Ninetieth Annual Report

of the

State Corporation Commission

of

Virginia

For the Year Ending December 31, 1992

GENERAL REPORT

Letter of Transmittal

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

RICHMOND, VIRGINIA, *December 31, 1992*

To the Honorable L. Douglas Wilder

Governor of Virginia

Sir:

We have the honor to transmit herewith the ninetieth Annual Report of the State Corporation Commission for the year 1992.

Respectfully submitted,

Preston C. Shannon, Chairman

Theodore V. Morrison, Jr., Commissioner

Hullihen Williams Moore, Commissioner

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State Corporation Commission

COMMISSIONERS

*Theodore V. Morrison, Jr.	Chairman
**Preston C. Shannon	Chairman
Hullihen Williams Moore	Commissioner

William J. Bridge
Clerk of the Commission

*Term as Chairman expired January 31, 1992

**Elected Chairman effective for term of one year, February 1, 1992

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 February 20, 1992	19
Elizabeth B. Lacy	April 1, 1985 to December 31, 1988	4
Theodore V. Morrison, Jr.	February 16, 1989 to	
Hullihen Williams Moore	February 1, 1992 to	

From 1903 through 1992 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	21	Morrison	4	Moore	1

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

Rules of Practice and Procedure

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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 of 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 or 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. BFI910159
FEBRUARY 13, 1992

APPLICATION OF
CONTITRADE SERVICES CORPORATION

To acquire ContiMortgage Corporation (formerly Merchants Home Mortgage Corporation)

ORDER APPROVING AN ACQUISITION

ON A FORMER DAY Contitrade Services Corporation filed an application, pursuant to Virginia Code § 6.1-416.1, for approval of its acquisition of ContiMortgage Corporation, and later filed a Petition with the Clerk seeking certain relief. The application was investigated by the Staff of the Bureau of Financial Institutions, who reported the results of that investigation to the Commission and recommended that the application be granted. Upon consideration thereof, and the agreement of counsel to entry of this order,

IT IS ORDERED:

(1) That the acquisition of ContiMortgage Corporation by ContiTrade Services Corporation is approved;

(2) That the Petition filed in this case is dismissed as moot; and

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

CASE NO. BFI910319
APRIL 20, 1992

APPLICATION BY
TRANSAMERICA FINANCIAL SERVICES, INC.

For a license to make loans under the provisions of Chapter 6, Title 6.1 of the Code of Virginia at 1425 Seminole Trail, Albemarle County, Virginia

ORDER GRANTING A LICENSE

Transamerica Financial Services, Inc., by counsel, sought informal review of a denial by the Commissioner of Financial Institutions of a license to make loans under the provisions of the Consumer Finance Act at the above location. The license was denied September 13, 1991, pursuant to delegated authority; informal review is afforded by Rules 3:3, 3:4, and 5:4 of the Commission's Rules of Practice and Procedure.

Now having considered the Petition, the investigation report, other relevant papers, and the Answer herein of the Bureau of Financial Institutions, in light of all relevant facts and law, the Commission is of the opinion and finds that a license should be granted. In this instance, we find that the evidence of a lack of demand for consumer finance loans is less persuasive than that which was before us in Application of City Finance Company, d/b/a Public Finance Corporation, 1986 SCC Annual Report 18. Accordingly,

IT IS ORDERED that a license to make loans under the provisions of Chapter 6, Title 6.1 of the Code of Virginia at 1425 Seminole Trail, Albemarle County be granted to Transamerica Financial Services, Inc., and such a license hereby is granted.

CASE NO. BFI910465
APRIL 1, 1992

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

DISMISSAL ORDER

ON A FORMER DAY the Staff reported to the Commission that the Defendant has complied with the conditions for reinstatement of its license set forth in the Order Suspending License entered in this case on October 29, 1991; and that the Commissioner of Financial Institutions has reinstated Defendant's license to engage in business as a mortgage lender and broker effective April 1, 1992. It appearing that nothing further remains to be done in this case,

IT IS ORDERED:

(1) That this case be, and it is hereby, dismissed; and

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

CASE NOS. BFI920004 and BFI920005
JANUARY 10, 1992

APPLICATIONS OF
CRESTAR FINANCIAL CORPORATION

To own CRFC VA Interim Federal Savings Bank

and

CRESTAR BANK

To merge CRFC VA 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 VA Interim Federal Savings Bank ("CRFC VA"), and Crestar Bank, a state bank, applied to merge CRFC VA into itself. CRFC VA is a federal savings institution formed solely to facilitate the transfer of certain assets and liabilities of Perpetual Savings Bank, FSB, Vienna, Virginia, from the Resolution Trust Corporation to Crestar Bank. CRFC VA was issued a federal charter and was duly authorized by the Office of Thrift Supervision to operate the offices formerly belonging to Perpetual.

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 VA by Crestar Financial Corporation and the merger should be approved. In connection with the application to merge CRFC VA 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 Code Section 6.1-13.

Accordingly, it is ordered that the applications of Crestar Financial Corporation to own CRFC VA Interim Federal Savings Bank and of Crestar Bank to merge CRFC VA 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 operate the following offices of CRFC VA Interim Federal Savings Bank: (1) 6216 Rolling Road, Springfield, Fairfax County, Virginia; (2) 11180 South Lakes Drive, Reston, Fairfax County, Virginia; and (3) 1449-A Chain Bridge Road, McLean, 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 VA Interim Federal Savings Bank into Crestar Bank.

CASE NO. BFI920050
JANUARY 31, 1992

IN THE MATTER OF:
THALHIMERS CREDIT UNION, INCORPORATED

Purchase of assets and assumption of liabilities by Virginia Credit Union, Inc.

ORDER AUTHORIZING THE PURCHASE AND ASSUMPTION

On this day came the staff of the Bureau of Financial Institutions and counsel and represented to the Commission:

(1) Thalhimers Credit Union, Incorporated ("Thalhimers") is a state-chartered credit union having assets of some $1.5 million. The credit union has its office on the premises of the Thalhimers Department Store, Sixth & Broad Streets, Richmond, Virginia.

(2) This downtown Thalhimers store, like six other Thalhimers' stores, was closed to the public January 22, 1992, on account of the company's being merged into the May Company. Upon the final closing of the store on or about February 1, members of the credit union will not have access to the credit union's office.

(3) Four of the seven directors of Thalhimers are unavailable to direct the affairs of the credit union as of January 25, 1992.

(4) Some 265 borrowing members of the credit union, having outstanding loan balances of some $550,000, and some 300 depositing members, owning shares amounting to some $272,000, are expected to be laid off. Withdrawals of deposits and loan delinquencies resulting from the foregoing loss of employment will certainly cause deterioration of, and likely will have a crippling effect on the condition of the credit union. It appears that in the circumstances the credit union is in some danger of insolvency.

(5) Merger negotiations on the part of Thalhimers with the May Company's credit union, and with another small, Richmond-based credit union, have been unsuccessful.

(6) The boards of directors of Thalhimers and of Virginia Credit Union, Inc. ("VACU") have agreed on terms of a transfer of Thalhimers' assets to, and assumption of specified liabilities by, VACU. The agreement provides that members of Thalhimers will automatically become members of VACU, owning share accounts of equal value in VACU. VACU has offices that are convenient to Thalhimers' members, i.e., they are within blocks of Thalhimers' location. The share accounts of both credit unions are insured by the National Credit Union Share Insurance Fund ("NCUSIF") of the National Credit Union Administration ("NCUA").

(7) The NCUA has advised the Bureau of Financial Institutions that it is in accord with the proposed transfer of assets and liabilities, and that the share accounts in the continuing credit union, including those transferred from Thalhimers, will be insured by NCUSIF.

(8) An emergency exists, and it would be in the best interest of the members of Thalhimers (and in VACU's best interest) to have the transfer of assets and assumption of liabilities take place without delay.

Having considered the forgoing, the Commission is of the opinion and finds that an emergency and some danger of insolvency exists in the circumstances facing Thalhimers, that the boards of directors of both credit unions have agreed on a purchase of assets and assumption of liabilities, and that consummation of the purchase of assets and assumption of liabilities, as proposed in the agreement of the two boards, pursuant to Commission approval in lieu of voting by the respective memberships, is in the best interest of the members of Thalhimers Credit Union, Incorporated.

Accordingly, IT IS ORDERED, pursuant to Virginia Code § 6.1-225.10 F., that the purchase of assets of Thalhimers Credit Union, Incorporated by Virginia Credit Union, Inc. and the assumption of the liabilities of Thalhimers Credit Union, Incorporated by Virginia Credit Union, Inc., as provided in a certain agreement between Thalhimers and VACU, be authorized, and it hereby is authorized.

CASE NO. BFI920056
MARCH 24, 1992

APPLICATION OF
UNION BANCORP, 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 Union Bancorp, Inc. and filed its application, as required by Virginia Code § 6.1-383.1, to acquire 100 percent of the shares of Union Bank and Trust Company, Bowling Green, 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 Union Bank and Trust Company by Union Bancorp, Inc. and orders that this matter be placed among the ended cases.

CASE NO. BFI920057
FEBRUARY 3, 1992

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

SETTLEMENT ORDER

ON A FORMER DAY the Staff reported to the Commission that the Defendant is a licensee under the Consumer Finance Act ("the Act"), Chapter 6 of Title 6.1 of the Virginia Code; that during examinations of Defendant's licensed offices conducted since mid-1989, it was discovered that the company has committed numerous violations of the Act and rules and regulations promulgated thereunder; that such violations of law continued notwithstanding Defendant's assurances that it would conform its business practices to requirements of law, and notwithstanding Defendant's payment of a fine in 1989 for like violations of law; that upon being informed that the Commissioner of Financial Institutions ("the Commissioner") intended to recommend the imposition of fines for such violations, the Defendant offered to settle this case by payment of a fine in the sum of forty-two thousand five hundred dollars ($42,500), tendered said sum to the Commonwealth of Virginia, and waived its right to a hearing in this case; and the Commissioner recommended that the Commission accept Defendant's offer of settlement pursuant to Virginia Code § 12.1-15. Accordingly,

IT IS ORDERED:

(1) That Defendant's offer in settlement of this case be, and it is hereby, accepted;

(2) That this case be, and it is hereby, dismissed; and

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

CASE NO. BFI920062
MARCH 4, 1992

APPLICATION OF
F & M NATIONAL CORPORATION

Pursuant to § 6.1-406 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came F & M National Corporation and filed its notice, as required by Virginia Code § 6.1-406, to acquire Farmers and Merchants Bank of Keyser, Keyser, West Virginia. 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 Farmers and Merchants Bank of Keyser by F & M National Corporation. This matter shall be placed among the ended cases.

CASE NO. BFI920076
FEBRUARY 21, 1992

APPLICATION OF
NORTHERN VIRGINIA BANKING COMPANY

For a certificate of authority to begin business as a bank at 107 Free Court, Sterling, Loudoun County, 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 at 107 Free Court, Sterling, Loudoun County, 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 Sterling, Loudoun County, 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 § 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 Northern Virginia Banking Company to do a banking business at 107 Free Court, Sterling, Loudoun County, 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 $1,901,000 be paid into the bank and allocated as follows: $570,300 to capital stock, $665,350 to surplus, and $665,350 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 if, for any reason, the bank fails to open for business 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. BFI920077
FEBRUARY 21, 1992

IN THE MATTER OF
COMMUNITY BANK & TRUST COMPANY OF VIRGINIA

Purchase of assets and assumption of liabilities by Northern Virginia Banking Company

ORDER TRANSFERRING ASSETS AND LIABILITIES

On this day came the staff of the Bureau of Financial Institutions, a representative of the Federal Reserve Bank for the Fifth Federal Reserve District (Richmond), and counsel. In support of its request for a Commission order effecting the transaction described herein, the staff represented:

(1) Community Bank & Trust Company of Virginia ("Community Bank") is a state-chartered bank having assets of some $28.4 million. Community Bank is a member of the Federal Reserve System and has its banking office at 107 Free Court, Sterling, Loudoun County, Virginia. The deposits of Community Bank areinsured by the Federal Deposit Insurance Corporation.

(2) An examination of Community Bank as of November 30, 1991 was conducted by Federal Reserve examiners; FDIC examiners performed a concurrent, but separate, examination. A review of certain classified loans was held January 16, 1992, at which time Community Bank's management presented information to a panel of Federal Reserve, FDIC, and Bureau analysts. Making allowance for the adjustments made on review, the Federal Reserve report of examination and the December 31, 1991 Report of Condition filed January 31, 1992, by the bank nevertheless show Community Bank to be insolvent in that its liabilities exceed the value of its assets.

(3) Northern Virginia Banking Company ("NVBC") is a new, state-chartered bank, which (a) will inject $1.8 million dollars in capital funds into a resulting bank immediately, (b) will add capable, experienced management to the organization, and (c) has committed to supply significant additional capital in the next 60 days.

(4) The boards of directors of Community Bank and NVBC have agreed on terms and conditions whereby NVBC will purchase the assets and assume the liabilities of Community Bank.

(5) The Bureau, the Federal Reserve, and the FDIC are in favor of the proposed transfer of assets and liabilities, and the FDIC has agreed that the deposits formerly insured as liabilities of Community Bank will be insured upon their assumption by Northern Virginia Banking Corporation.

(6) An emergency exists, and it is in the interest of Community Bank's depositors and the public to have the proposed transfer of assets and assumption of liabilities take place without closing the bank and seeking the appointment of a receiver.

The Commission received the Federal Reserve report, the Report of Condition, and certain memoranda into the record. Having considered those documents and the statements of its staff and of the Federal Reserve's representative, the Commission is of the opinion and finds: that Community Bank & Trust Company of Virginia is insolvent, that an emergency exists, that the boards of directors of Community Bank and of Northern Virginia Banking Corporation have entered into an agreement for the purchase of assets and assumption of liabilities of Community Bank by Northern Virginia Banking Corporation, and that consummation of the purchase and assumption immediately, as proposed in the agreement of the two boards, is in best interest of the depositors of Community Bank and in the public interest.

ACCORDINGLY, IT IS ORDERED, pursuant to Virginia Code § 6.1-100.1, that the assets and liabilities of Community Bank & Trust Company of Virginia be transferred to Northern Virginia Banking Company as provided in a certain agreement between Community Bank and NVBC, and said transfer by purchase and assumption hereby is authorized and effected. And it is further ordered that the certificate of authority of Community Bank to engage in the banking business be, and it hereby is, revoked. The officers and directors of Community Bank shall cease that bank's operation, turn over its assets and liabilities to NVBC pursuant to the agreement, and amend Community Bank's articles of incorporation so as to change the corporation's name and reflect the absence of any authority henceforth to engage in the banking and trust business.

CASE NO. BFI920102
JUNE 24, 1992

PETITION OF
AMERICAN INDUSTRIAL LOAN ASSOCIATION

For review of a ruling of the Bureau of Financial Institutions

OPINION AND FINAL ORDER

Opinion, Shannon, Chairman:

On January 22, 1992, the American Industrial Loan Association ("Petitioner") notified the Commissioner of the Bureau of Financial Institutions, pursuant to Virginia Code § 6.1-383, that it proposed to form a subsidiary corporation, thereby acquiring more than 5% of the voting shares of another company. Petitioner's letter stated that the subsidiary would engage in activities permitted to a controlled subsidiary of a state bank under Virginia Code § 6.1-58.1 and, in effect, the same activities permitted to a savings institution service corporation under Virginia Code § 6.1-194.69, Subsection 2.

In response, on February 14, 1992, the Commissioner of Financial Institutions ruled that the Petitioner could not form such a subsidiary corporation, or, in the alternative, if such a subsidiary were to be allowed, it could not engage in its proposed activities at any location other than that of the Petitioner, due to Virginia Code § 6.1-233, which provides that an industrial loan association may not have more than one office for the conduct of its business.

On March 5, 1992, Petitioner filed a Petition requesting that this Commission review the ruling of February 14, 1992.

