-day inventory of coal as suggested by the Attorney General. The AEP System is quite efficient in operating its generating units and there is no suggestion that increased coal inventories are necessary because of generating station inefficiencies. An adequate supply of coal is necessary for the Company's continued productivity.

e. Pole Inspection and Maintenance Program

APCO has reimplemented a program for the inspection and ground-line treatment of wood poles. While the short-term effect of this program is to raise expenses by $2,327,152 per year and increase rate base by $2,646,137, the long-term effects should extend pole life and avoid the expenses of prematurely replacing poles. We consider such preventive maintenance to be good policy. Hence, we will allow the expenses but only so long as the Company continues the program. If a future rate filing or AIF indicates that the maintenance program has lapsed, we will make appropriate rate adjustments.

f. Other Expense and Revenue Items

The Commission adopts the findings of the Examiner concerning the gain on the sale of utility property, the West Virginia B&O Tax, the benefits from the sale and leaseback of Rockport II, the wage and salary related adjustments, and the expense adjustments related to growth.

II. Rate Base

The Company sought to increase its end-of-test-year rate base by $49,000,000 for construction work in progress ("CWIP") during the proforma year. This increase to CWIP was sought as an "attrition allowance." Otherwise, the Company contends, its investment in nonrevenue producing plant would afford it little opportunity to realize its authorized return. The Staff, the Attorney General and the Committee all criticized the projected CWIP as being speculative.

As an alternative that would allow the Company an opportunity to earn its authorized return, Staff witness Gasch updated rate base and other rate base sensitive items to June 30, 1990. Customer revenues were similarly updated to reflect the level of customers at June 30, 1990. We agree with the Examiner's recommendation to adopt the Staff proposal. As stated in our recent decision in Application of Virginia Electric and Power Company, Case No. PUE900023, Final Order, April 22, 1991, "That proposal mitigates the potential for attrition caused by post-test-year construction, but it is not speculative and is readily measurable, since it is based on actual account balances." This adjustment gives the Company an opportunity to earn based upon its most recent level of investment, rather than projections of CWIP.

III. Cost of Capital

We agree with the Examiner that APCO's rates should be based on its unconsolidated capital structure as of December 31, 1989 and cost of senior capital as computed by Staff witness Maddox. We also find that APCO should book gains and losses on reacquired debt in accordance with F.E.R.C. General Instruction 17 as recommended by Mr. Maddox. For ratemaking purposes, such gains and losses on reacquired debt should be recognized in the net balance and cost of long-term debt.

The equity component of the cost of capital engendered the usual controversy. Apco's range of return on equity was last set at 12.5% to 13.5% in 1987 in Case No. PUE870016. Company's witness, Dr. O'Donnell, recommended a range of 13% to 13.5% in this case. This range was derived from his DCF, capital asset pricing and risk premium analyses. We find that his recommendation should be weighed with the 12% to 13% range recommended by Staff witness Tanner, based on her DCF and risk premium analyses. We agree with the Examiner that Attorney General witness Solomon's recommendation of 10.9% is unpersuasive. We find that an appropriate range for Apco's return on equity is 12.25% to 13.25%.

Staff witness Tahamtani testified that AEP's generating units have performed in an outstanding manner for a sustained period of time. Since 1982, we have found that APCO's consistently outstanding generating unit performance justifies setting rates authorizing it to earn the top of its return-on-equity range. AEP has achieved equivalent availability factors that are the benchmark of the industry. Such performance deserves to be rewarded again in this case with rates based on the top of the equity range, 13.25%.

That return on equity, together with the cost of senior capital and the capital structure recommended by Mr. Maddox, produces an overall return for APCO of 10.771%, as shown below.

Component	Weight	Cost Rate	Weighted Cost
Long-Term Debt	44.758%	8.747%	3.915%
Preferred Stock	8.112	8.597	0.697
Common Equity	43.674	13.250	5.787
Investment Tax Credits	3.456	10.771	.372
Total Capitalization	100.000%		10.771%

IV. Revenue Requirement

Based on our resolution of the issues above, we find the Company's additional annual revenue requirement to be $25,477,628. Starting from the Adjusted Net Operating Income of $87,423,511 as found on page 25 of the Examiner's Report, the revenue requirement is derived as follows:

Adjusted Operating Income Per Hearing Examiner	87,423,511
Revenues	
Off-System Sales	8,516,872
Hoosier Transmission	91,642
CP&L Transmission	43,995
Excess Weather	2,444,254
Increase to Revenues	11,096,763

Expenses	
Uncollectible	3,160
Capacity	12,697,346
Transmission	2,746,924
Pole Maintenance	2,327,152
Gross Receipts	(964,906)
Federal Income Tax	(2,142,634)
Increase to Expenses	14,667,042
Adjusted Operating Income	83,853,232
Rate Base Per Hearing Examiner	915,970,893
Change Coal Inventory to 65 Days	11,877,358
Include Pole Inspection Program	2,646,137
Rate Base	930,494,388
Rate Base	930,494,388
Rate of Return (13.25% ROE)	0.10771
Required Adjusted Operating Income	100,223,551
Adjusted Operating Income	83,853,232
Deficiency	16,370,319
Gross Up Factor	0.642537
Revenue Requirement	25,477,628

V. Revenue Allocation and Rate Design

We adopt the revenue allocation methodology recommended by Staff witness Raju, known as Proportional Return Movement ("PRM"). PRM has upper and lower limits to the amounts allocated each customer class. No class will receive a rate decrease and no class will receive a percentage increase more than 1.5 times the jurisdictional percentage increase. The revenue increase is to be allocated as follows:

Rate Schedule	Revenue Increase	Total Increase
RS	$16,321,863	6.90%
SWS	$182,443	6.67%
Total - RS	$16,504,306	6.90%
SGS	0	0
MGS	$1,800,730	3.03%
Total - SGS	$1,800,730	2.69%
LGS	$1,381,487	1.98%
LPS	$4,991,443	3.53%
OL	0	0
Subtotal	$24,677,966	4.74%
Miscellaneous Revenue	$800,034	
Total Revenue	$25,478,000	4.78%

We also adopt Mr. Raju's proposal to grandfather the existing equipment credit for Large Capacity Power ("LCP") and Industrial Power ("IP") customers taking service from a 34.5 kV line. There is no need to extend credits to new customers because their demand rates are differentiated to compensate those receiving service at higher voltages.

The demand threshold between Small General Service ("S.G.S.") and Medium General Service ("M.G.S.") should be 25 kW as proposed by Mr. Raju, and an S.G.S. customer should be allowed to exceed that barrier two months out of twelve without being reclassified as M.G.S. This demand break-point is appropriate to allow many civic organizations with low energy usage to remain in the S.G.S. class and be billed only for their kwh usage. These organizations place little demand on APCO's system. A lower threshold than 25 kW, which might cause them to be metered for and billed for demand, is unnecessary.

We adopt the Examiner's recommendations to consolidate the LCP and IP customer classes into a single class and to change APCO's on-peak period to run from 6:00 a.m. to 8:00 p.m Monday through Friday. We also adopt the Examiner's recommendation to design rates pursuant to the structure set out in Mr. Raju's Attachment 4 to Exhibit EBR-31, as well as Staff's suggested extension policy and miscellaneous revenue calculation.

VI. Findings and Conclusions

In summary, we find:

(1) That the calendar year ending December 31, 1989 is an appropriate test period;

(2) That the Hearing Examiner's recommended adjustments, as modified herein, are reasonable and should be accepted;

(3) That for the test year, the Company's adjusted net operating income after all adjustments is $83,853,232;

(4) That for the test period, the Company's adjusted rate base is $930,494,388;

(5) That a fair and reasonable return on APCO's equity is a range between 12.25% and 13.25%;

(6) That the Company's revenue requirement should be established using the high point of the authorized return on equity range, 13.25%, incorporating the maximum generating unit performance reward;

(7) That the Company's overall cost of capital is 10.771% based on its capital structure as of December 31, 1989;

(8) That during the test period, the Company's previous rates produced a 9.01% return on rate base;

(9) That the Company's proposed revenue requirement would result in unjust and unreasonable rates;

(10) That the Company requires additional gross annual revenues of $25,477,628; and

(11) That Staff's recommendations to limit credits for equipment to existing customers and for a 25 kW demand differentiation between Schedules SGS and MGS are reasonable.

NOW THEREFORE, IT IS ORDERED:

(1) That the findings and recommendations of the Hearing Examiner's Report of February 26, 1991, as modified above, are accepted;

(2) That the Company shall forthwith file revised tariffs designed to produce $25,477,628 in additional gross revenues effective for service rendered on and after August 28, 1990;

(3) That the Company, in its revised tariffs, follow the revenue allocation methodology and the rate design criteria set out above;

(4) That on or before August 1, 1991, APCO shall refund, with interest, as directed below, all revenues collected from the application of the interim rates which were effective for service beginning August 28, 1990 to the extent that such revenues exceeded, on an annual basis, the revenues which would have been produced by the rates approved herein;

(5) That interest upon such refunds shall be computed from the date payment of each monthly bill was due during the interim period until the date refunds are made, at an average prime rate for each calendar quarter. The applicable average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one hundredth of one percent, of the prime rate values published in the Federal Reserve Bulletin, or in the Federal Reserve's Selected Interest Rates ("Selected Interest Rates") (Statistical Release G.13), for the three months of the preceding calendar quarter;

(6) That the interest required to be paid shall be compounded quarterly;

(7) That the refunds ordered in paragraph (4) above, may be accomplished by credit to the appropriate customer's account for current customers (each such refund category being shown separately on each customer's bill). Refunds to former customers shall be made by a check to the last known address of such customers when the refund amount is $1 or more. APCO may offset the credit or refund to the extent no dispute exists regarding the outstanding balances of its past or current customers. To the extent that outstanding balances of such customers are disputed, no offset shall be permitted for the disputed portion. APCO may retain refunds owed to former customers when such refund amount is less than $1; however, APCO will prepare and maintain a list detailing each of the former accounts for which refunds are less than $1 and in the event such former customers contact APCO and request refunds, such refunds shall be made promptly. All unclaimed refunds shall be handled in accordance with Virginia Code § 55-210.6:2;

(8) That on or before September 1, 1991, APCO shall file with the Staff a document showing that all refunds have been lawfully made pursuant to this order and itemizing the costs of the refund and account charged. Such itemization of costs shall include, inter alia, computer costs, the personnel hours, associated salaries and cost for verifying and correcting the refund methodology and developing a computer program;

(9) That APCO shall bear all costs of the refunds directed in this order; and

(10) That, there being nothing further to come before the Commission, this matter shall be removed from the docket and the papers placed in the file for ended causes.

CASE NO. PUE900026
MAY 31, 1991

APPLICATION OF
APPALACHIAN POWER COMPANY

For a general increase in rates

ORDER ON RECONSIDERATION

On May 13, 1991, the Commission issued a Final Order granting Appalachian Power Company ("APCO" or "the Company") an increase in its rates designed to produce additional annual revenues of $25,477,628 ("Final Order").

On May 24, 1991, the Old Dominion Committee for Fair Utility Rates ("Committee") filed its Petition for Reconsideration asking the Commission to reconsider and reverse its Final Order on APCO's member load ratio, coal inventory, the pole inspection and maintenance program, and the updated rate base.

The Commission has considered the Committee's Petition for Reconsideration. The Petition raises no appropriate basis for us to alter the Final Order. The Commission based its decision on each of the issues upon the evidence contained in the record. The Petition does not persuade us differently. Accordingly,

IT IS THEREFORE ORDERED that the Petition for Reconsideration filed by the Old Dominion Committee for Fair Utility Rates is hereby denied.

CASE NO. PUE900028
AUGUST 15, 1991

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For a general increase in rates

FINAL ORDER

On April 20, 1990, Virginia Natural Gas, Inc. ("VNG" or "the Company") filed an application for rate relief with the State Corporation Commission ("Commission"). VNG's application proposed to increase its rates and charges to produce additional gross annual operating revenues of $6,333,528. Among other things, VNG proposed to restructure certain of its tariffs, revise its purchased gas adjustment ("PGA") allocation methodology, and revise its banking and balancing provisions for its transportation customers. The Company requested the Commission to allow its rates to become effective, subject to refund, for service rendered on and after September 1, 1990. It filed financial and operating data for the twelve months ended December 31, 1989, in support of its application.

On May 17, 1990, the Commission entered an order which suspended the Company's tariffs through August 31, 1990, appointed a hearing examiner to conduct further proceedings relative to the application, set the matter for public hearing on November 15, 1990, and established a procedural schedule for VNG, the Protestants, Intervenors and Staff.

On August 14, 1990, VNG advised the Commission that it intended to implement its proposed tariff revisions, subject to refund, effective for service rendered on and after September 1, 1990. On August 21, 1990, the Examiner entered a Ruling which directed VNG to file a bond to insure the refund of any amounts required to be refunded by the Commission. On August 27, 1990, the Examiner accepted the bond tendered by VNG.

On November 8, 1990, the City of Virginia Beach ("the City") requested that the November 15 public hearing be continued and the City given an extension of time in which it could file a protest or written comments. The Hearing Examiner granted the City's request and continued the matter to January 10, 1991, for hearing. He convened the November 15 hearing to receive the testimony of public witnesses. None appeared.

On January 10, 1991, the matter came for hearing before Howard P. Anderson, Jr., Hearing Examiner. Counsel appearing were Guy T. Tripp, III, Esquire, and James A. Schmidt, Esquire, for VNG; Louis R. Monacell, Esquire, and Carol K. Barnhill, Esquire, for Anheuser-Busch Companies, Inc., Ford Motor Company, Nabisco Brands, Inc., Owens-Brockway Glass Container, Inc., Metro Machine Corporation, and U.S. Gypsum Company (hereafter referred to collectively as the "Industrial Protestants"); Gail D. Jaspen, Esquire, and William H. Chambliss, Esquire, for the Division of Consumer Counsel, Office of the Attorney General ("Attorney General"); Pamela Johnson, Esquire, and Kerrick R. Riggs, Esquire, for Virginia Electric and Power Company ("Virginia Power"); and Sherry H. Bridewell, Esquire, and Robert M. Gillespie, Esquire, for the Commission Staff. No intervenors appeared at the January 10, 1991 hearing.

During the hearing, the Hearing Examiner heard testimony concerning VNG's revenues, capital structure, cost of capital, cost of equity, rate design, and the Company's proposed terms and conditions of service. At the conclusion of the proceeding, the Hearing Examiner invited the participants in the proceeding to file post-hearing briefs. On March 1, 1991, the participants filed briefs with the Commission.

On May 2, 1991, the Hearing Examiner issued his Report in this Proceeding. He found:

(1) The use of a test year ending December 31, 1989 is proper in this proceeding;

(2) VNG's test year operating revenues, after all adjustments, were $138,175,979;

(3) VNG's test year operating revenue deductions, after all adjustments, were $126,663,163;

(4) VNG's test year net operating income and adjusted net operating income, after all adjustments, were $11,512,816 and $11,049,115, respectively;

(5) VNG's current rates, after all adjustments, produced a return on year-end rate base of 9.08% and a return on equity of 9.37% during the test year;

(6) CNG's [Consolidated Natural Gas, VNG's parent's] consolidated June 30, 1990 capital structure should be utilized for ratemaking purposes;

(7) VNG's required return on equity is within the range of 12.00 and 13.00% and its overall cost of capital range is 10.669 to 11.283%;

(8) A reasonable return on equity for setting rates in this case is 12.50%;

(9) Based on CNG's consolidated June 30, 1990 capital structure, VNG's overall cost of capital is 10.976%;

(10) VNG's test year rate base, after all adjustments, was $121,642,005;

(11) VNG requires an additional $3,587,822 in gross annual revenues in order to have an opportunity to earn a 10.976% return on rate base;

(12) VNG should be required to promptly refund, with interest, all revenues collected under its interim rates in excess of the amount found reasonable herein;

(13) Staff's rate design and revenue allocation proposals should be adopted;

(14) Revenues from interruptible customers added after the test year should be included in margin sharing;

(15) VNG should implement a monthly balancing limit of 2 1/2% of the transportation customer's previous calendar year annual volume;

(16) Staff's proposed tracking mechanism should be implemented on an experimental basis. VNG should maintain this information in a manner that will be available for presentation in its next rate case. Monthly reports should be made available by VNG at the Staff's request.

The Hearing Examiner recommended that the Commission adopt the findings in his Report, grant an increase in gross annual revenues of $3,587,822, and direct the prompt refund of amounts collected under the interim rates exceeding the increase found reasonable in his Report. The Examiner invited the parties to the proceeding to file comments in response to the Report within fifteen days.

On May 17, 1991, VNG, the Attorney General, and the Industrial Protestants filed Comments with the Commission.

NOW, upon consideration of the record, the May 2, 1991 Hearing Examiner's Report, and the Comments thereto, the Commission is of the opinion and finds that the findings and recommendations of the May 2, 1991 Hearing Examiner's Report, as further modified herein, are supported by the record and should be adopted. The areas where we have made findings which differ from those of the Hearing Examiner are discussed below. These areas include the level of intercompany expenses to be included in VNG's cost of service, the propriety of employing an updated rate base and rate base related items, the appropriate return on equity to be allowed for VNG, the necessity for a cap on the amount of gas that may be banked by transportation customers, implementation of a tracking mechanism whereby transportation customers are financially responsible for their banks, and the appropriate rate design for VNG's transportation service.

A. Revenue - Expense Adjustments

We agree with the Examiner's determination of VNG's operating revenue. The only O&M expense item we find necessary to change from the Examiner's Report is VNG's pro forma level of intercompany expenses. The Examiner found that the Company had failed to carry its burden of proof that these expenses were reasonable.

We disallowed affiliated expenses in Application of Commonwealth Gas Services, Inc., Case No. PUE860031, 1987 S.C.C. Ann. Rept. 250, due to lack of evidence of the reasonableness of those expenses. That disallowance was affirmed by the Virginia Supreme Court in Commonwealth Gas Services, Inc. v. Reynolds Metals Co., 236 Va. 362 (1988). The Court agreed with us that a utility has the burden of producing affirmative evidence of the reasonableness of affiliate charges rather than other parties having the burden of demonstrating unreasonableness.

Unlike Commonwealth Gas Services, which failed to produce any affirmative evidence, VNG made some showing of the reasonableness of its 1990 affiliate charges. The record herein reveals that services provided by CNG sister companies were provided at cost; that VNG would actually save money on the services which were previously furnished by DRI and Virginia Power at a higher cost to VNG; that CNG marketing had expanded VNG's sales opportunities in ways an electric utility holding company would never attempt; and that CNG's Internal Auditing Department had saved VNG money on employee overtime and auditing fees. We appreciate the Examiner's reluctance to allow these expenses. Nonetheless, we disagree with him and find that the greater weight of the evidence indicates the expenses should be allowed in this case. In future cases, VNG and CNG can avoid controversy on this issue by presenting additional evidence that the expenses VNG pays to affiliates are priced as reasonably as if obtained elsewhere.

B. Rate Base Issues

The Examiner rejected Staff's update to rate base and rate base related items because he found insufficient evidence that VNG was experiencing or would experience attrition. We find the update adjustment to be appropriate in this rate case, irrespective of whether a showing of attrition has been made. Experience with the adjustment from previous cases indicates it yields the most current and therefore most accurate snapshot of rate base given current economic conditions. If an attrition problem exists, the updated figures help to alleviate it. But even if attrition is not shown, the adjustment is still a reliable method of determining rates based on the most current data. Hence, we adopt Staff's adjustments that reflect rate base as of August 31, 1990.

We agree with and adopt the Examiner's conclusions on the rate base treatment of the capacity purchased from Commonwealth Gas Pipeline Corporation, the cash working capital to be included in rate base, and the amount of expenditures on the joint-use pipeline to be included in rate base as CWIP. As recommended by the Examiner, VNG shall, retroactive to September 1, 1990, capitalize interest on distribution investment incurred after December 31, 1989.

C. Capital Structure and Cost of Capital

We adopt the Hearing Examiner's recommendation to use the CNG consolidated capital structure as of June 30, 1990. In adopting this capital structure, we recognize that, other things being equal, a company's cost of equity will rise and fall according to the level of financial risk it incurs through leverage. The Hearing Examiner incorporated this principle in recommending a return on equity range of 12.00% to 13.00%. However, we agree with Staff witness Maddox that the equity ratio in CNG's consolidated capital structure warrants a 50 basis point reduction from the equity range that would have been appropriate for a more typical gas company with an equity ratio near 46%. Hence, we adopt Mr. Maddox's range of 11.75% to 12.75%, and will use the mid-point, 12.25%, in determining VNG's revenue requirement.

As shown in the capital structure below, the 12.25% return on equity produces a reasonable 10.823% overall cost of capital.

Component	Amount	Weight	Cost Rate	Weighted Cost
Short-Term Debt	$ 270,856,000	8.869%	8.311%	0.737%
Long-Term Debt	895,055,000	29.308	8.632	2.530
Common Equity	1,842,941,000	60.345	12.250	7.392
Investment Tax Credits	45,125,000	1.478	11.067	0.164
Total Capitalization	$3,053,977,000	100.000%		10.823%

D. Balancing and Tracking Mechanism for Transportation Volumes

VNG's April 20 application proposed to revise the transportation balancing provisions of its terms and conditions of service. Before VNG's application was filed, its tariffs provided that transportation customers must balance their takes of natural gas at the end of March and October.

Imbalances in transportation deliveries result because of mismatches between the amount of natural gas delivered to VNG on its customer's behalf and the amount of gas consumed by the customer. A positive imbalance or "bank" indicates that a customer has had gas delivered in excess of his usage. Since VNG cannot physically store these overdeliveries, the gas delivered in excess of a customer's usage is used by VNG for its system supply, thus displacing purchases the Company would have made. A volume bank is held in account for the customer to be delivered at a later date. Conversely, if a customer delivers less gas to VNG than he consumes, the customer can purchase gas volumes needed to supplement the underdelivery or use alternate fuels. If the customer decides to purchase additional volumes of gas from VNG, he is billed under the applicable sales rate schedule.

VNG's application proposed to address delivery imbalances by providing that if, by the end of the monthly billing period, a transportation customer's deliveries exceeded his consumption by more than the lesser of 5% of the customer's monthly metered volumes or 5,000 Mcf, VNG would notify the customer of his failure to meet the foregoing balancing criteria, and the customer would have to correct his imbalance within 30 days. If, after notification, the customer had not reduced its excess volume imbalance, VNG proposed to cease transporting gas for the transportation customer until his volume imbalance was eliminated. In addition, VNG proposed to charge any customer that had a system imbalance his share of penalties assessed to VNG by upstream pipelines.

As Staff's testimony pointed out, VNG's proposed tariff revisions did not alleviate the impact that fluctuating transportation banks can have on sales customers subject to VNG's purchased gas adjustment ("PGA") clause. This negative impact occurs when transportation customers overdeliver or bank gas and VNG is required by its upstream pipeline suppliers to balance its deliveries and consumption. VNG may be forced to reduce the volumes of gas that it would have purchased in order to balance overall takes and deliveries. When VNG's transporting customers later reduce the banks of gas they have accumulated, VNG may have to purchase gas to supply their needs. The cost of this replacement gas may exceed the cost of the gas that VNG had to forego earlier, resulting in an increase in the gas costs passed through VNG's PGA clause to its sales customers. Likewise, should the cost of replacement gas be less than banked gas, a decrease in gas costs would be passed through VNG's PGA clause. Therefore, Staff proposed and VNG accepted a balancing alternative which would protect sales customers from adverse economic impacts arising from transportation customer imbalances and would compensate transportation customers for any benefit sales customers derived from a transporter's overdeliveries of natural gas.

We find the balancing alternative, found in VNG's rebuttal testimony, to be theoretically sound and supported by the record. We further find that this mechanism should be implemented prospectively for service rendered on and after the date of this Order. We are, however, sensitive to the Industrial Protestants' and Virginia Power's assertions that there are severe practical limitations to enforcing a zero monthly bank requirement. Thus, we will modify Exhibit ARC-37, Schedule 39, Statement 2 to allow a greater tolerance with respect to imbalances. Rather than the 2 percent of the sum of the customer's most recent 12 months metered consumption or 100,000 Mcf, we will require the Company to establish a monthly balancing limit of the lesser of 2 1/2% of the transportation customer's previous calendar year annual volumes or 100,000 Mcf. We believe this modification will accommodate Virginia Power's and the Industrial Protestants' concerns as well as VNG's interest in preserving the operational integrity of its system.

In addition, we recognize that implementation of the tracking mechanism will require accurate and consistent measurement of transportation customers' deliveries of natural gas. Consequently, it is important that VNG read its transportation customers' meters on a consistent calendar month basis. The Company's witnesses have affirmed that VNG has the capability to read its transporting customers' meters in this manner. Therefore, we will direct the Company to read the meters of its Schedule 9 customers on a calendar month.

Finally, in order to monitor the effectiveness of the tracking mechanism, we will require VNG to file monthly reports with the Division of Energy Regulation, detailing the impact of transportation banks on VNG's PGA clause.

E. Revenue Apportionment

After review of the record, we agree with the Hearing Examiner's findings with respect to revenue apportionment and rate design except as they apply to Schedule 9, VNG's Interruptible Delivery Service. While movement towards parity for Schedule 9 and VNG's other rate schedules is a factor to be weighed when designing rates, it is not the only factor to be considered. Whether a more aggressive or a more gradual movement to parity is appropriate in a particular proceeding is a function of the facts developed in that case, including, but not limited to, the magnitude of the increase sought from all customer classes, the movement to parity attained since the last proceeding, the relative returns produced by all customer classes, and the exercise of informed judgment.

Adoption of the Hearing Examiner's recommendations would result in a reduction in the revenues recovered from Schedule 9. We do not find this result appropriate, especially when, as here, the Residential Service and General Gas Service Schedules bear the entire revenue increase authorized herein. As we noted in Application of Central Virginia Electric Cooperative, Case No. PUE900032, 1990 S.C.C. Ann. Rept. 341, 343-44:

> The ratemaking process, by its nature, involves the balancing of competing goals to arrive at an effective and fair result for both the utility and its customers. Movement toward parity is only one goal among several that must be taken into account when apportioning revenue. If a rate increase is needed to offset increases in rate base and operating costs, the final rates for each customer class should generally reflect this fact. . . .

Further, the circumstances surrounding the pricing for transportation services like Schedule 9 have changed since we issued our policy statement addressing natural gas transportation rates. See Commonwealth of Virginia, At the relation of the State Corporation Commission, Ex Parte, In the matter of adopting Commission policy regarding natural gas industrial rates and transportation policies, Case No. PUE860024, 1986 S.C.C. Ann. Rept. 318. Transportation service is no longer a new service, and our guidelines governing recovery of gas costs create a better match between when gas costs are incurred and when they are recovered from the customers creating those costs. This more precise recovery of gas costs facilitates the movement of all classes toward parity of return. However, the results of the class cost of service studies sponsored herein do not reflect this movement to parity. Only the Staff's revenue apportionment recommendations recognize the effects of both margin sharing and gas cost recovery in moving all of VNG's rate classes toward parity. The recognition that in general, the costs to provide gas service are rising leads us to conclude that a more modest movement toward parity is appropriate, and that the rates for Schedule 9 should be the same, prospectively, as those in effect before VNG filed the captioned application. In all other respects, the revenue increase authorized herein should be apportioned as recommended by Staff witness Gahn, i.e., to the firm classes in proportion to the Staff's proposed increases.

Findings and Conclusions

In summary we find:

(1) That the calendar year ending December 31, 1989 is an appropriate test period;

(2) That the Hearing Examiner's recommended adjustments, as modified herein, are reasonable and should be accepted;

(3) That for the test year, VNG's adjusted net operating income after all adjustments is $10,666,397;

(4) That for the test period, the Company's adjusted rate base is $126,530,536;

(5) That a fair and reasonable return on VNG's equity is a range between 11.75% and 12.75%;

(6) That VNG's revenue requirement should be established using the midpoint of the authorized return, 12.25%;

(7) That VNG's overall cost of capital is 10.823% based on CNG's consolidated capital structure as of June 30, 1990;

(8) That after all adjustments, the Company's previous rates produced an 8.43% return on rate base;

(9) That the Company's proposed revenue requirement would result in unjust and unreasonable rates, and should be denied;

(10) That the Company requires additional gross annual revenues of $4,718,720;

(11) That VNG should refund with interest all of the revenues which it has collected through the application of its interim tariffs which became effective for service rendered on and after September 1, 1990, to the extent that those tariffs produce revenues in excess of those authorized herein;

(12) That VNG should, retroactive to September 1, 1990, capitalize interest on distribution investment incurred after December 31, 1989;

(13) That consistent with Staff witness Gahn's recommendations and the findings made herein, the additional grossannual revenues should be apportioned to VNG's firm classes in proportion to the Staff's proposed increases;

(14) That, effective as of the date of the entry of this Order, the rates charged to the Schedule 9, Interruptible Delivery Service Class should be the same as those in effect prior to the filing of this application;

(15) That VNG's tariff revision addressing balancing of transportation volumes found in Exhibit ARC-37, Schedule 39, Statement 2, as modified to incorporate a cumulative volume imbalance of the lesser of 2 1/2% of the transportation customer's previous calendar year annual volumes or 100,000 Mcf, should be implemented effective for service rendered on and after the date of the entry of this Order; and

(16) That VNG should read its transportation customers' meters on a calendar month basis and should, consistent with the findings herein, file monthly reports detailing the impact of transportation banks on VNG's PGA clause with the Division of Energy Regulation.

THEREFORE IT IS ORDERED:

(1) That the findings and recommendations of the HearingExaminer's Report of May 2, 1991, as modified above, are accepted;

(2) That, consistent with this Order, the Company shall forthwith file revised tariffs designed to produce $4,718,720 in additional gross annual revenues which shall be effective for service rendered on and after September 1, 1990, except that Schedule 9's rates shall be the same as those in effect before this case was filed, and Schedule 9's permanent rates shall become effective for service rendered on and after the date of this Order;

(3) That the Company, in its revised tariffs, follow the revenue allocation methodology and rate design criteria set out above;

(4) That the Company shall read the meters of the customers served under Schedule 9 on a calendar month basis and shall file monthly reports with the Division of Energy Regulation, addressing the impact of transportation banks on VNG's PGA clause;

(5) That on or before November 15, 1991, VNG shall complete the refund, with the interest, as directed below, of all revenues collected from the application of the interim rates which were effective for service beginning September 1, 1990, to the extent that such revenues exceeded, on an annual basis, the revenues which would have been produced by the rates approved herein;

(6) That interest upon such refunds shall be computed from the date payment for each monthly bill was due during the interim period until the date refunds are made, at an average prime rate for each calendar quarter. The applicable average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one hundredth of one percent, of the prime rate values published in the Federal Reserve Bulletin, or in the Federal Reserve's Selected Interest Rates ("Selected Interest Rates") (Statistical Release G.13), for the three months of the preceding calendar quarter;

(7) That the interest required to be paid shall be compounded quarterly;

(8) That the refunds ordered in paragraph (5) above, may be accomplished by credit to the appropriate customer's account for current customers (each such refund category being shown separately on each customer's bill). Refunds to former customers shall be made by a check to the last known address of such customers when the refund amount is $1 or more. VNG may offset the credit or refund to the extent no dispute exists regarding the outstanding balances of its past or current customers. To the extent that outstanding balances of such customers are disputed, no offset shall be permitted for the disputed portion. VNG may retain refunds owed to former customers when such refund amount is less than $1; however, VNG will prepare and maintain a list detailing each of the former accounts for which refunds are less than $1 and in the event such former customers contact VNG and request refunds, such refunds shall be made promptly. All unclaimed refunds shall be handled in accordance with Virginia Code § 55-210.6:2;

(9) That on or before December 2, 1991, VNG shall file with the Staff a document showing that all refunds have been lawfully made pursuant to this order and itemizing the costs of the refund and account charged. Such itemization of costs shall include, inter alia, computer costs, the personnel hours, associated salaries and costs for verifying and correcting the refund methodology and developing a computer program;

(10) That VNG shall bear all costs of the refunds directed in this Order; and

(11) That, there being nothing further to be done herein, this matter shall be removed from the docket and the papers placed in the Commission's file for ended causes.

CASE NO. PUE900028
AUGUST 28, 1991

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For a general increase in rates

AMENDING ORDER

On August 15, 1991, the State Corporation Commission ("Commission") entered its Final Order in the captioned matter, wherein, among other things, it directed Virginia Natural Gas, Inc. ("VNG" or "the Company") to capitalize the interest retroactive to September 1, 1990, on distribution investment incurred after December 31, 1989. This directive appears on pages 7 and 15 of the August 15, 1991 Final Order and contains a clerical error. The reference to "December 31, 1989" is incorrect since the rate base we have accepted is updated through August 31, 1990. Consequently, we find that all references to VNG's obligation to capitalize interest should be revised to read as follows: "VNG shall, retroactive to September 1, 1990, capitalize interest on distribution investment incurred after August 31, 1990."

Accordingly, IT IS ORDERED that all references to VNG's obligation to capitalize its interest on distribution investment found in the August 15, 1990 Final Order shall be revised as set forth herein.

CASE NO. PUE900028
SEPTEMBER 6, 1991

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For a general increase in rates

ORDER ON RECONSIDERATION

On August 15, 1991, the State Corporation Commission ("Commission") issued a Final Order granting Virginia Natural Gas, Inc. ("VNG" or "the Company") an increase in its rates designed to produce additional annual revenues of $4,718,720 ("Final Order"). On August 28, 1991, we entered an Amending Order, revising a Finding made in our Order of August 15, 1991.

On August 30, 1991, Anheuser-Busch Companies, Inc., Ford Motor Company, Metro Machine Corporation, Nabisco Brands, Inc., Owens-Brockway Glass Containers, Inc., and U.S. Gypsum Company (hereinafter collectively referred to as "the Industrial Protestants"), by counsel, filed a Petition for Reconsideration ("Petition") asking the Commission to reconsider and reverse its Final Order on the following issues (1) the pro forma adjustment increasing intercompany expenses, (2) the adjustments to update rate base and rate base sensitive items, (3) the revenue apportionment and rate design for Interruptible Transportation Service, and (4) the balancing and tracking mechanism for transportation volumes. On September 5, 1991, the Division of Consumer Counsel, Office of the Attorney General ("Attorney General") also filed a Petition for Reconsideration. Our analysis of the issues raised by the Industrial Protestants' and Attorney General's Petitions appears below.

I. Intercompany Expenses

Concerning the pro forma adjustment to intercompany expenses, the Industrial Protestants and the Attorney General contend that the adjustment is one-sided in that it encompasses new expenses without also reflecting expense savings or additional revenues that flow from the new expenses. Such concerns about matching and balancing expenses to revenues must be addressed for all pro forma expenses, not just the intercompany ones.

While the Examiner and Commission were primarily concerned with the reasonableness of the expenses paid to affiliates, we are satisfied that the adjustments do reflect expense savings where VNG's affiliated companies have provided a service at less cost than it was provided by Dominion Resources, Inc. ("DRI") or Virginia Power. The Industrial Protestants and the Attorney General refer to Consolidated Natural Gas's ("CNG's") Risk Management Department having obtained liability insurance at a lower rate than VNG had experienced in the past. This expense is reflected in the pro forma adjustment, and the greater expense paid to DRI or Virginia Power has been eliminated. The same is true of the payments VNG made to CNG's Internal Auditing Department. The pro forma adjustment also includes the lesser amount paid CNG while eliminating the larger amount previously paid to DRI or Virginia Power.

As for the Petitions' contention that there was no adjustment to show increased sales resulting from the payments to CNG, any increase in sales which occurred during the test year is reflected in VNG's revenues. Test year revenues are adjusted to reflect the sales that should be made to the customers served at the end of the test year. In updating rate base, the Staff brought that same revenue adjustment forward to reflect the number of customers served by the Company as of August 31, 1990. Any projection of sales that might be made to existing customers for new gas consuming equipment added during the pro forma year is speculative and cannot be predicted with reasonable certainty, contrary to the mandates of § 56-235.2 of the Code of Virginia.

Industrial Protestants also contend that payments VNG made to CNG were not properly allocated between capital expenditures and current expenses, and both the Attorney General and the Industrial Protestants contend that certain expenses were not properly allocated between non-jurisdictional and jurisdictional categories. These allegations are not supported by evidence critical of the manner in which jurisdictional separations were performed or of the manner in which Staff expensed the pro forma billings from CNG to VNG. Nothing in the Petitions is persuasive of a need to alter our allowance of the pro forma affiliated expenses as being consistent with the public interest.

II. Updating Rate Base and Rate Base Sensitive Items

The Petition characterizes the adjustments to update rate base and rate base sensitive items as the adoption of a "general rule" contrary to the previous "general rule" that rate base is determined by book balances at the end of the test year. That characterization is inaccurate. Our rules do not declare the date at which rate base is determined. Our previous practice had been to use the end of test year amount, but it had never been adopted as a rule. That practice was altered beginning with Application of Virginia Electric and Power Company, Case No. PUE900023 (Final Order April 22, 1991).

The reasons for the new practice are numerous. Our Final Order herein explained that the adjustments provide the most current and therefore most accurate version of rate base. August 15, 1991 Final Order, at p. 7. The Virginia Electric and Power case, supra, enumerated other policy changes which brought on the need for rate base updating, i.e. eliminating projected AFUDC, annualizing customer growth in the test year, and eliminating the traditional formula approach to determine cash working capital. In Application of Appalachian Power Company, Case No. PUE900026 (Final Order May 13, 1991) we stated, "[t]his adjustment gives the Company an opportunity to earn based upon its most recent level of investment, rather than projections of CWIP." May 13, 1991 Final Order at p. 7. The policy does assist in alleviating any attrition problems. However, it is also worthwhile to use the most current, accurate rate base available, even when the effects of attrition are not severe. Our Final Order was correct in allowing these adjustments for VNG.

III. Revenue Apportionment and Rate Design for Interruptible Transportation Service

In their Petition, the Industrial Protestants suggest that we have somehow changed our "rules" governing natural gas industrial rates and transportation policies because we have determined that VNG's Schedule 9 customers will receive no increase in rates rather than a decrease as they have proposed. They rely upon Commonwealth of Virginia at the relation of the State Corporation Commission, Ex Parte, in the matter of adopting Commission policy regarding natural gas industrial rates and transportation policies, Case No. PUE860024, 1986 S.C.C. Ann. Rpt. 318, (hereafter "Industrial Rate Order"), in support of that argument. In the Industrial Rate Order we recognized that the purpose of the proceeding was to "reassess natural gas industrial rates and transportation policies". While adopting general principles governing transportation, this Order did not adopt specific rates or a particular cost of service methodology for jurisdictional gas public utilities. The specific rates, revenue apportionments, and rate design for transportation service were left to be developed on a case specific, fact-specific basis. Moreover, the Industrial Rate Order expressed a need for caution as rates were moved toward parity, and advised that any movement to parity must be gradual to avoid rate shock to residential customers. Industrial Rate Order, supra, 1986 S.C.C. Ann. Rpt. at 322-23.

Since the issuance of the Industrial Rate Order, the Commission has gained experience in the value and use of class cost of service studies. As demonstrated by the record in this case, class cost of service studies do not determine the actual cost of serving any particular class of customers. They are instead mere estimates of class cost of service. Sound ratemaking appropriately recognizes the importance and place of estimates in apportioning revenue. The results of class cost of service studies are volatile as indicated by the record in this case. As such, strict adherence to the results of these studies could result in widely fluctuating rates from case to case.

In contrast to the estimated class cost of service results the Commission has considered, among other things, the following facts: (1) Residential customers received a substantial 8 percent increase in VNG's most recent case; (2) Residential customers received substantial fixed gas cost increases in this case; (3) Residential and General Gas Service customers received the entire non-gas increase in this case; (4) there have been increases and decreases received by classes as a result of previous rate changes; and (5) that transportation customers received no increase in this case.

VNG filed an application to increase its rates due to an increase in its costs. In such circumstances there is no fair reason the entire increase should be apportioned to certain rate classes while allowing other classes to escape an increase, except for consideration of class cost of service. The Final Order in this proceeding displays precisely such fair consideration of cost of service results.

The Commission policies regarding rate design are unchanged since implementation of the Industrial Rate Order. Sound rate structures balance all pertinent facts and factors. These include: cost of service, rate continuity and stability, rate impact, and avoidance of undue discrimination. Such factors are inherent in the Commission's statutory obligation to approve just and reasonable rates. They are not the result of a generic rulemaking proceeding, nor may the Commission relieve itself of such obligations through the promulgation of rules. The Commission's decision in this case does not deviate from past policies and recognizes the specific facts developed herein.

Consistent with the intent of the Opinion and Order entered in Case No. PUE860024, we have prescribed specific rates for the customers served by VNG based upon the record herein. This record demonstrates that cost of service study results are to be viewed with caution, and that the principles of informed judgment and an appreciation of the magnitude of the increases to be apportioned to each class must be considered. The record indicates that gas costs were stable, but expected to increase in the foreseeable future. The anticipated increase in gas expense, together with our rules implementing a purchased gas adjustment mechanism which better matched incurrence of gas expenses and their recovery from VNG's customers, convinced us that a more cautious movement toward parity for all customer classes was in order.

As we noted in our Final Order at p. 12, VNG's Residential Service and General Gas Service Schedules would be allocated the entire $4,718,720 revenue deficiency. Unlike Staff, the Industrial Protestants chose to focus solely on Schedule 9 and proposed a revenue apportionment which would bring only this Schedule to parity. Given the magnitude of the increase in question, we have opted for a more conservative approach which will bring VNG's Residential and General Gas Service Schedules one step closer toward parity of return, giving due regard to the magnitude of the increases to be absorbed by those classes. We therefore deny the Industrial Protestants' Petition insofar as it requests that we decrease Schedule 9 Interruptible Transportation rates.

IV. Balancing and Tracking Mechanism for Transportation Volumes

In their Petition, the Industrial Protestants assert that the August 15 Final Order fails to address important issues why the balancing and tracking mechanism should not be implemented. They allege: (1) that there was insufficient public notice of charges which may arise under the mechanism; (2) that there was insufficient evidence to support the mechanism; (3) that the mechanism does not measure the cost to firm sales

customers of the utility's provision of balancing services to transportation customers; (4) that the mechanism is unfair because it is "non-symmetrical" with the manner in which transportation customers are charged for negative monthly balances; (5) that there is no basis upon which to conclude that VNG's reflection of monthly balances are accurate; and (6) that the proposed tariff does not address how existing balances accumulated as of the date of the Final Order are to be handled. These allegations are not supported by the record.

We believe sufficient notice of the balancing and banking issue was given to the Industrial Protestants in this proceeding. Our May 17, 1990 Order Suspending Rates, Directing Notice, and Scheduling Hearing clearly advised that the Company's application proposed to restructure and reprice many of VNG's tariffs, including Rate Schedule 9. The prescribed notice appearing in the May 17, 1990 Order advised persons to review VNG's application and supporting exhibits for the details of its proposals. VNG's application clearly indicated that the Company intended to revise its tariff provisions relating to balancing and bank limitations. The Company prefiled direct testimony addressing this issue.

Staff asserted in its direct testimony that VNG's proposed revisions did not go far enough to protect customers subject to VNG's PGA clause from transportation volume imbalances. Staff proposed and VNG accepted in its rebuttal testimony a balancing alternative which better protected sales customers from adverse economic impacts arising from transportation imbalances. The Staff's proposal was an outgrowth of and logically related to the banking and balancing revisions proposed in VNG's application and direct testimony. In addition, the Industrial Protestants were granted leave to present testimony at the hearing to address the Staff's balancing alternative as well as the balancing tariff incorporating Staff's proposal filed as part of VNG's rebuttal testimony. They were afforded ample opportunity to cross-examine Company and Staff witnesses on the balancing and tracking mechanism. We find that there was sufficient notice and opportunity for the Industrial Protestants to develop their views on this issue.

We believe the facts developed in this case support the balancing and tracking mechanism. We note parenthetically that the Industrial Protestants' reference to a pending case is not determinative of the issues herein. The record in that case has not yet been completed, nor the evidence received therein analyzed.

The record in the instant case demonstrates that VNG performs a balancing service for its customers. Customers subject to VNG's PGA clause are affected by the volume imbalances created by transporters. The effects of these imbalances on VNG's gas costs are passed through VNG's PGA clause as part of VNG's weighted average commodity cost of gas ("WACCOG"). No new gas costs are created by the mechanism, nor is any additional revenue generated from it. Rather, the mechanism tracks and assigns costs and benefits on an annual basis between sales and transportation customers.

The Industrial Protestants assert that the balancing and tracking mechanism is not theoretically sound because it does not measure the cost to firm sales customers of the utility's provision of a balancing service to transportation customers. They charge that the mechanism does not properly measure such costs because it does not consider the sum of the impacts of all transportation customers on firm sales customers. They contend that to be theoretically sound, this mechanism would need to calculate the net impact on purchased gas costs and then provide a means to apportion the net cost or benefit among transportation customers. This objection to the tracking mechanism was not specifically articulated in the Industrial Protestants' Post-Hearing Brief, nor is it supported by the record.

VNG's tariffs measure transportation volume imbalances on a customer-specific basis. These tariffs do not aggregate all transportation customers' imbalances. In this way, each transportation customer remains responsible for and in control of his nominations and volume imbalances rather than depending on the actions of other transportation customers' to balance his gas deliveries.

Further, VNG's tariffs require the Company to redeliver transportation volumes that have been banked on behalf of a transporter. This obligation offers the opportunity for a specific customer to affect the commodity cost of gas passed through VNG's PGA clause to its sales customers. The greater the volume imbalance limitation, the greater the opportunity to increase the level of the transporter's bank, and in turn, the larger the potential impact on the commodity cost of gas when the bank is withdrawn by a transporter. Because each transporter is responsible for the level of his imbalances and can affect the cost of gas passed through the PGA, we do not believe it is appropriate to calculate a net impact on the PGA to apportion a net cost or benefit to members of the transportation customer class.

The Industrial Protestants' complaint that the tracking mechanism is unfair because it is nonsymmetrical in its charges for negative transportation balances was addressed during the proceeding and does not require reconsideration or reversal. Transporters who underdeliver gas are charged the applicable sales rate. In the case of an underdelivery, the gas costs associated with interruptible service are removed from the PGA clause at the weighted average cost of gas. Since system supply is presumed to make up gas underdeliveries, VNG charges the appropriate sales rate for this gas service. From a cost causation standpoint, these charges are symmetrical and appropriate.

The Industrial Protestants express concern that VNG's calculation of their transportation volumes may include a "phantom" balance. The Protestants presented little evidence to support this assertion. Instead, the issue framed by the Industrial Protestants focused upon the variance between VNG's billing month and the customer's nomination month. We have addressed this issue by requiring VNG to read transportation customer meters on a consistent calendar month to eliminate variances with respect to customer billing cycles.

Finally, we believe the record clearly demonstrates that prior period imbalances will not be considered in determining volume imbalances. Indeed, Ordering Paragraph (15) of our Final Order directs that the balancing and tracking mechanism be implemented effective for service rendered on and after the date of that Order's entry. Permitting the tariff provision to become effective on that date permits the mechanism to apply to balances accumulated after the effective date of the provision. Existing transportation balances accumulated prior to the August 15 effective date would be reduced to zero in the same manner as bank balances were reduced prior to the Final Order's entry.

For the reasons stated herein, we find that the August 30, 1991 Petition for Reconsideration filed by the Industrial Protestants and the September 5, 1991 Petition filed by the Attorney General should be denied.

Accordingly, IT IS ORDERED that said Petitions for Reconsideration are hereby denied.

CASE NO. PUE900028
SEPTEMBER 18, 1991

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For a general increase in rates

AMENDING ORDER

On August 28, 1991, the State Corporation Commission ("Commission") entered an Order amending its August 15, 1991 Final Order. That Order required Virginia Natural Gas, Inc. ("VNG") to capitalize interest, retroactive to September 1, 1990, on distribution investment incurred after August 31, 1990. The Ordering Paragraph found in the August 28, 1991 Amending Order incorrectly refers to the "August 15, 1990" Final Order. The Commission finds that this Ordering Paragraph should be corrected to read as follows: "Accordingly, IT IS ORDERED that all references to VNG's obligation to capitalize its interest on distribution investment found in the August 15, 1991 Final Order shall be revised as set forth herein."

Accordingly, IT IS ORDERED that the August 28, 1991 Amending Order shall be revised as directed herein.

CASE NO. PUE900028
DECEMBER 13, 1991

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For a general increase in rates

OPINION

Morrison, Chairman:

I. PROCEDURAL HISTORY OF CASE

On August 15, 1991, we entered our Final Order in the captioned matter. In that Order, we accepted the findings and recommendations made in the May 2, 1991 Hearing Examiner's Report with certain modifications.

On August 28, 1991, we entered an Amending Order, revising findings made in our August 15, 1991 Final Order. Specifically, we modified our directive to require VNG to capitalize interest, retroactive to September 1, 1990, on distribution investment incurred after August 31, 1990 rather than on distribution investment incurred after December 31, 1989.

On August 30, 1991, the Industrial Protestants, by counsel, filed a Petition for Reconsideration ("Petition"),[1] and on September 5, 1991, the Office of Attorney General, Division of Consumer Counsel ("Attorney General") also filed a Petition for Reconsideration. We entered our Order on Reconsideration, dated September 6, 1991, wherein we determined that nothing raised in those Petitions was persuasive of a need to reconsider and reverse our August 15, 1991 Final Order. On September 12, 1991, the Industrial Protestants noted their appeal of our August 15, 1991 Final Order.

We will elaborate in this opinion on the reasons for our determinations regarding the intercompany expenses, updated rate base, revenue apportionment and rate design for Schedule 9, our balancing mechanism, and inclusion of interruptible transportation volumes in margin sharing, issues raised in this proceeding.

II. INTERCOMPANY EXPENSES

In its application, VNG included an adjustment to reflect payments for services provided to it by Virginia Electric and Power Company ("Virginia Power") and Dominion Resources, Inc. ("DRI") under service agreements previously approved by this Commission. During the test year 1989, payments by VNG to Virginia Power totaled $1,567,014 and payments to DRI totaled $200,198. In early 1990, VNG was sold by DRI to Consolidated Natural Gas Company ("CNG"), so no further services were provided to VNG by DRI. During 1990, VNG continued to receive substantial services from Virginia Power and also began to receive services from Consolidated Natural Gas Service Company ("CNG Services") under contracts approved by this Commission. Among the services still provided by Virginia Power were the preparation and mailing of VNG's monthly bills to customers. Such services were expected to continue into 1991, when a new billing system then under development by VNG and CNG Services would begin operation. CNG Services is providing other services to VNG.

VNG's application contained an estimate of the intercompany service expenses VNG expected to incur above the test year level. Staff presented evidence that VNG had actually paid an additional $724,440 over a test year level of intercompany expenses for services, reflecting the annualized level of intercompany billings from January to August, 1990. In our August 15 Final Order, we accepted Staff's adjustment reflecting the annualized payments made to Virginia Power and CNG Services in the period January to August, 1990.

We also offset intercompany expenses with cost savings or revenue increases that would accompany the services furnished VNG by others where that was supported by the record. We believe that all cost savings or revenue increases that could be quantified in the pro forma year were properly recognized. For example, expense savings from lower liability insurance rates and from less overtime and audit fees have already been recognized in the Staff's pro forma adjustments to intercompany expenses. The record does not contain any compelling evidence of additional savings or revenues to be considered.

Some of the Protestants would have us recognize anticipated revenues (for example, from increased sales to existing customers or from conversion of buses and ferries to operate on natural gas) as additional offsets to intercompany expenses. These anticipated revenues are not sufficiently known and certain for us to include them in the adjustment. However, all utilities experience a lag between the incurring of expenses to acquire new sales and the realization of revenues from those sales. For instance, a gas utility will incur significant expenses and capital investment in extending gas service to a new subdivision long before the company ever realizes revenue from sales to the people who move into those homes. Those expenses and investment deserve recognization as legitimate costs of providing service even though they cannot be matched with anticipated sales revenue now.

In addition, some of the Protestants herein have contended that excessive intercompany expenses were included in the revenue requirement due to the failure to separate VNG's payments to CNG's affiliates into jurisdictional and nonjurisdictional pieces. While it is true that no jurisdictional study was done in this case, Staff witness Gahn did make a distinction between jurisdictional and nonjurisdictional customers in his class cost of service study and took these distinctions into account in his revenue apportionment recommendations. Thus, Staff did treat a portion of intercompany expenses as nonjurisdictional, and we agree with Staff's recommendation on this point. A further separation would be inappropriate.

III. UPDATED RATE BASE

In this case, we followed our recently adopted policy to update rate base and rate base sensitive items, rather than truncate these items at the close of the test year. We adopted this practice because it gives a more current and accurate picture of the Company's investment on which it needs to earn a return. Whether a company's rate base is growing or contracting, this methodology will produce a more precise determination of its revenue needs and a better opportunity to earn its authorized return.

For a rapidly growing gas company like VNG, the updating of rate base tends to alleviate any attrition that might occur. Staff's Schedule C of Exh. RWT-10, shows that $7,193,802 was added to VNG's net utility plant during the eight months following the end of the test year. Additional facilities will need to be built to serve customers in previously certificated areas adjacent to the intrastate pipeline that is nearing completion. VNG faces mounting investments and expenses that will not soon yield any sales revenue. The use of VNG's most current rate base and rate base sensitive items will lessen the severity of any erosion of earnings by these expenditures.

IV. REVENUE APPORTIONMENT

In its application, VNG proposed to apportion its requested increase of $6,333,528 in roughly the following manner:

Schedule 1 - Residential Firm Gas Sales Service	$4,956,000
Schedule 2 - General Firm Gas Sales Service	$2,041,000
Schedule 3 - Residential Air Conditioning Firm Gas Sales Service	($5,000)[2]
Schedule 4 - General Air Conditioning Firm Gas Sales Service	($6,000)
Schedule 5 - Gas Light Firm Gas Sales Service	-0-
Schedule 6 - High Load Factor Firm Gas Delivery Service	$16,000
Schedule 7 - General Firm Gas Delivery Service	$117,000
Schedule 8 - Interruptible Gas Sales Service	($372,000)
Schedule 9 - Interruptible Gas Delivery Service	($309,000)

As the May 2, 1991 Hearing Examiner's Report noted, Staff, the Attorney General and the Industrial Protestants made alternative revenue apportionment proposals. The Examiner rejected the revenue apportionment and rate design proposals of the Attorney General and the Industrial Protestants because they were incomplete. For example, the Attorney General's revenue allocation and rate design proposal did not consider the effects of reallocating gas costs among customer classes. The Industrial Protestants' revenue apportionment and rate design proposals did not consider the effects of the more refined allocation and collection of gas costs from firm customers through VNG's revised PGA, an automatic adjustment clause which allows automatic recovery of costs related to gas purchases.

While the Company's application originally proposed a different revenue apportionment and rate design than the Staff, the Company accepted Staff's revenue apportionment and rate design proposals in its rebuttal testimony.

In our August 15, 1991 Final Order, we agreed with the Hearing Examiner, Staff, and VNG that it was appropriate to adopt Staff's recommended revenue apportionment and rate design proposals in all cases, but one – Schedule 9. The appropriate revenue apportionment and rate design for VNG involve consideration of several factors which impact the speed at which customers in various classes begin paying a return approaching the average return on the system paid by all customers taken together ("parity of return"). We have recognized that class cost of service studies provide only rough approximations of the returns that are produced by customer classes. See Commonwealth of Virginia, ex rel. State Corporation Commission v. Virginia Electric and Power Company, Case No. PUE870014, 1988 S.C.C. Ann. Rept. 270 at 278. Indeed this record is replete with warnings about the weight to be given the rates of return and index results of those studies. Giving some weight to the results of the class cost of service guides before us, we determined that it was inappropriate to reduce the revenues to be recovered from Schedule 9.

As shown in corrected Attachment RSG-1 to Exh. RSG-17, for example, all of VNG's rate schedules with the exception of Schedule 1 produced rates of return in excess of the jurisdictional system return during the test period. If the revenues to be recovered from Schedule 9 were reduced and if VNG were to recover the increase authorized in our August 15 Final Order, other rate classes would have to contribute more

revenues to make up the shortfall no longer recovered from Rate Schedule 9. Since all other classes except Schedule 1 were producing returns in excess of the jurisdictional system return, we found it inappropriate to increase the returns in these classes by increasing the revenues recovered from them. Schedule 1 customers received a significant increase in rates in VNG's last rate case, and would also experience a significant increase in their bills through VNG's PGA clause. Since costs to provide gas service were increasing, we found it inappropriate to decrease revenues recovered from one class while some other classes were experiencing an increase in the revenues to be recovered from them.

We sought to limit the impact of the increase on Schedules other than Schedule 9 by not increasing or decreasing the revenues recovered from Rate Schedule 9. In our judgment, moderating the speed at which Schedule 9 was brought towards parity of return was an appropriate regulatory response to achieve as great a parity of return among all rate classes as possible, while avoiding rate shock and maintaining rate continuity. Such a choice is consistent with the gradual movement to parity we have undertaken in other utility cases. See Petition of Luck Stone Corporation, To investigate Northern Virginia Electric Cooperative's rates and charges, Case No. PUE880065, 1990 S.C.C. Ann. Rept. at 265, 267. Application of Central Virginia Electric Cooperative, For a general increase in rates, Case No. PUE900032, 1990 S.C.C. Ann. Rept. 341 at 343-44. Application of Virginia-American Water Company, For a general increase in rates, Case No. PUE900017 at 11 (February 25, 1991 Final Order). Application of Northern Virginia Natural Gas, A Division of Washington Gas Light Company, For an expedited increase in rates, Case No. PUE900016 at 6-8 (April 3, 1991 Final Order).

Our approach in this case is also consistent with our policy regarding the design of transportation rates. One of our objectives in an evolving competitive gas industry is to "move gradually toward parity of rate of return" while minimizing the impact of such a move on residential customers. Commonwealth of Virginia, At the relation of the State Corporation Commission Ex Parte, In the matter of adopting Commission policy regarding natural gas industrial rates and transportation policies, Case No. PUE860024, 1986 S.C.C. Ann. Rept. 318 at 322-23 (hereafter "Generic Transportation Order"). As we noted in our Order on Reconsideration, the purpose of the Generic Transportation Order was to reassess natural gas industrial rates and transportation policies, and not to adopt specific rates or a particular cost of service methodology for jurisdictional gas public utilities. The specific rates, revenue apportionments, and rate design for transportation service were to be developed on a case specific, fact specific basis.

V. RATE DESIGN

Having determined the revenue increase to be apportioned to each of the rate schedules, a decision on how these revenues should be recovered within each rate class through its rates and rate structures had to be made. The reasons governing our selection of the Staff's revenue apportionment apply equally to our decision to accept Staff's rate design proposals for all customer classes, again with the exception of Schedule 9. We found that Staff's rate design proposals were comprehensive and showed a proper appreciation of the dynamics of rate continuity and avoidance of large rate increases.

Only Staff, VNG, and the Industrial Protestants made detailed proposals to change the rate design in Schedule 9. In its rebuttal testimony VNG accepted Staff's rate design proposals as reasonable, but we declined to adopt Staff or the Industrial Protestants' Schedule 9 proposals. Rate Schedule 9's existing charges are more likely to maintain the test period level of revenues produced by that Schedule. It is not appropriate to adopt Staff's proposals (as now accepted by the Company) because we have determined not to change the amount of revenues apportioned to Schedule 9. The Industrial Protestants presented no analysis of the effect of their rate structure proposals on the bills paid by customers served within each rate tier. Hence we cannot ascertain the impact that the proposals to alter Schedule 9's rate design and rate blocks would have on the revenues recovered from this class.

Moreover, the cost of service study results offered in support of these rate designs must be viewed with caution. For example, Industrial Protestant witness Rosenberg used a minimum system methodology, but recommended the use of a 100% load factor in his efforts to estimate by how much interruptible customers must compensate VNG for unused capacity on nonpeak days. In addition, the allocation for mains used by Mr. Rosenberg was not accepted in VNG's last case and raises the possibility of inconsistency in class cost of service results when compared with the results in the last case. Consistency in methodology and allocation from one case to another minimizes fluctuations in return results and produces a more reliable estimate of movement to parity from one case to another. Use of the same rate structures approved from one case to another, in the absence of a compelling reason to change these structures, assures continuity of rate of return results and revenues.

Finally, we decline to create a separate rate block for the Yorktown Generating Station, a customer served by VNG under Schedule 9. This is the first case in which the rates for VNG's Suffolk and other distribution operations will be unified. We decline to alter the rate structure of a schedule as volatile as Schedule 9 without more operating experience under a unified rate schedule.

VI. BALANCING AND TRACKING MECHANISM FOR TRANSPORTATION VOLUMES

In our August 15, 1991 Final Order we determined to implement a mechanism to protect sales customers from the negative economic impacts of transportation imbalances and to recognize any economic benefits provided by these imbalances to customers subject to VNG's PGA clause. The record reveals that VNG's April 20, 1990 application proposed to revise the transportation balancing provisions of its terms and conditions of service. Before its present application was filed, VNG's tariffs provided that transportation customers must balance their takes of natural gas at the end of March and October. VNG witness Chamberlain testified that the Company's previous tariffs were inadequate and that its transportation throughput had been increasing substantially. As a result, the Company was experiencing larger imbalances when transporting customers failed to match their deliveries of gas with their use of gas. Fluctuating market prices for gas can cause VNG to purchase higher priced gas than would otherwise be necessary if transporting customers balanced their deliveries with their use. These increased gas costs are passed automatically through VNG's PGA clause to its sales customers.

VNG's application proposed to address imbalances in its application as follows: If, by the end of the monthly billing period, a transportation customer's deliveries exceed his consumption by more than the lesser of 5% of the customer's monthly metered volumes or 5,000 Mcf, VNG would notify the customer of his failure to meet the tariff's balancing criteria, and the customer would have to correct his imbalance within 30 days. If, after notification, the customer did not reduce his excess volume imbalance, VNG proposed to cease transporting gas for the transportation customer until his volume imbalance was eliminated. VNG's application and supporting direct testimony plainly advised that balancing and banking would be at issue in the case and that one reason for its proposal was the effect on sales customers of growing imbalances of transportation volumes. Our May 17, 1990 Order Suspending Rates, Directing Notice, and Scheduling Hearing advised that the Company's

application proposed to restructure and reprice many of its tariffs. It invited interested persons to review VNG's application and supporting exhibits for the details of the Company's proposals.

The Industrial Protestants were aware that VNG proposed to change its tariff provisions relating to balancing. They prefiled direct testimony addressing this issue. In addition, the Industrial Protestants were granted leave at the hearing to address the alternative balancing provision proposed by the Staff and accepted by the Company in its rebuttal testimony. They cross-examined Staff and Company witnesses on this proposal.

We did not limit the issues or recommendations made by parties to the proceeding or by Staff in response to the Company's application. Our orders do not prohibit the Company from accepting in its rebuttal testimony alternative proposals made by case participants if the Company finds these proposals to be meritorious. Equally important, the proposals found in a rate application have never limited our authority, after review of the record and drawing proper findings of fact and conclusions of law, to adopt tariff revisions which differ from those proposed in the application.

The Commission's Staff recommended an alternative to the balancing proposal found in VNG's application. It did so because it was concerned that excessive or fluctuating transportation banks could have a negative impact on sales customers subject to VNG's PGA clause. Specifically, Staff proposed that VNG maintain a record of each transportation customer's monthly banked volumes and the value of those volumes. The value of the banks, i.e., gas deliveries in excess of usage, would reflect VNG's weighted average commodity cost of gas ("WACCOG") for the month when the banked volumes were added. Values for reductions in banked volumes would be based upon the WACCOG when the gas was withdrawn from the bank. Each transportation customer would be billed or credited annually for the cumulative impact on VNG's gas costs created by fluctuations in these banked volumes. Thus, in our opinion, the mechanism does not create additional revenue, but instead, allocates costs and recognizes economic benefits associated with transportation imbalances which would otherwise be passed through VNG's PGA clause. If the Company incurs costs for the acquisition of more expensive gas as a result of transportation imbalances either VNG's sales customers or transportation customers must pay the incidence of these costs. This mechanism allocates these costs between sales and transportation customers.

We have liberalized the transportation volume tolerance provisions as part of the balancing and tracking mechanism accepted in our August 15 Final Order. We have increased the tolerance to the lesser of 2 1/2% of the transportation customer's previous calendar year annual volumes or 100,000 Mcf. Both Virginia Power and the Industrial Protestants favor a transportation bank volume tolerance which is more liberal than that originally described in VNG's application. Since sales customers are protected by the balancing and tracking mechanism accepted herein and since VNG's operational integrity is not threatened by these greater balances, we found it appropriate to liberalize these tolerance provisions.

As our August 15 Final Order and September 6 Order on Reconsideration make clear, the objections made to the balancing and tracking provisions adopted herein are unsupported by the record. Taken as a whole the record does not persuade us that "phantom" balances which include corrections from prior periods will occur as a result of the implementation of this mechanism. Instead, these balances, if they occur, may be a function of the difficulties experienced by transporters generally, even in the absence of a balancing and tracking mechanism.

VII. INCLUSION OF INTERRUPTIBLE TRANSPORTATION VOLUMES IN MARGIN SHARING

In Case No. PUE880038, we accepted a mechanism for VNG to share margins on interruptible gas service with firm gas service customers. Application of Virginia Natural Gas, Inc., To revise its tariffs and for investigation of its rate design, Case No. PUE880038, 1989 S.C.C. Ann. Rept. 249. This mechanism reduced the risk to VNG of fluctuating flexible interruptible sales margins by establishing a cost-based fixed interruptible sales revenue requirement for which VNG would be at risk. As compensation for the reduced risk, VNG would have to return or share 90% of all margins in excess of the fixed target margin with its customers taking firm gas service. VNG would have an incentive to reduce its gas costs to its customers in order to increase these margins and, in turn, its 10% share of those margins. See also Application of Northern Virginia Natural Gas, a Division of Washington Gas Light Company, To revise its tariffs, Case No. PUE880024, 1988 S.C.C. Ann. Rept. 320 at 322-23.

In addition, as explained by Staff, margin sharing offers an opportunity to mitigate the impact of an increase in rates on residential customers. To the extent VNG exceeds its target margins, the nongas revenue requirement apportioned to customers taking firm gas service will be offset by any margins returned to these customers through the margin sharing mechanism. Those customers' gas bills will be reduced as a result.

We agree with the Hearing Examiner's analysis and conclusion that it is appropriate to include interruptible transportation volumes in the revenues associated with VNG's margin sharing mechanism. VNG has never attained its target margin since margin sharing was implemented because of customer migration between sales and transportation service. If VNG had included the effects of all interruptible transportation and sales revenues during the test year, VNG would have exceeded its target margins and shared 90% of this excess with firm customers. However, because transportation margins were not exceeded under VNG's margin sharing mechanism and VNG did not attain its target margin, VNG was able to retain 100% of the interruptible margins it received during the test period.

VIII. CONCLUSION

Based upon the foregoing analysis, as well as that found in our August 15 Final Order, as amended, and our September 6 Order on Reconsideration, we made findings of fact and conclusions of law in our August 15 Final Order and determined that an increase of $4,718,720 would result in rates which are just and reasonable for VNG. We further found that this revenue increase should be apportioned among customer classes and that rate schedules should be designed as described in this Opinion and those Orders

[1]Anheuser-Busch Companies, Inc., Ford Motor Company, Nabisco Brands, Inc., Owens-Brockway Glass Container, Inc., Metro Machine Corporation, and U.S. Gypsum Company will be referred to collectively as the "Industrial Protestants" in this Opinion.

[2]Parenthesis indicate a reduction in the revenues to be recovered from these schedules.

CASE NO. PUE900035
MARCH 18, 1991

APPLICATION OF
EVERGREEN WATER CORPORATION

For a certificate of public convenience and necessity pursuant to Va. Code § 56-265.3

FINAL ORDER

On October 1, 1990, Evergreen Water Corporation ("the Company" or "Evergreen") completed its application filed with the State Corporation Commission. In its application Evergreen requested that the Commission grant the Company a certificate of public convenience and necessity to provide water service to residents of Evergreen Farms, a subdivision located in Prince William County, Virginia. The Company also requested approval of its tariff. The Company proposed to continue charging its current fees and rates as follows:

I. Water availability and connection fees:

1. Connection from existing main to property line, not to exceed fifty (50) linear feet.

a. 3/4" service - per service

Availability charge	$400.00
Meter, meter box and yoke	$700.00
Construction - tap and installation	$1,700.00

b. Larger than 3/4" service - per service same as 1(a) above plus any increase in cost of materials and installation.

2. Connection - when necessary to extend existing water main or mains.

a. 3/4 service - per service

Availability charge	$700.00
Meter, meter box and yoke	$400.00
Construction - tap and installation	$1,700.00
Plus the cost of all materials and installation costs.	

b. Larger than 3/4" service - per service same as 2(a) plus any increase in cost of meter, meter box and yoke.

II. Water Consumption Rates and Charges per quarter.

0 - 10,000 gals.	$40.00 minimum charge
Next 10,000 gals.	$ 4.00 per 1,000 gals.
Next 20,000 gals.	$ 5.00 per 1,000 gals.
All over 40,000 gals.	$ 6.00 per 1,000 gals.

The Company also proposed rules and regulations of service, including a requirement for customer deposits and charges for service initiation, bad checks and late payment of bills.

On December 13, 1990, the Commission issued its Order Inviting Written Comments and Requests for Hearing. In its order the Commission set January 17, 1991, as the deadline for interested persons to file comments or requests for hearing regarding Company's application. No comments or requests for hearing have been received.

In the December 1990 Order the Commission also directed Staff to investigate and analyze Company's application and present recommendations to the Commission on February 14, 1991. Staff filed that report detailing its review of the Evergreen application and recommending that the Commission grant to the Company a certificate of public convenience and necessity.

NOW THE COMMISSION, having considered the application and Staff's report, is of the opinion and finds that the granting of a certificate is in the public interest. The Company is not proposing to change its current rates and fees and no customer has asserted that the existing rates are unreasonable pursuant to Virginia Code § 56-235. Therefore, the Commission is of the further opinion and finds that Company's tariff appears to be reasonable and just and should be approved. Accordingly,

IT IS ORDERED:

(1) That Evergreen Water Corporation shall be granted Certificate No. W-266;

(2) That Company's current tariff is hereby approved; and

(3) That there being nothing further to be done; this case is dismissed from the Commission's docket of active cases.

CASE NO. PUE900042
FEBRUARY 4, 1991

APPLICATION OF
SHENANDOAH GAS COMPANY

For an expedited increase in rates

FINAL ORDER

On June 22, 1990, Shenandoah Gas Company ("Shenandoah" or "the Company") filed an application with the State Corporation Commission ("Commission") for an expedited increase in rates. Shenandoah's proposed tariff revisions were designed to produce additional gross annual revenues of $818,302. The Company filed financial and operating data for the twelve months ended March 31, 1990, in support of its application. It requested that its expedited increase, together with the schedules of rates and terms and conditions of service filed in its application, become effective for service rendered on and after July 22, 1990, pending a final decision in this case.

On July 19, 1990, the Commission entered its Preliminary Order in this proceeding. This Order docketed the captioned matter and permitted Shenandoah's proposed tariff revisions to become effective for service rendered on and after July 22, 1990, subject to refund with interest. On July 30, 1990, the Commission entered its Interim Order in this proceeding, which, among other things, assigned the matter to a hearing examiner, set a public hearing before a hearing examiner for December 19, 1990, and established a procedural schedule for the Company, Staff, Protestants and intervenors.

Pursuant to Virginia Code § 56-240, the Company filed a bond with the Commission, and by ruling dated August 13, 1990, the Hearing Examiner accepted the bond and directed that it be filed with the Clerk's office.

On the appointed day, the matter came to be heard by Howard P. Anderson, Jr., Hearing Examiner. Counsel appearing were Donald R. Hayes, Esquire, Counsel for Shenandoah, and Sherry H. Bridewell, Esquire, Counsel for the Commission's Staff. No protestants or intervenors participated in the proceeding.

During the proceeding, counsel for Shenandoah tendered an Offer of Stipulation, which the Examiner received into evidence as Company Exhibit-1. Pursuant to the Offer of Stipulation, Shenandoah proposed that all prefiled direct, revised direct testimony and exhibits be received into the record without cross-examination. Company Exhibit-1 further provided for:

(a) Shenandoah's acceptance of Staff's accounting adjustments with the stipulation that the Company would not be precluded from advocating a different methodology to calculate the gas storage adjustment in future rate cases;

(b) Use of the March 31, 1990 end of test period consolidated capital structure of Washington Gas Light Company, the parent of Shenandoah, adjusted for investment in non-regulated subsidiaries. This capital structure yields a cost of capital of 11.047%, based on a cost of equity of 13%, the midpoint of the range of 12.5-13.5% authorized in Shenandoah's last rate case;

(c) Use of Shenandoah's Virginia jurisdictional rate base of $12,647,262;

(d) Shenandoah to be allowed to increase its rates to develop additional annual revenues of $648,375;

(e) Shenandoah's acceptance of the rate design concepts proposed by Staff Witness Lacy, including a uniform percentage increase for Rate Schedules A, A-C, B and C. Since the stipulated revenue requirement of Shenandoah is $169,927 less than Shenandoah initially proposed, the resulting revenue decrease should be allocated on the same basis as rates were initially proposed to be increased;

(f) Test period billing determinants used to design rates to include the effect of Staff Witness Adams' customer growth adjustment No. 2 and to be integrated into the rate design by a method approved by the Division of Energy Regulation;

(g) Shenandoah to continue to file a cost-of-service study organized by customer class rather than by rate schedule in future expedited or general rate cases; and

(h) Shenandoah to continue to update the capitalization ratios for Washington Gas Light's nonutility subsidiaries and to provide all supporting documents related to calculating the adjustment for nonutility subsidiaries in future rate cases.

The Examiner agreed to accept all of the prefiled testimony and accompanying exhibits, including the revisions thereto, into the record without cross-examination. At the conclusion of the proceeding, he took the matter under advisement.

On January 23, 1991, the Hearing Examiner filed his report in this proceeding. The Examiner found the Offer of Stipulation to be just and reasonable and recommended its adoption by the Commission. The Examiner further found that:

(1) The use of a test year ending March 31, 1990, is proper;

(2) Shenandoah's test year operating revenues, after all adjustments, were $11,224,302;

(3) Shenandoah's test year operating revenue deductions, after all adjustments, were $10,219,717;

(4) Shenandoah's test year net operating income and adjusted net operating income were $1,004,585 and $982,507, respectively;

(5) Shenandoah's rates produced a return on year end rate base of 7.77% and a return on equity of 6.90% during the test year;

(6) Shenandoah's currently authorized return on equity is 13.00%;

(7) Based on Washington Gas Light's March 31, 1990 capital structure, Shenandoah's overall cost of capital is 10.767-11.326%;

(8) Shenandoah's adjusted test year rate base was $12,647,262;

(9) Shenandoah's original application for $818,302 in additional gross annual revenues is unjust and unreasonable because it will generate a return on rate base greater than 11.05%;

(10) Shenandoah requires $648,375 in additional gross annual revenues in order to have an opportunity to earn an 11.05% [sic] return on rate base;

(11) Shenandoah's interim rates should be reduced to produce $648,375 in additional gross annual revenues using the revenue allocation proposed in the stipulation; and

(12) Shenandoah's interim rates placed into effect on July 22, 1990, produce annual revenues greater than found reasonable in this Report. Shenandoah should refund, with interest, all amounts collected under the interim rates that exceed the amount of revenues found just and reasonable herein. The interest upon any refund ordered by the Commission shall be computed from the date payment is due until the date refunds are made at an average prime rate for each calendar quarter. The applicable average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one-hundredth of one percent of the prime rate values published in the Federal Reserve Bulletin, or in the Federal Reserve's "Selected Interest Rates" (Statistical Release G.13), for the three months of the preceding calendar quarter. The interest required shall be compounded quarterly. Shenandoah shall bear all cost of such refunding.

The Examiner recommended that the Commission enter an order that adopts the findings of his Report, grants Shenandoah an increase in gross annual revenues of $648,375, directs a prompt refund, with interest, of the excess revenues collected under the interim rates in effect since July 22, 1990, and dismisses the case from the Commission's docket of active cases.

Shenandoah did not file exceptions to the Hearing Examiner's Report.

NOW THE COMMISSION, upon consideration of the record developed herein, the applicable statutes, and the Examiner's Report, is of the opinion and finds that the findings and recommendations of the January 23, 1991 Hearing Examiner's Report are supported by the record and should be adopted. We agree that the record supports a finding that Shenandoah requires an increase in additional gross annual revenues of $648,375 in order to have the opportunity to earn an 11.047% return, the midpoint in an overall cost of capital range, based upon Washington Gas Light Company's March 31, 1990 capital structure, of 10.767-11.326%. We further agree that a prompt refund is appropriate. Accordingly,

IT IS ORDERED:

(1) That the findings and recommendations of the January 23, 1991 Hearing Examiner's Report are hereby adopted;

(2) That the terms of the Offer of Stipulation, identified as Company Exhibit-1, and summarized herein, are adopted;

(3) That, consistent with our findings herein and the terms of the Offer of Stipulation, which we hereby accept, Shenandoah shall forthwith file revised tariffs designed to produce $648,375 in additional gross annual revenues, said tariffs to be effective for service rendered on and after February 15, 1991;

(4) That, consistent with our findings herein and the terms of the Offer of Stipulation which we hereby accept, the rates designed to recover the revenue increase authorized herein shall employ the test period billing determinants, including the effect of Staff witness Adams' customer growth adjustment No. 2; shall allocate the lower revenue increase authorized herein on the same basis as the rates were initially proposed to be increased in Shenandoah's rate application; and shall integrate the test period billing determinants in its rate design by a method approved by the Division of Energy Regulation;

(5) That on or before April 1, 1991, Shenandoah shall complete the refund, with interest as directed below, of all revenues collected from the application of its proposed rates which became effective on an interim basis, subject to refund with interest, for service beginning July 22, 1990, to the extent that such revenues exceed, on an annual basis, the revenues which would have been collected by application, in lieu thereof, of the permanent rates to be filed in compliance with this Order;

(6) That the interest upon the refund ordered above shall be computed from the date payment of each monthly bill during the period in which the Company's proposed tariffs were in effect was due until the date refunds are made, at an average prime rate for each calendar quarter. The applicable average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one-hundredth of one percent of the prime rate values published in the Federal Reserve Bulletin, or in the Federal Reserve's "Selected Interest Rates" (Statistical Release G.13), for the three months of the preceding calendar quarter;

(7) That the interest required herein to be paid shall be compounded quarterly;

(8) That the refunds ordered in Paragraph (5) above may be accomplished by credit to the appropriate customer's account for current customers. Refunds to former customers shall be made by a check to the last known address of such customers when the refund amount owed is $1.00 or more. Shenandoah may retain refunds owed to former customers when such refund amount is less than $1; however, Shenandoah shall prepare and maintain a list detailing each of the former accounts for which refunds are less than $1, and in the event such former customers contact Shenandoah and request refunds, such refunds shall be made promptly;

(9) That, on or before May 1, 1991, Shenandoah shall file with the Commission's Staff a document showing that all refunds have been lawfully made pursuant to this Order and itemizing the costs of said refund. The itemization of these costs shall include, inter alia, computer costs and the man-hours, associated salaries, and costs for verifying and correcting the refund methodology and for developing the computer programs necessary to make the refunds;

(10) That Shenandoah shall bear all the costs associated with making this refund;

(11) That in future expedited or general rate cases, Shenandoah shall continue to file a cost-of-service study organized by customer class rather than by rate schedule;

(12) That in future rate cases, Shenandoah shall continue to update the capitalization ratios for Washington Gas Light Company's nonutility subsidiaries and shall provide all supporting documents related to calculating the adjustment to its capital structure for nonutility subsidiaries;

(13) That, in accordance with Staff's recommendation found at p. 6 to Exhibit SRA-5, Shenandoah shall employ a three year average of overtime hours and apply the appropriate employee rate, including effective increases, when calculating overtime payroll expenses in future rate cases or annual informational filings; and

(14) That there being nothing further to be done herein, this matter is hereby dismissed from the Commission's docket of active cases.

CASE NO. PUE900043
FEBRUARY 27, 1991

APPLICATION OF
A & N ELECTRIC COOPERATIVE

For a general increase in rates

ORDER GRANTING INCREASE IN RATES

Before the Commission is A&N Electric Cooperative's ("A&N" or "Cooperative") application for a general rate increase in the amount of $661,741 in additional gross annual revenue. The Cooperative also proposes revisions in terms and conditions and miscellaneous charges. By Order entered July 24, 1990, the Commission docketed this application and suspended the effective date of the Cooperative's proposed tariff revisions through November 23, 1990. We subsequently directed A&N to give notice of its application and scheduled a public hearing for October 24, 1990, before a hearing examiner.

Hearing Examiner Glenn P. Richardson conducted the scheduled hearing. No protestants or intervenors participated. A&N and the Staff jointly proposed a Recommended Settlement and Stipulation providing for an increase in additional annual gross revenue from Virginia jurisdictional operations of $575,220, a reduction of $86,521 from the original request. The Staff and A&N recommended that the additional revenue requirement be determined on a system basis. The settlement also proposed a resolution of issues surrounding a proposed increase in bad check charge, implementation of electronic connect/disconnect metering, and wording of the wholesale power adjustment clause. The Cooperative and Staff also agreed that A&N's proposed rate design was just and reasonable and that revisions in various terms, conditions and miscellaneous charges were just and reasonable. The only issue not covered by the proposed settlement was the amount a security deposit must reach before multiple payments could be requested by the Cooperative member.

Subsequent to the hearing, A&N requested that revised rates designed to produce $575,220 in additional annual gross revenue from Virginia operations, as proposed in the Recommended Settlement and Stipulation, be authorized to take effect under bond. By Ruling entered November 27, 1990, Examiner Richardson granted the request, and revised rates based on the recommended settlement took effect under bond on November 30.

On January 8, 1991, Examiner Richardson filed his Report with the Commission. The Examiner rejected the provisions of the proposed settlement which recommended determination of the additional revenue requirement using investment, expenses, and revenue figures for all Cooperative operations rather than for Virginia operations. He concluded that Virginia law mandated setting rates on the basis of operations conducted in Virginia, and his findings on rate base, revenue, expenses, and return were stated on a Virginia jurisdictional basis. As Examiner Richardson noted, his findings did not alter the additional revenue requirement from Virginia operations proposed in the Recommended Settlement and Stipulation, $575,220. The Examiner recommended that the Commission grant that level of rate increase.

He also recommended that the Commission accept the other points of the proposed settlement dealing with rate design, bad check charge, and electronic metering and connect/disconnect. With regard to the unresolved issue of multiple payments for security deposits, Examiner Richardson accepted the Cooperative's proposal to raise the minimum level at which multiple payments for security deposits are permitted from $40 to $70. Cooperative members would henceforth make all security deposits of less than $70 in one payment.

In response to the report, A&N filed comments limited to the issue of using total system figures for determining the additional revenue requirement. The Cooperative noted that its operations on Smith Island, Somerset County, Maryland, involved only 4.2% of its members and required only 3.0% of its plant. According to A&N, the insignificance of the Maryland operation on total operating results did not warrant the cost of a jurisdictional study separating Maryland operations from Virginia operations. The Cooperative also noted that the State of Maryland no longer regulates A&N's operations on Smith Island, and the Cooperative's directors have agreed to apply to Maryland members the same rates applied to Virginia members.

The principal issue before the Commission is whether the rates and charges proposed in the settlement provide revenues not in excess of the actual costs incurred in serving consumers within our jurisdiction, as required by § 56-235.2 of the Code of Virginia. We agree with Examiner Richardson that this provision of the Code establishing requirements for just and reasonable rates extends to electric cooperatives. We also agree with the Examiner that this provision limits the Commission's jurisdiction. We must determine that the rates cover the cost of serving Cooperative members for whom we are empowered to approve and prescribe rates.

As Examiner Richardson found in his report, the Commission has traditionally required utilities to perform various studies to separate their plant, expenses, and revenues between the jurisdictions they serve. In the case of A&N, we have previously required a jurisdictional study to allocate plant, costs, and revenues between Virginia and Maryland. We do not find, however, that our statutory obligation under § 56-235.2 can be discharged only if a traditional jurisdictional study is presented in evidence. Our legislative powers to approve or to prescribe rates gives us latitude in assuring that Virginia consumers pay rates designed to recover the utility's costs incurred in serving them. Given A&N's unique circumstances, the Commission finds that a jurisdictional study is no longer necessary. The record before us is sufficient to assure that the rates we approve below are reasonably designed to recover costs.

The Cooperative and Staff agreed that a proper study allocating plant, costs, and revenues among the various classes of service, ignoring jurisdictional boundaries, had been conducted in preparation of this application, and the Examiner did not find otherwise. Accordingly, we will accept this class cost of service study. A&N has six classes of service, and all members taking three of the services, Large Power A, Large Power B, and Irrigation, are in Virginia. Consequently, all the plant costs and revenues associated with these three classes can be assigned to Virginia.

The remaining three service classes, Farm and Home, Commercial, and Security Lights amount to over three-fourth of A&N's operations, but only a small number of members using these services reside on Smith Island. The Cooperative asserts that it is reasonable to assume that the average costs of serving this small number of members on Smith Island are the same as the average costs of serving members using the same services on neighboring Tangier Island and on the mainland. In these circumstances, we find this to be a reasonable assumption.

In the Cooperative's last general rate case, in 1981, we authorized A&N to discontinue a separate class for customers on Tangier Island and authorized the Cooperative to implement a unified rate structure for all Virginia members. We have thus found that reasonable rates do not require an island-mainland segregation of members. We note the geographic proximity of Smith Island to Tangier Island. Weather patterns and seasonal changes on the two islands, as well as on the mainland, should lead to similar consumption patterns for Farm and Home, Commercial, and Outdoor Lighting Service throughout the Cooperative's service area. We also believe that the similarities in economic activities on Smith and Tangier would mean that members on both islands make similar service demands on the Cooperative. For these reasons, we believe that it is reasonable to assume that the costs of providing those three classes of service to Smith Island do not so appreciably differ from the cost of providing service to Tangier Island and the mainland as to require a jurisdictional study.

The Commission has found that A&N's unique circumstances allow us to make a simplifying assumption in determining the aggregate costs of serving Cooperative members taking service under the Farm and Home, Commercial, and Outdoor Lighting schedules. Determining the cost of providing service is, however, only one step in determining just and reasonable rates for Virginia consumers. As we previously noted, we agree with Examiner Richardson that § 56-235.2 also operates to limit the jurisdiction of the Commission to the establishment of rates for Virginia consumers. While the Cooperative and Staff agreed in their proposed settlement that a jurisdictional study to separate the costs between Maryland and Virginia is unnecessary, they did develop a Virginia jurisdictional additional revenue requirement. We adopt the approach and methodology proposed by the Staff and the Cooperative to arrive at the revenue requirement for Virginia consumers. The permanent rates to be filed with the Commission, as ordered below, must be designed to recover the additional revenue requirement.

In considering rates for Virginia utilities also operating in other jurisdictions, the Commission has always been mindful of the possibility of subsidization of consumers in the other jurisdictions by Virginia consumers. To avoid this possibility, we have traditionally required multistate utilities to perform jurisdictional studies of the type discussed by Examiner Richardson. This long-standing policy was codified by enactment of § 56-235.2 cited previously. Our decision to excuse A&N from conducting a jurisdictional study must be conditioned upon the Cooperative's representation that it will apply the same rates to members on Smith Island that it applies to Virginia members. Thus, Maryland and Virginia members will provide their proportionate share of the Cooperative's costs of providing Farm and Home, Commercial, and Security Light Services. The Cooperative maintains that it is at liberty to charge the same rates because it is not subject to rate regulation in Maryland. We will accept the Cooperative's commitment. Should the Cooperative, for any reason, apply any rates or charges on Smith Island that are lower than rates or charges applied in Virginia, the Commission will promptly initiate an investigation and reconsider the need for a jurisdictional study separating Virginia plant, costs, and revenues, from those of Maryland.

Our determination herein is made in light of A&N's unique circumstances and is based on circumstances which no other cooperative subject to our jurisdiction is likely to experience. It must be clear that we have no jurisdiction over complaints about the rates imposed in Maryland or any other aspect of terms and conditions and service offered in Maryland. Our decision should not be interpreted to relieve A&N of any obligation or liability imposed by Maryland law. To this end, A&N's permanent tariff, which we order filed below, must delete any reference to service outside the Commonwealth of Virginia. We can approve a tariff only for Virginia, and any statements or references to Maryland must be deleted.

Turning to the remaining issues in this proceeding, we adopt Examiner Richardson's recommendations on residential security deposits, electronic connect/disconnect metering, and wholesale power adjustment clause. In summary, we also find as follows:

(1) That the use of a test year ending December 31, 1989, is proper in this proceeding;

(2) That the Cooperative's test year operating revenue, on a system basis after all adjustments, was $9,944,696;

(3) That the Cooperative's test year operating revenue deductions, on a system basis after all adjustments, were $9,438,538;

(4) That the Cooperative's test year modified margins, on a system basis after all adjustments, were $109,051;

(5) That the Cooperative's end-of-test period rate base, on a system basis after all adjustments, was $15,349,732;

(6) That the Cooperative's rates produced, on a system basis, a TIER of 1.46 and a modified TIER of 1.24;

(7) That the Cooperative requires $588,141 in additional gross annual revenue from system operations to earn a modified TIER of 2.5 and that a modified TIER of 2.5 is reasonable;

(8) That the Cooperative requires $575,220 in additional gross annual revenues from Virginia operations;

(9) That the Cooperative's proposed $15 bad-check charge should be approved;

(10) That the Cooperative should be allowed to implement electronic meter reading and electronic connect/disconnect metering in accordance with the terms and charges set forth in the Stipulation and Settlement proposed by A&N and the Staff;

(11) That the Cooperative should maintain records on the cost and operation of electronic connect/disconnect metering and file a summary of that data in conjunction with its next expedited or general rate application;

(12) That the Cooperative should be authorized to increase the level at which a member may elect multiple payments for residential security deposits from $40 to $70;

(13) That the Cooperative's wholesale power adjustment clause should be modified as proposed in the Stipulation and Settlement;

(14) That the Cooperative's proposed rate design will result in just and reasonable rates and should be applied to the additional revenue requirement for Virginia jurisdictional operations. Accordingly,

IT IS ORDERED:

(1) That the Application for a general rate increase and for revision in terms and conditions be granted to the extent found reasonable above and otherwise denied;

(2) That, forthwith upon receipt of this Order, A&N shall file a permanent tariff containing rates and charges and terms and conditions reflecting the findings made above;

(3) That the interim rates placed in effect on November 30, 1990, be and hereby are made permanent;

(4) That this case be dismissed from the Commission's docket of active proceedings and the papers herein passed to the files for ending causes.

CASE NO. PUE900045
MARCH 20, 1991

APPLICATION OF
SHENANDOAH VALLEY ELECTRIC COOPERATIVE

For a general increase in rates

ORDER GRANTING INCREASE IN RATES

Before the Commission is Shenandoah Valley Electric Cooperative's (SVEC or Cooperative) application for a general rate increase of $1,496,098 in additional gross annual revenues. The Cooperative also proposes revisions in its terms and conditions and miscellaneous charges.

By order entered July 24, 1990, the Commission docketed this application and suspended the effective date of the proposed rate increase through November 26, 1990. By subsequent order we directed SVEC to give notice of this application and scheduled a public hearing for November 27, 1990, before a hearing examiner. Hearing Examiner Howard P. Anderson, Jr., conducted the scheduled hearing. No protestants or intervenors participated. At the hearing, SVEC and the Commission Staff jointly proposed a Recommended Partial Settlement and Stipulation providing for an increase in annual revenues in the amount proposed by the Cooperative and a settlement of various other issues. Evidence was presented on unresolved issues.

Prior to the hearing, SVEC had requested that its proposed rates be authorized to take effect pending disposition of its application, and the Cooperative filed the appropriate bond on November 27, 1990. By ruling entered November 28, Examiner Anderson granted the request, and the increased rates took effect under bond.

On February 13, 1991, Examiner Anderson filed his report with the Commission. The Examiner accepted the proposed Partial Settlement and recommended that the Commission grant SVEC the full increase in rates. He found that the evidence stipulated to by the Staff and SVEC, including revenues, expenses, and rate base, demonstrated that the full increase in rates, $1,496,098, was reasonable. In their Proposed Partial Settlement, SVEC and Staff recommended approval of revised rates for several classes of service and of technical revisions to the tariff. Examiner Anderson found these proposals reasonable and recommended their adoption. SVEC and the Staff did not agree on the apportionment of additional revenue and rate levels for the Residential, General Service, and Seasonal Schedules. With regard to this unresolved issue, the Examiner recommended adoption of SVEC's proposed apportionment of additional revenue among these classes.

While the Cooperative and Staff agreed in their Recommended Settlement that most of the revisions in SVEC's Terms and Conditions for Supplying Electric Service were just and reasonable, they differed over revisions in service extension policy. In Section IX, Extension of Facilities, SVEC proposed that some applicants for permanent residential service provide an irrevocable letter of credit when the Cooperative questioned whether the applicant would maintain residence for at least nine months of each year. The Staff opposed this requirement. Examiner Anderson found that the Cooperative's terms and conditions did not provide objective criteria for establishing when a letter of credit would be required or when the Cooperative would demand payment on the letter. He determined that implementation of this requirement was subjective and potentially discriminatory, and it was thus unreasonable. In a related issue in Section IX, extension of Commercial, General, and Large Power Service, SVEC proposed that members provide an irrevocable letter of credit to guarantee revenues sufficient to justify investment in extending service in excess of $70.00 per kilowatt of demand. The Staff did not oppose this proposed revision since the criteria for requiring the letter of credit were clear and objective. The Staff suggested that the member should also have the option of posting a bond in the same amount as any letter of credit. SVEC did not believe the option of posting a bond was necessary, but it had no objection to the Staff proposal. Examiner Anderson found the Staff proposal reasonable and recommended that appropriate language be added to SVEC's terms and conditions. Adopting the Staff and SVEC's recommendations, the Examiner recommended approval of the other proposed revisions in the Cooperatives's terms and conditions.

In response to Examiner Anderson's Report, SVEC filed comments requesting that the Report be adopted by the Commission. Although urging adoption, SVEC suggested that the Cooperative and the Staff cooperate to develop criteria for requiring an irrevocable letter of credit to guarantee certain extensions for residential service. The Cooperative believes that criteria can be developed which avoid the potential for discrimination among customers.

Upon consideration of the record, the Examiner's Report, and the comments on the Report, the Commission will adopt the findings and recommendations set out in the Report of February 13, 1991. Accordingly, we find as follows:

(1) That the use of a test year ending December 31, 1989, is proper;

(2) That SVEC had, on a Virginia jurisdictional basis, total operating revenues for the test period, after adjustments, of $26,156,847;

(3) That SVEC had, on a Virginia jurisdictional basis, total operating revenue deductions for the test period, after adjustments, of $24,091,690;

(4) That SVEC had, on a Virginia jurisdictional basis, modified margins for the test period of $936,944;

(5) That, as of December 31, 1989, SVEC had a Virginia jurisdictional rate base of $38,961,697 and that test year operations generated a 5.45% rate of return, an actual TIER of 1.76, and a modified TIER of 1.58;

(6) That, based on test year operations, SVEC required additional annual gross revenues of $1,496,098 to earn a rate of return of 9.21%, and a modified TIER of 2.49 and that a modified TIER of 2.49 is reasonable;

(7) That SVEC should revise Section C of the proposed Residential Schedule to state that the minimum charge will be the higher of (1) the basic consumer charge or (2) the monthly minimum established by a required advanced payment imposed pursuant to Section IX of the Terms and Conditions for Supplying Electric Service;

(8) That SVEC should revise the Coincident Peak-Load Control Schedule to include, under determination of billing demands, that the power supply demand occur in the peak load control period as signaled by the Cooperative;

(9) That the additional revenue requirement of $1,496,098 should be apportioned as proposed by SVEC;

(10) That SVEC's proposed rates and charges, as modified by findings (7) and (8) above, are just and reasonable;

(11) That SVEC should modify Section IX.A.1.C of its proposed Terms and Conditions for Supplying Electric Service to delete any requirement for an irrevocable letter of credit;

(12) That SVEC should revise Section IX.B. second paragraph of its proposed Terms and Conditions for Supplying Electric Service to provide as follows:

> For investments in excess of $70.00 per kilowatt, the Cooperative will require protection for such investment by requiring the Applicant to secure and provide an approved irrevocable letter of credit or performance surety bond in the amount of the excess investment for a period of four years.

(13) That SVEC's proposed Terms and Conditions for Supplying Electric Service as modified by findings (11) and (12) above, are just and reasonable.

Accordingly, IT IS ORDERED:

(1) That the application for a general rate increase and for revision in Terms and Conditions for Supplying Electric Service be granted to the extent found reasonable above;

(2) That, forthwith upon receipt of this order, SVEC shall file a permanent tariff containing rates and charges and Terms and Conditions for Supplying Electric Service reflecting the findings made above;

(3) That the interim rates placed in effect on November 26, 1990, be and hereby are, made permanent;

(4) That this case be dismissed from the Commission's docket of active proceedings and the papers herein passed to the files for ended causes.

CASE NO. PUE900053
MAY 1, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte, In re: Priorities for available gas supplies

FINAL ORDER

Procedural History of the Case

On October 8, 1975, the State Corporation Commission ("the Commission") entered an order adopting rules addressing natural gas curtailment priorities and conservation guidelines as part of Case No. 19548. In that proceeding, we determined it was necessary to establish priorities for natural gas service, to be applied on a state-wide basis because of the then existing natural gas shortage. We adopted a schedule of natural gas service priorities to promote conservation of gas and to provide for the most efficient use of available gas to meet essential human needs and to protect the State's economy. Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte, in re: Investigation to determine priorities for available gas supplies, Case No. 19548, 1975 S.C.C. Ann. Rept. 328.

On May 11, 1979, we considered and adopted further revisions to our rules governing gas curtailment priorities. These revisions became effective on May 15, 1979. Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte, in re: Priorities for available gas supplies, Case No. 20104, 1979 S.C.C. Ann. Rept. 416.

After being advised by our Staff, we entered an Order on September 13, 1990, establishing the captioned proceeding. It appeared that, given the continuing evolution within the natural gas industry, the rules governing natural gas curtailment which became effective on May 15, 1979, could require revision.

The rules which became effective in 1979 were established before the advent of natural gas transportation. Staff advised that transportation end-users have begun acquiring rights on upstream interstate pipeline systems. These end-user rights could result in the continued delivery of natural gas to an end-user transporting gas, while natural gas supplies for essential human needs were limited. Staff further advised that the number of gas-fired electric generating projects have increased and are expected to continue to do so. This phenomenon could also necessitate changes in the rules. Further, the current rules contemplate that Commonwealth Gas Pipeline Corporation ("Pipeline") would serve as the initial emergency coordinator in the event of a gas supply emergency. Pipeline has now merged with Columbia Gas Transmission Corporation. Thus, the need for and identity of an emergency coordinator requires re-examination.

As the first phase of this investigation, we directed our Staff to conduct a general inquiry into the priorities to be assigned various gas usages, including the priorities appropriate for transportation customers and natural gas used as boiler fuel in order to generate electricity. We instructed our Staff to use data requests, surveys, and informal meetings with utilities and end-users as part of its research resources. To assist our Staff, we invited natural gas public utilities and various end-users to submit informal comments to the Division of Energy Regulation ("the Division") on the following issues: the priority to be assigned to natural gas transported on behalf of an end-user in the event of a natural gas shortage; the necessity for an emergency coordinator; if necessary, the role of the coordinator; and the priority to be assigned to natural gas supplied for boiler fuels in the event of natural gas curtailment.

We also directed our Staff to summarize its investigatory procedures, findings and recommendations, including any recommended rules or rate revisions, in a report to be filed with the Clerk of the Commission. We anticipated that the Staff's Report would serve as the basis of proposed rules and policies which would be the subject of public notice, comment, and opportunity for hearing or oral argument.

In response to our September 13, 1990 order, the following entities filed informal written comments with the Division: Allied-Signal Inc. ("Allied"); Brick and Tile Corporation of Lawrenceville ("Brick and Tile"); City of Richmond ("Richmond" or "the City"); Commonwealth Gas Services, Inc. ("Services"); Potomac Edison Company ("Potomac Edison"); Virginia Industrial Gas Users' Association ("the Association"); Virginia Natural Gas, Inc. ("VNG"); Virginia Electric and Power Company ("Virginia Power"); Westvaco; Philip Morris, U.S.A. ("Philip Morris"); Northern Virginia Natural Gas, a Division of Washington Gas Light Company ("NVNG") and Shenandoah Gas Company ("Shenandoah"). The Staff reported that Appalachian Power Company ("APCO") offered informal verbal comments to it and expressed a desire to comment further upon completion of the Staff's Report. On October 25, 1990, we granted Staff's request for an extension of time in which to file its Report. On November 2, 1990, the Staff filed its Report.

On November 9, 1990, we entered our Order Directing Notice and Inviting Comment. In that Order, we directed the Division of Energy Regulation to publish notice of our intent to consider revisions to the existing rules governing gas curtailment priorities and conservation guidelines as well as the recommendations in the Staff's Report. We invited interested persons to file written comments or requests for hearing with the Clerk of the Commission on or before December 21, 1990, and we authorized the Staff to file a Supplemental Report.

In response to our November 9 Order, eleven interested persons filed written comments with the Commission. They were: VNG, Services, NVNG and Shenandoah, Richmond, Virginia Power, Richmond Power Enterprise, L.P. ("RPE"), APCO, CRSS Capital, Inc. ("CRSS"), Allied, Philip Morris, and the Association. VNG and the City asked to meet informally with the Staff to discuss the filed comments. While no party requested a hearing, several requested permission to respond to the written comments of other participants and to respond to Staff's Supplemental Report when it was filed. Many of the comments supported the Staff's Report generally but suggested various modifications. The areas of the Staff's Report most frequently addressed included the authority of the Commission to direct the forcible banking of transportation gas during an

emergency; the proper compensation for transportation gas which was forcibly banked; the higher priority assigned to electric generation; and the role of and representation on the emergency coordination committee.

By Order dated January 9, 1991, we extended the time for filing the Staff's Supplemental Report to February 15, 1991, in order to allow interested persons an opportunity to meet with the Staff. We also set oral argument for March 7, 1991, to hear any argument on the proposed revisions to the rules addressed in the November 2 Staff Report, the Supplemental Staff Report, and the filed comments.

On February 15, 1991, the Staff filed its Supplemental Report. This Report addressed many of the concerns raised by the participants, and clarified the conditions under which the rules would be applicable. It also identified the constitutional and statutory sources of authority under which the Commission could direct the forcible banking of transportation gas.

Counsel appearing at the March 7, 1991 oral argument were James C. Dimitri, Esquire, counsel for Allied; Louis R. Monacell, Esquire, counsel for the Association; Guy T. Tripp, III, Esquire, counsel for VNG; David B. Kearney, Esquire, counsel for Richmond; Donald R. Hayes, Esquire, counsel for NVNG and Shenandoah; and Sherry H. Bridewell, Esquire, counsel for the Commission Staff. Most of those offering argument supported the revisions made by the Staff in its Supplemental Report. Allied asserted, among other things, that the Commission did not have jurisdiction to permit the forcible banking of transportation gas during an emergency. It argued that the rule governing terms of compensation for use of transportation gas should be broadened to include the economic value of this gas as well as other costs. Allied and the Association emphasized that the rules should apply in emergency situations only.

Analysis, Findings of Fact and Conclusions of Law

Our authority to adopt rules and priorities applicable to emergency situations is expressly recognized by Virginia statutes, particularly Va. Code § 56-250, which provides:

> (1) Whenever it shall appear by satisfactory evidence that any public utility furnishing in this State power, heat, light or water cannot supply all of its customers the usual requirements of each by reason of strikes, accidents, want of fuel, or for any other reason, the Commission may authorize such public utility to take such action as, in the opinion of the Commission, will minimize adverse impact on the public health and safety and facilitate restoration of normal service to all customers at the earliest time practicable.
>
> (2) To facilitate implementation of this section, the Commission may require any such public utility to file, as a part of the rules and regulations referred to in § 56-236, its plan for curtailment of service in such a condition of emergency or shortage. Such plans shall be considered and shall take effect in the manner provided in this chapter for the schedules ofrates and charges and rules and regulations of public utilities.

Section 56-250 has been a part of Virginia law since 1920. In 1975, the General Assembly enacted Va. Code § 56-249.1, granting the Commission additional authority to require a public utility to transfer to another public utility of like business, gas, water or electricity, whenever the public health, welfare or safety were found to so require. Section 56-249.1 also authorized the Commission to fix the rate at which the transferring public utility could be compensated for all of its deliveries to the receiving public utility. We incorporated § 56-249.1 into our rules governing curtailment and priorities which became effective in 1979. We read §§ 56-249.1 and -250 to be complementary, and we have no doubt that the Commission is authorized to adopt rules and priorities governing gas curtailment.

The record herein supports revision of portions of the currently effective emergency rules and priorities. The natural gas industry has undergone a number of changes since we first adopted rules for natural gas curtailment priorities. These changes include deregulation of natural gas at the wellhead. Even though deregulation has allowed the price and supply of gas to respond to the dynamics of the marketplace, there is still a need for rules governing gas curtailment and priorities as increased demands for gas supplies and capacity are made on interstate and local systems. Another notable change in the natural gas industry is that transportation gas now represents a growing part of the throughput moved by jurisdictional gas utilities serving in Virginia. VNG has noted that as much as 20% of its throughput is gas owned by its customers and transported for them by VNG. The record also indicates that various institutions important to Virginians, e.g., hospitals and schools, now purchase their own gas and have it transported to them by our jurisdictional gas utilities. In the event of a gas supply shortage or an emergency of some other nature, these institutions could be harmed if they were unable to obtain their gas or other gas supplies to meet their energy needs.

We find that the record supports continued apportionment of gas during an emergency on the basis of a customer's end-use rather than on the basis of the type of service selected by the utility customer. Therefore, we will accept Staff's recommendation that transportation customers have end-use priorities equivalent to sales customers. If a customer's end-use requirements come under two or more priorities, then these requirements must be treated separately when applying the schedule of priorities adopted herein.

The following analysis addresses the principal concerns raised by the comments and oral argument received in this case. We will address the scope of the rules, the forcible banking issue, compensation for the use of transportation gas, the heightened priority for electric generation, the identity and role of an emergency coordinator, and various proposals raised by the participants in this proceeding.

We agree with Staff and the City of Richmond's observations that the priorities created herein and rules implementing these priorities should apply to all jurisdictional natural gas utilities subject to our jurisdiction (hereafter referred to as "jurisdictional natural gas utilities"). We therefore adopt the amendment to the introductory paragraph found in the natural gas priorities and rules appended to the Staff's Supplemental Report. Further, we find it appropriate to change references within the text of the rules from "distribution companies" to "jurisdictional natural gas utility," where appropriate. By adopting this revision, we intend for these rules to embrace all Virginia gas utilities subject to our jurisdiction, including intrastate pipelines.

Moreover, we note that the rules adopted herein govern emergency situations only. They do not apply under normal conditions of operation and are not applicable to normal seasonal supply imbalances. An emergency, given its plain meaning, may be defined as "[a] sudden unexpected happening; an unforeseen occurrence or condition." Black's Law Dictionary 615 (4th ed. 1968). See also DuVal v. VEPCO, 216 Va. 226, 228 (1975). We believe the definition found in the introductory paragraph to the priorities and rules attached to the Supplemental Report is appropriate and should be adopted, with the following clarification:

> . . . . An 'emergency,' as contemplated within these rules, includes, but is not limited to, an unforeseen, or unplanned event resulting in a shortage of gas supplies or an inability to deliver gas such that human needs requirements are threatened. . . .

(Underscore indicates the revision.) By adding the reference to "human needs requirements", we have further identified a standard of need expressly defined in the body of the priorities and rules. The foregoing discussion, together with the definition of "emergency" set out in the rules' preamble, is sufficient to address the concerns raised by the Association and other parties that the rules may be abused or substituted for good planning by both utilities and their customers.

We agree with the Staff that jurisdictional gas utilities have a responsibility to arrange adequate supplies to provide gas for all system needs, including a reasonable level of reserves. Arrangements for adequate gas reserves may vary from company to company. However, we will not hesitate to apply appropriate sanctions in the event that an emergency is caused by a gas utility's failure to provide adequate gas supplies. These sanctions may include, but are not limited to, disallowance of the recovery of imprudently incurred gas costs through the PGA, disallowance of costs or the reduction of a utility's return on equity in the context of rate cases, monetary penalties for violation of Commission rules and orders, or any other sanctions which may be supported by the facts of a particular case.

I.

We turn now to the most controversial issues raised in the proceeding: (1) Whether the Commission has the authority to condition the offering of transportation gas service by including forcible banking as a term of a jurisdictional natural gas utility's tariffs; and (2) if the Commission has the authority to so condition transportation service, whether the rules provide adequate compensation for such use of transportation gas.

As we have previously noted, the Commission possesses broad authority to resolve emergencies involving heat, light or water. It also has equally broad authority when regulating the rates, charges, and conditions under which service to the public is provided by a public service corporation. Under Va. Code § 56-35, for example, the Commission has the duty and power to regulate public service companies doing business in the Commonwealth, in all matters relating to the performance of their public duties, their charges therefor, and to correct abuses therein by such companies. Further, under § 56-235, we may investigate the tolls, charges, schedules or joint rates of any public utility operating in the State and if we find them unjust, unreasonable, insufficient, unjustly discriminatory, preferential or otherwise in violation of any of provisions of law, we may substitute such rates, tolls, charges or schedules as shall be reasonable. Under Va. Code § 56-247, we may alter any regulation, measurement, practice, act or service of any public utility found to be unjust, unreasonable, insufficient, preferential, unjustly discriminatory or otherwise in violation of the law, and we may substitute regulations, measurements, practices, service or acts and make such other changes in the regulations, measurements, practices, service or acts of a utility as shall be just and reasonable. The combination of our broad ratemaking authority and the authority delegated to us by the General Assembly in § 56-250 empowers the Commission to condition the offering of transportation service so as to minimize the adverse impact on the public health and safety and to facilitate restoration of normal service to all customers at the earliest time practicable.

We clearly have the authority to define the terms under which any service is offered by a utility. A customer plainly has no vested right in any particular service provided by a utility. See A. Priest, 1 Principles of Public Util. Regulation, 244-245 (1969). Services provided under tariff may be terminated if they are no longer just and reasonable. When a customer contracts for a utility's service, the utility's tariffs and accompanying regulations become terms of its service contract. The effect of these terms and conditions of service are binding whether or not the customer agrees to them. Id., at 245 (1969).

Applying the foregoing concepts to the record before us, it is clear that tariffed transportation service may be made subject to such conditions as are reasonably related to the offering of that service. We agree with Staff and many of the natural gas utilities that transportation gas will likely become an increasingly significant portion of jurisdictional gas utility throughput. In order to assure service for essential human needs, it may be necessary to delay delivery of ("forcibly bank") transported gas. We therefore find it appropriate to include such a condition as part of a utility's tariffed offering of transportation service. If transportation customers are going to receive treatment equivalent to sales end-users during a gas emergency, we find imposition of forcible banking to be a reasonable condition of transportation service. We note that current utility transportation tariffs already define the terms under which banking and balancing in nonemergency circumstances may take place in order to assure continued deliveries of gas to both transporters and other customers of natural gas utilities. Moreover, even under normal operating circumstances, transportation customers may enjoy the use of a jurisdictional gas utility's system supply gas, consistent with the provisions of the utility's tariffs.

A natural gas utility requires sufficient flexibility to respond to emergencies where it may be unable to provide sufficient gas supplies to satisfy essential human needs. Thus, we will direct natural gas utilities to forcibly bank gas if transporters do not voluntarily allow the use of their gas and if the natural gas utility is unable to provide sufficient gas supplies to meet the natural gas demands for essential human needs during an emergency. However, we wish to monitor which utilities forcibly bank transportation gas as well as the frequency of such occurrences. Consequently, we will require a utility which forcibly banks a transportation customer's gas to notify us that it has done so. If we find that a utility appears to be relying on transportation gas as a supply resource or that it has forcibly banked gas when essential human needs were not threatened, we will not hesitate to impose appropriate sanctions. Based upon the foregoing consideration, we will revise Rule 6 as follows:

> 6. Each jurisdictional natural gas utility shall be authorized to request that transportation customers allow the use of their customer-owned gas to supply higher priority end-usages. Should transportation customers refuse to allow the use of their gas during emergencies and the ability of the gas utility to serve essential human needs is threatened, a jurisdictional natural gas utility shall delay delivery of customer-owned gas and utilize that gas to serve essential human needs when significant relief would be provided by the use of such gas, until such time as the supply threat to essential human needs has been resolved. The natural gas utility shall notify the Commission that it has delayed transportation gas deliveries under this Rule without the customer's agreement.

II.

We turn now to the issue of compensation for use of transportation gas during an emergency. Staff's proposed Rule 7 identifies a standard for compensation for use of transportation gas. We agree with Staff and Virginia Power that jurisdictional gas utilities should attempt to

negotiate supply arrangements in advance of emergencies. We believe it may be appropriate for a utility to specify the terms of such compensation in the utility's tariffs. These tariff revisions may be considered during a rate proceeding or during any proceeding to revise terms and conditions of service wherein notice and opportunity for hearing are afforded.

As CRSS' comments have acknowledged, the usual measure of economic loss to a transporter is the reasonable costs associated with alternate fuels or the price difference associated with resupplying gas to a transportation customer. We believe revised Rule 7, as set out in the Supplemental Report, properly considers these concepts. Rule 7 also appropriately recognizes the need for flexibility in compensation for the use of customer-owned gas and permits either transporters or jurisdictional gas utilities to apply for a waiver of the compensation limit for the purpose of negotiating contingency supply agreements. We find this rule to be just and reasonable.

We further find that Rules 6 and 7 may be incorporated in the utility's tariffs now. However, they should only be applied to new contracts for gas transportation and as a condition of renewal for existing gas service agreements as they expire. In this way, customers may be aware of the conditions attached to receipt of transportation service before they contract for or continue their contracts for transportation service.

III.

The record indicates that another source of disagreement among the participants in this proceeding related to Priority 4, electric generation requirements for essential electric human needs that do not have available supplies of alternate fuels or alternate sources of electricity. The record shows that gas-fired electric generation is a growing phenomenon. To assure adequate energy supplies for essential human needs, we find it appropriate to recognize a higher priority for electric generation required for "essential electric human needs", as defined in the Staff's Supplemental Report. We agree with Staff and Services that it is appropriate to require electric utilities to have implemented emergency procedures before Priority 4 is triggered. In this way we can assure that electric utilities do not seek a higher priority for economic reasons rather than because an emergency exists.

We further find that non-utility generators ("NUGs") should not be automatically eligible for Priority 4 status. During an emergency, a NUG may experience difficulty in getting gas supplies but may not have been dispatched by the utility to whom it sells its electricity. Therefore, it cannot be assumed that any essential human needs requirements have been threatened if a NUG's gas supply is curtailed, unless the purchasing utility demonstrates that the NUG's generation is necessary to meet essential electric human needs. Further, NUGs commenting in this proceeding presented little affirmative evidence to support their assertion that the energy they produce must be presumed to be used for essential human needs. We will therefore accept Staff's proposal relative to Priority 4 gas supplies as well as its suggested definition of "Essential Electric Human Needs" as reasonable.

IV.

We also find that the record supports the need for a coordinator in the event of an emergency, that an emergency coordination committee rather than a coordinator is appropriate, and that this committee should perform the functions described in the Staff's Supplemental Report. The coordination committee established herein should be available to address emergency situations, but should not act as a gas supply planning review board for the natural gas utilities subject to our jurisdiction.

In addition, we believe proposed Staff Rule 5(e) incorporates appropriate flexibility to invite participants other than natural gas utilities to assist in the resolution of gas emergencies where appropriate. Under Rule 5(e) as it is now drafted, entities such as Virginia Power or an interstate pipeline may be invited to serve on the coordination committee by the Director of the Division of Energy Regulation or his designee. Therefore, we will accept Rule 5(e) as reasonable and as supported by the record in this proceeding. Jurisdictional gas utilities should immediately provide the Director of the Division of Energy Regulation with the name, address, business telephone, and home telephone number of their respective representatives who will serve on the emergency coordination committee. We note that these representatives must have authority to direct transfers of gas on behalf of the gas utility they represent.

Finally, we hereby authorize the Director of the Division of Energy Regulation or his designee to invite parties who are not jurisdictional natural gas utilities to serve on the emergency coordination committee. Given the major role Virginia Power plays in providing electric service in Virginia and the amount of natural gas it uses in its generating processes, we find that Virginia Power should be included on the coordination committee. Further, we encourage parties who are not subject to our jurisdiction to participate on and nominate representatives to serve on the committee if they are invited to participate. Nonjurisdictional parties who are invited and decide to participate on the committee should select committee representatives who are authorized to commit gas resources on behalf of the respective organizations they represent.

V.

We turn now to the miscellaneous changes proposed by various participants in their comments and arguments. We deny Services' request for the application of a different boiler fuel definition as not supported by the record. We note that Services' customers,which are schools, will enjoy a higher priority under these rules than entities which have end-uses that do not constitute essential human needs and are boiler fuel users only.

Services also commented that a moratorium on new customer connections should not be imposed upon a utility assisting another utility during an emergency. We note that a moratorium on new customer connections should be considered by the utility confronted with the emergency, but, as a general rule, the utility rendering assistance should not be required to implement a moratorium on customer connections in order to render assistance. In addition, we will amend Rule 4 to expressly recognize that the Commission may establish a temporary moratorium on the connection of new customers if circumstances so warrant.

Further, we find that the rules already adequately address the Association's concerns relative to industrial users with and without alternate fuel capability ("AFC"). To the extent that members of the Association have uses that come under two or more priorities, each usage will be treated separately when applying the schedule of priorities.

In sum, we find the priorities, rules, and definitions set out in the Staff's Supplemental Report, as modified by various changes of a housekeeping nature and the findings made herein, are reasonable and should be adopted. These priorities, rules, and definitions are set out in Attachment A hereto, which we find should be incorporated in this Order and made a part hereof. The priorities, rules, and definitions, found in Attachment A, should be made effective as of the date of this Order, except as otherwise provided herein.

Accordingly, IT IS ORDERED:

(1) That, consistent with the findings made herein, Attachment A hereto is hereby adopted, effective as of the date of the entry of this Order, unless otherwise provided herein;

(2) That, consistent with the findings made herein and Rule 1 to Attachment A hereto, jurisdictional gas utilities shall forthwith file with the Commission revised tariffs which comply with the schedule of priorities, rules and definitions adopted herein;

(3) That each jurisdictional gas utility and Virginia Power shall forthwith file the following information with the Director of the Division of Energy Regulation: (1) the name of its representative on the emergency coordination committee; (2) the business and home addresses of said representative; and (3) the business and home telephone numbers of said representative;

(4) That the Director of the Division of Energy Regulation or his designee is hereby authorized to invite appropriate parties who are not jurisdictional natural gas utilities to serve on the emergency coordination committee; those parties who are invited and desire to serve on the coordination committee shall file with the Director (1) the name of its representative on the emergency coordination committee; (2) the business and home addresses of said representative; and (3) the business and home telephone numbers of said representative;

(5) That the rules adopted herein shall be published in accordance with Va. Code § 9-6.18 in the Virginia Register; and

(6) That there being nothing further to be done herein, this matter shall be dismissed, and the papers filed herein made a part of the Commission's file for ended causes.

NOTE: A copy of Attachment A, "Natural Gas Priorities and Rules," is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Jefferson Building, Bank and Governor Streets, Richmond, Virginia.

CASE NO. PUE900062
DECEMBER 18, 1991

APPLICATION OF
ONE CALL CONCEPTS, INC.

For a certificate to operate as a notification center pursuant to § 56-265.16:1 of the Code of Virginia

FINAL ORDER

On October 26, 1990, One Call Concepts, Inc. ("One Call") filed an application seeking to be certificated as the notification center for the areas in Virginia north of the southernmost boundaries of the counties of Fauquier, Northampton, Shenandoah, Stafford, and Warren, pursuant to the provisions of § 56-265.16:1 of the Code of Virginia. The area for which certification is sought is already served by One Call and is more precisely delineated on the copy of the U.S.G.S. map filed herein.

By Order of February 7, 1991, the Commission directed One Call to provide direct first-class mail notice to certain governmental officials and to the utilities known to operate in the area in which One Call intends to serve. That same Order provided that the Commission could issue a Final Order herein without the necessity of a hearing if no substantive objections had been received on or before March 25, 1991. That deadline has passed and only one qualified objection to the certification of One Call has been received.

That objection, filed on behalf of Shenandoah Telephone Company ("Shenandoah"), states that:

> Shenandoah objects to the certification of One Call only to the extent that such certification implies that Rule 8 has been satisfied or that Shenandoah is not entitled to continue as a notification center within its telephone service territory and its affiliate's cable television service territory. Shenandoah, however, would not object to the Commission's waiving the requirements of Rule 8 and granting One Call the authority it seeks in this proceeding.

Rule 8 was added to the Commission's Rules Governing Certification of Notification Centers to provide a mechanism for the utility operators in a given area to seek certification for another notification center if they are dissatisfied with the existing one. It provides that the application from such an alternative notification center must be ". . . supported by the operators of the underground facilities responsible for more than half of the ticket volume applicable to Virginia of the existing notification center . . . ." The Rule provides that if the Commission determines that a certificate should be granted to the new applicant, the certificate previously issued shall terminate. This revocation of a previously issued certificate would not affect the rights of a "grandfathered" notification center exempted from the requirements of Virginia Code § 56-265.16:1. The Code is clear that such centers may continue the service they were providing as of January 1, 1989 without the need to acquire a certificate and irrespective of a certificate being granted to another notification center. Rule 8 does not infringe upon these statutory rights.

The Application filed by One Call was not filed pursuant to Rule 8. One Call is not seeking certification because of the unsatisfactory performance of an existing notification center. No one has raised any allegations that existing "grandfathered" notification centers need to be duplicated or altered, so the Commission finds no reason to invoke the provisions of Rule 8 to consider this initial application from One Call.

Rule 8 was also drafted to assure it would not impinge the statutory rights of "grandfathered" notification centers. Hence, it has no provision to displace a "grandfathered" notification center, merely provisions for certification of an alternative if that alternative is supported by the predominant utility providers of the area. Thus, even if Rule 8 had been invoked, Shenandoah's rights to continue its operation as a notification center would be unaffected for territory where it was furnishing such service as of January 1, 1989.

The Commission finds that the application of One Call is an initial application for certification and does not invoke the provisions of Rule 8. The Commission further finds that certification of One Call would not affect Shenandoah's statutory rights to continue the notification center activities it was conducting as of January 1, 1989. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Certificate No. NC-2 be issued to One Call Concepts, Inc. to serve as the notification center for the areas of the Commonwealth denoted on the U.S.G.S. map filed herein pursuant to the provisions of § 56-265.16:1 of the Code of Virginia; and

(2) That there being nothing further to come before the Commission, this case is dismissed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUE900063
AUGUST 28, 1991

APPLICATION OF
BROADVIEW WATER WORKS, INC.

For an increase in its tariffs

FINAL ORDER

On November 2, 1990, Broadview Water Works, Inc. ("Broadview" or "Company") filed an application with the State Corporation Commission to revise its tariffs. The application was supported by data for the test period ending December 1, 1990. Broadview's proposed rates and charges are as follows:

Basic monthly rate-flat	$ 36.00
Other fees:	
Refund check fee	$ 15.00
Transfer fee	$ 20.00
Disconnect fee (for nonpayment)	
Standard (cut off value)	$ 50.00
Extraordinary (backhoe required)	$ 350.00
New connections	$1,200.00
Finance charge of 1.5% per month on all past due accounts	

The flat rate of $36.00 represents a 260% increase over the previous $10 monthly flat rate in effect since 1976. The proposed rates were effective February 1, 1991.

Pursuant to a Commission order dated January 18, 1991, a hearing was convened in Christiansburg, Virginia. Ten public witnesses appeared and made statements. Following the statements of public witnesses, counsel for Broadview requested a continuance of the hearing. In support of the request, counsel for the Company stated that Broadview had entered into a purchase agreement for sale of the water system.

The Hearing Examiner granted the Company's request and the hearing was reconvened on May 29, 1991, at the Montgomery County Courthouse in Christiansburg, Virginia. Counsel appearing were J. T. Showalter for Broadview and Marta B. Davis for the Commission Staff. Dr. Shepard M. Zedaker filed a protest and appeared pro se.

Dr. Zedaker and other customers appearing as public witnesses objected to the magnitude of the proposed rate increase and to Company's poor water service. Specifically, the service complaints relate to numerous water outages, poor water quality and inaccessible and uncooperative personnel.

Mr. Francis Allen, president of New River Water Company ("New River"), also made a public statement. He testified that on May 22, 1991, New River purchased the assets of Broadview. Mr. Allen discussed New River's operating philosophy and the upgrading and maintenance of the plant performed during New River's first week of operation. Mr. Allen also testified that he proposed to charge an initial flat rate of $25.00

On July 3, 1991, the Examiner filed his Hearing Examiner's Report. In his report, the Examiner made the following findings and recommendations:

1. The use of a test year ending December 31, 1990, is proper in this proceeding;

2. Broadview's test year operating revenues, after all adjustments, were $12,240;

3. Broadview's test year net operating loss, after all adjustments, was $26,149;

4. Broadview's current rates, after all adjustments, produced a negative return on year-end rate base;

5. A reasonable rate for water service per month for the period February 1, 1991 to May 22, 1991, was $31.75;

6. A prompt refund of all monies collected in excess of the amount found just and reasonable for the period February 1, 1991 to May 22, 1991, should be required;

7. Beginning May 22, 1991, an interim rate of $25.00 per month should be set, pending full investigation and hearing on New River's application for a certificate of public convenience and necessity;

8. A prompt refund of any monies collected after May 22, 1991, in excess of the $25.00 rate should be required; and

9. New River should be directed to comply promptly with the requirements of § 56-265.3 of the Code of Virginia and secure approval of its proposed rates and charges.

The Examiner recommended that the Commission enter an order adopting the findings of the Report, granting the additional revenues set out in the findings and dismissing this case from its docket of active cases.

The Examiner cited Staff testimony that $31.75 would cover debt service and a reasonable return on rate base in support of his determination that the $31.75 rate was reasonable for the period of February 1, 1991 to May 22, 1991. The Examiner stated that affiliated expenses for Poff Construction and PCI Management require close scrutiny. He, however, recognized that Broadview had solicited other non-affiliated bids for those services and therefore accepted, with Staff adjustments, Broadview's intercompany expenses.

On July 16, 1991, Broadview, by counsel, filed Comments to the Hearing Examiner's Report. In the Comments, Company requested the Commission to approve the total rate of $36.00 for the period of February 1, 1991 to May 22, 1991. The Company did not dispute the Examiner's recommendation to approve a monthly rate of $31.75 for the four month period referenced above, but requested authority to retain the additional money collected during the interim period to cover the cost of improvements made during that period. In support of its request, the Company referred to the testimony of Robert L. Poff, president of Broadview, in which he identified the cost of improvements made since the rate increase was implemented.

NOW THE COMMISSION, having considered the record, the Hearing Examiner's Report and the Comments filed thereto, is of the opinion that the findings and recommendations of the Hearing Examiner should be adopted in part. The Commission is of the opinion that a flat rate of $31.75 per month is reasonable but the Company's request to retain the additional money collected during the interim period is unwarranted. We also find that New River should forthwith file an application for a certificate of public convenience and necessity; however, the record indicates that New River began charging $25 per month upon acquisition of the system. We therefore find no need to address refunds subsequent to May 22, 1991. Moreover, New River's cost of providing service are not before us in this proceeding. Accordingly,

IT IS ORDERED:

(1) That the findings of the Hearing Examiner are adopted, in part;

(2) That a flat rate of $31.75 for water service per month for the period February 1, 1991 to May 22, 1991 is hereby approved;

(3) That the Company shall issue a prompt refund of any monies collected in excess of that rate for the period February 1, 1991 to May 22, 1991;

(4) That New River shall comply promptly with the requirements of § 56-265.3 of the Code of Virginia and secure approval of its proposed rates and charges;

(5) That Company shall notify the Commission in writing when all customer refunds have been accomplished; and

(6) That there being nothing further to be done, this case is dismissed from the Commission's docket of active cases.

CASE NO. PUE900067
MAY 6, 1991

APPLICATION OF
APPALACHIAN POWER COMPANY

To amend its certificate of public convenience and necessity for Grayson County and for authority to acquire utility assets

ORDER GRANTING APPLICATION

On December 7, 1990, Appalachian Power Company ("Appalachian" or "Company") applied to amend its certificate of public convenience and necessity for Grayson County, Certificate No. E-X20, to authorize the Company to furnish electric service to Mouth of Wilson, an

unincorporated community. Appalachian also applied for authority, as required by §§ 56-88 to -90 of the Code of Virginia, to purchase utility assets owned by Fields Manufacturing Company, Incorporated ("Fields") and used to provide electric service to Mouth of Wilson. The Company later supplemented its application with a map showing the proposed expansion of its service territory.

According to the application, as supplemented, Fields provides electric service to 38 residential customers, 9 commercial customers, and 2 industrial customers outside Appalachian's certificated territory. With minor exceptions, Fields applies rates identical to those applied by Appalachian prior to the interim increase effective August 28, 1990, and under consideration in the Company's pending rate case, Case No. PUE900026. Fields provides service using a small hydroelectric plant on the New River and a diesel generator formerly used to power its woolen mill.

Appended to the application is a letter from W. J. Fields, Vice President of Fields, requesting Appalachian to assume responsibility for serving these customers. Appalachian explained that Fields wishes to discontinue service because of high generating costs and the condition of its facilities. Fields has offered to sell its existing distribution facilities for $1.00, and the Company has agreed, subject to Commission approval, to purchase these facilities. Attached to the application is an inventory of the equipment to be transferred. According to additional information provided by Appalachian, there are no records of the original cost of the equipment, but it has been fully depreciated.

As noted in the application, the Commission authorized the Company in 1984 to extend service to other customers formerly served by Fields and to acquire Fields' distribution system serving those customers. See Application of Appalachian Power Co., Case No. PUE840060, 1984 S.C.C. Ann. Rept. 546. The Company stated in the supplement to its application that Grayson County has been provided copies of Appalachian's application to extend its service territory.

Upon review, the Commission finds that this application to amend a certificate of public convenience and necessity and for authority to acquire utility assets should be granted. With regard to amendment of the certificate of public convenience and necessity for Grayson County, the Commission finds that the expansion of Appalachian's service territory will have no impact on any other public service company, and it will assure continued electric service to residents of Mouth of Wilson. The Company indicates that service will be extended to Fields' customers as facilities are improved or replaced. Appalachian should convert customers to its system in an orderly manner and provide advance notice. We also encourage Appalachian and Fields to cooperate in that conversion to avoid any confusion in billing. We will direct Appalachian to report to the Commission's Director of Energy Regulation when all Fields customers have been converted to its system.

With regard to the authority to purchase utility assets, the Commission finds that Appalachian's application is properly signed and verified and clearly summarizes the procedure and terms of the transaction. We further find that a hearing is unnecessary. The record establishes that acquisition of the fully depreciated facilities for $1.00 will not impair or jeopardize adequate service to the public. We will require the Company to report relevant accounting entries to the Commission's Director of Public Utility Accounting. Further, our grant of authority to purchase the utility assets shall have no implication for ratemaking. Accordingly,

IT IS ORDERED:

(1) That this application to amend a certificate of public convenience and necessity and for authority to acquire utility assets be docketed, assigned Case No. PUE900067, and all associated papers shall be filed therein;

(2) That, as provided by § 56-265.3 of the Code of Virginia, Appalachian's application to amend its certificate of public convenience and necessity for Grayson County, Certificate No. E-X20, to authorize the furnishing of electric service to the community of Mouth of Wilson be granted;

(3) That service shall be extended to customers in the community of Mouth of Wilson at the same rates and charges, and on the same terms and conditions, applied to all other customers subject to Commission jurisdiction;

(4) That Appalachian's territorial map X20 be revised to reflect the amendment ordered in (2) above;

(5) That Appalachian shall report to the Director of the Commission's Division of Energy Regulation when all customers formerly served by Fields are connected to its system;

(6) That, as provided by §§ 56-88 to -90 of the Code of Virginia, Appalachian is authorized to acquire from Fields those utility facilities identified in its application;

(7) That, upon the closing of the transaction authorized in (6) above, Appalachian shall file a report with the Director of Public Utility Accounting showing entries in all accounts affected by the transaction; and

(8) That this matter be dismissed from the Commission's docket of active cases and that all papers herein be transferred to the files for ended proceedings.

CASE NO. PUE900068
APRIL 23, 1991

APPLICATION OF
VIRGINIA UNDERGROUND UTILITY PROTECTION SERVICE, INCORPORATED

For a certificate to operate as a notification center pursuant to § 56-265.16:1 of the Code of Virginia

FINAL ORDER

On December 17, 1990, Virginia Underground Utility Protection Service, Incorporated ("Applicant" or "Service") filed an application seeking to be certificated as a notification center pursuant to the provisions of § 56-265.16:1 of the Code of Virginia. Applicant has requested authority to serve a territory which can be generally described as all of Virginia south of the southernmost boundaries of the Counties of Shenandoah, Warren, Fauquier, and Stafford, and excluding the two Eastern Shore Counties of Accomack and Northampton. The area for which certification is sought is already served by Applicant and is more precisely delineated on the copy of the U.S.G.S. map filed herein.

By order of February 7, 1991, the Commission directed the Applicant to provide direct first-class mail notice to certain governmental officials and to the utilities known to operate in the area in which the Applicant intends to serve. That same order provided that the Commission could issue a final order herein without the necessity of a hearing if no substantive objections had been received on or before March 25, 1991. That deadline has passed and no objections to the certification of Service have been received.

Based upon the application and the lack of objections thereto, the Commission is of the opinion that Service should receive the requested certificate. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Certificate No. NC-1 be issued to Virginia Underground Utility Protection Service, Incorporated to serve as the notification center for the areas of the Commonwealth denoted on the U.S.G.S. map filed herein pursuant to the provisions of § 56-265.16:1 of the Code of Virginia; and

(2) That there being nothing further to come before the Commission, this case is dismissed from the docket and the record developed herein shall be placed in a file for ended causes.

CASE NO. PUE910001
MAY 7, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend its Certificate of Public Convenience and Necessity authorizing operation of transmission lines and facilities in the City of Chesapeake: Yadkin - Greenwich Transmission Line - Commonwealth Atlantic Limited Partnership 230 kV Tap Line

ORDER GRANTING AMENDED CERTIFICATE

Before the Commission is Virginia Electric and Power Company's ("Virginia Power" or "Company") application to amend its certificate of public convenience and necessity for the City of Chesapeake, Certificate No. ET-95p, to authorize the construction and operation of a double-circuit 230 kV tap line. The tap line will extend for approximately 0.88 mile from a point on the Company's existing Yadkin-Greenwich 230 kV Transmission Line to a power generation facility to be operated by Commonwealth Atlantic Limited Partnership at the Swann Oil Company of Virginia plant, South Military Highway, Chesapeake, Virginia.

By order of January 24, 1991, the Commission docketed this application pursuant to Title 56 of the Code of Virginia and directed Virginia Power to give notice. On February 6 and March 13, 1991, the Company filed affidavits of service of copies of our order and proof of newspaper publication of the public notice. We find that appropriate notice of this application was given as required by §§ 56-46.1 and 56-265.2 of the Code of Virginia.

In response to the public notice, the Commission received no requests for a hearing on the application. We did receive one letter of comment from Mr. Roger A. Jensen of Chesapeake. Mr. Jensen suggested an alternate routing for a portion of the proposed tap line. Since no interested person requested a public hearing, and no material issue of fact has been raised, the Commission finds that it may consider and act upon this application without formal or informal hearing.

According to Virginia Power's application, the proposed tap line will connect an independent power producer to the Company's transmission system. The Commission takes note of its decision in Case No. PUE900013 approving Commonwealth Atlantic Limited Partnership's application to construct and operate its facility as an additional source of electricity for Virginia Power.

Virginia Power explained in its application that approximately 79% of the route for the proposed tap line followed existing railroad corridors and that approximately 90% of the route was located on property owned by Virginia Power or Commonwealth Atlantic Limited Partnership. The proposed transmission line will be in a highly industrialized area.

In his letter, Mr. Roger Jensen suggested an alternate routing which would bring the tap line closer to Swann Oil Company of Virginia facilities. At the request of our Office of General Counsel, Virginia Power responded to Mr. Jensen's letter. In its reply, the Company noted that

routing the line as Mr. Jensen suggested would provide insufficient clearance from highways and buildings. The suggested routing would also bring the transmission line in close proximity to oil storage tanks and would create a potential safety hazard. A map attached to Virginia Power's application showed the highway, buildings, and oil tanks and the Company's routing to avoid these structures. Virginia Power also noted that the route suggested by Mr. Jensen would require placement of supporting structures in an area that had been used as an automobile junkyard and might contain hazardous waste materials.

Virginia Power stated in its application that it would observe appropriate environmental safeguards in constructing and maintaining the line. The Company also stated that its experience and review of published studies suggested no harmful health or safety effect caused by this tap line.

After considering the application, the Commission finds that the proposed tap line will serve the public convenience and necessity by interconnecting a new power source with the Company's system. The proposed routing will have minimal impact on scenic assets and environment of the area affected while taking advantage of existing rail corridors. The proposed route also minimizes safety hazards. We find the application should be granted. Accordingly,

IT IS ORDERED:

(1) That, pursuant to §§ 56-46.1 and 56-265.2 of the Code of Virginia, this application be granted;

(2) That Virginia Power be authorized to construct and operate a double-circuit 230 kV tap Line from a point on its existing Yadkin-Greenwich 230 kV Transmission Line to a power generation facility to be operated by Commonwealth Atlantic Limited Partnership in the City of Chesapeake;

(3) That Virginia Power be issued an amended certificate of public convenience and necessity as follows:

Certificate No. ET-95q, authorizing the Virginia Electric and Power Company to operate existing transmission lines and facilities in the Cities of Chesapeake, Norfolk, Portsmouth, Suffolk and Virginia Beach and construct and operate the proposed 230 kV double-circuit tap line in the City of Chesapeake, as shown on map attached thereto. Such Certificate No. ET-95q, will supersede Certificate No. ET-95p, issued February 7, 1989.

(4) That this case be dismissed from the docket of active proceedings and the papers herein be placed in the files for ended cases.

CASE NO. PUE910003
JUNE 14, 1991

APPLICATION OF
COMMONWEALTH PUBLIC SERVICE CORPORATION

For an increase in rates

FINAL ORDER

On January 22, 1991, Commonwealth Public Service Corporation ("Commonwealth" or "the Company") filed an application for expedited rate relief with the State Corporation Commission ("Commission"). In its application, the Company requested an increase in additional gross annual revenues of $26,986, based on the results of its financial operations for the twelve months ended September 30, 1990.

By letter dated February 8, 1991, Commonwealth requested authorization to convert its application for expedited rate relief to one for general rate relief. It noted its intent to file an amendment to its application to revise its purchased gas adjustment ("PGA") provisions as required by the Commission in its December 29, 1988 Order Adopting Policy Governing Gas Purchasing Practices and Gas Cost Recovery Mechanism, entered in Case No. PUE880031.

On February 13, 1991, the Company filed an amendment to its application, together with revised tariffs to implement the necessary revisions to its PGA clause and supplemental testimony in support of its application.

On February 15, 1991, the Commission entered its Preliminary Order in the captioned matter. This Order granted the Company's request to convert its application into a general rate proceeding, docketed the application, and suspended the Company's proposed tariff revisions through June 21, 1991. On February 21, 1991, the Commission entered its Order for Notice and Hearing, wherein it appointed a Hearing Examiner to the matter, established a procedural schedule for the Company, protestants, Staff, and intervenors, and scheduled a public hearing for June 4, 1991.

On the appointed day, the matter came before Russell W. Cunningham, Senior Hearing Examiner. Counsel appearing were Wilbur L. Hazlegrove, Esquire, Counsel for Commonwealth, and Sherry H. Bridewell, Esquire, Counsel for the Commission's Staff. No protestants or intervenors appeared. By agreement of counsel and with the concurrence of the Hearing Examiner, Commonwealth's prefiled direct and supplemental testimony and Staff's prefiled direct testimony and June 4 errata sheet were received into the record without cross-examination. Counsel for the Company represented that the Company accepted Staff's accounting adjustments, booking proposals, capital structure, cost of capital, and cost of equity recommendations; rate design proposals; and cost of service study for purposes of this case and the Company's subsequent annual informational filing or expedited rate application.

At the conclusion of the proceeding, the Hearing Examiner issued his Report from the bench. In his Report, he accepted the Staff's proposals and recommended that the Commission enter an order adopting his Report. Counsel for the Company waived his right to file comments in response to the Hearing Examiner's Report.

NOW, upon consideration of the record developed herein, the June 4, 1991 Hearing Examiner's Report, and the applicable statutes, the Commission is of the opinion and finds that the recommendations of the June 4, 1991 Hearing Examiner's Report should be accepted, and that the proposals made by Staff in its May 17, 1991 prefiled direct testimony are reasonable, supported by the record, and should be applied in this case and any subsequent annual informational filing or any expedited rate application filed by Commonwealth.

Specifically, we find:

(1) That the twelve months ending September 30, 1990 ("test period") is appropriate for this proceeding;

(2) That Staff's accounting adjustments and booking recommendations are reasonable, supported by the record, and should be accepted;

(3) That the Company's adjusted operating income, after all adjustments, was $32,113 for the test period;

(4) That the Company's total rate base, after all adjustments, was $355,940 for the test period, and the Company earned a 9.02% rate of return on its rate base during the test period;

(5) That the Company's overall cost of capital and capital structure as of September 30, 1990, was as shown on Schedule 1 to Staff witness Libassi's prefiled direct testimony and was within the range of 10.666% to 11.325%, and that the midpoint of the range, 10.996%, should be used to establish the Company's revenue requirement in this case;

(6) That the Company's cost of equity is within the range of 11.750% to 12.750% and that the midpoint of this range, 12.250%, should be used to establish the Company's revenue requirement in this proceeding;

(7) That the Company's requested increase in gross annual revenue of $26,986 results in rates which are not just and reasonable;

(8) That the Company requires an increase in additional gross annual revenue of $8,553, effective for service rendered on and after the date of this Order, in order to have the opportunity to earn a return on rate base of 10.996%, and that an increase in additional gross annual revenue of $8,553 is reasonable; and

(9) That the Company should make the booking entries recommended in the prefiled direct testimony of Staff witness Mark R. DeBruhl.

Accordingly, IT IS ORDERED:

(1) That the recommendations of the June 4, 1991 Hearing Examiner's Report are hereby adopted;

(2) That, consistent with the findings made herein, Commonwealth shall file forthwith revised tariffs, consistent with Staff witness Frassetta's recommendations, designed to produce $8,553 in additional gross annual revenues, effective for service rendered on and after the date of the issuance of this Order;

(3) That, consistent with the findings made herein, the Company shall make the booking entries recommended by Staff witness DeBruhl;

(4) That, for future expedited rate applications and annual informational filings, Commonwealth shall state its cost of short-term debt as an average for the last three months of the test year. Commonwealth shall continue to provide as part of its next rate filing a test year average rate for short-term debt with supporting data;

(5) That, for future expedited rate cases and annual informational filings, Commonwealth's $500,000 variable rate note payable shall reflect a cost rate as an end of period rate when calculating the weighted cost of long-term debt;

(6) That Commonwealth shall collect and file with the Commission the data identified on page 10 of Staff witness Frassetta's prefiled direct testimony as part of its next rate case;

(7) That the Company evaluate the Schedule R-1 and Schedule C-1 rate blocks and customer charges in its next case and, if appropriate, propose revised rate structures;

(8) That, before its next rate case, Commonwealth shall re-examine its affiliates agreement with Bluefield Gas Company with respect to the allocation of gas costs on a jurisdictional basis. Allocation of gas costs should be consistent with the allocation of costs found in witness Frassetta's cost of service study, and the demand cost of gas should be allocated based on the firm customers' contribution to the peak month for Commonwealth; and

(9) That there being nothing further to be done herein, this matter is dismissed from the Commission's docket of active proceedings and the papers filed herein shall be made a part of the Commission's file for ended causes.

CASE NO. PUE910004
SEPTEMBER 9, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
WILLIAM N. STOYKO, et al.
v.
SOUTH ANNA SERVICE CORPORATION

FINAL ORDER

South Anna Service Corporation ("South Anna" or the "Company") provides sewage disposal service to approximately eighty-eight (88) customers in the Country Club Hills subdivision in Hanover County, Virginia. The Town of Ashland and the Hanover County Department of Public Utilities provide water service to the subdivision and perform billing services for South Anna. The Company's sewage rates are based on water consumption.

On December 10, 1990, pursuant to Virginia Code § 56-265.13:1 et seq., South Anna notified its customers of an increase in rates effective January 31, 1991. On January 24, 1991, customers of South Anna, William N. Stoyko, et al., filed a petition requesting a hearing on Company's proposed rate increase. In that petition, the customers also requested the Commission to declare the Company's rates interim and subject to refund with interest. By order dated February 22, 1991, the Commission declared the rates interim, subject to refund and established a procedural schedule for this case.

South Anna's proposed rate increase represents a 64% increase in both the minimum bimonthly charge and the usage rate per 1,000 gallons over the minimum. The Company's proposed rates will produce total revenues of $42,655 with net operating income of $9,941 and 18.18% return on rate base. These figures do not reflect $7,050 of annual interest expense which, if deducted, would result in $2,891 net operating income, or a 5.29% return on rate base.

South Anna customers expressed concern with the billing costs charged by local governments and the costs associated with system upgrades. South Anna made system improvements to extend service to a newly developed area designated "Section 6" of the Country Club Hills subdivision. The upgrade associated with expansion of service to "Section 6" included a new pumping station, additional forced mains and duplex submersible pumps. These improvements were totally paid for by the real estate developer Atlantic Homes, Inc.

The Company also made extensive system improvements to the primary treatment facility. Those upgrades included the conversion of the facultative lagoon to an aerated lagoon which involved installation of aerators, a grit removal chamber, two chlorine contact tanks, two dechlorination chambers, an effluent flow measuring station and a post aeration tank. The record reveals that South Anna paid $35,000 for the upgrade of this treatment facility with the remaining $100,000 being contributed by Country Club Hills, Atlantic Homes, Inc. and several other individuals. The upgrade was made to increase system capacity and alleviate a severe odor problem.

On June 18, 1991, the Examiner filed a Hearing Examiner's Report. In his Report, the Examiner made the following findings and recommendations:

(1) The proposed rate increase is justified and should be granted;

(2) Staff's accounting adjustments are reasonable and should be implemented;

(3) Company should study the cost effectiveness of billing and collecting its own fees and file a report on the study with the Commission's Division of Energy Regulation and Division of Public Utility Accounting prior to filing its next rate application; and

(4) South Anna should file updated service area maps at its earliest convenience.

In his Report, the Examiner discussed the customers' concerns with the magnitude of the Company's rate increase. He found that the proposed increase was needed to cover the Company's current operating costs, compliance with State Water Control Board requirements and costs associated with the recent upgrade of the system. The Examiner also noted that the proposed rates did not take into account repayment of funds used for improvements or exceptional operation and maintenance costs.

In addition, the Examiner specifically discussed the customers' concerns with the costs of the system upgrades. The customers maintained that existing customers should not have to pay for improvements made primarily to serve the new customers in "Section 6". The Examiner explained that the upgrade made solely to provide service to the customers in "Section 6" was contributed property and, therefore, had no impact on customer rates. The Examiner further explained that South Anna had an obligation to serve customers in "Section 6" since these customers were in Company's authorized service areas, and accordingly was required to make any improvements necessary to facilitate that service. Finally, the Examiner concluded that the upgrade to the primary treatment facility not only increased Company's capacity to serve additional customers in "Section 6" but benefited all customers by alleviating the severe odor problem in the sewage lagoon.

The Examiner recommended that the Commission enter an Order adopting the findings in his report, granting the Company the proposed increase, and dismissing the case from the Commission's docket of active cases.

On July 3, 1991, petitioner William N. Stoyko filed Comments to the Report of Howard P. Anderson, Jr., Hearing Examiner ("Comments"). In his Comments, Mr. Stoyko objected to the recommendation to approve the Company's proposed rate increase and again expressed concern regarding South Anna's billing process, rate block structure and the costs associated with the treatment facility upgrade. Specifically, he requested that:

(1) The proposed rates not be approved as requested;

(2) South Anna be required to study the cost effectiveness of billing and collecting its own fees;

(3) That South Anna file updated service area maps; and

(4) That South Anna modify its rate structure to add an additional step to its usage block.

Mr. Stoyko's recommendations were substantially the same as the Hearing Examiner's recommendations as to the filing of service area maps and the cost effectiveness study. In addition, he agreed with Staff's suggestions to look at modification of Company's rate structure to add an additional step to its usage block to reflect declining block rates. He, however, would require the Company to make the change now while Staff suggested Company consider the modification for future implementation.

Mr. Stoyko also addressed the costs associated with the primary treatment facility upgrade. He questioned the Hearing Examiner's conclusion that this upgrade benefited all customers. He maintained that the upgrade was primarily designed to create additional capacity to serve customers in "Section 6" and did not benefit existing customers.

NOW, THE COMMISSION, upon consideration of the record, the Hearing Examiner's Report and the Comments filed thereto, is of the opinion that the Hearing Examiner's findings and recommendations are reasonable and should be adopted. The Commission agrees with the Hearing Examiner's analysis on the reasonableness of the rate increase and specifically the costs associated with system upgrades. The Commission is of the further opinion that Staff's recommendation relative to Company's rate structure is reasonable and should be adopted. There is insufficient evidence in the record to support modification of Company's rate structure in this proceeding. Accordingly,

IT IS ORDERED:

(1) That Company be and hereby is granted the proposed rate increase;

(2) That Staff's accounting adjustments be and hereby are implemented;

(3) That Company shall study the cost effectiveness of billing and collecting its own fees and file a report on the study with the Commission's Division of Energy Regulation and Public Utility Accounting prior to filing its next rate application;

(4) That Company shall file along with its cost effectiveness study a report detailing the effects of modifying its rate structure to reflect declining block rates by adding an additional step to its rate design;

(5) That South Anna shall file updated service area maps with the Commission's Division of Energy Regulation; and

(6) That there being nothing further to be done in this matter, this proceeding shall be dismissed from the Commission's docket of active cases.

CASE NO. PUE910006
APRIL 22, 1991

APPLICATION OF
WATERFRONT WATER WORKS, INC.

To amend its certificate of public convenience and necessity and to raise rates pursuant to Va. Code § 56-265.13:5

FINAL ORDER

On January 25, 1991, Waterfront Water Works, Inc. ("Waterfront" or "the Company") filed an application to amend its certificate of public convenience and necessity (Certificate No. W-258) to extend water service to The Water's Edge subdivision. The Company is currently authorized to provide water service to residents of The Waterfront subdivision located on Smith Mountain Lake in Franklin County, Virginia.

The Company proposes to maintain its current rates and regulations for both subdivisions. Customers in The Waterfront subdivision will continue to be charged the Company's current rates. The Company proposes a higher minimum service charge for the first 4,000 gallons of water usage to customers in The Water's Edge subdivision. All other charges to customers in The Water's Edge subdivision would remain the same as those charged to customers in The Waterfront subdivision.

On February 28, 1991, the Commission issued its Order Inviting Comments and Requests for Hearing. In its order the Commission set March 18, 1991, as the deadline for interested persons to file comments or requests for hearing regarding the Company's application. The Commission has received no comments or requests for hearing from interested persons.

In its February 1991 Order the Commission also directed Staff to review the Company's application and submit a report to the Commission on March 29, 1991. Staff filed that report detailing its review of the Company's application and recommended that the Commission grant Company's request to amend its certificate to include The Water's Edge subdivision. In the report Staff noted that, based on information received from the Company, it appears that there is an increased cost for service associated with The Water's Edge subdivision.

NOW THE COMMISSION, having considered the application and Staff's report, is of the opinion and finds that an amendment of the Company's certificate pursuant to Virginia Code § 56-265.3(D) is in the public interest. The Company is not proposing to change its current rates and charges except for the minimum service charge to The Water's Edge customers and no customer has asserted that the rates are unreasonable.

In our judgment, the higher minimum charge to customers in The Water's Edge subdivision appears reasonable due to an increased cost of service for that subdivision. Accordingly,

IT IS ORDERED:

(1) That Waterfront Water Works Inc.'s Certificate No. W-258 shall be amended to include providing water service to The Water's Edge subdivision;

(2) That Company's proposed tariff be, and hereby is, approved; and

(3) That there being nothing further to be done, this case shall be dismissed from the Commission's docket of active cases.

CASE NO. PUE910015
JULY 22, 1991

PETITION OF
NORTHERN VIRGINIA NATURAL GAS, A DIVISION OF WASHINGTON GAS LIGHT COMPANY

For injunctive relief

DISMISSAL ORDER

On February 26, 1991, Northern Virginia Natural Gas, a Division of Washington Gas Light Company ("NVNG") filed a petition for injunctive relief against Virginia Electric and Power Company ("Virginia Power"). In that petition NVNG alleged that a new cooperative advertising program instituted by Virginia Power was contrary to the Commission's policy prohibiting promotional allowances as adopted in Commonwealth of Virginia, at the relation of the State Corporation Commission v. Appalachian Power Company, et al., 1970 S.C.C. Ann. Rept. 136.

On July 1, 1991, NVNG and Virginia Power filed a joint motion with the Commission. Therein they requested the proceeding be dismissed in its entirety without prejudice. In support of the motion, NVNG and Virginia Power also filed a stipulation which recognized that the Commission had initiated an investigation into conservation and load management programs by an order dated January 7, 1991 which established Commonwealth of Virginia, at the relation of the State Corporation Commission, Ex Parte: In re, Investigation of Conservation and Load Management Programs, Case No. PUE900070. They stated that the Commission's pending investigation may lead to a change in the standards by which promotional allowances and cooperative advertising are regulated. The parties further stated that on April 12, 1991, they attended a settlement conference with the Commission's Staff at which Staff urged the parties to undertake negotiations for the purpose of seeking a resolution to this matter pending the conservation and load management investigation. In response, the parties agreed to modify their cooperative advertising programs until such time as the Commission enters a final order in Case No. PUE900070 or December 31, 1991, whichever occurs first.

NOW, UPON CONSIDERATION of the joint motion, the Commission is of the opinion and finds that this matter should be dismissed in its entirety without prejudice. The parties are advised, however, that although the terms and conditions of their modified cooperative advertising programs have been outlined in the stipulation attached to the joint motion, any expenses associated with those advertising programs are subject to review in their respective rate cases. Accordingly,

IT IS ORDERED that the joint motion be, and hereby is, GRANTED. This case is dismissed without prejudice and the papers shall be placed in the file for ended causes.

CASE NO. PUE910016
MARCH 29, 1991

APPLICATION OF
THE POTOMAC EDISON COMPANY

To revise its cogeneration tariff

ORDER ESTABLISHING 1991/92 COGENERATION RATE

On February 4, 1991, the Potomac Edison Company ("Potomac Edisor or "Company") filed with the Commission an application, written testimony and exhibits to support its proposal to increase the rates to be paid for power purchased from cogeneration and small power production facilities effective April 1, 1991. The Company proposes to increase the on-peak energy rate paid to qualifying facilities with a design of 1,000 kw or less from 1.743¢ per kwh to 1.844¢ per kwh, the off-peak energy rate from 1.557¢ per kwh to 1.635¢ per kwh, and the weighted average energy rate applicable to non-time differentiated energy purchases from 1.673¢ per kwh to 1.766¢ per kwh.

By order dated March 4, 1991, the Commission established a procedural schedule for the processing of Potomac Edison's proposed revisions to its cogeneration rates. In that regard, the Commission directed the Staff to file testimony, directed Potomac Edison to publish notice, and provided an opportunity for a hearing upon request. No protests or requests for hearing were filed.

On March 22, 1991, the Commission's Staff filed testimony in which it took no exception to the Company's proposal. Potomac Edison filed its affidavit of notice and proof of service on March 22, 1991.

Upon consideration of the record in this case, the Commission is of the opinion and finds that the increase in the cogeneration rates is just and reasonable. Accordingly,

IT IS ORDERED:

(1) That the increase in cogeneration rates be, and the same is hereby, approved effective for the billing month of April, 1990; and

(2) That this case is continued generally.

CASE NO. PUE910019
JUNE 24, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend its Certificate of Public Convenience and Necessity authorizing operation of transmission lines and facilities in the City of Richmond: Basin - Midlothian Transmission Line - Cogentrix of Richmond, Inc. 230 kV Tap Line

ORDER GRANTING APPLICATION

Before the Commission is the application of Virginia Electric and Power Company (Virginia Power or Company) to amend its certificate of public convenience and necessity for the City of Richmond. Virginia Power seeks authorization to construct and operate a double-circuit 230 kV tap line running from the Company's existing Basin-Midlothian 230 kV Transmission Line, to a qualifying cogeneration facility to be constructed by Richmond Cogentrix, Inc. adjacent to the Dupont plant in northern Chesterfield County. After the presentation of evidence at a public hearing held June 12, 1991, Hearing Examiner Howard P. Anderson, Jr., entered his Report from the bench recommending the granting of this application. After entry of Examiner Anderson's Report, Virginia Power moved for waiver of any period for filing comments on the Report. All parties in the proceeding were present, and none objected to waiver of the period for commenting. Accordingly, Examiner Anderson granted the Company's motion.

In his Report, Examiner found that Richmond Cogentrix, Inc. is a qualifying cogeneration facility which has contracted with Virginia Power to provide electricity. Consequently, there is a need for these facilities which will interconnect Richmond Cogentrix with Virginia Power's system.

The Examiner then noted that public notice of this application included a proposed and an alternate route. Prior to the hearing, Virginia Power and the parties reached agreement that the alternate route would have less impact on affected property. The Company amended its application to propose certification of the alternate route. Upon consideration of the record, Examiner Anderson agreed that the alternate route would have less impact. He also found that there were no existing transmission line corridors that could be used for the necessary tap and that the proposed route was in an existing industrial area. Based on these findings, Examiner Anderson recommend that the Commission grant the amended application and issue a certificate of public convenience and necessity for the alternate route.

UPON CONSIDERATION of the record and Examiner Anderson's Report, the Commission finds that the application should be granted and that the appropriate certificate of public convenience and necessity for the alternate route be issued upon the filing of a revised map. Accordingly,

IT IS ORDERED:

(1) That, pursuant to §§ 56-46.1 and 56-265.2 of the Code, this application of Virginia Power, as amended, be granted;

(2) That, upon issuance of the appropriate certificate of public convenience and necessity, Virginia Power be authorized to construct and to operate a 230 kV tap line from the Basin-Midlothian 230 kV Transmission Line to the Richmond Cogentrix, Inc. qualifying cogeneration facility along the route approved by this order;

(3) That, forthwith upon receipt of this order, Virginia Power shall file a map showing the revisions in routing as approved above, so that an appropriate certificate of public convenience and necessity may be promptly issued.

CASE NO. PUE910019
JULY 23, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend certificate of public convenience and necessity, No. ET-73s, authorizing the construction of a double circuit 230 kV line in the City of Richmond: Basin-Midlothian-Cogentrix 230 kV Tap Line

ORDER ISSUING CERTIFICATE

By Order of June 24, 1991, entered in this case, the Commission approved, pursuant to § 56-46.1 and § 56-265.2 of the Code of Virginia, the amended application of the Virginia Electric and Power Company to construct in the City of Richmond a 230 kV double circuit tap line from the existing Basin-Midlothian 230 kV Transmission Line, to a qualifying cogeneration facility to be constructed by Richmond Cogentrix, Inc. adjacent to the Dupont Plant.

In addition, the Commission ordered that an amended certificate of convenience and necessity be issued forthwith upon the filing by the Company of a map showing the revision in the route as approved in that order. On July 11, 1991, the Company filed a detail map showing the approved route. Accordingly,

IT IS ORDERED:

(1) That an amended Certificate of Public Convenience and Necessity be issued to Virginia Electric and Power Company as follows:

Certificate No. ET-73t, for Chesterfield County, authorizing Virginia Electric and Power Company to operate presently certificated transmission lines and generating facilities and to construct and operate the proposed double circuit transmission tap line in the City of Richmond; all as shown on the map attached hereto; Certificate No. ET-73t, will supersede Certificate No. ET-73s, issued on June 20, 1991.

(2) That this case be dismissed from the docket of active proceedings and the papers herein be placed in the files for ended cases.

CASE NO. PUE910025
JUNE 27, 1991

APPLICATION OF
UNITED CITIES GAS COMPANY

For its 1990 Annual Informational Filing

ORDER DIRECTING COMPANY TO REDUCE RATES

On April 2, 1991, United Cities Gas Company ("United" or "the Company") delivered its annual informational filing ("AIF") to the State Corporation Commission ("Commission"). On May 14, 1991, the Company completed its AIF. This filing indicated that the Company was overearning. As suggested in the Staff's Report filed in United's last AIF, Case No. PUE900020, the Company filed supplemental information to justify its overearnings position.

On June 25, 1991, the Commission's Staff filed its audit report in the captioned matter. The Staff Report noted that Staff had several discussions with the Company concerning its AIF. Following these discussions, Staff and the Company agreed that the following supplemental adjustments could be considered in the context of this AIF: One year's amortization expense for the compete/noncompete agreement associated with United's acquisition of a Kansas utility; recalculation of cash working capital using 1/12 of operations and maintenance expense; the loss of revenues associated with Wolverine Gasket Company's migration from one rate schedule to another; an adjustment to recognize new plant additions through July 1, 1991; and the use of a proforma capital structure at June 30, 1991, instead of the capital structure at December 31, 1990. The Staff observed that if the foregoing adjustments were considered, the Company was earning 12.31% on its rate base and a 15.72% return on equity. The Staff concluded that the Company would have to reduce its gross operating revenue by $261,270 in order to earn its authorized return on equity of 13%. Staff noted that while it was willing to accept these adjustments as part of this filing, it reserved the right to re-examine these adjustments in any subsequent case. The Staff requested that the Commission direct the Company to reduce its operating revenues by $261,270, and asked the Commission to require the Company to use only the accounting adjustments, capital structure methodology, and cost of equity approved in United's most recent general rate case if it files a subsequent AIF or expedited rate application. The Staff also recommended that if the Company's rates were reduced, this reduction be uniformly distributed over all volumetric rates, based on total normalized sales of 63,618,726 Ccf.

On June 26, 1991, United filed an Offer of Settlement with the Commission. In this document, the Company offered to reduce its gross annual operating revenues by $261,270. The Company agreed that the ratemaking adjustments identified in the Staff's Report would not be precedential in subsequent AIFs or rate increase applications filed by the Company.

NOW, UPON CONSIDERATION of the Company's AIF, the June 25, 1991 Staff Report, and the June 26, 1991 Offer of Settlement, the Commission is of the opinion and finds that the Staff's recommendations and the Company's Offer of Settlement are reasonable and should be accepted.

Specifically, the Commission finds:

(1) That the twelve months ending December 31, 1990 ("test period") is an appropriate test year;

(2) That the Staff's accounting adjustments are reasonable;

(3) That, if United files a subsequent annual informational filing or expedited rate application, the Company should use the accounting adjustments, capital structure methodology, and cost of equity accepted in the March 29, 1990 Final Order, entered in Application of United Cities Gas Company, To revise its tariffs, Case No. PUE890053;

(4) That the Company's total revenues, after adjustments, were $32,530,378 for the test period;

(5) That United's total operating revenue deductions, after adjustments, were $30,546,520 for the test period;

(6) That United's net operating income, after adjustments, and adjusted operating income, were $1,983,858 and $1,954,795 respectively, for the test period;

(7) That the Company's total rate base, after adjustments, was $15,873,424 for the test period;

(8) That the Company earned a 12.31% rate of return on its rate base and an 15.72% return on its common equity for the test period;

(9) That the Company's overall cost of capital is 11.26%, and its return on equity is within the range of 12.5% to 13.5%;

(10) That the midpoint of the return on equity range of 13%, should be used to establish the Company's revenue requirement for this proceeding;

(11) That the Company should reduce its gross annual operating revenues by $261,270 in order to have the opportunity to earn an 11.26% return on rate base and a 13.00% return on equity; and

(12) That the reduction authorized herein should be uniformly distributed over all volumetric rates, based on total normalized sales of 63,618,726 Ccf, effective for bills rendered on and after July 1, 1991.

Accordingly, IT IS ORDERED:

(1) That, consistent with the findings made herein, United shall file forthwith revised tariff revisions designed to reduce its gross annual operating revenues by $261,270;

(2) That the rate reduction authorized herein shall be uniformly distributed over all volumetric rates, based on total normalized sales of 63,618,276 Ccf, effective for bills rendered on and after July 1, 1991; and

(3) That this matter shall be dismissed from the Commission's docket of active proceedings, and the papers filed herein made a part of the Commission's files for ended causes.

CASE NO. PUE910030
NOVEMBER 7, 1991

APPLICATION OF
COMMUNITY ELECTRIC COOPERATIVE

For an expedited increase in rates

FINAL ORDER

On May 6, 1991, Community Electric Cooperative ("Community" or "the Cooperative") filed an application with the State Corporation Commission ("Commission") for increased rates under the rules adopted by the Commission governing expedited rate relief for electric cooperatives. In its application, Community requested an increase of approximately $540,000 in additional gross annual revenues to produce a Times Interest Earned Ratio ("TIER") of 2.31, and requested authorization to make Riders N, O, P, Q, and R permanent. These riders have a net value of $0.00068 per kilowatt hour, or $74,429 based on test year sales. The Cooperative filed financial and operational data for the twelve months ending January 31, 1991, in support of its application. It proposed to make its rate revisions effective on May 10, 1991, and published notice of its application in the May 1, 1991 edition of Rural Living Magazine prior to the effective date of its tariff provisions. Copies of the Cooperative's published notice were provided to local officials and the Office of the Attorney General. No comments or requests for hearing were received in response to the Cooperative's rate application.

On September 5, 1991, the Staff filed its Report in the captioned matter. The Staff concluded that during the test period, the Cooperative's TIER after Staff adjustments was 1.61 and its TIER excluding noncash capital credits ("modified TIER") was 1.42. It determined that after the proposed rate increase, the Cooperative's modified TIER was 2.34 and recommended that the Cooperative's requested increase in rates be granted. It appears that a modified TIER was used to establish Community's rates in its last general rate case, Case No. PUE860036.

As to rate design, the Staff noted that the Cooperative did not increase its Outdoor Lighting Schedule rates in its last general rate application, but did increase the rates to this class in this case by $7,373. Staff noted that this increase, while not consistent with the rate pricing in the last case, is consistent with recent Commission decisions relating to allocations of additional revenue to all classes of service when the need for increased revenue resulted from increased rate base and operating costs.

Staff further reported that the Cooperative increased its demand charge to the Large Power Class to offset reductions in the facilities and energy charges of the Large Power Schedule. It advised that the Cooperative represented that it had made this change in response to the change in the number and nature of itsLarge Power customers. Staff noted there was no evidence or cost of service and load study to support this position. Staff stated that even if the Cooperative's representation regarding the customer mix and usage patterns for the Large Power Schedule was correct, a conservative approach to the rate structure for this class was appropriate since there is no current cost of service study indicating where pricing should be revised. Staff recommended a pricing alternative for the Large Power class which would apply the same percentage increase to both the demand and energy prices. Staff noted that its proposed percentage increase was in line with that applied to Community's consumers on the Cooperative's other retail schedules and spread the impact of the increase equally to all consumers. Staff's proposed rate alternatives are set out in Attachment RMH-1 to the Staff's Report. Staff also recommended that Community file a cost of service study with its next general rate filing and roll-in its SEPA Capacity Rider at that time. Staff noted that the Cooperative's tariff proposals for its Residential, Commercial, Church and Outdoor Lighting Schedules were appropriate and that all permanent rates filed in this proceeding should reflect Staff's adjustments for unbilled sales revenue and customer growth.

On September 19, 1991, the Cooperative advised Staff counsel that it did not intend to request a hearing in the matter and that it intended to file appropriate proof of notice and request that the rates as filed be made permanent.

On October 21, 1991, the Cooperative filed proof of compliance with the Commission's publication requirements set out in the Commission's Rules for Rate Increase for Electric Cooperatives adopted in Commonwealth of Virginia, At the relation of the State Corporation Commission, Ex Parte: In the matter of amending rules for expedited rate increases for electric cooperatives and requiring cooperatives to file certain schedules for general rate cases, Case No. PUE840052, 1985 S.C.C. Ann. Rept. 430. On the same day, the Cooperative, by counsel, filed a petition asking that its rate increase be made permanent.

NOW THE COMMISSION, having considered the papers filed herein, the application, the Staff Report, and the applicable statutes, is of the opinion and finds:

(1) That this matter is hereby docketed and assigned Case No. PUE910030;

(2) That the twelve months ended January 31, 1991 is a reasonable test period for this case;

(3) That the Staff's accounting adjustments are just and reasonable and supported by the record;

(4) That Community's adjusted operating revenues for the test period were $9,148,789;

(5) That Community's adjusted operating revenue deductions for the test period were $8,345,167;

(6) That the Cooperative's operating margins and total margins, after all adjustments, for the test period were $803,622 and $345,610 respectively;

(7) That the Cooperative's rate base after all adjustments for the test period was $14,202,801;

(8) That during the test period, the Cooperative earned a 5.33% return on rate base, a 1.61 actual TIER and a 1.42 modified TIER;

(9) That, consistent with the Cooperative's last general rate case, a modified TIER is appropriate to establish the revenue requirement in this proceeding;

(10) That the Cooperative requires $537,671 in additional gross annual revenues in order to have an opportunity to earn a modified TIER of 2.34;

(11) That an increase of $537,671, which includes the roll-in of Riders N, O, P, Q, and R, in additional gross annual revenues is supported by the record and will result in rates which are just and reasonable;

(12) That the Staff's alternative rate proposals set out in Attachment RMH-1, as further modified to reflect the effects of the Staff's accounting adjustments accepted herein, are just and reasonable and supported by the record; and

(13) That the Cooperative should file a cost of service study as part of its next general rate application and should request authorization to roll-in its SEPA Capacity Rider in anysubsequent general rate case.

Accordingly, IT IS ORDERED:

(1) Tl t, consistent with the findings made herein on or before November 29, 1991, the Cooperative shall file with the Division of Energy Regulation revised tariffs, effective for service rendered on and after May 10, 1991, consistent with the rates shown in Attachment RMH-1, as further adjusted to reflect the effect of Staff's accounting adjustments, designed to produce $537,671 in additional gross annual revenues;

(2) That the Cooperative is hereby authorized to make Riders N, O, P, Q, and R permanent;

(3) That the Cooperative shall file a cost of service study with its next general rate case and shall request authority to make their SEPA capacity rider permanent in that case; and

(4) That there being nothing further to be done, the same is hereby dismissed from the Commission's docket of active proceedings, and the papers filed herein shall be made a part of the Commission's file for ended causes.

CASE NO. PUE910032
JUNE 26, 1991

APPLICATION OF
DELMARVA POWER AND LIGHT COMPANY

To revise its fuel factor and cogeneration tariff pursuant to Code § 56-249.6 and PURPA § 210

ORDER ESTABLISHING 1991/92 FUEL FACTOR AND COGENERATION TARIFF

On May 17, 1991, Delmarva Power and Light Company ("Delmarva" or "the Company") filed with the Commission an application with testimony, exhibits, and proposed tariffs intended to decrease its zero-based fuel factor from 2.242¢/kWh to 2.169¢/kWh effective with the July 1991 billing cycle. The Company also filed written testimony and exhibits to support its proposal to revise the rates to be paid for power purchased from cogeneration and small power production facilities. The Company proposed to decrease the monthly customer charge and to decrease the energy purchase rates. It also proposed modifications to its metering charges, decreasing three such charges and increasing the rest.

By order dated June 7, 1991, the Commission established a procedural schedule and set a hearing date of June 26, 1991. Pursuant to that order, the Commission's Staff investigated the reasonableness of Delmarva's estimated fuel expenses and proposed fuel factor and cogeneration rates and filed its report June 21, 1991.

In that report, the Staff used more current data and calculated a fuel factor of 2.154¢/kWh. Staff reviewed the Company's proposals for cogeneration and small power production, Service Classification "X", and determined that the proposed rates complied with the methodology approved by the Commission in Case No. PUE890024. The Company took no exception to Staff's Report and filed no rebuttal testimony.

The hearing in this case was held June 26, 1991. No protests have been filed and no public witnesses appeared at the hearing. The Company tendered its proof of notice as Exhibit A. Company and Staff stipulated that the Company's application and exhibits and the Staff Report could be admitted into the record without the need for cross-examination.

Upon consideration of the record, the Commission is of the opinion and finds that a zero-based fuel factor of 2.154¢/kWh is just and reasonable and should be approved. The Commission further finds that the Company's proposed changes to its Service Classification "X". Cogeneration and Small Power Production are reasonable and should be approved. Accordingly,

IT IS THEREFORE ORDERED:

(1) That a zero-based fuel factor of 2.154¢/kWh is hereby approved effective for the billing month of July, 1991.

(2) That the proposed changes to Service Classification "X" Cogeneration and Small Power Production are hereby approved for services rendered on and after June 28, 1991; and

(3) That this case is continued generally.

CASE NO. PUE910036
JULY 31, 1991

APPLICATION OF
APPALACHIAN POWER COMPANY

To revise its fuel factor and cogeneration tariff pursuant to Code § 56-249.6 and PURPA § 210

ORDER ESTABLISHING 1991/92
FUEL FACTOR AND COGENERATION TARIFF

On June 19, 1991, Appalachian Power Company ("APCO" or "Company") filed with the Commission the Company's written testimony, exhibits and proposed tariffs intended to increase its zero-based fuel factor from 1.543¢ per kWh to 1.588¢ per kWh, effective August 1, 1991. The proposed fuel factor is based on a current period fuel factor of 1.569¢ per kWh and a correction factor of negative .021¢ per kWh. Application of a gross receipts tax factor yields the total fuel factor of 1.588¢ per kWh.

In this proceeding, APCO also proposed revision of its Schedule COGEN/SPP, applicable to cogeneration and small power production. Therein the Company requested an increase in its monthly metering charges and a decrease in its energy and capacity purchase rates. APCO also proposed to shorten the duration of its on-peak hours from 15 hours to 14 hours during weekdays.

By order dated June 27, 1991, the Commission established a procedural schedule and set a hearing date for this matter. In that regard, the Commission directed its Staff to file testimony. One protest was filed by the Old Dominion Committee for Fair Utility Rates and a resolution expressing favorable comment was filed by the Board of Supervisors for Campbell County, Virginia.

On July 19, 1991, the Commission Staff filed a Report in which it found that the level of fuel expenses as projected by APCO for the twelve months beginning August 1, 1991, was reasonable and, therefore, supported the proposed fuel factor increase. Staff also supported the Company's proposed change in monthly metering charges, as well as energy and capacity purchase rates. With respect to APCO's proposed change

in its on-peak hours, Staff noted that this proposal is consistent with the duration of on-peak hours approved by the Commission in APCO's previous retail case (Case No. PUE900026).

The hearing in this case was held on July 29, 1991. At the hearing the Company tendered its proof of notice, and the Company's exhibits and the Staff Report were admitted into the record without the need for cross-examination.

Upon consideration of the record in this case, the Commission is of the opinion and finds that a zero-based fuel factor of 1.588¢ per kWh and APCO's proposed cogeneration rates are just and reasonable and should be approved. The Commission further finds that the Company's on-peak hours during weekdays should be shortened from 15 hours to 14 hours. Accordingly,

IT IS THEREFORE ORDERED:

(1) That a zero-based fuel factor of 1.588¢ per kWh be, and it hereby is approved effective with the billing month of August, 1991;

(2) That the duration of APCO's on-peak hours during weekdays be, and it hereby is, shortened from 15 hours to 14 hours;

(3) That the proposed increase in cogeneration monthly metering charges and decrease in energy and capacity purchase rates be, and they hereby are, approved effective August 1, 1991; and

(4) That this case is continued generally.

CASE NO. PUE910037
JULY 12, 1991

APPLICATION OF
SHENANDOAH GAS COMPANY

For an expedited increase in gas rates

PRELIMINARY ORDER

On June 21, 1991, Shenandoah Gas Company ("Shenandoah" or "the Company") filed an application for expedited rate relief, supporting testimony, and exhibits with the State Corporation Commission ("the Commission"). The Company's application states that its proposed rates are designed to produce gross annual operating revenues of $514,684, representing an increase in additional operating revenues of 4.35%. In addition, Shenandoah has proposed to increase its reconnection fee, increase its dishonored check charge and to clarify its tariffs to state that the adjustment of appliance burners, controls and pilots will be provided without charge, except charges of $5.00 and $10.00, respectively will be assessed for turning off and relighting pilot lights.

In its application, Shenandoah relies upon the financial data for the twelve months ended March 31, 1991, it has filed with its application to demonstrate that it has a deficiency in revenues of $514,684. Under Section II of the Commission's Rules Governing Rate Increase Applications and Annual Informational Filings ("Rules"), the Company has requested an expedited increase in its rates, with the schedules of rates and terms and conditions filed therein to go into effect, subject to refund, for service rendered on and after July 21, 1991.

On July 1, 1991, Shenandoah filed a Motion with the Commission, requesting a waiver of Rule II(3) of the Commission's Rules. Rule II(3) requires a utility seeking an expedited increase in rates to design its rates in a manner consistent with the Commission's order in its most recent general rate case. Shenandoah has requested this waiver in order to propose changes in its reconnection charge and dishonored check charge and to impose new charges for turning off and relighting pilot lights. In support of its Motion, the Company states that the proposed new charges for turning off and relighting pilot lights are consistent with the charges for such services rendered by Shenandoah's parent company, Washington Gas Light Company. It asserts that the total revenue impact of the proposed new and increased miscellaneous charges is less than $4,000 or less than one percent of the proposed overall increase. It argues that the impact of such new and increased charges on Shenandoah's overall rate design is de minimis.

NOW, HAVING CONSIDERED Shenandoah's application, and having been advised by its Staff, the Commission finds that, based on the application, supporting testimony, and exhibits there is a reasonable probability that the requested increase will be justified upon full investigation and hearing, as required by Virginia Code § 56-240; that Shenandoah should be allowed to implement its proposed rates on an interim basis, subject to refund with interest; that Shenandoah's July 1 Motion for Waiver should be granted to allow consideration of the issues identified in the Motion within the context of this expedited rate application; and that this matter should be docketed.