On April 20, 1992, the Bureau filed a brief responding to the Petition, and we heard oral argument on April 29, 1992.

After carefully considering the pleadings and argument, we are of the opinion and find that the Petitioner is not prohibited from forming a subsidiary that would have an office at a location other than the Petitioner's location. First, by virtue of Virginia Code § 6.1-227, industrial loan associations have the power found in Virginia Code § 13.1-627(6) to own the stock of any other entity, without any limitations regarding subsidiaries. That being the case, we do not believe that industrial loan associations need additional statutory authority specifically granting them the right to form subsidiaries. The Bureau attempted to analogize this situation to that of banks and savings and loan institutions, arguing that such entities are not permitted, with certain exceptions, to invest in the stock of other corporations, and that the same rule should govern industrial loan associations. That is precisely the point, however. Banks and savings and loans are subject to such prohibitions, see Virginia Code §§ 6.1-60.1 and 6.1-194.69, but, disregarding one provision not relevant here,[1] there are no statutes which impose a similar restriction on industrial loan associations.

Secondly, we also find nothing to prevent such a subsidiary from conducting its business at a location other than that of the industrial loan association itself. Virginia Code § 6.1-233 precludes an industrial loan association from having more than one office for the conduct of its business, but this statute does not address the subject of where subsidiaries of such associations may locate. Accordingly,

IT IS, THEREFORE, ORDERED:

(1) That the ruling dated February 14, 1992, issued by the Commissioner of Financial Institutions to the American Industrial Loan Association is hereby vacated; and

(2) That there being nothing further to come before the Commission, this case shall be removed from the docket and the record developed herein placed in the file for ended cases.

[1]Virginia Code § 6.1-232 prohibits an industrial loan association which has certificates of investment issued and outstanding from owning "any shares of stock issued by any other corporation except to the extent legal for banks," but Petitioner is not such an association.

CASE NO. BFI920116
MARCH 11, 1992

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

CEASE AND DESIST ORDER

ON A FORMER DAY the Staff reported to the Commission that the Defendant is licensed to engage in business as a mortgage broker, but not as a mortgage lender, under Chapter 16 of Title 6.1 of the Virginia Code; that during a June, 1991 examination of the Defendant's books and records by Bureau of Financial Institutions personnel, it was discovered that the Defendant had made more than ten (10) mortgage loans in a consecutive twelve-month period, by closing such loans in its name, in violation of Virginia Code § 6.1-410; that the Commissioner of Financial Institutions ("the Commissioner") gave written notice to the Defendant, in accordance with Virginia Code § 6.1-426, that it would be ordered to cease and desist engaging in business as a mortgage lender without a license on December 4, 1991, and that if the Defendant desired a hearing in this matter, a timely written request for such a hearing must be filed with the Clerk; that no such timely request for hearing was filed; and the Commissioner recommended that said cease and desist order be entered. Upon consideration whereof,

IT IS HEREBY ORDERED that the Defendant shall cease and desist making more than (10) mortgage loans in any consecutive twelve-month period, by closing such loans in its name or otherwise, until such time as the Defendant obtains a license to engage in business as a mortgage lender.

CASE NO. BFI920116
MARCH 18, 1992

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

ORDER DENYING REHEARING

On March 12, 1992 the Defendant, by counsel, filed a pleading designated "Petition for Rehearing" in Case No. BFI910512 seeking, among other thing, reconsideration of the Cease and Desist Order entered in this case on March 11, 1992 upon various grounds. Upon consideration of said pleading and the record herein, the Commission finds that the Defendant waived its right to a hearing in this case by failing to file a timely request for a hearing, and that the pleading alleges no irregularity in the proceedings in this case or in the Cease and Desist Order. The Commission is of the opinion that the Order merely prohibits the Defendant from conducting a business which it may not lawfully engage in without the mortgage lender license it applied for, and was denied, in Case No. BFI910512. Accordingly,

IT IS ORDERED that Defendant's request for rehearing be, and it is hereby, denied; and

IT IS ORDERED that a copy of the Petition for Rehearing be filed among the papers in this case.

CASE NO. BFI920146
MARCH 30, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ARTHUR G. BENNETT,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant is licensed to engage in business 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 20, 1992; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on February 19, 1992 that his license would be revoked on March 23, 1992 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 5, 1992; 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 Arthur G. Bennett to engage in business as a mortgage lender and broker be, and it is hereby, revoked.

CASE NO. BFI920173
MAY 26, 1992

APPLICATION OF
FIRST BANCORP, 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 First Bancorp, Inc. and filed its application, as required by Virginia Code § 6.1-383.1, to acquire 100 percent of the shares of The First Bank and Trust Company, Lebanon, 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 prerequisite 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 The First Bank and Trust Company by First Bancorp, Inc. and orders that this matter be placed among the ended cases.

CASE NO. BFI920219
SEPTEMBER 24, 1992

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

ORDER SETTLING FINES AND SUSPENDING LICENSE

On June 16, 1992, a Rule to Show Cause was issued against the Defendant in this case alleging that, in the course of its business as a licensed mortgage broker, the Defendant had violated various provisions of Chapter 16 of Title 6.1 of the Virginia Code. On August 17, 1992, the Defendant, by counsel, filed an Answer to the Rule to Show Cause. Thereafter, the Staff and Defendant agreed to a settlement of the case whereby the Defendant would pay a fine in the sum of Five Thousand Dollars ($5,000), which sum was tendered to the Commonwealth, and the Defendant's mortgage broker license would be suspended for six months. The Commissioner of Financial Institutions recommended that this settlement be approved pursuant to Virginia Code § 12.1-15. Upon consideration thereof,

IT IS ORDERED that Defendant's offer in settlement of fines imposable in this case is approved.

IT IS FURTHER ORDERED that the license granted to the Defendant to engage in business as a mortgage broker is suspended for a period of six months from the date of this Order, 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 broker, as 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 the date of this Order.

The Bureau of Financial Institutions shall reinstate Defendant's license six months from the date of this Order if the following conditions are met; namely

(1) The Defendant files a written request for reinstatement of its license with the Bureau prior to the end of the suspension period;

(2) The Defendant makes application to the Bureau prior to that date, 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 that date.

If any condition specified herein is not met at the end of the suspension period, the license granted to Defendant to engage in business as a mortgage 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. BFI920223
MAY 13, 1992

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

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant 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 its annual report due March 25, 1992, as required by Virginia Code § 6.1-418; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 15, 1992, that its license would be revoked on May 8, 1992 unless the annual report was filed, and that a written request for hearing was required to be filed in the Office of the Clerk on or before April 29, 1992; and that no annual report, or written request for hearing, was timely filed by the Defendant.

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

ORDERED that the license granted to the Defendant to engage in business as a mortgage broker is hereby revoked.

CASE NO. BFI920224
MAY 13, 1992

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

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant 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 his annual report due March 25, 1992, as required by Virginia Code § 6.1-418; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 15, 1992, that his license would be revoked on May 8, 1992 unless the annual report was filed, and that a written request for hearing was required to be filed in the Office of the Clerk on or before April 29, 1992; and that no annual report, or written request for hearing, was timely filed by the Defendant.

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

ORDERED that the license granted to the Defendant to engage in business as a mortgage broker is hereby revoked.

CASE NO. BFI920225
MAY 13, 1992

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

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant 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 its annual report due March 25, 1992, as required by Virginia Code § 6.1-418; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 15, 1992, that its license would be revoked on May 8, 1992 unless the annual report was filed, and that a written

request for hearing was required to be filed in the Office of the Clerk on or before April 29, 1992; and that no annual report, or written request for hearing, was timely filed by the Defendant.

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

ORDERED that the license granted to the Defendant to engage in business as a mortgage broker is hereby revoked.

CASE NO. BFI920226
MAY 13, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
NANETTE H. HILLIARD,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant 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 her annual report due March 25, 1992, as required by Virginia Code § 6.1-418; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 15, 1992, that her license would be revoked on May 8, 1992 unless the annual report was filed, and that a written request for hearing was required to be filed in the Office of the Clerk on or before April 29, 1992; and that no annual report, or written request for hearing, was timely filed by the Defendant.

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

ORDERED that the license granted to the Defendant to engage in business as a mortgage broker is hereby revoked.

CASE NO. BFI920227
MAY 13, 1992

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

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions reported to the Commission that the Defendant 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 its annual report due March 25, 1992, as required by Virginia Code § 6.1-418; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 15, 1992, that its license would be revoked on May 8, 1992 unless the annual report was filed, and that a written request for hearing was required to be filed in the Office of the Clerk on or before April 29, 1992; and that no annual report, or written request for hearing, was timely filed by the Defendant.

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

ORDERED that the license granted to the Defendant to engage in business as a mortgage broker is hereby revoked.

CASE NO. BFI920228
MAY 13, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
YEGEN EQUITY LOAN CORP.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY the Commissioner of Financial Institutions 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 the Defendant failed to file its annual report due March 25, 1992, as required by Virginia Code § 6.1-418; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on April 15, 1992, that its license would be revoked on May 8, 1992 unless the annual report was filed, and that a written request for hearing was required to be filed in the Office of the Clerk on or before April 29, 1992; and that no annual report, or written request for hearing, was timely filed by the Defendant.

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

ORDERED that the license granted to the Defendant to engage in business as a mortgage lender and broker is hereby revoked.

CASE NO. BFI920237
JULY 21, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte, in re: Adoption of a revised regulation governing nonprofit debt counseling agencies, pursuant to Va. Code § 6.1-363.1

ORDER ADOPTING THE REGULATION

By order dated June 4, 1992, the Commission directed that notice of the proposed regulation and of a July 21, 1992 hearing be given by publication in the Richmond Times-Dispatch and in the Virginia Register of Regulations. A copy of the order setting the hearing, with the proposed regulation attached, was sent to each licensed debt counseling agency and to certain other interested parties. Comments on the proposed regulation were invited.

No comment was submitted. The Bureau Staff and counsel appeared at the hearing.

Upon consideration of the proposed regulation and of the evidence and testimony of the Staff and counsel, the Commission finds that notice of the hearing was duly given. And the Commission is of the opinion and finds that the subject regulation should be adopted with the following two changes from the proposal:

- The hyphen in the word "nonprofit" should be deleted throughout;
- The final sentence in Section III, D. of the Regulation should be amended to provide for inspection of each agency at least twice (not once) every three years;

Accordingly, IT IS ORDERED:

(1) That the regulation, "Non-Profit Debt Counseling Agencies", VR225-01-1001, be adopted with the foregoing amendments, and it hereby is adopted, effective this date;

(2) That notice of the adoption of this regulation shall be published in the Virginia Register;

(3) That the Bureau shall send a copy of the final Regulation to each nonprofit debt counseling agency licensed in Virginia; and

(4) That, there being nothing further to be done in this matter, this case be dismissed. The record herein shall be filed with the ended causes.

NOTE: A copy of the Regulation entitled "Nonprofit Debt Counseling Agencies" 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. BFI920267
AUGUST 3, 1992

APPLICATION OF
THE BANK OF HAMPTON ROADS

For a certificate of authority to: (1) do a banking business upon the merger of Coastal Virginia Bank into The Bank of Hampton Roads under the charter and title of The Bank of Hampton Roads; and (2) operate the main office of the now Coastal Virginia Bank

ON A FORMER DAY came The Bank of Hampton Roads, the surviving bank in a proposed merger with Coastal Virginia Bank, 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 business at 201 Volvo Parkway, City of Chesapeake, 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 Coastal Virginia Bank at 5472 Indian River Road, City of Virginia Beach, Virginia as a branch office. 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 should be issued to the applicant, effective upon the issuance by the Commission of a certificate of merger of Coastal Virginia Bank into The Bank of Hampton Roads, 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 $3,131,495 and its surplus and reserve for operations will amount to not less than $4,223,219; (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 the public interest will be served by authorizing the applicant, The Bank of Hampton Roads, the surviving bank in such merger, to operate the main office of the now Coastal Virginia Bank.

IT IS THEREFORE, ORDERED:

That effective upon the issuance by the Commission of a certificate of merger to The Bank of Hampton Roads, the surviving bank in a proposed merger of Coastal Virginia Bank a certificate be, and it is hereby granted to The Bank of Hampton Roads authorizing it to do a banking business at 201 Volvo Parkway, City of Chesapeake, Virginia and elsewhere in this State as authorized by law and to operate the aforesaid branch office.

CASE NO. BFI920268
NOVEMBER 23, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte, in re: Maximum rates of interest and loan ceiling permitted on loans made under the Virginia Consumer Finance Act

ORDER ESTABLISHING INTEREST RATES AND LOAN CEILING

By order herein dated June 17, 1992, the Commission directed, pursuant to Virginia Code § 6.1-271, that notice be given of its intention to consider redetermining small loan maximum interest rates and ceiling, and that a public hearing would be held in order to afford all interested parties an opportunity to present evidence and be heard. Notice was duly published as required by said statute, and a public hearing was held on September 23, 1992, at which Chairman Preston C. Shannon presided and Commissioners Theodore V. Morrison, Jr. and Hullihen Williams Moore were present. Appearances at the hearing were made by Joseph E. Blackburn, counsel for the Virginia Financial Services Association; David B. Irvin, Assistant Attorney General, Antitrust and Consumer Litigation Section; Miriam Amy Bender, counsel for Virginia Citizens Consumer Council; David Rubinstein, Margot Saunders and John Gifford, counsel for Virginia Poverty Law Center; and William F. Schutt, Senior Counsel, and Jonathan B. Orne, Assistant General Counsel, for the Bureau of Financial Institutions. Statements were made by members of the public, and expert testimony was given.

Now having heard and considered the testimony and other evidence and documents presented, the statements of counsel, and the criteria and factors enumerated in Virginia Code §§ 6.1-271 and 6.1-271.1, the Commission is of the opinion and finds that the structure of maximum interest rates and loan ceilings contained in the attached regulation should be adopted in order to effectuate the goals set forth in the aforesaid statutes. Accordingly,

IT IS ORDERED that the attached Virginia Regulation 225-01-0601, as amended, is hereby adopted for use in Virginia on and after January 1, 1993, until modified or revoked by order of the Commission.

The Bureau of Financial Institutions shall send a copy of the regulation to every licensee under the Virginia Consumer Finance Act, and it shall monitor and report the results of operations of licensees under the regulation. And, it appearing that nothing further remains to be done in this proceeding, it is ordered that this case be dismissed from the docket and placed among the ended causes.

NOTE: A copy of the Regulation entitled "Virginia Regulation 225-01-0601 Establishing Maximum Rates of Charge and Loan Ceilings" 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. BFI920287
AUGUST 14, 1992

APPLICATION OF
THE FARMERS BANK OF APPOMATTOX
(in organization)

For a certificate of authority to do a banking business upon the conversion of The Farmers National Bank of Appomattox

ORDER ISSUING A CERTIFICATE OF AUTHORITY

The Farmers Bank of Appomattox 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 18 Main Street, Town of Appomattox, Appomattox 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, The Farmers Bank of Appomattox 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 Farmers National Bank of Appomattox, a national banking association having its main office at 18 Main Street, Town of Appomattox, Appomattox County, Virginia. The bank has assets of approximately $72.7 million, and it operates two branches, at Triangle Plaza Shopping Center, Route 460, Town of Appomattox, Appomattox County, Virginia; and Highway 24, Concord, Campbell 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 business as a state bank be issued to The Farmers Bank of Appomattox, 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, (2) the capital stock of the applicant shall be $2,167,320 and its surplus and reserve for operations will amount to not less than $4,457,680, and (3) 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. BFI920379
SEPTEMBER 3, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
SOMERSET FINANCIAL SERVICES, INC.,
Defendant

ORDER REVOKING LICENSE

ON A FORMER DAY, the Commissioner of Financial Institutions reported to the Commission that the Defendant 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 pay its annual fee due May 25, 1992, as required by Virginia Code § 6.1-420; that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on July 24, 1992, that its license would be revoked on August 24, 1992, and that a written request for hearing was required to be filed in the office of the Clerk on or before August 7, 1992; and that no annual fee or written request for hearing was timely received.