Accordingly, IT IS ORDERED:

(1) That this matter shall be docketed and assigned Case No. PUE910037;

(2) That an interim increase in rates designed to produce gross annual revenues of $514,684 shall be applied for service rendered on and after July 21, 1991, and that such interim increase in rates shall remain subject to refund with interest until such time as the Commission has determined this case;

(3) That Shenandoah's July 1 Motion requesting a waiver of Rule II(3) is granted and the issues identified in that Motion may be considered in this proceeding; and

(4) That this matter is hereby continued until further order of the Commission.

CASE NO. PUE910039
OCTOBER 18, 1991

APPLICATION OF
UNITED CITIES GAS COMPANY

To revise its tariffs

FINAL ORDER

On July 1, 1991, United Cities Gas Company ("United" or "the Company") filed an application with the State Corporation Commission to revise its tariffs. In its application, United proposed to initiate a penalty for failure of Schedule 640 - Industrial Firm and Optional Gas Service and Schedule 650 - Optional Gas Service customers to interrupt gas service after notice to interrupt or curtail is given by the Company. The proposed penalty would consist of $1.50 per Ccf for volumes of natural gas taken at any time in excess of the amounts stipulated by the Company in the curtailment notice as being available to a customer served under these schedules.

Further, the Company proposed to revise Rate Schedule 640 to impose the following additional penalty for failure to interrupt after notice: the monthly demand charge times the higher of (a) the current firm daily demand level set forth in the contract between the customer and the Company or (b) the amount of gas taken by the customer when curtailed by the Company ("demand ratchet") for twelve months. If during the ensuing eleven months, the customer did not exceed (a) the firm daily demand level set forth in the contract between the customer and the Company, United proposed that the customer be billed the monthly demand charge times the daily demand level set forth in the contract until the customer's daily usage exceeded the daily demand level.

In supplemental information filed on July 3, 1991, United, by counsel, advised that any revenue produced by imposition of the proposed penalty provisions for failure to interrupt would be credited through the Company's Purchased Gas Adjustment ("PGA") clause for the benefit of all of United's customers.

On July 10, 1991, United filed documents amending its application with the Commission. These amendments proposed several revisions to Schedule 660 - Firm Transportation Service and Schedule 665 - Interruptible Transportation Service. The Company proposed to revise Schedule 660 - Firm Transportation to allow the recovery of demand charges as set forth in Schedule 640. The demand charge set forth in Schedule 640 included take-or-pay liability approved by the Commission in its July 2, 1991 Order Granting Waiver and Requiring Reports entered in Petition of United Cities Gas Company, For a waiver of the Commission's Policy Statement, Case No. PUE910031. United proposed this revision in order to assure that firm customers switching to transportation service did not improperly avoid (a) the payment of demand charges that have been contracted for by United in reliance upon the customer's firm status or (b) their proportionate share of take-or-pay liability.

Finally, United proposed to amend the notification requirement in Schedules 60 and 665 to require customers subject to these Schedules to provide the Company with 10 working days notice of the volumes to be transported by these customers during the following month. Previously, Schedules 660 and 665 required that only 5 days notice be given. The Company proposed to mail notice to each customer affected by its proposed tariff revisions.

On July 19, 1991, the Commission issued its Order for Notice and Inviting Comments. In its Order, the Commission docketed the application; permitted the Company's proposed tariff revisions to take effect on an interim basis, subject to refund, for service rendered on and after July 19, 1991; directed United to file with the Commission direct testimony and exhibits in support of its application; invited interested persons to file comments or requests for hearing on United's application on or before September 6, 1991; directed United to mail the public notice prescribed in the Order to all customers or potential customers who might be affected by the proposed tariff revisions; and directed the Commission's Staff to file a copy of a Report analyzing the reasonableness of the Company's proposals. The Commission Order advised that in the absence of a request for hearing, the Commission might act on the papers filed in the proceeding without convening an ore tenus hearing.

On August 7, 1991, the Company prefiled the direct testimony of Patricia D. Jackson in support of its application. Ms. Jackson explained in her testimony that United's application was necessitated by East Tennessee Natural Gas Company ("ETN"), the Company's sole interstate gas pipeline supplier, opening its system for transportation service effective July 1, 1991. As a result of ETN's opening its system to offer transportation, customers purchasing gas from United have the opportunity to purchase gas from a marketer, broker, or a producer and to request United to provide transportation service. Ms. Jackson asserted that United's tariffs had to be modified to assure that any firm customer that switched from sales to transportation service did not avoid payment of demand charges that had been contracted for by the Company in reliance upon the customer's firm status or his proportionate share of take-or-pay liability. She noted that any penalty collected under the revisions to Rate Schedules 640 and 650 would be credited to the Company's PGA rider. She asserted that the proposed charges would ensure that nontransporting ratepayers would not absorb any additional gas costs or additional take-or-pay costs as a result of customers switching to transportation.

On August 27, 1991, United filed its proof of compliance with the notice requirements found in the Commission's July 19, 1991 Order for Notice and Inviting Comments.

On September 5, 1991, Magnox Pulaski, Incorporated ("Magnox"), a customer receiving service from United under Rate Schedule 640, filed comments with the Commission regarding United's application. In its comments, Magnox noted that there was no clear distinction made in Rate Schedule 640 between a curtailment and an interruption. Magnox also took issue with the Company's proposal to implement a demand ratchet under which customers failing to discontinue use of gas after notice of interruption by the Company would be billed the monthly demand charge times the higher of (a) the current firm daily demand level set forth in the contract between the customer and the Company or (b) the amount of gas taken by the customer when curtailed by the Company. Magnox did not request a hearing but did request denial of the application until the wording of the Schedule was corrected to clearly convey the Company's intentions.

On September 5, 1991, United, by counsel, filed a response to Magnox. Counsel's letter noted that an interruption constituted "low priority service offered to customers under schedules or contracts which anticipate and permit interruption on short notice, generally in peak

seasons, by reason of the claim of firm service customers and high priority users." United's counsel explained that to the extent Magnox or any customer served under Schedule 640 used gas in excess of its firm demand, United could interrupt that service and require a customer to limit its usage to its firm demand level. Counsel further explained that curtailment occurs when the firm demand of all customers exceed, in the aggregate, the gas available to United. United advised that the penalties for either an interruption or curtailment of service were identical.

On September 17, 1991, United advised the Commission by letter that it intended to withdraw the ratchet penalty set out in Rate Schedule 640 and to retain a penalty of $1.50 per Ccf. On September 25, 1991, United, by counsel, further advised counsel for the Commission's Staff that United had not made any charges under the demand ratchet portion of Rate Schedule 640 which had been withdrawn and therefore, no refunds were due under this portion of that rate schedule.

On September 25, 1991, the Staff filed its Report in the captioned matter. Staff supported United's application, as supplemented and amended, as well as its proposal to withdraw the ratchet penalty proposed for Schedule 640. The Staff's Report noted that the proposed $1.50 per Ccf overrun penalty was equal to the unauthorized overrun rate of ETN, United's interstate pipeline supplier. It stated that this penalty would provide a sufficient price incentive for customers to interrupt upon notice and bore a cost relationship to the demand cost differential between firm and interruptible service. Staff also noted that since the cost for gas purchases are generally collected through the Company's PGA clause, it was appropriate to flow overrun penalties through the PGA as credits to demand gas costs.

Staff supported the change in the advance notice United's customers must provide regarding the volume and rate of delivery of customer-owned gas. It stated that ETN required seven days notice from its customers regarding the volume and rate of delivery of gas, and, in turn, United required ten days notice to meet ETN's deadline. Review of the transportation tariffs of other Virginia jurisdictional local distribution companies indicated that ten days was typical of the advance notice required for transportation service.

The Staff further noted that United's proposal to require customers served under Schedule 660 to contract for Standby Service was appropriate and effectively unbundled Standby Service. Staff noted that an alternative transportation service was available without mandatory Standby Service under Schedule 665 - Interruptible Transportation Service.

NOW THE COMMISSION, upon consideration of the applicable statutes, Company's amended application and supporting testimony, the Staff's Report, and Magnox's comments, is of the opinion and finds that this application should be determined on the papers filed herein: that United should be permitted to withdraw the demand ratchet penalty found in Schedule 640 - Industrial Firm and Optional Gas Service; that based upon representation of counsel, no refund is necessary under the portions of Schedule 640 - Industrial Firm and Optional Gas Service which have been withdrawn; and that with the exception of the withdrawn demand ratchet provisions, United's proposed tariff revisions which became effective on an interim basis on July 19, 1991, appear reasonable and should be made permanent. Accordingly,

IT IS ORDERED:

(1) That United shall withdraw the demand ratchet penalty found in Schedule 640 - Industrial Firm and Optional Gas Service;

(2) That, with the exception of the demand ratchet penalty which has been withdrawn, the tariff revisions found in the Company's amended application which became effective on an interim basis on July 19, 1991, shall be made permanent. On or before October 30, 1991, United shall file appropriate permanent tariff sheets with the Commission's Division of Energy Regulation reflecting the revisions approved herein; and

(3) That there being nothing further to be done herein, the papers filed in this proceeding shall be made a part of the Commission's file for ended causes, and this case shall be dismissed and removed from the Commission's docket of active proceedings.

CASE NO. PUE910040
SEPTEMBER 9, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend its Certificate of Public Convenience and Necessity authorizing operation of transmission lines and facilities in the Town of West Point, King William County: Lanexa-Harmony Village Transmission Line - Papermill Substation 230 kV Tap Line and Papermill Substation

ORDER GRANTING AMENDED CERTIFICATE

Before the Commission is Virginia Electric and Power Company's (Virginia Power's or Company's) application to amend its certificate of public convenience and necessity for the Town of West Point, King William County to authorize the construction and operation of a 230 kV tap line from the existing Lanexa-Harmony Village 230 kV Transmission Line to the Chesapeake Paper Products Corporation plant. Virginia Power also proposes to construct a new Papermill 230/13.2 kV Substation to replace existing facilities at the Chesapeake Paper Products Corporation plant. All proposed facilities will lie within the Town of West Point.

By order of July 19, 1991, the Commission docketed this application pursuant to Title 56 of the Code of Virginia and directed Virginia Power to give notice. On July 25 and August 13, 1991, the Company filed affidavits of service of copies of our order and proof of newspaper publication of notice. Accordingly, we find that appropriate notice of this application was given as required by §§ 56-46.1 and 56-265.2 of the Code of Virginia.

In response to the public notice, the Commission received no requests for a hearing on the application. A copy of a letter from John R. Davy, Jr., Planning Bureau Manager, Department of Conservation and Recreation, to Allen Todd, Director, Engineering Services, Virginia Power, was filed with the Commission. In his letter, Mr. Davy discussed erosion and sediment control measures applicable to construction of the proposed

line. Mr. Davy also stated that the Department of Conservation and Recreation foresaw no impact on natural heritage, open space, or recreation resources. Since no interested person requested a public hearing and no material issue of fact has been raised, the Commission finds it may consider and act upon this application without formal or informal hearing.

According to Virginia Power's application, the proposed tap line would enable the Company to meet expected demand from the Chesapeake Paper Products Corporation plant and to relieve overloading on the 115 kV transmission line serving West Point. The Company's application included load information and load projections supporting the need for the proposed tap line and substation. Included in the application was a copy of a resolution passed by the West Point Town Council on January 28, 1991, supporting the proposed projects.

Virginia Power proposes to acquire approximately 1.07 miles of new right-of-way for the proposed tap line. This tap line would parallel existing distribution facilities along much of its route, and supporting structures for the new line would allow removal of several existing poles. The substation would be constructed at the Chesapeake Paper Products Corporation facility, and existing facilities would be removed.

Virginia Power stated in its application that it would observe appropriate environmental safeguards in constructing and maintaining the line. The Commission believes that this assurance should satisfy the concerns raised by Mr. Davy of the Department of Conservation and Recreation. The Company also stated in its application that its experience and review of published studies suggested no harmful health or safety effect caused by the proposed tap line.

After considering the application, the Commission finds that the proposed tap line and substation will serve the public convenience and necessity by providing a dependable and reliable source of power to West Point and the Chesapeake Paper Products Corporation facility. The proposed routing will have minimal impact on scenic assets and the environment of the area affected while taking advantage of existing electric distribution line and railroad corridors. We find the application should be granted. Accordingly,

IT IS ORDERED:

(1) That, pursuant to §§ 56-46.1 and 56-265.2 of the Code of Virginia, this application be granted;

(2) That Virginia Power be authorized to construct and operate a 230 kV tap line from a point on its existing Lanexa-Harmony Village 230 kV Transmission line to the Chesapeake Paper Products Corporation plant in the Town of West Point, King William County; and that the Company be authorized to construct and operate the Papermill 230/13.2 kV Substation adjacent to the Chesapeake Paper Products Corporation plant;

(3) That Virginia Power be issued amended certificates of public convenience and necessity as follows:

> (a) Certificate No. ET-89e, for King William County, authorizing Virginia Electric and Power Company to operate presently certificated transmission lines and facilities, and to construct and operate the proposed single circuit tap line and substation in the Town of West Point; all as shown on the map attached hereto; Certificate No. ET-89e, will supersede Certificate No. 89d, issued on December 8, 1977; and
>
> (b) Certificate No. ET-153, for King and Queen County, authorizing Virginia Electric and Power Company to operate presently certificated transmission lines and facilities; all as shown on the map attached hereto, Certificate No. ET-153, will supersede Certificate No. ET-89d, issued on December 8, 1977.

(4) That this case be dismissed from the docket of active proceedings and the papers herein be placed in the files for ended cases.

CASE NO. PUE910042
JULY 26, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
ROBERT S. KOLIN, et al.
v.
LAND'OR UTILITY COMPANY

PRELIMINARY ORDER

Land'or Utility Company, Inc. ("Land'or" or "Company") is a certificated company that currently provides water or sewer service to approximately 2200 customers in Caroline County, Virginia. These customers are located in areas known as Lake Land'or, Bridlewoods, Countryside Apartments and Shangrollet.

By notice dated May 15, 1991, the Company advised its customers pursuant to the Small Water or Sewer Public Utility Act of its intent to change its tariff effective for service rendered on and after July 1, 1991. The revised tariff included an increase in Company's water and sewer usage rate per 1,000 gallons. In addition, the Company intended to add additional charges and fees to Company's tariff.

In a letter dated July 13, 1991, petitioner Robert S. Kolin advised the Commission Staff of Lake Land'or property owners' intent to protest the Company's proposed rate increase and request a hearing on the matter. On July 15, 1991, a number of Land'or customers delivered a petition to the State Corporation Commission objecting to Company's proposed increase in its water and sewer usage charges. Subsequently, Mr. Clay P. Herron, president of the Company, advised the Commission Staff in a letter dated July 18, 1991, that he waived the requisite signature requirement of Virginia Code § 56-265.13:6, and he requested a review of Company's increase.

NOW THE COMMISSION, having considered both customers' petition and Company's request, is of the opinion and finds that this matter should be docketed and a proceeding initiated pursuant to Virginia Code § 56-265.13:6. The Commission is of the further opinion that Company's proposed increase in rates should be declared interim and subject to refund with interest. Accordingly,

IT IS ORDERED:

(1) That this matter is hereby docketed and assigned Case No. PUE910042; and

(2) That the increase in Company's tariff shall be declared interim and subject to refund, with interest, for bills rendered on and after August 1, 1991, until such time as the Commission has determined this case.

CASE NO. PUE910047
AUGUST 29, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For an expedited increase in rates

ORDER AUTHORIZING INTERIM RATES AND PRESCRIBING NOTICE AND HEARING

On August 1, 1991, Virginia Electric and Power Company ("Virginia Power" or the "Company") filed an application, supporting testimony and exhibits seeking an increase in its electric rates. The proposed rates are designed to produce additional annual operating revenue of $183,946,000. The test year supporting the application is the 12 months ending December 31, 1990. Virginia Power has requested the proposed increase go into effect on September 1, 1991, subject to refund pending a final decision in this case.

On August 20, 1991, Jean Ann Fox filed a motion requesting the Commission to convert this proceeding to a general rate investigation and to suspend the Company's proposed rates pending such investigation. In support of her motion, Ms. Fox stated that Virginia Power is proposing to increase base rates for residential service by 10.65% and that a residential rate increase of that magnitude in an expedited proceeding undercuts consumer confidence in utility regulation and would be inconsistent with House Joint Resolution No. 348 adopted by the 1979 Virginia General Assembly. She also asserted that the magnitude of the increase represented a substantial change in circumstances and that Virginia Power's adjustments to update rate base six months beyond the end of the test year are inconsistent with the Commission's Rules Governing Utility Rate Increase Applications and Annual Informational Filings ("Rate Case Rules"). Finally, she argued that capacity acquisitions and related expenses require substantial investigation on the part of the Commission through a general rate case process.

Virginia Power responded to Ms. Fox's motion on August 21, 1991. In its response, the Company noted that the Rate Case Rules currently in effect are not based on House Joint Resolution No. 348 referenced in Ms. Fox's motion. The Company also restated the circumstances surrounding its 1988 rate case (Case No. PUE880014) in which the Commission suspended a proposed expedited rate increase for 150 days. In that case, the Company filed a proposed expedited increase in rates only six weeks after a rate reduction was ordered. Commission action was not based on the size of the increase.

Further, the Company correctly noted that the Commission gave the Company explicit direction on how to proceed in its next rate filing relative to adjustments to update rate base. Application of Virginia Electric and Power Company, Case No. PUE900023, Final Order (April 22, 1991). In response to Ms. Fox's final argument, the Company asserted that there is no requirement which forces capacity purchases to be investigated in a general rather than expedited rate case and capacity costs have been litigated in the context of expedited cases. Virginia Power also stated that suspension for 150 days, in addition to delaying needed rate relief, would delay the beginning of the rate year by four months and consequently greatly increase the calculated revenue requirement, "especially the capacity charge component of that revenue requirement."

The Division of Consumer Counsel, Office of the Attorney General (the "Consumer Counsel") filed a motion similar to Ms. Fox's motion on August 23, 1991. Therein, the Consumer Counsel asked the Commission to dismiss the application, treat it as a general rate application and suspend the proposed rates for 150 days from the date of filing or require Virginia Power to amend its application to exclude any adjustments which do not conform to the requirements of the Rate Case Rules. The Consumer Counsel argued that the application contains numerous violations of the Rate Case Rules. Specifically, the Consumer Counsel argued that the Company's adjustment to update rate base should not be allowed in the context of an expedited case regardless of the Commission's direction in Virginia Power's last rate case, Id., Final Order, (April 22, 1991). The Consumer Counsel stated that those adjustments were not approved in the Company's last general rate case, Application of Virginia Electric and Power Company, 1988 S.C.C. Ann. Rept. 270 (April 7, 1988). The Consumer Counsel also argued that purchased capacity expenses proformed beyond the end of the proforma year violate the Rate Case Rules.

Like Ms. Fox, the Consumer Counsel asserted that the magnitude of the increase represents a substantial change in circumstances which warrants the relief requested. The Consumer Counsel asserted that the magnitude of the purchased capacity expenses also constituted a substantial change in circumstances for purposes of Rule II. The Consumer Counsel concluded by asserting that the Company's proposed rate design changes violate the Rate Case Rules.

On August 27, 1991, the Virginia Committee for Fair Utility Rates (the "Committee") filed its response to the motions to convert or limit issues. The Committee supported the motions filed by Ms. Fox and the Consumer Counsel.

On August 27, 1991, Virginia Power responded to the Consumer Counsel's motion and the Committee's response. The Company asserted that any consideration of the Rate Case Rules must be made in the context of, and consistent with, the Commission's prior decisions interpreting and applying those rules. The Company noted that the Commission provided it with direction for filing adjustments to update rate base

in future cases without limitation to general rate case filings. The Company further noted that rate year capacity charges have been allowed in every Virginia Power rate case, general as well as expedited, beginning with Case No. PUE840071. It further stated that the bulk of the capacity charges included in the proposed rate increase relate to the Doswell, Hadson and Commonwealth Atlantic projects, each of which was reviewed by the Commission in formal proceedings. Finally, the Company countered that the Consumer Counsel's argument that the Company's rate design proposals prevent the case from being handled as an expedited proceeding is without merit since the Commission, in Case No. PUE900023, directed that customers should be classified into the four new schedules in the next rate case. Application of Virginia Electric and Power Company, Case No. PUE900023, Final Order (April 22, 1991).

Now, having considered the application, the motions and related pleadings, and Staff's Interim Report, the Commission finds that the motions filed by Jean Ann Fox and the Consumer Counsel should be denied. As we indicated in Application of Virginia Electric and Power Company, 1988 S.C.C. Ann. Rept. 312, 313-314 (December 30, 1988), "[o]ur method of processing rate increase applications on a prompt basis, which we now call an expedited proceeding, has been evolving . . . . we have made reasonable accommodations in specific cases to hear issues believed important by parties to the case." Further, the parties should recognize that the depth of the Commission's investigation and review is the same in an expedited case as it is in a general proceeding.

In the case before us, it is our determination that the ratepayer would not be served by suspending the proposed rates for 150 days or dismissing the case. To the contrary, the Company represented that suspension for 150 days would result in a substantially higher calculated revenue requirement due to increased capacity charges and increased attrition. In its Interim Report filed on August 27, 1991, Staff also indicated that "the additional purchased capacity expense would more than offset the savings associated with the four month delay." Staff Interim Report at p. 3.

The Commission finds that there is a reasonable probability that the requested increase will be justified upon full investigation and hearing. Virginia Power therefore should be allowed to implement its proposed rates on an interim basis subject to refund with interest. The Commission further finds that the Company should give notice to the public of its application; that prior to granting a permanent increase in rates, the Commission's Staff should conduct a full investigation into the reasonableness of the proposed tariff revisions and present their findings to the Commission; and that a public hearing should be held to receive relevant evidence. Accordingly,

IT IS ORDERED:

(1) That this matter is hereby docketed and assigned Case No. PUE910047;

(2) That the Motion filed by Jean Ann Fox and the Motion of the Division of Consumer Counsel, Office of the Attorney General to Enforce the Commission's Rules for Expedited Rate Increase Applications are denied;

(3) That an interim increase in rates designed to produce additional gross annual revenue of $183,946,000 shall be applied to service rendered on and after September 1, 1991, and that such interim increase shall remain subject to refund with interest until such time as the Commission determines this case;

(4) That pursuant to Rule 7:1 of the Commission's Rules of Practice and Procedure ("SCC Rules"), a Hearing Examiner is appointed to conduct all further proceedings in this matter;

(5) That a hearing before a Hearing Examiner is scheduled for January 15, 1992 at 10:00 a.m. in the Commission's 13th Floor Courtroom located in the Jefferson Building, Bank and Governor Streets, Richmond, Virginia for the purpose of receiving evidence relevant to Company's application;

(6) That, on or before September 16, 1991, Company shall make copies of its application, supporting exhibits and prefiled direct testimony available for public inspection during regular business hours at all offices where customer bills may be paid;

(7) That Company shall respond to written interrogatories within 10 days after receipt of the same. Protestants also shall respond to written interrogatories within 10 days after receipt of the same. Objections to data requests on any basis must be filed within five days after receipt of the data requests by the party to whom the data requests are directed. Any objection to data requests not timely raised may be subject to waiver. Except as so modified, discovery shall be in accordance with Part VI of the SCC Rules;

(8) That Company file any necessary supplemental direct testimony on or before October 14, 1991;

(9) That, on or before October 28, 1991, any person desiring to participate as a protestant, as defined in SCC Rule 4:6, shall file with the Clerk of the Commission an original and twenty (20) copies of a notice of protest as provided in SCC Rule 5:16(a) and shall serve a copy upon Charles K. Trible, Esquire, Virginia Electric and Power Company, P.O. Box 26666, One James River Plaza, Richmond, Virginia 23219 and Evans B. Brasfield, Esquire, Hunton & Williams, P.O. Box 1535, Riverfront Plaza, 951 East Byrd Street, Richmond, Virginia 23219;

(10) That within five days of receipt of any notice of protest, Company shall serve upon each protestant a copy of all material now or hereafter filed with the Commission;

(11) That any person who expects to submit evidence, cross-examine witnesses or otherwise participate in the proceeding as a protestant, pursuant to SCC Rule 4:6, shall file on or before December 11, 1991, an original and twenty (20) copies of a protest with the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23216 and simultaneously serve a copy thereof upon Company and upon any other protestant. The protest shall set forth (i) a precise statement of the interest of the protestant in the proceeding; (ii) a full and clear statement of the facts which the protestant is prepared to prove by competent evidence; and (iii) a statement of this specific relief sought and the legal basis therefor. Any corporate entity that wishes to submit evidence, cross-examine witnesses or otherwise participate as a protestant must be represented by legal counsel in accordance with the requirements of SCC Rule 4:8;

(12) That, on or before December 11, 1991, each protestant shall file twenty (20) copies of the prepared testimony and exhibits protestant intends to present at the public hearing and serve a copy upon Company and each other protestant;

(13) That, on or before December 18, 1991, the Commission's Staff shall file an original and twenty (20) copies of the prepared testimony and exhibits Staff intends to present at the public hearing and shall serve a copy upon Company and upon each protestant;

(14) That, on or before January 8, 1992, the Company shall file with the Commission an original and twenty (20) copies of all testimony it expects to introduce in rebuttal to all direct prefiled testimony and exhibits; additional rebuttal evidence may be presented by the Company without prefiling, provided it is in response to evidence which was not prefiled but elicited at the time of the hearing and, provided further, the need for additional rebuttal evidence is timely addressed by motion during the hearing and leave to present said evidence is granted by the Hearing Examiner. The Company shall serve a copy of its prefiled rebuttal evidence upon all parties of record;

(15) That any person desiring to comment in writing on Company's application may do so by directing such comments on or before December 11, 1991, to the Clerk of the Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23216. Such comments must refer to Case No. PUE910047. Any person desiring to make a statement at the public hearing concerning the application need only appear in the Commission's 13th Floor Courtroom at 9:30 a.m. on the day of the hearing and identify himself or herself to the Bailiff as a public witness;

(16) That, on or before September 30, 1991, Company shall complete publication of the following notice to be published as display advertising (not classified) once a week for two consecutive weeks in newspapers of general circulation in Company's service territory:

NOTICE TO THE PUBLIC OF AN APPLICATION FOR AN EXPEDITED INCREASE IN RATES BY VIRGINIA ELECTRIC AND POWER COMPANY CASE NO. PUE910047

On August 1, 1991, Virginia Electric and Power Company ("Virginia Power" or "Company") filed an application with the State Corporation Commission of Virginia to increase its rates and charges for electric service to produce additional annual operating revenue of $183,946,000.

Virginia Power requested the proposed increase set forth in the schedules of rates and terms and conditions filed with the Commission to go into effect on September 1, 1991, subject to refund with interest pending investigation. The Commission granted the Company's request for such an interim increase subject to refund.

These interim rates have been designed by Virginia Power to recover the additional revenue requested by the Company in this proceeding according to methods previously approved by the Commission. Customers receiving service under the Company's Schedule 5 "Small General Service" and Schedule 6 "Large General Service" should take notice that Virginia Power, as part of its request and in response to the Commission's Final Order in Case No. PUE900023, is seeking approval of a plan to implement four (4) new general service schedules and to phase-out Schedules 5 and 6 ("Plan"). Virginia Power's Plan, if approved, will require all commercial and industrial customers to move from Schedule 5 or Schedule 6 to one of the four proposed new classes of general service during the next several years, and a substantial number of such customers may be transferred to one of these new schedules during 1992. Service for such customers may not be provided under Schedules 5 or 6 thereafter.

A public hearing on the application is scheduled before a hearing examiner for January 15, 1992, at 10:00 a.m. in the Commission's 13th Floor Courtroom in the Jefferson Building, Bank and Governor Streets, Richmond, Virginia to receive evidence relevant to Virginia Power's application. Interested persons should be advised that after considering all evidence, the Commission may prescribe rates for electric service which differ from those appearing in Virginia Power's application. Small and large commercial and industrial customers should be advised that the Commission has been asked to review and consider a Plan filed by Virginia Power to begin withdrawing Schedule 5 and 6 and offering service to such customers through the new general service schedules. If, after considering all the evidence, the Commission prescribes that these new general service rates are to take effect at the conclusion of this proceeding, small and large commercial and industrial customers may experience substantial changes in the terms, conditions, charges and rates from the interim rates now in effect.

A copy of Company's application, is available for public inspection during regular business hours at any company office where customer bills may be paid and at the SCC Document Control Center, Floor B-1, Jefferson Building, Bank and Governor Streets, Richmond, Virginia.

Any person desiring to comment in writing on the application may do so by directing such comments on or before December 11, 1991, to the Clerk of the Commission as provided below. Any person desiring to make a statement at the public hearing, either for or against the application, need only appear in the Commission's Courtroom at 9:30 a.m. on the day of the hearing and identify himself or herself to the Bailiff as a public witness.

On or before October 28, 1991, persons desiring to participate as protestants, as defined in Rule 4:6 of the Commission's Rules of Practice and Procedure ("SCC Rules") and to present evidence and cross-examine witnesses, shall file an original and twenty (20) copies of a notice of protest as described in SCC Rule 5:16(a), with the Clerk of the Commission at the address set forth below and serve a copy on Virginia Power. Service upon Virginia Power shall be directed to Charles K. Trible, Esquire, Virginia Electric and Power Company, P.O. Box 26666, Richmond, Virginia 23216 and to Evans B. Brasfield, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219.

Any person who expects to submit evidence, cross-examine witnesses or otherwise participate in the proceeding as a protestant, pursuant to SCC Rule 4:6 shall file on or before December 11, 1991, an original and twenty (20) copies of a protest with the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23216 and simultaneously serve a copy thereof upon Company and upon any other protestant. The protest shall set

forth (i) a precise statement of the interest of the protestant in the proceeding; (ii) a full and clear statement of the facts which the protestant is prepared to prove by competent evidence; and (iii) a statement of the specific relief sought and the legal basis therefor. Any corporate entity that wishes to submit evidence, cross-examine witnesses or otherwise participate as a protestant must be represented by legal counsel in accordance with the requirements of SCC Rule 4:8.

On or before December 11, 1991, each protestant shall file twenty (20) copies of the prepared testimony and exhibits protestant intends to present at the hearing and shall serve a copy upon Company and upon any other protestant.

All written communications to the Commission regarding this case should be directed to William J. Bridge, Clerk, Virginia State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23216 and should refer to Case No. PUE910047.

VIRGINIA ELECTRIC AND POWER COMPANY

(17) That on or before September 30, 1991, Virginia Power shall serve a copy of this order upon the chairman of the board of supervisors of each county and upon the mayor or manager of every city or town (or equivalent officials in counties, cities and towns having alternate forms of government) in which the Company offers service. Service shall be made by first-class mail to the customary place of business or the residence of the person served;

(18) That, due to the particular proposals in rate design contained in the Application, the Company shall include a bill insert in its monthly bills during the next available billing cycle for all current Schedule 5 and Schedule 6 customers. The bill insert shall (1) provide notice to such customers of the proposed changes in rate design; (2) advise each customer that a rate impact analysis of the proposed changes will be provided by Virginia Power at the request of the customer; and (3) state how such information or additional information may be obtained from the Company; and

(19) That, at the commencement of the hearing scheduled herein the Company provide the Commission proof of notice and service required by paragraphs (16), (17) and (18) herein.

CASE NO. PUE910048
SEPTEMBER 12, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To revise its fuel factor pursuant to Va. Code § 56-249.6

ORDER ESTABLISHING 1991/92 FUEL FACTOR

On August 1, 1991, Virginia Electric and Power Company ("Virginia Power" or "the Company") filed with the Commission an application, written testimony, exhibits and proposed tariffs intended to decrease its zero-based fuel factor from 1.641¢/kWh to 1.595¢/kWh. This revised fuel factor is calculated by adding the projected current period factor which is based on projected Virginia jurisdictional fuel expenses of $729,788,405 for the twelve month period ending September 30, 1992 to the correction factor which amortizes the projected prior over-recovery. This sum is then adjusted for Gross Receipts Taxes.

By order dated August 14, 1991, the Commission established a procedural schedule and set a hearing date. In that regard, the Commission directed its staff to file testimony and provided an opportunity for any person desiring to participate in the hearing to do so as a protestant. Three protests were filed: one by the Virginia Committee for Fair Utility Rates, one by the Board of Supervisors of Fairfax County, which was withdrawn, and one by Chesapeake Corporation, Stone Container Corporation and Westvaco Corporation, which was also withdrawn.

On August 30, 1991, the Commission Staff ("Staff") filed testimony. In this testimony Staff noted that the correction factor component of Virginia Power's proposed fuel factor is based on the actual recovery of fuel expenses through May 31, 1991, and projected recovery through September 14, 1991, resulting in a projected cumulative over-recovery of $940,939 as of September 14, 1991. Staff proposed that the correction factor be adjusted to include actual data through July 31, 1991 and the Company's projections through September 14, 1991, resulting in a higher projected cumulative over-recovery of $6,060,224 as of September 14, 1991. As a result of the higher cumulative over-recovery, Staff proposed that the fuel factor be lowered to 1.584¢/kWh. The Company took no exception to the Staff's testimony.

The hearing of this case was held on September 10, 1991. At the commencement of the hearing one public witness addressed the Commission. The Company tendered its proof of service and the Company's application, testimony and exhibits and the Staff's testimony were admitted into the record without the need for cross-examination.

Upon consideration of the record in this case, the Commission is of the opinion and finds that a zero-based fuel factor of 1.584¢/kWh is just and reasonable and should be approved. Accordingly,

IT IS ORDERED:

(1) That a zero-based fuel factor of 1.584¢/kWh be, and the same hereby is, approved effective September 15, 1991; and

(2) That the case is continued generally.

CASE NO. PUE910049
(Formerly Case No. 10314)
SEPTEMBER 25, 1991

APPLICATION OF
WASHINGTON AS LIGHT COMPANY

For amendment of a certificate of public convenience and necessity pursuant to Virginia Code § 56-265.3

ORDER AMENDING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

On August 2, 1991, Washington Gas Light Company ("WGL" or "the Company"), by counsel, filed an application with the State Corporation Commission ("Commission") to amend Certificate of Public Convenience and Necessity No. G-51d which allots to WGL substantial portions of Prince William County, Virginia for the development of natural gas service. Appendix A to WGL's application sets out WGL's certificated service territory in Prince William County.

In its application, WGL requested that Certificate No. G-51d be amended to allow the Company to serve an area near Lake Manassas in Prince William County, Virginia which is being developed. WGL described this area more specifically in a map attached as Appendix B to its application. WGL's application notes that the area in question lies in part within Commonwealth Gas Services, Inc.'s ("Commonwealth") certificated service area. WGL recites that Commonwealth is authorized by Certificate No. G-37e, issued to Commonwealth's predecessor, Columbia Gas of Virginia, Inc., to provide gas service in the remaining portions of Prince William County, including Haymarket, Gainesville, Manassas, Manassas Park, Dumfries, Triangle, Quantico, the U.S. Marine Corps Reservation and within a 1500-foot corridor along both sides of the natural gas transmission pipeline connecting these points. A copy of WGL's application was mailed to Commonwealth.

WGL stated in its application that it had received a request for gas service to the entire development from a developer who is developing the tract identified in Appendix B. The Company maintains that gas service could be provided most efficiently in the development by one gas distribution company and requests that the portion of the planned development lying with Commonwealth's service territory be transferred to WGL. The application asserts that the transfer of territory is consistent with the Utility Facilities Act, Va. Code § 56-265.1, et seq., and is in the public interest. WGL asked that its Certificate No. G-51d be amended to authorize WGL to provide gas distribution service to the entire area of planned development, and that Commonwealth's Certificate No. G-37e be amended to exclude from Commonwealth's service territory the shaded area within the limits of the planned development shown on Appendix B.

On August 29, 1991, W. Clay Hamner, Chairman of Montrose Capital Corporation, filed a letter with the Commission advising that except for the clubhouse under construction on the Robert Trent Jones Golf Club, there were currently no permanent structures on the property which is the subject of the certificate application. Mr. Hamner advised that he was the principal and managing partner of RTJ Acquisition Limited Partnership and DC Land Group, Ltd., a Limited Partnership. He noted that these two partnerships owned all of the property being developed as a multi-use development to be known as "Lake Manassas" as well as the Robert Trent Jones Golf Club and cottages adjacent thereto in Prince William County, Virginia. He stated that he had received a copy of WGL's application and supported that application.

On September 3, 1991, WGL, by counsel, filed information supplementing its application. In its Supplement, WGL noted that it had met with the Commission Staff and Commonwealth to discuss the provision of efficient gas service in Prince William County. WGL recited that as a result of WGL's discussions with Staff and Commonwealth, Commonwealth agreed not to protest WGL's application.

Further, WGL asserted that the provision of gas service by one gas distribution company would promote the development of efficient gas service to the benefit of existing and future customers on both WGL's and Commonwealth's systems and would improve the quality of service to customers by eliminating confusion which may arise when more than one public utility provides gas service in a single development. WGL further asserted that the provision of gas service by a single company would facilitate system design and company operations, foster economic efficiency and promote public safety.

WGL proposed to provide service to the customers in the service territory identified in Appendix B at the same rates and under the same terms and conditions of service as were offered to its other customers in its Virginia service territory. It stated that the owners of the project which is the subject of WGL's application have joined in the proceeding and have expressed support for the certificate amendment requested by WGL. WGL noted that no further publication with respect to its application for a certificate amendment was necessary.

On September 5, 1991, Commonwealth filed its Response to the captioned application. In its Response, Commonwealth stated that it did not protest the granting of the certificate amendment requested by WGL and joined in the application, as supplemented, to the extent it required an amendment to Commonwealth's Certificate of Public Convenience and Necessity No. G-37e.

NOW THE COMMISSION, upon consideration of the application herein, the pleadings thereto, and the applicable statutes, is of the opinion and finds that the captioned matter should be docketed that no further publication is necessary, that Commonwealth should be made a party to this application, that it is in the public interest for WGL to serve the area shown on Appendix B to its application, that WGL's application should be granted to the extent it requests authority to serve the area shown on Appendix B, and that upon receipt of the appropriate maps, amended certificates of public convenience and necessity should be issued.

Accordingly, IT IS ORDERED:

(1) That this matter shall be docketed and assigned Case No. PUE910049;

(2) That Commonwealth is made a party to the captioned application insofar as it requires the amendment of one of Commonwealth's certificates of public convenience and necessity;

(3) That Certificate No. G-51d, authorizing WGL to provide natural gas service in Prince William County, shall be canceled and shall be amended and reissued as Certificate No. G-51e, authorizing WGL to also provide natural gas service to the area identified on Appendices A and B to WGL's application;

(4) That, upon the filing by Commonwealth of the maps required below, Certificate No. G-37e, authorizing Commonwealth to serve Prince William County, shall be canceled and reissued as amended Certificate No. G-37f, which certificate shall exclude the area identified on Appendices A and B to WGL's application;

(5) That, on or before October 15, 1991, WGL and Commonwealth shall file appropriate maps with the Division of Energy Regulation, delineating their respective distribution service territories within Prince William County;

(6) That copies of this Order shall be placed in Certificate File Nos. 10314 and 10165, which are lodged in the Commission's Division of Energy Regulation; and

(7) That there being nothing further to be done herein, this matter is hereby dismissed.

CASE NO. PUE910055
NOVEMBER 15, 1991

APPLICATION OF
COMMONWEALTH GAS SERVICES, INC.

For amendment of a certificate of public convenience and necessity pursuant to Va. Code § 56-265.3

ORDER AMENDING CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

On September 5, 1991, Commonwealth Gas Services, Inc. ("Commonwealth" or "the Company") filed an application under Va. Code § 56-265.3 with the State Corporation Commission ("Commission") to amend its certificate of public convenience and necessity, authorizing the Company to provide natural gas distribution service in certain areas of Prince William County, Virginia. Commonwealth's application requested the Commission to amend this certificate to permit the Company to provide retail natural gas distribution service in the areas of Prince William County outlined by cross-hatching on Attachment 1 to the map included as part of the Company's application. These areas have been certificated by the Commission to Washington Gas Light Company ("WGL"). Commonwealth stated its intent to provide natural gas distribution service in these areas in accordance with its existing tariffs. Commonwealth has represented that no adverse impact on either its existing service or rates will result if its application is approved. The Company noted that if its application is granted, WGL's certificate of public convenience and necessity authorizing WGL to provide natural gas distribution service in Prince William County would have to be amended. A copy of the captioned application was served on counsel for WGL.

On September 23, 1991, WGL filed its Response to the Company's application. In its Response, WGL noted that the two specific areas which are the subject of Commonwealth's application are in its certificated service area. WGL stated that it currently owns and operates a distribution main located along Linton Hall Road. This distribution main is more particularly described as follows: It is located in the state highway right-of-way along Linton Hall Road, which serves as the southwestern boundary for Stonecrest Business Park ("Stonecrest"). Southeasterly from the point of intersection of Rocky Run Road and Linton Hall Road, the main runs along the northeast side of Linton Hall Road, immediately adjacent to Stonecrest. WGL stated in its Response that it did not oppose the certificate amendments proposed by Commonwealth, but reserved its right to continue to operate the main located along Linton Hall Road. It represented that it would not serve any customers from that main within the areas which were the subject of Commonwealth's application. Subject to its reservation with respect to the Linton Hall Road main, WGL assented to the entry of a Commission Order requiring the amendment of WGL's certificate authorizing it to provide natural gas service in Prince William County.

Subsequent to the filing of the pending application, on September 25, 1991, the Commission entered an Order amending WGL's and Commonwealth's certificates of public convenience and necessity to provide service in Prince William County, Virginia. See Application of Washington Gas Light Company, For amendment of a certificate of public convenience and necessity pursuant to Virginia Code § 56-265.3, Case No. PUE910049 (Formerly Case No. 10314) (September 25, 1991 Order Amending Certificate of Public Convenience and Necessity). In that Order, the Commission canceled and amended Certificate No. G-51d, authorizing WGL to provide natural gas service in a portion of Prince William County, and issued Certificate No. G-51e, authorizing WGL to provide natural gas service to the area identified in Appendices A and B to WGL's application. In that proceeding, the Commission also canceled Commonwealth's Certificate No. G-37e, authorizing Commonwealth to serve the subject areas of Prince William County, and issued Certificate No. G-37f to the Company, which certificate excluded the area identified on Appendices A and B to WGL's application. Thus the certificates to be amended here are WGL's Certificate No. G-51e and Commonwealth's Certificate No. G-37f.

On October 29, 1991, Commonwealth filed an amendment to its application, to exclude from its request for an amended certificate the main owned and operated by WGL located along Linton Hall Road. Commonwealth also attached two letters to its amendment supporting its application. These letters expressed a preference for Commonwealth to provide gas distribution service to the Virginia Oaks Golf Course Project and the Stonecrest Business Park Development project. These projects are located in WGL's certificated service area.

On the same day, Commonwealth, by counsel, filed signed statements from four residents located in the area which Commonwealth now seeks to serve. These residents indicated that they did not have an objection to Commonwealth providing natural gas service to them. Counsel for Commonwealth represented that no other residences are within the area affected by the application and that no additional public notice was required.

NOW THE COMMISSION, upon consideration of the application herein, the pleadings thereto, and the applicable statutes, is of the opinion and finds that the captioned matter should be docketed; that no further publication of this application is necessary; that WGL should be made a party to this application; that Commonwealth should be permitted to amend its application; that it is in the public interest for Commonwealth to serve the cross-hatched area identified on Attachment 1 to Commonwealth's application, subject to WGL's reservation of its right to own and operate the main located along Linton Hall Road; that WGL should not serve any customers located within the area which is the subject of the captioned application from said main; that Commonwealth's application should be granted to the extent that it requests authority to serve the cross-hatched area identified on Attachment 1 to Commonwealth's application, as further revised to exclude the main identified in WGL's September 23, 1991 Response; and that upon receipt of the appropriate maps, amended certificates of public convenience and necessity should be issued.

Accordingly, IT IS ORDERED:

(1) That this matter shall be docketed and assigned Case No. PUE910055;

(2) That Commonwealth is granted leave to amend the captioned application;

(3) That WGL is made a party to the captioned application insofar as it requires the amendment of one of WGL's certificates of public convenience and necessity;

(4) That, upon filing by Commonwealth of the maps required below, Certificate No. G-37f, authorizing Commonwealth to provide natural gas service to Prince William County, shall be canceled and reissued as Certificate No. G-37g, authorizing Commonwealth to also provide natural gas service to the territory identified on the cross-hatched area of Attachment 1 to its application, subject to the exclusion and reservation of WGL's right to own and operate a main located in the state highway right-of-way along Linton Hall Road, as more particularly described in WGL's September 23 Response;

(5) That, upon filing by WGL of the maps required below, Certificate No. G-51e shall be canceled and reissued as amended Certificate No. G-51f to WGL, which certificate shall include the Linton Hall Main referred to in Ordering Paragraph (4) above, but shall exclude the remaining portions of the cross-hatched area identified on Attachment 1 to Commonwealth's application;

(6) That WGL shall not serve any customers within the area which is the subject of Commonwealth's application from the main located along Linton Hall Road, described in WGL's September 23, 1991 Response;

(7) That, on or before November 29, 1991, WGL and Commonwealth shall file appropriate maps with the Division of Energy Regulation, delineating their respective distribution service territories within Prince William County;

(8) That copies of this Order shall be placed in Certificate File Nos. 10314 and 10165, which are lodged in the Commission's Division of Energy Regulation; and

(9) That there being nothing further to be done herein, this matter is hereby dismissed from the Commission's docket of active proceedings and the papers filed herein shall be lodged in the Commission's files for ended causes.

CASE NO. PUE910061
NOVEMBER 8, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COMMONWEALTH GAS SERVICES, INC.,
Defendant

ORDER OF SETTLEMENT

The Natural Gas Pipeline Safety Act, 49 USC § 1671 et seq. ("Act"), requires the Secretary of Transportation ("Secretary") to establish minimum federal safety standards for the transportation of gas and pipeline facilities. The Secretary is further authorized to delegate that authority to prescribe safety standards and enforce compliance with such standards over gas pipeline facilities used for intrastate transportation to an appropriate state agency.

To be so designated, the appropriate state agency must submit to the Secretary an annual certification that such state agency has regulatory jurisdiction over the safety standards and practices of such transportation; has adopted each federal safety standard established under the Act applicable to such transportation; is enforcing each such standard through means which include inspections conducted by qualified state employees; is encouraging and promoting programs designed to prevent damage to pipeline facilities as a consequence of demolition, excavation or other construction activity; has the authority to require record maintenance, reporting and inspection substantially the same as provided in the Act; and that the law of the state provides for the enforcement of the safety standards of such state agency by way of injunctive and monetary sanctions substantially the same as provided in the Act, 49 USC § 1674A.

The Virginia State Corporation Commission ("Commission") provides such certification to the Secretary. Accordingly, the Commission is vested with the responsibility to enforce pipeline safety regulations for the intrastate transportation of gas and those pipeline facilities owned and operated by local distribution companies over which this Commission exercises jurisdiction pursuant to Virginia Code § 56-1 et seq.

In Ex Parte, In the matter of adopting gas pipeline safety standards and reporting procedures for public service corporations providing gas service under Commission jurisdiction through transmission and distribution facilities located and operated within the Commonwealth of Virginia and granting other authorizations pertaining to the gas pipeline safety program, 1989 S.C.C. Ann. Rept. 312 (PUE890056, July 6, 1989 Final Order), the Commission adopted Parts 191, 192, 193, and 199 of Title 49 of the Code of Federal Regulations to serve as minimum gas pipeline safety standards in Virginia. The Commission is authorized to enforce those standards under Virginia Code § 56-5.1, which allows the Commission to fine up to $10,000 a day for each violation with a maximum amount of no more than $500,000 for any related series of violations.

The Commission's Division of Energy Regulation ("Division"), charged with investigation of each jurisdictional Company's compliance with the minimum safety standards, has conducted an investigation of Commonwealth Gas Services, Inc. ("CGS" or "Company"), the Defendant, and alleges:

(1) That CGS is a public service corporation as that term is defined in Virginia Code § 56-1, and specifically a natural gas company within the meaning of Virginia Code § 56-5.1;

(2) That CGS acquired Lynchburg Gas Company on May 23, 1988;

(3) That Lynchburg Gas Company merged into CGS on July 1, 1989; and

(4) That between July, 1989 and February, 1991 CGS violated various subparts of 49 C.F.R. §§ 192 and 193 ("Safety Standards"), on numerous occasions in the Lynchburg area, by conduct including but not limited to the following:

(A) A number of the Company's regulator stations failed to meet the requirements of specific Safety Standards and the Company's internal requirements and/or procedures;

(B) A number of the Company's large volume sales stations failed to meet the requirements of specific Safety Standards and the Company's internal requirements and/or procedures;

(C) On repeated occasions, the Company failed to repair and reinspect Grade "1" and Grade "2 priority" leaks in accordance with the Company's internal requirements and/or procedures;

(D) On repeated occasions the Company failed to take remedial action in accordance with specific Safety Standards and the Company's internal requirements and/or procedures, when external corrosion was found on pipes which had been exposed for repair of leaks;

(E) On repeated occasions the Company failed to inspect regulator stations within the prescribed time interval in accordance with specific Safety Standards and the Company's internal requirements and/or procedures;

(F) On repeated occasions graphitization was found on exposed cast iron pipes with no remedial action taken in accordance with specific Safety Standards and the Company's internal requirements and/or procedures; and

(G) On repeated occasions, Company failed to maintain adequate records.

The Company neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this order. As an offer to settle all matters arising from the allegations made against it, CGS represents and undertakes that it will take remedial actions and pay an amount as outlined below:

(1) The Company will pay an amount of $1,000,000 to the Commonwealth of Virginia, $200,000 of which will be paid contemporaneously with the entry of this order. The remaining $800,000 is due as outlined in paragraph 2, below, and will be suspended in whole or in part, provided the Company tenders the requisite certification that it has completed specific remedial action on or before the scheduled date for completion of said remedial action. At the completion of all remedial action outlined below the Commission will vacate any outstanding amounts. The initial payment, and any subsequent payments, will be made by check payable to the Treasurer of the Commonwealth of Virginia and directed to the attention of the Director of the Division of Energy Regulation.

(2) The Company will take remedial action pursuant to the following schedule:

(A) Leak Survey.

On or before January 1, 1992, CGS will tender to the Commission a notarized affidavit by the President of CGS ("affidavit") certifying that the Company has leak surveyed the Lynchburg area according to CGS's leak detection and survey methods. All leaks discovered as a result of this leak survey must be addressed in accordance with the Company's leakage procedures. When pipeline sections are determined to be in an active corrosic ı area, the active corrosion must be controlled according to the Company's procedures.

Upon the timely receipt of said affidavit, the Commission will suspend $155,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by January 5, 1992, a payment of $155,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $155,000 it may recomend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

(B) Regulator Station Upgrades.

1. On or before December 31, 1991, CGS will tender to the Commission an affidavit certifying that the Company has completed 21 regulator station upgrades or regulator station retirements.

Upon the timely receipt of said affidavit, the Commission will suspend $90,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1991, a payment of $90,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $90,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

2. On or before December 31, 1992, CGS will tender to the Commission an affidavit certifying that the Company has completed a total of 37 regulator station upgrades or regulator station retirements.

Upon the timely receipt of said affidavit, the Commission will suspend $90,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1992, a payment of $90,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $90,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

3. On or before December 31, 1993, CGS will tender to the Commission an affidavit certifying that the Company has completed a total of 53 regulator station upgrades or regulator station retirements.

Upon the timely receipt of said affidavit, the Commission will suspend $90,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1993, a payment of $90,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $90,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

(C) Large Volume Sales Station Upgrades.

1. On or before December 31, 1991, CGS will tender to the Commission an affidavit certifying that the Company has completed 27 large volume station upgrades.

Upon the timely receipt of said affidavit, the Commission will suspend $25,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1991, a payment of $25,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $25,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

2. On or before December 31, 1992, CGS will tender to the Commission an affidavit certifying that the Company has completed a total of 56 large volume station upgrades.

Upon the timely receipt of said affidavit, the Commission will suspend $25,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1992, a payment of $25,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $25,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

3. On or before December 31, 1993, CGS will tender to the Commission an affidavit certifying that the Company has completed a total of 84 large volume station upgrades.

Upon the timely receipt of said affidavit, the Commission will suspend $25,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1993, a payment of $25,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that t e reason for said failure justifies a pa' nent lower than $25,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

(D) Meter Move Out Program.

1. CGS shall establish a Meter Move Out Program in the Lynchburg area with the goal of moving inside meters set with steel risers coming up through the ground within the perimeters of existing buildings, such as through a crawl space, to the outside of such buildings. On or before December 31, 1991, CGS will tender to the Commission an affidavit certifying that it has moved 190 inside meters outside the perimeters of the affected buildings.

Upon the timely receipt of said affidavit, the Commission will suspend $10,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1991, a payment of $10,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $10,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

2. On or before December 31, 1992, CGS will tender to the Commission an affidavit certifying that it has moved an additional 532 inside meters outside the perimeters of the affected buildings.

Upon the timely receipt of said affidavit, the Commission will suspend $30,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1992, a payment of $30,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $30,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

3. On or before December 31, 1993, CGS will tender to the Commission an affidavit certifying that it has moved an additional 533 inside meters outside the perimeters of the affected buildings.

Upon the timely receipt of said affidavit, the Commission will suspend $30,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1993, a payment of $30,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $30,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

4. On or before December 31, 1994, CGS will tender to the Commission an affidavit certifying that it has moved an additional 521 inside meters outside the perimeters of the affected buildings, thus completing the meter move-out program in the Lynchburg area by moving 1776 inside meters.

Upon the timely receipt of said affidavit, the Commission will suspend $30,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1994, a payment of $30,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $30,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

(E) Cast-Iron Pipe Replacement Program.

1. CGS shall establish a cast-iron pipe replacement program in the Lynchburg area with the goal of reducing the amount of cast-iron pipe on its system which is operating at a pressure of one pound or more. On or before December 31, 1991, CGS will tender to the Commission an affidavit certifying that it has initiated the cast-iron replacement program and that it has replaced at least 5,000 feet of cast-iron pipe.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1991, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

2. On or before December 31, 1992, CGS will tender to the Commission an affidavit certifying that it has replaced an additional 33,000 feet of cast-iron pipe.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1992, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

3. On or before December 31, 1993, CGS will tender to the Commission an affidavit certifying that it has replaced an additional 33,000 feet of cast-iron pipe.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1993, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

4. On or before December 31, 1994, CGS will tender to the Commission an affidavit certifying that it has replaced an additional 32,000 feet of cast-iron pipe.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1994, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

5. On or before December 31, 1995, CGS will tender to the Commission an affidavit certifying that it has replaced an additional 32,000 feet of cast-iron pipe, thus completing the replacement of all cast-iron pipe operating at a pressure of one pound or more, which is estimated to be 135,000 feet of cast-iron pipe. Any additional footage of cast-iron pipe identified during the course of this remedial program as operating at a pressure of one pound or more will also be replaced as of December 31, 1995.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1995, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

Cast-iron pipe which is identified for replacement as a result of the Leakage Pipe Replacement Program set forth in paragraph F hereof, and which is replaced, shall for computational purposes be considered in the calculation of the annual footage goals under both the Cast-iron Replacement Program and the Leakage Pipe Replacement Program.

(F) Leakage Pipe Replacement Program.

1. The Company and the Division recognize that a scarcity of documentation and historic operating data affects the Company's ability to accurately project the number of leaks which can be expected to occur on the pipeline system in the Lynchburg area and that there frequently are safe and economic alternatives to replacement when leakage does occur. Consequently, the schedule for remedial action set forth in this paragraph F may need to be adjusted to reflect operating experience. Therefore, CGS will meet with the Division prior to the reporting dates established in this paragraph F if operating experience indicates that an adjustment to the schedule is necessary. To the extent that the Division and the Company cannot agree that an adjustment is appropriate and in the public interest, the Company may make appropriate application to the Commission for such adjustment. The initial schedule shall be as follows: On or before December 31, 1991, CGS will tender to the Commission an affidavit certifying that it has replaced for condition 12,200 feet of pipeline.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1991, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

2. On or before December 31, 1992, CGS will tender to the Commission an affidavit certifying that it has replaced for condition an additional 11,300 feet of pipeline.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1992, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

3. On or before December 31, 1993, CGS will tender to the Commission an affidavit certifying that it has replaced for condition an additional 10,800 feet of pipeline.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1993, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

4. On or before December 31, 1994, CGS will tender to the Commission an affidavit certifying that it has replaced for condition an additional 10,400 feet of pipeline.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1994, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the

Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

5. On or before December 31, 1995, CGS will tender to the Commission an affidavit certifying that it has replaced for condition an additional 10,100 feet of pipeline.

Upon the timely receipt of said affidavit, the Commission will suspend $20,000 of the amount specified on page 4, paragraph (1) of this order. Should CGS fail to timely tender said affidavit by December 31, 1995, a payment of $20,000 shall become due. The Company must immediately notify the Division of the reasons for such failure and upon investigation, if the Division determines that the reason for said failure justifies a payment lower than $20,000 it may recommend to the Commission a reduction in the amount due. Upon the Commission's certification of the amount due, the Company shall immediately tender to the Commission said amount.

(3) The Company and Division recognize that the foregoing remedial programs are ambitious and that the Company will exert its best efforts to complete the remedial programs on the schedules set forth. However, circumstances beyond the control of the Company could prevent CGS from meeting scheduled deadlines. For example, acts of law including governmental bodies acting pursuant to law, acts of God, strikes, lockouts or other labor disturbances, acts of public enemy, war, blockade, insurrections, riots, epidemics, lightening, fires, floods, washouts, arrests, civil disturbances, breakage or accidents to machinery or lines of pipe, or any other similar cause not reasonably within the control of the Company may adversely affect the Company's ability to meet the proposed remedial action schedules set forth herein. In the event the Company believes that such an event has occurred, or is likely to occur, and will prevent the Company from meeting any remedial schedule established herein, the Company shall promptly advise the Division and if it concurs, the Division shall recommend to the Commission that the remedial schedules be amended accordingly.

To the extent that the Division and the Company cannot agree on such amendment, the Company may make application to the Commission for such amendment.

(4) On or before the 15th of January and the 15th of July of each year beginning January 15, 1992 and ending January 16, 1996, the Company will tender to the Commission a progress report signed by the president of CGS outlining the Company's progress on the above-mentioned remedial programs during the previous six-month period ending the 31st of December and the 30th of June.

(5) Any amounts paid in accordance with this order shall not be recovered in the Company's rates as part of the cost of service. Any such amounts shall be booked in Uniform System of Account No. 426.5. The Company shall verify its booking by filing a copy of the trial balance showing this entry with the Division of Public Utility Accounting.

The Commission being fully advised in the premises and finding sufficient basis herein for the entry of this Order, and in reliance on the Defendant's representations and undertakings set forth above, is of the opinion and finds that CGS has made a good faith effort to cooperate with the Staff after the investigation was initiated and further, has agreed to move forward on an aggressive repair program; therefore, the offer of compromise and settlement should be accepted. Accordingly,

IT IS ORDERED:

(1) That pursuant to the authority granted the Commission by Virginia Code § 12.1-15, the offer of compromise and settlement made by CGS be, and it hereby is, accepted;

(2) That CGS timely comply with the remedial action outlined herein;

(3) That the failure of CGS to so comply with said remedial action may result in the initiation of a Rule to Show Cause proceeding against CGS for continuing violations of specific Safety Standards, such proceeding may include any action necessary to effect immediate completion with the remedial program described herein;

(4) That pursuant to Virginia Code § 56-5.1, CGS shall makepayment in the amount of $1,000,000.00;

(5) That the sum of $200,000 tendered contemporaneously with the entry of this Order is accepted;

(6) That the remaining $800,000 is due as outlined herein and will be suspended and subsequently vacated, in whole or in part, provided the Company timely tenders certification of remedial action as outlined herein; and

(7) That the Commission retains jurisdiction over this matter for all purposes.

CASE NO. PUE910063
NOVEMBER 26, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ROANOKE GAS COMPANY,
Defendant

ORDER OF SETTLEMENT

The Natural Gas Pipeline Safety Act, 49 USC § 1671 et seq. ("Act"), requires the Secretary of Transportation ("Secretary") to establish minimum federal safety standards for the transportation of gas and pipeline facilities. The Secretary is further authorized to delegate that authority to prescribe safety standards and enforce compliance with such standards over gas pipeline facilities used for intrastate transportation to an appropriate state agency.

To be so designated, the appropriate state agency must submit to the Secretary an annual certification that such state agency has regulatory jurisdiction over the safety standards and practices of such transportation; has adopted each federal safety standard established under the Act applicable to such transportation; is enforcing each such standard through means which include inspections conducted by qualified state employees; is encouraging and promoting programs designed to prevent damage to pipeline facilities as a consequence of demolition, excavation or other construction activity; has the authority to require record maintenance, reporting and inspection substantially the same as provided in the Act; and that the law of the state provides for the enforcement of the safety standards of such state agency by way of injunctive and monetary sanctions substantially the same as provided in the Act, 49 USC § 1674A.

The Virginia State Corporation Commission ("Commission") provides such certification to the Secretary. Accordingly, the Commission is vested with the responsibility to enforce pipeline safety regulations for the intrastate transportation of gas and those pipeline facilities owned and operated by local distribution companies over which this Commission exercises jurisdiction pursuant to Virginia Code § 56-1 et seq.

In Ex Parte, In the matter of adopting gas pipeline safety standards and reporting procedures for public service corporations providing gas service under Commission jurisdiction through transmission and distribution facilities located and operated within the Commonwealth of Virginia and granting other authorizations pertaining to the gas pipeline safety program, 1989 S.C.C. Ann. Rept. 312 (PUE890056, July 6, 1989 Final Order), the Commission adopted Parts 191, 192, 193, and 199 of Title 49 of the Code of Federal Regulations to serve as minimum gas pipeline safety standards in Virginia. The Commission is authorized to enforce the Safety Standards under Virginia Code § 56-5.1, which allows the Commission to fine up to $10,000 a day for each violation with a maximum fine of no more than $500,000 for any related series of violations.

The Commission's Division of Energy Regulation ("Division"), charged with investigation of each jurisdictional Company's compliance with the Safety Standards, has conducted an investigation of Roanoke Gas Company ("RGC" or "Company"), the Defendant, and alleges:

(1) That RGC is a public service corporation as that term is defined in Virginia Code § 56-1, and, specifically a natural gas company within the meaning of Virginia Code § 56-5.1; and

(2) That between March 11, 1991, and September 19, 1991, RGC violated several subparts of 49 C.F.R. § 192 ("Safety Standards") by conduct including but not limited to the following: (a) failing to have line markers on certain above ground facilities, and (b) failing to have barricades to protect certain facilities from accidental damage by vehicular traffic.

The Company neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this order. As an offer to settle all matters arising from the allegations made against it, RGC represents and undertakes that:

(1) The Company will pay a fine of $5,000 to the Commonwealth of Virginia, contemporaneously with the entry of this order. The payment will be made by check payable to the Treasurer of Virginia and directed to the attention of the Director of the Division of Energy Regulation.

(2) Any fines paid in accordance with this order shall not be recovered in the Company's rates as part of the cost of service. Any such fines shall be booked in Uniform System of Account No. 426.3. The Company shall verify its booking by filing a copy of the trial balance showing this entry with the Division of Public Utility Accounting.

(3) On or before November 30, 1991, RGC will tender to the Commission a letter from the president of RGC certifying that the Company has installed line markers on its facilities at the following locations in Roanoke, Virginia: (a) Avenham and Dillard, (b) Wildwood and Maywood, (c) Stephenson and 28th, and (d) 23rd and Jefferson.

(4) On or before November 30, 1991, RGC will tender to the Commission a letter from the President of RGC certifying that the Company has installed barricades to protect the facilities at the following locations in Roanoke, Virginia: (a) Wildwood and Maywood and (b) 23rd and Jefferson and (c) Crystal Spring and McClanahan.

The Commission being fully advised in the premises and finding sufficient basis herein for the entry of this Order, and in reliance on the Defendant's representations and undertakings set forth above, is of the opinion and finds that RGC has made a good faith effort to cooperate with the Staff during its investigation and further, has agreed to timely comply with the remedial action outlined herein, therefore, the offer of compromise and settlement should be accepted. Accordingly,

IT IS ORDERED:

(1) That pursuant to the authority granted the Commission by Virginia Code § 12.1-15, the offer of compromise and settlement made by RGC be, and it hereby is, accepted;

(2) That pursuant to Virginia Code § 56-5.1, RGC be and it hereby is, fined in the amount of $5,000;

(3) That the sum of $5,000 tendered contemporaneously with the entry of this Order is accepted;

(4) That RGC timely comply with the remedial action outlined herein; and

(5) That the Commission retains jurisdiction over this matter for all purposes.

CASE NO. PUE910063
DECEMBER 12, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ROANOKE GAS COMPANY,
Defendant

FINAL ORDER

BY ORDER entered herein on November 26, 1991, the Commission accepted the offer of settlement made by Roanoke Gas Company and retained jurisdiction in this matter pending Roanoke Gas Company's compliance with certain provisions of the offer.

IT NOW APPEARING to the Commission that Roanoke Gas Company has fulfilled or otherwise fully complied with the aforesaid provisions,

IT IS ORDERED:

(1) That all issues raised in this matter concerning Roanoke Gas Company's alleged violations of the Commission's gas pipeline safety standards be, and they hereby are, settled; and

(2) That this matter be, and it hereby is, dismissed from the Commission's docket and the papers herein placed in the file for ended causes.

CASE NO. PUE910064
DECEMBER 5, 1991

APPLICATION OF
THE POTOMAC EDISON COMPANY

To revise its fuel factor and cogeneration tariff pursuant to Virginia Code § 56-249.6 and PURPA § 210

ORDER ESTABLISHING 1991/1992 FUEL FACTOR AND COGENERATION TARIFF

On October 18, 1991, The Potomac Edison Company ("Potomac Edison" or "Company") filed with the Commission the Company's application, written testimony, exhibits and proposed tariffs intended to increase its zero-based fuel factor from 1.133¢ per kwh to 1.215¢ per kwh. The proposed fuel factor is based on a current period factor of 1.152¢ per kwh and a correction factor of 0.032¢ per kwh. Application of a gross receipts tax factor yields a total fuel factor of 1.215¢ per kwh.

In this proceeding, Potomac Edison also proposed revision of the rates in its cogeneration tariff, Schedule CO-G. Therein the Company requested an increase in its monthly connection charges and energy purchase rates.

By Order dated November 1, 1991, the Commission established a procedural schedule and set a hearing date for this matter. In that regard, the Commission directed its Staff to file testimony. No notice of protest or protest was filed with the Commission's Document Control Center; however, Potomac Edison filed supplemental testimony on November 18, 1991.

On November 20, 1991, the Commission Staff filed a Report in which it found that the level of fuel expenses as projected by Potomac Edison for the 12 months beginning December 1, 1991, was reasonable and, therefore, Staff supported the fuel factor increase. Staff also supported the Company's proposed increase in monthly connection charges and energy purchase rates in its cogeneration tariff.

The hearing in this case was held on December 3, 1991. At the hearing, the Company tendered its proof of notice, and the Company's exhibits and the Staff Report were admitted into the record without cross-examination.

Upon consideration of the record in this case, the Commission is of the opinion and finds that a zero-based fuel factor of 1.215¢ per kwh and Potomac Edison's proposed cogeneration rates are just and reasonable and should be approved. Accordingly,

IT IS ORDERED:

(1) That a zero-based fuel factor of 1.215¢ per kwh be, and it hereby is, approved effective with December, 1991 cycle bills rendered on or after December 5, 1991;

(2) That the proposed increase in cogeneration monthly connection charges and energy purchase rates be, and it hereby is, approved effective with December, 1991 cycle bills rendered on or after December 5, 1991; and

(3) That this case is continued generally.

CASE NO. PUE910070
DECEMBER 18, 1991

APPLICATION OF
OCCOQUAN SEWER, INC.
and
OCCOQUAN WATER, INC.

For cancellation of certificates of public convenience and necessity

ORDER CANCELING CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

On October 15, 1991, Occoquan Sewer, Inc. and Occoquan Water, Inc. ("the Companies"), by counsel, filed an application requesting that the Commission cancel their certificates of public convenience and necessity. By Certificate Nos. S-71 and W-228 respectively, the Companies were authorized to provide sewer and water service to customers in an area known as Occoquan Forest subdivision located in Prince William County, Virginia.

Pursuant to an August 13, 1991 agreement filed with the application, the Companies state that they are no longer able to provide sewer and water service to residents of Occoquan Forest. On August 13, 1991, the Companies entered into an agreement with Occoquan Water and Sanitation District ("the District") to sell substantially all of their assets to the District including the equipment and property associated with providing such service. Similarly, the District agreed to purchase these facilities and to provide the Companies' customers with sewer and/or water service.

NOW THE COMMISSION, is of the opinion and finds, based on papers filed in this proceeding, that this matter should be docketed and the Companies' request should be granted. The Commission is of the further opinion that, due to transfer of the Companies' assets to the District, cancellation of the Companies' certificates of public convenience and necessity is in the public interest. Accordingly,

IT IS ORDERED:

(1) That this matter shall be docketed and assigned Case No. PUE910070;

(2) That Certificate No. S-71 authorizing Occoquan Sewer, Inc. to provide sewer service to residents of the Occoquan Forest community be, and hereby is, canceled;

(3) That Certificate No. W-228 authorizing Occoquan Water, Inc. to provide water service to customers in the Occoquan Forest subdivision be, and hereby is, canceled; and

(4) That there being nothing further to be done in this proceeding the matter shall be, and hereby is dismissed from the Commission's docket of active cases.

CASE NO. PUE910071
DECEMBER 23, 1991

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For amendment of a certificate of public convenience and necessity to build a pipeline

ORDER ISSUING AMENDED CERTIFICATE

On June 1, 1990, the State Corporation Commission ("Commission") entered an Order in Case No. PUE900038, which, among other things, directed the issuance of certificates of public convenience and necessity to Virginia Natural Gas, Inc. ("VNG" or "the Company") to construct an intrastate pipeline upon receipt of appropriate maps. In its December 5, 1990 and December 20, 1990 Orders, among other things, the Commission granted VNG's request to modify the east-west segment of the pipeline route to be constructed near the Spotsylvania County - Caroline County boundary and to modify the pipeline route near the Hanover County - Henrico County boundary. These Orders also directed the issuance of several certificates of public convenience and necessity to VNG to reflect the modifications made in the pipeline's route.

On November 1, 1991, VNG filed the captioned application to construct a one-quarter mile addition to VNG's intrastate pipeline. VNG's application explained that this addition would be used to connect its pipeline to the City of Richmond's ("the City") gas distribution system and would be in the public interest. VNG proposed to relocate the City's delivery point approximately 1,200 feet west of VNG's pipeline and west of the Chickahominy River in Henrico County. According to VNG, this location for the City's delivery point would avoid potential permitting, construction and access problems related to attempting to locate a delivery point in wetlands on the east side of the Chickahominy River. The Company noted that the costs of constructing the additional pipeline and the metering and regulating equipment at the connection point in Henrico County would be paid as provided in an agreement between VNG and the City. That agreement provides for the City to reimburse VNG for the incremental cost of facilities to be constructed in Henrico County. VNG stated in its application that it did not propose to provide gas distribution service in Henrico County. VNG prefiled the direct testimony of Jerry L. Causey in support of its application. On November 5, 1991, VNG filed a supplement to the testimony of Jerry L. Causey, describing in greater detail the route of the quarter mile addition to the VNG pipeline.

On November 7, 1991, the Commission issued its Order for Notice and Inviting Comment in this proceeding. In that Order, the Commission docketed the application; directed the Company to give notice to the public affected by its proposed modification to the pipeline route; invited interested persons to file on or before December 13, 1991, written comments or requests for hearing on said application; and gave its Staff the opportunity to file a Report on the captioned application.

Two interested parties filed Comments. In its Comments, the City supported VNG's application and requested that the Commission approve the Company's application as soon as possible.

W. F. LaVecchia, County Manager of Henrico County, filed Comments, noting that a request for a conditional use permit had been filed by VNG which would be considered by the Henrico County Board of Zoning Appeals on December 12, 1991. Mr. LaVecchia advised that if the Board of Zoning Appeals approved VNG's request on December 12, that action would represent the only official action to be taken by Henrico County. No requests for hearing were received.

On December 9, 1991, VNG filed its proof of publication in this matter with the Commission. On December 18, 1991, VNG filed with the Commission a copy of a letter from the Secretary of the Henrico County Board of Zoning Appeals granting VNG a conditional use permit for the gas pipeline.

On December 19, 1991, the Staff, by counsel, advised that it did not intend to file a Report in this matter.

NOW THE COMMISSION, upon consideration of the record herein and the applicable statutes, is of the opinion and finds that since no request for hearing was received, that this matter should be determined on the documents filed in this case; that VNG's application and testimony, together with the City's Comments, demonstrate that the proposed modification to the pipeline route approved in Case No. PUE860065, 1988 S.C.C. Ann. Rept. 257, are in the public interest; and that an appropriate amended certificate should be issued. By authorizing the issuance of this certificate, we are not granting authority to VNG to provide natural gas distribution service through its pipeline facility in those areas for which it does not already have a certification of public convenience and necessity to provide gas distribution service.

While we find that issuing an amended certificate to VNG is in the public interest, we make no finding as to the reasonableness of the payments VNG will make for pipe and other items identified in witness Causey's testimony and in Exhibit JLC-(2) to that testimony. We do expect these costs to be recovered from pipeline users other than VNG to the extent these joint users receive a benefit from this arrangement. In the event VNG files a request for rate relief which requests recovery of costs related to the arrangement identified in witness Causey's testimony, we will carefully scrutinize such costs to determine whether they are properly attributable to and recoverable from VNG's distribution customers.

Accordingly, IT IS ORDERED:

(1) That, upon filing by VNG of the appropriate maps, Certificate No. GT-61, authorizing VNG to own and operate gas transmission lines in Henrico County, shall be canceled and shall be amended and reissued as certificate No. GT-61A, authorizing VNG to own and operate gas transmission lines in Henrico County as indicated on the certificate map for that County.

(2) That copies of this Order shall be placed in Certificate File No. 10316, which is lodged in the Commission's Division of Energy Regulation; and

(3) That there being nothing further to be done herein, the same is hereby dismissed from the Commission's docket of active proceedings, and the papers filed herein shall be lodged in the Commission's file for ended causes.

DIVISION OF ECONOMICS AND FINANCE

CASE NO. PUF900006
NOVEMBER 27, 1991

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to issue long-term debt

DISMISSAL ORDER

By Commission Order dated November 9, 1990, The Potomac Edison Company ("Applicant") was authorized to issue and sell its First Mortgage Bonds in an aggregate principal amount not to exceed $50,000,000 any time between January 1, 1991 and December 31, 1992. As directed in the Order, Applicant has filed its Report of Action.

According to the Report, Applicant issued and sold $50,000,000 principal amount of its First Mortgage Bonds, 8-7/8% Series Due 2021 at a price of 98.872% of the principal amount, for cash consideration of $49,436,000. The 98.872% included an underwriting discount of .428% or $214,000. Other expenses amounted to $133,912. Proceeds from the issue were used to reimburse its treasury for money expended for the acquisition of property and for the construction, completion, extension and improvement of its facilities. Based on the information contained within the Report, it appears that Applicant actions were in accordance with the authority granted.

On consideration whereby, IT IS ORDERED that there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF910023
JUNE 27, 1991

APPLICATION OF
NORTHERN VIRGINIA ELECTRIC COOPERATIVE

For authority to convert fixed rate loans to variable rate loans

ORDER GRANTING AUTHORITY

On June 14, 1991, Northern Virginia Electric Cooperative ("NOVEC", "Applicant") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia. The requisite fee of $250 has been paid.

NOVEC proposes to convert the interest rate on three of its outstanding long-term loans with the National Rural Utilities Cooperative Finance Corporation ("CFC") from a fixed rate of 10 percent to a variable rate. Applicant represents that such conversion, which requires the payment of fees to CFC, is expected to result in savings to its members by reducing the cost of the loans.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the above described transaction will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to convert three CFC long-term loans from a fixed rate to a variable rate in the manner and under the terms and conditions set forth in the application;

2) That Applicant may convert the loans back to a fixed rate if market conditions make such conversion favorable and result in further savings to Applicant;

3) That Applicant shall advise the Commission of the effective date of the conversion of the loans to a variable rate, the option selected for payment of conversion fees, and the initial variable rate charged by CFC;

4) That should Applicant elect to convert the loans back to a fixed rate, Applicant shall advise the Commission of the transaction and evidence of the associated cost savings;

5) That approval of the application has no implications for ratemaking purposes;

6) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF910024
JULY 5, 1991

APPLICATION OF
ROANOKE GAS COMPANY

For authority to issue long-term debt

ORDER GRANTING AUTHORITY

On June 17, 1991, Roanoke Gas Company ("Applicant", "Roanoke") filed an application under Chapter 3 of Title 56 of the Code of Virginia. Applicant has paid the requisite fee of $250.

Applicant proposes to issue Senior Debentures, Series 1991 ("Debentures") in the principal amount of $10,000,000. The Debentures will consist of serial and term Debentures with maturities ranging from one to twenty years. The Debentures will be unsecured general obligations of Applicant and will pay interest semi-annually. The Debentures will be offered on a best efforts basis by Dominion Investment Banking, Inc. as exclusive agent for Roanoke. The average weighted interest rate is not expected to exceed 10% per annum.

The proceeds from the issue will be used to refund short-term debt, retire $2,990,000 unpaid balance of Series H, I and J Bonds, and for the construction, completion, extension and improvement of its facilities.

THE COMMISSION, upon consideration of the application and having been advised by its Staff is of the opinion that approval of the application will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue its Senior Debentures, Series 1991 in the principal amount not to exceed $10,000,000 for the purposes and under the terms and conditions as stated in the application;

2) That the call premiums and unamortized issuance expenses associated with Series H, I and J Bonds shall be amortized over the life of the Debentures issued pursuant to this Order;

3) That the authority granted herein shall have no implication for ratemaking purposes; and

4) That this matter be continued to October 31, 1991, for the presentation by Applicant of a Report of Action taken pursuant to the authority granted herein, such report to include the interest rate on each series and term Debenture, the issuance date, maturities and the expenses associated with the issuance.

CASE NO. PUF910024
SEPTEMBER 25, 1991

APPLICATION OF
ROANOKE GAS COMPANY

For authority to issue long-term debt

AMENDING ORDER

On June 17, 1991, Roanoke Gas Company ("Roanoke", "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue Senior Debentures, Series 1991 in the principal amount of $10,000,000. Roanoke represented in the application that the Debentures would consist of serial and term debentures with maturities ranging from one to 20 years.

On July 5, 1991, the Commission, based on the information contained within the application, issued an Order Granting Authority whereby Roanoke was authorized to issue its Senior Debentures, Series 1991 under the terms and conditions as stated in the application.

By letter dated September 16, 1991, Roanoke requested to amend its application whereby it would be allowed to issue serial and term debentures with maturities ranging from one to 25 years instead of the previously stated maximum maturity of 20 years. Roanoke also requests that its application be amended to provide for debentures styled "Debentures, Series 1991," rather than "Senior Debentures, Series 1991." In addition, Applicant requests that the Commission extend to December 31, 1991, the time allowed for filing its Report of Action. Roanoke states that additional time is needed because the closing of the sale of the debentures may not occur until after September 30, 1991.

THE COMMISSION, upon consideration of Applicant's request to amend its application and having been advised by its Staff, is of the opinion that Roanoke's request should be granted and the July 5, 1991, Order should be amended. Accordingly,

IT IS ORDERED:

1) That Applicant's request to amend its application of June 17, 1991, is hereby granted;

2) That Ordering paragraph one of the Commission's July 5, 1991, Order shall be amended to read as follows:

That Applicant is authorized to issue its Debentures, Series 1991, with maturities ranging from one to 25 years, for the purposes and under the terms and conditions as stated in the application;

3) That Ordering paragraph four of the Commission's July 5, 1991, Order shall be amended to read as follows:

That this matter shall be continued to December 31, 1991 for the presentation by Applicant of a Report of Action taken pursuant to the authority granted herein, such report to include the interest rate on each series and term Debentures, the issuance date, maturities and the expenses associated with the issuance; and

4) That all other requirements and guidelines presented in the July 5, 1991, Order shall remain in full force and effect.

CASE NO. PUF910025
JULY 15, 1991

APPLICATION OF
APPALACHIAN POWER COMPANY

For authority to issue first mortgage bonds

ORDER GRANTING AUTHORITY

On June 20, 1991, Appalachian Power Company ("Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue First Mortgage Bonds ("Bonds") in a total principal amount of up to fifty million dollars ($50,000,000). Applicant has paid the requisite fee of $250.

Applicant proposes to issue the Bonds in one or more series from time to time through June 30, 1992. The Bonds will be issued with maturities of not less than nine months and not more than thirty years. Interest is anticipated to be paid semi-annually at a fixed rate which will be determined by market conditions prevailing at the time of the sale or sales. The proceeds from the sale of the Bonds will be used to repay short-term debt and for construction requirements.

Applicant anticipates that the rating for the Bonds will be the same as the present rating of its existing bonds, which is "A-" by Standard and Poor's Corporation and "A2" by Moody's Investors Service. The underwriters or agents for the Bonds have not yet been determined.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the above described financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue and sell its First Mortgage Bonds in an aggregate principal amount not to exceed $50 million through June 30, 1992, all in the manner, for the purposes and under the terms and conditions set forth in the application, provided that the yield to maturity on any series shall not exceed by more than three percent the yield on U. S. Treasury Bonds of comparable maturity;

2) That Applicant shall submit a preliminary report within ten (10) days after the issuance of any Bonds pursuant to this Order, which shall provide the date and amount of the borrowing, the interest rate thereon, the current secondary market yield to maturity on recently issued, comparable U. S. Treasury securities (or interpolated yield to maturity if there is no comparable U. S. Treasury security) at the time of the borrowing, and an explanation of the timing of the issue;

3) That within sixty (60) days after the end of each calendar quarter in which any Bonds are issued pursuant to this Order, Applicant shall file a more detailed report with respect to all bonds (if any) sold during the calendar quarter, which shall provide:

a. The date and amount of the issue, interest rate, price, comparable U. S. Treasury secondary market yield to maturity (or interpolated yield to maturity) at the time each such issue was sold, date of maturity, and net proceeds to Applicant;

b. a detailed listing of actual issuance expenses;

c. change in capital structure due to issue;

d. a revised balance sheet including the new issue; and

e. a copy of the prospectus and any regulatory statements filed in connection with any Bonds sold; and

4) That this matter be continued to August 31, 1992, subject to the continuing review, audit and appropriate directive of this Commission.

CASE NO. PUF910026
AUGUST 1, 1991

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For authority to issue short-term debt and sell commercial paper to affiliates

ORDER GRANTING AUTHORITY

Washington Gas Light Company ("Applicant") filed an application under Chapters 3 and 4 of Title 56 of the Code of Virginia for authority to incur up to $150 million in short-term debt and for authority to sell commercial paper to affiliates. Applicant has paid the requisite fee of $250.

Applicant proposes to issue short-term debt in an amount not to exceed $150,000,000 outstanding at any time for the period October 1, 1991 through September 30, 1992. The proposed short-term debt will be in the form of commercial paper and/or bank notes. Applicant also requests authority to sell up to $20,000,000 of commercial paper to the following affiliated companies: Crab Run Gas Company, Hampshire Gas Company, Brandywood Estates, Inc., Washington Resources Group, Inc., Washington Energy Systems, Inc., Cellin Manufacturing, Inc., and Davenport Insulation, Inc. ("Affiliates") for the same period. Applicant represents that the funds will be used to temporarily finance purchases of natural gas and for working capital needs. The bank notes and commercial paper will bear interest at the prevailing market rate at the time of issue.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the above described financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue short-term debt, in an amount not to exceed $150,000,000 outstanding at any time from October 1, 1991 through September 30, 1992, in the manner, for the purposes, and under the terms and conditions as set forth in the application:

2) That Applicant is authorized to sell up to $20,000,000 of its authorized short-term debt in the form of commercial paper to its Affiliates, in the manner, for the purposes, and under the terms and conditions as set forth in the application;

3) That the authority granted herein shall not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

4) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein, pursuant to Section 56-79 of the Code of Virginia; and

5) That this matter be continued until November 30, 1992, for the presentation by Applicant on or before said date, of a report of the action taken pursuant to the authority granted in this Order, such report to include a detailed accounting of the sale of the short-term debt, the disposition of the proceeds derived therefrom, and any expenses, commissions, or fees paid in connection therewith, and a balance sheet reflecting the action taken.

CASE NO. PUF910027
AUGUST 1, 1991

JOINT APPLICATION OF
WASHINGTON GAS LIGHT COMPANY
and
SHENANDOAH GAS COMPANY

For authority to make and receive interest-bearing cash advances on open account

ORDER GRANTING AUTHORITY

Washington Gas Light Company ("WGL") and Shenandoah Gas Company ("Shenandoah") (collectively, the "Applicants") have filed an application under Chapter 3 and 4 of Title 56 of the Code of Virginia for authority for WGL to make, and Shenandoah and Frederick Gas Company, Inc. ("Frederick") to receive, interest-bearing cash advances ("Advances") on open account. Applicants have paid the requisite fee of $250.

WGL proposes to make Advances to Frederick through September 30, 1992, up to an aggregate amount outstanding at one time of $22,000,000. WGL also proposes to make Advances to Shenandoah and Shenandoah proposes to receive Advances through September 30, 1992, up to an aggregate amount outstanding at one time of $17,000,000. The advances will be used to finance the construction programs, gas purchases, and other proper corporate purposes of Frederick and Shenandoah. Interest on the Advances will be determined based on WGL's consolidated embedded cost of senior capital, including long and short-term debt and preferred stock, excluding non-utility subsidiaries. The interest rate will be calculated on a monthly basis.

THE COMMISSION, upon consideration of said application and representations of Applicants and having been advised by its Staff, is of the opinion that approval of the application will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That WGL is authorized to make interest-bearing open account advances to its affiliates, Frederick and Shenandoah, through September 30, 1992;

2) That Shenandoah is authorized to receive interest-bearing open account advances from WGL;

3) That the total aggregate amount outstanding at any one time of Advances made to Frederick and Shenandoah shall be $22,000,000 and $17,000,000, respectively;

4) That the Advances shall be made under the terms and conditions, and for the purposes stated in the application;

5) That approval of the application does not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter; and

6) That Applicants shall file a report of the action taken pursuant to the authority granted herein on or before October 30, 1992, such report shall provide a schedule of Advances, including the date of the Advances, the corresponding interest rate, a schedule of the repayments made by Frederick and Shenandoah, and the outstanding Advance balances prior to this Order.

CASE NO. PUF910028
AUGUST 9, 1991

APPLICATION OF
CENTRAL VIRGINIA ELECTRIC COOPERATIVE

For authority to borrow funds under a short-term line of credit agreement

ORDER GRANTING AUTHORITY

On July 15, 1991, Central Virginia Electric Cooperative ("Applicant") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia requesting authority to enter into a $6,000,000 line of credit agreement with the National Rural Utilities Cooperative Finance Corporation ("CFC"). The requisite fee of $250 has been paid.

Applicant states that the line of credit is needed to provide funding for construction due to delays in securing long-term funds from the Rural Electrification Administration. Applicant will be able to borrow up to $6,000,000 but will be required annually to reduce to zero the outstanding balance under the line of credit for at least five consecutive business days. The line of credit is for a sixty month period with the interest rate on all advances equal to the prime rate as published in the "Money Rates" column of The Wall Street Journal plus one percent per annum or such lesser rate as may be fixed by CFC from time to time. The interest rate on outstanding amounts is subject to change on the first or sixteenth day of any month.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the proposed financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to incur short-term indebtedness in an amount up to $6,000,000 under a line of credit agreement with CFC from the date of this Order, under the terms and conditions and for the purpose stated in the application;

2) That this case shall be continued until September 30, 1992, for the presentation by Applicant, on or before such date, of a Report of Action taken pursuant to the authority granted herein, including a schedule of all line of credit advances and prepayments through July 31, 1992, end-of-month balances, corresponding interest rates, and a balance sheet as of July 31, 1992, reflecting the action taken;

3) That this matter shall remain under the continuing review, audit and appropriate directive of this Commission for the duration of the line of credit with CFC.

CASE NO. PUF910028
OCTOBER 23, 1991

APPLICATION OF
CENTRAL VIRGINIA ELECTRIC COOPERATIVE

For authority to borrow funds under a short-term line of credit agreement

AMENDING ORDER

By Order dated August 9, 1991, Central Virginia Electric Cooperative ("Applicant") was authorized to establish a five-year, $6,000,000 line of credit with the National Rural Utilities Cooperative Finance Corporation ("CFC") to finance Applicant's construction projects while waiting for approval of its pending loan application with the Rural Electrification Administration. This Order was issued subject to the terms and conditions

and for the purpose stated in the application. One of the terms of Applicant's agreement with CFC stated that Applicant would be required annually to reduce to zero the outstanding balance under the line of credit for at least five consecutive business days.

On October 4, 1991, Applicant submitted a letter it received from CFC, which states, "CFC will waive the first annual five-day repayment requirement of your system's CFC five-year line of credit, which matures on June 3, 1996," contingent upon Virginia State Corporation Commission's approval of the waiver. Applicant requests that the Commission amend the August 9, 1991 Order to reflect the change in terms.