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

IT IS ORDERED that the license granted to the Defendant to engage in business as a mortgage broker is hereby revoked.

CASE NO. BFI920407
SEPTEMBER 21, 1992

APPLICATION OF
UNIVERSITY OF VIRGINIA EMPLOYEES CREDIT UNION, INC.
and
CHARLOTTESVILLE CITY EMPLOYEES 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 Charlottesville City Employees 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 the University of Virginia Employees Credit Union, Inc. be the surviving credit union.

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 Charlottesville City Employees Federal Credit Union into University of Virginia Employees Credit Union, Inc. 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, and (2) that the merger be accomplished not later than one year from this date.

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. BFI920416
OCTOBER 6, 1992

APPLICATION OF
THOMAS D. WHITE

Pursuant to Section 6.1-416.1 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came Thomas D. White and filed his application, as required by Virginia Code Section 6.1-416.1, to acquire 100 percent of the shares of Realty Mortgage Group, 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 100 percent of the shares of Realty Mortgage Group, Inc. by Thomas D. White, and orders that this matter be placed among the ended cases.

CASE NO. BFI920435
SEPTEMBER 25, 1992

APPLICATION OF
RFI, INC.

Pursuant to Section 6.1-416.1 of the Code of Virginia

ORDER APPROVING THE ACQUISITION

ON A FORMER DAY came RFI, INC. and filed its application, as required by Virginia Code Section 6.1-416.1, to acquire 25 percent or more of the shares of Developers 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 shares of Developers Mortgage Corporation by RFI, Inc. and orders that this matter be placed among the ended cases.

CASE NO. BFI920489
SEPTEMBER 15, 1992

IN THE MATTER OF
THE WASHINGTON BANK
7787 Leesburg Pike
Falls Church, Virginia 22043

ORDER CLOSING THE BANK

Upon examination of The Washington Bank, a bank organized and operating under Chapter 2, Title 6.1 of the Code of Virginia, having its deposit accounts insured by the Federal Deposit Insurance Corporation, and based on other information presented by the Commissioner of Financial Institutions, the Commission finds that it is necessary in order to protect the public interest to close The Washington 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 the report of examination and other information, that the Bank is insolvent, 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 disposition of its assets and liabilities by the FDIC, as receiver, is in the public interest.

IT IS THEREFORE ORDERED:

(1) That The Washington Bank be closed, and said Bank hereby is closed as of 2:00 p.m., Friday, September 18, 1992;

(2) That The Washington 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 as receiver for the Bank.

This Order shall be timely delivered to the President of The Washington Bank, and a copy shall be sent to the Federal Deposit Insurance Corporation. A notice of the closing shall be posted at the main entrance of the Bank.

CASE NO. BFI920618
DECEMBER 9, 1992

IN THE MATTER OF
SAILORS AND MERCHANTS BANK AND TRUST
133 Maple Avenue, East
Vienna, Virginia 22180

ORDER CLOSING THE BANK

Upon examination of Sailors and Merchants Bank and Trust, a bank organized and operating under Chapter 2, Title 6.1 of the Code of Virginia, a member of the Federal Reserve System having its deposit accounts insured by the Federal Deposit Insurance Corporation, and on the basis of other information presented by the Commissioner of Financial Institutions, the Commission finds that it is necessary in order to protect the public interest to close Sailors and Merchants Bank and Trust 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 and other information, that the Bank is at or near insolvency, that it has insufficient capital for safe and sound operation, that no reasonable prospect for rehabilitation of the Bank exists, and that disposition of its assets and liabilities by the FDIC as receiver is in the public interest.

IT IS THEREFORE ORDERED:

(1) That Sailors and Merchants Bank and Trust be closed, and said Bank hereby is closed, as of 6:00 p.m., Friday, December 11, 1992;

(2) That Sailors and Merchants Bank and Trust 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 as receiver for the Bank.

This Order shall be timely delivered to the President of Sailors and Merchants Bank and Trust, and a copy shall be sent to the Federal Reserve Bank of Richmond and to the Federal Deposit Insurance Corporation. A notice of the closing shall be posted at the main entrance of the Bank.

CASE NO. BFI920619
DECEMBER 11, 1992

APPLICATION OF
FIRST UNION CORPORATION
Charlotte, North Carolina

To acquire First Union Bank of Virginia, Vienna, Virginia

ORDER OF APPROVAL

ON A FORMER DAY First Union Corporation, a bank holding company headquartered in Charlotte, North Carolina, and having its principal place of business in Florida, filed an application pursuant to Chapter 15 of Title 6.1 of the Code of Virginia (Va. Code Section 6.1-398, ff.) to acquire First Union Bank of Virginia, Vienna, Virginia. The application was referred to the Bureau of Financial Institutions for investigation.

Having considered the relevant statutes of Virginia and Florida 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 Florida permit Virginia bank holding companies meeting the criteria of Chapter 15 to acquire banks and bank holding companies in Florida and would permit this particular transaction to be done in reverse; and

(2) First Union Bank of Virginia is a bank organized solely for the purpose of facilitating the acquisition of Sailors and Merchants Bank and Trust, Vienna, Virginia, which has operated continuously since August 14, 1984. First Union Bank of Virginia has been formed in order to purchase certain assets and assume the deposit liabilities of Sailors and Merchants from the Federal Deposit Insurance Corporation as receiver for Sailors and Merchants.

Based on 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 of First Union Bank of Virginia;

(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 of First Union Bank of Virginia; and

(4) The acquisition is in the public interest.

Therefore, the Commission hereby approves the acquisition of First Union Bank of Virginia by First Union Corporation.

CASE NOS. BFI920620 and BFI920621
DECEMBER 11, 1992

APPLICATION OF
FIRST UNION BANK OF VIRGINIA

For a certificate of authority to begin a banking business at 133 Maple Avenue, Vienna, Fairfax County, Virginia and for authority to establish and operate a branch office at 2960 Chain Bridge Road, Oakton, Fairfax County, Virginia

ON A FORMER DAY the applicant filed its applications for a certificate of authority, under Chapter 2, Title 6.1 of the Code of Virginia, to begin a banking business at 133 Maple Avenue, Vienna, Fairfax County, Virginia and for authority to establish and operate a branch office at 2960 Chain Bridge Road, Oakton, Fairfax County, Virginia. Thereupon the applications were referred to the Commissioner of Financial Institutions for investigation and report.

NOW having considered the applications 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 the proposed banking facilities in Fairfax County, where the applicant will be located. Furthermore the Commission ascertains with respect to these applications.

(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 authorizing First Union Bank of Virginia to do a banking business at 133 Maple Avenue, Vienna, Fairfax County, Virginia and authority to establish and operate a branch office at 2960 Chain Bridge Road, Oakton, Fairfax County, Virginia be granted, and said certificate of authority and branch office authority hereby are granted, subject to and contingent upon the following conditions being met before the bank opens for business:

1. That capital funds totaling $2,500,000 be paid into the bank and allocated as follows: $2,000,000 to capital stock, $250,000 to surplus, and $250,000 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 notify the Commissioner of Financial Institutions of the date the applicant is to open for business; and

4. That the applicant acquire certain assets and assume the liabilities of Sailors and Merchants Bank and Trust, Vienna, from the receiver of that Bank.

If for any reason the applicant should fail to acquire the assets and assume the liabilities of Sailors and Merchants Bank and Trust within thirty days from this date, the authority granted herein shall expire, unless the Commission renews or extends such authority by order entered prior to the expiration date.

CLERK'S OFFICE

CASE NO. CLK920428
DECEMBER 28, 1992

PETITION OF
CRESTAR BANK
and
VIRGINIA ELECTRIC AND POWER COMPANY,
Petitioners

DECLARATORY JUDGMENT ORDER

On August 12, 1992, Crestar Bank and Virginia Electric and Power Company (Petitioners), by counsel, filed a Petition for Declaratory Judgment (Petition) pursuant to Rule 5:3 of the Commission's Rules of Practice and Procedure. The Petition stated that Crestar Bank, a Virginia banking corporation, and Virginia Electric and Power Company, a Virginia public service company, are shareholders of VEDCORP, Inc., a Virginia corporation. The Petition further stated that VEDCORP, Inc. intends to merge with and into VEDCORP, L.C., a Virginia limited liability company to be created, leaving the limited liability company as the surviving entity. With the merger, Petitioners would receive "interests" in the limited liability company in exchange for their shares of VEDCORP, Inc. Petitioners request that the Commission declare that ownership of interests in a limited liability company by them and other public service companies and state banking corporations is not prohibited under Virginia law. The Commission assumes that when Petitioners refer to "ownership of interests," they envision becoming members of, or having membership interests in, the limited liability company as described in Virginia Code § 13.1-1002.

On August 17, 1992, the Commission entered an Order Instituting A Proceeding allowing its Office of General Counsel (Staff) to respond to the Petition.

In its Answer to the Petition, Staff argued that Virginia Code § 13.1-627.B prohibits banks and public utilities from investing in limited liability companies. It stated that the statute denies special business corporations, like banks and public utilities, the power to enter into "partnership agreements, joint ventures, or other association of any kind . . . ." The Staff argued that, inasmuch as Virginia Code § 13.1-1002 defines a limited liability company as an "unincorporated association," such an entity is an "other association" within the meaning of Virginia Code § 13.1-627.B. Staff further requested that the Commission deny the Petition.

Neither party requested an evidentiary hearing or oral argument on the Petition.

The Commission agrees with the Staff position. Petitioners, under current statutory provisions, may not have ownership interests in a limited liability company. The Commission does not reach this decision due to policy considerations,[1] but by statutory interpretation. Virginia Code § 13.1-627.B grants to certain corporations the power to enter into "partnership agreements, joint ventures, or other association of any kind . . . ." Public service companies and banking corporations are excluded specifically from this grant of power. Virginia Code § 13.1-1002 defines a limited liability company as an "unincorporated association." Given these statutory provisions, the Commission finds that it cannot authorize Petitioners to have ownership of interests in the limited liability company.

Accordingly, it is ORDERED:

(1) That the Petitioners may not have ownership of interests in VEDCORP, L.C. as outlined in their Petition; and

(2) That this case is dismissed from the docket and the papers placed in the file for ended causes.

[1]Certain policy issues arise when considering whether a public service company or banking corporation should be allowed to have an ownership of interests in a limited liability company (L.L.C.). For example, one consideration is the extent to which the L.L.C. form of business offers protection to the assets of the investors. L.L.C.'s have been authorized in Virginia only since 1991, and have not yet been authorized in many states. Apprehension exists that, notwithstanding the U.S. Constitution's "full faith and credit" clause (U.S. Const. art. IV, § 1), the limited liability of an L.L.C.'s members might not be recognized by states without such limited liability company legislation. See Wheaton, An Improved Choice: The Virginia Limited Liability Company, 18 V.B.A. J., Summer 1992, at 7.

Another policy issue is the extent to which members may be involved in the management of the L.L.C. Specifically, the members of an L.L.C. can choose to manage the business of the L.L.C. themselves, or can select others to do so. Va. Code § 13.1-1022A. Such management activities could, in certain circumstances, constitute the conducting of business as opposed to simple investment. While Virginia Code §§ 6.1-60.1(15) and 13.1-620D allow for the ownership of VEDCORP, Inc. stock by Petitioners, §§ 13.1-620 A and D do not allow public service companies and banking corporations to conduct business which is not related to or incidental to their stated business.

BUREAU OF INSURANCE

CASE NO. INS850024
AUGUST 3, 1992

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

FINAL ORDER

WHEREAS, by order entered herein on February 19, 1986, for the reasons stated therein, Defendant's license to transact the business of insurance in the Commonwealth of Virginia was suspended;

WHEREAS, the Bureau of Insurance ("Bureau") has reviewed the Defendant's current financial condition and has determined that the Defendant is no longer in hazardous financial condition and meets the requirements for licensure in Virginia; and

WHEREAS, the Bureau has recommended that the Commission vacated its suspension order and restore Defendant's license 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;

(2) That Defendant's license to transaction the business of insurance in the Commonwealth of Virginia be, and it is hereby, restored to one in good standing; and

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

CASE NO. INS860166
MAY 28, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of determination of activation of joint underwriting association

ORDER APPROVING PLAN OF DISSOLUTION

ON A FORMER DAY came the Virginia Medical Malpractice Joint Underwriting Association ("Association"), by counsel, and, pursuant to Commission order, filed with the Clerk of the Commission a Plan of Dissolution (the "Plan"); and

THE COMMISSION, having considered the Plan, the recommendation of the Bureau of Insurance that the Plan be approved and the law applicable hereto, is of the opinion that the Plan should be approved;

THEREFORE, IT IS ORDERED that the Plan of Dissolution of the Virginia Medical Malpractice Joint Underwriting Association, which is attached hereto and made a part hereof, be, and it is hereby, APPROVED.

NOTE: A copy of the "Plan of Dissolution of the Virginia Medical Malpractice Joint Underwriting Association" 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. INS860166
JUNE 18, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of a determination of activation of a joint underwriting association pursuant to Virginia Code § 38.2-2801

ORDER APPROVING REVISED PHYSICIANS AND SURGEONS PROFESSIONAL LIABILITY INSURANCE RATES

ON A FORMER DAY came the Virginia Medical Malpractice Joint Underwriting Association (the "Association") and filed with the Bureau of Insurance proposed revised rates for physicians and surgeons liability insurance; and

THE COMMISSION, having considered the filing and the recommendation of the Bureau of Insurance, is of the opinion that the filing should be approved;

THEREFORE, IT IS ORDERED that the revised rates for physicians and surgeons liability insurance be, and they are hereby, APPROVED to be effective for all physicians and surgeons policies issued on and after May 2, 1992.

CASE NO. INS860166
JULY 8, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of determination of activation of joint underwriting association

ORDER APPROVING REVISION OF PLAN OF DISSOLUTION

ON A FORMER DAY came the Virginia Medical Malpractice Joint Underwriting Association ("Association"), by counsel, and filed with the Clerk of the Commission a revision to the Association's Plan of Dissolution (the "Plan") approved by Commission order dated May 28, 1992;

IT APPEARING that the revision filed herein by the Association seeks to conform the date specified in the Plan for cessation of all underwriting operations to the date after which no further extended reporting period endorsements will be issued, December 18, 1993; and

THE COMMISSION, having considered the proposed revision to the Plan and the recommendation of the Bureau of Insurance, is of the opinion that the revision to the Plan should be approved;

THEREFORE, IT IS ORDERED that the revised Plan of Dissolution of the Virginia Medical Malpractice Joint Underwriting Association, which is attached hereto and made a part hereof, be, and it is hereby, APPROVED.

NOTE: A copy of the Regulation entitled "Plan of Dissolution" 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. INS890499
JANUARY 24, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNDERWRITERS 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 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 November 27, 1991, in the Circuit Court, Sixth Judicial Circuit, State of South Dakota, Defendant was found to be insolvent and the Director of Insurance was appointed the 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 February 5, 1992, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before February 5, 1992, 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 Defendant's license.

CASE NO. INS890499
FEBRUARY 14, 1992

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

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein January 24, 1992, Defendant was ordered to take notice that the Commission would enter an order subsequent to February 5, 1992, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before February 5, 1992, 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 therevocation of Defendant's license to be published in the manner set forth in Virginia Code § 38.2-1043.