NOW THE COMMISSION is of the opinion and finds that Applicant's request is reasonable and that the Commission's August 9, 1991 Order should be amended. Accordingly,

IT IS ORDERED:

1) That discussion paragraph two of the August 9, 1991 Order shall be and hereby is amended to reflect the change in terms as follows:

> Applicant states that the line of credit is needed to finance construction due to delays in securing long-term funds from the Rural Electrification Administration. **Applicant will be able to borrow up to $6,000,000, and within 720 days of the first advance on this loan, Applicant will be required to reduce to zero for a period of five consecutive business days (the last day of such five-day period being herein called "Zero Balance Date") amounts outstanding on the note, and will establish a five-day, zero balance period within 360 days of the Zero Balance Date, or subsequent Zero Balance Dates, for the duration of the line of credit.** The line of credit is for a sixty month period with the interest rate on all advances equal to the prime rate as published in the "Money Rates" column of The Wall Street Journal plus one percent per annum, or such lesser rate as may be fixed by CFC from time to time. The interest rate on outstanding amounts is subject to change on the first or sixteenth day of any month.

2) That all other provisions of the August 9, 1991 Order shall remain in full force and effect; and

3) That this matter shall remain under the continuing review, audit, and appropriate directive of this Commission for the duration of the line of credit with CFC.

CASE NO. PUF910029
JULY 31, 1991

APPLICATION OF
A&N ELECTRIC COOPERATIVE
BARC ELECTRIC COOPERATIVE
COMMUNITY ELECTRIC COOPERATIVE
MECKLENBERG ELECTRIC COOPERATIVE
NORTHERN NECK ELECTRIC COOPERATIVE, INC.
NORTHERN VIRGINIA ELECTRIC COOPERATIVE
PRINCE GEORGE ELECTRIC COOPERATIVE
RAPPAHANNOCK ELECTRIC COOPERATIVE
SHENANDOAH ELECTRIC COOPERATIVE
SOUTHSIDE ELECTRIC COOPERATIVE, INC.

For authority to issue financing facilities

ORDER GRANTING AUTHORITY

On July 19, 1991, the ten Virginia distribution cooperative members ("Applicants") of Old Dominion Electric Cooperative ("ODEC") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue financing facilities. The requisite fee of $250 has been paid.

Applicants request authority to issue unsecured intermediate term, variable rate debt to the National Rural Utilities Cooperative Finance Corporation ("CFC") for the purpose of providing financial support for ODEC's interest in two 393 MW coal-fired generating units near Clover, Virginia ("Clover Project"). In support of their request, Applicants state that ODEC plans to finance its 50% undivided interest in the Clover Project with Rural Electrification Administration ("REA") guaranteed funds from the Federal Finance Bank ("FFB"). An REA commitment for permanent financing is not anticipated until the last quarter of 1991 and it is expected that the commitment will contain several conditions including removal of all impediments to environmental licensing of the Clover Project. Applicants further represent that, to date, ODEC has financed the Clover Project with a $130 million interim construction facility from CFC. A total of $60 million of the interim construction facility is guaranteed by ODEC's members of which $48,593,324 is guaranteed by Applicants. Those guarantees were approved in Case No. PUA900036 and the financing facilities to support those guarantees were approved in Case No. PUF900002. Applicants represent that the REA has now limited ODEC's ability to make further commitments for the Clover Project beyond $130 million absent direct support from ODEC's members. Accordingly, Applicants filed the subject application requesting approval to borrow from CFC and invest in ODEC an additional $56,692,214 on a prorata basis, based upon each member's purchased power costs. ODEC's Maryland and Delaware members are expected to contribute an additional $13,307,786, for a total contribution to ODEC of $70,000,000.

Applicants state that one of the conditions REA has already imposed in connection with ODEC's financing is that the $130 million interim construction financing facility will be retired with the proceeds of the first advances of any long-term REA financing approved for the Clover Project. Applicants state that ODEC also plans to return the subject $70 million contribution from its members upon receipt of permanent financing.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion and finds that approval of the proposed financing is in the public interest. However, considering the status of the environmental permitting, its effect on the long term viability of the project and the importance of the project to the Commonwealth, we find it appropriate to increase our monitoring of the Clover Project financing by imposing reporting requirements on Applicants. Finally, although we recognize that ODEC and Applicants have been faced with changes in REA requirements, we are concerned that ODEC and Applicants have presented essential aspects of the Clover Project to us in a piecemeal fashion with repeated requests for expeditious treatment. If any future approvals are deemed necessary, the related applications should be filed with sufficient lead time to allow us to consider all alternatives. Accordingly,

IT IS ORDERED:

1) That Applicants are authorized to issue intermediate term financing facilites to CFC for the purpose and under the terms and conditions set forth in the application and the proposed draft loan documents attached thereto;

2) That Applicants shall file copies of the final CFC loan documents upon execution and any required REA approvals of same;

3) That within 30 days of the end of each calendar quarter Applicants shall file a report with the Commission's Division of Economics and Finance advising of the status of the Clover Project financing including, but not limited to, monthly dollar amounts of ODEC commitments and cash expenditures for the Project, sources of cash expended and amounts by source, interest rate on borrowed funds, changes in cost estimates for the Project and explanation of the changes, copies of correspondence between ODEC or Applicants and CFC and REA concerning Clover Project financing, and the status of financing alternatives;

4) That the approval granted herein is conditioned upon receipt of ODEC's commitment to make every effort to return those amounts contributed by the Virginia distribution members upon receipt of ODEC's permanent financing, provided the REA approves same; and

5) That this case is continued until September 30, 1992 or such date as may be subsequently established by the Commission.

CASE NO. PUF910030
SEPTEMBER 5, 1991

APPLICATION OF
CONTEL OF VIRGINIA, INC., d/b/a GTE VIRGINIA

For authority to borrow short-term debt and for authority to enter into intercompany financing agreement

ORDER GRANTING AUTHORITY

On August 12, 1991, Contel of Virginia, Inc. d/b/a GTE Virginia ("Applicant" , "GTE Virginia") filed an application under Chapters 3 and 4 of Title 56 of the Code of Virginia. Applicant has paid the requisite fee of $250.

GTE Virginia proposes to incur up to $50 million in short-term debt through December 31, 1991. The proposed short-term borrowings will be in the form of notes to an affiliate, notes to banks, and/or commercial paper to a dealer in commercial paper. The proceeds will be used to reimburse its treasury for past expenditures related to the construction program and the continued funding of its construction program.

Applicant also proposes to enter into an affiliated agreement under which it can borrow from and lend to GTE Corporation. Applicant represents that it does not intend to limit itself to borrowing solely from GTE Coporation, rather it will constantly monitor the capital markets in order to avail itself of the most attractive rates it can find.

THE COMMISSION, upon consideration of the application and subsequent representations of Applicant and having been advised by its Staff, is of the opinion that approval of the above proposed financing and affiliate agreement will not be detrimental to the public interest. However, the Commission is of the further opinion and finds that Applicant has violated Chapters 3 and 4 of Title 56 of the Code of Virginia by issuing short-term debt to an affiliated entity prior to receiving Commission approval. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue up to $50,000,000 of short-term debt through December 31, 1991, for the purposes and under the terms and conditions as described in the application;

2) That Applicant is authorized to enter into the affiliate agreement with GTE Corporation for the purposes and under the terms and conditions as described in the application;

3) That should Applicant wish to borrow short-term debt after December 31, 1991, in excess of 5% of total capital as outlined in Section 56-65.1, Applicant shall seek subsequent approval from the Commission;

4) That in the future Applicant shall take any measure necessary to ensure compliance with Chapters 3 and 4 of the Code of Virginia;

5) That Applicant shall seek subsequent approval from the Commission if the terms and conditions of the affiliate agreement approved herein should ever change;

6) That approval of the application does not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

7) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein, pursuant to Section 56-79 of the Code of Virginia; and

8) That this matter shall be continued until February 28, 1992, for the presentation by Applicant, on or before such a date, of a report of action taken pursuant to the authority granted in this Order. Such report shall include a beginning balance of short-term debt; a schedule including the date, amount, lender and interest rate of each advance; the use of the proceeds; the monthly maximum amount outstanding; a separate schedule including the date, amount and interest rate of each advance of funds made to GTE Corporation by Applicant.

CASE NO. PUF910031
AUGUST 28, 1991

APPLICATION OF
SHENANDOAH VALLEY ELECTRIC COOPERATIVE

For authority to borrow up to $9,000,000 in short-term debt

ORDER GRANTING AUTHORITY

On August 8, 1991, Shenandoah Valley Electric Cooperative ("Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to incur up to $9,000,000 in short-term indebtedness under one or more line of credit agreements. Applicant paid the requisite fee of $250.

Applicant proposes to increase its line of credit limit from $2,000,000 to $9,000,000 with the National Rural Utilities Cooperative Finance Corporation ("CFC"). In an effort to establish alternate sources of short-term funds, Applicant also proposes to enter into a line of credit agreement with the National Bank For Cooperatives ("CoBank") under which it will be able to borrow up to $9,000,000. Applicant represents that its total aggregate short-term borrowings will not exceed $9,000,000. Applicant states that the increase in short-term financing is needed to continue its construction program while awaiting the availability of long-term funds.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the proposed financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to incur short-term indebtedness in a aggregate amount up to $9,000,000 under the terms and conditions and for the purpose stated in the application;

2) That this matter shall be continued until August 31, 1992, for the presentation by Applicant, on or before such date, of a Report of Action taken pursuant to the authority granted herein, including a schedule of all advances and repayments from the date of this Order through June 30, 1992, corresponding interest rates on all advances, and a balance sheet as of June 30, 1992, reflecting the action taken; and

3) That this matter shall remain under the continuing review, audit and appropriate directive of this Commission, for the duration of the line of credit agreements with CFC and CoBank.

CASE NO. PUF910032
SEPTEMBER 18, 1991

APPLICATION OF
UNITED CITIES GAS COMPANY

For authority to incur short-term indebtedness

ORDER GRANTING AUTHORITY

United Cities Gas Company ("United Cities" or "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to maintain its authorized short-term debt limit. Applicant has paid the requisite fee of $250.

United Cities requests authority to maintain its authorized short-term debt limit at an aggregate amount outstanding not to exceed $60,000,000 through the calendar year 1993. The short-term borrowings will be accomplished through draw-downs under Master Note arrangements already in place. The interest rates will be negotiated at the time of the draw-down, with principal and interest paid on a set maturity date. Applicant states that the funds will be used to increase its working capital and for the construction, extension, improvement, and/or addition to its facilities.

THE COMMISSION, upon consideration of the application and subsequent representations of Applicant and having been advised by its Staff, is of the opinion that approval of the application will not be detrimental to the public interest; however, this short-term debt level will be authorized for a limited period of time through December 31, 1992. The Commission is of the further opinion that the authority granted in Case No. PUA900055 should be terminated and superseded by the authority granted herein. Accordingly,

IT IS ORDERED:

1) That United Cities Gas Company is hereby authorized to issue short-term debt in an aggregate amount outstanding not to exceed $60,000,000 at any one time from the date of this Order through December 31, 1992, under the terms and conditions and for the purposes set forth in the application;

2) That Applicant shall continue to file, within 60 days of the end of each calendar quarter commencing on the date of this Order, a report including the date, amount, interest rate of each draw-down, interest coverage ratios calculated in accordance with Applicant's indenture agreement, the use of the proceeds, the average monthly balances, the monthly maximum amount outstanding, the associated costs, as well as a balance sheet reflecting the action taken;

3) That this case shall be continued until February 26, 1993, for a final report of action by Company;

4) That, in future cases, Applicant shall adequately substantiate its requested short-term debt limit; and

5) That there appearing nothing further to be done pursuant to Case No. PUA900055, the matter shall be and is hereby dismissed.

CASE NO. PUF910033
SEPTEMBER 25, 1991

APPLICATION OF
CONTEL OF VIRGINIA, INC., d/b/a GTE VIRGINIA

For authority to issue long-term debt to an affiliate (GTE Finance Corporation)

ORDER GRANTING AUTHORITY

On August 27, 1991, Contel of Virginia, Inc. d/b/a GTE Virginia ("Applicant") filed an application under Chapters 3 and 4 of Title 56 of the Code of Virginia. Applicant has paid the requisite fee of $250.

Applicant proposes to incur long-term debt up to $50 million for the purposes of reducing short-term indebtedness acquired during construction and retiring $6 million in mortgage bonds. The long-term debt will be in the form of a single promissory note ("Note") issued to GTE Finance Corporation ("GTE Finance") with a maturity of no less than three years and no more than seven years. The interest rate will be the average of quotes, obtained from two large investment banks, for the all-in cost rate of a comparable promissory note.

THE COMMISSION, upon consideration of the application, and having been advised by its Staff, is of the opinion that approval of the above proposed financing and affiliate agreement will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to issue a promissory note of no more than $50,000,000 for the purposes and under the terms and conditions as described in the application;

2) That Applicant is hereby authorized to enter into the affiliate agreement with GTE Finance, under the terms and conditions and for the purposes set forth in the application;

3) That Applicant shall seek subsequent approval from the Commission if the terms and conditions of the affiliate agreement approved herein should change;

4) That the approval of the application does not preclude the Commission from applying provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

5) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein, pursuant to Section 56-79 of the Code of Virginia;

6) That Applicant may amortize the call premium and original issuance expense associated with the refinancing of the 12.75% Series RR morgage bond issue over the life of the Note authorized herein;

7) That this matter shall be continued until December 31, 1991, for the presentation by Applicant, on or before such a date, of a report of action taken pursuant to the authority granted in this Order. Such report shall include the date, term, amount and the effective interest rate of the Note, copies of investment bank interest rate estimates and averaging method used to determine interest rate, and a schedule of payments, both principal and interest, for the term of the Note.

CASE NO. PUF910034
OCTOBER 8, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY
and
VIRGINIA POWER FUEL CORPORATION

For authority to continue nuclear fuel financing for Surry Units 1 and 2 and to permit certain transactions with affiliated interests

ORDER GRANTING AUTHORITY

On September 5, 1991, Virginia Electric and Power Company and Virginia Power Fuel Corporation ("Virginia Power" and "VP Fuel", respectively; "Applicants", collectively) filed an application under Chapters 4 and 5 of Title 56 of the Code of Virginia for authority to continue a financing arrangement for its Surry nuclear fuel and to permit certain transactions with affiliated interests. On September 13, 1991, upon request of Commission Staff, the Company amended its application to request a ruling on whether approval is required under Chapter 3 of Title 56. A filing fee of $25 was submitted on September 13, 1991.

Applicants seek authority to continue the VP Fuel program which in all material respects is the same as the arrangement approved in Case No. PUA870050. In that case, the Commission authorized Virginia Power to create VP Fuel and establish a new financing program for Surry nuclear fuel. Authority was granted for a term of up to five years; however, the program ultimately executed was for a term of four years commencing October 14, 1987 and expiring October 13, 1991. Under the program, VP Fuel acquires necessary fuel from or at the direction of the Virginia Power and sells (leases) the heat from the fuel to Virginia Power for use in generating electricity at the Surry Power Station. The program provides for a maximum of $200 million of nuclear fuel financing through the issuance by VP Fuel of commercial paper or through borrowings by VP Fuel under a standby credit agreement with a group of banks. Both the commercial paper and bank borrowings are guaranteed by Virginia Power.

Applicants intend to execute a new Credit Agreement and Guarantee to facilitate continuation of the program. Further, a number of agreements underlying the program will be extended.

On October 8, 1991, the Staff of the Commission filed its Action Brief recommending approval of the program for one more year to provide the time necessary to fully evaluate the continued viability of the VP Fuel program. Staff also filed a motion to expand the scope of this proceeding to broaden that analysis to include another similar aspect of Virginia Power's overall financing structure, the Intercompany Credit Agreement between Virginia Power and Dominion Resources, Inc. In its Motion, Staff states that the VP Fuel program and the Intercompany Credit Agreement are similar financing arrangements in that both are used to access the commercial paper market. Staff asserts, therefore, that it is appropriate to consider the Intercompany Credit Agreement in conjunction with consideration of the continued viability of the VP Fuel arrangement.

THE COMMISSION, upon consideration of the application and supplemental information filed by Applicants, Staff's Action Brief and Staff's Motion, is of the opinion and finds that extension of the Surry nuclear fuel program for a one year period as requested by Applicants will not be detrimental to the public interest and should be granted. The Credit Agreement and Guarantee supporting the program are for terms less than twelve months and, accordingly, the provisions of Chapter 3 of Title 56 are not applicable. The Commission, however, finds that the authority previously granted in Case No. PUA870050 for Virginia Power to execute a Guarantee in connection with the program is no longer necessary since we are herein addressing Virginia Power's request to enter into a new Guarantee. That authority as previously granted should be terminated. The Commission further finds that it is in the public interest to continue this case and expand the scope of the proceeding to include consideration of the Intercompany Credit Agreement. Accordingly,

IT IS ORDERED:

1) That Applicants are authorized to continue the Surry nuclear fuel financing program under the terms and conditions referenced in the application and supplemental information;

2) That the authority granted in Case No. PUA870050 is withdrawn and terminated consistent with the discussion above effective October 15, 1991;

3) That Staff's motion to expand the scope of this proceeding to include a review of the Intercompany Credit Agreement is granted;

4) That, on or before March 31, 1992, Virginia Power shall file with the Commission a report evaluating alternatives for financing its Surry nuclear fuel, such report to include a comprehensive cost/benefit analysis of financing alternatives, including ratemaking implications, and a comparison of the alternatives with the current and predecessor financing arrangements for Surry nuclear fuel;

5) That Virginia Power shall review its Intercompany Credit Agreement to determine whether or not the Agreement and its underlying financing vehicles should be revised in any way and present a report of said review to the Commission on or before March 31, 1992, in conjunction with the filing of the report on financing alternatives for Surry nuclear fuel;

6) That Staff shall review the reports filed by Virginia Power and advise the Commission accordingly;

7) That in the event Virginia Power concludes that the existing Surry nuclear fuel program should be replaced with alternative financing, Virginia Power shall make plans to terminate the existing program promptly, upon approval of the Commission as required, to allow for proper treatment in Virginia Power's next fuel factor and base rate filings, even if such termination is prior to the 1992 expiration date of the Surry nuclear fuel program;

8) That Virginia Power shall involve the Division of Economics and Finance in its analysis of financing alternatives;

9) That the Clerk of the Commission shall refund Virginia Power's $25 filing fee submitted on September 13, 1991; and

10) That this case be continued until October 31, 1992, pending further action of the Commission.

CASE NO. PUF910035
OCTOBER 16, 1991

APPLICATION OF
OLD DOMINION POWER COMPANY
and
KENTUCKY UTILITIES COMPANY

For authority to issue long-term securities and assume obligations

ORDER GRANTING AUTHORITY

On September 25, 1991, Old Dominion Power Company and Kentucky Utilities Company filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to issue long-term securities and assume obligations. Applicant has paid the requisite fee of $250.

Kentucky Utilities is in the process of forming a holding company, Kentucky Utilities Energy Corporation, and intends to merge Old Dominion Power into Kentucky Utilities. Therefore, Kentucky Utilities is not subject to the jurisdiction of this Commission at this time, but the merger is expected to occur in the fourth quarter of 1991.

Kentucky Utilities requests authority to issue Pollution Control Obligations, including related First Mortgage Bonds, Pollution Control Series No. 8 and following, in an aggregate principal amount of $96,000,000. In connection with the issuance of these First Mortgage Bonds, Kentucky Utilities will assume certain obligations under a loan agreement with Carroll County, Kentucky. The proceeds will be used to discharge or refund, on or about September 15, 1992, bonds designated "County of Carroll, Kentucky Collateralized Pollution Control Revenue Bonds (Kentucky Utilities Company Project) 1982 Series A" ("1982 Bonds") in order to reduce Kentucky Utilities' embedded cost of debt. The First Mortgage Bonds will secure the payment of $96,000,000 in aggregate principal amount of a new series of Collateralized Pollution Control Revenue Bonds to be issued by Carroll County, Kentucky ("1992 Bonds").

The 1982 Bonds consist of two maturities: $25,000,000 of 11.00% bonds and $71,000,000 of 11.25% bonds, each redeemable at any time on or after September 15, 1992. Kentucky Utilities believes that waiting until the 1982 Bonds can be redeemed jeopardizes its opportunity to issue the 1992 Bonds at current, favorable interest rates. Therefore, Kentucky Utilities, Carroll County, Kentucky, and Goldman, Sachs, & Company entered into certain agreements, to include a Forward Purchase Agreement and a Letter of Inducement, to provide for the sale and purchase of the 1992 Bonds. The 1992 Bonds will bear interest of 7.45%, and based on its analysis of refunding, a savings would result at any effective rate at or below 10.55%.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the application will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Kentucky Utilities is hereby authorized to issue and deliver First Mortgage Bonds in an aggregate principal amount of $96,000,000, under the terms and conditions and for the purposes set forth in the application;

2) That Applicant shall agree only to such terms and prices in connection with the refunding, which will result in savings and which are consistent with the parameters set forth in the application;

3) That Applicant shall, within 30 days of the issuance of the securities referred to herein, file with the Commission a report including a statement setting forth the date or dates of issuance of the securities authorized herein, the price paid, the interest rate, the purchasers, all fees and expenses, including underwriting discounts or commissions or other compensation, involved in the issuance and distribution, the effective cost rate of the new issue, and a statement of the net present value savings; and

4) That this case shall be continued until December 31, 1992.

CASE NO. PUF910037
OCTOBER 24, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to issue and sell medium-term notes

ORDER GRANTING AUTHORITY

On October 1, 1991, Virginia Electric and Power Company ("Applicant") filed an application for authority under Chapter 3 of Title 56 of the Code of Virginia to issue and sell unsecured medium-term notes ("Notes"). Applicant has paid the requisite fee of $250.

Applicant will file a shelf registration for $200 million aggregate maximum principal amount of Notes with the Securities and Exchange Commission ("SEC"). Applicant seeks approval from the Commission to issue and sell the Notes, from time to time, over a period of approximately two years after the effective date of SEC registration, with maturities from nine (9) months to thirty (30) years, as the financial markets and the needs of the Applicant warrant. Applicant represents that the Notes will be marketed through agents or when warranted, by itself.

Applicant proposes to determine interest rate and redemption provisions on each Note at the time of sale on the basis of the maturity of the Note and the current financial market condition;however, no Note's rate would exceed 115% of the then current yield to maturity on United States Treasury issues ("Treasuries") of comparable maturity. Applicant will have the ability to sell Notes denominated in U.S. dollars or in foreign currency units. If it issues non-U.S. dollar denominated Notes, Applicant will enter into currency exchange agreements to protect against currency exchange risks for the Note. Funds from the sale will be used for construction, maintenance and upgrading of its electric system, and refunding or repaying other indebtedness.

Applicant estimates that the expenses associated with establishing this program will be approximately $220,000 and will amortize those expenses over the weighted average term to maturity of the Notes sold under the program.

The Commission, upon consideration of the application and having been advised by Staff, is of the opinion and finds that approval of the application will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant be and hereby is authorized to issue and sell unsecured medium-term notes up to an aggregate maximum principal amount of $200 million with maturities ranging from nine (9) months to thirty (30) years from the date of issue in the manner set forth in the application;

2) That the interest rate of the Notes shall not exceed 115% of the yield to maturity on comparable Treasuries, as dictated in secondary markets, on the date the Notes are sold, subject to straight-line interpolation when there are no comparable Treasuries, as stated in the application;

3) That, on or before December 31, 1991, Applicant shall file a copy of the SEC registration statement, a copy of the basic prospectus filed with the SEC, a copy of the governing trust indenture (or supplemental indenture) in its final form, and a list describing any other filings, contracts or agreements in conjunction with the Note program, including any affiliation, direct or indirect, through directors, stockholders or ownership of securities between Applicant and the agent;

4) That Applicant shall submit a preliminary report within seven (7) days after the issuance of any Note pursuant to this Order, such report to provide the date and amount of the Note, the interest rate thereon, the comparable Treasury yield (or interpolated yield if there are no comparable Treasuries) at the time the Note was sold, an explanation for the timing of the issue and type (foreign or domestic) of security issued, and, for Notes denominated in non-U.S. currency, the U.S. denominated rate which was not selected;

5) That within forty-five (45) days after the end of each calendar year, beginning with December 31, 1991, Applicant shall file a report showing actual expenses and fees paid during the year for the Note program;

6) That within forty-five (45) days after the end of each calendar quarter in which any Note(s) is issued pursuant to this Order, Applicant shall file a more detailed report with respect to all Notes sold during said calendar quarter, which shall provide:

a. The date, type (foreign or domestic), and amount of the issue(s), interest rate, comparable Treasury yield (or interpolated yield) at the time each such Note(s) was sold, date of maturity, underwriters' names, underwriters' fees, and net proceeds to the Applicant;

b. The cumulative principal amount issued under the authority granted herein, and the amount remaining to be issued;

c. A general statement of the purposes for which the Notes were issued;

d. Change in capital structure due to issue(s); and

7) That this case shall be continued until February 28, 1994, subject to the continuing review of this Commission.

CASE NO. PUF910038
NOVEMBER 26, 1991

APPLICATION OF
ROANOKE & BOTETOURT TELEPHONE COMPANY

For authority to enter into a supplemental, long-term loan with Rural Telephone Bank

ORDER GRANTING AUTHORITY

On October 9, 1991, Roanoke & Botetourt Telephone Company ("R & B" or "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to enter into a supplemental, long-term loan with Rural Telephone Bank ("RTB") and the Rural Electrification Administration ("REA"). By letter dated November 21, 1991, R & B amended its application to request a change in the loan amount. Applicant has paid the requisite fee of $25.

R & B requests authority to incur notes in an aggregate principal amount up to and including $6,523,020. The proceeds will be used to extend and to improve basic telephone facilities within Botetourt County, Virginia.

R & B's loan application to the REA and RTB has been approved subject to Virginia State Coproration Commission approval. The supplemental, long-term debt is secured by a Restated Mortgage, a Security Agreement, and a Financing Statement (signed June 28, 1991), whereby all assets of R & B are pledged as security for this and earlier RTB and REA loans. Funds will be drawn down as construction projects are completed and requisition is made to RTB. All draw-downs must be completed by December 31, 1996. Each advance of funds under the bank notes will require interest at a rate based on the cost of money from the Treasury and the rate becomes fixed for each individual draw-down. Currently the rate would be between 5% and 6%. Interest only payments will be due monthly for a period ending on a date two years from the date of the mortgage note, and interest and principal payments will be due monthly for the remaining term of the thirty-five year note.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the amended application will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to enter into a loan agreement to borrow up to $6,523,020 from RTB and REA, under the terms and conditions and for the purposes set forth in the application;

2) That Applicant shall file with the Commission within thirty (30) days from the date of the first advance of funds, and thereafter annually by March 1, a Report of Action which shall include the amount of each advance, the corresponding interest rate, the uses of said funds, and a balance sheet reflecting the action taken; and

3) That this case shall be continued until March 1, 1994, pending further action by the Commission.

CASE NO. PUF910038
DECEMBER 16, 1991

APPLICATION OF
ROANOKE & BOTETOURT TELEPHONE COMPANY

For amending authority to enter into a supplemental, long-term loan with Rural Telephone Bank

AMENDING ORDER

On November 26, 1991, the Commission issued an Order authorizing Roanoke & Botetourt Telephone Company ("R & B" or "Applicant") to enter into a loan agreement to borrow up to $6,523,020 from the Rural Telephone Bank ("RTB") and the Rural Electrification Administration ("REA") to extend and improve basic telephone facilities within Botetourt County, Virginia, "under the terms and conditions and for the purposes set forth in the application."

In its application, R & B stated that one of the purposes for the financing was to replace the existing digital switch at the Troutville Exchange. On November 26, 1991, Staff was notified that R & B intended to modify its plan to replace this switch. Instead, Applicant stated that it will only upgrade and not replace the digital switch as was initially represented in R & B's application dated October 30, 1991. Applicant's plan to upgrade the switch reduces its loan requirement by $1,115,201 (which results in a net savings of $1,170,961 when an allowance for a reduced Class B Stock purchase is included).

THE COMMISSION, upon consideration of Applicant's representations regarding this revision to the financing purposes stated in its application, is of the opinion that an Amending Order should be issued. Accordingly,

IT IS ORDERED:

1) That Ordering paragraph one of the Commission's November 26, 1991 Order shall be and hereby is amended to read as follows:

> That Applicant is authorized to borrow up to $5,352,059 from RTB and REA, under the terms and conditions, and for the purposes set forth in the application as revised by letter dated November 26, 1991; and

2) That all other provisions of the November 26, 1991 Order shall remain in full force and effect.

CASE NO. PUF910039
OCTOBER 18, 1991

APPLICATION OF
SDK ENTERPRISES

For authority to enter into a financing agreement with Motorola

ORDER GRANTING AUTHORITY

On October 9, 1991, SDK Enterprises ("SDK" or "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to enter into a financing agreement with Motorola. Applicant has paid the requisite fee of $250.

Under the proposed financing agreement, Motorola will provide financing for the purchase and installation of cellular mobile radio communications system equipment. In addition, Motorola will provide funds to SDK to finance its working capital requirements. At the request of Applicant, terms of the financing agreement will be treated in a confidential and proprietary manner.

THE COMMISSION, upon consideration of the application and having been advised by its Staff is of the opinion that approval of the proposed financing agreement will not be detrimental to the public interest. In addition, the Commission, pursuant to Section 56-508.12 of Chapter 16.2 of the Code of Virginia as amended, is of the opinion that the authority granted herein shall no longer be required once a second cellular mobile radio communications carrier is certified by this Commission and is operating within the same or substantially similar area as SDK. Accordingly;

IT IS ORDERED:

1) That SDK is authorized to enter into the financing agreement with Motorola for the purposes and under the terms and conditions as outlined in the Cellular System Financing Agreement submitted by Applicant to the Division of Economics and Finance;

2) That the limitation implicitly or otherwise imposed by this Order shall no longer be binding on the Company once a second cellular radio communications carrier is operating pursuant to Section 56-508.12 of Chapter 16.2 of the Code of Virginia;

3) That any information provided by Applicant in connection with the review of this application which could hinder its competitive effectiveness will be handled, at Applicant's request, in a confidential and proprietary manner; and

4) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF910040
DECEMBER 6, 1991

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For authority to sell common stock and issue long-term notes to Consolidated Natural Gas Company

ORDER GRANTING AUTHORITY

On October 22, 1991, Virginia Natural Gas, Inc. ("VNG" or "Applicant") filed an application under Chapters 3 and 4 of Title 56 of the Code of Virginia requesting authority to sell common stock and issue long-term notes to its parent company, Consolidated Natural Gas Company ("CNG"). Applicant has paid the requisite fee of $250.

VNG requests authority to sell to CNG up to 1,500 shares of common stock without par value in an amount not to exceed $55.0 million and to issue long-term notes to CNG in an amount not to exceed $45.0 million on, or before, December 31, 1991. The proceeds will be used to repay indebtedness of VNG incurred to finance the construction of the Intrastate Pipeline project (approved in Case No. PUE860065) and to pay other obligations of Applicant, including construction, completion, extension, or improvement of facilities and improvement and maintenance of service.

VNG represents that the purchase price per share of the common stock will be set at the book value of VNG's common equity as of the most practicable balance sheet date immediately prior to the sale date. The long-term notes will be issued to CNG pursuant to a letter agreement between Applicant and CNG. The terms and conditions of the notes will mirror those of CNG's most recent long-term financing. If CNG does not issue long-term debt between June 30, 1991 and December 31, 1991, the rate of interest will be tied to the Salomon Brothers, Inc. Bond Market Roundup dated nearest to the time of first takedown for a comparable maturity Treasury Bond, whereby such rate will be adjusted to match CNG's cost of borrowing if CNG subsequently issues long-term debt within one year of the date of first takedown under this application. Should CNG not issue long-term debt during the subsequent year period, the indicative rate at the time of first takedown will be used for the life of the notes. Interest payments shall be made either semi-annually or quarterly, and the period of time from issuance to maturity shall not exceed thirty (30) years.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the amended application will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant shall be and hereby is authorized to sell common stock in an amount not to exceed $55.0 million and issue long-term notes in an amount not to exceed $45.0 million, under the terms and conditions and for the purposes set forth in the application; and

2) That this matter be continued until March 1, 1992, when Applicant shall present a Report of Action which shall account in detail the issuance and sale of the securities, the expenses incurred therewith, the corresponding terms, the uses of said funds, and a balance sheet reflecting the action(s) taken.

CASE NO. PUF910041
DECEMBER 5, 1991

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY
and
DOMINION RESOURCES, INC.

For authority to sell common stock to an affiliate

ORDER GRANTING AUTHORITY

On October 23, 1991, Virginia Electric and Power Company ("Virginia Power") filed an application under Chapters 3 and 4 of Title 56 of the Code of Virginia for authority to sell up to $150 million of common stock to its parent company, Dominion Resources, Inc. ("DRI"). The requisite $250 fee has been paid.

Applicants represent that the proceeds from the sale of the common stock will be used to meet a portion of Virginia Power's capital requirements. Such capital requirements consist generally of construction, upgrading and maintenance expenditures and the refunding of outstanding securities. The proposed amount of equity to be issued also is influenced by management's desire to improve Virginia Power's capital structure by raising the common equity ratio.

THE COMMISSION, upon consideration of the application and having been advised by its Staff is of the opinion and finds that approval of the application is in the public interest. Accordingly,

IT IS ORDERED:

1) That Virginia Power is authorized to sell up to $150,000,000 of common stock to Domionion Resources, Inc. under the terms and conditions and for the purposes set forth in the application;

2) That the authority granted herein shall not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

3) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein, pursuant to Section 56-79 of the Code of Virginia; and

(4) That this matter shall be continued to February 28, 1992 for the presentation of a report of action including the date of issuance, total proceeds, detail of the source of proceeds (i.e., breakdown by type of DRI stock plan or other source), detail of all expenses allocated to Virginia Power from DRI related to the issue (including expenses incurred by DRI in connection with its various stock plans), the accounting treatment accorded the stock issuance expenses, a ratemaking capital structure and cost of capital statement as of December 31, 1991, and a balance sheet reflecting the action taken.

CASE NO. PUF910042
DECEMBER 12, 1991

APPLICATION OF
PRINCE GEORGE ELECTRIC COOPERATIVE

For authority to borrow funds under a short-term line of credit agreement

ORDER GRANTING AUTHORITY

On November 14, 1991 Prince George Electric Cooperative ("Applicant") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia requesting authority to enter into a $2,000,000 line of credit agreement with the National Rural Utilities Cooperative Finance Corporation ("CFC"). The requisite fee of $250 has been paid.

Applicant states that the line of credit will be used in times of emergency and to provide funding for construction until it secures long-term funds from the Rural Electrification Administration ("REA"). Prince George anticipates its long-term REA loan will be approved in December 1992. The line of credit is for a sixty month period with the interest rate on all advances equal to the prime rate as published in the "Money Rates" column of The Wall Street Journal plus one percent per annum or such lesser rate as may be fixed by CFC from time to time. The interest rate on outstanding amounts is subject to change on the first or sixteenth day of any month.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the proposed financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to incur short-term indebtedness in an amount up to $2,000,000 under a line of credit agreement with CFC from the date of this Order, under the terms and conditions and for the purpose stated in the application;

2) That this case shall be continued until December 31, 1992, for the presentation by Applicant, on or before such date, of a Report of Action taken pursuant to the authority granted herein, including a schedule of all line of credit advances and prepayments through October 31, 1992, end-of-month balances, corresponding interest rates, and a balance sheet as of October 31, 1992; and

3) That this matter shall remain under the continuing review, audit and appropriate directive of this Commission for the duration of the line of credit with CFC.

CASE NO. PUF910043
DECEMBER 13, 1991

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

For authority to issue short-term debt

ORDER GRANTING AUTHORITY

On November 18, 1991, Virginia-American Water Company ("Applicant", "Company") filed an application under the Chapter 3 of Title 56 requesting authority to issue short-term debt up to a maximum of $7,000,000 outstanding through December 31, 1992. Applicant has paid the requisite fee of $250.

Applicant's proposed maximum short-term debt level will constitute over five percent (5.0%) of its total capitalization. The money will be borrowed from Signet Bank at a rate equal to the Federal Funds Rate plus 55 basis points. The current line of credit agreement with Signet Bank expires on March 31, 1992; however, Applicant anticipates that another line of credit will be established through March 31, 1993. The proceeds from the short-term debt borrowings will be used to satisfy sinking fund requirements, provide working capital, and fund Company's construction program.

THE COMMISSION, upon consideration of the application and representations of Applicant, and having been advised by its Staff, is of the opinion that approval of the application will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue short-term debt in an aggregate amount not to exceed $7,000,000, under the terms and conditions and for the purposes described in the application, from the date of this Order through December 31, 1992;

2) That Applicant shall submit a copy of the executed line of credit agreement within thirty (30) days after executing a new credit agreement for the period April 1, 1992 through March 31, 1993;

3) That Applicant shall continue to file quarterly reports with the Division of Economics and Finance within 60 days of the end of each quarter as prescribed in the Dismissal Order issued pursuant to PUF910003, including a schedule of borrowings and repayments and a balance sheet; and

4) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF910044
DECEMBER 23, 1991

APPLICATION OF
COMMONWEALTH GAS SERVICES, INC.
and
THE COLUMBIA GAS SYSTEM, INC.

For approval of intercompany financing for 1992

ORDER GRANTING AUTHORITY

On November 19, 1991, Commonwealth Gas Services, Inc. ("Applicant" or "Services") and The Columbia Gas System, Inc. ("System") filed an application with the Commission under Chapters 3 and 4 of Title 56 of the Code of Virginia. The requisite fee of $250 has been paid.

Applicant requests authority to engage in the following financing arrangements with its parent company, The Columbia Gas System, Inc.: 1) to issue to System an aggregate amount up to $13,400,000 in Installment Promissory Notes ("Long-Term Notes"); 2) to borrow up to an aggregate amount of $30,000,000 at any one time in the form of Short-Term Promissory Notes ("Money Pool Notes") from System and/or other affiliated companies through the Intrasystem Money Pool ("Money Pool"); and 3) to invest excess cash, from time to time, in the Money Pool. The proceeds from the Long-Term Notes will be used by Applicant for its 1992 capital expenditures. Money Pool borrowings will be used for peak short-term requirements such as gas purchases and storage.

In offering financing to Services, System proposes to allocate a proportionate share of the fees associated with System's Permanent Facility which furnishes debtor-in-possession ("DIP") financing to System while it is in bankruptcy. The fees associated with System's DIP financing are estimated to amount to approximately $4,428,250 in 1992, or 1.61% of System's $275 million Permanent Facility. In contrast, the annualized fees on System's $500 million short-term debt facility prior to bankruptcy were estimated to roughly amount to $1,167,000 in 1991, or 0.23% of the $500 million credit facility. Consequently, Services' allocable fees for 1992 are estimated to be about $262,000 for 1992 versus the $42,000 estimated for Money Pool costs in 1991.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion and finds that approval of the above proposed financing should be granted. Services' allocable share of the fees for participating in the Money Pool have risen dramatically and they no longer appear to be commensurate with the level of financing costs incurred by other Virginia utilities. Moreover, Applicant cites no compelling reasons to justify this increase. We recognize that Services' status, as a wholly owned subsidiary of a parent company in bankruptcy, raises credit risk questions which would impede independent financing alternatives. Consequently, it appears to be in the public interest to authorize the proposed intercompany financing. However, approval of this intercompany financing in no way reflects approval of the proposed costs for ratemaking purposes. In any subsequent rate proceeding filed by Services, we will carefully scrutinize the propriety of allowing Services to recover these fees in the rates. Accordingly;

IT IS ORDERED:

(1) That Staff will thoroughly address the issue of appropriate and reasonable financing costs for Services in its next rate case;

(2) That Applicant is hereby authorized:

(a) to borrow from System an aggregate amount of up to $13,400,000 from the issuance and sale of Installment Promissory Notes from January 1, 1992 through December 31, 1992;

(b) to borrow through the Money Pool in the form of Short-Term Promissory Notes from System and/or other Money Pool affiliates an aggregate amount not to exceed $30,000,000 at any time during 1992;

(c) to invest excess cash, from time to time, in the Money Pool;

all in the manner, under the terms and conditions, and for the purposes as set forth in the application, except as modified herein;

(3) That Services shall account for all allocated fees associated with System's Permanent Facility such that administrative, commitment, structuring, and facility fees may be separately and individually discernable;

(4) That approval of the application shall have no implications for ratemaking purposes;

(5) That the authority granted herein extends from January 1, 1992, through December 31, 1992;

(6) That approval of the application shall not preclude the Commission from applying the provisions of Sections 56-78 and 56-80 of the Code of Virginia hereafter;

(7) That the Commission reserves the right to examine the books and records of any affiliate, whether or not such affiliate is regulated by this Commission, in connection with the authority granted herein;

(8) That Applicant, in future cases, shall substantiate that proposed security issuances are offered at the most reasonable interest rates and terms available and that it has contacted financial institutions, which typically provide the type of financing proposed, to compare other rates and terms;

(9) That Applicant shall file quarterly reports within 45 days of the end of the first three calendar quarters of 1992, such reports to include:

(a) Monthly schedules of Money Pool borrowings, segmented according to System notes and notes issued to other affiliates;

(b) Monthly schedules that separately reflect interest expense and each type of allocated fee;

(c) Monthly schedules of System's borrowings under its Permanent Facility; and

(10) That this matter be continued to March 1, 1993, for the presentation by Applicant of a final Report of Action that shall include the same information requested in ordering paragraph (9) for the fourth quarter of 1992, and a balance sheet reflecting the action taken.

CASE NO. PUF910045
DECEMBER 13, 1991

APPLICATION OF
GTE SOUTH, INC.

For authority to incur short-term indebtedness up to $150 million

ORDER GRANTING AUTHORITY

On November 20, 1991, GTE South Incorporated ("Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to incur short-term indebtedness in an amount not exceeding $150 million in aggregate through December 31, 1992. Applicant has paid the requisite fee of $250.

Applicant proposes to issue short-term debt in the form of notes to banks and/or commercial paper, provided that none of such notes or commercial paper shall mature later than twelve months from the date of issuance. The interest rate will be market determined at the time of issuance. The proceeds will be used to support Applicant's construction program and maintain working capital.

THE COMMISSION, upon consideration of the application, and having been advised by its Staff, is of the opinion that approval of the described financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to incur short-term indebtedness not to exceed $150 million for the purposes and under the terms and conditions as described in the application;

2) That within forty-five days after the end of each semi-annual calendar period in 1992, Applicant shall file a report of action taken pursuant to the authority granted in this Order, such report will show monthly minimum and maximum outstanding short-term debt balances, the monthly average outstanding short-term debt balance, the weighted average monthly rate paid on the short-term debt, and a balance sheet as of the end of the period; and

3) That this matter shall be continued until February 15, 1993, subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF910046
DECEMBER 18, 1991

APPLICATION OF
DELMARVA POWER & LIGHT COMPANY

For authority to issue First Mortgage Bonds

ORDER GRANTING AUTHORITY

On November 26, 1991, Delmarva Power & Light Company ("Delmarva" or "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue $50,000,000 of First Mortgage Bonds ("Bonds"). Applicant has paid the requisite fee of $250.

Delmarva seeks authority to issue the Bonds from time to time on or before December 31, 1992 and expects to issue the maximum amount of the Bonds by February 28, 1992. The proceeds will be used to refund higher cost debt. Specifically, Delmarva proposes to refund $48,500,000 of First Mortgage Bonds, 10 1/8% Series due January 1, 2016. The Bonds will be issued with an expected maturity of 30 years. The coupon rates will be based upon a bidding procedure and in accordance with the Bonds' maturities and conditions in the financial markets at the time of the sale.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the application will not be detrimental to the public interest. Accordingly;

IT IS ORDERED:

1) That Delmarva is authorized to issue up to $50,000,000 of First Mortgage Bonds on or before December 31, 1992, for the purposes and under the terms and conditions contained in the application, provided that the issuance results in cost savings to Delmarva;

2) That the call premium and other expenses associated with refunding of the 10 1/8% bonds shall be amortized over the life of the new Bonds;

3) That Delmarva shall submit a preliminary Report of Action within seven days after the issuance of any Bonds pursuant to this Order including the date issued, the amount of the issue, the interest rate, the maturity date, the comparable U.S. Treasury rate, and an explanation for the maturity and issuance date chosen;

4) That within sixty (60) days after the end of each calendar quarter in which any Bonds are issued pursuant to this Order, Delmarva shall file a more detailed Report of Action with respect to all Bonds issued during the calendar quarter including the date and amount of each issue, the interest rate, date of maturity, net proceeds to Applicant, an itemized list of all expenses associated with each issue, a list of uses of the proceeds, a comparison of the effective rates on the new Bonds and any refunded debt to demonstrate savings to Delmarva, a list of all contracts and underwriting agreements regarding the sale or marketing of the Bonds, and a balance sheet reflecting the action taken; and

5) That this matter shall be continued to February 26, 1993, subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF910047
DECEMBER 20, 1991

APPLICATION OF
APPALACHIAN POWER COMPANY

For authority to issue and sell bonds, unsecured notes and cumulative preferred stock

ORDER GRANTING AUTHORITY

On December 5, 1991, Appalachian Power Company ("Applicant") filed an application for authority under Chapter 3 of Title 56 of the Code of Virginia to issue and sell first mortgage bonds ("Bonds"), unsecured long or medium-term notes ("Notes"), and cumulative preferred stock ("Preferred"). Applicant paid the requisite fee of $250.

Applicant seeks approval from the Commission to issue and sell the Bonds, Notes, and Preferred between January 1, 1992, and December 31, 1992. Applicant intends to issue securities up to a total aggregate principal amount of $350 million, comprised of Preferred up to $50 million, and Bonds or Notes not to exceed $300 million. The Bonds and Notes will have maturities ranging from nine (9) months to thirty (30) years, based on conditions in the financial markets and the needs of the Applicant. Interest rates on Bonds and Notes will be set at time of issue by competitive bidding or negotiated underwriting. Any proceeds realized from the sale of Bonds, Notes, and/or Preferred will be used to refund long-term debt, to repay short-term debt, to reimburse treasury for construction expenditures, and other corporate purposes.

The Commission, upon consideration of the application and having been advised by Staff, is of the opinion and finds that approval of the application will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized:

(a) to issue and sell Bonds and Notes such that the total principal amount does not exceed $300 million; and

(b) to issue and sell Preferred with an aggregate maximum principal amount of $50 million;

from January 1, 1992 through December 31, 1992, all in a manner, under the terms and conditions, and for the purposes as set forth in the application;

2) That the effective yield to maturity shall:

(a) for any fixed rate Bond, Note, or Preferred not exceed 300 basis points above the yield to maturity on United States Treasury securities of comparable maturity;

(b) for any variable rate Note not exceed 200 basis points above the yield to maturity on United States Treasury securities of comparable maturity;

3) That all costs associated with this authority shall be amortized over the life of new issues with separate accounting for Preferred, Notes, and Bonds, with separate accounting for any premiums paid to retire any outstanding debt;

4) That within forty-five (45) days after each SEC approval, Applicant shall file a copy of the SEC registration statement, a copy of the basic prospectus filed with the SEC, and a list describing any other filings, contracts or agreements in conjunction with the issuance, including any affiliation, direct or indirect, through directors, stockholders or ownership of securities between Applicant and the agent;

5) That Applicant shall submit a preliminary report within seven (7) days after the issuance of any Bond, Note, or Preferred pursuant to

this Order including the date, type, amount, interest rate or dividend yield thereon, and the comparable Treasury yield (or interpolated yield if there are no comparable Treasuries) at the time the security was sold;

6) That within sixty (60) days after the end of each calendar quarter of 1992 in which any securities are issued pursuant to this Order, Applicant shall file a more detailed report with respect to all securities sold during the calendar quarter including:

(a) A copy of the Term Loan Agreement(s) executed for the purpose of issuing Notes;

(b) The date, type, amount, interest rate, comparable Treasury yield (or interpolated yield) at the time of issue, date of maturity, underwriters' names, underwriters' fees, and net proceeds to the Applicant;

(c) The cumulative principal amount issued under the authority granted herein, and the amount remaining to be issued;

(d) A general statement of the purposes for which the securities were issued, and if the purpose is to refund an outstanding issue, to provide a schedule showing cost savings from the refunding;

(e) Change in capital structure due to issue(s); and

7) That this case shall be continued until March 1, 1993, pending a final Report of Action showing actual expenses and fees paid for the proposed financing, and an explanation any variance to the estimated expenses contained in the application.

DIVISION OF RAILROAD REGULATION

CASE NO. RRR900007
MARCH 12, 1991

APPLICATION OF
NORFOLK SOUTHERN CORPORATION

For authority to relocate agency and transfer agency duties

FINAL ORDER

On December 14, 1990, Norfolk Southern Corporation filed an application requesting authority to transfer the station agency duties of its Alexandria, Virginia agency to its Manassas, Virginia agency, to change the classification of its Alexandria station to nonagency station status, and to transfer jurisdiction over the nonagency stations of Washington, D.C., and Edsall, Cameron and Springfield, Virginia from Alexandria to Manassas. By order of December 18, 1990, the Commission required public notice of the application and instructed its Division of Railroad Regulation to investigate the matter. Public comments and requests for hearing were to be filed on or before February 15, 1991, and the Division's investigation report was to be submitted by March 15, 1991.

The Division investigated the matter and filed a report of its comments and recommendations on March 7, 1991. It found that adequate and efficient service could be maintained if the transfer of agency duties were permitted and that Norfolk Southern would experience lower expenses if the application were approved. The Division interviewed a number of railroad patrons, none of whom expressed opposition to the transfer so long as adequate service would be maintained. No requests for hearing were received.

Based upon the Division's investigation and recommendation, the Commission finds that the application should be granted; accordingly,

IT IS ORDERED:

(1) That Norfolk Southern Corporation is authorized to transfer the station agency duties currently performed at Alexandria, Virginia to Manassas, Virginia, and, upon such transfer, to discontinue the station agency duties at Alexandria, Virginia;

(2) That, upon such transfer, Norfolk Southern Corporation is authorized to reclassify its Alexandria station to nonagency station status and to place it and the nonagency stations at Washington, D.C. and Edsall, Cameron and Springfield, Virginia under the jurisdiction of the Manassas agency; and

(3) That, there being nothing further to come before the Commission in this proceeding, Case No. RRR900007 be closed and the papers therein placed in the Commission's files for ended causes.

CASE NO. RRR910001
MAY 30, 1991

APPLICATION OF
CSX TRANSPORTATION, INC.

For authority to close the agency at Balcony Falls, Virginia, and to place agency duties under the jurisdiction of the Lynchburg, Virginia mobile agency.

FINAL ORDER

By application, filed March 7, 1991, CSX Transportation, Inc. ("CSXT") requests authority to close its agency at Balcony Falls, Virginia, to transfer the duties of the agency to its Lynchburg, Virginia mobile agency, and to place its nonagency stations at Buchanan, Buena Vista, Emil, Glasgow, Loch Laird, Natural Bridge, Rocky Point and Sells, Virginia under the jurisdiction of its Lynchburg mobile agency. The Commission, by order of March 12, 1991, required public notice of the application and directed the Division of Railroad Regulation to investigate the matter. Public comments and requests for hearing were to be filed on or before April 19, 1991, and the Division's investigation report was to be submitted on May 17, 1991.

The Division investigated the matter and filed a report of its comments and recommendations on May 16, 1991. It found that adequate and efficient service could be maintained if the Balcony Falls agency were closed and its duties were assumed by the Lynchburg mobile agency. The investigation established that savings would accrue to CSXT if the application were granted and that the Lynchburg mobile agency could absorb the duties of the Balcony Falls agency.

The Division interviewed a number of railroad patrons, none of whom expressed opposition to the transfer of agency duties so long as adequate service would be maintained. No requests for hearing were received. This application contemplates no changes in train service to the Balcony Falls area. It requests only a change in the location of freight agency duties.

Based on the Division's investigation and recommendation, the Commission finds that the application should be granted; accordingly,

IT IS ORDERED:

(1) That CSXT is authorized to transfer the station agency duties currently performed at Balcony Falls, Virginia to its Lynchburg, Virginia mobile agency, and, upon such transfer, to close the Balcony Falls agency;

(2) That, upon such transfer, CSXT is authorized to transfer jurisdiction over its nonagency stations at Buchanan, Buena Vista, Emil, Glasgow, Loch Laird, Natural Bridge, Rocky Point and Sells, Virginia to the Lynchburg mobile agency; and

(3) That, there being nothing further to come before the Commission in this proceeding, Case No. RRR910001 be closed and the papers therein placed in the Commission's files for ended causes.

CASE NO. RRR910002
NOVEMBER 8, 1991

APPLICATION OF
NORFOLK SOUTHERN CORPORATION

For authority to abolish Mobile Route VA-2 based at Manassas, Virginia, and place agency duties under the jurisdiction of the open agency at Manassas, Virginia

FINAL ORDER

Norfolk Southern Corporation ("NS") has requested Commission approval to abolish its mobile agency, Mobile Route VA-2, based in Manassas, Virginia. Mobile Route VA-2 now serves the points of Ravensworth, Burke, Fairfax, Clifton, Graham, Manassas Junction, Bristow, Nokesville, Wellington, Gainesville, Haymarket, Broad Run, The Plains, Marshall, Rectortown, Delaplane, Markham, Linden, Front Royal and Riverton, Virginia, and Hagerstown, Maryland. NS proposes to serve the points served by Mobile Route VA-2 from its open agency at Manassas, Virginia. By order of August 19, 1991, the Commission required public notice of the application and directed the Division of Railroad Regulation to investigate the matter. Public comments and requests for hearing were to be filed by October 4, 1991, and the Division's investigation report was to be submitted by November 1, 1991.

The Division investigated the matter and filed a report of its comments and recommendations on November 1, 1991. It found that adequate and efficient service could be maintained if Mobile Route VA-2 were abolished and the points it serves were placed under the jurisdiction of the NS agency at Manassas, Virginia. The investigation established that savings would accrue to NS if the application were granted and that the Manassas agency could absorb the duties of Mobile Route VA-2.

The Division interviewed a number of railroad patrons, some of whom expressed complaints about NS service. None expressed opposition to the rearrangement of agency duties proposed in the application, however, and no requests for hearing were received. The application contemplates no changes in train service, and the Commission expects NS to cooperate with the Division to attempt to satisfy patrons' service complaints.

Based upon the Division's investigation and recommendation, the Commission finds that the application should be granted; accordingly,

IT IS ORDERED:

(1) That NS is authorized to abolish Mobile Route VA-2 and to serve the points of Ravensworth, Burke, Fairfax, Clifton, Graham, Manassas Junction, Bristow, Nokesville, Wellington, Gainesville, Haymarket, Broad Run, The Plains, Marshall, Rectortown, Delaplane, Markham, Linden, Front Royal and Riverton, Virginia, and Hagerstown, Maryland, from its open agency at Manassas, Virginia; and

(2) That, there being nothing further to come before the Commission in this proceeding, Case No. RRR910002 be closed and the papers therein placed in the Commission's files for ended causes.

DIVISION OF SECURITIES AND RETAIL FRANCHISING

CASE NO. SEC890221
JANUARY 28, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
GRATIAN MICHAEL YATSEVITCH, III,
Defendant

FINAL ORDER AND JUDGMENT

THIS MATTER, instituted by Rule to Show Cause entered on November 13, 1989, was scheduled for hearing and was heard on January 15, 1991. At the hearing, the Division of Securities and Retail Franchising was represented by its counsel. The Defendant, Gratian Michael Yatsevitch, III ("Yatsevitch"), neither filed a pleading in response to the Rule to Show Cause nor appeared in person or by counsel at the hearing.

The Commission, based upon the evidence herein, is of the opinion and finds:

(1) That an attested copy of the aforesaid Rule to Show Cause was duly served upon the Secretary of the Commonwealth as statutory agent for the Defendant pursuant to the provisions of Virginia Code § 8.01-329;

(2) That Yatsevitch, having failed to file a responsive pleading and having failed to appear at the hearing, is in default;

(3) That between December of 1985 and August of 1989, Yatsevitch was the president of Investors Group Limited ("IGL");

(4) That IGL is a District of Columbia corporation which was registered as a broker-dealer under the Securities Act of Virginia (Virginia Code §§ 13.1-501 through 13.1-527.3 (1989 and Cum. Supp. 1990)) from August of 1987 through December of 1989;

(5) That the Defendant was registered as an agent of IGL under the Securities Act of Virginia from January of 1988 through June of 1989;

(6) That on or about April 21, 1988, July 6, 1988 and August 17, 1988, IGL received legal opinions stating that solicited sales of Printron, Inc. securities could not be lawfully effected in Virginia;

(7) That the July 6, 1988, opinion referred to in paragraph (6), above, was sent to the Defendant directly and that he was sent a carbon copy of the April 21, 1988 opinion;

(8) That in December of 1988, the Defendant effected in a single transaction the sale in this Commonwealth of 2,000 shares of common stock of Printron, Inc.

(9) That the common stock of Printron, Inc. is not and never has been registered under the securities registration provisions of the Virginia Securities Act;

(10) That the aforesaid activities constitute unlawful acts as set forth in Virginia Code § 13.1-507; and

(11) .That Yatsevitch should be enjoined from committing such acts in the future and should be penalized on account of having committed such acts; it is, therefore,

ORDERED:

(1) That pursuant to Virginia Code § 13.1-519, Yatsevitch be, and he hereby is, permanently enjoined from directly or indirectly offering for sale or selling any security in violation of Virginia Code § 13.1-507;

(2) That pursuant to Virginia Code § 13.1-521, Yatsevitch be, and he hereby is, penalized in the amount of $5,000 and that the Commonwealth recover of and from the Defendant said amount; and

(3) That as there appears nothing further to be done in this proceeding, this case is dismissed from the docket and the papers be placed in the file for ended causes.

CASE NO. SEC890224
JANUARY 28, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
INVESTORS GROUP LIMITED,
Defendant

FINAL ORDER AND JUDGMENT

THIS MATTER, instituted by Rule to Show Cause entered on November 13, 1989, was scheduled for hearing and was heard on January 15, 1991. At the hearing, the Division of Securities and Retail Franchising was represented by its counsel. The Defendant, Investors Group Limited ("IGL"), neither filed a pleading in response to the Rule to Show Cause nor appeared by counsel at the hearing.

The Commission, based upon the evidence herein, is of the opinion and finds:

(1) That an attested copy of the aforesaid Rule To Show Cause was duly served upon the Secretary of the Commonwealth as statutory agent for the Defendant pursuant to the provisions of Virginia Code § 8.01-329;

(2) That IGL, having failed to file a responsive pleading and having failed to appear at the hearing, is in default;

(3) That IGL is a District of Columbia corporation which was registered as a broker-dealer under the Securities Act of Virginia (Virginia Code §§ 13.1-501 through 13.1-527.3 (1989)) and Cum. Supp. 1990 from August of 1987 through December of 1989;

(4) That between July of 1988 and December of 1988 IGL, through its agents, effected in approximately 102 separate transactions the sale in this Commonwealth of securities issued by Printron, Inc. ("Printron"), to wit: 107,550 units, 87,700 class A warrants, 50,000 class B warrants, 49,000 class C warrants and 225,400 shares of common stock;

(5) That a unit of Printron is composed of one common share, one class A warrant, one class B warrant and one class C warrant of Printron;

(6) That neither the units, common stock, class A warrants, class B warrants, nor class C warrants of Printron are or ever have been registered under the securities registration provisions of the Virginia Securities Act;

(7) That one agent of IGL, Anthony Dean Roberts, was not registered under the agent registration provisions of the Virginia Securities Act at the time he effected the sales in this Commonwealth of 500 units and 500 class A warrants of Printron on two separate occasions;

(8) That the Division's examiners performed an audit of the IGL offices in McLean, Virginia, during which the examiners found documentation establishing that two Virginia residents purchased securities in the initial Printron offering;

(9) That by letter dated June 21, 1989, IGL was requested to provide the Division the order tickets and confirmation statements, or legible copies of same, for all Printron transactions by Virginia clients prior to December 15, 1989;

(10) That IGL was unable to provide two confirmation statements and three order tickets for specific Printron trades prior to December 15, 1989;

(11) That 16 of IGL's new accounts applications for Virginia clients contained no, or inadequate descriptions of, the clients' occupations;

(12) That on approximately 36 separate occasions IGL offered and sold in Virginia Printron securities to 20 Virginia clients whose investment objectives, as indicated on their new account applications, were "appreciation safety" and/or "income safety";

(13) That the April 20, 1988, prospectus for the Printron offering states that "[the] units being offered involve a high degree of risk and, therefore, should be considered extremely speculative. They should not be purchased by persons who cannot afford the possibility of loss of their entire investment";

(14) That by letter dated September 5, 1989, the Division requested from IGL all order tickets and confirmation statements, or legible copies of same, related to the exercise of Printron warrants by or for the accounts of Virginia clients;

(15) That to date IGL has not responded to the Division's letter referred to in paragraph (14);

(16) That the aforesaid activities constitute unlawful acts as set forth in Virginia Code §§ 13.1-504B and 13.1-507 and by Virginia Securities Act Rules 302B.1, 304A.2 and 307C; and

(17) That IGL should be enjoined from committing such acts in the future and should be penalized on account of having committed such acts; it is, therefore,

ORDERED:

(1) That pursuant to Virginia Code § 13.1-519, IGL be, and it hereby is, permanently enjoined from any further violation of Virginia Code § 13.1-504 or § 13.1-507 or the Virginia Securities Act Rules;

(2) That pursuant to Virginia Code § 13.1-521, IGL be, and it hereby is, penalized in the amount of $50,000 and that the Commonwealth recover of and from the Defendant said amount; and

(3) That as there appears nothing further to be done in this proceeding, this case is dismissed from the docket and the papers be placed in the file for ended causes.

CASE NO. SEC900079
JULY 16, 1991

APPLICATION OF
THE OPTIONS CLEARING CORPORATION

For an official interpretation pursuant to Va. Code § 13.1-525

OFFICIAL INTERPRETATION

THIS MATTER came before the Commission for consideration upon the letter-application of The Options Clearing Corporation ("Applicant") dated November 14, 1989, as supplemented by letters dated December 1, 1989, April 23, 1990, and April 8, 1991, with exhibits attached, filed under Virginia Code § 13.1-525 by its Assistant Vice President and Deputy General Counsel and upon payment of the requisite fee. During the pendency of the application, Applicant and the Commission staff have engaged from time to time in discussions concerning this matter. Applicant has requested a determination that the option contracts described below are exempted from the securities registration requirements of the Securities Act pursuant to Virginia Code § 13.1-514 A 8 (prior to July 1, 1991, this exemption was contained in § 13.1-514(a)(8)). The pertinent information contained in the application is summarized as follows:

Applicant is a Delaware corporation organized in 1972, is a registered clearing agency and is a self-regulatory organization under the regulatory oversight of the U.S. Securities and Exchange Commission ("SEC"). Its principal business consists of issuing option contracts, providing facilities for the clearance and settlement of options transactions, and providing incidental services to its clearing members and to the markets on which its options are traded. Currently, Applicant issues put and call options with respect to common stocks, United States Treasury bonds, notes and bills, foreign currencies, stock indexes, and yields on certain U.S. Treasury securities ("underlying interests"). These options are listed on one or more of the following securities exchanges: American Stock Exchange, Inc. ("AMEX"), Chicago Board Options Exchange, Incorporated ("CBOE"), New York Stock Exchange, Inc. ("NYSE"), Pacific Stock Exchange Incorporated ("PSE") and Philadelphia Stock Exchange, Inc. ("PHLX"). From time to time, Applicant files with the SEC a registration statement related to option contracts to be issued in the future. The contracts so registered are generic options - i.e., any of the contracts can be issued as a put or call option for any of the underlying interests enumerated above. Once issued and outstanding, all of Applicant's options, regardless of the specific contractual terms and trading market of each instrument, possess certain common attributes. For example, if a clearing member fails to make settlement for an option exercise, Applicant intercedes and ensures that the transaction is completed. Also, options issued by Applicant are protected against a clearing member's nonperformance by Applicant's "back-up" system which, among other things, gives all options the same priority against the margin and clearing fund deposits required to be made with Applicant by its clearing members.

Va. Code § 13.1-514 (Cum. Supp. 1991) provides, in part:

> A. The following securities are exempted from the securities registration requirements of this chapter:
>
> . . . .
>
> 8. Any security which is listed or approved for listing upon notice of issuance on the New York Stock Exchange or the American Stock Exchange or any other security of the same issuer which is of senior or substantially equal rank . . . .

Applicant asserts that its option listed on the NYSE and AMEX clearly come within the terms of the A 8 exemption; that its options traded on the CBOE, PSE and PHLX are of "equal rank" with those traded on the NYSE and AMEX and, therefore, are subject to the A 8 exemption; and, that although its option contracts were not in existence in 1957, the year in which the exemption provided by § 13.1-514 A 8 became effective, the options are within the plain language and the rationale of the exemption.

THE COMMISSION, based on the data submitted, is of the opinion and finds that Applicant's options listed on the CBOE, PSE and PHLX are of substantially equal rank with those traded on the NYSE and the AMEX; it is, therefore,

ORDERED that the ption contracts described above be, and they ereby are, exempted from the securities registration requirements of the Securities Act pursuant to Va. Code § 13.1-514 A 8 (Cum. Supp. 1991).

CASE NO. SEC900094
FEBRUARY 7, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
STEVE SCOTT, a/k/a STEVE SCOTT MOLESKI,
Defendant

FINAL ORDER AND JUDGMENT

THIS MATTER, instituted by Rule to Show Cause entered on November 15, 1990, was scheduled for hearing and was heard on January 29,1991. At the hearing, the Division of Securities and Retail Franchising was represented by its counsel. The Defendant, Steve Scott, neither filed a pleading in response to the Rule to Show Cause nor appeared in person or by counsel at the hearing.

The Commission, based upon the evidence herein, is of the opinion and finds:

(1) That an attested copy of the aforesaid Rule To Show Cause was duly served upon the Secretary of the Commonwealth as statutory agent for the Defendant pursuant to the provisions of Virginia Code § 8.01-329;

(2) That Steve Scott, the Defendant, is also known as Steve Scott Moleski;

(3) That the Defendant, having failed to file a responsive pleading and having failed to appear at the hearing, is in default;

(4) That the Defendant was an agent, as defined in the Virginia Securities Act (Virginia Code §§ 13.1-501 - 13.1-527.3 (1989 and Cum. Supp. 1990)), of S&S Petroleum, Inc. ("S&S") during the period of November 1987 - February 1988;

(5) That S&S is/was a Nevada corporation formed in July of 1985;

(6) That in November of 1987 S&S, through the Defendant and others, offered for sale and sold in this Commonwealth units of limited partnership interests in S&S Petroleum Partners, Ltd. ("Partners"), a limited partnership yet to be formed;

(7) That S&S was to be the general partner of Partners;

(8) That from December of 1987 through February of 1988 S&S, through the Defendant and others, offered for sale and sold in this Commonwealth units of limited partnership interests of S&S Petroleum Partners A, Ltd. ("Partners A"), a limited partnership yet to be formed;

(9) That S&S was to be the general partner of Partners A;

(10) That on or about November 16, 1987, the Defendant offered and sold in this Commonwealth one-half (1/2) of a unit in Partners to a Virginia resident;

(11) That on or about December 1987, the Defendant offered in this Commonwealth units in Partners A to the same Virginia resident;

(12) That the units of Partners and Partners A are securities as defined under the Virginia Securities Act, to wit: investment contracts;

(13) That the units of Partners and Partners A are not and never have been registered under the securities registration provisions of the Virginia Securities Act;

(14) That the Defendant is not and never has been registered as an agent under the agent registration provisions of the Virginia Securities Act.

(15) That the aforesaid activities constitute two violations of Virginia Code § 13.1-504A and two violations of Virginia Code § 13.1-507; and

(16) That the Defendant should be penalized on account of having committed such acts; it is, therefore,

ORDERED:

(1) That pursuant to Virginia Code § 13.1-521, Steve Scott, a/k/a Steve Scott Moleski, be, and he hereby is, penalized in the amount of $20,000 and that the Commonwealth recover of and from the Defendant said amount; and

(2) That as there appears nothing further to be done in this proceeding, this case is dismissed from the docket and the papers be placed in the file for ended causes.

CASE NO. SEC900095
FEBRUARY 7, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
S&S PETROLEUM, INC.,
Defendant

FINAL ORDER AND JUDGMENT

THIS MATTER, instituted by Rule to Show Cause entered on November 15, 1990, was scheduled for hearing and was heard on January 29, 1991. At the hearing, the Division of Securities and Retail Franchising was represented by its counsel. The Defendant, S&S Petroleum, Inc. ("S&S"), neither filed a pleading in response to the Rule to Show Cause nor appeared by counsel at the hearing.

The Commission, based upon the evidence herein, is of the opinion and finds:

(1) That an attested copy of the aforesaid Rule To Show Cause was duly served upon the Secretary of the Commonwealth as statutory agent for the Defendant pursuant to the provisions of Virginia Code § 8.01-329;

(2) That S&S, having failed to file a responsive pleading and having failed to appear at the hearing, is in default;

(3) That S&S is/was a Nevada corporation formed in July of 1985;

(4) That in November of 1987, S&S, through the agents identified below, offered for sale and sold in this Commonwealth units of limited partnership interests in S&S Petroleum Partners, Ltd. ("Partners"), a limited partnership yet to be formed;

(5) That S&S was to be the general partner of Partners;

(6) That from December of 1987 through February of 1988, S&S, through the agents identified below, offered for sale and sold in this Commonwealth units of limited partnership interests of S&S Petroleum Partners A, Ltd. ("Partners A"), a limited partnership yet to be formed;

(7) That S&S was to be the general partner of Partners A;

(8) That Steve Scott, a/k/a Steve Scott Moleski, was an agent, as defined under the Virginia Securities Act (Virginia Code §§ 13.1-501 - 13.1-527.3 (1989 and Cum. Supp. 1990)), of S&S during the period November 1987 - February 1988;

(9) That Todd Thomas Roberts was an agent, as defined under the Virginia Securities Act (Virginia Code §§ 13.1-501 - 13.1-527.3 (1989 and Cum. Supp. 1990)), of S&S during the period November 1987 - February 1988;

(10) That on or about February 25, 1988, Todd Thomas Roberts offered and sold in this Commonwealth one-half (1/2) of a unit in Partners A to a Virginia resident;

(11) That on or about November 11, 1987 and February 29, 1988, Todd Thomas Roberts offered and sold in this Commonwealth one-half (1/2) of a unit in Partners and one-half (1/2) of a unit in Partners A to a second Virginia resident;

(12) That on or about November 16, 1987, Todd Thomas Roberts and Steve Scott offered and sold in this Commonwealth one-half (1/2) of a unit in Partners to a third Virginia resident;

(13) That on or about December 1987, Steve Scott offered in this Commonwealth units in Partners A to the third Virginia resident;

(14) That the units of Partners and Partners A are securities as defined under the Virginia Securities Act, to wit: investment contracts;

(15) That the units of Partners and Partners A are not and never have been registered under the securities registration provisions of the Virginia Securities Act;

(16) That Steve Scott is not and never has been registered under the agent registration provisions of the Virginia Securities Act;

(17) That Todd Thomas Roberts is not and never has been registered under the agent registration provisions of the Virginia Securities Act;

(18) That the aforesaid activities constitute five violations of Virginia Code § 13.1-504B and five violations of Virginia Code § 13.1-507; and

(19) That S&S should be penalized on account of having committed such acts; it is, therefore,

ORDERED:

(1) That pursuant to Virginia Code § 13.1-521, S&S be, and it hereby is, penalized in the amount of $50,000 and that the Commonwealth recover of and from the Defendant said amount; and

(2) That as there appears nothing further to be done in this proceeding, this case is dismissed from the docket and the papers be placed in the file for ended causes.

CASE NO. SEC900098
APRIL 15, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
E. F. HUTTON & COMPANY, INC.,
Defendant

ORDER ACCEPTING SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of E.F. Hutton & Company, Inc. ("Hutton"), pursuant to Section 13.1-518 of the Code of Virginia. Hutton was, at all relevant times, a wholly-owned subsidiary of E.F. Hutton Group, Inc. and was registered as a broker-dealer under the Virginia Securities Act. In January 1988, after committing the activities investigated by the Division, Hutton was acquired by Shearson Lehman Brothers, Inc. ("Shearson"). Shearson did not participate in, nor have any responsibility for, any of the conduct discussed in this Order.

As a result of its investigation, the Division alleges that Defendant, in violation of Section 13.1-504 A and C of the Code of Virginia:

(1) Transacted business in the Commonwealth of Virginia between July 1, 1987 and July 12, 1987, inclusive,as an investment advisor without being so registered under the Virginia Securities Act or exempted from such registration; and

(2) Employed unregistered investment advisor representatives between the period of July 12, 1987 and July 27, 1987, inclusive.

Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this Order.

As an offer to settle all matters arising from the allegations made against it, Defendant has proposed and agrees to comply with the following terms:

(1) That within fifteen (15) days of the date of this Order, Defendant will make, or cause to be made, a written offer to Laura Stimson, a Virginia resident, to rescind all securities transactions effected in the account of Laura Stimson between the period of July 1, 1987 - July 27, 1987, inclusive, by Hutton's Directions Management Division ("HDM") as a result of the investment advisory contract entered into and advice rendered during such period;

(2) That such offer will provide for the refund of the consideration paid for such advice, not already refunded, and any loss due to any investment advice provided by Hutton, together with interest thereon at the rate of six percent (6%) per annum, less the amount of any income received on the securities or resulting from such advice, upon the tender of the securities, or for the substantial equivalent in damages if the investor no longer own the securities;

(3) That the amount of the refund specified in paragraph (2), above, be reduced by the settlement amount awarded to Stimson in her action entitled Stimson vs. Shearson Lehman Hutton, Law No. 91649, in Fairfax County Circuit Court, July 2, 1990;

(4) That as part of the offer, Defendant will forward to the Virginia investor a written statement explaining the events and circumstances surrounding the undertakings of this Order, along with a copy of this Order;

(5) That the Virginia investor will have fifteen (15) days from the date of receipt of the offer within which to either accept or reject the offer; and that Defendant, if the offer is accepted, will make restitution within fifteen (15) days from the date the Virginia investor's acceptance of the offer is received by Defendant;

(6) That a penalty in the amount of twenty five thousand dollars ($25,000.00) will be paid by Defendant to the Commonwealth for alleged violations of Virginia Code Section 13.1-504 A and C;

(7) That evidence of compliance with the provisions of paragraphs (1), (2), (3), (4), and (5), above, will be filed with the Division by Defendant within seven (7) days from the date payment is remitted to Virginia investor or from the date the offer is rejected or lapses, whichever occurs first; that such evidence will be in the form of an affidavit, executed by an appropriate officer of Defendant, which will contain the following information: (i) the name and address of the Virginia resident to whom Defendant sent the offer of rescission and accompanying written statement; (ii) the date on which the offer of rescission and accompanying written statement were sent; (iii) the date and nature of the Virginia resident's response to the offer; (iv) documentation evidencing computation of the amount of payment remitted to the Virginia resident; and, (v) if applicable, a copy of the check issued to the Virginia resident by Shearson Lehman Brothers, Inc. representing the amount of payment remitted to the offeree.

The Division has recommended that Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

(2) That Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That the sum of twenty-five thousand dollars ($25,000.00) tendered by Defendant contemporaneously with the entry of this Order is accepted;

(4) That the Commission shall retain jurisdiction in this matter for all purposes; and,

(5) That this Order is not and shall not be construed as an injunction, order, judgment or decree which would cause any disqualifications under the Virginia Securities Act, including the rules and regulations adopted pursuant thereto, of Shearson Lehman Brothers, Inc. or any of its affiliates in this Commonwealth; specifically, this Order is not meant to trigger any statutory disqualifications of Shearson Lehman Brothers, Inc. or any of its affiliates from serving as an advisor to a registered investment company or from the use of any federal or state exemptions for the offer, sale or resale of securities; any such disqualifications that otherwise might be caused by this Order are hereby waived.

CASE NO. SEC900098
OCTOBER 16, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
E. F. HUTTON & COMPANY, INC.,
Defendant

FINAL ORDER

BY ORDER entered herein on April 15, 1991, the Commission accepted the offer of settlement made by the Defendant and retained jurisdiction in this matter pending the Defendant's compliance with certain provisions of the offer.

IT NOW APPEARING to the Commission that the Defendant has filed evidence of substantial compliance with the aforesaid provisions, it is, therefore,

ORDERED that all issues raised in this matter concerning the Defendant's alleged violations of the Securities Act of Virginia be, and they hereby are, settled; that all sanctions, conditions and undertakings of a continuing nature set forth in the prior order shall remain in effect in accordance with their terms; that this order, solely by reason of its entry, shall not affect any duty or obligation to disclose the existence or nature of this matter or of any order entered herein; and, that this matter be, and it hereby is, dropped from the docket and the papers herein be placed in the file for ended causes.

CASE NO. SEC900105
JANUARY 8, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
DFW CLEARING, INC.,
Defendant

FINAL ORDER AND JUDGMENT

By Rule to Show Cause dated November 2, 1990, the Commission, among other things, assigned the above captioned matter to its Hearing Examiner to conduct a hearing on behalf of the Commission. At the conclusion of the evidentiary portion of the December 17, 1990 hearing, the Hearing Examiner issued from the bench his Report setting forth his recommended findings of fact and conclusions of law. The Commission is in agreement with these recommendations and hereby finds:

(1) That an attested copy of the aforesaid Rule to Show Cause was duly served upon the Defendant, DFW Clearing, Inc. ("DFW");

(2) That pursuant to the Securities Investor Protection Act DFW has been placed in liquidation and had a Trustee appointed to handle its affairs;

(3) That a letter was filed with the Commission stating that the Trustee for DFW would not contest the termination of DFW's broker-dealer license or participate in the December 17, 1990 hearing, based on the Trustee's understanding that the Division of Securities and Retail Franchising ("Division") would not seek a penalty against the estate of DFW;

(4) That at the December 17, 1990 hea ng, the Division was represented by its counsel and the estate of DFW was not represented;

(5) That DFW is registered as a broker-dealer under the Securities Act of Virginia (Virginia Code §§ 13.1-501 through 13.1-527.3 (1989)) has been continuously so registered since April 18, 1985;

(6) That pursuant to 17 C.F.R. § 240.17a-5(a)(2)(ii) or (iii), the Defendant must file with the United States Securities and Exchange Commission ("S.E.C.") either Part II or IIA of Form X-17A-5, also known as a Focus Report, at the end of each calendar quarter and after the date selected for the annual audit of financial statements where this date is other than a calendar quarter;

(7) That pursuant to 17 C.F.R. § 240.17a-5(d)(1)(i), the Defendant must file with the S.E.C. annually, on a calendar or fiscal year basis, a financial report which has been audited by an independent public accountant;

(8) That the information provided in Part II or IIA of Form X-17A-5 and the audited annual report disclose the financial condition of the filing broker-dealer;

(9) That pursuant to Virginia Code § 13.1-518.1, the Defendant is required to file with this Commission, within ten (10) days of publication, all reports, including Forms X-17A-5 and audited annual reports, it makes with the S.E.C.;

(10) That by letter dated August 24, 1990, the Division advised the Defendant that its last audited financial statement on file with the Division was for the period ending December 31, 1988, and requested copies of the firm's latest audited financial statement and Form X-17A-5 by September 10, 1990;

(11) That the Defendant did comply with the Division's request for said documents; and

(12) That the heretofore described activities constitute acts in violation of Virginia Code § 13.1-518.1.

The Commission further agrees with the Hearing Examiner that, under the facts of this case, the Commission, pursuant to Virginia Code § 13.1-521.B, should revoke the Defendant's broker-dealer registration; it is, therefore,

ORDERED:

(1) That pursuant to Virginia Code § 13.1-521.B, the broker-dealer registration for DFW Clearing, Inc. be, and it hereby is, revoked; and

(2) That as there appears nothing further to be done in this proceeding, this case shall be dismissed from the docket and the papers placed in the file for ended causes.

CASE NO. SEC900133
JANUARY 8, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
BRANDON SECURITIES AND INVESTMENTS, INC.,
Defendant

FINAL ORDER AND JUDGMENT

By Rule to Show Cause dated November 2, 1990, the Commission, among other things, assigned the above captioned matter to its Hearing Examiner to conduct a hearing on behalf of the Commission. At the conclusion of the evidentiary portion of the December 17, 1990 hearing, the Hearing Examiner issued from the bench his Report setting forth his recommended findings of fact and conclusions of law. The Commission is in agreement with these recommendations and hereby finds:

(1) That an attested copy of the aforesaid Rule to Show Cause was duly served upon the Defendant, Brandon Securities and Investments, Inc.;

(2) That the Defendant did not file a pleading in response to the Rule to Show Cause and did not appear at the hearing;

(3) That the Defendant is a corporation registered as a broker-dealer under the Securities Act of Virginia (Virginia Code §§ 13.1-501 through 13.1-527.3 (1989 and Cum. Supp. 1990)) has been continuously so registered since July 11, 1989;

(4) That pursuant to 17 C.F.R. § 240.17a-5(a)(2)(ii) or (iii), the Defendant must file with the United States Securities and Exchange Commission ("S.E.C.") either Part II or IIA of Form X-17A-5, also known as a Focus Report, at the end of each calendar quarter and after the date selected for the annual audit of financial statements where this date is other than a calendar quarter;

(5) That pursuant to 17 C.F.R. § 240.17a-5(d)(1)(i), the Defendant must file with the S.E.C. annually, on a calendar or fiscal year basis, a financial report which has been audited by an independent public accountant;

(6) That the information provided in Part II or IIA of Form X-17A-5 and the audited annual report disclose the financial condition of the filing broker-dealer;

(7) That pursuant to Virginia Code § 13.1-518.1, the Defendant is required to file with this Commission, within ten (10) days of publication, all reports, including Forms X-17A-5 and audited annual reports, it makes with the S.E.C.;

(8) That by letter dated August 24, 1990, the Division advised the Defendant that its last financial statement on file with the Division was for the period ending December 30, 1988, and requested copies of the firms latest audited financial statement and Form X-17A-5 by September 10, 1990;

(9) That the Defendant did not comply with the Division's request for said documents; and

(10) That the heretofore described activities constitute acts in violation of Virginia Code §§ 13.1-506(5) and 13.1-518.1.

The Commission further agrees with the Hearing Examiner that, under the facts of this case, the Commission should revoke the Defendant's broker-dealer registration and penalize the Defendant in the amount of one thousand dollars ($1,000); it is, therefore,

ORDERED:

(1) That pursuant to Virginia Code § 13.1-506(5) the broker-dealer registration for Brandon Securities and Investments, Inc. be, and it hereby is, revoked;

(2) That pursuant to Virginia Code § 13.1-521, Brandon Securities and Investments, Inc. be, and it hereby is, penalized in the amount of one thousand dollars ($1,000), which sum the Commonwealth shall recover from the Defendant; and

(3) That as there appears nothing further to be done in this proceeding, this case shall be dismissed from the docket and the papers placed in the file for ended causes.

CASE NO. SEC900146
JANUARY 3, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ALPINE CAPITAL MANAGEMENT CORPORATION,
Defendant

ORDER OF COMPROMISE AND SETTLEMENT

IT APPEARING to the State Corporation Commission ("Commission") that Alpine Capital Management Corporation, without admitting or denying the allegations made herein by the Division of Securities and Retail Franchising that in violation of the provisions of Virginia Code § 13.1-504.A, Alpine Capital Management Corporation transacted business in this Commonwealth without being registered as an investment adviser, has made an offer to compromise and settle all matters arising herein by agreeing to the substance and entry of this Order of Compromise and Settlement ("Order") and by representing and undertaking that Alpine Capital Management Corporation will pay a penalty to the Commonwealth of Virginia in the amount of $10,000; and

IT FURTHER APPEARING to the Commission that Alpine Capital Management Corporation admits the jurisdiction of the Commission over it and the subject matter hereof; and the Commission, being fully advised in the premises and finding sufficient basis herein for the entry of this Order is of the opinion and finds that the offer of compromise and settlement should be accepted; accordingly, it is

ADJUDGED AND ORDERED:

(1) That pursuant to the authority granted the Commission by Virginia Code Section 12.1-15, the offer of compromise and settlement made by Alpine Capital Management Corporation be, and it hereby is, accepted;

(2) That pursuant to Virginia Code § 13.1-521, Alpine Capital Management Corporation be, and it hereby is, penalized in the amount of $10,000;

(3) That the sum of $10,000 tendered by Alpine Capital Management Corporation contemporaneously with the entry of this Order of Compromise and Settlement is accepted; and

(4) That as there appears nothing further to be done in this proceeding, this case shall be dismissed from the docket and the papers placed in the file for ended causes.

CASE NO. SEC910002
JANUARY 10, 1991

APPLICATION OF
FRIENDS MEETING HOUSE FUND, INC.
(A NON - PROFIT PENNSYLVANIA CORPORATION)

For an Order of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia (1950)

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated November 27, 1990, with exhibits attached thereto, of Friends Meeting House Fund, Inc. ("Friends"), requesting that the securities that Friends proposes to issue be exempt from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Friends is a non-profit corporation organized under the laws of the State of Pennsylvania for religious and charitable purposes; Friends intends to

offer and sell Mortgage Pool Notes in an approximate aggregate amount of $7,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold to Goose Creek Monthly Meeting of Friends; and said securities are to be offered and sold by Friends' officers.

THE COMMISSION, based on the facts asserted by Friends in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above to Goose Creek Monthly Meeting of Friends be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B. and that the agent registration requirements of the Securities Act be waived for Friends' officers.

CASE NO. SEC910004
(Formerly Case No. SEC820034)
JANUARY 31, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
FRED STEVEN SAGER,
Defendant

ORDER DISSOLVING INJUNCTION

On January 16, 1991, Fred Steven Sager ("Sager"), by counsel, filed a motion requesting dissolution of the permanent injunction entered against him by Commission Order of May 3, 1983. On January 29, 1991 the Division of Securities and Retail Franchising ("Division") filed a response in opposition to said motion.

The Commission, upon consideration of Sager's motion and the Division's response, is of the opinion and finds that for good cause shown the permanent injunction entered against Sager should be dissolved, Accordingly,

IT IS ORDERED:

(1) That pursuant to Virginia Code § 8.01-625 the permanent injunction entered against Sager by Commission order of May 3, 1983 be, and it hereby is, dissolved; and

(2) That as there appears nothing further to be done in this proceeding, this matter shall be dismissed from the docket and the papers placed in the file for ended causes.

CASE NO. SEC910007
JUNE 11, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
SPORTS VIRGINIA, INC.,
Petitioner
v.
VIRGINIA AMATEUR SPORTS, INC.,
Defendant

FINAL ORDER

THIS PROCEEDING was instituted by order dated February 15, 1991, upon the letter-petition of Sports Virginia, Inc., which requested that the service mark registration issued to Virginia Amateur Sports, Inc. on February 7, 1990, be canceled from the register of trademarks and service marks. The Defendant timely filed a responsive pleading on March 13, 1991. On June 4, 1991, the Petitioner filed a letter dated May 31, 1991, which will be treated as a motion to withdraw its petition.

THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Petitioner's motion for withdrawal should be granted and that this case should be dismissed; accordingly, it is

ORDERED that the Petitioner's motion to withdraw its petition be, and it hereby is, granted, that this case be dismissed from the docket and that the papers herein be placed in the file for ended causes.

CASE NO. SEC910008
MARCH 19, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
DEAN WITTER REYNOLDS, INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising Division ("the Division") has instituted and investigation of Defendant, Dean Witter Reynolds, Inc., pursuant to Section 13.1-518 of the Code of Virginia as a result of a complaint filed on behalf of Jodie T. Simmons with respect to her options account serviced by Defendant.

As a result of the investigation, the Division alleges that Defendant, in violation of the Commission's Securities Act Rules 303B, 303D, 303D.2, and 303D.3 promulgated under Virginia Code Section 13.1-523, in connection with options trading in said account, failed to exercise diligent supervision over the securities activities of its agents.

With respect to the aforementioned violations, Defendant has settled with the complainant and the complainant has withdrawn her complaint filed with the Division.

Defendant neither admits nor denies the allegations made against it but admits the Commissions's jurisdiction and authority to enter this order and has agreed to settle all matters arising from the investigation by paying to the Commission the sum of five thousand dollars ($5,000.00) as reimbursement for the costs of the Division's investigation.

NOW, THEREFORE, IT IS ORDERED:

(1) That pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

(2) That the sum of five thousand dollars (5,000.00) tendered by Defendant contemporaneously with the entry of this order is accepted; and,

(3) That the papers herein be placed in the file for ended causes.

CASE NO. SEC910010
FEBRUARY 22, 1991

APPLICATION OF
VICTORY BAPTIST CHURCH

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated January 15, 1991, with exhibits attached thereto, of Victory Baptist Church ("Victory"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Victory operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; Victory intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $400,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold only to Victory's members by a bond sales committee composed of members of Victory who are Virginia residents and who will not be compensated for their sales efforts.

THE COMMISSION, based on the facts asserted by Victory in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisio ; of Code Section 13.1-514.1.B. and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910012
FEBRUARY 27, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
HORACE LINWOOD JONES, JR.,
Defendant

ORDER ACCEPTING SETTLEMENT

The State Corporation Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, Horace Linwood Jones, Jr., pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that Horace Linwood Jones, Jr. (i) in violation of Virginia Code § 13.1-504A, transacted business in this Commonwealth as an unregistered broker-dealer, (ii) in violation of Code § 13.1-507, offered for sale and sold unregistered, non-exempt securities, to wit: an investment contract consisting of a percentage interest in the undivided rights and all current and future patent rights, including U.S. Patent No. 811916, in the Cybernetic Engine, including Microwave, Refrigeration and Air Conditioning patents, as described in the application for patent and the Assignment of interests and (iii) in violation of Virginia Code § 13.1-502(2) obtained money or property by means of omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading by failing to inform some investors that he had been convicted of offering for sale and selling unregistered securities and securities fraud in the State of Maryland. The Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this Order Accepting Offer of Settlement.

As a proposal to settle all matters arising from the allegations made against him, the Defendant has offered, and agreed to comply with, the following terms and undertakings:

(1) Horace Linwood Jones, Jr. will promptly cause a true and correct copy of the Order Accepting Settlement to be mailed to each person in Virginia to whom he sold the above described security;

(2) Horace Linwood Jones, Jr. will agree to keep such persons, described in paragraph (1) above, fully apprised on the progress and development of the Cybernetic Engine including the Microwave, Refrigeration and Air Conditioning and all related patents;

(3) Evidence of compliance with the provisions of paragraph (1), above, will be filed with the Division of Securities and Retail Franchising within thirty (30) days of the date of this Order Accepting Settlement; such evidence will be in the form of an affidavit, executed by the Defendant, containing the following information: (i) the name and address of each person described in paragraph (1) above and (ii) the Defendant's agreement to comply with paragraph (2) above;

(4) Horace Linwood Jones, Jr., having represented to the Division of Securities and Retail Franchising that he is financially unable to make restitution to the persons described in paragraph (1) above, will submit an affidavit within thirty (30) days of this Order Accepting Settlement confirming this representation; such affidavit will include a personal financial statement in balance sheet form prepared within the last ninety (90) days, listing the Defendant's assets, liabilities and net worth;

(5) Horace Linwood Jones, Jr. will be permanently enjoined from transacting business in this Commonwealth as a broker-dealer in violation of Virginia Code § 13.1-504A;

(6) Horace Linwood Jones, Jr. will offer for sale and sell in this Commonwealth, whether directly or indirectly, only securities that are either registered under the Virginia Securities Act or exempted therefrom; and

(7) Horace Linwood Jones, Jr. will be permanently enjoined from conducting any business in this Commonwealth that constitutes a violation of Virginia Code § 13.1-502(2).

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted:

(2) That Horace Linwood Jones, Jr. comply with the aforesaid terms and undertakings of the settlement;

(3) That Horace Linwood Jones, Jr. is permanently enjoined from any further conduct which constitutes a violation of Virginia Code § 13.1-502, § 13.1-504 or § 13.1-507;

(4) That the affidavits described above be made part of this Order Accepting Settlement; and

(5) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC910014
MARCH 5, 1991

APPLICATION OF
WEST END ASSEMBLY OF GOD

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated January 15, 1991, with exhibits attached thereto, of West End Assembly of God ("West End"), requesting that certain General Obligation Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: West End operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; West End intends to offer and sell General Obligation Bonds in an approximate aggregate amount of $1,000,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold only to West End's members by a bond sales committee composed of members of West End who are Virgnia residents and who will not be compensated for their sales efforts.

THE COMMISSION, based on the facts asserted by West End in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910018
MARCH 5, 1991

APPLICATION OF
POWHATAN COUNTY FARM BUREAU
(A NON - STOCK, NON - PROFIT VIRGINIA CORPORATION)

For a Certificate of Exemption pursuant to § 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated February 25, 1991, with exhibits attached thereto of Powhatan County Farm Bureau ("Applicant"). Applicant has requested a determination that certain bonds it proposes to issue are exempted from the securities registration requirements of the Virginia Securities Act because the securities will be issued by a person organized and operated not for private profit but for economic, social, educational and spiritual purposes.

The pertinent information contained in the application is summarized as follows:

Applicant is a non-stock, non-profit Virginia corporation formed to create a countywide organization to advance and improve the agriculture of Powhatan County, to cooperate with certain state and national level agricultural organizations in the development of an abundant, just and efficient economy and to cooperate with other rural institutions in the establishment of better economic, social, educational and spiritual conditions. Applicant proposes to offer and sell Registered Debenture Bonds maturing on March 25, 2007, bearing interest at the rate of 9% per annum in denominations of one thousand dollars ($1,000.00) or multiples thereof and in the aggregate principal amount of twenty thousand dollars ($20,000.00). All offers and sales shall be made by Applicant's officers and directors who shall receive no remuneration or compensation directly or indirectly in connection with the offer and sale of these Bonds.

THE COMMISSION, based on the facts asserted by Applicant in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the Applicant's securities described above are exempted from the securities registration requirements of the Virginia Securities Act pursuant to Section 13.1-514.1.B and the agent registration requirements of Section 13.1-504 are hereby waived for officers and directors of the Applicant who will receive no compensation or remuneration either directly or indirectly for offering or selling such securities.

CASE NO. SEC910020
MARCH 6, 1991

APPLICATION OF
THE MARTHA JEFFERSON POOLED INCOME FUND

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated February 8, 1991, with exhibits attached thereto, as supplemented by letter dated February 18, 1991, of The Martha Jefferson Pooled Income Fund ("the Fund"), requesting that interests in the Fund be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: the Fund was established by MJH Foundation, a nonstock Virginia corporation formed not for private profit but exclusively for charitable, scientific and educational purposes; the Fund is a pooled income fund within the meaning of Section 642(c)(5) of the Internal Revenue Code of 1986; and, gifts to the Fund will be solicited by volunteers or employees of the Fund who will not be compensated on the basis of the amount of gifts transferred to the Fund.

THE COMMISSION, based on the facts asserted by the Fund in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the Fund's volunteers and employees who solicit on behalf of the Fund.

CASE NO. SEC910020
JUNE 18, 1991

APPLICATION OF
THE MARTHA JEFFERSON POOLED INCOME FUND

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER AMENDING ORDER OF EXEMPTION DATED MARCH 6, 1991

IT APPEARING to the Commission that the order heretofore entered on March 6, 1991 states that the applicant was established by MJH Foundation, a nonstock Virginia corporation formed not for private profit but exclusively for charitable, scientific and educational purposes.

It now appearing that on April 11, 1991 the applicant filed with the Commission a post-effective amendment to its application, and that the following facts have changed: The applicant was established by Martha Jefferson Hospital, a nonstock Virginia corporation formed not for private profit but exclusively for charitable, scientific and educational purposes.

The Commission, upon consideration of the post-effective amendment, is of the opinion and finds that the order previously entered should be amended to reflect the changes specified above; it is, therefore,

ORDERED that the second paragraph on the first page of the Order of Exemption previously entered on March 6, 1991, be amended to read as follows:

> BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: the Fund was established by Martha Jefferson Hospital, a nonstock Virginia corporation formed not for private profit but exclusively for charitable, scientific and educational purposes; the Fund is a pooled income fund within the meaning of Section 642(c)(5) of the Internal Revenue Code of 1986; and, gifts to the Fund will be solicited by volunteers or employees of the Fund who will not be compensated on the basis of the amount of gifts transferred to the Fund.

CASE NO. SEC910034
APRIL 22, 1991

APPLICATION OF
STUDENT LOAN FINANCE CORPORATION
(A NON-PROFIT SOUTH DAKOTA CORPORATION)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated February 26, 1991, with exhibits attached thereto, as supplemented by letters dated March 8, 1991 and March 13, 1991, of Foley & Lardner on behalf of Smith Barney, Harris Upham & Co.,

Incorporated, the co-managing underwriter, requesting a determination that certain Bonds, issued by Student Loan Finance Corporation ("SLFC"), be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5).

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: SLFC is a non-stock, non-profit corporation organized under the laws of the State of South Dakota for educational purposes. SLFC intends to issue Student Loan Revenue Bonds, Series 1991-A in the approximate aggregate amount of $92,270,000 subject to terms and conditions as more fully described in the Preliminary Official Statement submitted with the written application.

THE COMMISSION, based on the facts asserted by Counsel to the Underwriter in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and shall be made in Virginia only by broker-dealers which are so registered in this Commonwealth.

CASE NO. SEC910035
MARCH 15, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
HIRAM EDWARD PENNINGTON,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising ("Division") has instituted an investigation of Defendant, Hiram Edward Pennington, pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant, in violation of Section 13.1-504 and Section 13.1-507 of the Virginia Securities Act has:

1. Transacted business in this Commonwealth as an agent without being so registered under the Virginia Securities Act;

2. Offered and sold securities in this Commonwealth to Virginia investors without the securities being registered under the Virginia Securities Act or the securities or transactions being exempted by the Act.

Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this order.

As a proposal to settle all matters arising from the allegations made against him, Defendant has offered, and agrees to comply with, the following terms and undertakings:

1. For a period of ten (10) years, Defendant will be enjoined (a) from being registered in any capacity under the Virginia Securities Act; (b) from transacting business as a securities broker-dealer or agent in this Commonwealth; and (c) from engaging in any transaction or the offer and sale of any security exempted from registration under the Virginia Securities Act.

The Division has recommended that Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

1. That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

2. That Defendant fully comply with the aforesaid terms and undertakings of the settlement;

3. That Defendant is enjoined from being registered or from engaging in the activities as described above for a period of ten (10) years;

4. That Defendant is enjoined from any further conduct which constitutes a violation of Virginia Code Section 13.1-504 and Virginia Code Section 13.1-507; and,

5. That the papers herein be placed in the file for ended causes.

CASE NO. SEC910038
APRIL 8, 1991

APPLICATION OF
SOUTHEASTERN DISTRICT - LCMS CHURCH EXTENSION FUND, INC.
(A NON - PROFIT VIRGINIA CORPORATION)

For an Order of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia (1950)

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated March 12, 1991 with exhibits attached thereto, as supplemented by letter dated March 27, 1991 of Southeastern District-LCMS Church Extension Fund, Inc. ("SED-CEF"), requesting that the securities that SED-CEF proposes to issue be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: SEC-CEF is a non-profit corporation organized under the laws of the Commonwealth of Virginia for religious, educational, charitable or benevolent purposes; SED-CEF intends to offer and sell Flexible Investment Certificates and Term Certificates with maturities ranging from one to five years in an approximate aggregate amount of $20,000,000 on terms and conditions as more fully described in the Offering Circular filed as a part of the application; said securities shall be offered and sold to members of, contributors to, or participants in the Lutheran Church-Missouri Synod (the "Synod"), including the SED-CEF or other program, activity or organization which constitutes a part of the Synod, or any congregation of the Synod, or any persons who are ancestors, descendants, or successors in interest to such persons; said securities are to be offered and sold by SED-CEF's officers and employees working under their supervision; and said persons will not be compensated for their sales efforts.

THE COMMISSION, based on the facts asserted by SED-CEF in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act are waived for SED-CEF's officers and employees working under their supervision.

CASE NO. SEC910039
APRIL 8, 1991

APPLICATION OF
NEBRASKA HIGHER EDUCATION LOAN PROGRAM, INC.
(A NON - PROFIT NEBRASKA CORPORATION)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, of Nebraska Higher Education Loan Program, Inc. ("N-HELP") dated March 13, 1991, as supplemented by letter dated March 25, 1991, requesting that certain Medium Term Notes be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) pursuant to Virginia Code Section 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: N-HELP is a non-profit corporation organized for educational purposes under the laws of the State of Nebraska; N-HELP intends to issue Medium Term Notes ("MTNs") in an approximate aggregate amount of $122,500,000 subject to certain terms and conditions as more fully described in the Preliminary Official Statements dated March, 1991 and filed as part of the application.

THE COMMISSION, based on the facts asserted by counsel to Morgan Stanley & Co., Incorporated, the dealer/underwriter, in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the MTNs described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and offers and sales of such securities shall be made in Virginia only by broker-dealers registered in this Commonwealth.

CASE NO. SEC910040
APRIL 3, 1991

APPLICATION OF
WT ACQUISITION (BVI) CORPORATION

For an official interpretation pursuant to Va. Code § 13.1-525

OFFICIAL INTERPRETATION

THIS MATTER came before the Commission for consideration upon the letter-application dated September 24, 1990, with exhibit, as supplemented by letters, with attachments, dated December 13, 1990, January 21, and March 29, 1991 of WT Acquisition (BVI) Corporation

("Applicant") filed under Va. Code Section 13.1-525 by its counsel and upon payment of the requisite fee. Applicant has requested a determination that the securities described below are exempted from the securities registration requirements of the Securities Act of Virginia pursuant to Va. Code § 13.1-514(a)(11). The pertinent information contained in the application is summarized as follows:

Applicant was incorporated in the British Virgin Islands in 1989. It was formed as a holding company for the purpose of acquiring (together with one other holding company) all of the outstanding shares of common stock of Wyse Technology Inc. ("Wyse"). The acquisition was completed in the first part of 1990. Prior to the acquisition, Wyse was a Delaware corporation whose shares were publicly traded. Pursuant to a restructuring following the acquisition, (i) Applicant became the principal shareholder of Wyse Technology (Taiwan) Ltd. ("Wyse Taiwan"), a Taiwanese corporation and formerly a wholly-owned subsidiary of Wyse, and (ii) Wyse became a wholly-owned subsidiary of Wyse Taiwan. As an incentive to the employees of Wyse, Applicant proposes to grant to these employees pursuant to its 1990 Stock Incentive Plan options to purchase up to 19,798,236 shares of common stock of Wyse Taiwan owned by Applicant. The Stock Incentive Plan has been structured as a nonissuer, rather than an issuer, plan because under Taiwanese corporate law, a Taiwanese corporation cannot grant options to purchase its authorized, but unissued, shares.

Va. Code § 13.1-514(a)(11) provides an exemption from the securities registration requirements of the Securities Act for "[a]ny security issued in connection with an employee's stock purchase, savings, pension, profit sharing or similar benefit plan." In Application of Diasonics, Inc. (Case No. SEC860079, Oct. 6, 1986), the Commission found that the (a)(11) exemption was applicable to interests in an employee stock participation plan offered to employees of subsidiaries of the issuer, a situation similar to the one presented by Applicant.

THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the 1990 Stock Incentive Plan is an employee benefit plan for purposes of Va. Code § 13.1-514(a)(11) and, therefore, the options to be issued pursuant to the Plan, as well as the underlying shares of Wyse Taiwan, are within the purview of this exemption. Accordingly, it is

ORDERED that the options and the shares of common stock described herein be, and they hereby are, exempted from the securities registration requirements of the Securities Act pursuant to Va. Code § 13.1-514(a)(11).

CASE NO. SEC910045
APRIL 11, 1991

APPLICATION OF
RIVER ROAD PRESBYTERIAN CHURCH

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated April 5, 1991, with exhibits attached thereto, of River Road Presbyterian Church ("River Road"), requesting that certain unsecured General Obligation Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: River Road operates not for private profit but exclusively for religious purposes; River Road intends to offer and sell unsecured General Obligation Bonds in an approximate aggregate amount of $1,825,000 on terms and conditions as more fully described in the application; said securities are to be offered and sold only to River Road's members by a bond sales committee composed of members of River Road who are Virginia residents: the bond sales committee members will not be compensated for their sales efforts; and the bond sales committee will make full, fair and effective disclosure to all potential bond purchasers.

THE COMMISSION, based on the facts asserted by counsel to River Road in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1.514.1.B and that the agent registration requirements of the Securities Act are waived for the members of the bond sales committee.

CASE NO. SEC910046
APRIL 10, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
DOUGLAS ALAN RAGER,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising ("Division") has instituted an investigation of Defendant, Douglas Alan Rager, pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant, in violation of Section 13.1-504 and Section 13.1-507 of the Virginia Securities Act has:

1. Transacted business in this Commonwealth as an agent without being so registered under the Virginia Securities Act;

2. Offered and sold securities in this Commonwealth to Virginia investors without the securities being registered under the Virginia Securities Act or the securities or transactions being exempted by the Act.

Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this order.

As a proposal to settle all matters arising from the allegations made against him, Defendant has offered, and agrees to comply with, the following terms and undertakings:

1. For a period of ten (10) years, Defendant will be enjoined (a) from being registered in any capacity under the Virginia Securities Act; (b) from transacting business as a securities broker-dealer or agent in this Commonwealth; and (c) from engaging in any transaction or the offer and sale of any security exempted from registration under the Virginia Securities Act.

The Division has recommended that Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

1. That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

2. That Defendant fully comply with the aforesaid terms and undertakings of the settlement;

3. That Defendant is enjoined from being registered or from engaging in the activities as described above for a period of ten (10) years;

4. That Defendant is enjoined from any further conduct which constitutes a violation of Virginia Code Section 13.1-504 and Virginia Code Section 13.1-507; and,

5. That the papers herein be placed in the file for ended causes.

CASE NO. SEC910047
APRIL 10, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
THOMAS RICHARD GARNETT,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising ("Division") has instituted an investigation of Defendant, Thomas Richard Garnett, pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant, in violation of Section 13.1-504 and Section 13.1-507 of the Virginia Securities Act has:

1. Transacted business in this Commonwealth as an agent without being so registered under the Virginia Securities Act:

2. Offered and sold securities in this Commonwealth to Virginia investors without the securities being registered under the Virginia Securities Act or the securities or transactions being exempted by the Act.

Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this order.

As a proposal to settle all matters arising from the allegations made against him, Defendant has offered, and agrees to comply with, the following terms and undertakings:

1. For a period of three (3) years, Defendant will be enjoined (a) from being registered in any capacity under the Virginia Securities Act; (b) from transacting businessas a securities broker-dealer or agent in this Commonwealth; and (c) from engaging in any transaction or the offer and sale of any security exempted from registration under the Virginia Securities Act.

The Division has recommended that Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

1. That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

2. That Defendant fully comply with the aforesaid terms and undertakings of the settlement;

3. That Defendant is enjoined from being registered or from engaging in the activities as described above for a period of three (3) years;

4. That Defendant is enjoined from any further conduct which constitutes a violation of Virginia Code Section 13.1-504 and Virginia Code Section 13.1-507; and,

5. That the papers herein be placed in the file for ended causes.

CASE NO. SEC910050
APRIL 15, 1991

APPLICATION OF
SISTERS OF PROVIDENCE IN WASHINGTON
(A NON - PROFIT WASHINGTON CORPORATION)
SISTERS OF PROVIDENCE IN OREGON
(A NON - PROFIT OREGON CORPORATION)
and
SISTERS OF PROVIDENCE IN CALIFORNIA
(A NON - PROFIT CALIFORNIA CORPORATION)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated March 29, 1991 with exhibits attached thereto, of Katten Muchin & Zavis (Borge and Pitt) on behalf of The First Boston Corporation, the managing underwriter, requesting that a Guaranty issued by Sisters of Providence in Washington, Sisters of Providence in Oregon and Sister of Providence in California (the "Obligated Group") in connection with certain Revenue Refunding Bonds (the "Bonds") be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) pursuant to Virginia Code Section 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: the Obligated Group is composed of non-profit corporations organized and operated for religious, charitable, benevolent or educational purposes; the Obligated Group intends to offer and sell in connection with the Municipality of Anchorage, Alaska Hospital Revenue Refunding Bonds (Sisters of Providence Project) Series 1991 issue, a security, to wit: the guaranty of the payment of principal and interest on the Bonds as evidenced by the Obligated Group's Note to the Municipality of Anchorage, Alaska (the "Municipality") pursuant to a Master Indenture and the pledge and assignment of the Note by the Municipality to the Bond Trustee.

THE COMMISSION, based on the facts asserted by Katten Muchin & Zavis (Borge and Pitt) in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the offer and sale of the security described above be exempted from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and shall be made in Virginia only by broker-dealers and their agents which, at the time of offer and sale, are registered under the Securities Act.

CASE NO. SEC910052
APRIL 22, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
C. H. DEAN & ASSOCIATES, INC., t/a
DEAN INVESTMENT ASSOCIATES,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, C.H. Dean & Associates, Inc., t/a Dean Investment Associates ("Dean"), pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that the Defendant transacted business in this Commonwealth as an unregistered investment advisor in violation of Virginia Code § 13.1-504A. The Defendant neither admits nor denies the allegation, but admits the Commission's jurisdiction and authority to enter this Order of Settlement.

As a proposal to settle all matters arising from the allegation, the Defendant has offered the following terms and undertakings:

(1) Dean will not, indirectly or directly, transact business in this Commonwealth as an investment advisor unless so registered under the Virginia Securities Act or exempted therefrom; and

(2) Dean will pay to this Commonwealth the sum of twenty-five thousand dollars ($25,000).

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted;

(2) That the Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That C.H. Dean & Associates, Inc., t/a Dean Investment Associates shall not transact business in this Commonwealth as an unregistered investment advisor in violation of Virginia Code § 13.1-504A;

(4) That pursuant to Virginia Code § 13.1-521, C.H. Dean & Associates, Inc., t/a Dean Investment Associates pay the amount of twenty-five thousand dollars ($25,000) and the Commonwealth of Virginia recover of and from the Defendant said amount;

(5) That the sum of twenty-five thousand dollars ($25,000) tendered by C.H. Dean & Associates, Inc., t/a Dean Investment Associates contemporaneously with the entry of this Order of Settlement be accepted;

(6) That this Order of Settlement shall not be utilized or form the basis for any other Commission proceeding, whether judicial, quasi-judicial or administrative, to deny the registration of C.H. Dean & Associates, Inc., t/a Dean Investment Associates as an investment advisor in the Commonwealth of Virginia; and

(7) That the papers herein be placed in the file for ended causes.

CASE NO. SEC910057
JUNE 25, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte, in re: Promulgation of rules pursuant to Va. Code § 13.1-523 (Securities Act)

ORDER ADOPTING RULES

On or about April 26, 1991, the Division of Securities and Retail Franchising of the State Corporation Commission mailed notice to interested persons of proposed rules, rules changes, and forms designed to implement 1991 amendments of the Securities Act (Va. Code § 13.1-501 et seq.), to bring some existing rules into conformity with the current guidelines of the North American Securities Administrators Association, Inc. on which such rules are patterned, and to clarify some existing rules. The notice included a summary of the proposals, an invitation to submit written comments, and information about obtaining copies of, as well as requesting a hearing on, the proposals. Several persons filed comments, but no one requested an opportunity to be heard.

The Commission, upon consideration of the proposals, the comments filed by interested persons and the recommendations of the Division, is of the opinion and finds that certain proposed changes should be modified, as follows:

> Rules 212, 219, and 1104: Delete the proposed substitution of the word "association" for the word "connection." This deletion will leave the substantive provisions of these Rules unchanged.
>
> Rule 404: In accordance with the additional "Notice to the Public" circulated by the Division on or about May 22, 1991, delete the reference to the proposed renewal form (Form S.A. 9) and insert a reference to the facing page of Form U-1.
>
> Rules 305, 500, 502, 503, 504 and 505: The 1991 amendment of § 13.1-514 (1991 Va. Acts, Ch. 223) redesignates the subsections and renumbers the subdivisions of this Code section. The references in these Rules to subsections and subdivisions of § 13.1-514 have been changed accordingly.

The Commission is further of the opinion and finds that the other proposed changes should be adopted as proposed; it is, therefore,

ORDERED that the proposed additions and amendments, as modified, to the Securities Act Rules considered in this proceeding, a copy of which is attached hereto and made a part hereof, be, and they hereby are, adopted and shall become effective as of July 1, 1991.

NOTE: A copy of the Rules implementing 1991 admendments of the Virginia Securities Act is on file and may be examined at the State Corporation Commission, Document Control Center, Floor B-1, Jefferson Building, Bank and Governor Streets, Richmond, Virginia.

CASE NO. SEC910058
JUNE 25, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte, in re: Promulgation of rules pursuant to Va. Code § 13.1-572 (Retail Franchising Act)

ORDER ADOPTING RULES

On or about April 26, 1991, the Division of Securities and Retail Franchising of the State Corporation Commission mailed notice to interested persons of proposed rules, rule changes, and forms designed to implement 1991 amendments of the Retail Franchising Act (Va. Code § 13.1-557 et seq.), to bring some rules into conformity with changes to the North American Securities Administrators Association, Inc. guidelines on which such rules are patterned, and to clarify some rules. The notice included a summary of the proposals, an invitation to submit written comments, and information about obtaining copies of, as well as requesting a hearing on, the proposals. Several persons filed comments, but no one requested an opportunity to be heard.

The Commission, upon consideration of the proposals, the comments and the recommendations of the Divisionm is of the opinion and finds that the proposals should be adopted as proposed; it is, therefore,

ORDERED that the proposed additions and amendments to the Retail Franchising Act Rules considered in this proceeding, a copy of which is attached hereto and made a part hereof, be, and they hereby are, adopted and shall become effective as of July 1, 1991.

NOTE: A copy of the Rules implementing 1991 amendments to the Virginia Retail Franchising Act is on file and may be examined at the State Corporation Commission, Document Control Center, Jefferson Building, Floor B-1, Bank and Governor Streets, Richmond, Virginia.

CASE NO. SEC910061
MAY 16, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MASON INVESTMENT ADVISORY SERVICES, INC.,
Defendant

ORDER ACCEPTING OFFER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, Mason Investment Advisory Services, Inc., pursuant to Virginia Code Section 13.1-518.

As a result of its investigation, the Division alleges that in violation of Virginia Code Section 13.1-504A, the Defendant transacted business in Virginia as an unregistered Investment Advisor. The Defendant neither admits nor denies this allegation, but admits the Commission's jurisdiction and authority to enter this Order Accepting Offer of Settlement.

As a proposal to settle all matters arising from the allegations made against it, the Defendant has offered and agreed to comply with the following terms and undertakings:

(A) Defendant will not transact business in this Commonwealth as an Investment Advisor unless registered to do so under Section 13.1-504 of the Virginia Securities Act;

(B) Defendant will pay a penalty to the Commonwealth in the amount of twenty-five thousand dollars ($25,000.00), five thousand dollars ($5,000) of which will be tendered contemporaneously with the entry of this Order;

(C) The remaining twenty thousand dollars ($20,000.00) will be tendered to the Commission within sixty (60) days of the date of this Order; and

(D) In the event of its failure to comply with the provisions of paragraph (C), above, the Defendant waives its right to a hearing with respect to the matters which are the subject of this Order and prospectively consents to summary (i) revocation of its registration as an Investment Advisor under the Virginia Securities Act, and (ii) entry by the Commission of an order permanently enjoining the Defendant from transacting business in this Commonwealth as an Investment Advisor [unless so registered under the Securities Act].

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, the Defendant's offer of settlement is accepted;

(2) That the Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That, pursuant to Virginia Code Section 13.1-521, the Defendant be, and it hereby is, penalized in the amount of twenty-five thousand dollars ($25,000.00) and that the Commonwealth recover of and from the Defendant said amount;

(4) That the sum of five thousand dollars ($5,000.00) tendered by the Defendant contemporaneously with the entry of this Order is accepted;

(5) That the balance of the penalty of twenty thousand dollars ($20,000.00) shall be tendered to the Commission within sixty (60) days of the date of this Order; and

(6) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC910061
SEPTEMBER 3, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MASON INVESTMENT ADVISORY SERVICES, INC.,
Defendant

ORDER OF DISMISSAL

BY ORDER entered herein on May 16, 1991, the Commission accepted the offer of settlement made by the Defendant and retained jurisdiction in this matter. Among other things, the order imposed a monetary penalty upon the Defendant and permitted it sixty days from the date of the order to make full payment of the penalty.

IT NOW APPEARING to the Commission that the Defendant has made full payment of the penalty imposed upon it, it is, therefore,

ORDERED that all issues raised in this matter concerning the Defendant's alleged violations of the Securities Act of Virginia be, and they hereby are, settled; that all sanctions, conditions and undertakings of a continuing nature set forth in the prior order shall remain in effect in accordance with their terms; and, that this matter be, and it hereby is, dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC910063
APRIL 30, 1991

APPLICATION OF
GAYTON BAPTIST CHURCH

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, of Gayton Baptist Church ("Gayton"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Gayton operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; Gayton intends to offer and sell First Deed of Trust Bonds in an approximate amount of $550,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold by a bond sales committee composed of members of Gayton who will not be compensated for their efforts; and said securities may also be offered and sold by broker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by Gayton in the written application and exhibits, is of the opinion and finds and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910070
MAY 10, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
HASEEB NISAR BHATTI,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising ("Division") has instituted an investigation of Defendant, Haseeb Nisar Bhatti, pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant, in violation of Section 13.1-504 and Section 13.1-507 of the Virginia Securities Act has:

1. Transacted business in this Commonwealth as an agent without being so registered under the Virginia Securities Act;

2. Offered and sold securities in this Commonwealth to Virginia investors without the securities being registered under the Virginia Securities Act or the securities or transactions being exempted by the Act.

Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this order.

As a proposal to settle all matters arising from the allegations made against him, Defendant has offered, and agrees to comply with, the following terms and undertakings:

1. For a period of ten (10) years from the date of this order, Defendant will be enjoined (a) from being registered in any capacity under the Virginia Securities Act; (b) from transacting business as a securities broker-dealer or agent in this Commonwealth; and (c) from engaging in any transaction or the offer and sale of any security exempted from registration under the Virginia Securities Act;

The Division has recommended that Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

1. That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

2. That Defendant fully comply with the aforesaid terms and undertakings of the settlement;

3. That Defendant is enjoined from being registered or from engaging in the activities as described above for a period of ten (10) years from the date of this order;

4. That Defendant is enjoined from any further conduct which constitutes a violation of Virginia Code Section 13.1-504 and Virginia Code Section 13.1-507; and,

5. That the papers herein be placed in the file for ended causes.

CASE NO. SEC910071
MAY 10, 1991

APPLICATION OF
CHARLTON MEMORIAL HOSPITAL, INC.
(A NOT - FOR - PROFIT MASSACHUSETTS CORPORATION)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, by counsel to the underwriter, The First Boston Corporation, dated April 26, 1991, requesting a determination that a guaranty to be issued as part of a bond offering by the Massachusetts Health and Educational Facilities Authority ("the Authority") be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) pursuant to Virginia Code Section 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Charlton Memorial Hospital, Inc. ("Charlton") is a not-for-profit corporation organized under the laws of the Commonwealth of Massachusetts for charitable, educational and scientific purposes; Charlton intends to issue as part of the Massachusetts Health and Educational Authority Revenue Bonds, Charlton Memorial Hospital Issue, Series B (the "Series B Bonds"), a security to wit: a guaranty issued by Charlton to the Authority pursuant to a Loan and Trust Agreement guaranteeing the payment of principal and interest on the Series B Bonds.

THE COMMISSION, based upon the representations made in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above are exempted from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and shall be made in Virginia only by broker-dealers which are so registered in this Commonwealth.

CASE NO. SEC910074
MAY 17, 1991

APPLICATION OF
ELCA LOAN FUND (A MINNESOTA NON - PROFIT CORPORATION)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated April 22, 1991, with exhibits attached thereto, of ELCA Loan Fund (the "Fund"), requesting a determination that certain Mission Investments be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5).

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: the Fund is a non-profit corporation organized under the laws of the State of Minnesota exclusively for religious purposes and for the benefit of and to assist in carrying out the purposes of the Evangelical Lutheran Church of America (the "ELCA"); the Fund intends to offer and sell Mission Investments, which include Term Investments and MissionPlus Investments, in an approximate aggregate amount of $60,000,000; Term Investments are available to members and employees of, contributors to, and other participants in the ELCA and to congregations and related organizations of the ELCA and their members, employees, contributors and other participants; MissionPlus Investments are available to congregations and related organizations of the ELCA; and said securities are to be offered and sold in accordance with certain terms and conditions as more fully described in the draft Offering Circular submitted with the application.

THE COMMISSION, based on the facts asserted by the Fund in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above are exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that all offers and sales shall be made in Virginia by an agent of the issuer or broker-dealer registered in this Commonwealth.

CASE NO. SEC910075
MAY 17, 1991

APPLICATION OF
HOLY TABERNACLE CHURCH OF DELIVERANCE

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, of Holy Tabernacle Church of Deliverance ("HTCD"), requesting a determination that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: HTCD operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; HTCD intends to offer and sell First Deed of Trust Bonds in an approximate amount of $350,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold by a bond sales committee composed of members of HTCD who will not be compensated for their efforts; and said securities may also be offered and sold by broker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by HTCD in the written application and exhibits, is of the opinion and finds and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910078
MAY 28, 1991

APPLICATION OF
NORTH TEXAS HIGHER EDUCATION AUTHORITY, INC.
(A NON-PROFIT TEXAS CORPORATION)

For a Certificate of Exemption pursuant to § 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, of North Texas Education Authority, Inc. ("the Authority") dated April 22, 1991, requesting that certain Student Loan Revenue Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) pursuant to Virginia Code § 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: the Authority is a non-profit, non-stock corporation organized for educational purposes under the laws of the State of Texas; the Authority intends to issue Student Loan Revenue Bonds ("the Bonds") in six differing 1991 Series subject to various terms and conditions as more fully described in the Preliminary Official Statement dated April 19, 1991 and filed as part of the application.

THE COMMISSION, based on the facts asserted by Orrick, Herrington & Sutcliffe, counsel to the underwriters, in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the Bonds described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code § 13.1-514.1.B.

CASE NO. SEC910084
MAY 28, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ERIC JON GEHLER,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising ("Division") has instituted an investigation of Defendant, Eric Jon Gehler, pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant, in violation of Section 13.1-504 and Section 13.1-507 of the Virginia Securities Act has:

1. Transacted business in this Commonwealth as an agent without being so registered under the Virginia Securities Act;

2. Offered and sold securities in this Commonwealth to Virginia investors without the securities being registered under the Virginia Securities Act or the securities or transactions being exempted by the Act.

The defendant denies these allegations, but admits the Commission's jurisdiction and authority to enter this order.

As a proposal to settle all matters arising from the allegations made against him, Defendant has offered, and agrees to comply with, the following terms and undertakings:

1. For a period of ten (10) years from the date of this order, Defendant will be enjoined (a) from being registered in any capacity under the Virginia Securities Act; (b) from transacting business as a securities broker-dealer or agent in this Commonwealth; and (c) from engaging in any transaction or the offer and sale of any security exempted from registration under the Virginia Securities Act.

The Division has recommended that Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW THEREFORE, IT IS ORDERED:

1. That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

2. That Defendant fully comply with the aforesaid terms and undertakings of the settlement;

3. That Defendant is enjoined from being registered or from engaging in the activities as described above for a period of ten (10) years from the date of this order;

4. That Defendant is enjoined from any further conduct which constitutes a violation of Virginia Code Section 13.1-504 and Virginia Code Section 13.1-507; and,

5. That the papers herein be placed in the file for ended causes.

CASE NO. SEC910087
SEPTEMBER 23, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
LANCE ANSON LASTINGER,
Defendant

FINAL ORDER AND JUDGMENT

THIS MATTER, instituted by Rule to Show Cause entered on June 26, 1991, was scheduled for hearing and was heard on September 17, 1991. At the hearing, the Division of Securities and Retail Franchising was represented by its counsel. The Defendant, Lance Anson Lastinger, neither filed a pleading in response to the Rule to Show Cause nor appeared in person or by counsel at the hearing.

The Commission, based upon the evidence herein, is of the opinion and finds:

(1) That an attested copy of the aforesaid Rule To Show Cause was duly served upon the Secretary of the Commonwealth as statutory agent for the Defendant pursuant to the provisions of Virginia Code § 8.01-329;

(2) That Lance Anson Lastinger, having failed to file a responsive pleading and having failed to appear at the hearing, is in default;

(3) That between December 16, 1985 and July 3, 1986, Lance Anson Lastinger, as an agent of L & A Petroleum, Inc. ("L & A"), offered and sold in this Commonwealth in five separate transactions two units of L & A Petroleum, Inc./Holligan #1 1985-A Drilling Program ("Holligan #1) and two whole units and one half unit of L & A Petroleum, Inc./Holligan #2 1986 Drilling Program ("Holligan #2");

(4) That the units of both Holligan #1 and Holligan #2 described in paragraph (3), above, represent fractional undivided working interests in joint ventures to acquire and operate working interests in oil and gas property located in Brazos County, Texas;

(5) That the units of Holligan #1 and Holligan #2 are securities as defined in the Virginia Securities Act (Virginia Code §§ 13.1-501 through 13.1-527.3 (1989 and Cum. Supp. 1991)), to wit: investment contracts;

(6) That the units of Holligan #1 and Holligan #2 are not and never have been registered under the securities registration provisions of the Virginia Securities Act;

(7) That Lance Anson Lastinger became registered as an agent of the issuer, L & A, on March 21, 1986, subsequent to the offer and sale of two units of Holligan #1 in two separate transactions;

(8) That the aforesaid activities constitute unlawful acts as set forth in Virginia Code §§ 13.1-504A and 13.1-507; and

(9) That Lance Anson Lastinger should be enjoined from committing such acts in the future and should be penalized on account of having committed such acts; it is, therefore,

ORDERED:

(1) That pursuant to Virginia Code § 13.1-519, Lance Anson Lastinger be, and he hereby is, permanently enjoined from transacting business in this Commonwealth as an unregistered agent in violation of Virginia Code § 13.1-504A and from directly or indirectly selling any security in violation of Virginia Code § 13.1-507;

(2) That pursuant to Virginia Code § 13.1-521, Lance Anson Lastinger be, and he hereby is, penalized in the amount of $10,000 and that the Commonwealth recover of and from the Defendant said amount; and

(3) That as there appears nothing further to be done in this proceeding, this case is dismissed from the docket and the papers be placed in the file for ended causes.

CASE NO. SEC910088
SEPTEMBER 23, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
L & A PETROLEUM, INC.,
Defendant

FINAL ORDER AND JUDGMENT

THIS MATTER, instituted by Rule to Show Cause entered on June 26, 1991, was scheduled for hearing and was heard on September 17, 1991. At the hearing, the Division of Securities and Retail Franchising was represented by its counsel. The Defendant, L & A Petroleum, Inc. ("L & A"), neither filed a pleading in response to the Rule to Show Cause nor appeared by counsel at the hearing.

The Commission, based upon the evidence herein, is of the opinion and finds:

(1) That an attested copy of the aforesaid Rule To Show Cause was duly served upon the Secretary of the Commonwealth as statutory agent for the Defendant pursuant to the provisions of Virginia Code § 8.01-329;

(2) That L & A, having failed to file a responsive pleading and having failed to appear at the hearing, is in default;

(3) That L & A was incorporated under the laws of Virginia on July 26, 1985, and its corporate existence was terminated by operation of law on September 1, 1987;

(4) That between December of 1985 and October of 1986, L & A offered and sold in this Commonwealth in eleven separate transactions, through its agents Lance Anson Lastinger, George Allen Woolley, and Arthur Clayton Parfitt, units of L & A Petroleum, Inc./Holligan #1 1985-A Drilling Program (Holligan #1") and L & A Petroleum, Inc./Holligan #2 1986 Drilling Program ("Holligan #2");

(5) That the units of both Holligan #1 and Holligan #2 described in paragraph (4), above, represent fractional undivided working interests in joint ventures to acquire and operate working interests in oil and gas property located in Brazos County, Texas;

(6) That the units of Holligan #1 and Holligan #2 are securities as defined in the Virginia Securities Act (Virginia Code §§ 13.1-501 through 13.1-527.3 (1989 and Cum. Supp. 1991)), to wit: investment contracts;

(7) That the units of Holligan #1 and Holligan #2 are not and never have been registered under the securities registration provisions of the Virginia Securities Act;

(8) That prior to December of 1986, neither Arthur Clayton Parfitt nor George Allen Woolley was registered as an agent of the issuer, L & A, under the agent registration provisions of the Virginia Securities Act;

(9) That Lance Anson Lastinger became registered as an agent of the issuer, L & A, on March 21, 1986, subsequent to the offer and sale of two units of Holligan #1 in two separate transactions.

(10) That the aforesaid activities constitute unlawful acts as set forth in Virginia Code §§ 13.1-504B and 13.1-507; and

(11) That L & A should be enjoined from committing such acts in the future and should be penalized on account of having committed such acts; it is, therefore,

ORDERED:

(1) That pursuant to Virginia Code § 13.1-519, L & A Petroleum, Inc. be, and it hereby is, permanently enjoined from employing unregistered agents in violation of Virginia Code § 13.1-504B and from directly or indirectly selling any security in violation of Virginia Code § 13.1-507;

(2) That pursuant to Virginia Code § 13.1-521, L & A Petroleum, Inc. be, and it hereby is penalized in the amount of $20,000 and that the Commonwealth recover of and from the Defendant said amount; and

(3) That as there appears nothing further to be done in this proceeding, this case is dismissed from the docket and the papers placed in the file for ended causes.

CASE NO. SEC910093
JULY 11, 1991

APPLICATION OF
KAISER FOUNDATION HOSPITALS
AND
KAISER FOUNDATION HEALTH PLAN, INC.
(NON-PROFIT, NON-STOCK CALIFORNIA CORPORATIONS)

For a Certificate of Exemption pursuant to § 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, of Kaiser Foundation Hospitals and Kaiser Foundation Health Plan, Inc. ("the issuers") dated June 25, 1991, requesting a determination that certain Notes be exempted from the securities registration requirements of the Securities Act (Code of Virginia 1950, Title 13.1, Chapter 5).

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: the issuers are non-profit, non-stock corporations organized under the laws of the State of California for charitable purposes. Underwriters intend to offer for sale and sell Medium-Term Notes due from nine months to thirty years from Date of Issue in an approximate aggregate amount of two-hundred fifty-four million dollars ($254,000,000.00) subject to conditions more fully described in the Offering Circular Supplement submitted with the written application.

THE COMMISSION, based on the facts asserted by the issuers in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above are exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code § 13.1-514.1.B and all offers and sales shall be made in Virginia by broker-dealers registered in this Commonwealth.

CASE NO. SEC910094
JULY 11, 1991

APPLICATION OF
SACRED HEART HEALTH CARE SYSTEM AND
SACRED HEART HOSPITAL OF ALLENTOWN
(NOT-FOR-PROFIT PENNSYLVANIA CORPORATIONS)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, filed by a representative of the Allentown Area Hospital Authority ("Authority"), dated April 29, 1991, requesting a determination that two guarantees to be issued as part of a bond offering by the Authority be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) pursuant to Virginia Code Section 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Sacred Heart Health Care System ("the System") and Sacred Heart Hospital of Allentown ("the Hospital"), the benefactor of the bonds, are not-for-profit corporations organized under the laws of the Commonwealth of Pennsylvania for charitable, educational and scientific purposes; the System and the Hospital intend to issue as part of the Authority's Allentown Area Hospital Authority Hospital Revenue Bonds, Series of 1991 ("Bonds") securities, to wit: (A) a 1991 master note issued by the System pursuant to a Master Trust Indenture guaranteeing the payment of principal and interest on the Bonds and (B) a supplemental sublease issued by the Hospital pursuant to a supplemental sublease agreement guaranteeing the payment of principal and interest on the Bonds.

THE COMMISSION, based upon the representations made in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above are exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and shall be offered and sold in Virginia only by broker-dealers which are so registered under the Securities Act.

CASE NO. SEC910095
JULY 15, 1991

APPLICATION OF
TIMBERLINE BANCSHARES, INC.

For an official interpretation pursuant to Va. Code § 13.1-525

OFFICIAL INTERPRETATION

THIS MATTER came before the Commission for consideration upon the letter-application dated May 20, 1991, as supplemented by letter dated June 3, 1991, with exhibits, of Timberline Bancshares, Inc. ("Applicant") filed under Va. Code § 13.1-525 by its counsel and upon payment of the requisite fee. Applicant has requested a determination that the securities transactions described below are exempted from the securities, broker-dealer and agent registration requirements of the Securities Act of Virginia pursuant to Va. Code § 13.1-514 B 15 (Cum. Supp. 1991; prior to July 1, 1991, the exemption in issue was contained in Va. Code § 13.1-514(c)(2)). The pertinent information contained in the application is summarized as follows:

Applicant is a corporation recently organized under the laws of the State of California for the purpose of becoming a bank holding company pursuant to the Bank Holding Company Act of 1956. Applicant intends to enter into a merger pursuant to the laws of the State of California whereby its wholly-owned subsidiary, Timberline Interim Bank ("Interim Bank"), will merge with and into Timberline Community Bank ("Community Bank"), an existing financial institution organized and existing under California law. Upon consummation of the merger, Community Bank will be the surviving institution, and each share of its capital stock will be converted into and exchanged for one share of common stock of Applicant (except shares whose owners dissent to the proposed merger and who receive cash for their shares).

Va. Code § 13.1-514 (Cum. Supp. 1991) provides, in part:

. . . .

B. The following transactions are exempted from the securities, broker-dealer and agent registration requirements of this chapter. . . :

. . . .

15. Any transaction incident to a . . . statutory . . . merger . . . .

THE COMMISSION, based upon the information supplied by Applicant, is of the opinion and finds that the foregoing proposed exchange of stock will constitute transactions incident to a statutory merger. It is, therefore,

ORDERED that the transactions described above are exempted from the securities, broker-dealer and agent registration requirements of the Securities Act pursuant to Va. Code § 13.1-514 B 15 (Cum. Supp. 1991).

CASE NO. SEC910099
JULY 15, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
DAVID L. BABSON & CO., INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, David L. Babson & Co., Inc. ("Babson"), pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that the Defendant transacted business in this Commonwealth as an unregistered Investment Advisor in violation of Virginia Code § 13.1-504A. The Defendant neither admits nor denies the allegation, but admits the Commission's jurisdiction and authority to enter this Order of Settlement.

As a proposal to settle all matters arising from the allegation, the Defendant has offered the following terms and undertakings:

(1) Babson will not, indirectly or directly, transact business in this Commonwealth as an Investment Advisor unless so registered under the Virginia Securities Act or exempted therefrom; and

(2) Babson will pay to this Commonwealth a penalty in the amount of twenty thousand dollars ($20,000), and will pay to the Commission the sum of five thousand dollars ($5,000) to defray the costs of this investigation.

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted;

(2) That the Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That pursuant to Virginia Code § 13.1-521, David L. Babson & Co., Inc. pay to the Commonwealth the sum of twenty thousand dollars ($20,000) and that pursuant to Virginia Code § 13.1-518, Babson pay to the Commission the sum of five thousand dollars ($5,000) to defray the cost of the investigation, and that the Commonwealth of Virginia and the Commission recover of and from the Defendant, said amounts;

(4) That the sums of twenty thousand dollars ($20,000) and five thousand ($5,000) tendered by David L. Babson & Co., Inc. contemporaneously with the entry of this Order of Settlement are accepted;

(5) That this Order of Settlement shall not be utilized or form the basis for any other Commission proceeding, whether judicial, quasi-judicial or administrative, to deny any application for registration as an Investment Advisor which may be filed under the Virginia Securities Act by David L. Babson & Co., Inc.; and

(6) That the papers herein be placed in the file for ended causes.

CASE NO. SEC910103
JULY 29, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
WHEAT, FIRST SECURITIES, INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising Division has instituted and investigation of Defendant, Wheat, First Securities, Inc., pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant, in violation of the Commission's Securities Act Rules 303B and 303D.2 promulgated under Virginia Code Section 13.1-523:

(1) Failed to exercise diligent supervision over the activities of its agent, Haywood Paul Gibbs, Jr., and

(2) Failed to establish and maintain adequate written procedures to be adopted by the broker-dealer to detect and prevent improper activities contrary to firm policy.

Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this order.

As an offer to settle all matters arising from the allegations made against it, Defendant has proposed and agrees to comply with the following terms and undertakings:

(1) That a penalty in the amount of twelve thousand five hundred dollars ($12,500.00) will be paid by Defendant to the Commonwealth for alleged violations of the Commission's Securities Act Rules 303B and 303D.2;

(2) That the sum of two thousand five hundred dollars ($2,500.00) will be paid to the Commission as reimbursement for the cost of the Division's investigation.

The Division has recommended that Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

(2) That Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That the sum of fifteen thousand dollars ($15,000.00) tendered by Defendant contemporaneously with the entry of this order is accepted; and

(4) That the papers herein be placed in the file for ended causes.

CASE NO. SEC910111
SEPTEMBER 27, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
GARY THOMAS PAYNE,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, Gary Thomas Payne ("Payne"), pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant Payne was registered under the Virginia Securities Act between October 26, 1983 and November 16, 1985 as an agent of Prudential-Bache Securities, Inc., a broker-dealer also registered under the Virginia Securities Act, and that he, in violation of Sections 13.1-502 and 13.1-507 of the Code of Virginia and the Commission's Rule 305 B.2 promulgated under the Virginia Securities Act:

(1) Offered and sold in this Commonwealth between May and June of 1984, in 6 transactions, unregistered, nonexempt securities, to wit: 350 (three hundred and fifty) shares of common stock in Trans-Energy Industries, Inc., to 6 Virginia investors;

(2) In the offer and sale of said securities, omitted to state and misstated material facts that were necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and

(3) Effected the securities transactions described in paragraph (1), above, without them being either recorded on the regular books or records of Prudential-Bache Securities, Inc. or authorized in writing by Prudential-Bache Securities, Inc.

Defendant denies the allegations made herein by the Division, but admits the Commission's jurisdiction and authority to enter this order.

As an offer to settle all matters arising from the allegations made against him, Defendant has proposed, and agreed to comply with, the following undertakings:

(1) Defendant will not at any time in the future seek to become registered in any capacity under the Virginia Securities Act.

(2) Defendant will be permanently enjoined (a) from being registered in any capacity under the Virginia Securities Act, (b) from transacting business in this Commonwealth as a broker-dealer or an agent, investment advisor or investment advisor representative, and (c) from engaging in any transaction, including exempted transactions, or from offering for sale or selling any security whether registered under the Act or exempted from registration by the Act, except in connection with Defendant's personal investments.

The Division has recommended that Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

(2) That Gary Thomas Payne be, and he hereby is, permanently enjoined from being registered as, or from engaging in the activities, described in clauses (a), (b) and (c) of paragraph (2) above; and

(3) That the papers herein shall be placed in the file for ended causes.

CASE NO. SEC910113
JULY 26, 1991

APPLICATION OF
BEAVERDAM ADVENT CHRISTIAN CHURCH

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, of Beaverdam Advent Christian Church ("Beaverdam"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Beaverdam operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; Beaverdam intends to offer and sell First Deed of Trust Bonds in an approximate amount of $100,000 on terms and conditions as more fully described in the Prospectus

filed as a part of the application; said securities are to be offered and sold by a bond sales committee composed of members of Beaverdam who will not be compensated for their efforts; and said securities may also be offered and sold by broker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by Beaverdam in the written application and exhibits, is of the opinion and finds and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910116
JULY 30, 1991

APPLICATION OF
THE CHERRY AVENUE CHRISTIAN CHURCH OF
CHARLOTTESVILLE, VIRGINIA

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, of The Cherry Avenue Christian Church of Charlottesville, Virginia ("Cherry Avenue"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Cherry Avenue operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; Cherry Avenue intends to offer and sell First Deed of Trust Bonds in an approximate amount of $225,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold by a bond sales committee composed of members of Cherry Avenue who will not be compensated for their efforts; and said securities may also be offered and sold by broker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by Cherry Avenue in the written application and exhibits, is of the opinion and finds and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910118
JULY 31, 1991

APPLICATION OF
THE KENMORE ASSOCIATION POOLED INCOME FUND

For a Certificate of Exemption pursuant to § 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated July 22, 1991, with exhibits attached thereto of the Kenmore Association Pooled Income Fund ("the Fund"), requesting that interests in the Fund be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: the Fund was established by Kenmore Association, Inc. ("KAI"), an exempt organization under Section 501(c)(3) of the Internal Revenue Code and a non-stock Virginia corporation formed not for private profit but exclusively for charitable, scientific and educational purposes; the Fund is a pooled income fund within the meaning of Section 642(c)(5) of the Internal Revenue Code of 1986 ("the Code"); and, gifts to the Fund will be solicited by volunteers or employees of the Fund who will not be compensated on the basis of the amount of gifts transferred to the Fund.

THE COMMISSION, based on the facts asserted by the Fund in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code § 13.1-514.1.B so long as K A I and the Fund remain qualified under Sections 501(c)(3) and 642(c)(5) respectively, of the Code and that the agent registration requirements of the Securities Act be waived for the Fund's volunteers and employees who solicit gifts on behalf of the Fund.

CASE NOS. SEC910125 and SEC910126
AUGUST 16, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
FIDELITY ASSOCIATES OF RICHMOND, INC.
and
AULDIS EDWARD WRIGHT,
Defendants

ORDER ACCEPTING OFFER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendants, Fidelity Associates of Richmond, Inc. ("FAR"), and Auldis E. Wright ("Wright"), pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that: (i) in violation of Virginia Code § 13.1-504A, FAR transacted business in this Commonwealth as an unregistered broker-dealer; (ii) in violation of Virginia Code § 13.1-504B, FAR employed an unregistered agent; (iii) in violation of Virginia Code § 13.1-507, FAR and Wright offered for sale and sold unregistered, non-exempt securities, to wit: notes and/or evidences of indebtedness, titled Fidelity Associates of Richmond, Inc. Agreement; (iv) in violation of Virginia Code § 13.1-504A, Wright transacted business in this Commonwealth as an unregistered agent for FAR; and (v) in violation of Virginia Code § 13.1-502(2), Wright obtained money by means of an untrue statement of a material fact or by omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading by failing to inform some investors how their investment proceeds were to be used and by failing to invest investors' proceeds as disclosed to some of the investors. The Defendants neither admit nor deny these allegations, but admit the Commission's jurisdiction and authority to enter this Order Accepting Offer of Settlement.

As a proposal to settle all matters arising from the allegations made against them, the Defendants have offered, and agreed to comply with, the following terms and undertakings:

(1) Within twenty-one (21) days of the date of this Order Accepting Offer of Settlement, Wright will make, or cause to be made, a written offer to rescind the sale of the securities described herein; that such offer will provide for the refund of the full amount of consideration paid by the investors, together with interest thereon at an annual rate of six percent, less the amount of any income received on the securities; that the investors will have thirty (30) days from the date of receipt of the offer within which to either accept or reject the offer; and, Wright, if his offer is accepted, will make restitution within fourteen (14) days from the date the investor's acceptance of the offer is received by Wright;

(2) Evidence of compliance with the provisions of paragraph (1), above, will be filed with the Division by Wright within seven (7) days from the date payment is remitted to the investor or from the date the offer is rejected or lapses, whichever occurs first; that such evidence will be in the form of an affidavit executed by Wright, which will contain the following information: (i) the date on which each investor received the offer of rescission; (ii) the date and nature of each investor's response to the offer; (iii) if applicable, the date on which payment was remitted to the investor; and (iv) if applicable, the amount of payment remitted to the investor;

(3) Fidelity Associates of Richmond, Inc. will not, indirectly or directly, transact business in this Commonwealth as a broker-dealer unless so registered under the Virginia Securities Act, or exempted therefrom;

(4) Fidelity Associates of Richmond, Inc. will employ, for purposes of offering for sale and selling securities in this Commonwealth, only agents who are registered under the Virginia Securities Act, or exempted therefrom;

(5) Fidelity Associates of Richmond, Inc. and Auldis E. Wright will offer for sale and sell in this Commonwealth, whether indirectly or directly, only securities that are either registered under the Virginia Securities Act or exempted therefrom;

(6) Auldis E. Wright will not, indirectly or directly, transact business in this Commonwealth as an agent unless so registered under the Virginia Securities Act, or exempted therefrom; and,

(7) Auldis E. Wright will be permanently enjoined from offering for sale or selling securities in violation of Virginia Code § 13.1-502(2).

The Division has recommended that the Defendants' offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted the Commission in Virginia Code § 12.1-15, the Defendants' offer of settlement is accepted;

(2) That Fidelity Associates of Richmond, Inc. and Auldis E. Wright comply with the aforesaid terms and undertakings of the settlement;

(3) That Fidelity Associates of Richmond, Inc. is permanently enjoined from any further conduct which constitutes a violation of Virginia Code § 13.1-504 or § 13.1-507;

(4) That Auldis E. Wright is permanently enjoined from any further conduct which constitutes a violation of Virginia Code § 13.1-502, § 13.1-504 or § 13.1-507;

(5) That Fidelity Associates shall not file an application for registration as a broker-dealer under the Virginia Securities Act for a period of five (5) years from the date of this Order Accepting Offer of Settlement and it shall not be so registered during such period of time unless the Commission otherwise orders;

(6) That Auldis E. Wright shall not file an application for registration as an agent under the Virginia Securities Act for a period of five (5) years from the date of this Order Accepting Offer of Settlement and he shall not be so registered during such period of time unless the Commission otherwise orders; and

(7) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC910129
SEPTEMBER 9, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MITCHELL HUTCHINS ASSET MANAGEMENT INC.
and
PAINEWEBBER INCORPORATED,
Defendants

ORDER ACCEPTING OFFER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendants, Mitchell Hutchins Asset Management Inc. and PaineWebber Incorporated, pursuant to Virginia Code Section 13.1-518.

As a result of its investigation the Division alleges:

(A) That Mitchell Hutchins Asset Management Inc. is a Delaware corporation and a wholly-owned subsidiary of PaineWebber Incorporated;

(B) That Mitchell Hutchins Asset Management Inc. was registered under the Virginia Securities Act as an investment advisor from July 7, 1987 until its registration expired on December 31, 1990;

(C) That PaineWebber Incorporated has been registered under the Virginia Securities Act as an investment advisor since February 13, 1989;

(D) That while registered, the Defendants employed no less than eighteen (18) unregistered investment advisor representatives in violation of Section 13.1-504C of the Virginia Securities Act;

(E) That while registered, the Defendants, through the aforesaid unregistered investment advisor representatives, entered into no less than forty-seven (47) investment advisory contracts in this Commonwealth;

(F) That Mitchell Hutchins Asset Management Inc., in violation of Section 13.1-504 A of the Virginia Securities Act, conducted business in this Commonwealth as an unregistered investment advisor after December 31, 1990; and,

(G) That Mitchell Hutchins Asset Management Inc., in violation of Section 13.1-503 B of the Virginia Securities Act, omitted to state a material fact in connection with accepting no less than nine (9) new clients without informing the clients that it was not registered under the Virginia Securities Act as an investment advisor.

The Defendants neither admit nor deny the allegations, but admit the Commission's jurisdiction and authority to enter this Order Accepting Offer of Settlement.

As a proposal to settle all matters arising from the allegations made against them, the Defendants have made the following representations and offered and agreed to comply with the following terms and undertakings:

1. Each client of Mitchell Hutchins Asset Management Inc. (Mitchell Hutchins) within the Commonwealth of Virginia including any participant in the ACCESS program of PaineWebber Incorporated (PaineWebber), that was solicited by a PaineWebber broker-dealer agent and selected Mitchell Hutchins as its investment advisor, enjoyed a positive total return on its account during the period beginning on the later of July 1, 1987 or the inception of its account with either of the Defendants and ending on the earlier of August 15, 1991 or the closing date of its account with either of the Defendants.

2. For 24 months from the date of this Order, the Legal Division or Compliance Division of PaineWebber will conduct a weekly or no less than monthly periodic review of all investment advisor and investment advisor representative registrations for PaineWebber and Mitchell Hutchins to ensure that such registrations are up to date and effective in the Commonwealth of Virginia and this information shall be provided to the Commission upon request.

3. From the date of this Order, PaineWebber's Managed Accounts Department will review all outside investment advisors approved for participation in the ACCESS program in Virginia to ensure that such advisors are registered under the Virginia Securities Act as investment advisors.

4. Mitchell Hutchins Asset Management Inc. has, by written communication, made all appropriate supervisory personnel aware of the need to determine whether a newly hired employee, or an employee changing his or her duties and responsibilities, must be registered under the Virginia Securities Act as an investment advisor representative prior to engaging in any investment advisory activity in this Commonwealth.

5. PaineWebber Incorporated has, by written communication, made all appropriate supervisory personnel aware of the need to determine whether a newly hired employee, or an employee changing his or her duties and responsibilities, must be registered under the Virginia Securities Act as an investment advisor representative prior to engaging in any investment advisory activity in this Commonwealth.

6. Mitchell Hutchins Asset Mangement Inc. will not transact business in this Commonwealth as an investment advisor unless it is so registered under the Virginia Securities Act.

7. PaineWebber Incorporated will not transact business in this Commonwealth as an investment advisor unless it is so registered under the Virginia Securities Act.

8. Mitchell Hutchins Asset Management Inc. will not solicit any new investment advisory clients until sixty (60) days from the date of this order, or, if earlier, until all employees who engage in activities as investment advisor representatives have been registered as investment advisor representatives under the Virginia Securities Act, and after that date will not employ an unregistered Investment Advisor Representative in violation of Section 13.1-504 C of the Virginia Securities Act;

9. PaineWebber Incorporated will not solicit any new investment advisory clients until sixty (60) days from the date of this order, or, if earlier, until all employees who engage in activities as investment advisor representatives have been registered as investment advisor representatives under the Virginia Securities Act, and after that date will not employ an unregistered Investment Advisor Representative in violation of Section 13.1-504 C of the Virginia Securities Act;

10. Mitchell Hutchins Asset Management Inc. and PaineWebber Incorporated will pay a penalty to the Commonwealth in the amount of three hundred thousand dollars ($300,000.00), which will be tendered contemporaneously with the entry of this order;

11. Mitchell Hutchins Asset Management Inc. and PaineWebber Incorporated will pay to the Commission the sum of fifteen thousand dollars ($15,000.00) as reimbursement for the costs of the Division's investigation.

The Division has recommended that the Defendants' offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, the Defendants' offer of settlement is accepted;

(2) That the Defendants fully comply with the aforesaid terms and undertakings of the settlement;

(3) That the sum of three hundred fifteen thousand dollars ($315,000.00) tendered by the Defendants contemporaneously with the entry of this order is accepted;

(4) That this Order is not and shall not be construed as an injunction, order, judgment or decree which would cause any disqualifications under the Virginia Securities Act, including the rules and regulations adopted pursuant thereto, of PaineWebber Incorporated, Mitchell Hutchins Asset Management Inc. or any of its affiliates in this Commonwealth; and,

(5) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC910132
AUGUST 21, 1991

APPLICATION OF
VILLANOVA UNIVERSITY IN THE STATE OF PENNSYLVANIA
(A NON-PROFIT PENNSYLVANIA CORPORATION)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated July 31, 1991, with exhibits attached thereto, as supplemented by letter dated August 12, 1991, of Villanova Univesity in the State of Pennsylvania ("Villanova"), requesting a determination that a Guaranty issued as part of a bond offering by the Delaware County Authority is exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5).

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Villanova is a non-profit corporation organized under the laws of the Commonwealth of Pennsylvania for educational purposes; Villanova intends to offer and sell as part of the Delaware County Authority, University Revenue Bonds, Series of 1991 (Villanova University) issue, a security, to wit: the guarantee of the full and prompt payment of the principal of, premium, if any, and interest on, the Series of 1991 Bonds when and as due.

THE COMMISSION, based on the facts asserted by Villanova in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the offer and sale of the security described above be exempted from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the security shall be offered and sold in Virginia only by broker-dealers so registered under the Securities Act.

CASE NO. SEC910135
AUGUST 30, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
JACK P. ASHLEY,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, Jack P. Ashley, pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that Jack P. Ashley (i) transacted business in this Commonwealth as an unregistered agent for Comtel of Virginia Beach, Inc. in violation of Virginia Code § 13.1-504A and (ii) in violation of Virginia Code § 13.1-507, offered for sale and sold unregistered non-exempt securities, to wit: Management/Purchase Agreements and Purchase/Lease Back Agreements, such securities being in the form of an investment contract. The Defendant neither admits nor denies this allegation, but admits the Commission's jurisdiction and authority to enter this Order of Settlement.

As a proposal to settle all matters arising from the allegations made against him, the Defendant has offered, and agreed to comply with, the following terms and undertakings:

(1) Jack P. Ashley will be permanently enjoined from transacting business in this Commonwealth as an agent in violation of Virginia Code § 13.1-504A; and

(2) Jack P. Ashley will offer for sale and sell in this Commonwealth, whether indirectly or directly, only such securities that are either registered under the Virginia Securities Act or exempted therefrom.

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted;

(2) That the Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That Jack P. Ashley is permanently enjoined from any further conduct which constitutes a violation of Virginia Code § 13.1-504A and § 13.1-507; and

(4) That the papers herein be placed in the file for ended causes.

CASE NO. SEC910136
AUGUST 30, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COMTEL OF VIRGINIA BEACH, INC.,
Defendant

ORDER ACCEPTING OFFER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, Comtel of Virginia Beach, Inc., pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that (i) in violation of Virginia Code § 13.1-504B, Comtel of Virginia Beach, Inc. employed an unregistered agent and (ii) in violation of Virginia Code § 13.1-507, Comtel of Virginia Beach, Inc. offered for sale and sold unregistered, non-exempt securities, to wit: Management/Purchase Agreements and Purchase/Lease Back Agreements, such securities being in the form of an investment contract. The Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this Order Accepting Offer of Settlement.

As a proposal to settle all matters arising from the allegations made against it, the Defendant has offered, and agreed to comply with, the following terms and undertakings:

(1) Within fourteen (14) days from the date of this Order, Comtel of Virginia Beach, Inc. will make, or cause to be made, a written offer to rescind the sale of the Management/Purchase Agreements and Purchase/Lease Back Agreements purchased by residents of the Commonwealth of Virginia; the offerees will have thirty (30) days from the date of receipt of the offer within which to either accept or reject the offer, and Comtel of Virginia Beach, Inc., if its offer is accepted, will make restitution within ten (10) days from the date an offeree's acceptance of the offer is received by Comtel of Virginia Beach, Inc.;

(2) Evidence of compliance with the provisions of paragraph (1), above, will be filed with the Division of Securities and Retail Franchising within seven (7) days from the date payment is remitted to the offerees or from the date the offer is rejected or lapses, whichever occurs first; such evidence will be in the form of an affidavit; executed by an appropriate officer of Comtel of Virginia Beach, Inc., which will contain the following information: (i) the date on which each offeree received the offer of rescission; (ii) the date and nature of each offeree's response to the offer; (iii) if applicable, the date on which payment was remitted to each offeree; and, (iv) if applicable, the amount of payment remitted to each offeree;

(3) Comtel of Virginia Beach, Inc. will employ, for purposes of transacting securities business in this Commonwealth, only agents who are either so registered under the Virginia Securities Act or exempted therefrom;

(4) Comtel of Virginia Beach, Inc. will offer for sale and sell in this Commonwealth, whether indirectly or directly, only securities that are either registered under the Virginia Securities Act or exempted therefrom.

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted;

(2) That the Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That Comtel of Virginia Beach, Inc. is permanently enjoined from any further conduct which constitutes a violation of Virginia Code § 13.1-504 or § 13.1-507; and

(4) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC910137
SEPTEMBER 5, 1991

APPLICATION OF
LUTHERAN CHURCH EXTENSION FUND-MISSOURI SYNOD

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

IT APPEARING that Lutheran Church Extension Fund - Missouri Synod ("Synod") filed a written application dated August 15, 1991, with supporting documents attached thereto, as supplemented by letter dated August 26, 1991, requesting that the securities that Synod proposes to issue be exempt from the securities registration requirements of the Securities Act (Code of Virginia, as amended, Title 13.1, Chapter 5) pursuant to the provisions of Code Section 13.1-514.1.B and the agent registration requirements of the Securities Act be waived; and

IT FURTHER APPEARING, based on the information submitted in and with the application, said information being incorporated herein by reference; that Synod proposes to issue, offer and sell investment obligations in the aggregate amount of $1,000,000 which are categorized as Dedicated Savings Certificates, Growth Certificates and Term Notes which will be issued in accordance with the terms and conditions set forth in the Offering Circular dated October 1, 1991 and as may be amended.

THE COMMISSION, having considered the information submitted and relying upon it, is of the opinion and finds that the securities described above are to be issued by a person which is organized and operated not for private profit but exclusively for religious, educational, benevolent or charitable purposes; that said securities are to be offered and sold by A. C. Haake, President of the issuer, and Marvin M. Thompson, Executive Vice President of the Southern District of the Lutheran Church -Missouri Synod, who will not be compensated for their efforts; that the request for exemption should be granted; and that the agent registration requirements of the Securities Act should be waived for A. C. Haake and Marvin M. Thompson; it is, therefore,

ADJUDGED AND ORDERED that the heretofore described investment obligations to be issued by Synod be, and they hereby are, exempted from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be, and they hereby are, waived for A. C. Haake and Marvin M. Thompson.

CASE NO. SEC910138
SEPTEMBER 5, 1991

APPLICATION OF
BEACH FELLOWSHIP

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated January 15, 1991, with exhibits attached thereto, of Beach Fellowship ("Beach"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Beach operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; Beach intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $775,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold by a bond sales committee composed of members of Beach who will not be compensated for their sales efforts; and said securities may also be offered and sold by broker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by Beach in the written application and exhibits, is of the opinion and finds and, does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910139
SEPTEMBER 9, 1991

APPLICATION OF
NATIONAL COVENANT PROPERTIES (A NOT-FOR-PROFIT ILLINOIS CORPORATION)

For an Order of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia (1950)

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated March 1, 1991, with exhibits attached thereto, of National Covenant Properties ("NCP"), requesting that the securities that NCP proposes to issue be exempt from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: NCP is a not-for-profit corporation organized under the laws of the State of Illinois for religious and benevolent purposes; NCP intends to offer and sell 5-Year Fixed Rate Renewable Certificates (Series A), 30-Day Certificates (Series G) and Individual Retirement Account Certificates in an approximate aggregate amount of $15,000,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; and said securities are to be offered and sold by NCP's officers.

THE COMMISSION, based on the facts asserted by NCP in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act are waived for NCP's officers.

CASE NO. SEC910143
SEPTEMBER 18, 1991

APPLICATION OF
FIRST BAPTIST CHURCH OF HOPEWELL, VIRGINIA

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated September 3, 1991, with exhibits attached thereto, of First Baptist Church of Hopewell, Virginia ("FBC"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: FBC operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; FBC intends to offer and sell First

Deed of Trust Bonds in an approximate amount of $1,200,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold by a bond sales committee composed of members of FBC who will not be compensated for their efforts; and said securities may also be offered and sold by broker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by FBC in the written application and exhibits, is of the opinion and finds and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910144
SEPTEMBER 17, 1991

APPLICATION OF
THE AMERICAN LEGION KILMARNOCK POST #86, INC.
(A NON-STOCK, NON-PROFIT VIRGINIA CORPORATION)

For a Certificate of Exemption pursuant to § 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated September 6, 1991, with exhibits and addendums attached thereto, of The American Legion Kilmarnock Post #86, Inc. ("Post #86"), requesting that certain Bonds to be issued by Post #86 be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Post #86 is a non-stock, non-profit corporation organized under the laws of the Commonwealth of Virginia for fraternal and social purposes; Post #86 intends to offer and sell unsecured Bonds in denominations of $100, $500 and $1,000 accruing simple interest at the rate of 3% per annum in an approximate aggregate amount equal to the purchase price and interest due on a purchase money note issued in connection with Post #86's acquisition of a building and 1.7 acres of land on Waverly Avenue in White Stone, Virginia on terms and conditions as more fully described in the Prospectus filed as a part of the application; the Bonds are to be offered and sold by

William A. Nunn, III
P. O. Box 967
White Stone, Virginia 22578

Curtis L. Dickinson
P. O. Box 226
Mollusk, Virginia 22517

and

Coley B. Davis, II
Route 2, Box 346
Lancaster, Virginia 22503.

THE COMMISSION, based on the facts asserted by Post #86 in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code § 13.1-514.1.B. and that the agent registration requirements of the Securities Act be waived for the persons identified in the preceding paragraph provided that such persons receive no fees, commissions or other compensation, directly or indirectly, for offering and selling the Bonds.

CASE NOS. SEC910145 and SEC910146
SEPTEMBER 20, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
TRIQUEST FINANCIAL, INC.
and
EDWIN C. COHN,
Defendants

ORDER OF SETTLEMENT

The State Corporation Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendants, Triquest Financial, Inc. ("Triquest") and Edwin C. Cohn ("Cohn"), pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that (i) in violation of Virginia Code § 13.1-504A, Triquest transacted business in this Commonwealth as an unregistered broker-dealer; (ii) in violation of Virginia Code § 13.1-504B, Triquest employed an unregistered agent; (iii) in violation of Virginia Code § 13.1-507, Triquest and Cohn offered for sale and sold unregistered, non-exempt securities, to wit: common stock of Geophysical Systems Corporation; and, (iv) in violation of Virginia Code § 13.1-504A, Cohn transacted business in this Commonwealth as an unregistered agent for Triquest. The Defendants neither admit nor deny these allegations, but admit the Commission's jurisdiction and authority to enter this Order of Settlement.

As a proposal to settle all matters arising from the allegations made against them, the Defendants have offered, and agreed to comply with, the following terms and undertakings:

(1) Triquest Financial, Inc. will not, indirectly or directly, transact business in this Commonwealth as a broker-dealer unless so registered under the Virginia Securities Act, or exempted therefrom;

(2) Triquest Financial, Inc. will employ, for purposes of offering for sale and selling securities in this Commonwealth, only agents who are registered under the Virginia Securities Act, or exempted therefrom;

(3) Triquest Financial, Inc. will offer for sale and sell in this Commonwealth, whether indirectly or directly, only securities that are either registered under the Virginia Securities Act or exempted therefrom; and,

(4) Edwin C. Cohn will be permanently enjoined from any conduct which constitutes a violation of Virginia Code § 13.1-504A or § 13.1-507.

The Division has recommended that the Defendants' offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendants' offer of settlement is accepted;

(2) That the Defendants fully comply with the aforesaid terms and undertakings of the settlement;

(3) That Edwin C. Cohn is permanently enjoined from any further conduct which constitutes a violation of Virginia Code § 13.1-504A or § 13.1-507; and

(4) That this matter be dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC910153
SEPTEMBER 27, 1991

APPLICATION OF
DANEK GROUP, INC.

For an official interpretation pursuant to Va. Code § 13.1-525

OFFICIAL INTERPRETATION

THIS MATTER came before the Commission for consideration upon the letter-application dated July 15, 1991, with exhibit, of Danek Group, Inc. ("Applicant") filed under Va. Code § 13.1-525 by its counsel and upon payment of the requisite fee. Applicant has requested a determination that the securities to be issued in connection with its Amended and Restated Non-Qualified Stock Option Plan for Distributors and Consultants ("Plan") are exempted from the securities registration requirements of the Securities Act of Virginia ("Act") pursuant to Va. Code § 13.1-514 A 10 (prior to July 1, 1991, this exemption was found in § 13.1-514(a)(11)). The pertinent information contained in the application is summarized as follows:

The Plan, which was adopted in January 1990, was amended and restated in October 1990 and again in March 1991. The purposes of the Plan are to encourage certain key distributors and consultants of Applicant to acquire its stock, thus providing these persons an incentive to remain in service with Applicant, and to allow Applicant to attract qualified persons to serve as its distributors and consultants. Administration of the Plan is the responsibility of Applicant's Board of Directors or of a committee designated by the Board. The aggregate number of shares of Applicant which may be issued and sold pursuant to the options granted under the Plan is 112,500 shares. These shares may be either authorized and unissued shares or treasury shares. It is intimated in the application, and it will be assumed, that the persons eligible to participate in the Plan are not "employees," in the normal sense of the word, of Applicant.

Va. Code § 13.1-514 A 10 provides an exemption from the securities registration requirements of the Act for "[a]ny security issued in connection with an employee's stock purchase, savings, pension, profit-sharing or similar benefit plan." In a recent Official Interpretation, the Commission determined that a stock incentive plan which involved the issuance of stock options was within the ambit of the exemption at issue. Application of WT Acquisition (BVI) Corporation, Case No. SEC910040, Apr. 3, 1991. Thus, the pivotal question is whether Applicant's distributors and consultants are members of the class of persons deemed by the Virginia General Assembly to not need the benefits of securities registration under the Act.

In Application of Diasonics, Inc., Case No. SEC860079, Oct. 6, 1986, the Commission found that the (a)(11) -- now A 10 -- exemption was available for interests in a qualified employee stock participation plan offered to employees of subsidiaries of the issuer. In addition, the Commission has determined that directors who are also part-time employees of the issuer are within the scope of the exemption (Application of Concrete Pipe and Products Co., Inc., Dec. 28, 1977). On the other hand, the Commission has held that the exemption "is too narrow to include employees of companies merely associated or affiliated with the issuer." Application of Color Tile, Inc., Case No. SEC880015, Feb. 23, 1988. As these decisions indicate, the A 10 exemption has been interpreted conservatively, and its applicability has been limited to the more traditional employee-employer relationships. The Commission believes that including Applicant's distributors and consultants within the reach of this exemption would be an unjustifiable departure from the prior decisions on this issue.

In its application, Applicant advises that the A 10 exemption is similar to the exemption created by the U.S. Securities and Exchange Commission in its adoption in 1988 of Regulation 230.701, 1 Fed. Sec. L. Rep. (CCH) ¶ 2491. The SEC's regulation explicitly embraces, inter alia, "consultants or advisers" of the issuer, and Applicant urges the Commission to find that such persons are within the Virginia exemption. For the reasons stated above, the term "employee" as used in subsection A 10 will not be so broadly defined.

THE COMMISSION, upon consideration of this matter and for the reasons set forth above, is of the opinion and finds that the securities identified herein are not within the purview of § 13.1-514 A 10. Accordingly, it is

ORDERED that the securities to be issued in connection with Applicant's Amended and Restated Non-Qualified Stock Option Plan for Distributors and Consultants are not exempted from the securities registration requirements of the Securities Act pursuant to Va. Code § 13.1-514 A 10.

CASE NO. SEC910158
OCTOBER 3, 1991

APPLICATION OF
CONGREGATION OR ATID

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated September 13, 1991, with exhibits attached thereto, of Congregation Or Atid ("COA"), requesting that certain Second Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: COA operates not for private profit but exclusively for religious and educational purposes; COA intends to offer and sell Second Deed of Trust Bonds in an approximate aggregate amount of $1,500,000 on terms and conditions as more fully described in the application; said securities are to be offered and sold only to COA's members by a bond sales committee composed of members of COA who are Virginia residents; the bond sales committee members will not be compensated for their sales efforts; and the bond sales committee will make full, fair and effective disclosure to all potential bond purchasers.

THE COMMISSION, based on the facts asserted by counsel to COA in the written application and exhibits, is of the opinion and finds and, does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910163
NOVEMBER 15, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
HARRIS BRETALL SULLIVAN & SMITH, INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, Harris Bretall Sullivan & Smith, Inc., pursuant to Virginia Code Section 13.1-518.

As a result of its investigation, the Division alleges that in violation of Virginia Code Section 13.1-504 A, Defendant transacted business in this Commonwealth as an unregistered investment advisor. Defendant neither admits nor denies the allegations, but admits the Commission's jurisdiction and authority to enter this order.

As a proposal to settle all matters arising from the allegations made against it, Defendant has offered and agrees to comply with the following terms and undertakings.

1. Defendant will not transact business in this Commonwealth as an investment advisor unless it is so registered under the Virginia Securities Act;

2. Defendant will pay a penalty to the Commonwealth in the amount of twenty-nine thousand dollars ($29,000.00), which will be tendered contemporaneously with the entry of this order; and

3. Defendant will pay to the Commission the sum of two hundred fifty dollars ($250.00) as reimbursement for the costs of the Division's investigation.

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

(2) That Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That pursuant to Virginia Code Section 13.1-521, Defendant pay a penalty to the Commonwealth in the amount of twenty-nine thousand dollars ($29,000.00) and that the Commonwealth recover of and from Defendant said amount;

(4) That the sum of twenty-nine thousand two hundred fifty dollars ($29,250.00) tendered by Defendant contemporaneously with the entry of this order is accepted; and,

(5) That this case is dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC910164
DECEMBER 10, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
WILLIAM B. NELSON,
Defendant

FINAL ORDER AND JUDGMENT

THIS MATTER, instituted by Rule to Show Cause entered on October 16, 1991, was scheduled for hearing and was heard on December 3, 1991. At the hearing, the Division of Securities and Retail Franchising was represented by its counsel. The Defendant, William B. Nelson, neither filed a pleading in response to the Rule to Show Cause nor appeared personally or by counsel at the hearing.

The Commission, based upon the evidence herein, is of the opinion and finds:

(1) That an attested copy of the aforesaid Rule to Show Cause was duly served upon the Secretary of the Commonwealth as statutory agent for the Defendant pursuant to the provisions of Virginia Code § 8.01-329;

(2) That William B. Nelson, having failed to file a responsive pleading and having failed to appear at the hearing, is in default;

(3) That all the transactions described below occurred in the Commonwealth of Virginia;

(4) That on or about December 31, 1986, William B. Nelson ("Nelson"), the Defendant, offered and sold to a Virginia resident shares in the Calvert Fund Equity, a mutual fund whose shares are registered under the Virginia Securities Act (Virginia Code §§ 13.1-501 - 13.1-527.3 (1989 and Cum. Supp. 1991)), for which the Virginia resident paid $50,000;

(5) That Nelson charged the Virginia resident a fee of $1,562.50 for arranging this investment, which the resident paid on or about December 31, 1986;

(6) That in the aforesaid offer and sale, Nelson failed to inform the Virginia resident that the Calvert Fund Equity is a "no-load" mutual fund and that she would not have incurred a fee or commission had she purchased the shares directly from the fund as opposed to letting Nelson invest the funds for her;

(7) That in January of 1987, Nelson advised the Virginia resident that she needed to make additional investments in order to diversify her portfolio;

(8) That pursuant to Nelson's advice outlined in paragraph (7), above, the Virginia investor on or about June 24, 1987 gave Nelson a cashier's check in the amount of $20,000, payable to Nelson, to be invested in high quality stock in the Virginia investor's name;

(9) That Nelson cashed the $20,000 cashier's check but bought no securities for the Virginia resident;

(10) That in May of 1987, Nelson advised the Virginia resident to liquidate $10,000 worth of the shares of Calvert Fund Equity and to give him the proceeds to invest for her in a particular bond;

(11) That the Virginia resident followed Nelson's advice as outlined in paragraph (10), above, and, in May of 1987, (i) liquidated $10,000 worth of the fund shares and (ii) wrote her personal check for $10,000 to "Merrill Lynch";

(12) That pursuant to Nelson's instruction, the resident put Nelson's name and Merrill Lynch account number on the memo line of the check referred to in paragraph (11), above, and mailed the check to a New Jersey office of Merrill Lynch;

(13) That Nelson incorrectly advised the Virginia resident that the Merrill Lynch account referred to in paragraph (12), above, was actually hers even though it was carried in his name only;

(14) That prior to the Virginia resident making any of the above described investments, Nelson informed the Virginia resident that he was licensed by the State of Maryland as a financial planner/investment advisor and that he had extensive experience in investments;

(15) That during the time in question, the State of Maryland did not license financial planners or investment advisors and Nelson had very limited professional experience in investments;

(16) That Nelson is not and never has been registered under the Virginia Securities Act as a broker-dealer;

(17) That the aforesaid activities constitute three violations of Virginia Code § 13.1-502 and three violations of 13.1-504A; and

(18) That William B. Nelson should be enjoined from committing such acts in the future and should be penalized on account of having committed such acts; it is, therefore,

ORDERED:

(1) That pursuant to Virginia Code § 13.1-519, William B. Nelson be, and he hereby is, permanently enjoined from directly or indirectly transacting business in Virginia as an unregistered broker-dealer in violation of Virginia Code § 13.1-504A and from directly or indirectly selling any security in violation of Virginia Code § 13.1-502;

(2) That pursuant to Virginia Code § 13.1-521, William B. Nelson be, and he hereby is, penalized in the amount of $30,000; provided, however, should William B. Nelson rescind his securities sales of January and May of 1987 and make restitution in the amount of $30,000 to the Virginia investor and file with the Commission satisfactory proof of such action within thirty (30) days after the date of this Final Order and Judgment, then this penalty shall be vacated; and

(3) That as there appears nothing further to be done in this proceeding, this case shall be dismissed from the docket and the papers placed in the file for ended causes.

CASE NO. SEC910165
OCTOBER 16, 1991

APPLICATION OF
CALVARY BAPTIST CHURCH OF WOODBRIDGE, VIRGINIA

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated August 6, 1991, with exhibits attached thereto, as subsequently amended, of Calvary Baptist Church of Woodbridge, Virginia ("Calvary"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Calvary operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; Calvary intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $800,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold by a bond sales committee composed of members of Calvary who will not be compensated for their sales efforts; and said securities may also be offered and sold by b oker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by Calvary in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910167
OCTOBER 16, 1991

APPLICATION OF
PRESBYTERIAN HOMES, INC.
(A NOT-FOR-PROFIT NORTH CAROLINA CORPORATION)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, by counsel to the underwriter, Wheat, First Securities, Inc., dated September 11, 1991, requesting a determination that a guaranty to be issued as part of a bond offering by the North Carolina Medical Care Commission (the "Care Commission") be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) pursuant to Virginia Code Section 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Presbyterian Homes, Inc. ("Presbyterian Homes") is a not-for-profit corporation organized under the laws of the State of North Carolina for charitable, educational and scientific purposes; Presbyterian Homes intends to issue as part of the North Carolina Medical Care Commission Health Care Facilities First Mortgage Bonds, (Glenaire Project) Series 1991 (the "offering"), a security to wit: a guaranty issued by Presbyterian Homes to the Care Commission pursuant to a Guaranty Agreement guaranteeing all obligations under a loan agreement and note issued by Glenaire, Inc. to the Care Commission as security for the Glenaire Project Series 1991 Bonds.

THE COMMISSION, based upon the representations made in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above are exempted from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and shall be made in Virginia only by broker-dealers which are so registered in this Commonwealth.

CASE NO. SEC910168
OCTOBER 16, 1991

APPLICATION OF
NEW YORK CHIROPRACTIC COLLEGE
(A NOT-FOR-PROFIT NEW YORK CORPORATION)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, by counsel to the underwriter, Smith Barney, Harris Upham & Co., Inc., dated October 7, 1991, requesting a determination that a guaranty to be issued as part of a bond offering by the Seneca County Industrial Development Agency (the "Agency") be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) pursuant to Virginia Code Section 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: New York Chiropractic College ("NYCC") is a not-for-profit corporation organized under the laws of the State of New York for charitable, educational and scientific purposes; NYCC intends to issue as part of the Seneca County Industrial Development Agency 1991 Civic Facility Adjustable Tender Revenue Bonds ("Seneca 1991 Civic Bonds"), a security to wit: a guaranty issued by NYCC to the trustee of the bondholders pursuant to a Guaranty Agreement guaranteeing the payment of principal and interest on the Seneca 1991 civic bonds.

THE COMMISSION, based upon the representations made in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above are exempted from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and shall be made in Virginia only by broker-dealers which are so registered in this Commonwealth.

CASE NO. SEC910173
NOVEMBER 27, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
CYPRESS CAPITAL MANAGEMENT, INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, Cypress Capital Management, Inc., pursuant to Virginia Code Section 13.1-518.

As a result of its investigation, the Division alleges that in violation of Virginia Code Section 13.1-504 A, Defendant transacted business in this Commonwealth as an unregistered investment advisor. Defendant neither admits nor denies the allegations, but admits the Commission's jurisdiction and authority to enter this order.

As a proposal to settle all matters arising from the allegations made against it, Defendant has offered and agrees to comply with the following terms and undertakings.

1. Defendant will not transact business in this Commonwealth as an investment advisor unless it is so registered under the Virginia Securities Act;

2. Defendant will pay a penalty to the Commonwealth in the amount of five thousand dollars ($5,000.00), which will be tendered contemporaneously with the entry of this order; and

3. Defendant will pay to the Commission the sum of two hundred fifty dollars ($250.00) as reimbursement for the costs of the Division's investigation.

The Division has recommended that Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code Section 12.1-15, Defendant's offer of settlement is accepted;

(2) That Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That pursuant to Virginia Code Section 13.1-521, Defendant pay a penalty to the Commonwealth in the amount of five thousand dollars ($5,000.00) and that the Commonwealth recover of and from Defendant said amount;

(4) That the sum of five thousand two hundred fifty dollars ($5,250.00) tendered by Defendant contemporaneously with the entry of this order is accepted; and,

(5) That this case is dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC910174
NOVEMBER 20, 1991

APPLICATION OF
REHOBOTH FELLOWSHIP CHURCH

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated September 13, 1991, with exhibits attached thereto, as subsequently amended, of Rehoboth Fellowship Church ("Rehoboth"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Rehoboth operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; Rehoboth intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $175,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold by a bond sales committee composed of members of Rehoboth who will not be compensated for their sales efforts; and said securities may also be offered and sold by broker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by Rehoboth in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910175
NOVEMBER 27, 1991

APPLICATION OF
CARROLL COUNTY BANK AND TRUST COMPANY

For an official interpretation pursuant to Va. Code § 13.1-525

OFFICIAL INTERPRETATION

THIS MATTER came before the Commission for consideration upon the letter-application dated August 12, 1991, as supplemented by letters dated August 15 and September 9, 1991, of Carroll County Bank and Trust Company ("Applicant") filed under Va. Code § 13.1-525 by its counsel and upon payment of the requisite fee. Applicant has requested a determination that the securities transaction described below is exempted from the securities, broker-dealer and agent registration provisions of the Securities Act of Virginia pursuant to Va. Code § 13.1-514 B 15 (Cum. Supp. 1991; prior to July 1, 1991, the exemption in issue was contained in Va. Code § 13.1-514(c)(2)).

The pertinent information contained in the application is summarized a follows: For the purpose of carrying on business under a holding company arrangement, the Board of Directors of Applicant has adopted an Agreement and Plan of Exchange whereby Applicant, through an exchange of stock, will be acquired by Mason-Dixon Bancshares, Inc. Both entities were created under the laws of the State of Maryland. This procedure for forming a bank holding company is expressly authorized by Maryland statutory law, and is subject to the approval of the shareholders of Applicant as well as the approval of the Maryland Division of Banking and the Federal Reserve System.