CASE NO. INS900174
MAY 20, 1992

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

ORDER CONFIRMING REVOCATION OF DEFENDANTS LICENSES

WHEREAS, by order entered herein May 31, 1991, Defendants' licenses to transact the business of insurance were revoked and Defendants were penalized a sum of five thousand dollars ($5,000); however, the revocation of Defendants' licenses was suspended for one year pending a re-examination of Defendants' books and records and a report to the Commission by the Bureau of Insurance;

WHEREAS, on March 13, 1992, the Bureau of Insurance, by counsel, filed its report of the re-examination of Defendants' books and records with the Clerk of the Commission;

WHEREAS, the report filed by the Bureau indicated that, during the period covered by the report, Defendants continued to violate certain provisions of Title 38.2 of the Code of Virginia;

WHEREAS, by order entered herein March 24, 1992, the Defendants were ordered by the Commission to file a response to the Bureau's report of their books and records within twenty-one days;

WHEREAS, by order entered herein April 22, 1992, Defendants' request for an extension of time until May 15, 1992, in order to respond to the Bureau's report, was granted;

WHEREAS, as of the date of this order, Defendants have failed to pay their five thousand dollar ($5,000) penalty to the Commission and have failed to file a response to the Bureau's report of their books and records; and

THE COMMISSION, having considered the record herein and the report of the Bureau of Insurance, is of the opinion that the suspension of Defendants' license revocation should be lifted and that Defendants' insurance agent licenses should be revoked;

THEREFORE, IT IS ORDERED:

(1) That the suspension of the revocation of Defendants' insurance agent licenses be, and it is hereby, lifted;

(2) That Defendants' licenses to transact the business of insurance in the Commonwealth of Virginia be, and they are hereby, revoked;

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

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

(5) 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 insurance agents in the Commonwealth of Virginia; and

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

CASE NO. INS900174
JUNE 9, 1992

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

VACATING ORDER

GOOD CAUSE having been shown, the Petition to Vacate Order Lifting Suspension filed herein by Defendants is hereby granted and the Order Confirming Revocation of Defendants Licenses entered herein May 20, 1992, is hereby vacated. A further hearing on this matter will be set by separate order of the Commission.

CASE NO. INS900318
JANUARY 17, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNITED EQUITABLE 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 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 December 20, 1991, in the Circuit Court of Cook County, Illinois, Defendant was found to be insolvent and the Insurance Director of the State of Illinois was appointed the 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 January 31, 1992, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 31, 1992, 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 Defendant's license.

CASE NO. INS900318
FEBRUARY 3, 1992

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

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein January 17, 1992, Defendant was ordered to take notice that the Commission would enter an order subsequent to January 31, 1992, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 31, 1992, 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. INS910031
FEBRUARY 11, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNITED 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 penalties 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, without admitting any violation of any law, 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 until such time as Defendant may become licensed pursuant to the Commission's Rules Governing Multiple Employer Welfare Arrangements;

(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. INS910068
SEPTEMBER 29, 1992

COMMONWEALTH OF VIRGINIA
at the relation of the
STATE CORPORATION COMMISSION
v.
FIDELITY BANKERS LIFE INSURANCE COMPANY,
Defendant

FINAL ORDER

By order of April 22, 1992, the Commission set for hearing the Deputy Receiver's Application for Orders Setting Confirmation Hearing, Approving Form of Notice, Approving Plan of Rehabilitation and Related Matters ("Application"), which sought, among other things, approval of the Rehabilitation Plan ("Plan") proposed by the Deputy Receiver for Fidelity Bankers Life Insurance Company ("Fidelity Bankers" or "company").

Pursuant to notice given to interested parties, the hearing began on June 1, 1992, and continued for nine days. The transcript numbers over 2,500 pages, and 100 exhibits were received. The matter was extensively briefed by the parties, both before and after the hearing. Parties appearing, by counsel, were: The Deputy Receiver for Fidelity Bankers Life Insurance Company, First Capital Holdings Corporation ("FCH"), Hartford Life Insurance Company ("Hartford"), BOS Financial Corporation, National Organization of Life and Health Insurance Guaranty Associations ("NOLGHA"), Citibank, N. A., the Bank of New York, et al., and various agents of Fidelity Bankers. Peter B. Smith, Esq., and Michael D. Thomas, Esq., appeared as counsel for the Commission's staff.

This company has been in receivership since May 13, 1991. The Commission is keenly aware that a final resolution of this matter, while not overdue given the complexity of the case, is very necessary. Policyholders, creditors, stockholders, and the public have a large and legitimate interest in learning the Commission's disposition of this matter as promptly as possible. Thus, this order will concentrate on setting forth our findings and conclusions. The reasoning on which this order is based may receive further elaboration in a later opinion.

The Circuit Court of the City of Richmond entered an order on May 13, 1991, appointing this Commission receiver of the company, after we alleged that "any further transaction of [the company's] business ... will be hazardous to its policyholders, creditors, stockholders or to the public." The order of the Circuit Court was seen, and was not objected to, by the company's counsel.

We perceive no disagreement on this record with the decision to place the company into receivership. Policyholder surrenders were massive and were accelerating daily, prompted by adverse publicity concerning Fidelity's affiliate in California, First Capital Life Insurance Company, the composition of the company's own investment portfolio, adverse publicity concerning similar problems confronting Executive Life Insurance Company, and concerns about the safety of the insurance industry in general.

A firm and immediate response was necessary to deal with this problem. Instituting the receivership allowed a moratorium to be placed on policyholder surrenders, permitted a critical and thoroughgoing analysis of the company's situation, and allowed the Deputy Receiver to implement a series of corrective actions, ultimately leading to the Plan he presented at the hearing.

The posture of this company is quite different, and better, than it was in May of 1991. No small credit for this result is due to the efforts of the Deputy Receiver and his team in managing the company on a daily basis, performing a major restructuring of its portfolio, and, in general, attempting to "rehabilitate" the company in the best sense of the word.

Regrettably, those rehabilitation efforts have not been completely successful, however, as viewed in the context of Virginia Code § 38.2-1519. As pertinent, that statute provides that if the Commission finds, after hearing, that:

> the purposes of the rehabilitation proceeding have been accomplished and that the insurer can safely and properly resume possession of its property and the conduct of its business, an order may be entered terminating the rehabilitation proceeding and permitting the insurer to resume possession of its property and the management and conduct of its affairs.

We are unable to make such a finding on this record. Indeed, not even FCH contends that it is possible for this company to resume "business as usual." Though the parent company criticizes the Deputy Receiver's Plan, the mere fact that it offers a plan of its own is ample acknowledgment that the company is not viable without major changes being implemented. Under the FCH plan, the company would receive new management, new operating restrictions, and a major infusion of new capital; and a large portion, potentially all, of its book of business would be willingly ceded to other insurance carriers.

Consonant with his request that the company be found insolvent as of the receivership date, the Deputy Receiver also asks that we fix the rights of all parties, policyholders, creditors, stockholders, and others, as of that date. We certainly agree with this proposal. For policyholders especially, May 13, 1991, was the date on which their contractual relationship with the company was severely altered, and it is from that date that any compensation due them should be measured.

Having commented on a few key issues, we now make the following findings, based on our consideration of the extensive record:

1. Interested persons, including, but not limited to, all contract-holders as of January 1, 1990, and thereafter, agents as of May 13, 1991, other creditors, officers, directors, and shareholders were sent notice of the Confirmation Hearing by first class mail. Notice of the Confirmation Hearing was also published in the Richmond Times-Dispatch, the Wall Street Journal, and USA Today. Accordingly, all such interested persons received due, proper, fair, and adequate notice of the Confirmation Hearing, and those who so desired appeared at the hearing either personally or through counsel, or submitted written objections to the Rehabilitation Plan or other documents prior to the Confirmation Hearing.

2. The Confirmation Hearing was conducted in accordance with the rules of the Commission and all interested parties, including, but not limited to, contract-holders, creditors, agents, officers, directors, and shareholders had the right and were afforded a fair opportunity to appear, comment, present evidence, and express objection to, or approval of, the Plan.

3. Based upon the foregoing, the Commission is of the opinion that no registration of any annuity or contract to be issued under the Plan or any interest in the mutualized company shall be required pursuant to the Securities Act of 1933, as amended, or any other federal or state securities law.

4. The Commission has exclusive jurisdiction over Fidelity Bankers and the assets of Fidelity Bankers and has exclusive jurisdiction with respect to the administration of the assets of Fidelity Bankers to determine the validity or invalidity of all claims against such assets. All assets now held by Fidelity Bankers, including, but not limited to, those existing on May 13, 1991, or acquired thereafter, are subject to the provisions of the Rehabilitation Plan and this Order.

5. The evidence adduced at the hearing establishes conclusively that Fidelity Bankers was insolvent on May 13, 1991, in that it had liabilities in excess of assets and was unable to pay its obligations as they become due in the usual course of business, and that Fidelity Bankers continued to be insolvent as of the date of the Confirmation Hearing. Consequently, the value of shareholder-equity as of May 13, 1991, and as of the date of the confirmation hearing is zero.

6. Fidelity Bankers is hereby found to be and adjudged insolvent.

7. Fidelity Bankers was insolvent by more than $200 million on May 13, 1991, in that its liabilities exceeded its assets on that date by more than $200 million. The existence of insolvency was not rebutted by any competent evidence at the hearing.

8. On May 13, 1991, the value of Fidelity Bankers' assets was no more than 93% of its liability to contract-holders. Thus, the liquidation value of contract-holders' claims does not exceed 93%.

9. In the absence of the Rehabilitation Plan and the implementation thereof, further transaction of business by Fidelity Bankers would be hazardous to policyholders, creditors, and the public. The Deputy Receiver's actions, including the moratorium and directives issued by the Deputy Receiver as described in the Rehabilitation Plan, have addressed this hazard only temporarily.

10. Had Fidelity Bankers been liquidated commencing on May 13, 1991, general unsecured creditors and shareholders would have received nothing. General unsecured creditors and shareholders will receive at least as much under the Rehabilitation Plan as they would have received in a liquidation commencing on May 13, 1991.

11. The Rehabilitation Plan submitted by the Deputy Receiver is the most favorable plan of reorganization submitted to the Commission: It provides the most value to contract-holders and best protects the interests of contract-holders, other creditors, shareholders, and the public.

12. The Rehabilitation Plan, and its terms and conditions, including the restructuring of Fidelity Bankers' contracts and policies, the Plan Credit, Plan Dividend and Market Value Adjustment ("MVA") provisions, the assumption and reinsurance of those contracts and policies by Hartford Life Insurance Company ("Hartford"), the issuance of annuities to contract-holders who elect to Opt Out of the Rehabilitation Plan ("Declining Contract-holders") and Option 1 Holders (as defined in the Rehabilitation Plan), and the mutualization of Fidelity Bankers and the mutual company that will result from the process, all as proposed by the Deputy Receiver, are in the best interests of, and fair, just, and equitable to, the contract-holders, other creditors, and the shareholders, and, under the circumstances, are adequate and reasonable.

13. The Rehabilitation Plan complies with all statutory and legal requirements.

14. The Rehabilitation Plan is reasonably related to the public interest, is not arbitrary or improperly discriminatory, and presents fairly the shareholder-equity value in Fidelity Bankers of its parent company, Fidelity Bankers Insurance Group, Inc.

15. Both Declining Contract-holders and those who participate in the Rehabilitation Plan as an Opt In (as defined in the Rehabilitation Plan) will receive greater benefits pursuant to the Rehabilitation Plan than they would have received had Fidelity Bankers been liquidated commencing on May 13, 1991.

16. The Plan Credit and Plan Dividend, as presented at the Confirmation Hearing, are necessary to put contract-holders in a position reasonably equivalent under the circumstances to that which they would have held but for the receivership of Fidelity Bankers, and they are fair and reasonable under the circumstances.

17. Because the measure of the Plan Dividend is dependent on future fluctuations in interest rates and the percentage of the company's contract-holders who ultimately Opt In to the Plan, both of which contingencies are unknown at this time, it is virtually impossible to determine with any measure of certainty the amount of assets that will be required to fund fully the Plan Dividend at the end of the seventh year as contemplated by the Plan, and the viability of the Plan may be adversely affected by delaying such determination. Therefore, a fair and reasonable alternative under the circumstances is for the Deputy Receiver to make an estimate based on actuarial and other expert evaluations as to the most likely present value of the future amount of such Plan Dividend liability. Insofar as the Plan Dividend is concerned, the interests of contract-holders would be adequately protected if the Deputy Receiver segregates from among the assets of the company an amount equal to such current estimates of the future Plan Dividend liability.

18. The rehabilitation plan proposed by First Capital Holdings is not in the best interests of contract-holders and creditors and would not provide as much value to contract-holders and other creditors as the Deputy Receiver's proposed Rehabilitation Plan.

19. The various actions taken by the Deputy Receiver, his staff, and the Receivership Team (as defined in the Rehabilitation Plan) in connection with the receivership of Fidelity Bankers, including, but not limited to, the moratorium and directives issued by the Deputy Receiver, and all other actions described in the Rehabilitation Plan and the Corrective Action Plan, were in the best interests of the company's contract-holders and creditors. Except as to matters in dispute which have not been finally determined, in taking such actions, the Deputy Receiver, his staff, and the Receivership Team have at all times acted within the proper scope of the Deputy Receiver's authority and have at all times properly exercised their discretion and judgment in discharging the duties imposed on them by law and this Commission's order of May 13, 1991. Such actions are, therefore, hereby approved and ratified.

20. The establishment of a claims-filing period and claims-bar date is in the best interests of contract-holders and other creditors.

21. If he deems it appropriate under the circumstances, the Deputy Receiver should be authorized to enter into the Supplementary Agreement (the "Supplementary Agreement") presented by the National Organization of Life and Health Insurance Guaranty Associations ("NOLHGA"), pursuant to which NOLHGA's members would guarantee that benefits for contract-holders who Opt In to the Plan (including the Plan Credit and Plan Dividend), would, in the aggregate, provide at least as much protection as would otherwise have been available under applicable guaranty fund statutes. In addition, members of NOLHGA participating in the Supplementary Agreement would agree to the subordination of any claims they would have against Fidelity Bankers on account of assessments due because of impairment or insolvency of other insurers on or before June 1, 1992.

THEREFORE, IT IS ORDERED that:

1. The Deputy Receiver's Rehabilitation Plan is hereby approved, ratified, and confirmed, and the Due Diligence and Bid Proposal Procedures implemented by the Deputy Receiver are hereby approved, ratified, and adopted.

2. Except to the extent expressly provided by the terms of this Order, all comments, suggestions, objections, protests, motions to amend, or other motions relating to the Plan or Fidelity Bankers, or the Deputy Receiver in respect thereto, or these proceedings which have been made are hereby overruled and denied.

3. The Agreement of Intent to Acquire the Insurance Business of Fidelity Bankers Life Insurance Company between the Deputy Receiver and Hartford (the "Agreement of Intent") is hereby approved, and the Deputy Receiver is authorized to negotiate and execute definitive agreements with Hartford and such other parties as may be necessary consonant with its terms (the "Definitive Agreements").

4. All authority granted to the Deputy Receiver in this Order is in addition to that accorded to the Deputy Receiver pursuant to the Receivership Order, such other orders as the Commission has entered or may enter in this cause, the insurance laws of the Commonwealth of Virginia, or other law. The grant to the Deputy Receiver of certain authority and power by the terms of this Order may be duplicative of authority and power previously conferred on him by lawful order or by operation of law and any such grant of express power shall not be construed to imply that the Deputy Receiver did not previously possess such power and authority.

5. The Deputy Receiver is hereby authorized and granted such authority as is necessary to implement the Rehabilitation Plan, including, but not limited to, taking such actions consonant with the Plan as he, in his sole discretion, determines are reasonably necessary to:

(a) enter into such agreements with Hartford or other parties as may be needed to implement the Rehabilitation Plan;

(b) restructure the contracts of Opt-In contract-holders;

(c) cause the restructured contracts to be assumed and reinsured by Hartford;

(d) cause to be transferred to Hartford assets of Fidelity Bankers as set out in the Rehabilitation Plan;

(e) make necessary or appropriate amendments, adjustments, or modifications to the Rehabilitation Plan that do not have a material adverse impact on the interests of contract-holders and other creditors; and

(f) cause the mutualized company to issue a surplus note in favor of, or otherwise enter into such agreements not inconsistent with the Plan or this Order with the shareholder and its creditors for the disposition of any interest or claim that they may have or assert to have in Fidelity Bankers.

6. The Deputy Receiver and Fidelity Bankers are authorized to finalize and execute Definitive Agreements with Hartford, including, without limitation and however styled, an Assumption and Reinsurance Agreement, Purchase Agreement, Administrative Services Agreement, Escrow Agreement and such other agreements, bills of sale, assignments, assumption, and other certificates as are consistent with the Rehabilitation Plan and the Agreement of Intent and which are necessary and appropriate to effect the conveyance of the Transferred Assets (as defined in the Agreement of Intent) to Hartford, the assumption and reinsurance of the Fidelity Bankers Restructured Contracts by Hartford, and the provision of services by Fidelity Bankers to Hartford. Without any further action or order of this Commission, the Deputy Receiver shall be authorized to consummate all of the transactions contemplated by the Rehabilitation Plan, Agreement of Intent, and Definitive Agreements and to take such other actions, execute such other agreements, certificates, filings, et cetera, as the Deputy Receiver, in his sole discretion, deems reasonably necessary or appropriate.

7. The Deputy Receiver is, without further order of this Commission, authorized to establish such trusts, escrow arrangements, investment accounts, and custodial or similar arrangements as are necessary or appropriate to effect the expeditious transfer of any investment securities or other assets in connection with the Rehabilitation Plan. All issuers, custodians, transfer agents, and stock and bond registrars shall, without necessity of further order, opinion letters of counsel, et cetera, transfer expeditiously any and all investment securities or other assets that are requested to be transferred by the Deputy Receiver or his authorized representatives pursuant to the Rehabilitation Plan, Agreement of Intent, and the Definitive Agreements.

8. For the reasons set forth in finding paragraph 17., supra, the Deputy Receiver is hereby expressly authorized, without further order, to determine, in his sole discretion, whether delaying the disposition of creditors' claims for the purpose of determining the exact liability arising from the Plan Dividend would adversely affect the viability of the Plan. In the event the Deputy Receiver so determines, in lieu of waiting for the expiration of the seven-year period required to determine the exact liability of the Plan Dividend, he is further expressly authorized, without further order, to develop and implement a procedure whereby an amount equal to an estimate of the present discounted value of the amount most likely to represent that liability at the end of the seven-year period may be currently segregated and maintained for such purpose, with all remaining assets being made available for other purposes of the Plan, including the disposition of creditors' claims.

9. In accordance with the Rehabilitation Plan, as soon as practicable after the Effective Date (as that term is defined in the Rehabilitation Plan), the Deputy Receiver will pay to Declining Contract-holders cash payments of the lesser of 85% of their Account Values or the surrender value of their contracts (the "Initial Opt Out Distribution"). Life and other insurance benefits under these contracts shall then be terminated. To the extent that available assets permit, Declining Contract-holders shall also receive annuities from Fidelity Bankers as mutualized (the "Opt Out Annuities") each with an account value equal to the account value not disbursed in the Initial Opt Out Distribution (but not more than 15% of the original account value).

10. If the Deputy Receiver determines that it would be impracticable to issue an Opt Out Annuity to a particular Declining Contract-holder (for example because the relevant account value is too low to justify such issuance), he may, in lieu of such issuance and in his sole discretion, make such cash distributions, as he deems reasonably appropriate, to the Declining Contract-holders.

11. Contract-holders who previously elected to surrender all or part of their contracts under Option 1 may choose either to Opt In to or to Opt Out of the Rehabilitation Plan. If they Opt In to the Rehabilitation Plan, they will receive a Hartford annuity with an account value equal to the funds held for them on the Effective Date pursuant to their Option 1 election. If they Opt Out of the Rehabilitation Plan, they shall be treated in the manner described in the previous paragraphs.

12. The Deputy Receiver shall provide all contract-holders a copy of this Order and written notice of their ability to Opt In or Opt Out and shall provide them instructions on how they may exercise such options so that, if at all possible, contract-holders shall have at least 30 days before the deadline to elect to do so (the "Election Deadline"). The Deputy Receiver shall have the discretion to establish and, in his sole discretion to postpone, the Election Deadline. Those contract-holders and Option 1 holders who fail to notify the Deputy Receiver whether they elect to Opt In or Opt Out on or before the Election Deadline shall be deemed to have Opted In and, with respect to contracts permitting the selection of an interest guarantee period, shall be deemed to have selected the ten-year interest guarantee period offered by Hartford.

13. The Deputy Receiver is hereby granted discretion and authority to promulgate and establish such forms, rules, and procedures as he deems appropriate with respect to contract-holders' elections to Opt In to or Out of the Plan and with respect to implementation and administration of such Plan.

14. All rights of contract-holders, other creditors, shareholders, officers, directors, other interested parties, and contingent claimants are fixed and certain as of 12:01 a.m., May 13, 1991, and are not subject to alteration. The fixing of rights herein shall not affect the payment of post-receivership claims heretofore or hereafter approved by the Deputy Receiver as proper costs and expenses of the administration of the receivership.

15. The rights of all persons and entities as they respect Fidelity Bankers and the assets and property of Fidelity Bankers, including, but not limited to, contract-holders, creditors, shareholders, contingent claimants, officers, directors, and interested persons are hereby subjected to the provisions of the Rehabilitation Plan and this Order.

16. The Deputy Receiver is hereby authorized and directed to do all acts necessary or appropriate to cause implementation of the Rehabilitation Plan.

17. Title to all proceeds received from interest earned, dividends received, and all proceeds realized from the sale and/or exchange of the assets initially coming into the hands of the Deputy Receiver shall be vested in the Deputy Receiver and shall be held, administered, and employed in accordance with the Rehabilitation Plan and the provisions of this Order.

18. All claims against the receivership estate shall be filed with the Deputy Receiver no later than February 1, 1993, (the "Bar Date"). The Deputy Receiver is hereby authorized to promulgate forms and procedures which must be used for the proof of such claims and, in his sole discretion, may issue a directive extending the Bar Date. Appeals from the Deputy Receiver's determinations as to such claims shall be governed by the Receivership Appeal Procedure previously adopted by this Commission. All claims filed after the Bar Date are precluded from sharing in the assets of Fidelity Bankers' estate in any manner until the timely filed claims of all other creditors have been paid in full. All claims must be filed in accordance with the terms, recommendations, and clarifications listed in the Rehabilitation Plan and Application.

19. The Deputy Receiver is hereby authorized to establish one or more trusts (the "Trust(s)") as described in the Rehabilitation Plan and Application on such terms and conditions as he, in his sole discretion, may deem appropriate. Among other things, such Trust(s) may be used for the management and realization of assets not immediately transferred to Hartford or Declining Contract-holders and for the disposition of the Plan Dividend and claims of other creditors. The Deputy Receiver shall be, and is hereby, appointed trustee of the Trust(s), and such Trust(s) shall operate under the supervision and protection of the Commission. The Deputy Receiver, as Trustee, shall have the authority to appoint such Deputy Trustees as he deems necessary or appropriate. In the establishment and operation of the Trust(s), the Deputy Receiver shall give due regard to the desirability of minimizing income tax and other liabilities. Assets shall be distributed from the Trust(s) consonant with the priority of claims adopted by the Commission herein.

20. More specifically, the Trust(s) assets shall be distributed, after reserving for the payment of costs and expenses of administration, in the following priority order:

(a) priority wages as provided in Section 38.2-1514 of the Virginia Code;

(b) non-voidable perfected secured claims to the extent of the value of their security;

(c) taxes owed to the United States and any other debt owed to any other person, including the United States, who by the laws of the United States are entitled to priority;

(d) covered claims of guaranty associations and policyholder claims apportioned without preference;

(e) other creditors; and

(f) shareholders.

21. All assets, liabilities, and claims not transferred to Hartford shall be retained by Fidelity Bankers or the Trust(s) as provided in the Rehabilitation Plan. Hartford's liability shall be limited to only those policies, claims, and other liabilities of Fidelity Bankers which are expressly identified and assumed under the terms of the Rehabilitation Plan and the Definitive Agreements.

22. The Deputy Receiver is hereby authorized to mutualize Fidelity Bankers at such time as he determines, in his sole discretion, it is in the best interests of contract-holders and any other interested parties to do so. The name, organization, and other terms of the mutualized company shall be determined by the Deputy Receiver, in his sole discretion. The Deputy Receiver is hereby authorized to take such steps as he deems necessary or appropriate relating to the mutualization of Fidelity Bankers, but such mutualization shall be implemented in accordance with the provisions of applicable statutes.

23. All shares in Fidelity Bankers shall be retired and canceled in accordance with the terms of the Rehabilitation Plan.

24. The Deputy Receiver is hereby authorized to amend or revise the Supplementary Agreement with NOLHGA and execute said Supplementary Agreement on Fidelity Bankers' behalf.

25. If, after the date of this Order, the Deputy Receiver determines that the Rehabilitation Plan is not in the best interests of contract-holders, other creditors, and shareholders, the Deputy Receiver may suspend implementation of the Rehabilitation Plan and may seek from this Commission such relief as he deems appropriate.

26. The Deputy Receiver is hereby authorized to terminate, expand, or otherwise amend any directive that he previously issued in connection with the receivership of Fidelity Bankers, and to issue such further or additional directives as he, in his discretion, deems appropriate and necessary to implement the Plan or the terms of this Order.

27. All persons or other entities, including, but not limited to, contract-holders, agents, brokers, reinsurers, creditors, claimants, officers, directors, and shareholders are hereby enjoined from interfering in any way with the implementation of this Order and Rehabilitation Plan, including, but not limited to, taking any action in any court, except the Supreme Court of Virginia or this Commission, which asks for any relief which seeks to, or may in fact, block or otherwise impede the implementation of the Rehabilitation Plan.

28. The orders and injunctions issued by the Commission on May 13, 1991, are hereby reaffirmed, the same being reasonable and necessary to protect the jurisdiction of this Commission and the Rehabilitation Plan and to enable the Commission to conduct these proceedings pursuant to the statutory provisions for such proceedings. All persons or other entities are accordingly hereby enjoined from the commencement, prosecution, or further prosecution of any suit, action, claim, arbitration, or other proceeding against Fidelity Bankers and its assets or the Deputy Receiver and this Commission except to the extent that this Commission grants its permission to do so by written order entered hereafter upon written motion and upon good cause shown, and the Deputy Receiver is hereby directed to continue efforts to marshal and collect assets or property for the benefit of the Rehabilitation Plan, Fidelity Bankers, its contract-holders, creditors, and shareholders.

29. A copy of this Order, when actually delivered, shall serve as notice of its provisions and shall also evidence this Commission's respectful request to any public official or other person advised of these presents for cooperation and assistance to the Deputy Receiver in the implementation of this Rehabilitation Plan for the benefit of Fidelity Bankers' contract-holders and other creditors, for which the Commission hereby expresses its gratitude.

30. This Order is a final judgment of this Commission as described in, and is governed by, Commission Rule 8:10.

31. The Deputy Receiver shall cause a copy of this Order to be sent by first-class mail or otherwise delivered to all contract-holders and agents as of May 13, 1991, other known creditors, officers, directors, and shareholders and shall publish a copy, facsimile, or summary of this Order in the Richmond Times-Dispatch, The Wall Street Journal, and USA Today on or before October 15, 1992.

[1]FCH, the sole shareholder of Fidelity Bankers' immediate parent, Fidelity Bankers Insurance Group, Inc., and the ultimate parent of Fidelity Bankers, has been a debtor in bankruptcy in the United States Bankruptcy Court, Central District of California, since May 14, 1991.

[2]The plan credit compensates contract-holders who opt in to the Hartford Plan for loss of interest and liquidity during the receivership. The plan dividend compensates contract-holders who opt in to the Hartford Rehabilitation Plan for loss of interest and liquidity during the seven-year period provided for in that plan. A more detailed description of the plan credit and the plan dividend may be found in the proposed Plan of Rehabilitation.

CASE NO. INS910068
OCTOBER 14, 1992

COMMONWEALTH OF VIRGINIA
at the relation of the
STATE CORPORATION COMMISSION
v.
FIDELITY BANKERS LIFE INSURANCE COMPANY,
Defendant

CLARIFYING ORDER

In regard to our Final Order of September 29, 1992, the Commission notes for the record that this matter was heard and decided by the Commission with recalled Commissioner Harwood sitting, Commissioner Moore having recused himself from this case.

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COMMONWEALTH OF VIRGINIA
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ORDER ON RECONSIDERATION

On January 29, 1992, Edward D. Simon and Charles P. Williams ("Petitioners") filed a Petition requesting, inter alia, that the Commission require the Deputy Receiver to dismiss a civil suit he had filed in the Circuit Court of the City of Richmond against the Petitioners and others ("Lawsuit"). On March 19, 1992, we entered an order denying that portion of the Petition, but, after receiving Petitioners' Petition for Reconsideration filed April 3, 1992, we granted reconsideration by order of April 6, 1992, and heard oral argument on June 16, 1992. The matter has also been extensively briefed by the parties.

On reconsideration, we reverse our order of March 19, 1992, and direct the Deputy Receiver to seek a nonsuit or dismissal of the Lawsuit.

In making this decision on an issue of first impression, we have had occasion to review in depth the powers and duties of this Commission under the Virginia Constitution, statutes, and case law. The decision we announce here may be seen as novel, but we believe it is supported by the law applicable to the specific situation with which we deal. Accordingly, however, our holding is also limited to that situation.

We start from the well-recognized premise that this Commission has no inherent authority, and that its powers in every case must be found either in the Constitution or in statutory grants which do not contravene the Constitution. City of Norfolk v. Virginia Electric and Power Company, 197 Va. 505, 90 S.E.2d 140 (1955).[1] No specific provision of the Constitution gives this Commission the power to deal with troubled insurance companies, but the legislature has conveyed that authority in Chapter 15 of Title 38.2, (Va. Code § 38.2 - 1500-1521 [1990]).

As related to the present controversy, then, the question is whether, in the context of insurance company rehabilitation proceedings, the Code gives the Commission exclusive jurisdiction to try matters such as those raised by the Lawsuit, wherein Petitioners are being sued for damages alleged to be due to their mismanagement of Fidelity Bankers Life Insurance Company ("FBL").

In analyzing this question, we have been aided by the review of the history of present Chapter 15 found in the Petitioners' brief. We agree that, over time, the statutory scheme has evolved from a system in which, initially, the circuit court exercised continuing jurisdiction over the matter, with the receiver performing only administrative tasks on behalf of the court, to today's system in which, if the Commission is appointed receiver, we have exclusive jurisdiction over all further proceedings.

The expansive nature of the Commission's authority in these matters can be grasped by examining first the much more restrictive statutory provisions applicable to receivers other than the Commission. For example, no such third party may be appointed by the court unless the applicant has presented his bill in equity to the Commission, with notice to the insurer; the Commission has investigated and held a hearing; and the Commission has made a recommendation to the court. Va. Code § 38.2-1504 (1990).

Even if such a third party is appointed, the court clearly remains in control of the case. Thus, under Virginia Code § 38.2-1506, such a receiver "shall petition the court for approval of a plan to disburse the assets," and time limits and certain features of the plan are specified. Notice of such a plan must be given by the receiver to guaranty associations and insurance commissioners in other states. Thereafter, the court, not the receiver, may take action on the plan.

Consider also the broad powers given the Commission under Virginia Code §§ 38.2-1508 and -1510. Other receivers simply have no such authority. Even in cases where other receivers may act in a manner similar to the Commission, such as in Virginia Code §§ 38.2-1511 (borrowing), 38.2-1514 (payment of wages), or 38.2-1518 (rehabilitation or mutualization), such receivers may proceed only after approval of the court. By contrast, the Commission may act unilaterally.