Va. Code § 13.1-514 B 15 provides an exemption for "[a]ny transaction incident to a right of conversion or a statutory or judicially approved reclassification, recapitalization, reorganization, quasi-reorganization, stock split, reverse stock split, merger, consolidation, sale of assets or exchange of securities."

THE COMMISSION, based upon the information supplied by Applicant, is of the opinion and finds that the proposed exchange of stock is within the purview of § 13.1-514 B 15; it is, therefore,

ORDERED that the securities transaction described above is exempted from the securities, broker-dealer and agent registration provisions of the Securities Act pursuant to Va. Code § 13.1-514 B 15.

CASE NO. SEC910176
DECEMBER 2, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
WAGNER CAPITAL MANAGEMENT CORPORATION,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising instituted an investigation of the Defendant, Wagner Capital Management, Inc. ("Wagner"), pursuant to Virginia Code § 13.1-518, upon receiving from Wagner an application for registration as an Investment Advisor and disclosure by Wagner that it had investment advisory clients in the Commonwealth of Virginia prior to the time the application was filed.

As a result of its investigation, during which Wagner provided its cooperation, the Division alleges that the Defendant transacted business in this Commonwealth as an unregistered Investment Advisor in violation of Virginia Code § 13.1-504A. The Defendant neither admits nor denies this allegation, but admits the Commission's jurisdiction and authority to enter this Order of Settlement.

As a proposal to settle all matters arising from the allegation made against it, the Defendant has offered the following terms and undertakings:

(1) Wagner will not, indirectly or directly, transact business in this Commonwealth as an Investment Advisor unless so registered under the Virginia Securities Act or exempted therefrom; and

(2) Wagner will pay to this Commonwealth a penalty in the amount of ten thousand dollars ($10,000), and will pay to the Commission the sum of three thousand dollars ($3,000) to defray the costs of the investigation.

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted;

(2) That the Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That pursuant to Virginia Code § 13.1-521, Wagner Capital Management Corporation pay to the Commonwealth the sum of ten thousand ($10,000) and that pursuant to Virginia Code § 13.1-518, Wagner Capital Management Corporation pay to the Commission the sum of three thousand dollars ($3,000) to defray the cost of the investigation, and that the Commonwealth of Virginia recover of and from the Defendant, said amounts;

(4) That the sums of ten thousand dollars ($10,000) and three thousand dollars ($3,000) tendered by Wagner Capital Management Corporation contemporaneously with the entry of this Order of Settlement are accepted;

(5) That this Order of Settlement shall not be utilized or form the sole basis for any other Commission proceeding, whether judicial, quasi-judicial or administrative, to deny any application for registration as an Investment Advisor or a broker-dealer which may be filed under the Virginia Securities Act by Wagner Capital Management Corporation; and

(6) That this matter be dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC910177
DECEMBER 3, 1991

APPLICATION OF
THE UNITED STATES INDUSTRIAL COUNCIL
EDUCATION FOUNDATION POOLED INCOME FUND

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated November 5, 1991, with exhibits attached thereto, as supplemented by letter dated November 25, 1991, of The United States Industrial Council Education Foundation Pooled Income Fund (the "Fund"), requesting that interests in the Fund be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: the Fund was established by The United States Industrial Council Educational Foundation, a non-profit District of Columbia corporation formed not for private profit but exclusively for educational purposes; the Fund is a pooled income fund within the meaning of Section 642(c)(5) of the Internal Revenue Code; and, gifts to the Fund will be solicited by volunteers or employees of the Fund who will not be compensated on the basis of the amount of gifts transferred to the Fund.

THE COMMISSION, based on the facts asserted by the Fund in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the Fund's volunteers and employees who solicit on behalf of the Fund.

CASE NO. SEC910178
DECEMBER 12, 1991

APPLICATION OF
HOLY TABERNACLE CHURCH OF DELIVERANCE

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated September 10, 1991, with exhibits attached thereto, as subsequently amended, of Holy Tabernacle Church of Deliverance ("Holy Tabernacle"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Holy Tabernacle operates not for private profit but exclusively for religious purposes; Holy Tabernacle intends to offer and sell First Deed of Trust Bonds in an approximate amount of $50,000.00 on terms and conditions as more fully described in the application; said securities are to be offered and sold only to Holy Tabernacle's members by a bond sales committee composed of members of Holy Tabernacle who are Virginia residents; the bond sales committee members will not be compensated for their sales efforts; and the bond sales committee will make full, fair and effective disclosure to all potential bond purchasers.

THE COMMISSION, based on the facts asserted by Holy Tabernacle in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that agent registration requirements of the Securities Act are waived for the members of the bond sales committee.

CASE NO. SEC910179
DECEMBER 9, 1991

APPLICATION OF
CROOKS MEMORIAL UNITED METHODIST CHURCH

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated October 7, 1991, of Crooks Memorial United Methodist Church ("Crooks"), requesting that certain promissory notes be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Crooks operates not for private profit but exclusively for religious, educational, benevolent and charitable purposes; Crooks intends to offer and sell 8 1/2% Promissory Notes with a three year term in an approximate aggregate amount of $80,000 on terms and conditions as more fully described in the application; said securities are to be offered and sold only to Crooks' members by a bond sales committee composed of members of Crooks' who are Virginia residents; the bond sales committee members will not be compensated for their sales efforts; and the bond sales committee will make full, fair and effective disclosure to all potential bond purchasers.

THE COMMISSION, based on the facts asserted by Crooks in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910180
DECEMBER 4, 1991

APPLICATION OF
THE MEDICAL COLLEGE OF HAMPTON ROADS FOUNDATION
(A NOT-FOR-PROFIT VIRGINIA CORPORATION)

For a Certificate of Exemption pursuant to Section 13.1-514.1.B of the Code of Virginia

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, by counsel to the underwriter, Sovran Investment Corporation, dated November 20, 1991, requesting a determination that a guaranty to be issued as part of a bond offering by the Medical College of Hampton Roads (the "College") be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950, Title 13.1 Chapter 5) pursuant to Virginia Code Section 13.1-514.1.B.

BASED UPON THE INFORMATON submitted, the following facts, in addition to others not enumerated herein, appear to exist: The Medical College of Hampton Roads Foundation (the "Foundation") is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia for charitable, educational and scientific purposes; the Foundation intends to issue as part of the Medical College of Hampton Roads General Revenue Refunding Bonds, Series 1991A and the General Revenue Bonds, Series 1991B (the "Series A and B Bonds"), a security to wit: a guaranty issued by the Foundation to the College pursuant to a Guarantee Agreement guaranteeing the payment of principal and interest on the Series A and B Bonds.

THE COMMISSION, based upon the representations made in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the offer and sale of the securities described above are exempted from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.B and shall be made in Virginia only by broker-dealers which are so registered in this Commonwealth.

CASE NO. SEC910181
DECEMBER 13, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
GAMCO INVESTORS, INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has investigated the Defendant, GAMCO Investors, Inc., pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that the Defendant transacted business in this Commonwealth as an unregistered Investment Advisor in violation of Virginia Code § 13.1-504A. The Defendant neither admits nor denies this allegation, but admits the Commission's jurisdiction and authority to enter this Order of Settlement.

As a proposal to settle all matters arising from the allegation, the Defendant has offered the following terms and undertakings:

(1) GAMCO Investors, Inc. will not, indirectly or directly, transact business in this Commonwealth as an Investment Advisor, unless so registered under the Virginia Securities Act or exempted therefrom; and

(2) GAMCO Investors, Inc. will pay to this Commonwealth a penalty in the amount of forty-five thousand dollars ($45,000) and will pay to the Commission the sum of ten thousand dollars ($10,000) to defray the costs of the investigation.

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted;

(2) That the Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That pursuant to Virginia Code § 13.1-521, GAMCO Investors, Inc. pay a penalty to the Commonwealth in the amount of forty-five thousand dollars ($45,000), that pursuant to Virginia Code § 13.1-518, GAMCO Investors, Inc. pay to the Commission the sum of ten thousand dollars ($10,000) to defray the cost of the investigation, and that the Commonwealth of Virginia and the Commission, respectively, recover of and from the Defendant, said amounts;

(4) That the sums of forty-five thousand dollars ($45,000) and ten thousand dollars ($10,000) tendered by GAMCO Investors, Inc. contemporaneously with the entry of this Order of Settlement are accepted;

(5) That neither this Order of Settlement nor the underlying facts shall be utilized or form the sole basis for any other Commission proceeding, whether judicial, quasi-judicial or administrative, to deny or revoke any application for registration as an Investment Advisor which may be filed under the Virginia Securities Act by GAMCO Investors, Inc.; and

(6) That this matter be dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC910183
DECEMBER 11, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
CALVERT SECURTIES CORPORATION,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, Calvert Securities Corporation ("Calvert"), pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that the defendant transacted business in this Commonwealth as an unregistered Investment Advisor in violation of Virginia Code § 13.1-504A and employed unregistered Investment Advisor Representatives in violation of Virginia Code § 13.1-504C. The Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this Order of Settlement.

As a proposal to settle all matters arising from the allegations, the Defendant has offered the following terms and undertakings:

(1) Calvert will not, indirectly or directly, transact business in this Commonwealth as an Investment Advisor unless so registered under the Virginia Securities Act or exempted therefrom;

(2) Calvert will employ for purposes of providing investment advisory services in this Commonwealth only such individuals who are either registered as Investment Advisor Representatives under the Virginia Securities Act or exempted therefrom; and

(3) Calvert will pay to this Commonwealth the sum of five thousand dollars ($5,000), and pay to the Commission the sum of two thousand dollars ($2,000) to defray the costs of the investigation.

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted;

(2) That the Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That pursuant to Virginia Code § 13.1-521, Calvert Securities Corporation pay to the Commonwealth the sum of five thousand dollars ($5,000), that pursuant to Virginia Code § 13.1-518, Calvert pay to the Commission the sum of two thousand dollars ($2,000) to defray the cost of the investigation, and that the Commonwealth of Virginia recover of and from the Defendant, said amounts;

(4) That the sums of five thousand dollars ($5,000) and two thousand dollars ($2,000) tendered by Calvert Securities Corporation contemporaneously with the entry of this Order of Settlement are accepted;

(5) That this Order of Settlement shall not be utilized or form the sole basis for any other Commission proceeding, whether judicial, quasi-judicial or administrative, to deny or revoke any application for registration as an Investment Advisor which may be filed under the Virginia Securities Act by Calvert Securities Corporation; and

(6) That this matter be dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC910184
DECEMBER 20, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
HEIER ADVISORY CORPORATION,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, Heier Advisory Corporation (Heier), pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that Heier (i) transacted business in this Commonwealth as an unregistered Investment Advisor in violation of Virginia Code § 13.1-504A and (ii) transacted business in this Commonwealth as an Investment Advisor in violation of the terms of the Commission's Order of Settlement dated March 16, 1989, CASE NO. SEC890029. The Defendant neither admits nor denies the allegations, but admits the Commission's jurisdiction and authority to enter this Order of Settlement.

As a proposal to settle all matters arising from the allegations, the Defendant has offered the following terms and undertakings:

(1) Heier will comply with the permanent injunction terms of the Commission's Order of Settlement dated March 16, 1989, CASE NO. SEC890029; and,

(2) Heier will pay to this Commonwealth a penalty in the amount of seven thousand dollars ($7,000), and will pay to the Commission the sum of two thousand dollars ($2,000) to defray the costs of this investigation.

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted;

(2) That pursuant to Virginia Code § 13.1-521, Heier Advisory Corporation pay to the Commonwealth a penalty of seven thousand dollars ($7,000) and that pursuant to Virginia Code § 13.1-518, Heier Advisory Corporation pay to the Commission the sum of two thousand dollars

($2,000) to defray the cost of the investigation, and that the Commonwealth of Virginia and the Commission recover of and from the Defendant, said amounts;

(3) That the sums of seven thousand dollars ($7,000) and two thousand dollars ($2,000) tendered by Heier Advisory Corporation contemporaneously with the entry of this Order of Settlement are accepted;

(4) That this Order of Settlement shall not be utilized or form the sole basis for any other Commission proceeding, whether judicial, quasi-judicial or administrative, to deny any application for registration as an Investment Advisor which may be filed under the Virginia Securities Act by Heier Advisory Corporation;

(5) That the permanent injunction provisions of the Commission's Order of Settlement, dated March 16, 1989, CASE NO. SEC890029, remain in effect; and

(6) That the papers herein be placed in the file for ended causes.

CASE NO. SEC910185
DECEMBER 17, 1991

APPLICATION OF
CALVARY BAPTIST CHURCH EXTENSION ASSOCIATION

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated November 8, 1991, with exhibits attached thereto, as subsequently amended, of Calvary Baptist Church Extension Association ("Calvary"), requesting that certain First Mortgage Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5).

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Calvary operates not for private profit but exclusively for religious purposes; Calvary intends to offer and sell First Mortgage Bonds in an approximate aggregate amount of $2,200,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; and said securities are to be offered and sold by broker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by Calvary in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B.

CASE NO. SEC910186
DECEMBER 19, 1991

APPLICATION OF
NEW LIFE BAPTIST CHURCH

For an Order of Exemption under Section 13.1-514.1.B of the Code of Virginia, as amended

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated September 23, 1991, with exhibits attached thereto, as subsequently amended, of New Life Baptist Church ("New Life"), requesting that certain First Deed of Trust Bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that the agent registration requirements of the Securities Act be waived.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: New Life operates not for private profit but exclusively for religious, educational, benevolent or charitable purposes; New Life intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $335,000 on terms and conditions as more fully described in the Prospectus filed as a part of the application; said securities are to be offered and sold by a bond sales committee composed of members of New Life who will not be compensated for their sales efforts; and said securities may also be offered and sold by broker-dealers so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by New Life in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above be exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B and that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee.

CASE NO. SEC910187
DECEMBER 20, 1991

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
CAPITAL INVESTMENT SERVICES OF AMERICA, INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, Capital Investment Services of America, Inc. ("CISA"), pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that the Defendant transacted business in this Commonwealth as an unregistered Investment Advisor in violation of Virginia Code § 13.1-504A. The Defendant neither admits nor denies the allegation, but admits the Commission's jurisdiction and authority to enter this Order of Settlement.

As a proposal to settle all matters arising from the allegation, the Defendant has offered the following terms and undertakings:

(1) CISA will not, indirectly or directly, transact business in this Commonwealth as an Investment Advisor unless so registered under the Virginia Securities Act or exempted therefrom; and

(2) CISA will pay to this Commonwealth the sum of five thousand dollars ($5,000) and will pay to the Commission the sum of two thousand dollars ($2,000) to defray the costs of this investigation.

The Division has recommended that the Defendant's offer of settlement be accepted pursuant to the authority granted to the Commission in Virginia Code § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, the Defendant's offer of settlement is accepted;

(2) That the Defendant fully comply with the aforesaid terms and undertakings of the settlement;

(3) That Capital Investment Services of America, Inc. pay to the Commonwealth the sum of five thousand dollars ($5,000) and that pursuant to Virginia Code § 13.1-518, CISA pay to the Commission the sum of two thousand dollars ($2,000) to defray the cost of the investigation, and that the Commonwealth of Virginia and the Commission recover of and from the Defendant, said amounts;

(4) That the sums of five thousand dollars ($5,000) and two thousand dollars ($2,000) tendered by Capital Investment Services of America, Inc. contemporaneously with the entry of this Order of Settlement are accepted;

(5) That this Order of Settlement shall not be utilized or form the sole basis for any other Commission proceeding, whether judicial, quasi-judicial or administrative, to deny any application for registration as an Investment Advisor which may be filed under the Virginia Securities Act by Capital Investment Services of America, Inc.; and

(6) That the papers herein be placed in the file for ended causes.

TABLES

CLERK'S OFFICE

Summary of the changes in the number of Virginia corporations, foreign corporations and limited partnerships licensed to do business in Virginia, and of amendments to Virginia, foreign and limited partnership charters during 1990 and 1991.

VIRGINIA CORPORATIONS

	1990	1991
Certificates of Incorporation issued	17,376	16,791
Corporations voluntarily terminated	920	883
Corporations involuntarily terminated	835	1,215
Corporations automatically terminated	12,048	12,706
Reinstatements of terminated corporations	1,668	1,548
Charters amended	2,767	2,758
Active Stock Corporations	112,203	114,780
Active Non-Stock Corporations	19,629	20,483
Total Active Virginia Corporations	131,832	135,263

FOREIGN CORPORATIONS

Certificates of Authority to do business in Virginia issued	3,612	3,248
Voluntary withdrawals from Virginia	368	331
Certificates of Authority automatically revoked	1,842	2,022
Certificates of Authority involuntarily revoked	151	3
Reentry of corporations with surrendered or revoked certificates	470	310
Charters amended	1,027	922
Active Stock Corporations	23,824	24,563
Active Non-Stock Corporations	1,318	1,418
Total Active Foreign Corporations	25,142	25,981
Total Active (Foreign and Domestic) Corporations	156,974	161,244

LIMITED PARTNERSHIPS

Limited Partnership Certificates filed	1,090	1,101
Limited Partnership Certificates amended	1,031	1,610
Limited Partnership Certificates cancelled	197	222
Total Active Limited Partnerships	6,392	7,345

LIMITED LIABILITY COMPANIES

Articles of Organization filed	142
Articles of Organization Amended	5
Articles of Organization Cancelled	1
Total Active Limited Liability Companies	141

MOTOR CARRIER DIVISION

BROKERS' LICENSES ISSUED DURING 1991

Name	Location	Certificate Number
Friendship Tours Inc.	Richmond, Virginia	B-133
Supertravel, LTD.	Richmond, Virginia	B-134
Westfields International Conference Center, Inc.	Chantilly, Virginia	B-135
Home Ride of Virginia	Blacksburg, Virginia	B-136
Home Stretch, Inc.	Free Union, Virginia	B-137

COMMON CARRIERS OF PASSENGERS BY MOTOR VEHICLE

Certificates of Public Convenience and Necessity issued during 1991

Name	Location	Certificate Number
Wali Abdullah Hassan, t/a ATW Limousine Service	Woodbridge, Virginia	P-2588
Dominion Company, Inc., t/a Virginia Overland Bus Lines	Richmond, Virginia	P-2591

EXECUTIVE SEDAN CERTIFICATES

Certificates of Public Convenience and Necessity issued during 1991

Name	Location	Certificate Number
Travel Mates of Virginia, Inc.	Harrisonburg, Virginia	XS-1
Ambassador Limousine Service, Inc.	Manassas, Virginia	XS-2
Gholam Ali Kehyari, t/a Springfield Burke Passenger Service	Springfield, Virginia	XS-3
Delsstar, Inc.	Alexandria, Virginia	XS-4
Louis M. Burgess	Arlington, Virginia	XS-5
Hoar-Hakenson Leasing Company	Alexandria, Virginia	XS-6
Robert R. Hoar	Alexandria, Virginia	XS-7
Paul Richard Repko	Locust Grove, Virginia	XS-9
Stewart's Limousine Service, Inc.	Richmond, Virginia	XS-10
Chenda Sok	Fairfax, Virginia	XS-11
Boston Coach-Washington Corp.	Fairfax, Virginia	XS-12
Northern Virginia Sedan Service, Inc.	Springfield, Virginia	XS-13
Winn Bus Lines, Inc.	Richmond, Virginia	XS-15
Murphy Brothers Incorporated	Falls Church, Virginia	XS-16
Transportation Inc.	Arlington, Virginia	XS-17
Kirk Patrick Norton	Arlington, Virginia	XS-18
Manfred Kroll	Alexandria, Virginia	XS-19
Prestige Limousine Service, Ltd.	Newport News, Virginia	XS-20
Hussein Ahmed Subhi	Alexandria, Virginia	XS-22

HOUSEHOLD GOODS CARRIERS

Certificates of Public Convenience and Necessity issued during 1991

Name	Location	Certificate Number
Alexander's Moving and Storage, Eastern, Inc.	Baltimore, Maryland	HG-466
Cook's Moving Service Incorporated	Newport News, Virginia	HG-467
Piedmont Movers, Incorporated	Manassas Park, Virginia	HG-468
Colonial Storage Co.	Washington, D.C.	HG-469
Hilldrup Moving and Storage of Richmond, Inc.	Richmond, Virginia	HG-470
Paul Arpin Van Lines, Inc.	East Greenwich, Rhode Island	HG-471
Executive Moving Systems, Inc.	Springfield, Virginia	HG-472

LIMOUSINES CARRIERS

Certificates of Public Convenience and Necessity issued during 1991

Name	Location	Certificate Number
Basharat Hussain, t/a B H Limousine Service	Alexandria, Virginia	LM-84
National Limousine, Inc.	Virginia Beach, Virginia	LM-124
Classic Coaches Limousine Service, Inc.	Manassas, Virginia	LM-131
Deborah L. Moxley	Hopewell, Virginia	LM-133
Presidential Limousine Service, Inc.	Arlington, Virginia	LM-134
James W. Basil, Sr. & Margaret Basil, t/a Basil Trans/Limo	Sterling, Virginia	LM-136
Steve G. Van Gelder and Maria Van Gelder, t/a Ace Limousine Service	Clifton, Virginia	LM-138
Dominion Limousines, Ltd.	Fairfax, Virginia	LM-139
Arlington Limousine Service, Inc.	Arlington, Virginia	LM-140
Tantastic Tanning Center, LTD.	Newport News, Virginia	LM-141

Winn Bus Lines, Inc.	Richmond, Virginia	LM-142
A-Paima International Transport Inc.	Springfield, Virginia	LM-143
Deborah Ann Pope, t/a Styln II	Richmond, Virginia	LM-144
Airport Sedan, Inc.	Alexandria, Virginia	LM-145
Madison Limousine Service, Inc.	Arlington, Virginia	LM-146
The Pope Bay Corporation	Richmond, Virginia	LM-147
Top Cat Limo Service, Inc.	Springfield, Virginia	LM-148
Dulles Airport Loudoun Taxi and Limousine, Inc.	Washington, D.C.	LM-149
Hunt's First Class Limousine Service, Inc.	Hampton, Virginia	LM-150
Continental Sedan, Inc.	McLean, Virginia	LM-151
Lester Clayton Brooks, Jr., t/a Old Dominion Limousine Service	Manassas, Virginia	LM-152
Harvey N. Black	Portsmouth, Virginia	LM-153
Thomas DiPietrantonio, t/a Choice Limousine	Suffolk, Virginia	LM-154
Duane A. VanAntwerp, t/a Limelight Limousine of Virginia	Speedwell, Virginia	LM-155
Park Avenue Limousine, Inc.	Virginia Beach, Virginia	LM-156
Noel Espina and Eduardo A. Villareal, t/a Fil-Am Limousine Service	Arlington, Virginia	LM-157
G. Woodson Joynes, t/a Joynes Limousine Service	Warrenton, Virginia	LM-159
Limelight Limousines, Inc.	Lynchburg, Virginia	LM-160
Fortune 500 Limousines, Ltd.	Virginia Beach, Virginia	LM-161
Aker's Limousine, Inc.	Marlboro, Maryland	LM-162
Dwayne E. Weil and Karen S. Weil, t/a Classic Wheels	Fort Lee, Virginia	LM-163
Hartec Corporation	Richmond, Virginia	LM-164
In Style Limousine, Ltd.	Richmond, Virginia	LM-165
Hughes Enterprises, t/a Leisure "N" Luxury	Williamsburg, Virginia	LM-166
J. J. Nikitakis & Co., Inc., t/a Sophia Street Caterers	Fredericksburg, Virginia	LM-167
C. M. C., Inc.	Glen Allen, Virginia	LM-168
Stafford Limousine, Inc.	Richmond, Virginia	LM-169
The McLean Limousine Company	Herndon, Virginia	LM-170
International Management and Investment Group, Inc.	Vienna, Virginia	LM-171
Atef I. Abdelhadi, t/a Hadi Limousine Company	Fairfax, Virginia	LM-172
Lloyd Ralph Wilson, t/a L R Limousine Service	Richlands, Virginia	LM-173
American Royalty Corp., t/a Royalty Limousine Service	Franklin, Virginia	LM-174
Corporate Transportation Network, Inc.	Norfolk, Virginia	LM-176
Alpine Limousines of Tidewater, Inc.	Virginia Beach, Virginia	LM-177
Paul Richard Repko	Locust Grove, Virginia	LM-178
Renaissance Limousine Service, Inc.	Sterling, Virginia	LM-180
Marvin Fleetwood Smith, Jr., t/a Smith's Limousine Service	Chesapeake, Virginia	LM-181
Reginald J. Williams, d/b/a Yum-Yum Limo Service	Skippers, Virginia	LM-182
AAA Auto Parts, Inc., t/a Mabon Motors	Petersburg, Virginia	LM-183
Abdul M. Idelbi	Springfield, Virginia	LM-188
Roger D. Crigger, Mark L. Harris, and Michael L. Harris, t/a Shannon Limousine Service	Manassas, Virginia	LM-190
Cabell Walton Daniel and Frances Marion Daniel	Halifax, Virginia	LM-191

MOTOR LAUNCH CARRIERS BY BOAT

Certificates of Public Convenience and Necessity issued during 1991

Name	Location	Certificate Number
Sandy Point Associates, t/a Sandy Point Launch Service	Norfolk, Virginia	ML-5

PETROLEUM TANK TRUCK CARRIERS

Certificates of Public Convenience and Necessity issued during 1991

Name	Location	Certificate Number
Tri-Gas, Inc.	Federalsburg, Maryland	K-131
Eastern Motor Transport Incorporated	Richmond, Virginia	K-132
J. C. B. Transport, Inc.	Gloucester, Virginia	K-133
Thompson Trucking, Inc.	Concord, Virginia	K-134
Sav-Mor Oil Company, Inc.	Midlothian, Virginia	K-135

SIGHT-SEEING CARRIERS BY MOTOR VEHICLE

Certificates of Public Convenience and Necessity issued during 1991

Name	Location	Certificate Number
Tidewater Touring, Inc.	Suffolk, Virginia	S-56

SPECIAL OR CHARTER PARTY CARRIERS

Certificates of Public Convenience and Necessity issued during 1991

Name	Location	Certificate Number
Travel Mates of Virginia, Incorporated	Harrisonburg, Virginia	B-394
Tar Heel Stage Lines, Inc.	Elizabeth City, North Carolina	B-395
Four City Tours, Inc.	Hampton, Virginia	B-396
James Bus Service, Incorporated	Newport News, Virginia	B-397
Richards Bus Lines, Inc.	Rileyville, Virginia	B-399
Dominion Coach Company, Inc., t/a Virginia Overland Bus Lines	Richmond, Virginia	B-400

COMPARISON OF REVENUES DEPOSITED BY THE CLERK'S OFFICE FOR THE FISCAL YEARS ENDING JUNE 30, 1990 AND JUNE 30, 1991

General Fund	1990	1991	Difference
Security Registration Fee	$10,775.00	$10,075.00	-$700.00
Charter Fees	1,251,307.60	1,131,851.60	-119,456.00
Entrance Fees	1,091,138.80	942,582.40	-148,556.40
Filing Fees	761,003.00	705,915.00	-55,088.00
Registered Name	2,312.00	2,356.00	+44.00
Registered Office and Agent	178,475.00	184,580.00	+6,105.00
Service of Process	33,345.00	37,080.00	+3,735.00
Copy & Recording Fees	268,753.25	271,742.99	+2,989.74
Annual Report Publication	3,352.88	2,251.00	-1,101.88
Miscellaneous Sales	.00	.00	.00
Statewide Cost Allocation	3,711.59	.00	-3,711.59
Uniform Commercial Code Revenues	892,100.80	863,400.00	-28,700.80
TOTAL	$4,496,274.92	$4,151,835.99	-$344,440.93
Special Fund			
Domestic-Foreign	$12,737,196.99	$12,822,516.76	+$85,319.77
Limited Partnership Registration Fee	226,275.00	272,763.35	+46,488.35
Reserved Name - Limited Partnership	33,480.00	26,700.00	-6,780.00
Certificate Limited Partnership	110,375.00	95,560.00	-14,815.00
Application Reg. Foreign L. P.	21,600.00	15,000.00	-6,600.00
SCC Bad Check Fee	2,929.49	4,231.13	+1,301.64
Interest on Del. Tax	1,283.71	11.84	-1,271.87
Penalty on Non-Pay Taxes by Due Date	383,011.70	382,622.20	-389.50
Recovery of Prior Year Expenses	990.42	.00	-990.42
Miscellaneous Revenue	69,318.85	3,780.67	-65,538.18
TOTAL	$13,586,461.16	$13,623,185.95	+$36,724.79
Valuation Fund			
Recovery of Prior Year Expenses	$2,539.00	$63.00	-$2,476.00
Roadway Applicaton Fee	45,000.00	.00	-45,000.00
TOTAL	$47,539.00	$63.00	-$47,476.00
Banking Fund			
Mortgage Broker License Application	$ .00	$ .00	$ .00
Recovery of Prior Year Expenses	60.00	.00	-60.00
TOTAL	$60.00	$ .00	-$60.00

Motor Carrier Special Fund			
Recovery of Prior Year Expenses	$42.52	$245.00	+ $202.48
TOTAL	$42.52	$245.00	+ $202.48
Trust & Agency Fund			
Fines Imposed by SCC	$1,940.00	$ .00	-$1,940.00
TOTAL	$1,940.00	$ .00	-$1,940.00
Highway Fund	$ .00	$ .00	$ .00
TOTAL	$ .00	$ .00	$ .00
Federal Funds			
Receipt of Agency Indirect Cost of Grant/Contract Administration	$31,081.92	$ .00	-$31,081.92
Railroad Safety	.00	.00	.00
Gas Pipeline Safety	16,207.05	850.00	-15,357.05
TOTAL	$47,288.97	$850.00	-$46,438.97
GRAND TOTAL	$18,179,606.57	$17,776,177.94	-$403,428.63

COMPARISON OF FEES COLLECTED BY THE BUREAU OF FINANCIAL INSTITUTIONS FOR FISCAL YEARS ENDING JUNE 30, 1990 AND 1991

	1989/90	1990/91
Banks	$4,276,342	$5,125,297
Savings Institutions	687,650	522,328
Consumer Finance Licensees	814,360	889,153
Credit Unions	356,839	385,260
Trust Subsidiaries	38,250	52,375
Industrial Loan Associations	28,790	34,535
Money Order Sellers Licensees	5,300	4,800
Debt Counseling Agency Licensees	900	3,600
Mortgage Lenders and Brokers	449,765	606,776
Miscellaneous Collections	3,761	17,685
TOTAL	$6,661,957	$7,641,809

COMPARISON OF FEES AND TAXES COLLECTED BY THE BUREAU OF INSURANCE FOR THE FISCAL YEARS ENDING JUNE 30, 1990 AND JUNE 30, 1991

Kind	1990	1991	Increase or (Decrease)
General Fund			
Gross Premium Taxes of Insurance Companies	$178,618,960.04	$157,676,880.36	($20,942,079.68)
Fraternal Benefit Societies Licenses	480.00	580.00	100.00
Hospital, Medical and Surgical Plans & Salesmen's Licenses	29,560.00	28,010.00	(1,550.00)
Interest on Delinquent Taxes	1,003.00	10,029.03	9,026.03
Penalty on non-payment of taxes by due date	288,413.73	202,834.23	(85,579.50)
Special Fund			
Company License Application Fee	23,600.00	29,500.00	5,900.00
Prepaid Legal Service License Fee	0.00	0.00	0.00
Health Maintenance Organization License Fee	500.00	0.00	(500.00)
Automobile Club/Agent Licenses	5,418.00	7,732.00	2,314.00
Insurance Premium Finance Companies Licenses	13,200.00	14,700.00	1,500.00
Agents Appointment Fees	4,582,033.00	4,798,923.00	216,890.00
Surplus Lines Broker Licenses	11,550.00	12,700.00	1,150.00
Agents License Application Fees	205,725.00	221,400.00	15,675.00
Recording, Copying, and Certifying Public Records Fee	6,548.25	8,185.00	1,636.75

Assessments To Insurance Companies for Maintenance of the Bureau of Insurance	7,770,242.96	7,319,682.95	(450,560.00)
Miscellaneous Revenues	0.10*	0.00	(0.10)
Recovery of Prior Year Expenses	55,087.81*	141,500.17	86,412.36
Fire Programs Fund	7,973,123.43	8,319,703.16	346,579.73
Licensing P&C Consultants	30,650.00	29,900.00	(750.00)
SCC Bad Check Fee	100.00	175.00	75.00
Fines imposed by State Corporation Commission	521,500.00	500,900.00	(20,600.00)
Private Review Agents	0.00	2,500.00	2,500.00
Flood Insurance	0.00	86,308.28	86,308.28
TOTAL	$200,137,695.32	$179,412,143.18	($20,725,552.14)

*Numbers corrected

COMPARISON OF FEES AND TAXES COLLECTED FROM MOTOR VEHICLE CARRIERS FOR THE YEARS ENDING DECEMBER 31, 1990 AND DECEMBER 31, 1991

Kind	1990	1991	Increase or (Decrease)
Motor Fuel Road Tax	$28,069,256.95	$27,778,607.30	-290,649.65
Registration Fees	7,100,573.58	7,179,546.60	+78,973.02
TOTAL	$35,169,830.53	$34,958,153.90	-211,676.63

COMPARISON OF ASSESSMENT OF PUBLIC SERVICE CORPORATIONS FOR THE YEARS 1990 AND 1991

	Value of all Taxable Property Including Rolling Stock		
Class of Company	1990	1991	Increase or (Decrease)
Electric Light & Power Corporations	$10,662,410,481.00	$11,162,349,240.00	$499,938,759.00
Gas Corporations	669,771,547.00	818,403,065.00	148,631,518.00
Motor Vehicle Carriers (Rolling Stock only)	79,333,588.47	82,414,048.15	3,080,459.68
Telecommunications Companies	5,476,250,651.00	5,688,264,785.00	212,014,134.00
Water Corporations	84,840,041.00	90,186,899.00	5,346,858.00
TOTAL	$16,972,606,308.47	$17,841,618,037.15	$869,011,728.68

COMPARISON OF ASSESSMENT OF STATE TAXES OF PUBLIC SERVICE CORPORATIONS FOR THE YEARS 1990 AND 1991

	The Yearly Francise Tax		
Class of Company	1990	1991	Increase or (Decrease)
Electric Light & Power Corporations	$82,498,487.39	$80,929,093.60	($1,569,393.79)
Gas Corporations	10,916,977.26	10,769,832.23	(147,145.03)
Water Corporations	567,299.37	587,989.49	20,690.12
TOTAL	$93,982,764.02	$92,286,915.32	($1,695,848.70)

COMPARISON OF ASSESSMENT OF ADDITIONAL ANNUAL STATE TAX FOR VALUATION AND RATE MAKING OF CERTAIN CLASSES OF UTILITY COMPANIES FOR THE YEARS 1990 AND 1991

Class of Company	1990	1991	Increase or (Decrease)
Electric Light & Power Corporations	$5,662,427.48	$5,818,913.04	$156,485.56
Gas Corporations	709,603.50	700,039.09	(9,564.41)
Motor Vehicle Carriers	74,956.83	75,901.58	944.75
Railroad Companies	786,918.80	869,178.87	82,260.07
Telecommunications Companies	2,577,640.09	2,755,038.08	177,397.99
Virginia Pilots Association	13,525.57	14,416.56	890.99
Water Corporations	36,874.45	38,219.33	1,344.88
TOTAL	$9,861,946.72	$10,271,706.55	$409,759.83

Railroad Companies assessed at nine-hundredths of one percent and all other companies at thirteen-hundredths of one percent.

COMPARATIVE STATEMENT OF ASSESSED VALUES OF PROPERTIES OF PUBLIC SERVICE CORPORATIONS AS ASSESSED BY THE STATE CORPORATION COMMISSION

Cities	1990	1991	Increase or (Decrease)
Alexandria	$409,187,602	$432,853,919	$23,666,317
Bedford	6,030,661	7,304,290	1,273,629
Bristol	7,887,723	8,364,560	476,837
Buena Vista	6,935,318	7,386,462	451,144
Charlottesville	76,509,838	79,627,440	3,117,602
Chesapeake	502,009,747	539,210,706	37,200,959
Clifton Forge	6,970,371	7,290,919	320,548
Colonial Heights	20,399,176	21,060,328	661,152
Covington	13,777,613	15,513,473	1,735,860
Danville	36,174,660	42,885,490	6,710,830
Emporia	15,222,007	14,885,662	(336,345)
Fairfax	73,086,631	74,065,200	978,569
Falls Church	13,894,951	13,647,339	(247,612)
Franklin	6,303,067	7,351,852	1,048,785
Fredericksburg	36,964,101	37,396,121	432,020
Galax	9,204,128	9,067,168	(136,960)
Hampton	182,997,505	193,662,491	10,664,986
Harrisonburg	21,751,477	30,348,383	8,596,906
Hopewell	52,040,619	56,886,488	4,845,869
Lexington	9,068,822	9,828,842	760,020
Lynchburg	110,378,684	124,796,291	14,417,607
Manassas	51,835,187	47,857,310	(3,977,877)
Manassas Park	5,220,822	6,103,682	882,860
Martinsville	20,386,789	20,754,200	367,411
Newport News	225,554,177	249,152,592	23,598,415
Norfolk	384,989,852	395,759,585	10,769,733
Norton	19,841,785	22,919,144	3,077,359
Petersburg	65,892,332	70,463,441	4,571,109
Poquoson	6,776,881	9,162,224	2,385,343
Portsmouth	119,738,942	111,886,079	(7,852,863)
Radford	12,952,584	12,462,578	(490,006)
Richmond	621,622,112	628,322,158	6,700,046
Roanoke	171,782,586	161,104,396	(10,678,190)
Salem	21,181,940	21,494,949	313,009
South Boston	12,494,568	11,175,508	(1,319,060)
Staunton	39,070,074	42,206,034	3,135,960
Suffolk	89,610,711	93,996,137	4,385,426

Virginia Beach	482,820,182	500,262,421	17,442,239
Waynesboro	25,097,623	28,577,077	3,479,454
Williamsburg	27,062,519	29,765,808	2,703,289
Winchester	26,704,006	40,890,910	14,186,904
Total Cities	$4,047,430,373	$4,237,749,657	$190,319,284

COMPARATIVE STATEMENT OF ASSESSED VALUES OF PROPERTIES OF PUBLIC SERVICE CORPORATIONS AS ASSESSED BY THE STATE CORPORATION COMMISSION

Counties	1990	1991	Increase or (Decrease)
Accomack	$66,136,250	$69,800,009	$3,663,759
Albemarle	130,809,834	145,652,129	14,842,295
Alleghany	21,404,555	23,980,244	2,575,689
Amelia	15,277,184	14,749,140	(528,044)
Amherst	44,329,593	44,433,022	103,429
Appomattox	18,042,198	18,159,571	117,373
Arlington	687,144,525	711,654,366	24,509,841
Augusta	117,311,489	111,731,444	(5,580,045)
Bath	1,473,594,551	1,449,119,086	(24,475,465)
Bedford	109,577,578	108,730,840	(846,738)
Bland	10,916,985	9,839,830	(1,077,155)
Botetourt	63,199,799	63,394,568	194,769
Brunswick	21,935,732	22,875,529	939,797
Buchanan	39,276,775	46,711,055	7,434,280
Buckingham	29,051,708	27,937,769	(1,113,939)
Campbell	85,659,528	100,691,365	15,031,837
Caroline	47,784,166	49,312,997	1,528,831
Carroll	37,143,958	37,739,242	595,284
Charles City	19,060,444	18,802,943	(257,501)
Charlotte	16,008,228	20,529,845	4,521,617
Chesterfield	820,286,226	981,035,178	160,748,952
Clarke	18,494,413	19,620,717	1,126,304
Craig	8,104,948	7,791,448	(313,500)
Culpeper	53,695,563	51,343,611	(2,351,952)
Cumberland	19,434,132	19,069,274	(364,858)
Dickenson	29,792,378	31,122,248	1,329,870
Dinwiddie	40,363,973	39,610,087	(753,886)
Essex	13,501,338	16,523,266	3,021,928
Fairfax	1,530,168,551	1,575,646,738	45,478,187
Fauquier	106,972,349	101,858,916	(5,113,433)
Floyd	22,437,893	21,375,404	(1,062,489)
Fluvanna	104,821,303	100,744,524	(4,076,779)
Franklin	65,578,063	63,784,761	(1,793,302)
Frederick	111,460,581	142,255,003	30,794,422
Giles	80,194,476	91,915,721	11,721,245
Glouchester	52,607,764	53,117,006	509,242
Goochland	38,993,567	36,485,391	(2,508,176)
Grayson	19,788,090	19,389,587	(398,503)
Greene	11,764,425	31,933,380	20,168,955
Greensville	15,071,940	20,667,362	5,595,422
Halifax	41,344,296	46,338,677	4,994,381
Hanover	129,178,083	130,526,293	1,348,210
Henrico	474,950,008	522,661,608	47,711,600
Henry	67,522,440	69,465,408	1,942,968
Highland	14,565,633	12,307,534	(2,258,099)
Isle of Wight	54,518,133	67,408,575	12,890,442
James City	75,028,637	87,800,548	12,771,911
King George	27,651,730	28,908,660	1,256,930
King and Queen	9,931,118	10,227,915	296,797
King William	20,493,972	17,461,704	(3,032,268)
Lancaster	25,838,282	22,972,415	(2,865,867)
Lee	41,212,751	43,835,734	2,622,983
Loudoun	212,453,077	239,683,070	27,229,993
Louisa	1,607,093,295	1,603,834,424	(3,258,871)
Lunenburg	16,921,276	16,875,158	(46,118)

Madison	15,976,176	14,975,908	(1,000,268)
Mathews	12,219,615	11,862,741	(356,874)
Mecklenburg	43,537,764	42,555,597	(982,167)
Middlesex	19,245,127	20,284,101	1,038,974
Montgomery	61,393,293	80,032,676	18,639,383
Nelson	28,423,513	37,957,573	9,534,060
New Kent	27,279,093	29,704,109	2,425,016
Northampton	23,252,160	23,155,889	(96,271)
Northumberland	16,307,691	13,264,333	(3,043,358)
Nottoway	23,865,920	23,703,906	(162,014)
Orange	43,529,401	41,492,009	(2,037,392)
Page	29,028,350	24,726,500	(4,301,850)
Patrick	19,672,818	25,732,822	6,060,004
Pittsylvania	110,122,492	116,129,033	6,006,541
Powhatan	31,165,358	30,491,349	(674,009)
Prince Edward	20,795,775	30,981,892	10,186,117
Prince George	31,264,373	38,569,797	7,305,424
Prince William	671,144,458	713,298,044	42,153,586
Pulaski	52,880,068	58,428,816	5,548,748
Rappahannock	11,501,174	9,907,947	(1,593,227)
Richmond	16,110,540	31,875,892	15,765,352
Roanoke	106,551,294	120,602,722	14,051,428
Rockbridge	37,335,691	55,840,794	18,505,103
Rockingham	82,422,831	86,649,496	4,226,665
Russell	146,090,890	148,945,805	2,854,915
Scott	28,822,911	28,042,137	(780,774)
Shenandoah	40,014,024	70,600,581	30,586,557
Smyth	49,638,942	48,422,286	(1,216,656)
Southampton	30,071,944	30,127,661	55,717
Spotsylvania	90,650,718	87,353,422	(3,297,296)
Stafford	82,765,385	87,935,880	5,170,495
Surry	1,123,735,145	1,134,556,596	10,821,451
Sussex	24,931,089	25,313,996	382,907
Tazewell	48,681,230	54,836,338	6,155,108
Warren	18,916,297	43,557,471	24,641,174
Washington	46,769,558	51,302,191	4,532,633
Westmoreland	25,331,333	21,494,713	(3,836,620)
Wise	54,811,262	61,637,032	6,825,770
Wythe	51,172,147	61,692,218	10,520,071
York	412,514,713	441,969,720	29,455,007
Total Counties	$12,845,842,347	$13,521,454,332	$675,611,985
Total Cities & Counties	$16,893,272,720	$17,759,203,989	$865,931,269

COMPARISON OF FEES COLLECTED BY THE DIVISION OF SECURITIES AND RETAIL FRANCHISING FOR THE YEARS ENDING DECEMBER 31, 1990 AND DECEMBER 31, 1991

Kind	1990	1991	Increase or (Decrease)
Securities Act	$3,506,049	$3,474,765	($31,284)
Retail Franchising	145,900	145,200	(700)
Trademarks-Service Marks*	24,762	15,565	(9,197)
Fines	102,250	168,000	65,750
TOTAL	$3,778,961	$3,803,530	$24,569

*Prior to 1991, this figure included fees collected for certification and copy work.

PROCEEDINGS BY DIVISIONS DURING THE YEAR 1991

DIVISION OF PUBLIC UTILITY ACCOUNTING

The following statistical data summarizes Rate Cases, Certificate Cases, Annual Informational Filings, Allocation/Separations Studies, Fuel Audits, Compliance Audits and Special Studies made by the Division of Public Utility Accounting for the year 1991.

General Rate Cases	
Electric Companies (Investor Owned)	0
Electric Cooperatives	1
Gas Companies	2
Telephone Companies	0
Water & Sewer Companies	5
Miscellaneous	1
Total General Rate Cases	9
Expedited Rate Cases	
Electric Companies	2
Electric Cooperatives	1
Gas Companies	3
Telephone Companies	0
Water & Sewer Companies	1
Total Expedited Rate Cases	7
Certificate Cases	
Water & Sewer Companies	4
Annual Informational Filings	
Report Only	
Electric Companies	3
Gas Companies	1
Telephone Companies	0
Water & Sewer Companies	0
Report and Rate Decrease	
Gas Companies	1
Total Annual Informational Filings	5
Allocation/Separations Studies	
Electric	0
Gas	0
Telephone	5
Total Allocation/Separations Studies	5
Fuel Audits - Electric Companies	4
Compliance Audits	1
Special Studies	3

During the year 1991 the Division of Public Utility Accounting received applications filed under the Public Utilities Affiliates Law and the Utility Transfers Act pertaining to public utilities, for processing, analysis and study. The number and type of written reports submitted to the Commission recommending action and orders drawn are as follows:

Number of Asset Transfer Cases	6
Number of Affiliates Cases:	
Service Agreements	15
Lease Agreements	4
Gas Purchases	1
Sale of Property/Service	3
Advances of Funds	2
Mergers	1
Directory Publishing	1
Total Number of Cases	33

The Commission's Division of Public Utility Accounting consists of the following personnel on December 31, 1991.

Filled Positions	Vacant Positions	Description Positions
1		Director
2		Deputy Directors
1		Manager of Audits
1		Administrative Manager, Public Utilities
1		Administrative Manager
1		Systems Manager
1		Senior Office Secretary
1		Senior Office Technician
5		Public Utility Accountant
4		Senior Public Utility Accountant
2	1	Public Utility Accountant
6		Associate Public Utility Accountant
26	1	Total Authorized 27

DIVISION OF COMMUNICATIONS

The Division of Communications assists the Commission by monitoring, enforcing and making recommendations on all rates, tariffs, and operating procedures of communications utilities, specifically telephone, cellular, and radio common carrier utilities. The Division enforces service standards, assures compliance with tariff regulations, and prescribes depreciation rates. The staff testifies in rate and service hearings and meets with the general public on communications issues and problems. The Division maintains territorial maps, performs special studies, monitors construction programs, and investigates and resolves consumer inquiries and complaints. The staff also follows developments at the federal level, and prepares Commission responses where appropriate.

SUMMARY OF 1991 ACTIVITIES

Consumer complaints and protests investigated	1,457
Telephone inquiries received	468
Tariff revisions received	302
Tariff sheets filed	2,520
Cases in which staff members prepared testimony or reports	8
Number of staff testimonies or reports prepared	8
Certificates of Convenience and Necessity granted or amended	34
Depreciation studies completed	4
Extended Area Service studies completed or underway	8
Service Surveillance and Results Analysis Provided	
Monthly on:	
Access Lines	3,399,614
Switching Offices	441
Business Offices	13
Repair Centers	9
Visits to:	
Customer premises to resolve customer complaints	10
Company premises to resolve customer complaints	10
Company premises to review service performance	22
Company premises to inspect network reliability	8
Company area to resolve boundary issues	4
Community meetings to resolve service issues	1
Construction Program reviews	6

OTHER:

Pursued various activities related to the Commission's experimental plan for regulating telephone companies, including:
- Reviewed, negotiated changes in, and coordinated implementing cost allocation manuals
- Assisted in auditing cost allocation studies
- Reviewed proposed service classifications for new services, and reclassifications for existing services
- Assisted in gathering monitoring data

Participated in matters affecting communications policy with federal agencies.

Assisted with reports to the legislature and with developing telecommunications legislation.

Staff members made presentations to several trade groups, associations, and telephone companies.

Prepared four formal responses to FCC Public Notices.

Responded to questionnaires from NARUC and others with respect to telecommunications matters.

Assisted Commission counsel with respect to formal rate, service and generic matters.

Reviewed construction budgets of major telephone companies for 1992-1995 period.

Staff members met with local governing bodies and citizens groups with respect to local calling areas and service problems.

Director reappointed to the NARUC Staff subcommittee on Communications.

Staff member reappointed to the NARUC Staff subcommittee on Depreciation.

Staff member reappointed to the NARUC Staff subcommittee on Cost Allocations.

Staff member reappointed to the NARUC Staff subcommittee on Service Quality.

Worked with Va. Department for the Deaf and Hard of Hearing on monitoring of Telecommunications Relay Service in Virginia.

Reviewed rate design for one rate reduction.

Established a task force to investigate and find solutions to the special needs situations arising from Caller ID Service such as crisis hot lines and law enforcement.

DIVISION OF ECONOMICS AND FINANCE

The Division of Economics and Finance performs analysis and research on economic and financial issues pertaining to utility regulation. The Division also provides analytical and research support as needed by non-utility divisions within the Commission.

The Division has ongoing responsibility for:
- issuing monthly Fuel Price Index reports;
- maintaining and issuing monthly reports for the electric utility Fuel Monitoring System;
- analyzing and presenting testimony on capital structure, cost of capital and other finance related issues in utility cases;
- monitoring the financial condition of Virginia utilities;
- analyzing utility applications for the issuance of securities and providing the Commission with recommendations;
- conducting studies of intermediate/long range issues in electric, gas and telecommunications utility regulations;
- acquiring and running analytic computer models used to simulate, project and/or evaluate utility operations and regulatory issues;
- issuing quarterly economic and energy forecast reports;
- monitoring interLATA telecommunications competition;
- monitoring the local exchange companies participating in the Experimental Plan for Alternative Regulation;
- monitoring and maintaining files of electric utilities' Ten Year and Twenty Year Forecasts;
- monitoring and maintaining files of gas utilities' Five Year Forecasts;
- maintaining files of utilities' purchasing procedures and policies; and
- providing statistical and graphic support for other SCC Divisions.

Summary of Major Activities During 1991

- Presented testimony on capital structure and cost of capital issues in seven rate cases.
- Completed regular annual financial reviews for six utilities.
- Analyzed and processed 45 cases for utilities seeking authority to issue securities.
- Completed a Staff report recommending revision of Commission policy regarding conservation and load management for electric and gas utilities.
- Completed a review and critique of Virginia Power's 1991 regional economic forecast.
- Presented testimony on fuel price projections for the Virginia Power Schedule 19 proceedings.
- Completed a review and critique of the electric utilities' 1991 Twenty Year Resource Plans.
- Completed a review and critique of Virginia Power's plant performance forecasts.
- Completed a review and critique of Virginia Power's modeling assumptions for non-utility generation attrition.
- Set up a database for Cost Allocation Manual (CAM) results in conjunction with the audits of the CAMs for the Experimental Plan for Alternative Regulation of Local Telephone Companies.
- Prepared an analysis of the 1989 and 1990 C&P CAM results.
- Set up a database management system used to analyze the electric utilities' Ten Year Forecasts and Twenty Year Resource Plans.
- Set up a database management system for the Division's tracking of financial information in rate cases and financing applications.
- Developed a forecast of budget items for the Bureau of Insurance.
- Completed a study of SCC sick leave statistics for the Division of Personnel.

DIVISION OF ENERGY REGULATION

Activities for Calendar Year 1991

The Division of Energy Regulation assists the Commission in fulfilling its statutory responsibilities pursuant to Title 56, Chapter 10 of the Code of Virginia. In that effort, the Division provides expert testimony relative to cost of service/rate design issues for electric, gas and water/sewer utilities operating in the state. The Division also provides expert testimony in certificate cases for service areas and major facility construction for these utilities. The Division has monitoring responsibilities relative to: the collection of gas costs by gas utilities, the incurrance of wholesale purchased power expenses by electric cooperatives, the recovery of fuel expenses by investor-owned electric utilities and the oversight of major facility construction by the investor-owned utilities. The Division also administers programs for: gas pipeline safety, the resolution of consumer complaints/inquiries, and the maintenance of official records/maps of utility certificated areas.

SUMMARY OF 1991 ACTIVITIES

Consumer Complaints, Letters of Protest and Inquiries Received	3,200
Tariff Filings Received (including Purchased Gas Adjustments)	87
Tariff Sheets Filed	1,065
Gas Safety Inspections (Person Days)	303
Electric Fuel Adjustments and Electric Wholesale Power Cost Adjustments Filed	170
Testimony and Reports Filed by Staff	36
Certificates of Public Convenience and Necessity Granted, Transferred or Revised	28
Special Reports	19
Gas Accident Investigations and Incident Reports	3
On-Site Construction Inspections	6

BUREAU OF FINANCIAL INSTITUTIONS

The Bureau of Financial Institutions is responsible under Title 6.1 of the Code of Virginia for the regulation and supervision of the following types of institutions: state chartered banks, state chartered savings institutions, state chartered credit unions, state chartered industrial loan associations, consumer finance licensees, money order seller licensees, mortgage lenders and brokers, and debt counseling agencies. With the exception of money order seller licensees, debt counseling agencies, and mortgage lender and brokers each institution is examined at least twice every three years. Financial institutions domiciled outside of Virginia that have deposit taking subsidiaries within the Commonwealth are also subject to the Bureau's regulatory authority, as are out-of-state deposit taking subsidiaries of financial institution holding companies domiciled in Virginia.

During the calendar year, the Bureau of Financial Institutions received, investigated and processed 536 applications for various certificates of authority as shown below:

APPLICATIONS RECEIVED AND/OR ACTED UPON
BY THE BUREAU OF FINANCIAL INSTITUTIONS IN 1991

New Banks	5
Bank Branches	39
Bank Main Office Relocations	3
Bank Branch Office Relocations	4
Bank EFT Facilities	9
Bank Mergers	5
Acquisitions pursuant to Chapter 13 of Title 6.1	2
Acquisitions pursuant to Chapter 15 of Title 6.1	3
New Savings Institutions	3
Savings Institution Branches	12
Acquisitions pursuant to § 6.1-194.87 of the Virginia Code	3
Acquisitions purusant to § 6.1-194.40 of the Virginia Code	2
Credit Union Mergers	4
New Consumer Finance Offices	34
Consumer Finance Other Businesses	68
Consumer Finance Office Relocations	25
New Mortgage Brokers	80
New Mortgage Lenders	10
New Mortgage Lenders and Brokers	15
Acquisitions Pursuant to § 6.1-416.1 of the Virginia Code	11
Mortgage Branches	91
Mortgage Office Relocations	103
New Money Order Sellers	2
New Debt Counseling Agency	1
Industrial Loan Association Relocations	2

At the end of 1991, there were under the supervision of the Bureau 131 banks with 1,194 branches, 43 Virginia bank holding companies, 9 non-Virginia bank holding companies owning Virginia banks, 9 savings institutions with 17 branches, 93 credit unions, 9 industrial loan associations, 40 consumer finance companies with 334 offices operating in Virginia, 19 money order sellers, 6 non-profit debt counseling agencies, 38 mortgage lenders with 289 offices, 201 mortgage brokers with 239 offices, and 126 mortgage lender and brokers with 276 offices.

In addition, the Bureau received and processed 2,719 consumer inquiries and complaints related to financial institutions during 1991.

DIVISION OF INSURANCE REGULATION
ACTIVITIES FOR THE FISCAL YEAR ENDING JUNE 30, 1991

The regulation of insurance was transferred to the State Corporation Commission from the Auditor of Public Accounts in 1906. The Bureau has licensed and examined the affairs of insurance companies since that time. Regulation of insurance has been left almost exclusively to state governments since 1869, and here in Virginia the functions of the Bureau of Insurance have increased with the complexity and importance of insurance in our daily lives.

The Bureau of Insurance has four separate departments. There are three line departments, Financial Regulation, Market Regulation for Property and Casualty Insurance and Market Regulation for Life and Health Insurance, and one staff department, Administration. The line units conduct the day-to-day operations of monitoring company and agent activities, while the staff department works in an auxiliary role to support the line units.

The Bureau is involved in a variety of regulatory functions which can be categorized into five areas. They include: (1) The examination and evaluation of companies to assure that they are financially sound and capable of meeting their contractual obligations. (2) The Bureau also reviews and studies rates and policies to insure that insurance products offered in this State are understandable, are of high quality and that the premiums charged are reasonable and fair. (3) The Bureau also monitors the services and benefits provided by companies to determine if they are consistent with policy provisions, fairly and equitably delivered and understandable. (4) In addition, the Bureau checks new entrants into the insurance business and monitors the conduct of existing ones to determine if they are competent, knowledgeable and conduct their activities in accordance with acceptable standards of business conduct. (5) The Bureau is also actively engaged in improving its present operations by identifying and resolving areas of regulatory concern before significant problems develop.

SUMMARY OF 1991 ACTIVITIES

New insurance companies licensed to do business in Virginia	52
Insurance company financial statements analyzed	4,122
Financial examinations of insurance companies conducted	37
Property and Casualty insurance rules, rates and form filings received	21,059
Life and Health insurance policy forms and rate filings received	14,783
Property and Casualty insurance complaints received	5,471
Life and Health insurance complaints received	4,605
Market conduct examinations completed by the Life and Health Division	12
Market conduct examinations completed by the Property and Casualty Division	14
Agent qualification examinations given	9,638
Insurance agents and agencies licensed	96,538
Property and Casualty insurance surplus lines affidavits processed	10,054

MOTOR CARRIER DIVISION - AUDITS
CALENDAR YEAR 1991

Regular Motor Fuel Road Tax Accounts Audited	815
Regular Motor Fuel Road Tax Accounts Assessed	532
Total Assessments Paid	$1,570,086.08
Total Court Cases Due to Assessments	86
Total Court Cases Due to Non-compliance	3
Commission Penalties in Court Cases	$16,350.00
Court Cases Due to No Records for Audit	14
Commission Penalties for No Records	$8,000.00
Total Accounts Audited for Refunds	475
Total Amount Refunded	$3,991,925.47
Total Accounts Refunded Under $100 (Unaudited)	405
Total Amount Refunded	$26,050.81

MOTOR CARRIER DIVISION - ENFORCEMENT
REPORT OF INVESTIGATOR ACTIVITIES

Violations Handled through General District Courts	2,665
Fines Assessed by General District Courts	$115,527.00
Costs Assessed by General District Courts	$51,738.00
Reports Written on Commission Rule Violations	
22 Forms	1,156
Cases Processed (M and L)	1,130
Penalties Assessed	$292,820.20
Registration Receipts Issued	2,491
Fees Collected From Issuance of Receipts	$86,147.78
Complaints Investigated	392
Motor Carrier Mailwork Completed	8,138
Investigations for Other Divisions	6
Certificate Applicant Investigations	53
Vehicles Inspected	31,015
Proof of Operations Inspections (ED-40)	10,536
Division of Motor Vehicles License Sold Through Investigators' Involvement	55
Fees Collected from these Transactions (A portion of these fees went to other IRP jurisdictions.)	$24,907.47
Apprehensions of Operators with Outstanding Commission Judgments (Red List Operators)	116
Monies Collected From Operators with Outstanding Commission Judgments	$76,952.92
Apprehensions of Operators with Outstanding Liquidated Damages	164
Monies Collected From Operators with Outstanding Liquidated Damages	$43,933.00

MOTOR CARRIER DIVISION - OPERATIONS
REGISTRATIONS AND COLLECTIONS 1991

Registrations Freight by Carriers and number of vehicles registered:

	FREIGHT CARRIERS	
Contract Carriers Non Bulk (CC)		2,530
Contract Carriers Non Bulk	- vehicles registered	15,818
Contract Carriers Bulk (CB)		6,125
Contract Carriers Bulk	- vehicles registered	10,001
Exempt Carriers Intrastate (E)		715
Exempt Carriers Intrastate	- vehicles registered	2,162
Common Carriers of Freight (F)		25
Common Carriers of Freight	- vehicles registered	3,498
Household Goods Carriers (G)		173
Household Goods Carriers	- vehicles registered	1,518
Petroleum Carriers (K)		69
Petroleum Carriers	- vehicles registered	977
ICC Regulated Interstate Carriers (M)		15,254
ICC Regulated Interstate Carriers	- vehicles registered	461,437
ICC Exempt Carriers (X)		4,313
ICC Exempt Carriers	- vehicles registered	11,516
Private Freight Carriers (V)		18,502
Private Freight Carriers	- vehicles registered	95,916
Rental Permitted Carriers (R)		33
Rental Permitted Carriers	- vehicles registered	651
Virginia Private Leased Carriers (L)		651
Virginia Private Leased Carriers	- vehicles registered	2,673

PASSENGERS CARRIERS

Common Carriers (A)		38
Common Carriers	- vehicles registered	3,624
Charter Party Carriers (P)		116
Charter Party Carriers	- vehicles registered	1,178
Sight-Seeing Carriers (S)		5
Sight-Seeing Carriers	- vehicles registered	10
Limousine Carriers (B)		137
Limousine Carriers	- vehicles registered	346
Taxi Cab Carriers (T)		2,182
Taxi Cab Carriers	- vehicles registered	3,853
Intrastate Exempt Carriers (I)		19
Intrastate Exempt Carriers	- vehicles registered	152
Employee Haulers (H)		167
Employee Haulers	- vehicles registered	447
ICC Regulated Interstate Carriers (M)		1,841
ICC Regulated Interstate Carriers	-vehicles registered	10,415

TOTALS

Total Vehicles Registered	626,238
Total Registration Fees Collected	$7,179,546.60
Total Motor Fuel Road Taxes Collected	$27,778,607.30
Total Motor Fuel Road Taxes Accounts	48,246

RAILROAD REGULATION

The Division of Railroad Regulation investigates, at its own volition or upon complaint, rail service and compliance with rules, regulations and rates by rail common carriers when intrastate aspects are involved; analyzes and handles applications for intrastate rate increases or alteration of service, together with all other rail tariff matters; and conducts inspection and surveillance of railroad tracks in State to provide for safe track maintenance in accordance with Federal Track Safety Standards as prescribed by the Federal Railroad Administration.

DIVISION OF SECURITIES AND RETAIL FRANCHISING

The Division of Securities and Retail Franchising of the State Corporation Commission is charged with the administration of the following laws:

Virginia Securities Act (known as the "Blue Sky Law"), Virginia Code Sections 13.1-501 through 13.1-527.3.
Virginia Trademark and Service Mark Act, Virginia Code Sections 59.1-77 through 59.1-102.
Virginia Retail Franchising Act, Virginia Code Sections 13.1-557 through 13.1-574.

UNDER THE VIRGINIA SECURITIES ACT:

1,255	qualification applications received
16	coordination applications received
33	notification applications received
347	filings for exemption from registration (Reg. D)
1,300	broker-dealer registrations renewed and granted
94	broker-dealer registrations denied, withdrawn and terminated
55,367	agent registrations renewed and granted
4,074	agent registrations denied, withdrawn and terminated
731	investment advisor registrations renewed and granted
22	investment advisor registrations denied, withdrawn and terminated
4,763	investment advisor representative registrations renewed and granted
340	investment advisor representative registrations denied, withdrawn and terminated
107	orders filing and/or canceling surety bonds
45	orders granting exemptions and/or official interpretations
9	orders for subpoena of records by banks, corporations and individuals
23	orders of show cause
110	judgments of compromise and settlement
27	final order and/or judgment

UNDER THE VIRGINIA TRADEMARK AND SERVICE MARK ACT:

443	applications for trademarks and/or service marks approved, renewed or assigned
66	applications for trademarks and/or service marks denied, abandoned or withdrawn

UNDER THE VIRGINIA RETAIL FRANCHISING ACT:

1,373	franchise registration, renewal or post-effective amendment applications received
244	franchises denied, withdrawn, non-renewed or terminated

UNIFORM COMMERCIAL CODE

The Clerk's Office is the Central Filing Office in the Commonwealth under Part 4 of the Uniform Commercial Code. It is charged with the duty of receiving, processing, indexing and examining financing statements, continuation statements, amendments, assignments, releases and termination statements filed by nationwide financial and lending institutions, state and federal agencies, legal professions and the general public to perfect a security interest in collateral which secures payment or performance of an obligation. The Clerk's Office also is the Central Filing Office for Federal Tax Liens.

SUMMARY OF CALENDAR YEAR ACTIVITIES

	1990	1991
Financing and Subsequent Statements Filed	70,223	64,257
Federal Tax Liens and Subsequent Liens Filed	6,552	6,430
Requests Processed and Certificates Issued	16,412	16,114
Reels of Microfilm Documents Sold	254	267

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LIST OF CASES ESTABLISHED IN 1991

BFI: BUREAU OF FINANCIAL INSTITUTIONS

BFI910001 Congressional Funding, Inc.
To conduct mortgage lending at 3833 Farragut Avenue, Kensington, MD

BFI910002 Landmark Financial Services
To relocate from Bonney Road, Virginia Beach to Greenbrier Parkway, Chesapeake, VA

BFI910003 Ex Parte: Delegating Certain Authority
For delegating certain authority to the Commissioner of Financial Institutions

BFI910004 Edmunds Financial Corporation
To conduct mortgage brokering at 5839 Robeys Meadow Lane, Fairfax, VA

BFI910005 Commercial Credit Corp.
To open an office at 7020 Commerce Street, Springfield, VA

BFI910006 Associates Financial Services
To relocate its office from Franklin Road to Townside Road, Roanoke, VA

BFI910007 TransCoastal Mortgage Corp.
To relocate its office from 2697 Dean Drive to 2697 Dean Drive, #204, VA Beach, VA

BFI910008 Countrywide Funding Corporation
To relocate its office from W. Broad Street to Willow Lawn Drive, Richmond, VA

BFI910009 Hinshaw, J. Oscar d/b/a Dollars That Make Sense
For failure to maintain bond in force as required by VA Code § 6.1-413

BFI910010 Commercial Credit Loans, Inc.
To conduct consumer finance business at 216 Timberlake Shopping Center, VA Beach, VA

BFI910011 Commercial Credit Loans, Inc.
To conduct consumer finance business at 1401 Greenbrier Parkway, Chesapeake, VA

BFI910012 Commercial Credit Loans, Inc.
To conduct consumer finance business at 5216 George Washington Highway, Grafton, VA

BFI910013 Commercial Credit Loans, Inc.
To conduct consumer finance business at 1923 Church Street, Smithfield, VA

BFI910014 Commercial Credit Loans, Inc.
To conduct consumer finance business and open-end lending at the same location

BFI910015 Commercial Credit Loans, Inc.
To conduct consumer finance business and credit property insurance at the same location

BFI910016 Commercial Credit Loans, Inc.
To conduct consumer finance business and sale of non-filing insurance at the same location

BFI910017 Commercial Credit Loans, Inc.
To conduct consumer finance business and title insurance at the same location

BFI910018 Commercial Credit Loans, Inc.
To conduct consumer finance business and mortgage lending at the same location

BFI910019 Commercial Credit Loans, Inc.
To conduct consumer finance business and sales finance at the same location

BFI910020 Commercial Credit Loans, Inc.
To conduct consumer finance at 1539 Parham Road, Henrico County, VA

BFI910021 Commercial Credit Loans, Inc.
To conduct consumer finance business at 2628-E Richmond Highway, Fairfax, VA

BFI910022 Commercial Credit Loans, Inc.
To conduct consumer finance business at Highway 17, Carrollton, VA

BFI910023 Commercial Credit Loans, Inc.
To conduct consumer finance business at 12639 Jefferson Davis Highway, Chester, VA

BFI910024 Commercial Credit Loans, Inc.
To conduct consumer finance business at 4213 Portsmouth Blvd., Portsmouth, VA

BFI910025 Commercial Credit Loans, Inc.
To conduct consumer finance business at 2609 Wards Road, Lynchburg, VA

BFI910026 Commercial Credit Loans, Inc.
To conduct consumer finance business at 316-A Battlefield Blvd., North, Chesapeake, VA

BFI910027 Commercial Credit Loans, Inc.
To conduct consumer finance business at 8245 Hull Street Road, Chesterfield, VA

BFI910028 Commercial Credit Loans, Inc.
To conduct consumer finance business at 478 Elden Street, Herndon, VA

BFI910029 Commercial Credit Loans, Inc.
To conduct consumer finance business at 605 Newmarket Drive, Newport News, VA

BFI910030 Commercial Credit Loans, Inc.
To conduct consumer finance business at 7862 Tidewater Drive, Norfolk, VA

BFI910031 Central Fidelity Bank
To open a branch at 501 Ves Road, Lynchburg, VA

BFI910032 Bank of the Commonwealth
To relocate branch from 453 Lynnhaven Rd. to 2712 N. Mall Dr., VA Beach, VA

BFI910033 US Mortgage Corporation
To conduct mortgage brokering at 3516 Plank Road, Fredericksburg, VA

BFI910034 Pacific Finance d/b/a Transamerica Credit
To open an additional office at 12350 Jefferson Avenue, Newport News, VA

BFI910035 Universal Mortgage Corporation
To relocate office from Fair Lakes Circle, Fairfax, VA to Robert Fulton Drive, Reston, VA

BFI910036 Mid-America Money Order Co.
For a license to sell money orders

BFI910037 South Norfolk Loan Corporation
To relocate office from 712 Liberty St. to 711 Liberty St., Chesapeake, VA

BFI910038 Atlantic Investment Corp.
To conduct mortgage brokering at 4645 Lake Dr., VA Beach, VA

BFI910040 Briner Incorporated
To open an office at 317 Birchwood Park Drive, #301, VA Beach, VA

BFI910041 Commercial Credit Loans, Inc.
To conduct consumer finance business at 7020 Commerce Street, Springfield, VA

BFI910042 Commercial Credit Loans, Inc.
To conduct consumer finance business and open-end lending at the same location

BFI910043 Commercial Credit Loans, Inc.
To conduct consumer finance busines and sale of non-filing insurance at the same location

BFI910044 Commercial Credit Loans, Inc.
To conduct consumer finance business and sale of title insurance at the same location

BFI910045 Commercial Credit Loans, Inc.
To conduct consumer finance business and credit property insurance at the same location

BFI910046 Commercial Credit Loans, Inc.
To conduct consumer finance business and mortgage lending at the same location

BFI910047 Commercial Credit Loans, Inc.
To conduct consumer finance business and sales finance at the same location

BFI910048 First Virginia Bank of Tidewater
To open an EFT at Norfolk International Airport, Norfolk, VA

BFI910049 Mortgage World, Inc.
To relocate office from Santa Rosa Road to Patterson Avenue, Richmond, VA

BFI910050 Cornerstone Corporation
To open an office at 287 Independence Blvd. 228, VA Beach, VA

BFI910051 First American Bank of VA
To open a branch at 2928A Chain Bridge Rd., Oakton, VA

BFI910052 First American Bank of VA
To open a branch at 5350 Lee Highway, Arlington County, VA

BFI910053 First Town Mortgage Corp.
To conduct mortgage lending at 1080 Lockwood Dr., Silver Spring, MD

BFI910054 Weismiller & Associates, Inc.
To conduct mortgage brokering at 8816 Kensington Parkway, Chevy Chase, MD

BFI910055 Signet Bank/Virginia
To open an EFT at 101 Gateway Parkway, Chesterfield County, VA

BFI910058 Pacific Finance Loans d/b/a Transamerica
To open an office at 2965 Colonnade Drive, Roanoke, VA

BFI910059 Martin, Robert t/a Associates Trust
To conduct mortgage brokering at 7127 Allentown Road, Camp Springs, MD

BFI910060 American General Finance of America
To relocate office from Cedar Center, Route 19 to Center Route 19, Lebanon, VA

BFI910061 Summit Mortgage Group, Inc.
To open an office at 1355 Beverly Road, McLean, VA

BFI910062 Summit Mortgage Group, Inc.
To open an office at 16121 Belle View Blvd., Alexandria, VA

BFI910063 Summit Mortgage Group, Inc.
To open an office at 9001 Braddock Road, Springfield, VA

BFI910064 Summit Mortgage Group, Inc.
To open an office at 313 Maple Avenue, Vienna, VA

BFI910065 Summit Mortgage Group, Inc.
To relocate office from Chain Bridge Road 190 to Chain Bridge Road 320, Vienna, VA

BFI910066 Summit Mortgage Group, Inc.
To relocate office from Dolly Madison Blvd., McLean to Chain Bridge Road, Tysons Corner, VA

BFI910067 American General Finance, Inc.
To relocate office from Cedar Center Rt. 19 to Center One Rt. 19, Lebanon, VA

BFI910068 Provident Mortgage Corporation
To relocate from 300 West Beverly Street to Statler Blvd., #326, Staunton, VA

BFI910069 Ryan, Kevin
To acquire 84% of TMC Mortgage Corporation

BFI910070 G & G Financial Corp.
For failure to maintain bond in force as required by VA Code § 6.1-413

BFI910071 Aetna Finance Company
To conduct consumer finance business and sales finance at the same location

BFI910072 Aetna Finance Company
To conduct consumer finance business and mortgage lending at the same location

BFI910073 Aetna Finance Company
To conduct consumer finance business and business loans at the same location

BFI910074 Aetna Finance Company
To conduct consumer finance business at 8315 Lee Davis Rd., #20, Mechanicsville, VA

BFI910075 Sears Mortgage Corporation
To conduct mortgage brokering at several locations

BFI910076 Burke & Herbert Bank & Trust
To open branch at 2604 Sherwood Hall Lane, Fairfax County, VA

BFI910077 Thorp Consumer Discount Co.
To open an office at 8315 Lee Davis Road, 20, Mechanicsvill, VA

BFI910078 Aetna Finance Company
To conduct consumer finance business and sale of property insurance at the same location

BFI910079 Coastal Financial Corporation
To acquire 100% of Colonial Mortgage Corporation of DC

BFI910080 Primoff, Edward
To relocate office from Graeloch Rd., Laurel, MD to Lld Washington Rd., Woodbine, MD

BFI910081 Federal Home Equity, Inc.
To relocate office from Wilson Blvd., Arlington, VA to Boone Blvd., Vienna, VA

BFI910082 Unisource Financial Corp.
To conduct mortgage brokering at 7027 Evergreen Court, Annandale, VA

BFI910083 American Mortgage Banking
To conduct business as mortgage lender and broker at several locations

BFI910084 First American Bank of VA
To open branch at 5940 Richmond Highway, Fairfax County, VA

BFI910085 Provident Financial Corp.
To relocate consumer finance office from 109 E. Main St. to James Madison Hwy., Orange Co., VA

BFI910086 Terry, Joseph
To conduct mortgage brokering at 3540 Seminole Trail, Charlottesville, VA

BFI910087 Mortgage Consulting Services
To conduct mortgage brokering at several locations

BFI910088 First Mortgage Group, Inc.
To relocate office from 6707 Old Dominion Dr., McLean, VA to 10195 Main St., Fairfax, VA

BFI910089 First Greensboro Home Equity
To conduct mortgage brokering at two locations

BFI910090 Realassist of Richmond, Inc.
To open an office at 1700 Huguenot Road, #D, Richmond, VA

BFI910091 Realassist of Richmond, Inc.
To relocate office from Waterfront Dr., Glen Allen to Patterson Ave., Richmond, VA

BFI910092 Fox, Douglas d/b/a Fox Mortgage Assoc.
To open an office at 13890 Braddock Road, Centreville, VA

BFI910093 Cornerstone Corporation
To relocate office from 629 East Main St. to 1700 Huguenot Rd., Richmond, VA

BFI910094 Lee Bank & Trust Company
To relocate office from 137 E. Morgan Ave. to 600 W. Morgan Ave., Pennington Gap, VA

BFI910095 TranSouth Financial Corp.
To conduct consumer finance business and sell property insurance at the same location

BFI910096 Sentinel Savings Bank
To open a bank at 315 Railroad Avenue, Richlands, VA

BFI910097 Dollars & Mortgages Corp.
To conduct mortgage brokering at 6408-N Seven Corners Place, Falls Church, VA

BFI910098 American Mortgage Services, Inc.
To open an office at 2010 Corporate Ridge Drive, McLean, VA

BFI910099 Mortgage Financial, Inc.
To open an office at 10195 Main Street #F & G, Fairfax, VA

BFI910100 Preferred Mortgage Group, Inc.
To conduct mortgage brokering at 3905 Railroad Avenue, Fairfax, VA

BFI910101 McLean Mortgage Group, Inc.
To conduct mortgage brokering at 1361 Vincent Place, McLean, VA

BFI910102 Interstate Mortgage Company
To conduct mortgage brokering at several locations

BFI910103 American Free State Financial
To conduct mortgage brokering at 9470 Annapolis Road, #315, Lanham, MD

BFI910104 Richmarr Mortgage Corporation
To conduct mortgage brokering at 1595 Springhill Road, #250, Vienna, VA

BFI910105 Equity One Consumer Discount
To conduct consumer finance business at 10334 Ironbridge Road, Chesterfield County, VA

BFI910106 Equity One Consumer Discount
To conduct consumer finance business and sales finance at the same location

BFI910107 Equity One Consumer Discount
To conduct consumer finance business and mortgage lending at the same location

BFI910108 First Fidelity Mortgage Corp.
To open an office at 825 Diligence Drive, #130, Newport News, VA

BFI910109 Shearson-Lehman-Hutton Mortgage Corp.
To open an additional office at 19000 MacArthur Bvld., Irvine, CA

BFI910110 Contitrade Services Corp.
Alleged violation of VA Code § 12.1-13

BFI910111 Sentry Investment Limited
To conduct mortgage brokering and lending at several locations

BFI910112 Dynamics Financial, Inc.
To conduct mortgage brokering at Suite 224, 6849 Dominion Dr., McLean, VA

BFI910113 Signet Bank/Virginia
To relocate from 379 Independence Blvd. to 4460 Corp Lane, VA Beach, VA

BFI910114 Hayes, Robert E.
To relocate office from 11843-C Canon Blvd. to 11843-B Canon Blvd., Newport News, VA

BFI910115 Virginia Healthcare Finance
To conduct mortgage brokering and lending at 200 Golden Oak Court, Ste. 117, VA Beach, VA

BFI910116 CC Home Lenders Financial
To relocate from 424-426 Maple Avenue, Vienna, VA to 8330 Boone Blvd., Suite 405, Vienna, VA

BFI910117 Summit Mortgage Group, Inc.
Alleged violation of VA Code §§ 6.1-416 et. al.

BFI910118 American General Finance, Inc.
To relocate from 10 S. Main St. to 601 N. Main St., Units C & D, Bridgewater, VA

BFI910119 NVR Mortgage LP
To open office at 1451 Dolly Madison Blvd., McLean, VA

BFI910120 Markee Financial Corporation
To relocate from 365-W Chainbridge Road, Fairfax, VA to 8500 Leesburg Pike, #201, Vienna, VA

BFI910121 Provident Finance Co. of VA
To relocate office from 300 W. Beverly St. to 851 Statler Blvd., Staunton, VA

BFI910122 AJR Mortgage Company, Inc.
To relocate office from 4121 Cox Rd., Glen Allen to 9 South Belmont Ave., Richmond, VA

BFI910123 American General Finance of America, Inc.
To relocate office from 101 S. Main St. to 610 N. Main St., #C & D, Bridgewater, VA

BFI910124 GE Capital Mortgage Services
To relocate office from 7671 Little River Trnpk., Annandale, VA to Midlantic Dr., Mt. Laurel, NJ

BFI910125 Equity One Consumer Discount
To conduct consumer finance business and sales finance at the same location

BFI910126 Equity One Consumer Discount
To conduct consumer finance business and mortgage lending at the same location

BFI910127 Equity One Consumer Discount
To conduct consumer finance business at West Richmond Road, Warsaw, VA

BFI910128 PaineWebber Mortgage Finance
To relocate office from Random Hills Rd., Fairfax, VA to Research Blvd., Rockville, MD

BFI910129 United Southern Mortgage Corp.
To relocate from Viking Drive to Oakmears Crescent, VA Beach, VA

BFI910130 East West Financial Services
To conduct mortgage brokering at 108 North Alfred Street, Alexandria, VA

BFI910131 Virginia Community Bank
To open a branch at 185 Madison Road, Orange County, VA

BFI910132 Equity One Consumer Discount
To conduct consumer finance business at 311 North Main Street, Lawrenceville, VA

BFI910133 Equity One Consumer Discount
To conduct consumer finance business and sales finance at the same location

BFI910134 Equity One Consumer Discount
To conduct consumer finance business and mortgage lending at the same location

BFI910135 Equity One of Virginia, Inc.
To open an office at 10334 Ironbirdge Road, Chester, VA

BFI910136 Equity One of Virginia, Inc.
To open an office at 311 North Main Street, Lawrenceville, VA

BFI910137 Equity One of Virginia, Inc.
To open an office at 10 Richmond Road, Warsaw, VA

BFI910138 Ryan, Kevin J.
Alleged violation of VA Code § 6.1-416.1

BFI910139 CC Home Lenders Services, Inc.
To relocate from 424-426 Maple Avenue to 8330 Boone Blvd., #405, Vienna, VA

BFI910140 Virginia Mortgage Exchange, Inc.
To relocate from 1921 Gallows Rd., #800 to 8605 Westwood Center Dr., #500, Vienna, VA

BFI910141 PHH US Mortgage Corporation
To open office at 2009 Huguenot Road, Richmond, VA

BFI910142 Continental Mortgage & Investment Corporation
To relocate from 4141 N. Henderson Rd., #5 to 4141 N. Henderson Rd., #15, Arlington, VA

BFI910143 Cateternam, Francisco S.
To conduct mortgage brokering at 6206 Pardue Court, VA Beach, VA

BFI910144 First Virginia Bank
To open branch at 8920 Silverbrook Road, Fairfax County, VA

BFI910145 Merchants Express Money
For license to sell money orders pursuant to Chapter 2 of Title 6.1

BFI910146 Metrofund Mortgage Services, Inc.
Alleged violation of VA Code § 6.1-413

BFI910147 McLean Mortgage Services, Inc.
To relocate office from 1606 Dolley Madison Blvd., McLean, VA to 2527 Hunter Mill, Oakton, VA

BFI910148 First Financial Funding, Inc.
To open an office at 1031 Sterling Road, #202, Herndon, VA

BFI910149 Tidewater Mortgagee Service
To conduct mortgage lending at 3630 South Plaza Trail, VA Beach, VA

BFI910150 Morabito, John
To conduct mortgage brokering at 6611 Orland Street, Falls Church, VA

BFI910151 Equity One of Virginia, Inc.
To relocate office from Old Courthouse Road, Vienna, VA to Centreville Road, Manassas, VA

BFI910152 Home Mortgage Center, Inc.
To relocate office from 4900 Seminary Rd., #520 to 4900 Seminary Rd., #203, Alexandria, VA

BFI910153 Home Mortgage Center, Inc.
To open an office at 3242 Taylor Court, Herndon, VA

BFI910154 Ford Consumer Finance Company
To open an office at 8201 Greensboro Drive, #707, McLean, VA

BFI910155 Zannetti, Carl J.
To conduct mortgage brokering at 4244 Chain Bridge Road, Fairfax, VA

BFI910156 Security Pacific Financial Service
To relocate from 6060 Jefferson Ave., #L-500 to 603 Pilot House Dr., Ste. 390 Newport News, VA

BFI910157 Equity One Consumer Discount
To open an office at 8628 Centreville Road, Manassas, VA

BFI910158 Prudential Presidential Services Limited Partnership
To relocate from Stamford Court to White Plains, NY

BFI910159 Contitrade Services Corp.
To acquire 80% of ContiMortgage Corporation

BFI910160 Jefferson Mortgage Group
To conduct mortgage lending at 10605 Judicial Drive, Fairfax, VA

BFI910161 Hewitt Construction Co. Inc.
To conduct mortgage brokering at 3201 Warwick Blvd., Newport News, VA

BFI910162 Commercial Credit Loans Inc.
To relocate from 8227 Hull St. Rd. to 8245 Hull St. Rd., Chesterfield County, VA

BFI910163 Mirza, Tufail M.
To conduct mortgage brokering at 13410 Occuquan Road, Woodbridge, VA

BFI910164 Beneficial Industrial Loan Association
To relocate from 437 Walnut Avenue, Waynesboro, VA to 7799 Leesburg Pike, Ste. 700, Falls Church, VA

BFI910165 Weir Enterprises Incorporated
To relocate from Asaph Street to Fairfax Street, Alexandria, VA

BFI910166 Equity One Consumer Discount
To conduct consumer finance at 340 Elkton Plaza, #B, Route 33, Elkton, VA

BFI910167 Equity One of Virginia Inc.
To open an office at 340 Elkton Plaza, #B, Route 33, Elkton, VA

BFI910168 Equity One Consumer Discount
To conduct consumer finance and mortgage lending at the same location

BFI910169 Equity One Consumer Discount
To conduct consumer finance and sales finance at the same location

BFI910170 Consumers Home Mortgage Corp.
To relocate from Little Falls Street, Falls Church, VA to Chain Bridge Road, Fairfax, VA

BFI910171 Walton, J. Terry
To relocate from 100 Copley Place to 141 Oakdale Circle, Lynchburg, VA

BFI910172 Valiente, Ricardo M.
To relocate from 100 Copley Place to 141 Oakdale Circle, Lynchburg, VA

BFI910173 Loan America Financial Corp.
To open an office at 8100 Oak Lane, Miami Lakes, FL

BFI910174 1st Potomac Mortgage Corp.
To conduct mortgage brokering at 10530 Rosehaven Street, Fairfax, VA

BFI910175 Bennett, Arthur G.
To conduct mortgage lending and brokering at 2601 Barbara Lane, Clinton, MD

BFI910176 Brooks, Mark Wayne
To relocate from 100 Copley Place to 141 Oakdale Circle, Lynchburg, VA

BFI910177 American Mortgage Services Inc.
To relocate from 301 Park Ave., Falls Church, VA to 7719 Bellington Ct., Springfield, VA

BFI910178 American Mortgage Services Inc.
To relocate from 7719 Bellington Ct., Springfield, VA to 2010 Corp ridge, McLean, VA

BFI910179 AVCO Financial Services of Madison
To conduct consumer finance and mortgage lending at the same location

BFI910180 AVCO Financial Services of Madison
To conduct consumer finance and personal property insurance at the same location

BFI910181 AVCO Financial Services of Madison
To conduct consumer finance and sales finance at the same location

BFI910182 AVCO Financial Services of Madison
To conduct consumer finance and auto club memberships at the same location

BFI910183 Fenix Funding Corporation, The
To relocate from 5039 Bradley Blvd., Chevy Chase, MD to Lancaster Drive, Bethesda, MD

BFI910184 CUNA Mortgage Corporation
Move from 1800 Sunrise Valley Drive to 1820 Discovery Street, both in Reston, VA

BFI910185 Chrysler First Financial Services
To conduct consumer finance and sale of personal property insurance at same location

BFI910186 Ascent Mortgage Company
To conduct mortgage brokering at 5562 Cedar Break Drive, Centreville, VA

BFI910187 Commercial Credit Corporation
To open an office at 1151 Davis Ford Road, Suite 2, Woodbridge, VA

BFI910188 Burch, Christopher W.
To acquire 45.11% of TMC Mortgage Corporation

BFI910189 Cesefske, Ellen J.
Alleged violation of VA Code §§ 6.1-416, 6.1-417 & 6.1-422

BFI910190 First Jefferson Mortgage Corp.
To conduct mortgage brokering at several locations

BFI910191 Realassist of Richmond, Inc.
To open an office at 1700 Huguenot Road, Midlothian, VA

BFI910192 Consumer Mortgage & Investment Corporation
To open an office at 2807 Parham Road, #333, Richmond, VA

BFI910193 Stephens, Alan R.
To acquire 60% of Virginia Mortgage Corporation

BFI910194 United Southern Mortgage Corp.
Alleged violation of VA Code § 6.1-416

BFI910195 Commercial Credit Loans, Inc.
To relocate from 1010 East Main Street to 1060 Memorial Drive, Pulaski County, VA

BFI910196 Gravett, Guy M.
To conduct mortgage brokering at several locations

BFI910197 Residential Trust Corporation
To conduct mortgage brokering at 12000 Valleybrook Drive, Richmond, VA

BFI910198 First Virginia Bank
To open branch at 5740 Union Mill Road, Fairfax County, VA

BFI910199 PHH US Mortgage Corporation
Alleged violation of VA Code § 6.1-416

BFI910200 Household Realty Corporation
To open an office at 1421 Kristina Way, Chesapeake, VA

BFI910201 Mortgage One Financial Centers
To open office at 10400 Eaton Place, Suite 430, Fairfax, VA

BFI910202 Cross Financial Services LP
To relocate from 1355 Beverly Rd., Suite 100 to 1355 Beverly Rd., Suite 103, McLean, VA

BFI910203 Signet Banking Corporation
To acquire Madison National Bank

BFI910204 Signet Banking Corporation
To open branch at 750 Walker Road, Great Falls, Fairfax County, VA

BFI910205 Signet Banking Corporation
To open branch at 199 Elden Street, Herndon, Fairfax County, VA

BFI910207 Signet Banking Corporation
To open branch at 6844 Old Dominion Drive, McLean, Fairfax County, VA

BFI910208 Signet Banking Corporation
To open branch at 338 East Market Street, Leesburg, Loudoun County, VA

BFI910209 Signet Banking Corporation
To open branch at 6832 Old Dominion Drive, McLean, Fairfax County, VA

BFI910210 Signet Banking Corporation
To open branch at 226 Maple Avenue, West, Vienna, Fairfax County, VA

BFI910211 First Virginia Bank of Tidewater
To relocate from 351 Independence to 379 Independence, VA Beach, VA

BFI910212 Colonial Mortgage & Investment, Inc.
For authority to revoke license to engage in business as mortgage broker

BFI910213 Dewey, Clifford D. t/a Mortgage Funding System
To relocate from 6303 Ivy Lane, #400, Greenbelt to 10601 Baltimore Ave., Beltsville, MD

BFI910214 Somerset Financial Services
To conduct mortgage brokering at 1650 Tysons Boulevard, Suite 720, McLean, VA

BFI910215 Emerson, Paul E.
To conduct mortgage brokering at 7227 Lee Highway, Falls Church, VA

BFI910216 Pacific Finance Loans, Inc.
To relocate from 4191 Inns Lake Drive, Ste. 101 to 4600 Cox Road, Glen Allen, VA

BFI910217 Commercial Credit Corporation
To relocate from 1010 E. Main St. to 1060 Memorial Dr., Pulaski, VA

BFI910218 Transamerican Finance Group
To relocate from 4191 Innslake Dr., Ste. 101 to 4600 Cox Rd., Glen Allen, Henrico Co., VA

BFI910219 UVA Employees Credit Union
UVA Employees Credit Union to merge into Albemarle County Federal Credit Union

BFI910220 Evans, Dorsey, t/a Century Finance
To relocate from 1301 Pennsylvania Ave. to 8455 Colesville Rd., Silver spring, MD

BFI910221 Gold Bond Mortgage, Inc.
To relocate office from 11350 Random Hills Road, Suite 130 to Suite 110, Fairfax, VA

BFI910222 Aegis Mortgage & Financial Services, Inc.
To conduct mortgage brokering at 1773 Parham Road, Suite 201, Richmond, VA

BFI910223 Homestead Financial Services
To relocate from 7113 Hull St. Rd. to 300 Arboretum Place, Ste. 230, Chesterfield Co., VA

BFI910224 Crestar Bank
To open branch at Chesapeake Shopping Center near Taylor Road, Chesapeake, VA

BFI910225 Piedmont Educational Employees' Credit Union Incorporated
Piedmont Educational Employees' Credit Union, Inc to merge into R and B Employees Credit Union

BFI910226 First Security Bank
To close bank in accordance with VA Code § 6.1-100

BFI910227 First Century Bank
To open a bank at 5002 Williamson Road, Roanoke, VA

BFI910228 Pocahontas Bankshares Corp.
Pocahontas Bankshares Corporation to acquire First Century Bank

BFI910229 Colonial Mortgage Corp. of D.C.
Alleged violation of VA Code § 6.1-418

BFI910230 Heritage Mortgage & Investment Co., Inc.
Alleged violation of VA Code § 6.1-418

BFI910231 Mccarthy, Aida V.
Alleged violation of VA Code § 6.1-418

BFI910232 City Wide Mortgage, Inc.
Alleged violation of VA Code § 6.1-418

BFI910233 USA Loan, Inc.
Alleged violation of VA Code § 6.1-418

BFI910234 Bankers Mortgage Group, Inc.
Alleged violation of VA Code § 6.1-418

BFI910235 Roche, Michael B.
Alleged violation of VA Code § 6.1-410

BFI910236 Pacific Finance Loans, Inc.
To relocate office from 4452 Corporation Lane, Ste. 218 to 2809 S. Lynnhaven, Ste. 330, VA Beach, VA

BFI910237 Weiner, Martin
To relocate office from 1600 S. Eads St., Arlington, VA to 9642 Burke Lake Rd., Burke, VA

BFI910238 PHH US Mortgage
To open an office at 1100 G Three Chopt Road, Richmond, VA

BFI910239 First Fidelity Mortgage and Associates
To relocate from Rt. 2, Box 605, Woodford, VA to 4301 Tidewater Trail, Fredericksburg, VA

BFI910240 Himebright, John Rowland
To conduct mortgage brokering at 4791 Raven Road, Stephens City, VA

BFI910241 Patriot Mortgage Services, Inc.
To conduct mortgage brokering at 1839 Herndon Street, Arlington, VA

BFI910242 Intra-Coastal Mortgage Co., Inc.
To conduct mortgage brokering at 6701 Democracy Blvd., #300, Bethesda, MD

BFI910243 Libra Investments Limited
To conduct mortgage brokering at 11335 Sunset Hills Road, Reston, VA

BFI910244 Transamerica Finance Group
To relocate from 4452 Corporate Lane to 2809 S. Lynnhaven, Ste. 330, VA Beach, VA

BFI910245 Metzger, Eugene J.
To acquire 32% of ownership of Ballston Bancorp, Inc.