Under Virginia Code § 38.2-1507, if the receiver is an entity other than the Commission, it is the court which issues any necessary injunctions in the case; the receiver has no such authority. If the Commission is the receiver, however, we exercise these powers, to the specific exclusion of the court.

It is clear then, that in the case of other receivers, the statutes leave jurisdiction of the matter very much in the hands of the court, with the receiver to play only a closely-controlled administrative role.

On the other hand, when the Commission is named receiver, it becomes vested by statute with full authority to conduct "[a]ll further proceedings in connection with the rehabilitation or liquidation...without any control or supervision by the court to which the application was made." Va. Code § 38.2-1508 (1990) (emphasis supplied).

It would be difficult to conceive of a more striking dichotomy in the grant of authority over a subject matter. That is, from a situation in which the court remains in full control of the process when using other receivers, we move to the case in which the court steps entirely out of the picture, in preference to the Commission. Does the Commission in the latter case have as much authority as the circuit court does in the former? Would the circuit court have had jurisdiction to try the Lawsuit if it had named a receiver other than the Commission? Does the Commission thus have the same jurisdiction under the instant facts? We answer all these questions in the affirmative.[2]

Under Virginia Code § 38.2-1508, the Commission is also vested with title to all property, contracts, and rights of action of the insurer. It may prepare a plan of rehabilitation, hold a hearing thereon, and approve, modify, or disapprove the plan after hearing. Va. Code § 38.2-1518 (1990). It may return control of the company to the insurer, or decree liquidation, in its sole discretion. Va. Code § 38.2-1519 (1990). Again, none of these powers are exercised subject to the approval of any court; indeed, there is no occasion under the statute for the Commission ever to appear in circuit court again in connection with the rehabilitation.

Despite such an apparently sweeping delegation of authority by the General Assembly, the Deputy Receiver contends our power is lacking in respect to the present controversy.

He stresses, for example, the terms used in Virginia Code § 38.2-1508. "Rehabilitation," he says, is an "'attempt to conserve and administer assets of an insolvent corporation in hope of its eventual return from financial stress to solvency.' Blacks Law Dictionary at 1451 (4th Ed. 1951)" and "liquidation" is "'winding up affairs by realizing upon assets, paying liabilities and appropriating the profit or loss.' Id. at 1080." Deputy Receiver's Supplemental Memorandum Supporting Motion to Stay Adjudication of Claims and Petition for Dismissal of Lawsuit at 12, Case No. INS910068 (filed June 26, 1992). We have no particular quarrel with either definition. However, by no means does either exclude the case of a receiver bringing suit against former officers and directors of a company for money damages, as he urges. As noted, the Commission is vested by statute with title to the company's "rights of action." Surely, attempting to reduce such a right to judgment is an act designed to "conserve" that asset, or to "realize" upon it, or both. We believe the statute clearly intends that we exercise dominion over such claims, try them, and determine their validity.[3]

However, the Deputy Receiver says the Lawsuit is a common law action for damages, and contends that we have no exclusive authority over such actions, indeed that we have no authority at all over them, and that it was thus not only permissible, but necessary, that he pursue his claims elsewhere.

The principal Virginia case relied on to establish this proposition is Appalachian Power Company v. Walker, 214 Va. 524, 201 S.E.2d 758 (1974). We will not recite the rather convoluted facts of that case, but suffice it to say that the Virginia Supreme Court, in regard to a suit brought by an individual against a public utility alleging the breach of a common law contract right, did hold that the Commission "had no constitutional or statutory authority to adjudicate" that claim. APCO, 214 Va. at 534. This case is well known, but we fear that perhaps conventional wisdom in the 18 years since it was decided has read the holding more broadly than it deserves.

The APCO court did not rule, for example, that the Commission lacks authority over all common law claims with respect to the whole panoply of its regulatory responsibilities; rather the focus of the case was, exclusively in our view, on an analysis of what powers and authority the Commission has under the Constitution and the Code of Virginia with regard to public service companies. Thus, the court characterized the positions of APCO and the Commission in this manner:

> *Collectively, the arguments advanced by Appalachian and the Commission in support of the* plea of exclusive jurisdiction are that Virginia Constitution § 156 (1902) and Code §§ 56-6, -232 to -247 (Repl. Vol 1969), as amended, (Cum. Supp. 1970), gave the Commission broad legislative power, encompassing the state's police power, to regulate public service corporations in the performance of

> the public duties imposed upon them by law; that in the regulation of rates charged and services provided, this power is plenary and paramount; that under Code § 56-236 (Repl. Vol. 1969) this power extends to all rules and regulations that in any manner affect the rates charged by a public service corporation; and that this legislative power transcends private contract rights in contracts affecting rates.

Id. at 529 (footnote omitted).

The court, of course, rejected those arguments, but the opinion concentrates only on our powers over public service companies. We cannot read the APCO case as relevant to the extent of authority granted to us by the General Assembly over insurance companies in rehabilitation, pursuant to Chapter 15 of Title 38.2, except that it establishes what we acknowledged initially herein, that the nature and extent of the Commission's powers in any case depend on the constitutional and statutory enactments which are applicable to it.

It is also pertinent to ask that, if APCO can be read as broadly as the Deputy Receiver argues, from where, then, arises our authority to adjudicate claims under the Receivership Appeal Procedure?[4]

Of course, that Procedure deals with claims against the estate of FBL, while FBL is the claimant in the Lawsuit, but this point does not answer the question. If we have no jurisdiction to consider the Lawsuit here, then we have no jurisdiction to consider, for example, Simon's claim for compensation under his employment contract with FBL, now pending before us. Both clearly involve what would traditionally be considered common law claims, and the Deputy Receiver has contended correctly throughout the rehabilitation of FBL that claims like Simon's must be brought here, or not at all. Eden Financial Group, Inc. v. Fidelity Bankers Life Insurance Co., 778 F.Supp. 278 (E.D. Va. 1991); Commonwealth ex rel. State Corporation Commission v. Eden Financial Group, Inc., Case No. INS910287 (Order Denying Motions, Nov. 26, 1991).

In short, APCO does not control our decision with regard to this Petition.[5]

Another reason assigned as to why the Lawsuit must proceed in circuit court is that the Deputy Receiver has a right to a jury trial on his allegations, and that the Commission has no ability to impanel a jury. Again, we are struck by a contrast: If this argument is correct, why are claimants against FBL, who have been required to bring their cases here, not entitled to a jury? The short answer is that jury trials are not contemplated by the controlling statutes.

Virginia Code § 38.2-1502 states that: "Unless otherwise provided, all delinquency proceedings shall be conducted as a suit in equity." The phrase "delinquency proceedings" is defined in Virginia Code § 38.2-1501 to mean "any proceeding commenced against an insurance company for the purpose of liquidating, rehabilitating, reorganizing or conserving an insurer." We believe it is clear that phrase refers not only to the initial application by the Commission to the circuit court for appointment as receiver, but to all further proceedings as well. For example, Virginia Code § 38.2-1517 provides:

> The Commission shall include in its annual report the names of all insurers against which delinquency proceedings are pending under this chapter, and the names and addresses of any receivers of the insurers. The report shall show whether or not the insurers have resumed business or have been liquidated, and shall contain any other matter that will inform the policyholders, creditors, stockholders, members and the public of the current status of the proceeding regarding each insurer.

(Emphasis supplied.)

This section clearly demonstrates that "delinquency proceedings" remain in effect as long as the company is under Commission control.

Thus, Virginia Code § 38.2-1502 requires the proceeding involving FBL to be conducted as a suit in equity. Since, as we shall hold herein, we have exclusive jurisdiction over the claims asserted in the Deputy Receiver's Lawsuit, such suit must be conducted pursuant to equity principles.

It is clear that, despite the broad language of Art. I, § 11 of the Constitution and Virginia Code § 8.01 -336(A), jury trials are not generally a feature of equity practice in Virginia. Thus, the Deputy Receiver is not entitled to a jury trial on his Lawsuit.[6]

The Deputy Receiver also notes that Virginia Code § 12.1-35 requires that "all judgments of the Commission shall be entered in favor of the Commonwealth" and that the proceeds must go into the state treasury. Thus, he argues, any judgment returned against the Lawsuit defendants would not benefit FBL, but only the Commonwealth. We again note the apparent dichotomy of treatment suggested by the Deputy Receiver's argument. Suppose the Commission finds in favor of one of the many claimants before it in the Receivership Appeal Procedure, would this not be a "judgment" against the estate of FBL? It would be nonsensical to suggest such an order must run "in favor of the Commonwealth." We believe Petitioners' view of this statute is the better one, that is, its proper context is the more normal enforcement case, in which the Commission itself imposes a fine or penalty against a regulated person or entity. Here, the Commission serves a different role, to which § 12.1-35 should be seen as inapplicable.

We next examine authority from other states cited to support the proposition that claims such as the Lawsuit may be prosecuted in forums other than this one.

For example, the following language is quoted from Fabe v. Columbus Insurance Co., 68 Ohio App. 3d 226, 233, 587 N.E.2d 966, 970 (1990): "[A]n action [to marshal an insurer's assets], of course, necessarily is a separate adversary proceeding from that of the liquidation proceeding...." Assuming for the sake of argument that observation to be true, the issue is, in what court must such adversarial proceedings be brought? Fabe does not aid the Deputy Receiver on this point.

That court held that the Superintendent of Insurance for Ohio was bound, as liquidator of a company, by an arbitration clause in a contract between his company and two reinsurers. Under the Eden case, we would disagree with that holding, of course; but more to the point in this instance, the court's decision shows that the liquidator brought his suit initially in the same court that appointed him. He contended that court had exclusive jurisdiction over such matters. Though it carved out an exception for arbitration clauses, the appellate court agreed with the

Superintendent that Ohio statutes require that "all actions commenced under R.C. Chapter 3903 must be brought in the Franklin County Common Pleas Court." Fabe, 587 N.E.2d at 969. Its only criticism of the liquidator in this regard was that he should have brought his claim as a separate action in that court, and not as part of the principal liquidation proceeding.

Thus, disregarding the arbitration aspect of the case, Fabe more nearly supports the Petitioners' position.

Also cited by the Deputy Receiver is language from Knickerbocker v. Holz, 4 N.Y.2d 245, 173 N.Y.S.2d 602, 149 N.E.2d 885 (1958) (the underscored language below is found in the opinion, but was not quoted in the Deputy Receiver's brief):

> Such a requirement [that claims by the liquidator must be determined in the liquidation proceeding] would be impossible and absurd since the liquidator must bring collection suits in the jurisdictions where his debtors are found....[T]here is no statute, decision, or rule of necessity or public policy commanding that the claims of the insolvent insurer against outsiders be within the exclusive jurisdiction of the [court supervising] the liquidation proceedings themselves. Such a requirement would, for instance, make it impossible for the Superintendent to proceed against nonresident debtors.

Knickerbocker, 149 N.E.2d at 892.

The addition of this omitted material substantially changes the import of the passage, in our view, but even so, as the Deputy Receiver acknowledges, the above language is found in a dissenting opinion. The holding of the court is quite different. Construing New York law, that court held, contrary to Fabe, that the New York Superintendent of Insurance, as liquidator, was not bound by an arbitration clause in a contract with an alleged debtor of the company. In so holding, that court said:

> Article XVI of the Insurance Law (§§ 510-546), insofar as it relates to the liquidation of insolvent insurance companies, is intended to and does furnish a "comprehensive, economical, and efficient method for the winding up of the affairs" of such insurance companies by the Superintendent of Insurance. Those provisions of the Insurance Law "are exclusive in their operation and furnish a complete procedure for the protection of the rights of all parties interested." When an insurance company is, or may become, insolvent, the Superintendent of Insurance may, under article XVI, apply to the Supreme Court for an order of liquidation. Under the order of liquidation, the Superintendent of Insurance is vested by operation of law "with the title to all of the property, contracts and rights of action" of the defunct insurance company. The Supreme Court, in the liquidation proceeding, must take cognizance of the interests of the policyholders, creditors, stockholders, and the public, and it may issue such orders "as may be deemed necessary to prevent interference with the superintendent or the proceeding, or waste of the assets of the insurer." Clearly does the plan emerge that the Supreme Court, with the agency of the Superintendent of Insurance, was intended to have exclusive jurisdiction of claims both for and against an insurance company in liquidation.

Id. at 888-889 (citations omitted) (emphasis supplied).

This case therefore lends no support to the Deputy Receiver's position.

Next, the Deputy Receiver argues as follows:

> Common sense and logic tell us that the Deputy Receiver necessarily must have the power to proceed in other courts to marshall certain assets of Fidelity Bankers' receivership estate. Every court which has considered this issue has recognized the incorrectness of the position advanced by Petitioners. For example, in Corcoran v. Universal Reinsurance Corp., 713 F. Supp. 77, 82 (S.D.N.Y. 1989) the Court wrote:
>
> > Universal [the party asserting the Receiver's inability to sue outside the receivership forum] also raises the flawed argument that because the Superintendent may bring suit in Federal Court in other states in order to consolidate the assets of the estate, there cannot be exclusive jurisdiction in a New York State court. The actions of the liquidator of an insolvent insurer are supervised by the liquidation court. If, with the permission of the liquidation court, the liquidator brings suit in State or Federal court of a different jurisdiction, no harm is done to the plan of unified liquidation. Needless to say, such action is often necessary to recover assets from debtors not subject to New York jurisdiction.

Deputy Receiver's Motion to Stay at 15-16, Case No. INS910068 (filed April 20, 1992) (alteration in original).

First, the material in brackets above, which attempts to describe Universal's position in that case, is incorrect. There, the receiver brought suit on behalf of his insolvent company in New York State Supreme Court against Universal, seeking to collect alleged debts. Universal removed the case to federal court on diversity grounds, and the receiver moved to remand the action to the state court. Thus, it was Universal which contended such actions could be maintained elsewhere than in the New York courts, and the Superintendent who resisted that argument.

Furthermore, the federal court concluded, as had Knickerbocker, supra, that New York's scheme of regulation was comprehensive. It found abstention proper and remanded to the state court, saying:

> The New York courts have consistently found that the proceedings surrounding an insolvent insurer were best conducted under the "single management of one court." By vesting control of all claims for and

> against a bankrupt insurer in one court, the New York law "insures economical, efficient and orderly liquidation."....[A] necessary implication of the New York insurance law [is] that the liquidator was under the direction of only the state court. "Hence other courts, except when called upon by the court of primary jurisdiction for assistance, are excluded from participation."

Corcoran, 713 F. Supp. at 80-81 (citations omitted).

In this context, then, it is clear that when the Corcoran court made the statement quoted above by the Deputy Receiver, it was referring only to situations where the receiver might be required to bring suit outside the State of New York to carry out his duties. Under Corcoran, actions within New York clearly belong exclusively in the receivership court.

Thus, this case certainly does not establish the contention that it was proper for the Deputy Receiver to select another Virginia tribunal in which to file his Lawsuit.

The Deputy Receiver also urges that his resort to circuit court was authorized by our Receivership Order. Before analyzing the specific language of that order, however, we would note that, if our jurisdiction in this matter has been made exclusive by statute, as we have concluded, we question whether we could cede any portion of that jurisdiction elsewhere, merely by entering an order. It is surely axiomatic that we can neither expand nor contract our jurisdiction by our own actions.

The Deputy Receiver says that section 10(a) of the Receivership Order supports the bringing of the Lawsuit. In part, that section gives the Deputy Receiver 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." Thus, "[t]he Receivership Order expressly permits suits to be filed wherever the Deputy Receiver deems best." Motion to Dismiss Petition at 5, Case No. INS910068 (filed March 4, 1992). This contention misreads the order. Since this Commission exercises state-wide jurisdiction in regard to any subject matter under its authority, the reference in the Receivership Order to "this" jurisdiction necessarily refers to the Commonwealth, and "other jurisdictions" refers to matters outside this state.