BFI910246 Bank of McKenney
To open branch at US Highway 460 and State Rt. 684, Dinwiddie County, VA

BFI910247 Commercial Credit Corp.
To relocate from 8227 Hull St. Rd. to 8245 Hull St. Rd., Richmond, VA

BFI910248 American Residential Mortgage
To relocate from 6601 Little River Turnpike, Ste. 200, Alexandria to 1950 Old Gallows Rd., Vienna, VA

BFI910249 Hamilton Financial Group, Inc.
To open office at 7619 Arnet Lane, Bethesda, MD

BFI910250 Hampton Roads Funding Corp.
Alleged violation of VA Code § 6.1-416

BFI910251 Bank of Fincastle, The
To open EFT at Truckstop of America, US Rt. 1, Interstate 81, Ext. 44, Daleville, VA

BFI910252 Preferred Mortgage Group, Inc.
To open branch at 7929 Westpark Drive, Suite 200, McLean, VA

BFI910253 Astrum Funding Corporation
To conduct business of mortgage lending at 111 Great Neck Rd., NY and 8645 Mathis Avenue, Ste. 201, Manassas, VA

BFI910254 Millican-Debetz, Marcia
To open office at 166 Little John Place, Newport News, VA

BFI910255 American General Finance, Inc.
To relocate from 81 Main St. to 350 Waterloo St., Warrenton, VA

BFI910256 American General Finance, Inc.
To relocate from 14541 Jefferson Davis Highway to 1952 Daneil Stuart Square, Woodbridge, VA

BFI910257 American General Finance of America, Inc.
To relocate from 81 main St. to 350 Waterloo St., Warrenton, VA

BFI910258 American General Finance of America, Inc.
To relocate from 14541 Jefferson Davis Highway to 1952 Daniel Stuart Square, Woodbridge, VA

BFI910259 United First Mortgage, Inc.
To relocate from 2713 Blvd. to 3660 Blvd., Suite A, Colonial Heights, VA

BFI910260 Hanover Bank
To establish a branch at 300 England Street, Ashland, Hanover County, VA

BFI910261 Harper, William C. III & Dadman
To open office at 1519 Brendle Court, VA Beach, VA

BFI910262 Commercial Credit Corporation
To relocate from 2184 Berkmar Drive, Ste. 6 to 1760 Rio Hill Center, Charlottesville, VA

BFI910263 American Federal Corp.
To relocate from 40 Orchard Way N., Potomac, MD to 611 Rockville Pike, #201, Rockville, MD

BFI910264 A.B.& W. Transit Employees Credit Union Inc.
A.B.& W. Transit Employees Credit Union to merge into it Potomac Yard Federal Credit Union

BFI910265 Commercial Credit Loans
To relocate from 284 Berkmar Dr., Ste. 6 to 1760 Rio Hill Center, Albemarle Co., VA

BFI910266 Barson Financial Services
To open a mortgage office at 2772 Lewisville Clemmons Road, Clemmons, NC

BFI910267 Ace Mortgage Corporation
To open an office at 4300 Evergreen Lane, #201-A, Annandale, VA

BFI910268 Commercial Credit Corporation
To relocate from 1539 Parham Road to 8030 West Broad Street, Richmond, VA

BFI910269 Mortgage One, Inc.
From 1925 N. Lynn St., Rosslyn, VA to 8391 Old Courthouse Rd., Vienna, VA

BFI910270 Crestar Bank
To open an EFT terminal at Dalton Hall Student Center, Radford VA

BFI910271 Lindley Mortgage Corporation
To relocate from 8603 Westwood Center Dr., Vienna, VA to 12120 Sunset Hills Rd., #150, Reston, VA

BFI910272 Commercial Credits Loans, Inc.
To relocate from 1539 Parham Road to 8030 West Broad Street, Richmond, VA

BFI910273 Bank of Essex
To open branch at Rt. 360 & halfway between Rt. 615 & Rt. 643, Mechanicsville, VA

BFI910274 Mortgage International, Inc.
To open mortgage office at 1300 Crystal Drive, P.H. 9, Arlington, VA

BFI910275 Mortgage Consulting Services
To relocate from 375 Route 24 Chester, VA to 173 Essex Avenue, Metuchen, NJ

BFI910276 Child & Family Services
To engage in non-profit debt counseling agency

BFI910277 First Century Bank
To open a branch at Wythe Shopping Plaza, East Main Street, Wythe County, VA

BFI910278 First Financial Services of VA
To conduct mortgage brokering at 1500 Forest Avenue, #201, Richmond, VA

BFI910279 Atlantic Investment Corp.
To relocate an office from 4645 Lake Drive to 5241 Cleveland Street, VA Beach, VA

BFI910280 Jefferson Mortgage Group, Ltd.
To relocate office from 10605 Judicial Drive to 10615 Judicial Drive, Fairfax, VA

BFI910281 Central Fidelity Bank
To open a branch at 2600 Barrocks Road, Charlottesville, VA

BFI910282 Associates Corp. of North America
To acquire 100% of KEC Mortgage Loans, Inc.

BFI910283 First Financial Funding, Inc.
To conduct mortgage brokering at 4465 Salem Lane, Washington, DC

BFI910284 Thompson, David W.
To conduct mortgage brokering at 14120 Park-Long Court, #103 Chantilly, VA

BFI910285 CRFC Interim Savings Bank
To establish an interim savings bank at 500 Forest Avenue, Henrico County, VA

BFI910286 Crestar Bank
Crestar Financial Corporation to acquire CRFC Interim Savings Bank

BFI910287 Crestar Bank
Crestar bank to merge into it CRFC Interim Savings Bank

BFI910288 CRFC Interim Savings Bank
To establish a branch at 4926 West Broad Street, Henrico County, VA

BFI910289 CRFC Interim Savings Bank
To establish a branch at 1001 East Main Street, Richmond, VA

BFI910290 CRFC Interim Savings Bank
To establish a branch at 3543 Cary Street, Richmond, VA

BFI910291 CRFC Interim Savings Bank
To establish a branch at 8721 Staples Mill Road, Henrico County, VA

BFI910292 CRFC Interim Savings Bank
To establish a branch at 1650 Parham Road, Henrico County, VA

BFI910293 CRFC Interim Savings Bank
To establish a branch at 6200 Lakeside Avenue, Henrico County, VA

BFI910294 CRFC Interim Savings Bank
To establish a branch at 2373 Atlee Road, Hanover County, VA

BFI910295 CRFC Interim Savings Bank
To establish a branch at 1440 Midlothian Turnpike, Chesterfield County, VA

BFI910296 CRFC Interim Savings Bank
To establish a branch at 7601 Midlothian Turnpike, Chesterfield County, VA

BFI910297 CRFC Interim Savings Bank
To establish a branch at 10201 Iron Bridge Road, Chesterfield County, VA

BFI910298 CRFC Interim Savings Bank
To establish a branch at 6980 Forest Hill Avenue, Richmond, VA

BFI910299 CRFC Interim Savings Bank
To establish a branch at 2024 A Grove Avenue, Richmond, VA

BFI910300 Hintz, Robert E.
Alleged violation of VA Code § 6.1-413

BFI910301 Security Pacific Financial
To relocate from 700 East main St. #1025 to 700 East Main St. #906, Richmond, VA

BFI910302 United Home Mortgage Services
To open a branch at 1899-East Billingsgate Circle, Richmond, VA

BFI910303 American General Finance of America
To conduct consumer finance and sale of term life insurance at the same location

BFI910304 Virginia League Central Credit Union, Inc.
To merge into it Strother Drug Employees Credit Union

BFI910305 Monroe Mortgage Company
To relocate from 2400 1/2 Valley Avenue to 18 Garmain Street, Winchester, VA

BFI910306 First State Bank
To open a branch at 1296 Piney Forest Road, Danville, VA

BFI910307 Mortgage One Financial Centers
To conduct mortgage lending at several locations

BFI910308 Mortgage One Financial Centers
To relocate from 10400 Eaton Place, #430 to 10306 Eaton Place, #201, Fairfax, VA

BFI910309 Diversified Lending Services
To relocate from 6000 Executive Blvd. to 12230 Rockville Pike, Rockville, MD

BFI910310 Champion Mortgage Corporation
To relocate from 2400 1/2 Valley Ave. to 811-B North Loudoun St., Winchester, VA

BFI910311 Cook & Associates, Inc.
To conduct mortgage lending and brokering at several locations

BFI910312 Bank of Tidewater, The
To open a branch at 944 Independence Blvd., VA Beach, VA

BFI910313 Summers, Carol J.
To conduct mortgage brokering at 4824 Edgemoor Lane, Bethesda, MD

BFI910314 First Virginia Bank - Colonial
To open a branch at VA Center Commons at Brook Rd. & Jeb Stuart Parkway, Henrico County, VA

BFI910315 First Virginia Bank -Tidewater
To open a branch at 4200 Portsmouth Blvd., Chesapeake, VA

BFI910316 Hampton Roads Funding Corp.
To relocate from 1131 Independence Blvd. to 1206 Laskin Rd. #101, VA Beach, VA

BFI910317 Crescent Mortgage Corp., The
To conduct mortgage lending & brokering at St. Rt. 639 W. at Rt. A, Ladysmith, VA

BFI910318 Transamerica Financial Services
To conduct consumer finance and mortgage lending at the same location

BFI910319 Transamerica Financial Services
To open an office at 1425 Seminole Trail, Albemarle County, VA

BFI910320 Pacific Finance Loans d/b/a Transamerica
To open an office at 1425 Seminole Trail, Charlottesville, VA

BFI910321 First Virginia Bank-Colonial
To open an EFT at VA Center Commons Mall, Henrico County, VA

BFI910322 Hunter, Walden T.
To Conduct mortgage brokering at 5310 Markel Road, #102, Richmond, VA

BFI910323 Virginia Healthcare Finance
To relocate from 200 Golden Oak Court, #117 to 208 Golden Oak Court, #170, VA Beach, VA

BFI910324 Cumming, James II
To Conduct mortgage brokering at 11828-E Canon Blvd., Newport News, VA

BFI910325 Lenders Financial Corporation
To relocate office from 1420 Springhill Rd., to 8251 Greensboro Dr., McLean, VA

BFI910326 Valley Finance Service, Inc.
To conduct consumer finance and sale of non-filing insurance at the same location

BFI910327 Mortgage & Equity Funding
To relocate from 2911 Hunter Mill Rd., #205 Oakton, VA to 3554 Chain Bridge Rd., Fairfax, VA

BFI910328 Security Pacific Financial
To relocate from 293 W. Main St. to 203 W. Main St., Abingdon, Washington County, VA

BFI910329 First Fidelity Mortgage Corp.
To open a branch at 1613 South Church Street, Smithfield, VA

BFI910330 Union Bank & Trust Company
To open EFT at Petro Travel Plaza, Ruther Glen, Caroline County, VA

BFI910331 United Southern Mortgage Corp.
To relocate from 8661 Staples Mill Rd. to 5001 W. Broad St., #1005, Richmond, VA

BFI910332 Peninsula Credit Services, Inc.
To relocate from 712 W. 35th Street, Norfolk, VA to 4663 Haygood Road, #215, VA Beach, VA

BFI910333 Firstbank Mortgage, Inc.
To conduct mortgage lending and brokering at 7799 Leesburg Pike, #720, Falls Church, VA

BFI910334 Taylor, Reginald III
To conduct mortgage brokering at 304 West Cary Street, Richmond, VA

BFI910335 First Virginia Bank of Tidewater
To relocate from 379 Independence Blvd. to 351 Independence Blvd., VA Beach, VA

BFI910336 TransCoastal Mortgage Corp.
To relocate from 2697 Dean Dr., #204 to 2697 Dean Drive, #100, VA Beach, VA

BFI910337 Crestar Bank
To open a branch at S.E. quadrant of Edwards Ferry Road and Rt. 15 Bypass, Leesburg, VA

BFI910338 Commercial Credit Corporation
To open a branch at 1225 Stafford Drive, Princeton, WV

BFI910339 Commercial Credit Corporation
To open a branch at 1819 Jefferson Street, Bluefield, WV

BFI910340 Commonwealth Asset Management
To relocate office from Route 340 White Post to 5339 Main Street, Stephens City, VA

BFI910341 Financial Link Company, The
To relocate office from 10825 Main St. #101, Fairfax, VA to 5900 Centreville Rd., Centreville, VA

BFI910342 CTX Mortgage Company
To open an office at 11200 Waples Mill Road, #360, Fairfax, VA

BFI910343 Mortgage Loan Services
To relocate office from 2697 International Parkway to 780 Lynnhaven Parkway, VA Beach, VA

BFI910344 Central Fidelity Bank
To open a branch at southwest corner of Diamond Springs Road and Wesleyan Drive, VA Beach, VA

BFI910345 First Atlantic Mortgage Corp.
To open an office at 7110 Forest Avenue, #208, Richmond, VA

BFI910346 Citizens Bank of Virginia
To open a branch at 14011-D Centreville Crest Lane, Centreville, VA

BFI910347 Greenbrier Finance Company
To open an office at 1502 Santa Rosa Road, #1007, Richmond, VA

BFI910348 Preferred Mortgage Group, Inc.
To open an office at 313 Maple Avenue, Vienna, VA

BFI910349 Preferred Mortgage Group, Inc.
To open an office at 1355 Beverly Road, #109, McLean, VA

BFI910350 Everson, Percy A. d/b/a Simplex Business Services
Alleged violation of VA Code § 6.1-420

BFI910351 Diversified Mortgage Corp.
Alleged violation of VA Code § 6.1-420

BFI910352 Commonwealth Mortgage Corp.
Alleged violation of VA Code § 6.1-420

BFI910353 Taylor, Charles B.
Alleged violation of VA Code § 6.1-420

BFI910354 Mortgage Aid Financial Services
To open an office at 4314 Puddledock Road, Prince George, VA

BFI910355 Equity One Consumer Discount
To conduct consumer finance at 505 S. Independence Blvd., #106, VA Beach, VA

BFI910356 Equity One Consumer Discount
To conduct consumer finance and mortgage lending at the same location

BFI910357 Equity One Consumer Discount
To conduct consumer finance and sales finance at the same location

BFI910358 American Bi-Weekly Services
To conduct mortgage brokering at 7730 Roswell Road, #209, Atlanta, GA

BFI910359 Central Fidelity Bank
To open a branch at Lynnhaven Parkway and VA Beach Blvd., VA Beach, VA

BFI910360 Provident Finance Company
To conduct consumer finance and sale of property insurance at the same location

BFI910361 Bank of Shawsville
To merge into it Bank of Speedwell, Incorporated

BFI910362 Briner, Incorporated
To open an office at 7700 Leesburg Pike, #402, Falls Church, VA

BFI910363 Petty, Roy
To conduct mortgage brokering at 845 Roanoke Road, Daleville, VA

BFI910364 Moneycorp Financial Services, Inc.
Alleged violation of VA Code § 6.1-413

BFI910365 American Funding & Investment
To conduct mortgage brokering at 8206 Leesburg Pike, #201, Vienna, VA

BFI910366 First Bancorp Mortgage Corp.
To relocate office from 11817 Canon Blvd. to 11011 Warwick Blvd., Newport News, VA

BFI910367 Williams, Lynn Seals
To relocate office from 4326 Dale Blvd., Dale City, VA to 308 Poplar Alley, Occoquan, VA

BFI910368 Transatlantic Mortgage Company
To relocate office from 4870 Haygood Rd. to 4460 Haygood Rd., VA Beach, VA

BFI910369 Homestead Mortgage Inc. of VA
To conduct mortgage lending and brokering at 8028 Ritchie Highway, #207, Pasadena, MD

BFI910370 NCNB Corporation
To acquire several banks

BFI910371 NCNB Corporation
To acquire C&S Sovran Corporation

BFI910372 Commercial Credit Corporation
To relocate office from S. Church Street to Smithfield Plaza, Smithfield, VA

BFI910373 City Mortgage Corporation
To relocate office office from 1104 Pickett Rd., Norfolk, VA to 4029 Ironbridge Rd., Williamsburg, VA

BFI910374 Directors Mortgage Loan Corp.
To conduct mortgage lending and brokering at #3 the Koger Center, #200, Norfolk, VA

BFI910375 FSC Corporation
To conduct mortgage brokering at 372 Butler Street, Pittsburgh, PA

BFI910376 Ellis Financial Corporation
To relocate office from 11785 Sliding Hill Road to 324 Leadbetter Road, Ashland, VA

BFI910377 Hoy, H. C.
To acquire 25% of Mortgage Loan Services, Inc.

BFI910378 George Mason Bank, The
To open a branch at 226 Maple Avenue, 10, Vienna, VA

BFI910379 Delfinado, Camilo B.
To conduct mortgage brokering at 6206 Pardue Court, VA Beach, VA

BFI910380 Mid-Atlantic Mortgage Services
To conduct mortgage brokering at 57 Meadow in Plaza, Martinsburg, WV

BFI910381 Commercial Credit Loans, Inc.
To relocate office from 1923 S. Church St. to 1264 Smithfield Plaza, Smithfield, VA

BFI910382 First Fidelity Mortgage Corp.
To open an office at 4425 Corporation Lane, VA Beach, VA

BFI910383 Gray, Howard E.
To acquire 25% of Mortgage Loan Services, Inc.

BFI910384 Fraser, William A.
To conduct mortgage brokering at 10560 Main Street, #305, Fairfax, VA

BFI910385 Realassist of Virginia, Inc.
To open an office at 7331 Old Cavalry Drive, Mechanicsville, VA

BFI910386 Realassist of Virginia, Inc.
To open an office at 6231 Leesburg Pike, Falls Church, VA

BFI910387 Realassist of Virginia, Inc.
To open an office at 1700 Huguenot Road, #A, Midlothian, VA

BFI910388 Realassist of Virginia, Inc.
To open an office at 1364 Beverly Road, #102, McLean, VA

BFI910389 Realassist of Virginia, Inc.
To open an office at 9510 Ironbridge Road, Chesterfield, VA

BFI910390 Realassist of Virginia, Inc.
To open an office at 3307 Church Road, #100, Richmond, VA

BFI910391 Realassist of Virginia, Inc.
To open an office at 5109 Westfield Blvd., Centreville, VA

BFI910392 Realassist of Virginia, Inc.
To open an office at 4806 Market Square Lane, Midlothian, VA

BFI910393 Realassist of Virginia, Inc.
To open an office at 4660 South Laburnum Avenue, Richmond, VA

BFI910394 Realassist pf Virginia, Inc.
To open an office at 9127 West Broad Street, Richmond, VA

BFI910395 Realassist of Virginia, Inc.
To open an office at 8411 Patterson Avenue, Richmond, VA

BFI910396 Realassist of Virginia, Inc.
To open an office at 5702 Grove Avenue, Richmond, VA

BFI910397 Realassist of Virginia, Inc.
To open an office at 4600 Millridge Parkway, Midlothian, VA

BFI910398 Realassist of Virginia, Inc.
To open an office at 5905 West Broad Street, Richmond, VA

BFI910399 Realassist of Virginia, Inc.
To open an office at 2737 McRae Street, Richmond, VA

BFI910400 First Nationwide Corporation
To conduct mortgage brokering at 5602 Henrico Avenue, Richmond, VA

BFI910401 Bishop, Jeanette C.
To conduct mortgage brokering at 13501 Boydton Plank Road, Dinwiddie, VA

BFI910402 NacCash-Sites, Mary
To conduct mortgage brokering at 1411 North Hartford Street, Arlington, VA

BFI910403 Mortgage Loan Services, Inc.
Alleged violation of VA Code § 6.1-416

BFI910404 Action Mortgage, Inc.
Alleged violation of VA Code § 6.1-420

BFI910405 Equity One Consumer Discount
To conduct consumer finance and mortgage lending at the same location

BFI910406 Equity One Consumer Discount
To conduct consumer finance and sales finance at the same location

BFI910407 Briner, Incorporated
To open an office at 10875 Main Street, #203, Fairfax, VA

BFI910408 Equity One Consumer Discount
To conduct consumer finance business at 1428 North Seminole Trail, Charlottesville, VA

BFI910409 Crestar Bank
To merge into it CRFC Interim Federal Savings Bank

BFI910410 Crestar Financial Corporation
To acquire 100% control of CRFC Interim Federal Savings Bank

BFI910411 TransCoastal Mortgage Corp.
Alleged violation of VA Code § 6.1-416

BFI910412 Waynesboro Dupont Employees Credit Union
To maintain a service facility at 2813 N. Coalter St., Staunton, VA

BFI910413 United Southern Mortgage Corp.
To open an office at 408 Oakmears Crescent, VA Beach, VA

BFI910414 United Southern Mortgage Corp.
To open an office at 3004 Tyre Neck Road, Portsmouth, VA

BFI910415 Kong, Myoung Ho & Yup
To acquire Center Mortgage Corporation

BFI910416 ITT Consumer Financial Corp.
To conduct consumer finance business and other business at the same location

BFI910417 Benchmark Community Bank
To open a branch at southwest corner of Main St. and Milnwood Rd., Farmville, VA

BFI910418 Old Stone Credit Corp of VA
To relocate office from 7777 Leesburg Pike, Falls Church, VA to 8301 Greensboro Dr., McLean, VA

BFI910419 South Boston Bank
To open a branch at 222 Main Street, South Boston, VA

BFI910420 First Virginia Banks, Inc.
To acquire Interim Savings and Loan Association

BFI910421 Interim Savings & Loan Assoc.
To commence savings and loan business at 13900 Lee Jackson Memorial Highway, Chantilly, VA

BFI910422 First Virginia Bank
To merge into it Interim Savings and Loan Association

BFI910423 Fair Oaks Savings Bank
To commence savings and loan business at 13900 Lee Jackson Memorial Highway, Chantilly, VA

BFI910424 George Mason Bank, The
To merge into it Fair Oaks Savings Bank

BFI910425 George Mason Bankshares
To acquire control of Fair Oaks Savings Bank

BFI910426 Central Fidelity Bank
To open a branch at 501 Maple Avenue West, Vienna, VA

BFI910427 Commercial Credit Corporation
To open an office at 8330 Boone Blvd., #405, Vienna, VA

BFI910428 Poff, N. Thomas
To conduct mortgage brokering at 360 Reading Rd., Chrisitansburg, VA

BFI910430 Commercial Credit Loans
To conduct consumer finance at 8330 Boone Blvd., #405, Vienna, VA

BFI910431 Commercial Credit Loans
To conduct consumer finance and sales finance at the same location

BFI910432 Commercial Credit Loans
To conduct consumer finance and open-end lending at the same location

BFI910433 Commercial Credit Loans
To conduct consumer finance and credit property insurance at the same location

BFI910434 Commercial Credit Loans
To conduct consumer finance and mortgage lending at the same location

BFI910435 Commerical Credit Loans
To conduct consumer finance and title insurance at the same location

BFI910436 Commercial Credit Loans
To conduct consumer finance and non-filing insurance at the same location

BFI910437 Vaden, David T. t/a Mortgage Aid Financial Services
Alleged violation of VA Code § 6.1-416

BFI910438 Henry Mannell t/a New Breed Mortgage
To relocate office from 2327 County Dr., Petersburg, VA to 8020 Shady Grove Rd., Mechanicsville, VA

BFI910439 Premier Mortgage Corporation
To relocate office from 1952 Gallows Rd., #303 to 8133 Leesburg Pike, #310, Vienna, VA

BFI910440 Frederick Financial Services, Inc.
To relocate office from 7310 Grove Rd., #205 to 5320 Spectrum Dr., Frederick, MD

BFI910441 Crestar Bank
To open a branch at N.E. quadrant of Staffordboro Blvd. and Garrisonville Rd., Stafford Co., VA

BFI910442 Piedmont Finance Service, Inc.
To conduct consumer finance and sale non-filing insurance at the same location

BFI910443 Wall Street Mortgage Corp.
To conduct mortgage brokering at 10000 Falls Rd., Potomac, MD

BFI910445 F&M Bank - Winchester
To commence banking business at 115 N. Cameron St., Winchester, VA

BFI910446 Talbott, Leroy G. Jr.
Alleged violation of VA Code § 6.1-413

BFI910447 Realassist of Virginia, Inc.
To open an office at 5712 Pickwick Road, Centreville, VA

BFI910448 Realassist of Richmond, Inc.
To open an office at 287 Independence Blvd., #228, VA Beach, VA

BFI910449 Equity One Consumer Discount
To conduct consumer finance at 3303 North Main Street, #D, Danville, VA

BFI910450 Quality Corporate Systems
To conduct mortgage brokering at 11 Koger Center, #245, Norfolk, VA

BFI910451 City Finance Company
To conduct consumer finance and open-end lending at the same location

BFI910452 Liberty Funding Corporation
To conduct mortgage brokering at 12705 Kingsbury Court, Woodbridge, VA

BFI910453 Equity One Consumer Discount
To conduct consumer finance and sales finance at the same location

BFI910454 Equity One Consumer Discount
To conduct consumer finance and mortgage lending at the same location

BFI910455 Eagle Financial Services, Inc.
To acquire 100% of the voting shares of Bank of Clarke County

BFI910456 Blazer Financial Services, Inc.
To conduct consumer finance and sell property insurance at the same location

BFI910457 City Finance Company
To conduct consumer finance and sell property insurance at the same location

BFI910458 Mortgage Centers of Virginia
To conduct mortgage brokering at 205 East Boscawon Street, Winchester, VA

BFI910459 Fortune Mortgage Banking Co.
To conduct mortgage lending and brokering at 416 Hungerford Drive, Rockville, MD

BFI910460 Long Investments, Inc.
To relocate office from 11704 Bowman Green Drive to 1372 Bedford Lane, Reston, VA

BFI910461 Morris, Boniface & Associates
To relocate mortgage office from 4617 Beauclaire Blvd., Fredericksburg, VA to 10401-C Courthouse Rd., Spotsylvania, VA

BFI910462 Equity One of Virginia, Inc.
To open an office at 1428 Seminole Trail, Charlottesville, VA

BFI910463 Old Stone Credit Corporation
To acquire 100% of Old Stone Credit Corporation of Virginia

BFI910464 Ex Parte: Delegating of authority
Delegating certain authority to the Commissioner of Financial Institutions

BFI910465 Diversified Lending Services, Inc.
Alleged violation of VA Code § 6.1-409

BFI910466 F&M Bank - Massanutten
To convert from a national bank to a state bank

BFI910467 Realassist of Virginia, Inc.
To open an office at 8996 Burke Lake Road, Burke, VA

BFI910468 Realassist of Virginia, Inc.
To open an office at 27 Walnut Blvd., Petersburg, VA

BFI910469 Julien, Jon P.
To conduct mortgage brokering at 13101 Platoon Drive, Spotsylvania, VA

BFI910470 Phoenix Financial Corporation
To relocate office from Route 5, Box 157 M. to Captains Quarters, #1, Moneta, VA

BFI910471 Home Security Mortgage Corp.
To conduct mortgage lending and brokering at 6320 Augusta Drive, Springfield, VA

BFI910472 Miller, Richard W.
To conduct mortgage brokering at several locations

BFI910473 Hunter, Walden T. Jr. t/a Victory Mortgage
To relocate office from 5310 Markel Road, #102 to 1324 Wentbridge Road, Richmond, VA

BFI910474 F&M Bank - Broadway
To convert from a national bank to state bank

BFI910475 Signet Bank Virginia
To establish an EFT facility at 400 Best Plaza, Henrico County, VA

BFI910476 Parasidis, Steve
To conduct mortgage brokering at 4602 Tapestry Drive, Fairfax, VA

BFI910477 Fox, Douglas
To open an office at 121-B East 2nd Street, Front Royal, VA

BFI910478 Citizens Mortgage Corporation
To conduct mortgage brokering at 7200 Glen Forest Drive, Richmond, VA

BFI910479 NVR Mortgage Finance L.P.
To conduct mortgage lending at several locations

BFI910480 Security Industrial Loan Assoc.
To relocate office from 4th and Main Sts. to 422 East Franklin St., #107, Richmond, VA

BFI910481 George Washington Mortgage
To relocate office from 6911 Richmond Highway, #310 to 9301 Boothe Street, Alexandria, VA

BFI910482 C&S Sovran Credit Corporation
To conduct consumer finance and sell property and casualty insurance at the same location

BFI910483 Commercial Credit Loans, Inc.
To conduct consumer finance and open-end lending at the same location

BFI910484 Business Advisory Systems, Inc.
To conduct mortgage brokering at 202 North Loudoun Street, #303, Winchester, VA

BFI910485 Morris, Boniface & Associates
Alleged violation of VA Code § 6.1-416

BFI910486 First Guaranty Mortgage Corp.
To conduct mortgage brokering at several locations

BFI910487 Consumer's Mortgage Corp.
To relocate office from 2200 Silas Creek Parkway, Winston-Salem, NC to 2303 Meadowview Rd., Greensboro, NC

BFI910488 Hijjawi, Basel M.
To relocate office from 113 Alfred Street to 107 Payne Street, Alexandria, VA

BFI910489 Hijjawi, Basel M.
To relocate office from 107 Payne Street to 1733 King Street, #300, Alexandria, VA

BFI910490 Bankers Mortgage, Inc.
To conduct mortgage brokering at 2350 Arlington Ridge Road, Arlington, VA

BFI910491 Commercial Credit Loans, Inc.
To conduct consumer finance and sale of involuntary employment insurance at the same location

BFI910492 Bank of Northern Virginia
To open a branch at 4238 Wilson Blvd., Arlington County, VA

BFI910493 Bank of Northern Virginia
To establish an EFT at 4238 Wilson Blvd., Arlington County, VA

BFI910494 Rockingham Heritage Bank
To relocate office from Neff Ave. to Uni Blvd., Harrisonburg, VA

BFI910495 Shelter Mortgage
To conduct mortgage lending and brokering at 1835 Alexander Bell Dr., Reston, VA

BFI910496 Ace Mortgage Corporation
To relocate office from 4300 Evergreen Lane, #102, Annandale, VA to 9653 Lee Highway, Fairfax, VA

BFI910497 Central Fidelity Bank
To open a branch at 1457 Mount Pleasant Road, Unit 113, Chesapeake, VA

BFI910498 Monroe Mortgage Company
To open an office at 240 Corporate Blvd., Suite 205, Norfolk, VA

BFI910499 Associates Financial Services
To relocate office from 913 Chimney Hill Shopping Center to 6517 Auburn Dr., VA Beach, VA

BFI910500 Associates Financial Services
To relocate office from 913 Chimney Hill Shopping Center to 6517 Auburn Dr., VA Beach, VA

BFI910501 Gray, Howard E.
Alleged violation of VA Code § 6.1-416.1

BFI910502 Hoy, H. C.
Alleged violation of VA Code § 6.1-416.1

BFI910503 American Residential Mortgage Corp.
To open branch at 1738 Elton Rd., Suite 314, Silver Spring, MD

BFI910504 Mortgage Financial Consultants
To conduct business as mortgage lender and broker at 727A J. Clyde Morris Blvd., Newport News, VA

BFI910505 Equity One Consumer Discount
To conduct consumer finance and mortgage lending at the same location

BFI910506 Dominion Financial Group, Inc.
To relocate office from Kempsville Road to Fordham Drive, VA Beach, VA

BFI910507 Friday Financial Advisors
To conduct mortgage brokering at 211 E. Street, NE, Washington, DC

BFI910508 GMAC Mortgage Corporation of Pennsylvania
To open an office at 9011 Arboretum Parkway, #290, Richmond, VA

BFI910509 American Residential Mortgage
To open an office at 51 Haddonfield Road, #110, Cherry Hill, NJ

BFI910510 Ramsay Mortgage Corporation
To conduct mortgage brokering at 835 Herbert Springs Road, Alexandria, VA

BFI910511 Realassist of Virginia, Inc.
To relocate office from Huguenot Road, Midlothian, VA to Midlothian Turnpike, Richmond, VA

BFI910512 Virginia State Mortgage, Inc.
To conduct mortgage lending at 3566 Electric Road, Roanoke, VA

BFI910513 Virginia Bank & Trust Company
To open a branch at 55 North Main Street, Chatham, VA

BFI910514 Frederick Financial Services
Alleged violation of VA Code § 6.1-416

BFI910515 Dragonette, Michael J.
Alleged violation of VA Code § 6.1-416

BFI910516 PHH US Mortgage Corporation
To open an office at 763 J. Clyde Morris Blvd., Newport News, VA

BFI910517 AVCO Financial Services of Madison
To conduct consumer finance and sell renters plus insurance at the same location

BFI910518 FSC Corporation
To relocate office from 372 Butler St, Pittsburgh, PA to 7310 Ritchie Highway, Ste. 710 Glen Burnie, MD

BFI910519 GMAC Mortgage Corporation of Pennsylvania
To relocate office from 1734 Elton Rd., Silver Spring, MD to 12300 Twinsbrook Parkway, Rockville, MD

BFI910520 Blazer Financial Services, Inc.
To relocate office from 1105-B Newtown Rd., Norfolk, VA to 549 Newtown Rd., VA Beach, VA

BFI910521 Equity One Consumer Discount
To conduct consumer finance and sales finance at the same location

BFI910522 Blazer Mortgage Services, Inc.
To relocate office from Newton Road, Norfolk, VA to Newtown Rd., VA Beach, VA

BFI910523 Masters Mortgage, Inc.
To relocate office from 2813 Rifle Ridge Rd. to 2915 Hunter Mill Rd., Ste. 22, Oakton, VA

BFI910524 Mortgage Lending Services, Inc.
To conduct mortgage brokering at several locations

BFI910525 American Funding & Investment
To conduct mortgage brokering at 8206 Leesburg Pike, #201, Vienna, VA

BFI910526 Atlantic Investment Corp.
To relocate office from 524 Cleveland St., #113, VA Beach, VA to 4645 Lake Dr., VA Beach, VA

BFI910527 Mortgage Express Company
To conduct mortgage brokering at 8027 Leesburg Pike, #103, Vienna, VA

BFI910528 Financial Mortgage, Inc.
To conduct mortgage lending at several locations

BFI910529 Blazer Mortgage Services, Inc.
To open an office at 2210 Wilson Blvd., Winchester, VA

BFI910530 Blazer Mortgage Services, Inc.
To open an office at 928 E. Main St., Wytheville, VA

BFI910531 Blazer Mortgage Services, Inc.
To open an office at 4019 Halifax Rd., South Boston, VA

BFI910532 Blazer Mortgage Services, Inc.
To open an office at 1506 S. Main St., Unit 1, Box 7, Farmville, VA

BFI910533 Blazer Mortgage Services, Inc.
To open an office at 661 Piney Forest Rd., Danville, VA

BFI910534 Blazer Mortgage Services, Inc.
To open an office at 316-C Virginia Ave., Collinsville, VA

BFI910535 ICM Mortgage Corp.
To relocate office from 9100 Arboretum Parkway to 9323 Midlothian Turnpike, Richmond, VA

BFI910536 United Mortgagee, Incorporated
To relocate office from 2910 Clay St. to 1919 Huguenot Rd., Richmond, VA

BFI910537 Consumer Credit Counseling Service
To open an office at 11021-A Arbor Dr., Christiansburg, VA

BFI910538 Mortgage Access Corp.
To establish mortgage lending business

BFI910539 Blazer Financial Services, Inc.
To conduct consumer finance at 2210 Wilson Blvd., Winchester, VA

BFI910540 Blazer Financial Services, Inc.
To conduct consumer finance and mortgage lending at the same location

BFI910541 Blazer Financial Services, Inc.
Conduct consumer finance and open-end lending at the same location

BFI910542 Blazer Financial Services, Inc.
To conduct consumer finance and sales finance at the same location

BFI910543 Blazer Financial Services, Inc.
To conduct consumer financial and property insurance at the same location
BFI910544 Blazer Financial Services, Inc.
To conduct consumer finance business and automobile club memberships at the same location
BFI910545 Blazer Financial Services, Inc.
To conduct consumer finance at 928 E. Main St., Wytheville, VA
BFI910546 Blazer Financial Services, Inc.
To conduct consumer finance at 4019 Halifax Rd., South Boston, VA
BFI910547 Blazer Financial Services, Inc.
To conduct consumer finance at 1506 S. Main St., Unit 1, Box 7, Farmville, VA
BFI910548 Blazer Financial Services, Inc.
To conduct consumer finance at 6611 Piney Forest Rd., Danville, VA
BFI910549 Blazer Financial Services, Inc.
To conduct consumer finance at 316-C S. Virginia Ave., Collinsville, VA
BFI910550 Mortgage Acceptance Corp.
To conduct mortgage brokering at 10213 Dundalk St., Fairfax, VA
BFI910551 Chrysler First Financial Services
To conduct consumer finance business and business of safeline-combination insurance at the same location
BFI910552 First Mortgage Group, Inc.
To relocate office from 10195 Main St., Suite F to 10503 B Braddock Rd., Fairfax, VA
BFI910553 Ryland Mortgage Company
To open an office at 3211 Jermantown Road, #120, Fairfax, VA
BFI910554 Ryland Mortgage Company
To open an office at 12030 Sunrise Valley, #200, Reston, VA
BFI910555 Ryland Mortgage Company
To open an office at 6100 Franconia Road, suites C and D, Alexandria, VA
BFI910556 Margaretten Financial Corp.
To acquire 100% of Margaretten and Company, Inc.
BFI910557 Bank of Suffolk
To open a branch at 6423 Whaleyville Blvd., Suffolk, VA
BFI910558 RBO Funding, Inc.
To conduct mortgage brokering at 1301 Beverly Road, McLean, VA
BFI910559 GMAC Mortgage Corporation of Pennsylvania
To open an office at 3451 Hammond Avenue, Waterloo, IA
BFI910560 GMAC Mortgage Corporation of Pennsylvania
To open an office at 500 York Road, Jenkintown, PA
BFI910561 Davenport-Dukes Mortgage
To conduct mortgage brokering at 4542 Bonney Road, VA Beach, VA
BFI910562 CDL Financial Services, Inc.
To conduct mortgage brokering at several locations
BFI910563 First Mount Vernon Financial
To conduct mortgage lending and brokering at 7601 Barbara Lane, Clinton, MD
BFI910564 George Mason Bank, The
To open a branch at 1320 Old Chain Bridge Road, McLean, VA
BFI910565 Telnet Capital, Inc.
To conduct mortgage brokering at 120 South Fairfax Street, Alexandria, VA

CLK: CLERK'S OFFICE

CLK910094 Election of Chairman
Pursuant to VA Code § 12.1-7
CLK911566 S. T. Research Corporation
For certificate to merge with Consolidated Leasing, Inc.
CLK912146 Fujitsu Imaging Systems of America
Foreign max case stimulus
CLK912212 Chesapeake Roofing, Inc.
For correcting order of dissolution & certificate of termination
CLK912213 Mount Vernon Roofing, Inc.
For correcting order of dissolution & certificate of termination
CLK912693 Rock City Mechanical, Inc.
Foreign max case stimulus
CLK912694 Diamond Corporation
Foreign max case stimulus
CLK912695 American Marketing Industries
Foreign max case stimulus
CLK912696 Bachman Information Systems, Inc.
Foreign max case stimulus
CLK912697 Nellcor Incorporated
Foreign max case stimulus
CLK912699 Thomas Enterprises, Inc.
Foreign max case stimulus

CLK912710 Cabarrus Construction Co., Inc.
Foreign max case stimulus
CLK912735 Impel Marketing Inc.
Foreign max case stimulus
CLK912844 Polypure, Inc.
Foreign max case stimulus
CLK912918 Mai Systems Corporation
Foreign max case stimulus

INS: BUREAU OF INSURANCE

INS900371 Office of the Attorney General
For approval of amended plan of operation pursuant to VA Code § 38.2-5017
INS910001 Eaton, Betty Thompson
Alleged violation of VA Code § 38.2-1813
INS910002 Jarvis, Russell D.
Alleged violation of VA Code § 38.2-1813
INS910003 Carrington, Russell Patrick
Alleged violation of VA Code § 38.2-1813
INS910004 Trans-Pacific Insurance Co.
Alleged violation of VA Code § 38.2-1024
INS910005 Swanson, Wilbur
Alleged violation of VA Code § 38.2-1813
INS910006 Fons, Roger Darryl
Alleged violation of VA Code § 38.2-1822
INS910007 American Universal Insurance Co.
Alleged violation of VA Code §§ 38.2-1040.A.8 & 38.2-1041
INS910008 Transport Systems Ins. Agency
Alleged violation of VA Code § 38.2-1812.A
INS910009 Virginia Farm Bureau Mutual Insurance Co.
For approval of redemption of certificates pursuant to VA Code § 38.2-1034
INS910010 Morse, E. L. & E. L. Moore Insurance Agency, Inc.
Alleged violation of VA Code §§ 38.2-1813, 38.2-1833 et al.
INS910011 Sowers, Joseph R.
Alleged violation of VA Code §§ 38.2-1813, 38.2-219 et al.
INS910012 Sedgwick James of New York Inc.
Alleged violation of VA Code § 38.2-1802
INS910013 Ahmed, S K & Crescent Agencies
Alleged violation of VA Code §§ 38.2-1813 and 38.2-1804
INS910014 Equitable Life Insurance Co.
For approval of extraordinary dividend pursuant to VA Code § 38.2-1330.C
INS910015 Partners Health Plans, Inc., Formerly Aetna Health Programs of VA Inc.
Alleged violations of VA Code §§ 38.2-316, 38.2-510 et al.
INS910016 Aetna Health Plans of the Mid-Atlantic Inc., Formerly Partners Health Plan
Alleged violation of VA Code §§ 38.2-502.1, 38.2-510.A.5
INS910017 Andrews, Gary H.
Alleged violation of VA Code § 38.2-1813
INS910018 Executive Kar Care Inc.
Alleged violation of VA Code § 38.2-1024
INS910019 Empire Fire & Marine Ins. Co.
Alleged violation of VA Code § 38.2-1812.A
INS910021 Ex Parte: Refunds
Refunding overpayments of the license tax on direct gross premium income for tax year 1989
INS910022 Ex Parte: Refunds
Refunding overpayments of the assessment for the maintenance of the Bureau of Insurance for assessable year 1989
INS910023 First of Georgia Insurance Co.
Alleged violation of VA Code § 38.2-2014
INS910024 Physicians Health Plan, Inc.
To eliminate impairment and restore surplus to minimum amount required by law
INS910025 Federal Insurance Co.
Alleged violation of VA Code §§ 38.2-1833 and 38.2-1812
INS910026 Sovran Insurance Inc.
Alleged violation of VA Code §§ 38.2-1833 and 38.2-1812
INS910027 Great American Insurance Co.
Alleged violation of VA Code §§ 38.2-1833 and 38.2-1812
INS910028 Aetna Casualty & Surety Co.
Alleged violation of VA Code §§ 38.2-1833 and 38.2-1812
INS910029 Atlantic Healthcare Benefits Trust
Alleged violation of VA Code §§ 38.2-218 and 38.2-219
INS910030 National Insurance Consultants Inc.
Alleged violation of VA Code §§ 38.2-220 and 38.2-218

INS910031 United Healthcare Benefits Trust
Alleged violation of VA Code §§ 38.2-220 and 38.2-218

INS910032 Continental Insurance Co., The
Alleged violation of VA Code §§ 38.2-1812.A and 38.2-1833.A.1

INS910033 Simmonds, John H.
Alleged violation of VA Code § 38.2-1802

INS910034 Leger, Sophia Y.
Alleged violation of VA Code § 38.2-1813

INS910035 United Health Administrators
Alleged violation of Section 6.1 and Section 6.B.8 of Regulation 31

INS910036 Beasley, Carla Lee Faith
Alleged violation of VA Code § 38.2-1813

INS910037 Progressive Casualty Ins. Co. & Progressive Specialty Ins. Co.
Alleged violation of VA Code §§ 38.2-1822 et al.

INS910038 Clements & Company Inc.
Alleged violation of VA Code § 38.2-4806

INS910039 Flat Top Insurance Agency
Alleged violation of VA Code § 38.2-4809

INS910040 Primary Care Trust, Inc., The
Alleged violation of VA Code §§ 38.2-220 and 38.2-218

INS910041 Incorporated Services Ins.
Alleged violation of VA Code §§ 38.2-220 and 38.2-218

INS910042 Stewart Smith Southwest Inc.
Alleged violation of VA Code § 38.2-1802

INS910043 Kipp, Frank E.
Alleged violation of VA Code § 38.2-1813

INS910044 Ex Parte: Rules
Adopting rules governing the reporting of cost utilization data relating to mandated benefits and mandated providers

INS910045 Middle Atlantic Life Ins. Co.
To eliminate impairment and restore minimum surplus to amount required by law

INS910046 Chesapeake Life Insurance Co.
To eliminate impairment and restore minimum surplus to amount required by law

INS910047 American Home Assurance Co.
Alleged violation of VA Code § 38.2-2228

INS910048 Cincinnati Insurance Co.
Alleged violations of VA Code § 38.2-2228

INS910049 Insurance Company of the State of Pennsylvania
Alleged violation of VA Code § 38.2-2228

INS910050 Harris, Ralph
Alleged violation of VA Code §§ 38.2-1813 and 38.2-1822

INS910051 International Service Ins. Co.
Alleged violation of VA Code § 38.2-1028

INS910052 Marsh & McLennan Inc.
Alleged violation of VA Code § 38.2-4806

INS910053 James J. Thompson Jr. & Guaranteed Insurance Agency
Alleged violation of VA Code § 38.2-1813

INS910054 Warren, Frank S.
Alleged violation of VA Code § 38.2-1813

INS910055 Access America Service Corp. d/b/a Access America Service Corp.
Alleged violation of VA Code § 38.2-510.A.3

INS910056 BCS Insurance Company
Alleged violation of VA Code §§ 38.2-510.A.3, 38.-2-1822.A et al.

INS910057 Brown, David Wayne
Alleged violation of VA Code § 38.2-1813

INS910058 Melson, Kathy A.
Alleged violation of VA Code § 38.2-1813

INS910059 Physicians National Risk Retention Group, Inc.
Alleged violation of VA Code § 38.2-220

INS910060 Hartford Fire Insurance Co.
Alleged violation of VA Code § 38.2-1833.A

INS910061 Lincoln National Health Plan
Alleged violation of VA Code §§ 38.2-316.A, 38.2-316.B, 38.2-502.1., et al.

INS910062 How Insurance Co., A Risk Retention Group
Alleged violation of VA Code § 38.2-503

INS910063 Bostick, Ivy Joe
Alleged violation of VA Code §§ 38.2-502.1 et al.

INS910064 Ex Parte: Refunds
To refund overpayment of estimated premium license tax pursuant to VA Code § 58.1-2526

INS910065 Bluefeld, Harvey Samuel
Alleged violation of VA Code §§ 38.2-512 and 38.2-1826

INS910066 Life Insurance Company of Virginia
Alleged violation of VA Code § 38.2-211

INS910067 Optima Health Plan
Alleged violation of VA Code §§ 38.2-316, 38.2-502.1., et al.
INS910068 Fidelity Bankers Life Ins.
For order appointing deputy receiver for conservation and rehabilitation
INS910069 Pioneer Life Insurance of Illinois
Alleged violation of VA Code § 38.2-610
INS910070 Progressive Casualty Insurance Company
Alleged violation of subsection 4.6 of rules governing insurance premium finance companies
INS910071 HMO Virginia Inc.
Alleged violation of VA Code §§ 38.2-502.1, et al.
INS910072 Ex Parte: Rules
In the matter of adopting rules governing annual audited financial reports
INS910073 Abela, MD, Augusto V.
Alleged violation of VA Code § 38.2-5020
INS910074 Abramson, MD, David C.
Alleged violation of VA Code § 38.2-5020
INS910075 Adamson, MD, Jerome E.
Alleged violation of VA Code § 38.2-5020
INS910076 Ajrawat, MD, Sukhueen K.
Alleged violation of VA Code § 38.2-5020
INS910077 Alivisatos, MD, Maria R.
Alleged violation of VA Code § 38.2-5020
INS910078 Alley, MD, Joseph B.
Alleged violation of VA Code § 38.2-5020
INS910079 Ayoubi, MD, Moutasem B.
Alleged violation of VA Code § 38.2-5020
INS910080 Banks, MD, Marshall D.
Alleged violation of VA Code § 38.2-5020
INS910081 Barnard, MD, John W.
Alleged violation of VA Code § 38.2-5020
INS910082 Batcheller, MD, Edgar H.
Alleged violation of VA Code § 38.2-5020
INS910083 Beargie, MD, Richard J.
Alleged violation of VA Code § 38.2-5020
INS910084 Blaydes, MD, James E.
Alleged violation of VA Code § 38.2-5020
INS910085 Burke, MD, Ann B.
Alleged violation of VA Code § 38.2-5020
INS910086 Castaneda, MD, Alberto J.
Alleged violation of VA Code § 38.2-5020
INS910087 Charlton, MD, Jaehn B.
Alleged violation of VA Code § 38.2-5020
INS910088 Coletti, MD, Nicholas G.
Alleged violation of VA Code § 38.2-5020
INS910089 Crosby, James F.
Alleged violation of VA Code § 38.2-5020
INS910090 Darraccott, Mixon M.
Alleged violation of VA Code § 38.2-5020
INS910091 Dufour, Mary C.
Alleged violation of VA Code § 38.2-5020
INS910092 General Assurance of America
Alleged violation of VA Code § 38.2-1813
INS910093 Dyer, MD, Robert F.
Alleged violation of VA Code § 38.2-5020
INS910094 Edwards, MD, Thomas S.
Alleged violation of VA Code § 38.2-5020
INS910095 Fonseca, MD, Olimpo F.
Alleged violation of VA Code § 38.2-5020
INS910096 Genser, MD, Sander G.
Alleged violation of VA Code § 38.2-5020
INS910097 Goldstein, MD, David M.
Alleged violation of VA Code § 38.2-5020
INS910098 Greene, MD, E. J.
Alleged violation of VA Code § 38.2-5020
INS910099 Greenhalgh, MD, John S.
Alleged violation of VA Code § 38.2-5020
INS910100 Hakkal, MD Halappa G.
Alleged violation of VA Code § 38.2-5020
INS910101 Hayek MD, Gayle S.
Alleged violation of VA Code § 38.2-5020
INS910102 Hernandez MD, Benjamin P.
Alleged violation of VA Code § 38.2-5020

INS910103 Hirschberg, MD, Stanley M.
Alleged violation of VA Code § 38.2-5020
INS910104 Hoar, MD, Barbara R.
Alleged violation of VA Code § 38.2-5020
INS910105 Hyde, MD, Lawrence P.
Alleged violation of VA Code § 38.2-5020
INS910106 Jagoda, MD, Andy S.
Alleged violation of VA Code § 38.2-5020
INS910107 Jimenez, MD, Jesus G.
Alleged violation of VA Code § 38.2-5020
INS910108 Johnson, MD, Karen A.
Alleged violation of VA Code § 38.2-5020
INS910109 King, MD, Lawrence M.
Alleged violation of VA Code § 38.2-5020
INS910110 Kirby, MD, Richard L.
Alleged violation of VA Code § 38.2-5020
INS910111 Knapp, MD, Karen E.
Alleged violation of VA Code § 38.2-5020
INS910112 Ladendorf, MD, Virginia B.
Alleged violation of VA Code § 38.2-5020
INS910113 Lim, MD, Edmon Wang K.
Alleged violation of VA Code § 38.2-5020
INS910114 Macatangay, MD, Sergio C.
Alleged violation of VA Code § 38.2-5020
INS910115 Maclay, MD, Meredith S.
Alleged violation of VA Code § 38.2-5020
INS910116 Malpani, MD, Kalidas D.
Alleged violation of VA Code § 38.2-5020
INS910117 Marshall, MD, John T.
Alleged violation of VA Code § 38.2-5020
INS910118 Martin, MD, Edward D.
Alleged violation of VA Code § 38.2-5020
INS910119 Mcconnaughy, MD, Richard A.
Alleged violation of VA Code § 38.2-5020
INS910120 McTigue, MD, John W.
Alleged violation of VA Code § 38.2-5020
INS910121 Merva, MD, William A.
Alleged violation of VA Code § 38.2-5020
INS910122 Mezghebe MD, Haile M.
Alleged violation of VA Code § 38.2-5020
INS910123 Miles-Richards, MD, Gurnel E.
Alleged violation of VA Code § 38.2-5020
INS910124 Mody, MD, Vihakar J.
Alleged violation of VA Code § 38.2-5020
INS910125 Muffelman, MD, David W.
Alleged violation of VA Code § 38.2-5020
INS910126 Nava, MD, Gustavo A.
Alleged violation of VA Code § 38.2-5020
INS910127 O'Kieffe, MD, Donald A.
Alleged violation of VA Code § 38.2-5020
INS910128 Pal, MD, Joginder
Alleged violation of VA Code § 38.2-5020
INS910129 Parver, MD, Leonard M.
Alleged violation of VA Code § 38.2-5020
INS910130 Patronas, MD, Nicholas J.
Alleged violation of VA Code § 38.2-5020
INS910131 Perez, MD, Helen R.
Alleged violation of VA Code § 38.2-5020
INS910132 Railan, MD, Veena V.
Alleged violation of VA Code § 38.2-5020
INS910133 Rao, MD, Nagalla L.
Alleged violation of VA Code § 38.2-5020
INS910134 Rodriguez, MD, Felipe A.
Alleged violation of VA Code § 38.2-5020
INS910135 Roundtree, MD, Silverrene P.
Alleged violation of VA Code § 38.2-5020
INS910136 Sagarminaga, MD, Javier
Alleged violation of VA Code § 38.2-5020
INS910137 Samtani, MD, Raj B.
Alleged violation of VA Code § 38.2-5020
INS910138 Santos, MD, Rolando J.
Alleged violation of VA Code § 38.2-5020

INS910139 Sasek, MD, Milan
Alleged violation of VA Code § 38.2-5020
INS910140 Schaefer, MD, Craig J.
Alleged violation of VA Code § 38.2-5020
INS910141 Schreiner, MD, Phyllis S.
Alleged violation of VA Code § 38.2-5020
INS910142 Schwartz, MD, Mitchell L.
Alleged violation of VA Code § 38.2-5020
INS910143 Scott, MD, Morgan E.
Alleged violation of VA Code § 38.2-5020
INS910144 Slutsky, MD, Vera S.
Alleged violation of VA Code § 38.2-5020
INS910145 Sperow, MD, Clifford.
Alleged violation of VA Code § 38.2-5020
INS910146 St. Clair, MD, Samuel K.
Alleged violation of VA Code § 38.2-5020
INS910147 Steele, MD, R. F.
Alleged violation of VA Code § 38.2-5020
INS910148 Tabor, MD, David C.
Alleged violation of VA Code § 38.2-5020
INS910149 Taylor, MD, Britton E.
Alleged violation of VA Code § 38.2-5020
INS910150 Unger, MD, Daniel V.
Alleged violation of VA Code § 38.2-5020
INS910151 Wallace, MD, Robert B.
Alleged violation of VA Code § 38.2-5020
INS910152 Werblin, MD, Theodore P.
Alleged violation of VA Code § 38.2-5020
INS910153 Wijetilleke, MD, Padma P.
Alleged violation of VA Code § 38.2-5020
INS910154 Williams-McDonald, MD, Ann W.
Alleged violation of VA Code § 38.2-5020
INS910155 Williams, MD, Rhoderick T.
Alleged violation of VA Code § 38.2-5020
INS910156 Yoon, MD, Sung W.
Alleged violation of VA Code § 38.2-5020
INS910157 Youssef, MD, Ali H.
Alleged violation of VA Code § 38.2-5020
INS910158 Randmark Inc.
Alleged violation of VA Code § 38.2-1300
INS910159 American Psychmanagement of Maryland, Inc.
Alleged violation of VA Code § 38.2-1300
INS910160 United Southern Assurance Co.
Alleged violation of VA Code § 38.2-1300
INS910161 Peninsula Indemnity Company
For approval to replace all or substantially all of its policies in another insurer pursuant to VA Code § 38.2-2212.1
INS910162 Combines Underwriters Life Insurance Co.
To eliminate impairment and restore surplus to minimun amount required by law
INS910163 Healthkeepers of Virginia Inc.
Alleged violation of VA Code §§ 38.2-502.1, et al.
INS910164 Werner, Sylvia A.
Alleged violation of Section 6.1 of rules governing insurance premium finance companies
INS910165 Crossland Premium Funding
Alleged violation of Section 6.1 of rules governing insurance premium finance companies
INS910166 Ebco Budget Services, Inc.
Alleged violation of Section 6.1 of rules governing insurance premium finance companies
INS910167 Munger, Nicholas
Alleged violation of Section 6.1 of rules governing insurance premium finance companies
INS910168 A.I. Credit Corporation
Alleged violation of Section 6.1 of rules governing insurance premium finance companies
INS910169 Southern Health Services
Alleged violation of VA Code §§ 38.2-510.A.5, 38.2-511 et al.
INS910170 Saul, James K.
Alleged violation of VA Code § 38.2-1833
INS910171 Optimum Choice Inc.
Alleged violation of VA Code §§ 38.2-316.B, 38.2-1822.A, et al.
INS910173 Cooney, Rikard & Curtin Inc.
Alleged violation of VA Code § 38.2-1802
INS910174 Humphries, Richard S. Jr.
Alleged violation of VA Code §§ 38.2-512, et al.
INS910175 Shupe, John R.
Alleged violation of VA Code § 38.2-1813

INS910176 Ballantyne Group Ltd.
Alleged violation of VA Code §§ 38.2-1822 and 38.2-1812

INS910177 Crouch, Edward and Crouch Insurance Service Inc.
Alleged violation of VA Code § 38.2-1822

INS910178 Equitable Life Insurance Co.
Alleged violation of VA Code §§ 38.2-316.B, 38.2-508.2 and 38.2-3115.B

INS910179 Insurance Company of North America
Alleged violation of VA Code §§ 38.2-317 and 38.2-1906

INS910180 Cigna Fire Underwriters Insurance Co.
Alleged violation of VA Code §§ 38.2-317 and 38.2-1906

INS910181 Horace Mann Insurance Company
Alleged violation of VA Code § 38.2-317

INS910182 Pacific Employers Insurance Co.
Alleged violation of VA Code §§ 38.2-317 and 38.2-1906

INS910183 General Accident Insurance Co.
Alleged violation of Subsection 4.6 of rules governing insurance premium finance companies

INS910184 Lumbermens Mutual Casualty Co.
Alleged violation of Subsection 4.6 of rules governing insurance premium finance companies

INS910185 Markel American Insurance Co.
Alleged violation of VA Code § 38.2-1331

INS910186 Wiley, Sr. Ashton M. & Ash Wiley Insurance Agency, Inc.
Alleged violation of VA Code §§ 38.2-1813 et al.

INS910187 Empire Trust for the Wholesale Industry
Alleged violation of Regulation 31

INS910188 Empire Trust for the Manufacturing Industry
Alleged violation of Regulation 31

INS910189 Empire Trust for the Services Industry
Alleged violation of Regulation 31

INS910190 Empire Trust for the Transportation Industry
Alleged violation of Regulation 31

INS910191 Empire Trust for the Retail Trade Industry
Alleged violation of Regulation 31

INS910192 Associated Employers Companies Trust
Alleged violation of Regulation 31

INS910193 Ex Parte: Refunds
Refunding overpayments of license tax on direct gross premium income of surplus lines brokers for taxable year 1990

INS910194 Transamerica Insurance Co.
Alleged violation of VA Code § 38.2-317

INS910195 Superior Insurance Company
Alleged violation of VA Code § 38.2-1906

INS910196 Smith, Ronald Garfield
Alleged violation of VA Code §§ 38.2-1809, 38.2-1813 et al.

INS910197 Ex Parte: Refunds
Refunding an overpayment of retailatory fee for taxable year 1989 due to clerical error pursuant to VA Code § 58.1-2035

INS910198 Agents Insurance Markets Inc.
Alleged violation of VA Code § 38.2-4806

INS910199 Ex Parte: Refunds
Refunding overpayment of estimated premium license tax for the tax year 1989

INS910200 Ex Parte: Refunds
Refunding overpayments of fire programs fund assessment based on direct gross premium income of insurance companies for assessable year 1990

INS910201 Brown, David Wayne
Alleged violation of VA Code §§ 38.2-1813 and 38.2-1826

INS910202 Creech, Timothy P.
Alleged violation of VA Code § 38.2-1813

INS910203 Henry's Insurance Agency Inc.
Alleged violation of VA Code §§ 38.2-1812.A and 38.2-1822.A

INS910204 Lawyers Title Corporation
For approval of acquisition of control of Lawyers Title Insurance Corp.

INS910205 Rockingham Mutual Insurance Co. & Rockingham Casualty Co.
Alleged violation of VA Code §§ 38.2-510.A et al.

INS910206 Harlow Virginia & Harlow Insurances Associates, Inc.
Alleged violation of VA Code § 38.2-1813

INS910207 Synesys Service Corporation
Alleged violation of rules governing multiple employer health care plans

INS910208 Benefitamerica, Inc.
Alleged violation of Section 6.B.8 of rules governing multiple employer health care plans

INS910209 Ibex Benefits, Inc.
Alleged violation of Section 6.B.8 of rules governing multiple employee health care plans

INS910210 Stop Loss Concepts Employee Benefit Trust
Alleged violation of rules governing multiple employer health care plans

INS910211 Bono, MD, Michael J.
Alleged violation of VA Code § 38.2-5020

INS910212 Echols, MD, William B.
Alleged violation of VA Code § 38.2-5020

INS910213 Gomez, MD, Mario
Alleged violation of VA Code § 38.2-5020

INS910214 Lanzalotti, MD, John A.
Alleged violation of VA Code § 38.2-5020

INS910215 Lustig, MD, David M.
Alleged violation of VA Code § 38.2-5020

INS910216 Munthali, MD, Eliot D.
Alleged violation of VA Code § 38.2-5020

INS910217 Rahnema, MD, Mansur
Alleged violation of VA Code § 38.2-5020

INS910218 Reid, MD, Bruce W.
Alleged violation of VA Code § 38.2-5020

INS910219 Soria, MD, Estanislao V.
Alleged violation of VA Code § 38.2-5020

INS910220 Ex Parte: Rules
Adoption of rules establishing standards for life, annuity, and accident and sickness reinsurance agreements

INS910221 Colonial Penn Insurance Co.
Alleged violation of Subsection 4.6 of rules governing insurance premium finance companies

INS910222 Jackson, Waylon Bruce
Alleged violation of VA Code § 38.2-1826

INS910223 Pennsylvania National Mutual
Alleged violation of Regulation 6, Subsection 4.6

INS910224 National Council on Compensation Insurance
For revision of workers compensation insurance rates pursuant to Chapter 20 of Title 38.2

INS910225 Unigard Security Insurance Co.
Alleged violation of VA Code §§ 38.2-317 and 38.2-1906

INS910226 Transamerica Insurance Co.
Alleged violation of VA Code § 38.2-1905.C

INS910227 Continental Insurance Co.
Alleged violation of VA Code § 38.2-1905.C

INS910228 Buckeye Union Insurance Co.
Alleged violation of VA Code § 38.2-1905.C

INS910229 Boston Old Colony Insurance
Alleged violation of VA Code § 38.2-1905.C

INS910230 Glens Falls Insurance Co.
Alleged violation of VA Code § 38.2-1905.C

INS910231 Niagara Fire Insurance Co.
Alleged violation of VA Code § 38.2-1905.C

INS910232 Employers Reinsurance Corp.
Alleged violation of VA Code §§ 38.2-1906 and 38.2-1912

INS910233 Fidelity & Casualty Co. of New York
Alleged violation of VA Code § 38.2-1905.C

INS910234 Kansas City Fire & Marine Insurance
Alleged violation of VA Code § 38.2-1905.C

INS910235 Markel Service Inc.
Alleged violation of VA Code § 38.2-4806

INS910236 Moore, William F.
Alleged violation of VA Code §§ 38.2-1813, 38.2-509.1 and 38.2-1804

INS910237 Premier Alliance Insurance
Alleged violation of VA Code § 38.2-2228

INS910238 Atlantic Mutual Insurance Co.
For approval to replace all or substantially all of its policies in another insurer pursuant to VA Code § 38.2-2212.1

INS910239 Ex Parte: Rules
Adopting rules governing long-term care insurance

INS910240 Laymen National Life Insurance Co.
Alleged violation of VA Code § 38.2-610

INS910241 Agency Services Inc.
Alleged violation of Subsection 7.2 of rules governing insurance premium finance companies

INS910242 Gresham & Associates
Alleged vioaltion of VA Code § 38.2-1802

INS910243 Victor Industries
Petition of classification appeal on decision rendered by VA Classification & Rating Committee

INS910244 Ex Parte: Rules
Adopting rules governing multiple employer welfare arrangements

INS910245 Stratford House Inc.
Alleged violation of VA Code § 38.2-4904

INS910246 Roanoke Lutheran Retirement Community, Inc.
Alleged violation of VA Code § 38.2-4904

INS910247 Navy Marine Coast Guard
Alleged violation of VA Code § 38.2-4904

INS910248 Westminster-Presbyterian
Alleged violation of VA Code § 38.2-4904

INS910249 Equitable Life Insurance Co.
For approval of plan of merger pursuant to VA Code § 38.2-216

INS910250 Lincoln Liberty Life Insurance
Alleged violation of VA Code § 38.2-1045

INS910251 Virginia Chiropractic Association
For revision and rescission of Bureau of Insurance approval of BC/BS of VA subscription contract forms

INS910252 All Risks Ltd.
Alleged violation of VA Code §§ 38.2-4806 and 38.2-4809

INS910253 Ex Parte: Premium License Tax
Estimated premium license tax for tax year 1988 pursuant to VA Code § 58.1-2526.B

INS910254 Executive Life Insurance Co.
Alleged violation of VA Code § 38-2-1040

INS910255 Executive Life Insurance Co. of New York
Alleged violation of VA Code § 38-2-1301

INS910256 St. Julian Patterson
Alleged violation of VA Code § 38.2-1813

INS910257 Voyager Life Insurance Co.
For hearing & postponement of effective date of rate decrease pursuant to Code § 38.2-1926.B

INS910258 Consumers Life Insurance Co.
For review of decision by Bureau of Insurance to disapprove certain credit accident and sickness insurance forms

INS910259 Monumental General Insurance Co.
For review of decision by Bureau of Insurance to withdraw approval of certain credit accident and sickness insurance forms

INS910260 Consumers Life Insurance Co. of North Carolina
For review of decision by Bureau of Insurance to disapprove certain credit accident and sickness insurance forms

INS910261 Ex Parte: Rules
Rules establishing standards for companies deemed to be in hazardous financial condition

INS910262 Henrico Mutual Fire Insurance Co.
For approval of merger pursuant to VA Code § 38.2-1018

INS910263 Ex Parte: Refunds
Refunding overpayments of the premium license tax on direct gross premium income of insurance companies for taxable year 1990

INS910264 Ex Parte: Refunds
Refunding overpaymens of assessment for maintenance of Bureau of Insurance on direct gross premium income of insurance companies for assessable year 1990

INS910265 Colonial Insurance Co. of California
Alleged violation of VA Code §§ 38.2-305.A et al.

INS910266 Universal Underwriters Life
For review of decision by Bureau of Insurance to withdraw approval of certain credit accident and sickness insurance forms

INS910267 American Casualty Co. Reading
Alleged vioaltions of VA Code §§ 38.2-305.B et al.

INS910268 Continental Casualty Co., et al.
Alleged violations of VA Code §§ 38.2-1908.B et al.

INS910270 National Fire Insurance Co. Hartford
Alleged violations of VA Code §§ 38.2-2014 et al.

INS910271 Trancontinental Insurance Co.
Alleged violations of VA Code § 38.2-304

INS910272 Valley Forge Insurance Co.
Alleged violation of VA Code §§ 38.2-610 et al.

INS910273 Transportation Insurance Company
Alleged violations of VA Code §§ 38.2-1908.B et al.

INS910274 Physicians Health Plan Inc.
Alleged violation of VA Code §§ 38.2-316, 38.2-502.1, 38.2-510.A.5

INS910275 Gitchell, Robert L.
Alleged violation of VA Code §§ 38.2-512 and 38.2-1804

INS910276 Shelton, Willie Jr.
Alleged violation of VA Code § 38.2-1813

INS910277 Overton, Bernard A. Jr.
Alleged violation of VA Code § 38.2-1813

INS910278 Guarantee Security Life Insurance Co.
Alleged violation of VA Code § 38.2-1040

INS910279 Virginia Independent Coal Operators Group Self-insurance Assoc.
Alleged violation of Regulations 16 and 17

INS910280 United Services Life Insurance Co.
Alleged violation of VA Code §§ 38.2-510, 38.2-316, 38.2-606.5 et al.

INS910281 Durham Life Insurance Company
Alleged violation of VA Code § 38.2-610

INS910282 Montgomery General Agency Inc. of Virginia
Alleged violation of VA Code § 38.2-4806

INS910283 Mayflower National Life Insurance Co.
For review of Bureau of Insurance disapproval of proposed credit accident and sickness insurance forms

INS910284 Franklin American Life Insurance Co.
To eliminate impairment and restore surplus to minimum amount required by law

INS910285 Virginia Chiropractic Association
Petition for rehearing and oral argument

INS910286 Markel American Insurance Co.
Alleged violation of VA Code §§ 38.2-305.A, 38.2-510.A(6) et al.

INS910287 Eden Financial Group Inc., et al.
Rule to show cause for failure to obey Commission's receivership order of 5/13/91

INS910288 Titan Indemnity Company
Alleged violation of VA Code § 38.2-2228.1

INS910289 Travelers Indemnity Co. of America
Alleged violation of VA Code § 38.2-2228.1

INS910290 Travelers Indemnity Company
Alleged violation of VA Code § 38.2-2228.1

INS910291 Phoenix Insurance Company
Alleged violation of VA Code § 38.2-2228.1

INS910292 Travelers Indemnity Company
Alleged violation of VA Code § 38.2-2228.1

INS910293 Charter Oak Fire Insurance Co.
Alleged violation of VA Code § 38.2-2228.1

INS910294 Preferred Risk Mutual Insurance Co.
Alleged violation of VA Code §§ 38.2-317 and 38.2-1906

INS910295 Midwest Mutual Insurance Co.
Alleged violation of VA Code §§ 38.2-317 and 38.2-1906

INS910296 Minnesota Mutual Fire & Casualty Co.
Alleged violation of VA Code §§ 38.2-1822 and 38.2-1812

INS910297 Blue Cross & Blue Shield of VA
Alleged violation of VA Code § 38.2-610

INS910298 Employers Casualty Company
To eliminate impairment and restore surplus to minimum amount required by law

INS910299 Travelers Indemnity Co. of Illinois
Alleged violation of VA Code § 38.2-2228.1

INS910300 New Jersey Life Insurance Co.
Alleged violation of VA Code § 38.2-1040

INS910301 Gainey, John White
Alleged violation of VA Code § 38.2-4806

INS910302 Hutchinson, Robert E.
Alleged violation of VA Code §§ 38.2-502.1, 38.2-512 and 38.2-3103

INS910303 Allsbrook, Alton R.
Alleged violation of VA Code § 38.2-1813

INS910304 Hairston, Douglas W.
Alleged violation of VA Code § 38.2-1813

INS910305 Vigilant Insurance Co., The et al.
For approval to replace all or substantially all of its policies in another insurer pursuant to VA Code § 38.2-2212.1

INS910306 Puryear, James H.
Alleged violation of VA Code § 38.2-1809

INS910307 Ex Parte: Rules
Adoption of rules governing credit for reinsurance - Regulation No. 43

INS910308 Insurance Company of Evanston
Alleged violation of VA Code § 38.2-2228.1

INS910309 Nationwide Mutual Fire Insurance Co.
Alleged violation of VA Code §§ 38.2-317 and 38.2-1906

INS910310 South Carolina Insurance Co.
Alleged violation of VA Code § 38.2-2228.1

INS910311 American Bankers Life
Alleged violation of VA Code § 38.2-3710.E

INS910312 Printing Industry of Metropolitan Washington, Inc. Benefit Trust
Order agreeing not to enroll any new participants except for new employees

INS910313 American Health & Life Insurance Co.
Alleged violation of VA Code § 38.2-3710.H

INS910314 Ex Parte: Refunds
Refunding overpayments of flood prevention and protection assistance fund assessment based on direct gross premium income of insurance companies for assessable year 1990

INS910316 Ex Parte: Assessment
Certain companies and surplus lines brokers to pay expense of Bureau of Insurance for 1992

INS910317 Ford Life Insurance Company
Alleged violation of VA Code § 38.2-3710.H

INS910318 Vista Life Insurance Company
Alleged violation of VA code § 38.2-3710.H

INS910319 Ohio Casualty Insurance Co.
Alleged violation of Subsection 4.6 of rules governing insurance premium finance companies
INS910323 Travelers Indemnity Company
Alleged violation of Subsection 4.6 of rules governing insurance premium finance companies
INS910324 Horace Mann Insurance Company
Alleged violation of Subsection 4.6 of rules governing insurance premium finance companies
INS910326 Swain, William Wesley
Alleged violation of VA Code § 38.2-1813
INS910327 Ex Parte: Refunds
Refunding overpayment of estimated premium license tax pursuant to VA Code § 58.1-2526.B
INS910328 North American Physicians Insurance Risk Retention Group
To eliminate impairment and restore surplus to minimum amount required by law
INS910329 Combined Underwriters Life Insurance Co.
To eliminate impairment and restore surplus to minimum amount required by law
INS910330 Virginia Farm Bureau Insurance Co.
For redemption of certificates pursuant to VA Code § 38.2-1034
INS910331 Ebding, Martin Ray
Alleged violation of VA Code § 38.2-1831
INS910332 Home Beneficial Life Insurance
Alleged violation of VA Code §§ 38.2-316.C, 38.2-502.1, 38.2-510 et al.
INS910333 Burroughs & Watson Inc.
Alleged violation of VA Code § 38.2-4806
INS910334 Home Beneficial Life Insurance Co.
Alleged violation of VA Code §§ 38.2-316.C et al.
INS910335 Pinnacle Insurance Company
Alleged violation of VA Code § 38.2-1024.A
INS910336 Villaneuva, Jr. Jose H.
Alleged violation of VA Code §§ 38.2-1822 and 38.2-1812
INS910337 Cooperman, Ronald
Alleged violation of VA Code §§ 38.2-1802 and 38.2-4809
INS910340 Equicor Health Plan Inc.
Alleged violation of rules govering health maintenance organizations
INS910341 Group Health Association, Inc.
To eliminate impairment and restore surplus to minimum amount required by law
INS910342 Ursano, Roanld James
Alleged vioaltion of VA Code § 38.2-1813
INS910343 Mid Atlantic Inc.
Alleged violation of VA Code § 38.2-4806
INS910344 Ebco General Agency Inc.
Alleged vioaltion of VA Code § 38.0-4806

MCA: MOTOR CARRIER DIVISION - AUDITS

MCA910001 Imperial Manufacturing Co.
Alleged violation of VA Code § 58.1-2700
MCA910002 Webb Sales & Trucking Co. Inc.
Alleged violation of VA Code § 58.1-2700
MCA910003 Salem Carpet Transportation Inc.
Alleged violation of VA Code § 58.1-2700
MCA910004 Artesian Transportation Inc.
Alleged violation of VA Code § 58.1-2700
MCA910005 Top Line Express Inc.
Alleged violation of VA Code § 58.1-2700
MCA910006 Koch Carbon Inc.
Alleged violation of VA Code § 58.1-2700
MCA910007 Marziani, Frank t/a Frank Marziani Trucking
Alleged violation of VA Code § 58.1-2700
MCA910008 Cinter Construction Co. Inc.
Alleged violation of VA Code § 58.1-2700
MCA910009 Kaplan Trucking Company
Alleged violation of VA Code § 58.1-2700
MCA910010 Intermodal Transportation Service Inc.
Alleged violation of VA Code § 58.1-2700
MCA910012 Johnson, John W. Jr.
Alleged violation of VA Code § 58.1-2700
MCA910013 Arlington J. Williams Inc.
Alleged violation of VA Code § 58.1-2700
MCA910014 Johnson, Thomas R.
Alleged violation of VA Code § 58.1-2700
MCA910015 Blue Ridge Stone Company Inc.
Alleged violation of VA Code § 58.1-2700

MCA910016 Turner, Dickie Lee t/a Turner Express Inc.
For rule to show cause for failure to comply with Commission order
MCA910017 Mayflower Truck Rental Inc.
Alleged violation of VA Code § 58.1-2700
MCA910018 OPG Industries Inc.
Alleged violation of VA Code § 58.1-2706
MCA910019 Great American Van Lines
Alleged violation of VA Code § 58.1-2700
MCA910020 Edwards Transfer & Storage Co.
Alleged violation of VA Code § 58.1-2700
MCA910021 Aero Trucking Inc.
Alleged violation of VA Code § 58.1-2700
MCA910022 Interstate Trucking Corp. of America
Alleged violation of VA Code § 58.1-2700
MCA910023 Lindsay Transport Inc.
Alleged violation of VA Code § 58.1-2706
MCA910024 T-W Transport Inc.
Alleged violation of VA Code § 58.1-2706
MCA910025 Bunting, Larry D.
Alleged violation of VA Code § 58.1-2700
MCA910026 Alton Bean Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910027 Baker Transportation Co.
Alleged violation of VA Code § 58.1-2700
MCA910028 D. E. Jonsen, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910029 Placer, Robert t/a R. Placer Trucking
Alleged violation of VA Code § 58.1-2700
MCA910030 Cooper, James H. t/a James Cooper Hauling
Alleged violation of VA Code § 58.1-2700
MCA910031 Tultex Corporation
For refund order
MCA910032 G&D Transport, Inc.
Alleged violation of VA Code §§ 58.1-2700 and 58.1-2709
MCA910033 Jester, Peter James d/b/a Pete Jester Trucking
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910034 Jones Motor Company Inc.
Alleged violation of VA Code § 58.1-2700
MCA910035 TNT Red Star Express
Alleged violation of VA Code § 58.1-2700
MCA910037 Hodge Trucking Company
Alleged violation of VA Code § 58.1-2700
MCA910038 Helena Truck Lines Inc.
Alleged violation of VA Code § 58.1-2700
MCA910039 Brown, James T.
Alleged violation of VA Code § 58.1-2700
MCA910040 National Freight, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910041 Atlantic Transportation Co. Inc.
Alleged violation of VA Code § 58.1-2700
MCA910042 Lawrence Trucking Inc.
Alleged violation of VA Code § 58.1-2700
MCA910043 Stewart Corporation Trans International System
Alleged violation of VA Code § 58.1-2700
MCA910044 M & M Movers Inc.
Alleged violation of VA Code § 58.1-2700
MCA910045 W. Davis Trucking Corp.
Alleged violation of VA Code § 58-1-2709
MCA910046 Brantley Bros. Moving & Storage Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA910047 Johnson, Clarence A.
Alleged violation of VA Code §§ 58.1-2708 and 56-331
MCA910048 Builders Transport, Inc.
For failure to comply with order of Commission order of 12/7/89
MCA910049 George Transfer, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910050 Hank's Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910051 McNeill Trucking Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA910052 Lash, Inc.
Alleged violation of VA Code § 58.1-2700

MCA910053 Harold Meade Company, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910054 Wiseway Motor Freight, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910055 J.B. Hunt Transport, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910056 Soresi Chemical Group, Inc. t/a Eastern Chemical Waste System
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910057 Prudy Brothers Trucking Co. Inc.
Alleged violation of VA Code § 58.1-2700
MCA910058 Justus, Mary Christine t/a Christine Justus Trucking
Alleged violation of VA Code § 58.1-2700
MCA910059 Ritchie's Trucking Co., Inc.
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910060 Campbell, Woodrow Jr. t/a J.R. Logging
Alleged violation of VA Code §§ 58.1-2700 et al
MCA910061 Givens, Dosse t/a Dosse Givens Trucking
Alleged violation of VA Code § 58.1-2700
MCA910062 Johnson, Lorenzo I.
Alleged violation of VA Code § 58.1-2700
MCA910063 Blue Hen Lines, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910064 Raven Boat Works, Inc.
Petition for refund
MCA910065 Draper King Cole, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910066 Landair Transport, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910067 Bryson Industrial Services Inc.
Alleged violation of VA Code § 58.1-2700
MCA910068 Cherokee Transportation, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910069 Lewis Truck Lines, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910070 G & D Transport, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910071 Floyds of South Carolina, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910072 Commodity Express Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA910074 Davis, William R.
Alleged violation of VA Code § 58.1-2700
MCA910075 Johnson, Clarence A.
Alleged violation of VA Code § 58.1-2700
MCA910076 Warner, William R. t/a Bill Warner & Son Trucking
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910077 Timex Transportation Corp. t/a TLM Corporation
Alleged violation of VA Code § 58.1-2700
MCA910078 McDonnell Douglas Truck Services, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910079 N. E. Delta, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910080 Bulldog Hiway Express
Alleged violation of VA Code § 58.1-2700
MCA910081 Triple B Trucking Co., Inc.
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910082 Mitchell, James E. t/a Mitchell's Trucking
Alleged violation of VA Code §§ 58.1-2708 et al.
MCA910083 Gantt, Charles R.
Alleged violation of VA Code § 58.1-2700
MCA910084 Sunbird Boat Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA910085 D.M.T. Trucking., Inc.
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910086 Daley Moving & Storage Inc.
Alleged violation of VA Code § 58.1-2700
MCA910087 TNT Freight Express, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910088 Stanley Works, The
Alleged violation of VA Code § 58.1-2700
MCA910089 Roberts, Jerry D. t/a Roberts Trucking
Alleged violation of VA Code § 58.1-2700

MCA910090 Costill Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910091 Bennett, Larry Kent
Alleged violation of VA Code § 58.1-2700 et al.
MCA910092 Stephenson, Albert D. t/a Stephenson Motor Lines
Alleged violation of VA Code § 58.1-2700
MCA910093 Dan Barclay, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910094 Colonial Freight Systems, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910095 Augusta Trucking Company
Alleged violation of VA Code § 58.1-2700
MCA910096 Bishop, Willis E. t/a M&W Trucking
Alleged violation of VA Code § 58.1-2700
MCA910097 K-Lee Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910098 Gregory, Lawrence W. t/a Gregory's Transport
Alleged violation of VA Code § 58.1-2700
MCA910099 Bunting, Larry D.
Alleged violation of VA Code §§ 56-331 and 58.1-2708
MCA910100 Blackwell, John Thomas t/a Blackwell Trucking
Alleged violation of VA Code § 58.1-2700
MCA910101 Mason & Dixon Lines, Inc. The Special Commodities Division
Alleged violation of VA Code § 58.1-2700
MCA910102 Saint Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910103 American Transport, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910104 Christian Express, Inc.
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910105 D. W. Stacy Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA910106 Rollins Leasing Corporation
Alleged violation of VA Code § 58.1-2700
MCA910107 C.I. Whitten Transfer Co.
Alleged violation of VA Code § 58.1-2700
MCA910108 Carolina Milk Carriers, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910109 R & R Delivery Service, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910110 Virginian Power Transport Co. Inc.
Alleged violation of VA Code § 58.1-2700
MCA910111 Bowling Heavy Hauling, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910112 Johnson Brothers Truckers, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910113 T & J Transport, Inc.
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910114 Natalina Transportation Services
Alleged violation of VA Code § 58.1-2700
MCA910115 Hammonds, Billy L.
Alleged violation of VA Code § 58.1-2700
MCA910116 Peoples Express Company
Alleged violation of VA Code § 58.1-2700
MCA910117 Daniel, Bob G.
Alleged violation of VA Code § 58.1-2700
MCA910118 Quality Supplier Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910119 South Coast Transport Co.
Alleged violation of VA Code § 58.1-2700
MCA910120 Sined Leasing, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910121 O.J. Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910122 Gateway Freight Systems
Alleged violation of VA Code § 58.1-2700
MCA910123 Jet-Vac, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910124 Metropolitan Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910125 Cooper Motor Line, Inc.
Alleged violation of VA Code § 58.1-2700

MCA910126 Spurgeon Trucking Inc.
Alleged violation of VA Code § 58.1-2708
MCA910127 Nestor, Dale G. & David C.
Alleged violation of VA Code § 58.1-2700
MCA910128 Bennett Logging Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA910129 Nationwide Refrigerated Transport, Inc.
Alleged violation of VA Code § 58.1-2708
MCA910130 Bill Brockett Trucking, Inc.
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910131 B & P Motor Lines, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910132 D.T.A. Carriers, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910133 CPI Trucking, Inc.
Alleged violation of VA Code §§ 58 1-2700 et al.
MCA910134 Barrios, Oscar Ernesto t/a Barrios Trucking
Alleged violation of VA Code §§ 58.1-2700 et al.
MCA910135 Regal Transportation, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910136 Aetna Freight Lines, Inc.
Alleged violation of VA Code § 58.1-2700
MCA910137 Mitchell, James E. t/a Mitchell's Trucking
Alleged violation of VA Code §§ 58.1-2700 et al.

MCE: MOTOR CARRIER DIVISION - ENFORCEMENT

MCE910001 Pulley, Terrence B.
Alleged violation of VA Code § 56-304.11
MCE910003 Richardson, James
Alleged violation of VA Code §§ 46.1-41, 46.1-99 et al.
MCE910018 FWC Incorporated
Alleged violation of VA Code § 56-304.11
MCE910019 Smithfield Packing Co. Inc.
Alleged violation of Lease Rule 3-B
MCE910020 Native American Trucking Co. Inc.
Alleged violation of VA Code § 56-304.11
MCE910021 Spence, John & Wilkinson t/a S & W Trucking
Alleged violation of VA Code § 56-304.11
MCE910022 DCT Trucking
Alleged violation of VA Code § 56-304.11
MCE910023 Anderson, David M.
Alleged violation of VA Code § 56-338.8
MCE910024 Mexicali Shrimp Co. Inc.
Alleged violation of VA Code § 56-304.1
MCE910025 Harding, Paul L.
Alleged violation of VA Code § 56-304
MCE910033 Womack Grading Inc.
Alleged violation of VA Code § 56-288
MCE910034 Carrier Express Inc.
Alleged violation of VA Code § 56-304.11
MCE910035 Native American Trucking Co. Inc.
Alleged violation of VA Code § 56-304.11
MCE910036 All American Air Freight Inc.
Alleged violation of VA Code § 56-304.11
MCE910037 Wilmington Tank Lines Inc.
Alleged violation of VA Code § 56-304.11
MCE910038 Indelicato, Joseph t/a A&J Transport Co.
Alleged violation of VA Code § 56-304.11
MCE910040 Native American Trucking Co. Inc.
Alleged violation of VA Code § 56-304.11
MCE910041 Harrell, Roberta S.
Alleged violation of VA Code § 56-304
MCE910042 Provigo Corp. t/a Tidewater Wholesale Grocery Co.
Alleged violation of VA Code § 56-304
MCE910043 Friendship Tours, Inc.
Alleged violation of VA Code § 56-292
MCE910044 Spence, John & Wilkinson R. t/a S&W Trucking
Alleged violation of VA Code § 56-304.11
MCE910045 Triumph Trucking Inc.
Alleged violation of VA Code § 56-304.11

MCE910055 Fernandes, Albertino S.
Alleged violation of VA Code § 56-304.1
MCE910056 Wilmington Tank Lines Inc.
Alleged violation of VA Code § 46.2-660
MCE910057 Wilmington Tank Lines Inc.
Alleged violation of VA Code § 56-304.11
MCE910058 West Coast Truckers Assn. Inc.
Alleged violation of VA Code § 56-304.11
MCE910063 Cavalier Transportation Co. Inc. t/a Tourtime America
Alleged violation of Rules 23 G and H, Rule 28, special or charter party carriers
MCE910076 Parent, Richard
Alleged violation of VA Code § 56-304.11
MCE910077 Professional Courier Inc.
Alleged violation of VA Code § 56-304
MCE910080 Wilmington Tank Lines Inc.
Alleged violation of VA Code § 56-304.11
MCE910081 Birmingham North & South Inc.
Alleged violation of VA Code § 56-304.11
MCE910082 White Star Lines Inc.
Alleged violation of VA Code § 56-304.11
MCE910083 White Star Lines Inc.
Alleged violation of VA Code § 56-304.11
MCE910085 Maryland Office Relocators Inc.
Alleged violation of VA Code § 56-288
MCE910086 A-Ride-In-Style, Inc.
Alleged violation of VA Code § 56-304
MCE910119 West Coast Truckers Assoc. Inc.
Alleged violation of VA Code § 56-304.11
MCE910121 Anchor Food Products Inc.
Alleged violation of VA Code § 56-304.2
MCE910122 M. Lynch Transportation Inc.
Alleged violation of VA Code § 56-338.26
MCE910123 Wood, Larry Rufus
Alleged violation of VA Code § 56-304.11
MCE910124 Wilmington Tank Line Inc.
Alleged violation of VA Code § 56-338.26
MCE910125 Magic Carpet Tours Bus Service Inc.
Alleged violation of VA Code § 56-338.52
MCE910126 Commonwealth Ice Company t/a Ruegers Ice Co. Div.
Alleged violation of VA Code § 56-304
MCE910127 Lemmer, Charles E. t/a Chazco Van Lines
Alleged violation of VA Code § 56-288
MCE910141 Dominion Furniture Express
Alleged violation of VA Code § 56-304.11
MCE910142 Wisnewski, Mark t/a Executive E.T. Transportation
Alleged violation of VA Code § 56-304
MCE910143 Washington Car & Driver Inc.
Alleged violation of VA Code § 56-304
MCE910144 Carter, James Franklin t/a Just Kris Distributing
Alleged violation of VA Code § 56-304.11
MCE910145 Real Estate Network Inc.
Alleged violation of VA Code § 56-304
MCE910146 Joe Underwood Trucking Inc.
Alleged violation of VA Code § 56-304.11
MCE910150 G & G Farm Service Inc.
Alleged violation of VA Code § 56-288
MCE910151 House, Bobby L. t/a Bobby L. House Trucking
Alleged violation of VA Code § 56-288
MCE910152 Carter, Robahlee
Alleged violation of VA Code § 56-304.11
MCE910165 Qat, Inc.
Alleged violation of VA Code § 56-288
MCE910166 Consolidated Lumber Transport
Alleged violation of VA Code § 56-304.11
MCE910167 Nanson, Douglas Duane
Alleged violation of VA Code § 56-338.8
MCE910168 Lease-A-Truck, Inc.
Alleged violation of VA Code §§ 46.2-600, 46.2-711 et al.
MCE910169 Graco Shuttle Inc.
Alleged violation of VA Code § 56-278
MCE910184 Wampler Longacre Chicken, Inc.
Alleged violation of VA Code § 56-304.1

MCE910214 Joe Underwood Trucking Inc.
Alleged violation of VA Code § 56-304.11
MCE910215 Wilmington Tank Lines Inc.
Alleged violation of VA Code § 56-338.26
MCE910216 Wilmington Tank Lines Inc.
Alleged violation of VA Code § 56-338.26
MCE910217 Wilmington Tank Lines Inc.
Alleged violation of VA Code § 56-338.20
MCE910218 R & E Hauling Co. Inc.
Alleged violation of VA Code § 56-304
MCE910219 Underwood Van Lines, Inc. t/a Two Guys & A Truck
Alleged violation of VA Code § 56-304
MCE910222 US Intermodal Corp. Savannah
Alleged violation of VA Code § 56-304.11
MCE910223 US Intermodal Corp. Savannah
Alleged violation of VA Code § 56-304.11
MCE910231 Discount Movers, Inc.
Alleged violation of VA Code § 56-288
MCE910232 Riser, Melvin C. Jr. t/a Riser's Movers
Alleged violation of VA Code § 56-338.8
MCE910233 J&J Freight Systems, Inc.
Alleged violation of VA Code § 56-304.11
MCE910234 Laney, George Buford t/a L & L Trucking
Alleged violation of VA Code § 56-304.11
MCE910241 A. A. Beiro Construction Co. Inc.
Alleged violation of Lease Rule 3-A
MCE910242 M. Lynch Transportation Inc.
Alleged violation of VA Code § 56-338.26
MCE910243 D.M. Transport Inc.
Alleged violation of VA Code § 56-304.1
MCE910244 Favorito Auto Transport Inc.
Alleged violation of VA Code § 56-304.11
MCE910251 Shenandoah Valley Moving & Storage Inc.
Alleged violation of VA Code § 56-338.8
MCE910266 M. Lynch Transportation, Inc.
Alleged violation of VA Code § 56-338.26
MCE910267 B&B Trucking, Inc.
Alleged violation of VA Code § 56-288
MCE910268 Stump Master, Inc.
Alleged violation of VA Code § 56-304.11
MCE910281 Liquid Transporters, Inc.
Alleged violation of VA Code § 56-304.11
MCE910282 Clark, John L. t/a Clark Cartage Co.
Alleged violation of VA Code § 56-304.1
MCE910283 Bryce, Sylvester C. t/a Bryce Mechanical
Alleged violation of VA Code § 56-304.11
MCE910284 M. Lynch Transportation, Inc.
Alleged violation of VA Code § 56-288
MCE910285 Tracy Bakery, Inc.
Alleged violation of VA Code § 56-304.11
MCE910294 Diaz Wholesale & Manufacturing Inc.
Alleged violation of Rule 3-B
MCE910295 A.G. Van Metre Jr, Inc.
Alleged violation of VA Code § 56-304.1
MCE910296 Pomalco Corporation
Alleged violation of VA Code § 56-288
MCE910297 Waste Management of VA Inc. t/a Waste Management of Richmond
Alleged violation of VA Code § 56-304.11
MCE910324 Pursuit Freight Management System, Inc.
Alleged violation of VA Code § 56-304
MCE910326 Robinson, Vaden Jr. t/a Touch of Class Limousine Service
Alleged violation of VA Code § 56-304
MCE910327 Robinson, Vaden Jr. t/a Touch of Class Limousine Service
Alleged violation of VA Code § 56-304
MCE910328 Pomalco Corporation
Alleged violation of VA Code § 56-338.26
MCE910329 Pilliod Cabinet Company
Alleged violation of VA Code § 56-304.11
MCE910330 Simmons, Densil L.
Alleged violation of VA Code § 56-304.1
MCE910331 Clanton, John A. & Maria J. Jones t/a Meadowbrook Limousine Service
Alleged violation of VA Code § 56-304

MCE910332 Beamon & Lassiter, Inc.
Alleged violation of VA Code § 56-304.11
MCE910333 Young Moving & Storage, Inc.
Alleged violation of VA Code § 56-304.1
MCE910334 Anchor Hocking Corp. t/a Shenango Refractories Div.
Alleged violation of VA Code § 56-304.2
MCE910337 Campbell, Marvin D. t/a Campbell's Limos
Alleged violation of VA Code § 56-304
MCE910338 R W Bozel Transfer, Inc.
Alleged violation of VA Code § 56-288
MCE910339 Belman, Elsie S. t/a Elsie Belman Limousine Service
Alleged violation of VA Code § 56-304
MCE910340 Top Cat Limousine Service, Inc.
Alleged violation of VA Code § 56-304
MCE910341 Presidential Limousine Service Inc.
Alleged violation of VA Code § 56-304
MCE910364 Rice, Maynard William t/a Uncle Bills Treasures
Alleged violation of VA Code § 56-338.8
MCE910365 American Royalty Corp. t/a Royalty Limousine Service
Alleged violation of VA Code § 56-304
MCE910366 Clanton, John & Jones, Marla J. t/a Meadowbrook Limousine Service
Alleged violation of VA Code § 56-304
MCE910367 Allen, Timothy W. t/a Star Limousine
Alleged violation of VA Code § 56-304
MCE910368 Oceanic, Ltd.
Alleged violation of VA Code § 56-304
MCE910369 Atlantic Limousine of Richmond, Inc.
Alleged violation of VA Code § 56-304
MCE910370 Duncan, Edwin G.
Alleged violation of VA Code § 56-304.11
MCE910385 Harris, Jeffrey K.
Alleged violation of VA Code § 56-304
MCE910386 Accent Limo Service, Inc.
Alleged violation of VA Code § 56-304
MCE910387 Choice Limo Service, Inc.
Alleged violation of VA Code § 56-304
MCE910388 Parker Limo, Inc.
Alleged violation of VA Code § 56-304
MCE910389 Hundall, Elvin M.
Alleged violation of VA Code § 56-304
MCE910390 Coupe, George Alexander t/a Admiral Limousine Service
Alleged violation of VA Code § 56-304
MCE910391 Miles Unlimited, Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910392 Chavez, Rae
Alleged violation of VA Code § 56-304
MCE910393 Davis, Mccoy
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910394 Atlantic Limousines, Inc.
Alleged violation of VA Code § 56-304
MCE910395 Hawkes, Aubrey K.
Alleged violation of VA Code § 56-304
MCE910396 Gaither, Charles C.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910397 Top Cat Limousine Service, Inc.
Alleged violation of VA Code § 56-304
MCE910398 Riddick, Joseph S. Jr.
Alleged violation of VA Code § 56-304.11
MCE910399 Pierce Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE910400 Na re American Trucking Co. Inc.
Alleged violation of VA Code § 56-304.11
MCE910408 C E R Enterprises, Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910409 Escort Limousine Service, Inc.
Alleged violation of VA Code § 56-304
MCE910410 Battlefield Farms, Inc.
Alleged violation of Lease Rule 3-A
MCE910412 Golubin, Gregory F. t/a Manhattan DC Exec. Transportation
Alleged violation of VA Code § 56-304
MCE910413 Williams, Robie Jr.
Alleged violation of VA Code § 56-304

MCE910414 Cannaday, W. & Crawl C. t/a CHS Transportation
Alleged violation of VA Code § 56-304
MCE910415 Burnette, William A. & Mccauley, Shelton G.
Alleged violation of VA Code § 56-304.1
MCE910416 Ambassador Limousine Service Inc.
Alleged violation of VA Code § 56-304.12
MCE910417 Adventure Limousine Services Inc.
Alleged violation of VA Code § 56-304
MCE910418 Ski Travel Associates of VA Inc. t/a Preferred Limousines
Alleged violation of VA Code § 56-304
MCE910435 Atlantic Limousine, Inc.
Alleged violation of VA Code § 56-304
MCE910436 Keane Vi, William J.
Alleged violation of VA Code § 56-304
MCE910437 Carey Limousine DC, Inc.
Alleged violation of VA Code § 56-304
MCE910438 Said, Mouse Hamad t/a Alia Limo Service
Alleged violation of VA Code § 56-304
MCE910439 American Coach Lines
Alleged violation of VA Code § 56-304
MCE910440 Executive Limo Service, Inc.
Alleged violation of VA Code § 56-304
MCE910441 Virginia Courier, Inc.
Alleged violation of VA Code § 56-304
MCE910442 Capital Limousine, Inc.
Alleged violation of VA Code § 56-304
MCE910443 Transportation, Inc.
Alleged violation of VA Code § 56-304
MCE910444 Bowman, James Douglas & Kathy t/a Doug Bowman Excavating
Alleged violation of VA Code § 56-288
MCE910445 Weeks, John Allen
Alleged violation of VA Code § 56-304.11
MCE910463 Alexander, David
Alleged violation of VA Code § 56-304
MCE910464 Brown, Monte F. t/a Associate Limousine
Alleged violation of VA Code § 56-304.1
MCE910465 Ames Distribution Services
Alleged violation of Lease Rule 5
MCE910466 Classic Transportations, Inc. (VA) t/a Classic Trans. Inc.
Alleged violation of VA Code § 56-288
MCE910467 F D & E Limousine, Inc.
Alleged violation of VA Code § 56-304
MCE910468 Thompson, Walter G. t/a T&T Associates
Alleged violation of VA Code § 56-304.1
MCE910469 Diplomat Limousine & Livery Service, Inc.
Alleged violation of VA Code § 56-304
MCE910470 Choice Limo Service, Inc.
Alleged violation of VA Code § 56-304
MCE910471 Coupe, George Alexander t/a Admiral Limousine Service
Alleged violation of VA Code § 56-304.1
MCE910477 Wilson, Henry Alfred
Alleged violation of VA Code §§ 46.2-600, 46.2-771 et al.
MCE910482 Washington, Tracy D. t/a T W Express
Alleged violation of VA Code § 56-304
MCE910483 Black Tie Limousine, Inc.
Alleged violation of VA Code § 56-304
MCE910484 Danella Companies, The
Alleged violation of VA Code § 56-288
MCE910495 Golubin, Gregory F. t/a Manhattan DC Executive Trans
Alleged violation of VA Code §§ 56-338.11 et al.
MCE910496 Transportation, Inc.
Alleged violation of VA Code § 56-304
MCE910497 CER Enterprises, Inc.
Alleged violation of VA Code § 56-304.1
MCE910498 Choice Limo Service, Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910499 Carey Limousine DC, Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910500 McGlennon, Mark t/a Blue Knight Limousine
Alleged violation of VA Code § 56-304
MCE910501 Amro Limousine Service, Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106

MCE910502 Wardlaw, Bryant t/a Wardlaw's Trucking
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910503 Elite Limousine Service, Inc.
Alleged violation of VA Code § 56-304
MCE910504 Ski Travel Assocs. of Virginia Inc. t/a Preferred Limousine
Alleged violation of VA Code § 56-304
MCE910505 Parker Limo, Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910507 Rush, James Alan
Alleged violation of VA Code § 56-304.1
MCE910508 Hughes, Bernard James
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910509 Stalnaker, Anthony
Alleged violation of VA Code § 56-304.1
MCE910510 Highsmith, Arsenia M. t/a Arnell's Limousine Service
Alleged violation of VA Code § 56-304
MCE910511 Highsmith, Arsenia M. t/a Arnell's Limousine Service
Alleged violation of VA Code § 56-304
MCE910512 Highsmith, Arsenia M. t/a Arnell's Limousine Service
Alleged violation of VA Code § 56-304
MCE910513 Highsmith, Arsenia M. t/a Arnell's Limousine Service
Alleged violation of VA Code § 56-304
MCE910514 Highsmith, Arsenia M. t/a Arnell's Limousine Service
Alleged violation of VA Code § 56-304
MCE910515 CER Enterprises, Inc.
Alleged violation of VA Code § 56-304
MCE910516 Lurae Truck Lines, Inc.
Alleged violation of VA Code § 56-304.11
MCE910517 Mike Falcone, Jr. & Sons, Inc.
Alleged violation of VA Code § 56-304.1
MCE910518 First Class Presidential Limousine Service, Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910519 Colbert, Stanton K. t/a Courtesy Limousine
Alleged violation of VA Code § 56-304
MCE910520 Ringer Enterprises, Inc. t/a Ringer Trucking Co.
Alleged violation of VA Code § 56-304.1
MCE910525 E Z S, Inc. t/a Majestic Limousine Service
Alleged violation of VA Code § 56-338.111
MCE910526 Lucas Sr., Allan E.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910527 Automotive Assoc., Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910528 Teng, Sambo
Alleged violation of VA Code § 56-304.1
MCE910529 Ritz Limo Service
Alleged violation of VA Code § 56-304
MCE910530 Congressional Limousine
Alleged violation of VA Code § 56-304
MCE910531 Kiang, Sin Ping t/a Delmonico Limo Service
Alleged violation of VA Code § 56-304
MCE910532 M.S.D. Corp.
Alleged violation of VA Code § 56-304
MCE910533 Harris, James A.
Alleged violation of VA Code § 56-304
MCE910534 DC Limo Service
Alleged violation of VA Code § 56-304
MCE910535 First Class Presidential Limousine Service Inc.
Alleged violation of VA Code § 56-304
MCE910541 Haskins, William T. & D. Alexander t/a Metro Funeral Home
Alleged violation of VA Code §§ 56-338.111 et al.
MCE910542 Steward, Briar E. & Bush, William
Alleged violation of VA Code § 56-304
MCE910543 Crowell, Evora Stevens t/a Crowell's Limo Service
Alleged violation of VA Code § 56-304
MCE910544 Hatcher, David P. Jr. t/a Adventure Limo Service
Alleged violation of VA Code § 56-304
MCE910545 Exclusive Limo Service, Inc.
Alleged violation of VA Code § 56-304.1
MCE910546 Wee Haul of Orlando, Inc. d/b/a Apartment Movers
Alleged violation of VA Code § 56-288
MCE910547 Mills, Thomas C. Sr. t/a Mills Limo Service
Alleged violation of VA Code §§ 56-338.111 et al.

MCE910558 Sell, Deborah L. t/a Clark Limo Service
Alleged violation of VA Code § 56-304
MCE910559 Adventure Limousine Service Inc.
Alleged violation of VA Code § 56-304
MCE910560 Classic Transportations, Inc. t/a Classic Transportation, Inc
Alleged violation of VA Code § 56-304
MCE910561 Greene, Carolyn t/a Limousine Connection, Inc.
Alleged violation of VA Code § 56-304
MCE910562 Morrill Limousine Service, Inc.
Alleged violation of VA Code § 56-304
MCE910563 Reston Limousine & Travel Service Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910564 First Class Presidential Limousine Service Inc.
Alleged violation of VA Code §§ 56-338.111 and 56-338.106
MCE910565 Classic Transportations, Inc. t/a Classic Transportations Inc.
Alleged violation of VA Code §§ 56-338.111 et al.
MCE910566 Crowell, Evora Stevens t/a Crowell's Limo Service
Alleged violation of VA Code § 56-304
MCE910574 Blankenship, Geraldine
Alleged violation of VA Code § 56-288
MCE910575 Tek, Khim
Alleged violation of VA Code § 56-304
MCE910576 Bethany Limousine Service
Alleged violation of VA Code § 56-304
MCE910577 Bethany Limousine Service
Alleged violation of VA Code § 56-304
MCE910578 Graham, Michael James
Alleged violation of VA Code §§ 46.2-600, 462.2-711 et al.
MCE910593 Apollo Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE910594 Medal Associates, Inc.
Alleged violation of VA Code § 56-288
MCE910595 L & G of Pennsylvania, Inc.
Alleged violation of VA Code § 56-304.11
MCE910596 Grannum, George H. t/a R.S.P. Enterprise
Alleged violation of VA Code § 56-304.11
MCE910597 Jr Express Limousines t/a National Transportation Limo Service
Alleged violation of VA Code § 56-304
MCE910608 Richardson, James
Alleged violation of VA Code § 56-304.11
MCE910609 William, Jeff & Heuff John t/a B&J Heuff Trucking Ltd.
Alleged violation of VA Code § 56-304.11
MCE910610 Sundance Transport Inc.
Alleged violation of VA Code § 56-304.11
MCE910630 Sherman, Susan K. t/a Creative Concepts Unlimited
Alleged violation of VA Code § 56-292
MCE910631 Ramsey, William E.
Alleged violation of VA Code § 56-304.11
MCE910632 Hairston Empire Corporation
Alleged violation of VA Code § 56-288
MCE910633 Cauthorne, Herbert
Alleged violation of VA Code § 56-288
MCE910634 Galaxy Boat Mfg., Inc.
Alleged violation of VA Code § 56-304.11
MCE910647 D.A.Y. Enterprises, Inc.
Alleged violation of VA Code § 56-338.52
MCE910648 Suburban Contract Carriers Inc.
Alleged violation of VA Code § 56-304.11
MCE910649 Cox, Jr. Russell James t/a U-niq Service
Alleged violation of VA Code § 56-288
MCE910650 Kidner Transport, Inc.
Alleged violation of VA Code § 56-338.8
MCE910653 Blue Ribbon Leasing, Inc.
Alleged violation of VA Code § 56-304
MCE910654 Virgo, Ivan H. t/a Black Symbolic Trucking
Alleged violation of VA Code § 56-304
MCE910655 Russin Lumber Corp.
Alleged violation of VA Code § 56-304.2
MCE910672 Green, Geraldine
Alleged violation of VA Code § 56-304.11
MCE910674 Lease-A-Truck, Inc.
For offer of compromise and settlement

MCE910675 L & G Industries, Inc.
Alleged violation of VA Code § 56-304
MCE910680 Phillips Transport, Inc.
Alleged violation of VA Code § 56-303
MCE910681 Carr, Ronald Everette
Alleged violation of VA Code § 56-304
MCE910682 Mystic Island Transport, Inc.
Alleged violation of VA Code §§ 46.2-600, 46.2-711 and 56-304
MCE910698 My Tyme Transport
Alleged violation of VA Code § 56-304.11
MCE910699 C. A. Hunter Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE910700 Five Brothers Express, Inc.
Alleged violation of VA Code § 56-304.11
MCE910701 M. Lynch Transportation, Inc.
Alleged violation of VA Code § 56-304.11
MCE910702 Wee Haul of Orlando, Inc. t/a Apartment Movers
Alleged violation of VA Code § 56-288
MCE910703 Chisholm, Todd & Krahenbill, Allen t/a Krahenbill & Chisholm Exev.
Alleged violation of VA Code § 56-288
MCE910704 R & E Hauling Co., Inc.
Alleged violation of VA Code § 56-289
MCE910705 Amoco Oil Company
Alleged violation of Lease Rule 3-A
MCE910730 Raven Division, Inc.
Alleged violation of VA Code § 56-304.11
MCE910731 Suburban Contract Carriers Inc.
Alleged violation of VA Code § 56-304.11
MCE910732 Suburban Contract Carriers Inc.
Alleged violation of VA Code § 56-304.11
MCE910733 Gene & Son Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE910734 Tracy Bakery, Inc.
Alleged violation of VA Code § 56-304.11
MCE910735 H & S Truck Service of Ahoskie NC, Inc.
Alleged violation of VA Code § 56-304.11
MCE910736 R & E Hauling Co., Inc.
Alleged violation of VA Code § 56-289
MCE910737 Spartan Express, Inc.
Alleged violation of VA Code § 56-289
MCE910745 Southern Ice Company, Inc.
Alleged violation of VA Code § 56-304
MCE910746 Mansfield Oil Company of Gainesville, Inc.
Alleged violation of VA Code § 56-338.26
MCE910747 Carr, Ronald Everette
Alleged violation of VA Code § 56-304
MCE910773 Roy Widener Motor Lines, Inc.
Alleged violation of VA Code § 56-304
MCE910774 Whatley Contract Carriers, Inc.
Alleged violation of VA Code § 56-304.1
MCE910775 Martin Brower, Inc.
Alleged violation of VA Code § 56-304.2
MCE910776 R & E Hauling Co., Inc.
Alleged violation of VA Code § 56-289
MCE910777 R & E Hauling Co, Inc.
Alleged violation of VA Code § 56-289
MCE910799 Baltimore Int'L Warehousing Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE910800 Baltimore Int'L Warehousing Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE910801 Baltimore Int'L Ware' ousing Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE910802 Baltimore Int'L Warehousing Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE910803 Baltimore Int'L Warehousing Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE910804 Garcia's Inc.
For violation of contempt of court order
MCE910805 Carretta Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE910806 Con Way Southern Express, Inc.
Alleged violation of VA Code § 56-304

MCE910807 EE Operating Corporation t/a West Contract Services of PA
Alleged violation of VA Code § 56-304.11
MCE910808 R & E Hauling Co., Inc.
Alleged violation of VA Code § 56-304
MCE910809 R & E Hauling Company, Inc.
Alleged violation of VA Code § 56-289
MCE910810 Song, Sok Yong & Min Kwag Sik t/a Brother's Sunroof & Towing Service
Alleged violation of VA Code § 56-288
MCE910819 Boswell Trucking Co, Inc.
Alleged violation of VA Code § 56-304
MCE910820 Anderson News Company
Alleged violation of VA Code § 56-304.2
MCE910821 United Transportation, Inc.
Alleged violation of VA Code § 56-304.11
MCE910822 Fran's, Inc.
Alleged violation of VA Code § 56-304.11
MCE910823 M. Lynch Transportation, Inc.
Alleged violation of VA Code § 56-288
MCE910836 Clarke, Harry Don
Alleged violation of VA Code § 56-304
MCE910837 Johnson Richard R. t/a Richard Johnson Hauling
Alleged violation of VA Code § 56-304.11
MCE910838 Sundance Transport, Inc.
Alleged violation of VA Code § 56-288
MCE910839 Cooper, Robert M.
Alleged violation of VA Code § 56-288
MCE910840 R&E Hauling Co., Inc.
Alleged violation of VA Code § 56-289
MCE910841 Fran's Inc.
Alleged violation of VA Code § 56-304.11
MCE910842 Carretta Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE910843 Laney, George Buford t/a L & L Trucking
Alleged violation of VA Code § 56-304.11
MCE910858 Godbee and Company, Inc.
Alleged violation of VA Code § 56-304.1
MCE910859 McCuen Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE910860 Glacier Refrigerated Express Inc.
Alleged violation of VA Code §§ 46.2-600, 46.2-711 and 56-304
MCE910864 Special Interest Leasing Co. Inc.
Motor carrier violation (M) case stimulus
MCE910873 United Van Lines Inc.
Motor carrier violation (M) case stimulus
MCE910875 Ramsey, Paul t/a Ramsey Trucking
Alleged violation of VA Code § 56-304
MCE910876 Spud Farms, Inc.
Alleged violation of VA Code § 56-304.2
MCE910877 Kord Products, Ltd.
Alleged violation of VA Code § 56-304.11
MCE910878 Fairfax Transfer & Storage Inc.
Alleged violation of VA Code § 56-338.8
MCE910879 Ames Transportation Systems Inc.
Alleged violation of VA Code § 56-304.2
MCE910885 Cummings Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE910886 Spartan Express, Inc.
Alleged violation of VA Code § 56-304
MCE910887 Nearby Eggs, Inc.
Alleged violation of Lease Rule 3B
MCE910888 Rayvals Transport Ltd.
Alleged violation of VA Code § 56-304.11
MCE910899 Fran's, Inc.
Alleged violation of VA Code § 56-304.11
MCE910900 John Marshall, Inc.
Alleged violation of VA Code § 56-304.2
MCE910901 Harris Transport Company
Alleged violation of VA Code § 56-304.11
MCE910910 Gene & Son Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE910911 Blue Hen Lines, Inc.
Alleged violation of VA Code § 56-304.11

MCE910912 Sumo-Container Station, Inc. t/a Sumo Airlines
Alleged violation of VA Code § 56-304.11
MCE910913 I D M Trucking, Inc.
Alleged violation of VA Code § 56-304
MCE910914 Grundy Texaco, Inc.
Alleged violation of VA Code § 56-288
MCE910915 ABC Apt. Moving, Inc.
Alleged violation of VA Code § 56-304
MCE910916 Banks, Bruce M.
Alleged violation of VA Code § 56-304.11
MCE910930 Riddick, Joseph Southgate Jr.
Alleged violation of VA Code § 56-304.11
MCE910931 Manchester Movers, Inc.
Alleged violation of VA Code § 56-304.11
MCE910932 Blue Hen Lines, Inc.
Alleged violation of VA Code § 56-304.11
MCE910933 Hott, Inc.
Alleged violation of VA Code § 56-304.11
MCE910934 Fran's, Inc.
Alleged violation of VA Code § 56-304.11
MCE910935 Pennington Seed Inc. of VA
Alleged violation of Lease Rule 3-B
MCE910947 Ames Distribution Service
Alleged violation of VA Code § 56-304.2
MCE910963 Gene & Son Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE910964 National Wrecker, Inc.
Alleged violation of VA Code § 56-304.11
MCE910965 J & D Transfer, Inc.
Alleged violation of VA Code § 56-304.1
MCE910966 Fran's, Inc.
Alleged violation of VA Code § 56-300
MCE910967 Fran's, Inc.
Alleged violation of VA Code § 56-304.11
MCE910968 Boston Coach-Washington Corp.
Alleged violation of VA Code § 56-338.52
MCE910975 U.S. Intermodal Corp. of South Carolina
Alleged violation of Lease Rule 3-B
MCE910976 G D C, Inc.
Alleged violation of VA Code § 56-304.11
MCE910977 Steve Venable, Inc.
Alleged violation of VA Code § 56-304.11
MCE910978 Jefferson, R. Neill t/a Blue Ridge Limo & Tour Service
Alleged violation of VA Code § 56-304
MCE910979 Apollo Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE910992 Zanddieh, Majid t/a Express Car Wholesale
Alleged violation of VA Code § 56-288
MCE910993 Garcia's, Inc.
Alleged violation of contempt of court order
MCE910994 H R S Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE910995 McCuen Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE911001 Hood, Charlie R. t/a CR Hood Trucking
Alleged violation of VA Code § 56-288
MCE911004 Propane Transport Inc.
Alleged violation of VA Code § 56-304
MCE911005 Gallagher, Michael t/a Road Runner Courier Service
Alleged violation of VA Code § 56-288
MCE911026 Wilmington Tank Lines, Inc.
Alleged violation of VA Code § 56-304.11
MCE911027 Native American Trucking Co, Inc.
Alleged violation of VA Code § 56-304.11
MCE911028 ABC Apt. Moving, Inc.
Alleged violation of VA Code § 56-338.8
MCE911029 Plock, Michael Joseph t/a Ploch Hay Co.
Alleged violation of VA Code § 56-304.11
MCE911030 Independent Roll-Off Services Inc.
Alleged violation of VA Code § 56-304.11
MCE911031 G T S Trucking, Inc.
Alleged violation of VA Code § 56-304.11

MCE911043 Porter, Brian D. t/a Piano Porters
Alleged violation of VA Code § 56-288
MCE911044 Sellers, William Donald
Alleged violation of VA Code § 56-304.1
MCE911045 Bridge Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE911046 University Transport, Inc.
Alleged violation of VA Code § 56-304
MCE911055 Tapia, Marrio
Alleged violation of VA Code § 56-304.11
MCE911056 Suburban Contract Carriers Inc.
Alleged violation of VA Code § 56-304.11
MCE911057 Murrow Enterprises, Inc.
Alleged violation of VA Code § 56-304.11
MCE911071 Trans-Motor Leasing Co, Inc.
Alleged violation of VA Code § 56-304.11
MCE911073 Starrs Transp Inc.
Alleged violation of VA Code § 56-304.11
MCE911076 B & W Cartage Co, Inc.
Alleged violation of VA Code § 56-304.11
MCE911077 Mizell, Johnnie R.
Alleged violation of VA Code § 56-304.11
MCE911078 Mizell, Johnnie R.
Alleged violation of VA Code § 56-304.11
MCE911079 Key Way Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE911080 Eastern Flat Bed Systems, Inc.
Alleged violation of VA Code § 56-304.11
MCE911082 Tisinger, Roger Keith
Alleged violation of VA Code § 56-338.26
MCE911087 International Travel Agency Ltd.
Alleged violation of VA Code § 56-292
MCE911088 Native American Trucking Co, Inc.
Alleged violation of VA Code § 56-304.11
MCE911089 Native American Trucking Co, Inc.
Alleged violation of VA Code § 56-304.11
MCE911090 Wilmington Tank Line, Inc.
Alleged violation of VA Code § 56-304.11
MCE911097 Tynes, James t/a Jet Systems
Alleged violation of VA Code § 56-304.11
MCE911098 Bicentennial Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE911099 J.L. Ward Trucking, Inc.
Alleged violation of VA Code § 56-288
MCE911100 Baker Funeral Home, Inc. t/a Manassas Limousine Service
Alleged violation of VA Code § 56-304
MCE911101 Scott, Levi P. Jr.
Alleged violation of VA Code § 56-288
MCE911102 Sterling Smith Trucking Co., Inc.
Alleged violation of VA Code § 56-304.1
MCE911103 Besl Transfer Co., The
Alleged violation of VA Code § 56-304.11
MCE911104 Davis, Charles Edward t/a C D Trash Service
Alleged violation of VA Code § 56-304.1
MCE911113 S and W Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE911114 Swift Transportation Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE911115 Swift Transportation Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE911116 Williams Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE911127 Promotions Unlimited
Alleged violation of VA Code § 56-304.11
MCE911128 Riddle, Thomas W. t/a Riddle Trucking
Alleged violation of VA Code § 56-304.11
MCE911129 Seatrans, Inc.
Alleged violation of VA Code § 56-304
MCE911130 Brown, Thomas N.
Alleged violation of VA Code § 56-288

MCO: MOTOR CARRIER DIVISION - OPERATIONS

MCO910314 Triple Trucking, Inc.
Alleged violation of VA Code § 58-2704

MCO910341 Ex Parte: Fees
Fees for issuing warrants, exemption cards, registration cards for vehicles engaged in transportation of passengers

MCO910440 Quiles, Edwin
Alleged violation of VA Code § 12.1-17B

MCO910441 Heuff, William, Jeff & John t/a B&J Heuff Trucking Ltd.
Alleged violation of VA Code § 12.1-17B

MCO910443 Brown Fuel Oils, Inc.
Alleged violation of VA Code § 12.1-17B

MCO910444 Cheatham, William G. t/a Cheatham General Hauling
Alleged violation of VA Code § 12.1-17B

MCO910730 Bryant Wardlaw
Motor carrier rule to show cause

MCO910775 Lash, Inc.
Alleged violation of VA Code § 58.1-2700

MCS: MOTOR CARRIER DIVISION - RATES AND TARIFFS

MCS910001 Hassell, Alonzo L. Sr.
For transfer of certificate No. LM-78 to provide service as a limousine carrier

MCS910002 Wainwright Transfer Corp.
To transfer certificate as household goods carrier No. HG-376

MCS910003 Hassan, Wali Abdullah
For certificate as common carrier of passengers by motor vehicle over irregular routes

MCS910004 McCrickard, William B.
Request to cancell certificate No. P-2281

MCS910005 Repko, Paul R.
For certificate as limousine carrier

MCS910006 Martens, Linwood A. t/a Chesapeake Bay Cruises
For certificate as sight-seeing and special or charter party

MCS910007 Joynes, G. Woodson
For certificate to operate as a limousine carrier

MCS910008 LaClair's Limousine Service
For cancellation of certificate No. LM-41 for limousine service

MCS910009 Paradise Limousine Service
For authorization to cancel certificate No. LM-125

MCS910010 Cruise Ventures, Inc. t/a Cruise International
For authorization to cancel certificate Nos. SS-W-24 and SS-W-26

MCS910011 Weil, Dwayne E. & Karen S.
For certificate as a limousine carrier

MCS910012 Friendship Tours, Inc.
For license to broker the transportation of passengers by motor vehicle

MCS910013 What the Sam Hill Limousine
For authority to cancel certificate No. LM-81

MCS910014 Abdelhadi, Atef I. t/a Hadi Limousine Co.
For certificate as a limousine carrier

MCS910015 J. J. Nikitakis & Company t/a Sophia Street Caterers
For certificate as a limousine carrier

MCS910016 C.M.C., Inc.
For certificate as a limousine carrier

MCS910017 P.D.Q. II Inc. t/a Cardinal Touring Associates
For license to broker transportation of passengers by motor vehicle

MCS910018 Tidewater Touring, Inc.
For certificate as sightseeing and special or charter party carrier by boat

MCS910019 Supertravel, Ltd.
For license to broker transportation of passengers by motor vehicle

MCS910020 Steelman, John David III
For certificate as a limousine carrier

MCS910021 Busch Properties, Inc. t/a Kingsmill Resort & Conference Center
For certificate as a sightseeing and special or charter party carrier by boat

MCS910022 Mountaineer Transportation Inc.
For certificate as a sight seeing and special or charter party carrier by motor vehicle

MCS910023 Four City Tours, Inc.
To transfer certificate as special or charter party carrier No. B-108

MCS910024 Strange, Kenneth R.
For cancellation of limousine certificate No. LM-10

MCS910025 A.T.W. Limousines Service
For cancellation of limousine certificate No. LM-49

MCS910026 Alpine Limousines of Tidewater Inc.
For a certificate as a limousine carrier

MCS910027 Private Coach Travel Service
For cancelllation of certificate No. B-340

MCS910028 Stafford Limousine Inc.
For a certificate as a limousine carrier

MCS910029 Hughes Enterprises t/a Leisure "N" Luxury
For a certificate as a limousine carrier

MCS910030 Colonial Limousine Services Inc.
For authority to cancel certificate No. LM-64

MCS910031 First Class Presidential Limousine Service Inc.
For certificate as a limousine carrier

MCS910032 Delta Van & Storage, Inc., Transferor and Colonial Storage Co., Transferee
To transfer certificate as a household goods carrier No. HG-370

MCS910033 Shaver Brothers Transfer, Inc., Transferor and Hilldrup Moving & Storage of Richmond Inc., Transferee
To transfer certificate as a household goods carrier No. HG-267

MCS910034 Virginia Launch Service, Inc., Transferor and Sandy Point Associates, Transferee
To transfer certificate as a carrier by motor launch No. ML-4

MCS910035 Nancy T. Brockman, Inc. t/a Brockman Tour & Travel
For authority to cancel certificate No. B-109

MCS910036 Bondella Corporation
For authority to cancel limousine certificate No. LM-82

MCS910037 Pell, Marjorie t/a In Style Limousine
To transfer certificate as limousine carrier No. LM-25

MCS910038 Chesapeake Van & Storage Corp.
Alleged violation of VA Code § 56-338.12

MCS910039 Estate of Edward V. Bailey, Transferor and James Bus Service, Inc., Transferee
To transfer certificate as a special or charter party carrier No. B-94

MCS910040 Elshazli, Ahmed F. d/b/a Tower Limo Service
For certificate as a limousine carrier

MCS910041 Spirit Marine Company
For certificate as sight-seeing and special or charter party carrier by boat

MCS910042 Act I Limousine Service
For authority to cancel certificate No. LM-62

MCS910043 American Royalty Corporation t/a Royalty Limousine Service
For certificate as a limousine carrier

MCS910044 Pro Courier, Inc.
For certificate as a restricted parcel carrier by motor vehicle

MCS910045 Clanton, John A. & Marla J. Jones
For certificate as a limousine carrier

MCS910046 McLean Limousine Company
For certificate as a limousine carrier

MCS910047 G E M of Virginia, Inc.
Alleged violation of VA Code § 56-300

MCS910049 Pope, Deborah Ann t/a Styln II
For cancellation of certificate No. LM-144

MCS910050 Brown, Michael J. t/a Specialty Limousine Service
For cancellation of certificate No. LM-118

MCS910051 Crigger, Roger D., Mark L. Harris and Michael L. Harris t/a Shannon Limousine Service
For certificate as a limousine carrier

MCS910052 International Management and Investment Group, Inc.
For certificate as a limousine carrier

MCS910053 Executive Limousines of VA Ltd.
For cancellation of certificate No. LM-21

MCS910054 J. C. B. Transport, Inc.
For certificate as a petroleum tank truck carrier

MCS910055 Wilson, Lloyd Ralph t/a L R Limousine Service
For certificate as a limousine carrier

MCS910056 Sav-Mor Oil Company, Inc.
For certificate as a petroleum tank truck carrier

MCS910057 Sun-Ad Limited
For certificate as a limousine carrier

MCS910058 Idelbi, Abdul M.
For certificate as a limousine carrier

MCS910059 Ski Travel Associates of VA, Inc. t/a Preferred Limousine
For certificate as a limousine carrier

MCS910060 Richards Bus Lines, Inc.
For certificate as a special or charter party carrier by motor vehicle

MCS910061 Corporate Transportation Network, Inc.
For certificate as a limousine carrier

MCS910062 Butler Limousine Service, Inc.
For certificate as a limousine carrier

MCS910063 AAA Auto Parts, Inc. t/a Mabon Motors
For certificate as a limousine carrier

MCS910064 K & G Enterprises, Inc. t/a Limousine Unlimited
For cancellation of certificate No. LM-126

MCS910065 Clanton, John A. t/a Meadowbrook Limousine Service
For certificate as a limousine carrier

MCS910066 Gill Memorial Eye, Ear, Nose & Throat Hospital Inc. t/a Burrell Continuing Center, Transferor and Burrell Continuing Care Center, Inc., Transferee
To transfer special or charter party certificate No. B-330

MCS910067 Smith's Limousine Service
For certificate as a limousine carrier

MCS910068 Renaissance Limousine Service Inc.
For certificate as a limousine carrier

MCS910069 Repko, Paul Richard
For certificate as a limousine carrier

MCS910070 Durant, Albert W.
For cancellation of certificate No. LM-58

MCS910072 Trammel, George H. Jr.
For certificate as a limousine carrier

MCS910073 Boston Coach-Washington Corp.
For certificate as an executive sedan carrier

MCS910074 Home Ride of Virginia, Inc.
For license to broker transportation of passengers by motor vehicle

MCS910075 Thompson, Walter G. t/a T & T and Associates Limo Service
For certificate as a limousine carrier

MCS910076 Royal Crown Bottling Co. of Winchester, Inc.
For cancellation of certificate No. LM-7

MCS910077 Elan Limousine, Inc.
For cancellation of certificate No. LM-69

MCS910078 Northern Virginia Sedan Service Inc.
For certificate as an executive sedan carrier

MCS910079 Landahl, J. P. Jr. t/a Economy Movers
For certificate as a household goods carrier

MCS910080 Jonah, Chidiadi E.
For certificate as an executive sedan carrier

MCS910081 McCann Delivery Service, Inc.
For cancellation of certificate No. F-938

MCS910082 Smith, Bobby G.
For certificate as a limousine carrier

MCS910083 Executive Car Service, Inc.
For certificate as an executive sedan carrier

MCS910084 Capital Limousine Inc.
For a limousine certificate

MCS910085 T & T and Associates Limo Service
For an executive sedan certificate

MCS910086 Admiral Limousine Trans. Service Inc.
For certificate as a limousine carrier

MCS910087 Admiral Limousine Trans. Service Inc.
For certificate as an executive sedan carrier

MCS910088 Marish, Stevan Jr.
For certificate as a limousine carrier

MCS910089 Keane VI, William J. t/a A Touch of Class Limo Service
For certificate as a limousine carrier

MCS910090 Williams, Reginald J. d/b/a Yum-Yum Limo Service
For certificate as a limousine carrier

MCS910091 Laidlaw Transit (VA), Inc., Transferor and Dominion Coach Co. t/a Virginia Overland Bus Lines, Transferee
To transfer certificate as a special or charter party carrier No. B-349

MCS910092 Laidlaw Transit (VA), Inc., Transferor and Dominion Coach Co. Inc. t/a Virginia Overland Bus Lines, Transferee
To transfer certificate as a common carrier of passengers No. P-2576

MCS910093 Hughes, Bernard J. t/a Avenel Limo Service
For certificate as a limousine carrier

MCS910094 Mason, Harold I. t/a J & L Tours
For certificate as a common carrier of passengers by motor vehicle over irregular routes

MCS910095 Garrett Jr., Julius William
For certificate to operate as a limousine carrier

MCS910096 Winn Bus Lines, Inc.
For certificate as an executive sedan carrier

MCS910097 Nancy Anne Charters, Inc.
For certificate as sight-seeing and special or charter party carrier by boat

MCS910098 Subhi, Hussein Ahmed
For certificate as an executive sedan carrier

MCS910099 Reston Limousine & Travel Service Inc.
For certificate as a limousine carrier

MCS910100 Abdelmoty, Mohamed M.
For certificate as an executive sedan carrier

MCS910101 Craddock, Calvin
Alleged violation of VA Code § 56-300

MCS910102 Charter Cruises, Inc.
For cancellation of certificate Nos. SS-W-31 and SS-W-38 as sight-seeing carrier by boat

MCS910103 Rigsbee, Ronald E. t/a Rigsbee & Son Limo Service
Alleged violation of VA Code § 56-300

MCS910104 Omni Transportation, Inc.
For suspension of certificate as special or charter party carrier No. B-355

MCS910105 Wiles Enterprises, Ltd. t/a Exclusive Limousine Ltd.
Alleged violation of VA Code § 56-300

MCS910106 All American Limousine, Ltd.
Alleged violation of VA Code § 56-300

MCS910107 Rosen Bus Service, Inc.
For cancellation of certificate No. B-379 as special or charter party carrier

MCS910108 B T S Brokers, Inc.
For license to broker transportation of passengers by motor vehicle

MCS910109 Behind the Scenes, Inc.
For certificate as a special or charter party carrier by motor vehicle

MCS910110 Barton, J. Meak t/a V.I.P. Tours of Charlottesville
For cancellation of certificate No. S-55 as a sight-seeing carrier

MCS910111 Lucas, Allan E. Sr.
For certificate as a limousine carrier

MCS910112 Chesapeake Van & Storage Corp., Transferor and Paul Arpin Van Lines, Inc., Transferee
To transfer certificate as a household goods carrier No. HG-421

MCS910113 Omidpanah, Hooshang
For certificate as an executive sedan carrier

MCS910114 Graco Shuttle, Inc.
For certificate as common carrier of passengers by motor vehicle over irregular routes

MCS910115 Graco Shuttle, Inc.
For certificate as a special or charter party carrier by motor vehicle

MCS910116 Ricks Movers, Inc.
Alleged violation of VA Code § 56-300

MCS910117 Young, Robert Jr. & James H. Jones, Sr.
For certificate as a limousine carrier

MCS910118 Delmonico Limousine Service Inc.
For certificate as a limousine carrier

MCS910119 Bush, William
For certificate as a limousine carrier

MCS910120 Renaissance Limousine Service
For certificate as an executive sedan carrier

MCS910121 Kidner Transport, Inc.
For certificate as a household goods carrier

MCS910122 Exclusive Limousine Service Inc.
For certificate as a limousine carrier

MCS910123 Williams, Sam J.
For cancellation of certificate No. LM-79

MCS910124 Eates, Frank P. Jr. & Peter V. t/a Luxury Limousine Service
Alleged violation of VA Code § 56-300

MCS910125 D-Elegant Limousine Service
For certificate as a limousine carrier

MCS910127 Executive Limousines, Inc.
For certificate as a limousine carrier

MCS910128 Uni-Ameri-Can, Ltd
For license to broker transportation of property by motor vehicles

MCS910129 Home Stretch, Inc.,
For license to broker transportation of passengers by motor vehicles

MCS910130 Abu-Rish, Nasser R.
For certificate as an executive sedan carrier

MCS910131 Kenneth A. Fowler, Transferor and George T. Harris, IV and Ronald L. Smith, Jr., t/a Around Town Limousine Service, Transferee
To transferee certificate as a limousine carrier No. LM-48

MCS910132 Presidential Limousine Service
For certificate as a special or charter party carrier by motor vehicle

MCS910133 Express Car Wash of Charlottesville
For certificate as a limousine carrier

MCS910134 Rickshaw, Inc.
For certificate as a limousine carrier

MCS910135 Ouda, Magdy N.
For certificate as an executive sedan carrier

MCS910136 Daniel, Cabell W. & Daniel, Frances Marion
For certificate as a limousine carrier

MCS910137 Craddock, Calvin L.
For cancellation of limousine certificate No. LM-33

MCS910138 Simpson Transfer & Storage
Alleged violation of VA Code § 56-300

MCS910139 Quality Moving & Storage Co., Inc., Transferor and Executive Moving Systems, Inc., Transferee
To transfer certificate as a household goods carrier No. HG-355

MCS910140 M & L Distributors, Inc., Transferor and Pope Transport Co. of VA, Transferee
To transfer certificate as a petroleum tank truck carrier No. K-92

MCS910141 Abdalla, Maged M.
For certificate as an executive sedan carrier

MCS910142 White & D. W. Limousine, Inc.
For certificate as an executive sedan carrier

MCS910143 White & D. W. Limousine, Inc.
For certificate as a limousine carrier

MCS910144 Atlantic Greyhound Lines of VA Inc.
For proposed discontinuance of service over portion of common carrier of passenger certificate No. P-2034

MCS910145 Ricks, Charles M. Jr. t/a Classic Limousine
For certificate as a limousine carrier

MCS910146 True Brit, Inc.
Alleged violation of VA Code § 56-300

MCS910147 Virginia Coach Lines, Inc.
For certificate as a common carrier of passengers by motor vehicle

MCS910148 Chamoun, Boutros H.
For certificate as a limousine carrier

MCS910149 Fairfax Town Car Service, Inc.
For certificate as an executive sedan carrier

MCS910150 Cardinal Limousine & Tour Services Inc.
For certificate as a limousine carrier

MCS910151 Jefferson, R. Neill t/a Blue Ridge Limousine & Tour Service
For certificate as a limousine carrier

MCS910152 Virginia Limousine, Inc.
Alleged violation of VA Code § 56-300

MCS910153 Waggoner Limousine Service, Inc.
For certificate as a limousine carrier

MCS910154 R & E Hauling of VA, Inc.
For certificate as a common carrier of property by motor vehicle

MCS910155 Weil, Dwayne E. & Karen S. t/a Classic Wheels
For cancellation of limousine certificate No. LM-163

MCS910156 Atkinson, Samuel T., Transferor and Atkinson Tank Lines, Inc., Transferee
To transfer petroleum tank carrier certificate No. K-116

MCS910157 Akers' Limousines, Inc.
Alleged violation of VA Code § 56-300

MCS910158 Anderson Limousine Service
For certificate as an executive sedan carrier

MCS910159 Davis, William t/a Tri-Bill Limousine Service
For suspension of certificate No. LM-110

MCS910160 Defilippi Enterprises, Inc.
Alleged violation of VA Code § 56-300

MCS910161 Baker, Christopher D.
For certificate as a limousine carrier

MCS910162 Brown, Theodore Henry
For certificate as an executive sedan carrier

MCS910163 Baker Funeral Home t/a Manassas Limousine Service
For certificate as a limousine carrier

MCS910165 Highsmith, Arsenia M. t/a Arnell's Limo Service, Transferor and Arnell's Limo Service, Inc., Transferee
To transfer certificate as a limousine carrier No. LM-120

MCS910166 Buck, William J.
For cancellation of certificate Nos. SS-W-31 and SS-W-38

MCS910167 Weil, Dwayne E. & Karen S. t/a Classic Wheels
For cancellation of limousine certificate No. LM-163

MCS910168 Top Cat Limo Service Inc.
For cancellation of limousine certificate No. LM-148

MCS910169 Rigsbee & Son Limousine Service t/a Ronald E. Rigsbee & Son Limo Service
For cancellation of limousine carrier certificate No. LM-90

MCS910170 Special Touch Limousine Services Inc., Transferor and Richmond Coach Service Inc., Transferee
To transfer certificate as a limousine carrier No. LM-22

MCS910171 Professional Limo Service, Inc.
For certificate to operate as a limousine carrier

MCS910172 Robinson, Christopher t/a Fantasy Limousine Service, Transferor and M-W Industries, Inc., Transferee
To transfer certificate as a limousine carrier LM-31
MCS910173 A-1 Limousine Service, Inc.
For certificate as an executive sedan carrier
MCS910174 Vicar Limousine Service, Inc.
For certificate to operate as a limousine carrier
MCS910175 Black & White Cars, Inc.
For certificate as an executive sedan carrier
MCS910176 Checker Cab Company, Inc.
For certificate as an executive sedan carrier
MCS910177 Norview Cars, Incorporated
For certificate as an executive limousine carrier
MCS910178 A. S. Austin & Son, Inc.
To amend certificate as a household good carrier No. HG-299
MCS910179 Executive E.T. Transportation Inc.
For certificate as an executive sedan carrier

PST: DIVISION OF PUBLIC SERVICE TAXATION

PST910001 Columbia Gas Transmission Corporation
Alleged violation of VA Code § 58.0-2628(B)
PST910002 Hawkins Communications Inc.
Alleged violation of VA Code § 58.1-2610
PST910003 Mid-Atlantic Paging Co. Inc.
Alleged violation of VA Code § 58.1-2610
PST910004 Virginia Power
For correction of tax assessments and for refunds - tax years 1990 and 1991
PST910005 County of Louisa
For review and correction of invalid and erroneous tax assessment
PST910006 Virginia Electric & Power Co.
For injunctive relief and review

PUA: DIVISION OF PUBLIC UTILITY ACCOUNTING

PUA900018 Commonwealth Gas Services, Inc
For consolidation of filing requirements
PUA910002 United Cities Gas Company
For approval of revised storage agreements
PUA910003 Gte Telephone
For authority to enter into agreements with affiliate
PUA910004 Reston Lake Anne Air Conditioning
For approval of an affiliate agreement
PUA910005 Shenandoah Telephone Co.
For authority to loan funds to parent
PUA910006 Old Dominion Power Co. et al.
For authority to effect the creation of a holding co. and merger and to enter into agreement with affiliate
PUA910007 Potomac Edison Company
For authority to dispose of utility assets
PUA910008 Southwestern Virginia Gas Co.
For authority to enter into contract with Midway Bottled Gas Company, Inc.
PUA910009 Virginia-American Water Co.
For authority to enter into agreement with affiliate, Maryland-American Water Co.
PUA910011 Central Telephone Co. of VA
For approval of an affiliate agreement with Centel Cellular Co. of Charlottesville
PUA910012 VA Cellular Ltd. Partnership
For authority to enter into contract with an affiliate
PUA910013 Central Telephone Co. of VA
For approval of agreement with affiliates
PUA910014 C&P Telephone Co. of VA
For authority to participate in affiliate agreement
PUA910015 United Cities Gas Co.
For authority to enter into lease agreement with affiliate
PUA910016 GTE South Inc. and Contel of VA
For approval of contracts with affiliated entities
PUA910017 Virginia Pilot Association
To change or alter rates for pilotage and other charges
PUA910018 United Inter-Mountain Telephone Co.
For authority to enter into agreement with North Supply Co., an affiliate
PUA910019 Virginia Telephone Company
For authority to enter into affililiate agreement
PUA910020 United Cities Gas Co.
For approval of lease agreements with affiliates

PUA910021 Shenandoah Telephone Co. et al.
For authority to modify previously approved affiliates agreement
PUA910022 United Inter-Mountain Telephone Co.
For authority to enter into agreement with affiliate
PUA910023 United Inter-Mountain Telephone Co.
For authority to enter into agreement with affiliate
PUA910024 Potomac Edison Company, The
For authority to dispose of utility assets
PUA910025 GTE South
For authority to enter into new directory agreement with affiliate
PUA910026 C&P Telephone Co. of VA
For authority to continue services to affiliate
PUA910027 United Inter-Mountain Telephone Co.
For approval of revised service agreement with affiliate
PUA910028 United Inter-Mountain Telephone Co.
For approval of purchase agreement with North Supply Co.
PUA910029 Virginia Natural Gas, Inc.
For authority to enter into a gas supply agreement
PUA910030 Shenandoah Telephone Company
For authority to loan funds to parent
PUA910031 Virginia Electric & Power Co.
For authority to sell public service corporation property
PUA910032 C&P Telephone Company of VA
For authority to purchase equipment from affiliate
PUA910033 Virginia Electric & Power Co. and VA Natural Gas, Inc.
For authority to transfer public service corporation

PUC: DIVISION OF COMMUNICATIONS

PUC910001 Contel Cellular Of Norfolk
To amend certificate to reflect expanded CGSA
PUC910002 Virginia Cellular Limited
To amend certificates to reflect name change
PUC910003 Braley, Charles Rease III
For certificate to provide cellular mobile radio communications service
PUC910004 Lynchburg Cellular Joint
For certificate to provide cellular mobile communications service
PUC910005 Virginia Cellular Limited
To amend certificates
PUC910006 Virginia Cellular Ltd.
To amend certificate to reflect partnership name
PUC910007 City of Virginia Beach
For certificate pursuant to VA Code § 25-233
PUC910008 Metrocall of Delaware
To eliminate direct dial mobile telephone service in Rushmere area
PUC910009 Centel Cellular Co. of VA
For certificate to provide cellular mobile radio communications service
PUC910010 C&P Telephone Co. of VA
1990 Annual informational filing
PUC910011 Central Telephone Co. of VA
1990 Annual informational filing
PUC910012 AT&T Communications of VA
Petition to withdraw analog voice grade channel services
PUC910013 United Inter-Mountain Telephone Co.
1990 Annual informational filing
PUC910014 GTE South, Inc.
1990 Annual informational filing
PUC910015 Contel of Virginia, Inc.
1990 Annual informational filing
PUC910017 Washington D.C. SMSA Ltd. Partnership
For certificate to provide cellular mobile radio communications service
PUC910018 AT&T Communications of VA
For authority to offer limited intralata private line services
PUC910019 Metromedia Communications Corp.
To amend certificate to reflect new corporate name
PUC910020 Blue Ridge Cellular, Inc.
For certificate to provide cellular service in VA 3 Giles rural service area
PUC910021 Washington D.C. SMSA Ltd.
For certificate to provide cellular mobile radio communications in rural service area
PUC910022 Virginia Cellular, Inc.
For certificate to provide cellular mobile radio communications service in and around Augusta

PUC910023 Centel Cellular Co. of VA
For certificate to provide cellular mobile radio communications in rural service areas
PUC910024 Virginia RSA 4 (North) Ltd.
For certificate to provide cellular mobile radio communications in and around Henry and Bedford counties
PUC910025 Virginia Hot Springs Telephone Co.
To amend certificate to reflect new corporate name
PUC910026 Contel of Virginia
For authority to conduct an experiment in its Harrisonburg service area
PUC910027 Virginia Cellular Limited
For approval to add Smithfield cell site in VA-RSA 9 area
PUC910028 Virginia RSA #5, Inc.
For certificate to provide cellular mobile radio communications in rural service area
PUC910029 Virginia RSA #7, Inc.
For certificate to provide cellular mobile radio telecommunications in rural service
PUC910030 Washington, D.C., SMSA Ltd.
For certificate pursuant to provide cellular mobile radio communications in rural service area
PUC910032 Virginia RSA 4 Ltd. Partnership
To amend certificate for new cell site and to expand rural service area
PUC910033 Virginia RSA 3 Ltd.
For major modification to certificate
PUC910034 SDK Enterprises
For certificate to provide cellular mobile radio communications in rural service area
PUC910035 TNI Associates, Ltd.
For certificate to provide one-way paging service in VA
PUC910036 Dover Radio Page of VA, Inc.
For certificate to provide radio common carrier services throughout the Commonwealth
PUC910037 Wiltel of VA, Inc.
For certificate to provide inter-lata, interexchange telephone service in VA and to have rates determined competitively
PUC910038 Virginia RSA #4, Inc.
For certificate to provide cellular mobile radio communications in rural service area
PUC910039 Virginia RSA 1 Ltd. Partnership
For certificate to provide cellular mobile radio communications in rural service area
PUC910040 Virginia RSA 2 Ltd. Partnership d/b/a Centel Cellular Company
For certificate to provide cellular mobile radio communications in rural service area
PUC910041 United Inter-Mountain Telephone Co.
For permission to impose late payment charge on taxes billed by company for local government
PUC910042 Century Roanoke Cellular Corp.
To amend certificate to reflect expanded cellular geographic service area
PUC910043 Charlottesville Cellular Partnership
To amend certificate to reflect expanded cellular geographic service area
PUC910044 Contel Cellular of Richmond Inc.
For certificate to provide cellular mobile radio communications in rural service area
PUC910045 Southwest Virginia Cellular Telephone Inc.
For certificate to provide cellular mobile radio communications in rural service area
PUC910046 Virginia Cellular Limited Partnership
To amend certificate for Virginia RSA 9

PUE: DIVISION OF ENERGY REGULATION

PUE900068 Virginia Underground Utility
For certificate to operate as notification center pursuant to VA Code § 56-265.16:1
PUE910001 Virginia Electric & Power Co.
To amend certificate authorizing operation of transmission lines and facilities
PUE910002 Roanoke Gas Company
For an increase in rates
PUE910003 Commonwealth Public Service Corp.
For an increase in rates
PUE910004 Stoyko, William N. et al. v. South Anna Service Corp.
Petition of customers on proposed rate increase
PUE910005 Old Dominion Power Co.
For approval pursuant to Title 56, Chapters 4, 5 and 10.1
PUE910006 Waterfront Water Works Inc.
To amend its certificate and to raise rates pursuant to VA Code § 56-265.13:5
PUE910007 Virginia Electric & Power Co.
For extension of time for filing certain contracts with qualifying facilities
PUE910009 Appalachian Power Company
For extension of time to make annual informational filing
PUE910010 Potomac Edison Company
For waiver of rules governing utility rate increase applications and AIF's
PUE910011 Northern Virginia Natural Gas
For request for waiver of Section I(8) of rate case rules

PUE910013 Virginia Natural Gas
For a waiver of rate case Rule I(9)

PUE910014 Virginia Electric & Power Co.
To amend certificate authorizing operation of transmission lines and facilities in the City of Virginia Beach

PUE910015 Northern Virginia Natural Gas
For injunctive relief

PUE910016 Potomac Edison Company
To revise its cogeneration tariff

PUE910017 Virginia Electric & Power Co.
1990 Annual informational filing

PUE910019 Virginia Electric & Power Co.
To amend certificate No. ET-73S authorizing construction of double circuit 230 kv line in the City of Richmond

PUE910020 Potomac Edison Company, The
For an expedited increase in rates

PUE910021 Delmarva Power & Light Co.
1990 Annual informational filing

PUE910023 Old Dominion Power Company
1990 Annual informational filing

PUE910024 Southwestern Virginia Gas Co.
For an expedited increase in rates

PUE910025 United Cities Gas Company
1990 Annual informational filing

PUE910026 Windsor Water Company
For an amendment pursuant to VA Code § 56-265.3(D) to cancel company's certificate

PUE910027 Virginia Electric & Power Co.
To amend certificate authorizing operation of transmission lines and facilities

PUE910028 Virginia-American Water Co.
For an expedited increase in rates

PUE910029 Commonwealth Gas Services Inc.
For expedited increase in gas rates

PUE910030 Community Electric Cooperative
For an expedited increase in rates

PUE910031 United Cities Gas Company
For waiver of Commission's policy statement

PUE910032 Delmarva Power & Light
To revise fuel factor and cogeneration tariff pursuant to VA Code § 56-249.6 and PURPA 210

PUE910033 Northern Virginia Electric Cooperative
For an increase in rates

PUE910034 City of Virginia Beach
For permission to condemn property

PUE910035 Virginia Electric & Power Co.
To establish charges and payments for cogenerators and small power producers, 1992-1993

PUE910036 Appalachian Power Company
To revise its fuel factor and cogeneration tariff pursuant to VA Code § 56-249.6

PUE910037 Shenandoah Gas Company
For an expedited increase in rates

PUE910038 Northern Virginia Electric Cooperative
For permanent approval of load management program incentives

PUE910039 United Cities Gas Company
To revise its tariffs

PUE910040 Virginia Electric & Power Co.
To amend certificate authorizing operation of transmission lines and facilities in town of West Point

PUE910041 Deer Creek Water Company, Inc.
For certificate to provide water service

PUE910042 Kolin, Robert S. v. Land'or Utility Co.
For review of company's increase in rates

PUE910043 Virginia Electric & Power Co.
To amend certificates authorizing operation of transmission lines and facilities

PUE910046 Botetourt Forest Water Corp.
For certificate to provide water and sewerage service

PUE910047 Virginia Electric & Power Co.
For an expedited increase in rates

PUE910048 Virginia Electric & Power Co.
To revise fuel factor pursuant to VA Code § 56-249.6

PUE910049 Washington Gas Light Co.
For amendment of certificate pursuant to VA Code § 56-265.3

PUE910050 Appalachian Power Company
To amend certificates authorizing operation of transmission lines and facilities

PUE910051 Virginia Natural Gas, Inc.
For approval of pipeline transportation service rates

PUE910052 Northern Virginia Natural Gas, Division of Washington Gas Light Co.
To initiate developmental natural gas vehicle service rate

PUE910053 Colonial Waterworks., Inc.
For certificate to provide water service
PUE910055 Commonwealth Gas Services, Inc.
For amendment of certificate pursuant to VA Code § 56-265.3
PUE910056 Old Dominion Power Co.
For revisions to Sheet 29 of company's tariff No. 12
PUE910057 Reston/Lake Anne Air Conditioning Corporation
To revise its tariffs
PUE910058 Wintergreen Valley Utility Co., L.P.
For certificate to provide water and sewerage service
PUE910059 Mecklenburg Electric Cooperative
To amend certificate authorizing operation of facilities in City of Emporia
PUE910060 Amvest Oil & Gas Inc. and Glamorgan Coal Corp.
To furnish gas service to Glamorgan Coal Corp.
PUE910061 Commonwealth Gas Services, Inc.
To establish minimum federal safety standards for transmission of gas and pipeline facilities
PUE910062 United Cities Gas Company
Alleged violation of VA Code § 56-5.1
PUE910063 Roanoke Gas Company
Alleged violation of subparts 49 C.F.R. Section 192
PUE910064 Potomac Edison Company, The
To revise fuel factor and cogeneration tariffs
PUE910065 Commonwealth Public Service
Alleged violation of 49 C.F.R. Section 192.459
PUE910066 Water Distributors, Inc.
To amend its certificate No. W-226-A
PUE910068 Washington Gas Light Company
Alleged violation of Subparts of 49 C.F.R. Section 192
PUE910069 Artesian Well Water Co.
For certificate to provide water service
PUE910070 Occoquan Sewer, Inc & Occoquan Water, Inc.
For cancellation of certificate Nos. S-71 and W-228
PUE910071 Virginia Natural Gas, Inc.
For amendment of certificate to build a pipeline
PUE910072 Virginia Natural Gas
For alleged violation of VA law associated with the lateral pipeline
PUE910073 Commonwealth Gas Services, Inc.
For waiver of tariff provisions
PUE910075 Highland Lake Water Works Inc.
For increase in rates for water services
PUE910076 Ex Parte: Rules
For revision of Commission rules governing public utility rate increase applications
PUE910078 Tidewater Water Company
For rate increase in water rates
PUE910080 Walden, Terri et al. v. Manakin Water & Sewerage Corp.
Petition opposing proposed rate increase
PUE910082 Roanoke Gas Company
For waiver of portion of its purchased gas adjustment tariff

PUF: DIVISION OF ECONOMICS AND FINANCE

PUF900007 Shenandoah Telephone Company
For approval of certain borrowing from USA and Rural Telephone Bank
PUF910001 Charlottesville Cellular Partnership, d/b/a Cellular One
For authority to borrow under existing financing agreement
PUF910003 Virginia-American Water Co.
For authority to issue short-term debt
PUF910006 Potomac Edison Company, The
For authority to incur short-term indebtedness
PUF910007 Danville Cellular Telephone Co.
For authority to borrow funds under short-term line of credit with affiliated entity
PUF910008 C&P Telephone Co. of VA
For authority to issue note for short-term debt in excess of 5% of outstanding securities
PUF910009 United Cities Gas Company
For authority to issue common stock and long-term debt
PUF910010 Virginia Electric & Power Co.
For authority to lease rail equipment
PUF910011 Lynchburg Cellular Joint
For authority to borrow under existing financing agreement
PUF910012 Roanoke Gas Company
For authority to issue additional short-term indebtedness

PUF910013 Virginia-American Water Co.
For authority to issue general mortgage bonds and preferred stock

PUF910014 Commonwealth Gas Services, Inc.
For approval of intercompany financing for 1991

PUF910015 Delmarva Power & Light Co.
For authority to issue long-term debt

PUF910016 Delmarva Power & Light Company
For authority to issue up to 6,000,000 shares of common stock

PUF910017 Southside Electric Cooperative
For authority to continue to participate in loan program

PUF910018 Mecklenburg Electric Cooperative
For authority to increase short-term indebtedness

PUF910019 Northern Virginia Electric
For authority to borrow funds under short-term line of credit with NRUCFC

PUF910020 Mecklenburg Electric Cooperative
For authority to issue notes to REA and NUCFC

PUF910021 Virginia Natural Gas, Inc.
For authority to enter into intercompany financing

PUF910022 Rappahannock Electric Cooperative
For authority to increase cooperative's line of credit with CFC

PUF910023 Northern Virginia Electric Cooperative
For authority to convert fixed rate loans to variable rate loans

PUF910024 Roanoke Gas Company
For authority to issue long-term debt

PUF910025 Appalachian Power Company
For authority to issue first mortgage bonds

PUF910026 Washington Gas Light Company
For authority to issue short-term debt and sell commercial paper to affiliates

PUF910027 Washington Gas Light Company
For authority to make and receive interest-bearing cash advances on open account

PUF910028 Central Virginia Electric Cooperative
For authority to borrow funds under a short-term line of credit agreement

PUF910029 A&N Electric Coop, et al.
For authority to issue financing facilities

PUF910030 Contel of Virginia, Inc.
For authority to borrow short-term debt and authority to enter into intercompany financing agreement

PUF910031 Shenandoah Valley Electric Cooperative
For authority to increase short-term indebtedness

PUF910032 United Cities Gas Co.
For authority to incur $60 million of short-term debt

PUF910033 Contel of Virginia, Inc.
For authority to issue long-term debt to an affiliate

PUF910034 Virginia Electric & Power Co.
For authority to continue nuclear fuel financing for Surry units 1 and 2

PUF910035 Old Dominion Power Co. & Kentucky Utilities Co.
For authority to issue long-term securities and assume obligations

PUF910036 Delmarva Power & Light Company
For authority to issue medium term notes

PUF910037 Virginia Electric & Power Co.
For authority to issue and sell medium-term notes

PUF910038 Roanoke & Botetourt Telephone Co.
For amending authority to enter into a supplemental, long-term loan with Rural Telephone Bank

PUF910039 SDK Enterprises
For authority to enter into financing agreement with Motorola

PUF910040 Virginia Natural Gas, Inc.
For authority to sell common stock and issue long-term notes to Consolidated Natural Gas Co.

PUF910041 Virginia Electric & Power Co. & Dominion Resources, Inc.
For authority to sell common stock to an affiliate

PUF910042 Prince George Electric Cooperative
For authority to borrow funds under short-term line of credit agreement

PUF910043 Virginia-American Water Co.
For authority to issue short-term debt

PUF910044 Commonwealth Gas Services, Inc. & The Columbia Gas System Inc.
For approval of intercompany financing for 1992

PUF910045 GTE South, Inc.
For authority to incur short-term indebtedness up to $150 million

PUF910046 Delmarva Power & Light Co.
For authority to issue first mortgage bonds

PUF910047 Appalachian Power Company
For authority to issue and sell bonds, unsecured notes and cumulative preferred stock

PUF910048 Roanoke Gas Company
For authority to issue common stock

RRR: DIVISION OF RAILROAD REGULATION

RRR910001 CSX Transportation
For authority to close agency at Balcony Falls, VA and place agency duties under Lynchburg, VA mobile agency

RRR910002 Norfolk Southern Corporation
For authority to abolish mobile Route VA-2 based at Manassas, VA and place agency duties under jurisdiction of open agency at Manassas, VA

RRR910003 CSX Transportation, Inc.
For authority to transfer its agency at Clifton Forge, VA and the non-agency stations under its jurisdiction to Covington, VA

RRR910004 CSX Transportation, Inc.
For authority to consolidate agency service provided by customer service center

RRR910005 Norfolk Southern Corp.
For authority to abolish mobile Route VA-2 based at Franklin, VA

SEC: DIVISION OF SECURITIES AND RETAIL FRANCHISING

SEC910001 Commonwealth Cash Reserve Fund Inc.
For offer of compromise and settlement

SEC910002 Friends Meeting House Fund Inc.
For certificate of exemption pursuant to VA Code § 13.1-514.1.B

SEC910003 Dean Witter Reynolds Inc.
For offer of compromise and settlement

SEC910004 Sager, Fred Steven
For dissolution of permanent injunction entered in Case No. SEC820034

SEC910005 Bechard, Paul Francis d/b/a Bechard & Assoc.
For offer of compromise and settlement

SEC910006 Monitor Group, The
For offer of compromise and settlement

SEC910007 Sports Virginia, Inc. Petitioner v. Virginia Amateur Sports Inc., Defendant
For cancellation of service mark registration

SEC910008 Dean Witter Reynolds Inc.
For offer of compromise and settlement

SEC910009 Commonwealth Investment Counsel Inc.
For offer of compromise and settlement

SEC910010 Victory Baptist Church
For order of exemption under VA Code § 13.1-514.1.B

SEC910011 Dunivan, James E., James E. Dunivan, Jr. & William M. Dise
For offer of compromise and settlement

SEC910012 Jones, Horace L.
For offer of compromise and settlement

SEC910013 Sullivan, Arthur E. Jr.
For offer of compromise and settlement

SEC910014 West End Assembly of God
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC910015 Deluca, Peter Thomas
Alleged violation of VA Code § 13.1-521

SEC910016 Tarbert, Teresa L.
For offer of compromise and settlement

SEC910017 Exchange Services Inc.
For offer of compromise and settlement

SEC910018 Powhatan County Farm Bureau
For certificate of exemption pursuant to VA Code § 13.1-514.1.B

SEC910019 Tidewater Financial Group, Inc.
Alleged violation of VA Code § 13.1-518

SEC910020 Martha Jefferson Pooled Income Fund, The
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC910022 Blasanne, Inc.
Alleged violation of VA Code §§ 13.1-518.1 et al.

SEC910023 M. D. Hudson & Co, Inc.
Alleged violation of VA Code §§ 13.1-518.1 et al.

SEC910024 Quandrex Securities Corp.
Alleged violation of VA Code §§ 13.1-518.1 et al.

SEC910025 J. F. Lowe & Co Inc.
Alleged violation of VA Code §§ 13.1-518.1 et al.

SEC910026 IFP Incorporated
Alleged violation of VA Code § 13.1-518.1

SEC910027 Chesapeake Securities Research Corp.
For offer of compromise and settlement

SEC910028 Capstone Asset Planning Co.
For offer of compromise and settlement

SEC910029 Boston International Group Securities Corp.
For offer of compromise and settlement

SEC910030 Nordberg Capital, Inc.
For offer of compromise and settlement
SEC910031 Conig & Associates Inc.
For offer of compromise and settlement
SEC910032 Pacific Inland Securities Corp.
For offer of compromise and settlement
SEC910033 Spear Insurance Services
For offer of compromise and settlement
SEC910034 Student Loan Finance Corp.
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910035 Pennington, Hiram Edward
Alleged violation of VA Code §§ 13.1-504 et al.
SEC910036 Home Group Trust
Alleged violation of VA Code § 13.1-512
SEC910037 Bechard, Paul Francis d/b/a Bechard & Associates
Alleged violation of VA Code § 13.1-504
SEC910038 Southeastern District-LCMS Church Extenstion Fund
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910039 Nebraska Higher Education Loan Program Inc.
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910040 WT Acquisition (BVI) Corp.
For an official interpretation pursuant to VA Code § 13.1-525
SEC910041 ABR Advisory Corp.
For offer of compromise and settlement
SEC910042 Capital Hill Group Inc.
For offer of compromise and settlement
SEC910043 Dearman, William M. D.
For implementation of special supervisory procedures
SEC910044 John G. Dreisbach Inc.
For offer of compromise and settlement
SEC910045 River Road Presbyterian
For order of exemption under VA Code § 13.1-514.1.B
SEC910046 Rager, Douglas Alan
For offer of compromise and settlement
SEC910047 Garnett, Thomas R.
For offer of compromise and settlement
SEC910048 Everist, Hubert Harpham d/b/a Integer Investments
For offer of compromise and settlement
SEC910049 Tax & Financial Planning Group Ltd.
For offer of compromise and settlement
SEC910050 Sisters of Providence O-G
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910051 JRP Securities Inc.
For offer of compromise and settlement
SEC910052 C H Dean & Associates, Inc. t/a Dean Investment Assoc.
For offer of compromise and settlement
SEC910053 NCN Communications, Inc.
For offer of compromise and settlement
SEC910054 Dembroski, Bruce A.
For offer of compromise and settlement
SEC910055 Stuyvesant Capital Management Corporation
For offer of compromise and settlement
SEC910056 Kusche, Charles W. III
For offer of compromise and settlement
SEC910057 Ex Parte: Rules
Promulgation of rules pursuant to VA Code § 13.1-523
SEC910058 Ex Parte: Rules
Promulgation of rules pursuant to VA Code § 13.1-572
SEC910059 Rauh, Stephen S., Rauh & King Inc.
For offer of compromise and settlement
SEC910060 Arbco Electronics, Inc.
For offer of compromise and settlement
SEC910061 Mason Investment Advisory Services, Inc.
For offer of compromise and settlement
SEC910062 IMB Securities, Inc.
For offer of compromise and settlement
SEC910063 Gayton Baptist Church
For certificate of exemption pursuant to VA Code § 14.1-514.1.B
SEC910064 Starburst Funds Services Inc., The
For offer of compromise and settlement
SEC910065 Gulf Investment Management Inc.
For offer of compromise and settlement

SEC910066 Arbco Electronics, Inc.
For offer of compromise and settlement
SEC910067 Dozier Whelan Securities
For offer of compromise and settlement
SEC910068 FIC Financial Planners, Inc.
For offer of compromise and settlement
SEC910069 Caudill, Jeffrey W.
Alleged violation of VA Code §§ 13.1-502, 13.1-507 and Rules 305 B.1 and B.2
SEC910070 Haseeb-Nisar, Bhatti
For offer of compromise and settlement
SEC910071 Charleton Memorial Hospital Inc.
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910072 Amos, Gary
For offer of compromise and settlement
SEC910074 Elca Loan Fund
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910075 Holy Tabernacle Church of Deliverance
For order of exemption under VA Code § 13.1-514.1.B
SEC910076 Prudential Securities, Inc.
For offer of compromise and settlement
SEC910077 Motorworks, Inc.
For offer of compromise and settlement
SEC910078 North Texas Higher Education Authority Inc.
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910079 Drake, Diana Ashley Individually, and d/b/a Drake Financial Services
For offer of compromise and settlement
SEC910080 Greenville Capital Management Inc.
For offer of compromise and settlement
SEC910081 Northwest Quandrant, Inc.
For offer of compromise and settlement
SEC910082 Securities Group of North America, Inc.
Alleged violation of VA Code § 13.1-518.1
SEC910083 Wasatch Stock Trading, Inc.
Alleged violation of VA Code § 13.1-518.1
SEC910084 Gehler, Eric Jon
For offer of compromise and settlement
SEC910085 Waldman, Mark S. d/b/a Waldman Financial Advisers
For offer of compromise and settlement
SEC910086 Woolley, George Allen
Alleged violation of VA Code §§ 13.1-504 and 13.1-507
SEC910087 Lastinger, Lance Anson
Alleged violation of §§ 13.1-504A and 13.1-507
SEC910088 L & A Petroleum, Inc.
Alleged violation of VA Code §§ 13.1-504B and 13.1-507
SEC910089 Parfitt, Arthur Clayton
Alleged violation of VA Code §§ 13.1-504A and 13.1-507
SEC910090 Radnor Capital Management
For offer of compromise and settlement
SEC910091 Frontier Capital Management Co. Inc.
For offer of compromise and settlement
SEC910092 Beverly Hills Weight Loss Clinics International
For offer of compromise and settlement
SEC910093 Kaiser Foundation Hospital Wilson Sonsini Goodrich
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910094 Sacred Heart Health Care System & Sacred Heart Hospital of Allentown
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910095 Timberline Bancshares Inc.
For official interpretation pursuant to VA Code § 13.1-525
SEC910096 H.C. Copeland Financial Services, Inc.
For offer of compromise and settlement
SEC910097 Swanson Financial International, Inc.
For offer of compromise and settlement
SEC910098 Dailey Securities, Inc.
For offer of compromise and settlement
SEC910099 David L. Babson & Co., Inc.
For offer of compromise and settlement
SEC910100 Leeds Securities, Inc.
For offer of compromise and settlement
SEC910101 Stuart Coleman & Co. Inc.
For offer of compromise and settlement
SEC910102 Cain Brothers Shattuck Co.
For offer of compromise and settlement

SEC910103 Wheat First Securities, Inc.
For offer of compromise and settlement
SEC910104 Signature Broker-Dealer Services, Inc.
For offer of compromise and settlement
SEC910105 Zack's Famous Frozen Yogurt
For offer of compromise and settlement
SEC910106 Shelyn Securities Corp.
For offer of compromise and settlement
SEC910107 First Carolina Investment Corp.
For offer of compromise and settlement
SEC910108 Consolidated Intercapital Corp.
For offer of compromise and settlement
SEC910109 One Hundred Fund, Inc., The
For offer of compromise and settlement
SEC910110 Butcher Financial Corp.
For offer of compromise and settlement
SEC910111 Payne, Gary Thomas
For offer of compromise and settlement
SEC910112 Pierce, Merrill Lynch Fenner & Smith Inc.
For offer of compromise and settlement
SEC910113 Beaverdam Advent Christian Church
For an order of exemption under VA Code § 13.1-514.1.B
SEC910114 Oak Hall Capital Advisors Inc.
For offer of compromise and settlement
SEC910115 Hillside Associates Inc.
For offer of compromise and settlement
SEC910116 Cherry Avenue Christian Church of Charlottesville, VA, The
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC910117 Liberty Capital Management
For offer of compromise and settlement
SEC910118 Kenmore Association Pooled Income Fund
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910119 Slavic Investment Corporation
For offer of compromise and settlement
SEC910120 Sanwa-Bgk Securities Co.
For offer of compromise and settlement
SEC910121 Gramercy Capital Management Corp.
For offer of compromise and settlement
SEC910122 Smith, Barney, Harris, Upham & Co., Inc.
For offer of compromise and settlement
SEC910123 Tuck, Richard Cabell d/b/a Richard Tuck & Associates
For offer of compromise and settlement
SEC910124 MPT Associates., Inc.
For offer of compromise and settlement
SEC910125 Fidelity Associates of Richmond, Inc.
For offer of compromise and settlement
SEC910126 Wright, Auldis Edward
For offer of compromise and settlement
SEC910127 Van Kampen Merritt Investment Advisory Corp.
For offer of compromise and settlement
SEC910128 Alliance Fund Distributor
For offer of compromise and settlement
SEC910129 Paine-Webber, Inc.
For offer of compromise and settlement
SEC910130 David Cook & Associates Inc.
For offer of compromise and settlement
SEC910131 Cheswick Investment Co. Inc.
For offer of compromise and settlement
SEC910132 Villanova University in the State of Pennsylvania
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910133 Rushmore Fund, Inc., Th
For offer of compromise and settlement
SEC910134 Mason Securities, Inc.
For offer of compromise and settlement
SEC910135 Ashley, Jack P.
For offer of compromise and settlement
SEC910136 Comtel of Virginia Beach
For offer of compromise and settlement
SEC910137 Lutheran Church Extension Fund-Missouri Synod
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910138 Beach Fellowship
For certificate of exemption pursuant to VA Code § 13.1-514.1.B

SEC910139 National Covenant Properties
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910140 McGovern, Jr., Frank James d/b/a Frank J. McGovern & Assoc.
For offer of compromise and settlement
SEC910141 Copley Fund, Inc.
For offer of compromise and settlement
SEC910142 Clark Capital Management Group Inc.
For offer of compromise and settlement
SEC910143 First Baptist Church of Hopewell, VA
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910144 American Legion, The
For certificate of exemption pursuant to VA Code § 13.1-518.1.B
SEC910145 Cohn, Edwin C.
For offer of compromise and settlement
SEC910146 Triquest Financial, Inc.
For offer of compromise and settlement
SEC910147 Interinvest Corp., Inc.
For offer of compromise and settlement
SEC910148 Fund Trust
For offer of compromise and settlement
SEC910149 Prudential Securities, Inc.
For offer of compromise and settlement
SEC910150 Porter, R. Gregory III
For offer of compromise and settlement
SEC910151 Flippen, John M.
For offer of compromise and settlement
SEC910152 Bruce, John T.
For offer of compromise and settlement
SEC910153 Danek Group, Inc.
For an official interpretation pursuant to VA Code § 13.1-525
SEC910154 Securities Group of North America
Alleged violation of VA Securities Act Rule 307C
SEC910155 VP Securities, Inc.
Alleged violation of VA Code § 13.1-518.1
SEC910156 Conaway, James Richard
For offer of compormise and settlement
SEC910157 F.N. Wolf & Co., Inc.
For offer of compromise and settlement
SEC910158 Congregation Or Atid
For order of exemption under VA Code § 13.1-514.1.B
SEC910159 A.G. Edwards & Sons., Inc.
For offer of compromise and settlement
SEC910160 Riverside Gardens Recreation Association
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910161 House of Securities Co., The
For offer of compromise and settlement
SEC910162 Inland Securities Corp.
For offer of compromise and settlement
SEC910163 Harris-Bretall-Sullivan-Smith Inc.
For offer of compromise and settlement
SEC910164 Nelson, William B.
Alleged violation of VA Code §§ 13.1-502 and 13.1-504
SEC910165 Calvary Baptist Church of Woodbridge, VA
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC910166 Gallagher, Daniel K. Gallagher-Noffsinger Associates
For offer of compromise and settlement
SEC910167 Poyner & Spruill
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910168 Guthrie, Mudge Rose
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910169 Baring & Brown, Inc.
For offer of compromise and settlement
SEC910170 Crossroads Baptist Church
For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910171 Quest For Value Global Equity Fund, Inc.
For offer of compromise and settlement
SEC910172 College Planning Services
For offer of compromise and settlement
SEC910173 Cypress Capital Management Inc.
For offer of compromise and settlement
SEC910174 Rehoboth Fellowship Church
For an order of exemption under VA Code § 13.1-514.1.B

SEC910175	Carroll County Bank & Trust Co. For an official interpretation pursuant to VA Code § 13.1-525
SEC910176	Wagner Capital Management For offer of compromise and settlement
SEC910177	United States Industrial Council Education Foundation Pooled Income Fund, The For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910178	Holy Tabernacle Church of Deliverance For order of exemption under VA Code § 13.1-514.1.B
SEC910179	Crooks Memorial United Methodist Church For order of exemption under VA Code § 13.1-514.1.B
SEC910180	Medical College of Hampton Roads Foundation For certificate of exemption pursuant to VA Code § 13.1-514.1.B
SEC910181	Gamco Investors, Inc. For offer of compromise and settlement
SEC910182	Melhado, Flynn & Associates Inc. For offer of compromise and settlement
SEC910183	Calvert Securities Corp. For offer of compromise and settlement
SEC910184	Heier Advisory Corp. For offer of compromise and settlement
SEC910185	Calvary Baptist Church Extension Assoc. For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC910186	New Life Baptist Church For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC910187	Captial Investment Services of America, Inc. For offer of compromise and settlement
SEC910188	Noffsinger, Martin W. For offer of compromise and settlement
SEC910189	Montana Higher Education Student Assistance Corp. For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC910190	Metropolitan Community Church of Washington, The For order of exemption under VA Code § 13.1-514.1.B