The above clause did no more than enable the Deputy Receiver to go to other states to prosecute such actions against non-residents as he deems necessary. Bringing the Lawsuit in another Virginia forum was not authorized by this clause, however.

Reliance is also placed on another passage of our Receivership Order, but the quote used omits crucial material. Pages 2 and 3 of the Deputy Receiver's Motion to Stay, filed April 20, 1992, state:

> The Deputy Receiver is also empowered "to institute and to prosecute in the name of [Fidelity Bankers] or in his own name, any and all suits and other legal proceedings...in this state or elsewhere." Receivership Order at 6....

(Alterations in original.)

Underscoring the material omitted by the Motion, the passage actually reads:

> 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....

The omission is significant, because the authority granted by that clause to the Deputy Receiver "in this state and elsewhere" was only to defend actions. In this context, the term "state" is a more precise one than "jurisdiction." That is, there obviously would have been no suits pending against FBL or the Receiver in this "jurisdiction" (i.e., the Commission) at the time the Receivership Order was entered, but there may have been some, against FBL at least, elsewhere in the "state," hence the choice of that term.

Other portions of the Receivership Order mitigate against the position taken by the Deputy Receiver. Paragraph 2 thereof declared:

> 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.[8]

That language can leave little doubt of the Commission's intention to deal comprehensively and exclusively with the matter before it. In addition, paragraph 14 of the Order stated:

> No judgment, order...or other legal process of any kind with respect to or affecting the Defendant or the Property shall be effective or enforceable...unless entered by the Commission,....

(Emphasis supplied.)

This language would apply to the Lawsuit itself.

Therefore, we have reached the following conclusions: (1) There is nothing in Virginia law which prevents the Commission from exercising jurisdiction over the Lawsuit claims. (2) Neither precedent from other states nor the Receivership Order itself validates the actions of the Deputy Receiver in bringing the Lawsuit outside this forum. (3) Chapter 15 of Title 38.2 of the Code of Virginia entrusts exclusive jurisdiction over matters like the Lawsuit to the Commission.

Thus, for the reasons stated above, we hold that the Deputy Receiver should have brought the Lawsuit before this Commission, rather than the Richmond Circuit Court.

THEREFORE, IT IS ORDERED, that the Deputy Receiver forthwith take a voluntary nonsuit of the Lawsuit, or seek an order from the Circuit Court for the City of Richmond dismissing said suit without prejudice.

This matter was heard and decided by the Commission with recalled Commissioner Harwood sitting, Commissioner Moore having recused himself from this case.

[1]"The Commission shall have such other powers and duties not inconsistent with this Constitution as may be prescribed by law." Va. Const. Art. IX, § 2.

[2]The Commission "[c]learly...is a tribunal of a stature and dignity equal to that of a circuit court." Atlas Underwriters, Ltd. v. State Corporation Commission, 237 Va. 45, 47, 375 S.E.2d 733, 734 (1989).

[3]The Deputy Receiver's memorandum of June 26, 1992 argues that "[t]he Deputy Receiver's action in the Circuit Court concerns neither rehabilitation nor liquidation of FBL." Memorandum at 12. If this statement is true, then what was the justification for the Deputy Receiver's actions? He has no authority over FBL in this case except in regard to one or both of these issues. See Va. Code § 38.2-1510 (1990): "The Commission shall have power to appoint one or more special deputies as its agent...[and] may delegate to its agent any of its powers which are necessary to carry out the rehabilitation or liquidation." (Emphasis supplied.)

[4]See, Commonwealth ex rel. State Corporation Commission v. Fidelity Bankers Life Insurance Co., Case No. INS910068 (First Order in Aid of Receivership, September 19, 1991). Under that procedure, a matter is said to be an "appealable decision" if it "concerns a specific claim made against the Company, whether or not arising under a policy or contract issued by the Company; or...it affects, or may affect, a financial interest, contract right or legal entitlement of the person making the appeal." Id. at 2.

[5]If the Deputy Receiver is correct in his argument, doubt would also be cast on his authority "to affirm or disavow any contracts to which Defendant [FBL] is a party" under paragraph 10(e) of our order appointing him. Commonwealth ex rel. State Corporation Commission v. Fidelity Bankers Life Insurance Co., Case No. INS910068 (Order Appointing Deputy Receiver, May 13, 1991) ("Receivership Order").

[6]Petitioners have conceded they would have had no right to a jury trial had the Deputy Receiver brought his Lawsuit here, rather than in the circuit court. Petitioners' Post-Hearing Memorandum, at 19, Case No. INS910068 (filed July 6, 1992).

[7]The term "jurisdiction" was used in the same sense elsewhere in the Receivership Order. See, for example, section 8, which declared that the commencement of a receivership or similar proceedings "in another jurisdiction by an official lawfully authorized to commence such proceeding" would not constitute a violation of our order. The reference to "jurisdiction" in that clause was clearly to actions taken by officials of other states.

[8]Paragraph 2 defined "Property" to include "all property or ownership rights, choate or inchoate, whether legal or equitable...including but not limited to all causes of action...." (Emphasis supplied.)

CASE NO. INS910068
NOVEMBER 5, 1992

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

ORDER AUTHORIZING LAWSUITS

ON REQUEST of the Deputy Receiver, it being represented that the entry hereof will not prejudice the rights of any party to this proceeding, and for good cause shown,

IT IS ORDERED:

(1) That the Deputy Receiver be, and he is hereby, authorized to institute and maintain lawsuits, which are comprised of both exclusively federal questions of law and state questions of law, to marshal assets on behalf of Fidelity Bankers Life Insurance Company, its policyholders, and its creditors in the United States District Court for the Eastern District of Virginia, Richmond Division, and any other federal forum as he may deem necessary; and

(2) That any such lawsuits instituted in the United States District Court for the Eastern District of Virginia, Richmond Division, or any other federal forum, shall be brought in the name of the State Corporation Commission of the Commonwealth of Virginia, as Receiver of Fidelity Bankers Life Insurance Company and Steven T. Foster, Insurance Commissioner, State Corporation Commission, Bureau of Insurance, as Deputy Receiver of Fidelity Bankers Life Insurance Company, an Officer of the Commonwealth of Virginia.

CASE NO. INS910068
NOVEMBER 20, 1992

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

ORDER AUTHORIZING DEPUTY RECEIVER TO PROSECUTE APPEALS

WHEREAS, Steven T. Foster, Commissioner of Insurance, State Corporation Commission (the "Commission"), Bureau of Insurance, by Order dated May 13, 1991 (the "Order"), was appointed Deputy Receiver of Fidelity Bankers Life Insurance Company ("Fidelity Bankers") to act on behalf of the Commission and was vested, in addition to the powers set forth in that Order, with all the powers and authority expressed or implied under the provisions of Virginia Code Sections 38.2-1500 through 38.2-1521, and was authorized to do all acts necessary or appropriate for the conservation or rehabilitation of Fidelity Bankers;

WHEREAS, by that Order, the Deputy Receiver was vested with exclusive title, both legal and equitable, to all of Fidelity Bankers' causes of action and defenses;

WHEREAS, by that Order, the Deputy Receiver was granted the power to institute and to prosecute, in the name of Fidelity Bankers or in his own name, all suits and other legal proceedings, to defend suits in which Fidelity Bankers or the Receiver is a party in this state or elsewhere whether or not such suits were pending as of May 13, 1991, and to pursue further legal proceedings on such terms and conditions as he deemed appropriate;

WHEREAS, by that Order, the Deputy Receiver was granted the power to prosecute any action which may exist on behalf of the Fidelity Bankers against any person;

WHEREAS, the Deputy Receiver was given the power by that same Order to perform such further and additional acts as he may deem necessary or appropriate for the accomplishment or in aid of the purpose of the receivership;

IT IS ORDERED:

That the Deputy Receiver be, and he is hereby, authorized to defend as an Appellee any appeal before the Supreme Court of the Commonwealth of Virginia of the Final Order of this Commission dated September 29, 1992.

CASE NO. INS910068
DECEMBER 4, 1992

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

OPINION

In our Final Order dated September 29, 1992 (the "Final Order"), we approved the Rehabilitation Plan (the "Plan") for Fidelity Bankers Life Insurance Company ("Fidelity Bankers" or the "Company") proposed by Steven T. Foster, Commissioner of Insurance (the "Deputy Receiver"). The Final Order also rejected the alternate rehabilitation plan advocated by First Capital Holdings Corp. ("FCH").[1]

Adoption of the Plan is within the Commission's discretion, and none of its provisions violates any requirement of law. We believe that approval of the Plan, and its implementation, are vital to all interests concerned with this case.

I. BACKGROUND

A. Events Leading to Regulatory Intervention

Fidelity Bankers is a Virginia-domiciled life insurer with more than 170,000 policyholders in forty-nine states and the District of Columbia. Until 1985 Fidelity Bankers was engaged primarily in marketing and servicing traditional life insurance policies and products offering a relatively low but stable return for its policyholders. In late 1985 Fidelity Bankers was purchased by FCH. At that time, it had assets of approximately $228 million.

After its acquisition by FCH, Fidelity Bankers began to offer new, far more interest-sensitive products with high rates of return, such as universal life policies and single premium deferred annuities ("SPDA").[2] Fidelity Bankers then embarked on a period of rapid growth, and, by May of 1991, had assets of approximately $4 billion.[3] To enable Fidelity Bankers to meet the higher rate of return necessary to sustain this growth, the

Company began investing heavily in high-risk, high-return assets such as non-investment grade bonds.[4] By 1991, approximately 38 percent of Fidelity Bankers' assets consisted of these "junk" bonds.

Fidelity Bankers' strategy of rapid growth created a tremendous strain on its surplus. In an apparent effort to alleviate this strain, and so that it could report its financial condition in a manner that would allow it to continue such growth, the Company purchased several surplus relief reinsurance[5] contracts, and entered into agreements that permitted it to defer the acquisition costs of the products being sold by its agents and brokers. Fidelity Bankers' reliance on surplus relief and deferred acquisition costs effectively masked its true financial condition by artificially inflating its surplus.

In 1991, a downturn in the junk bond market and adverse publicity associated with Executive Life Insurance Company and First Capital Life Insurance Company ("FCLIC")[6] increased dramatically the policy surrender requests received by Fidelity Bankers. This trend created a prototypical "run on the bank", which, if allowed to continue unabated, would have resulted in a further decrease in both the percentage and quality of assets left for remaining policyholders, who undoubtedly would have been left "holding the bag."[7]

To address this problem, the Circuit Court for the City of Richmond on May 13, 1991, entered—without objection from the Company or FCH—its Order Appointing Receiver, in which it appointed this Commission as the Company's Receiver after we alleged that "any further transaction of business . . . will be hazardous to its policyholders, creditors, stockholders or to the public." On that same date we entered our Order appointing Steven T. Foster, Commissioner of Insurance, as our Deputy Receiver (the "Receivership Order").[8] The Receivership Order directed the Deputy Receiver to "act on behalf of the Commission for the period the Commission is the Receiver of [Fidelity Bankers]" and to take the necessary and appropriate actions to conserve or rehabilitate its insurance business. As one of his first actions, the Deputy Receiver imposed a moratorium on further policy surrenders.

B. The Development of the Deputy Receiver's Plan

The record depicts the history of Commissioner Foster's commendable efforts, acting under this Commission's mandate,[9] to bring the Company's very serious problems under effective management, and to develop an appropriate plan for rehabilitation of its business.

The undertaking was not a simple one. The "Proposed Rehabilitation Plan," Ex. SF-3, provides a detailed account of many of the more significant obstacles faced by the Deputy Receiver and how he overcame them. The rehabilitation team first stabilized the Company's affairs and operations as a prologue to the design and implementation of a comprehensive plan for its rehabilitation.

As a major aspect of his work, the Deputy Receiver searched for a potential purchaser or investor to participate in the Company's workout.[10] A "due diligence" process was conducted in which various prospective purchasers, and FCH, were permitted access to the books, records, and staff of Fidelity Bankers in their efforts to determine a fair and reasonable value for the Company.[11] Ultimately, the Deputy Receiver entered into an Agreement of Intent to Acquire the Insurance Business of Fidelity Bankers (the "Hartford Contract") with Hartford Life Insurance Company ("Hartford"). The Hartford Contract, by which Hartford will assume and reinsure potentially all of Fidelity Bankers' policies, forms the centerpiece of the Plan.

On April 22, 1992, we scheduled a hearing to consider the Plan, and on May 1, the Deputy Receiver submitted the Plan to the Commission for evaluation and approval.

C. The Confirmation Hearing

Beginning on June 1, 1992, and continuing intermittently for nine days, the Commission conducted a hearing on this matter (the "Confirmation Hearing"). Testimony at the hearing filled over 2,500 pages of transcript, and 100 exhibits were received. The parties filed briefs both before and after the hearing, and we heard extensive and well-developed arguments from counsel. The Deputy Receiver offered evidence and testimony in support of the Plan, and various related matters. FCH presented the primary opposition to the Plan and sponsored its own competing plan (the "FCH Plan"). While some of Fidelity Bankers' former officers, directors, brokers, and agents submitted formal protests, these parties chose not to offer any evidence. Of the more than 170,000 Fidelity Bankers policyholders, none appeared at the hearing to challenge the Plan. Therefore, much of the hearing focused upon the competition between the Deputy Receiver's Plan and the FCH Plan.

D. The Competing Plans

1. The Plan Adopted by the Commission

Policyholders who elect to participate in the Plan will have their contracts assumed and reinsured by Hartford, a company that has a solid background and expertise in the insurance industry. However, those contracts will be subject to some modification which, in part, will generally expose policyholders to greater surrender costs and a lower interest rate than did their Fidelity Bankers contracts. Thus, they will lose some of the valuable benefits they had purchased from the Company, including the "window" and "bail out" provisions.

To compensate them for these modifications, as well as their inability to gain access to their funds during receivership, participating policyholders will be offered benefits through a Plan Credit, and, to the extent of available assets, a Plan Dividend. The Plan Credit is designed to compensate them for their loss of interest and liquidity during the period of time that Fidelity Bankers has been in receivership, while the intent of the Plan Dividend is to compensate for loss of interest and cash value following the effective date of the Plan. It is our view that the Plan Credit and Plan Dividend will assist in placing these policyholders in, as nearly as possible, the same financial position they would have held had the Company not suffered from the problems it has faced.

Policyholders who elect not to participate in the Plan will receive a cash payment of 85% of their account values, not to exceed their cash values, as soon as practicable. These policyholders will also receive an SPDA in the mutual company described below for the balance of their account value, payable in not less than two years from the effective date of the Plan. The sum of these payments is intended to restore 100% of account value to these policyholders, but provides no compensation for their loss of interest and liquidity.

In return for assuming and reinsuring the contracts of participating policyholders, Hartford will receive an agreed amount of assets from Fidelity Bankers, currently estimated to have a market value equal to 94% of the account value for the policies assumed, giving Fidelity Bankers a 6% "ceding commission." The ceding commission will yield funds that can be devoted to the discharge of the Company's other liabilities, including the Plan Credit, the Plan Dividend, opt out benefits, and general creditor claims.

The Plan also contemplates conversion of the Company from a stock to a mutual company owned by its policyholders, as permitted by Va. Code Ann. § 38.2-1518. The mutual company will be properly capitalized under applicable Virginia law so that its future operations will be safe and secure.

Any assets that remain after the above obligations are satisfied, and the Company is mutualized, will go to the shareholder.

2. The FCH Plan

FCH proposed that Fidelity Bankers would continue its former business operations, aided by a contingent infusion of capital. As originally presented to the Commission, the FCH Plan provided that policyholders electing to remain with Fidelity Bankers would have their policies restructured by elimination of window and bailout provisions.[12] Although the FCH Plan evolved noticeably as the Confirmation Hearing progressed, possibly restoring these provisions, no formal written amendment was submitted by FCH.

The FCH Plan also contemplated that Hartford and other life insurance companies could participate, thereby allowing policyholders to execute "1035 exchanges"[13] for comparable policies from other insurers. However, Hartford testified that it had not been invited by FCH to participate in its rehabilitation plan and repeatedly stressed that it would not do so.[14] The Commission was struck by the vague nature of the surprisingly brief, nondescript "agreements" FCH had obtained from other companies purportedly willing to participate in its plan. These letters from other insurance companies stand in contrast to the substantive and detailed nature of Hartford's Contract with the Deputy Receiver. Based upon the record before us, we do not believe that the FCH Plan is complete, nor is it financially viable. Further, it provides no compensation to policyholders for their losses occasioned by Fidelity Bankers' receivership or the proposed contract modifications. Thus, we do not believe that the FCH Plan adequately protects Fidelity Bankers' primary constituency, its policyholders.

If the FCH Plan was somewhat unclear as to its terms for policyholders, it was substantially more detailed as to benefits for its financial partner, Acadia Partners, L.P. ("Acadia").[15] FCH, in a tacit acknowledgment that Fidelity Bankers cannot stand on its own, proposed a financial infusion with Acadia's assistance of up to $70 million. In return, Acadia would have control over the management and operations of Fidelity Bankers. Acadia would also receive a surplus note from the Company with a 12% interest rate, a restructuring fee for Fidelity Bankers' portfolio, a $2.5 million commitment fee, miscellaneous management fees, and an ongoing asset management fee. Under the circumstances, we believe that fees and expenses to be provided to Acadia would be excessive.

3. Other Considerations

Though it appeared initially that much of the Hearing would be devoted to the question of whether Fidelity Bankers was indeed insolvent on May 13, 1991, and whether regulatory intervention was warranted, these did not turn out to be the most significant contested issues. FCH conceded, for example, that it had not opposed the appointment of a receiver for the Company. Rather, FCH's evidence and argument, criticizing the method by which the Deputy Receiver determined the Company to have been insolvent, served as nothing more than a diversion from the true issue in dispute: whether the Plan would provide too much value to policyholders and thereby leave insufficient assets available to the shareholder, and whether, instead, more of the Company's assets should be allocated to shareholders at the expense of policyholder benefits.

Had our task been only to determine which of the competing plans best served the interests of policyholders, our mission would have been swiftly accomplished. Even a cursory review of the record leaves little doubt that the program advocated by the Deputy Receiver and Hartford would offer far more to the holders of Fidelity Bankers contracts than the course of action suggested by FCH. But it becomes immediately apparent that this result is by design and not by accident. Even FCH cannot contend that the plans are comparable in this respect. Instead, FCH argues that there is a limit to how much policyholders should receive in the rehabilitation of Fidelity Bankers and that the Plan we adopted substantially exceeds this limit. The holding company suggests that its plan adequately provides for policyholders, but does not sacrifice its own stake in the Company as, it alleges, does the approved Plan.

Against this backdrop, it became necessary for the Commission to decide whether the Plan would deprive FCH improperly of the stake, if any, which it held in Fidelity Bankers on May 13, 1991. This question has two parts: (1) On that date, was there some calculable and concrete value that should be placed on the interests of FCH in Fidelity Bankers? (2) If so, how should that value be addressed in the rehabilitation of the Company?

Given the fact that Fidelity Bankers was insolvent in May of 1991, as discussed herein, the desire of FCH to realize substantial value from its stock appears out of place. FCH apparently feels that it should be compensated on a present value basis for the profits that may be generated in the future from investing policyholders' money, without regard to the Company's liabilities or to the fact that its continued operation would be hazardous to all concerned. In short, FCH wants the Company viewed as a going concern, although it concedes that it is not a going concern. As a matter of law, however, solvency is not determined in such a manner. See Va. Code Ann. § 38.2-1501 (1990). More to the point, an expert witness presented by FCH agreed that, on May 13, 1991, there were no market value assets that could be identified as belonging to the shareholder.[16] Still, FCH would have the Commission determine that it has a valuable stake in Fidelity Bankers for which payment should be made. This approach defies both logic and law, and we have been unable to ascertain any reason why it would be proper.

FCH argued that the approved Plan overcompensates policyholders by including the Plan Credit and Plan Dividend. Although FCH conceded that policyholders are entitled to be compensated for their economic loss of liquidity and for their unfulfilled contractual promises, the FCH Plan notably made no provision whatsoever to cover these losses. Instead, FCH maintained that a market rate of interest to be credited on the replacement policies that would be offered by Hartford would adequately compensate policyholders.[17]

Such an approach improperly places the brunt of Fidelity Bankers' receivership on the policyholders. We see nothing in this record--indeed, we can conceive of no argument--that would indicate to us that the shareholder should be entitled to benefit from the broken promises of Fidelity Bankers to its policyholders.

E. Our Final Order

Thus, on September 29, 1992, we issued our Final Order approving and confirming the Plan proposed by the Deputy Receiver and rejecting the FCH Plan. Because the Final Order dealt with numerous issues not genuinely in dispute, this opinion addresses only the following matters explicitly or implicitly raised by the parties:

1. Our authority to rehabilitate the insurance business of Fidelity Bankers for the primary protection of its policyholders;
2. The broad discretion of the Commission in adopting a rehabilitation plan;
3. The distribution of assets under the Plan;
4. The finding of insolvency;
5. The fixing of rights; and
6. The establishment of a liquidation value.

II. THE REHABILITATION OF FIDELITY BANKERS THROUGH THE PLAN IS A LEGITIMATE EXERCISE OF VIRGINIA'S POLICE POWER

It has long been an accepted constitutional principle that certain kinds of businesses are so intimately connected with the general public welfare that the government may heavily regulate them. State regulation of the insurance industry is such a valid exercise of the police power. See, e.g., California State Auto. Ass'n Inter-Ins. Bureau v. Maloney, 341 U.S. 105, 109-10 (1951); Osborn v. Ozlin, 310 U.S. 53, 65 (1940); German Alliance Ins. Co. v. Hale, 219 U.S. 307, 316-17 (1911). The test of the validity of state action is whether it is reasonably related to the public interest and is not arbitrary or improperly discriminatory. Carpenter v. Pacific Mut. Life Ins. Co., 74 P.2d 761, 774-75 (Cal. 1937), aff'd sub nom. Neblett v. Carpenter, 305 U.S. 297 (1938).

Adoption of the Plan constitutes an essential use of Virginia's police power to regulate the business of insurance for the public good.[18] Important state objectives are served by Fidelity Bankers' receivership, and the Plan is rationally related to those vital goals.

In Title 38.2 of the Code of Virginia, the General Assembly has enacted comprehensive statutes governing the business of insurance, including the conservation and rehabilitation of insurance companies, and has entrusted the exclusive execution of such laws to this Commission.

Virginia's pervasive regulation of insurers forms a backdrop against which the Plan must be viewed. The protection of policyholders' ongoing needs and of the insurance consuming public is the overriding concern of state insurance regulation in general and insolvency proceedings in particular. The paramount goal of the entire receivership process is to make sure that policyholders do not lose the security and protection for which they have bargained.

Simple logic dictates that innocent policyholders should not suffer the consequences of their insurer's insolvency. To the extent possible, these policyholders should be placed in the same position in which they would have been had the company not suffered financial difficulties.

As one commentator has explained, the emphasis on the regulatory scheme is

> placed simply upon protecting the little policyholder who cannot tell when he is charged too much for his insurance; since he does not investigate his purchase too carefully nor could he determine if a given insurer has the capacity, i.e. the solvency, to perform in the future when the insured event occurs, the States have established regulatory bodies to secure that necessary measure of protection.

Richards, Insurance § 39 (quoted in Fabe v. United States Dept. of the Treasury, 939 F.2d 341, 350 (6th Cir. 1991), cert. granted, 112 S. Ct. 1934 (1992)). Thus, assuring company solvency--that is, the financial ability to satisfy policy obligations and commitments--is the principal objective of regulation. In the event of insolvency, that purpose shifts to assuring that policyholders continue to get the precise protection and security which they were originally promised.[19]

In adopting the Plan, we did nothing more than effectuate the above principles. We seek first and foremost to protect the persons for whose benefit the regulatory process was designed. By attempting to provide policyholders with the benefits for which they bargained, the Plan seeks to accomplish those laudable goals reserved to states by federal law and delegated to this Commission by the General Assembly.

III. THE COMMISSION'S DISCRETION

Courts in many jurisdictions have held that the decisions of the entity charged with rehabilitating the business of an insolvent insurer must rest in the sound discretion of that entity and should not be rejected by a reviewing court unless there has been an abuse of discretion. See, e.g., Foster v. Mutual Fire, Marine & Inland Ins. Co., 1992 WL 210948 (Pa. Aug. 21, 1992); Kueckelhan v. Federal Old Line Ins. Co., 444 P.2d 667 (Wash. 1968). As we have discussed, the principal goal of these efforts--indeed the fundamental purpose of the regulation of the business of insurance--is to maximize the protection afforded to policyholders and the public.

A receiver need only show that its action in rehabilitating an insurance company is reasonably related to the public interest and is not arbitrary or improperly discriminatory. Carpenter, 74 P.2d at 774-75.[20]

IV. THE DISTRIBUTION OF ASSETS

A. The Priority of Policyholders over Shareholders

We now focus on the distribution of assets under the Plan. These assets represent, in many instances, the life savings of elderly persons, college savings for children and grandchildren, and other important personal funds used to save and purchase protection and peace of mind in uncertain times.

The Plan distributes Fidelity Bankers' assets so that policyholders have their claims fully satisfied before any distributions are made to unsecured creditors. Likewise, creditors will then have their claims paid before any distributions are made to the shareholder.

This priority of distribution is wholly consistent with the general purpose of insurance regulation discussed previously. Of course, FCH has objected to the Plan, but such objections are made routinely by shareholders attempting to retain control of an insolvent insurer.[21] There is nothing new about the arguments FCH has presented: It has proposed that a greater portion of the Company's assets be used for the benefit of the shareholder at the expense of the protection proposed for policyholders.[22] Courts faced with similar objections have rejected them, universally holding that the interests of policyholders are preeminent. See, e.g., American Benefit Life Ins. Co. v. Ussery, 373 So.2d 824, 828 (Ala. 1979); In re Liquidation of Sec. Casualty Co., 537 N.E.2d 775 (Ill. 1989); Insurance Comm'n v. New South Life Ins. Co., 248 S.E.2d 591, 592 (S.C. 1978) ("New South Life II"); Insurance Comm'n v. New South Life Ins. Co., 244 S.E.2d 289 (S.C. 1978) ("New South Life I"); In re American Investors Assur. Co., 521 P.2d 560 (Utah 1974); see also Baldwin-United v. Garner, 678 S.W.2d 754 (Ark. 1984), cert. denied sub nom. Baldwin-United Corp. v. Eubanks, 471 U.S. 1111 (1985).

The important objective of safeguarding policyholder interests is made manifest in a rehabilitation proceeding by rehabilitating the business of the insurer, whether through the previous insurer, by a new insurer formed expressly for the purpose of taking over the business of the previous insurer, or by a reinsurance assumption. See, e.g., American Investors, 521 P.2d at 562. See generally 2A Couch on Insurance § 22:24-26 (2d ed. 1984). This result is proper because both policyholders and the public have a vital interest in preserving the protection and security purchased by the insured. See, e.g., American Investor, 521 P.2d at 562.

In American Benefit Life Ins. Co. v. Ussery, the Alabama Supreme Court rejected the sole shareholder's bid to rehabilitate its insolvent insurance subsidiary. For many of the reasons that formed the basis for the Alabama court's action in that case, we also rejected FCH's bid. We believe that the FCH plan would leave Fidelity Bankers too thinly capitalized and that it is inadequate in virtually all respects. The FCH Plan would not even attempt to make policyholders whole, omitting any vehicle like the Plan Credit and Plan Dividend designed to compensate policyholders for their unreimbursed losses, choosing instead to devote such assets to the shareholder's benefit. Fidelity Bankers' problems were caused largely by factors similar to those identified by the Alabama Supreme Court in American Benefit Life, which did not permit the sole shareholder to rehabilitate the very company which it had a hand in destroying.

In In Re American Investors Assurance, a shareholder challenged the trial court's confirmation of a rehabilitation plan under which a new corporation would assume the policy liabilities of the company in receivership. That rehabilitation plan had the practical effect of nullifying the equity interest of the shareholders. The trial court had found the plan to be fair and equitable to policyholders and creditors and that conservation of the company's existing policies was in the public's interest. The Supreme Court of Utah affirmed the confirmation of the plan, holding that the insurance commissioner's primary duty is to protect policyholders and the public interest.

In New South Life I, the trial court had rejected a proposed plan of rehabilitation merely because it did not provide for any distribution to the shareholders. 244 S.E.2d at 299. The South Carolina Supreme Court reversed, holding that "[i]n an ordinary receivership, the stockholders do not receive anything until and unless all creditors are first made whole. In like fashion, the stockholders in [the insurance company in rehabilitation] cannot expect to receive benefits until and unless the policyholders are made whole." Id. at 299-300. The court went on to note that:

> Delay of the restoration of the policyholders' rights cannot be unduly prolonged because it might be advantageous to the stockholders....The policyholders' interests come first. They had been denied their rights...and they should not be required to forego benefits of their policy contracts for an extended time while the stockholders hope for a sale advantageous to them.

Id. at 300.

After remanding the New South case to the trial court with directions that the rehabilitator solicit rehabilitation proposals to be submitted to the court along with recommendations, the South Carolina Supreme Court approved a rehabilitation plan which was the "best from the standpoint of the policyholders." New South Life II, 248 S.E.2d at 593. In approving the plan, the court rejected other proposals which provided "some hope to the stockholders" because "those bids could be approved only at the expense of weakening policyholders' rights." Id.

The Illinois Supreme Court's Opinion in Security Casualty, previously cited, eloquently demonstrates the primacy of policyholders' rights over those of shareholders in insurance receivership proceedings. In that case, defrauded shareholders of an insurance company in receivership sought to impose a constructive trust on the proceeds of a stock offering. The trial court agreed, but the Illinois Supreme Court reversed:

> The judgment expressed in section 205(1) of the Insurance Code of subordinating the claims of shareholders to the claims of policyholders and creditors in an insurance liquidation proceeding fulfills rather than defeats the expectations of investors, lenders, and insureds. Both investors and lenders expose themselves to the risk of business insolvency, but only investors should be deemed to assume the additional risk of the illegal or fraudulent issuance of securities. Indeed, the insureds, the customers of the insurance business, are seeking to insulate themselves from risk. At the same time that investors risk their capital, they may expect to reap greater rewards if the enterprise prospers.

Id. at 781 (citation omitted).

FCH has offered no authority, and we have been unable to ascertain any, that would allow a shareholder to receive any distribution, or to recognize any economic value, from an insurance company in receivership prior to policyholders being made whole.

B. Policyholders' Entitlement to the Benefit of Their Bargain

FCH argues that the Plan should be rejected because policyholders may receive more under that Plan than they would have received had Fidelity Bankers not been placed into receivership. FCH has stated that "[t]he Deputy Receiver has a duty to put FBL's policyholders, to the extent possible, in the same position they would have been in had there been no conservatorship." FCH's Trial Memorandum at 37. All parties apparently agree with this proposition. However, FCH's interpretation of this concept is much different from ours.

FCH argues that the Plan actually puts Fidelity Bankers' policyholders "in a better position than they would have been had there been no receivership." FCH Trial Memorandum at 38 (emphasis in original). We doubt, however, that policyholders are actually pleased the receivership occurred, or that they feel enriched by the Plan. The Plan Credit and Plan Dividend, assuming there are assets sufficient to fund them, will, at best, come close to putting policyholders in the financial position they would have enjoyed had there been no receivership. However, in no event will it place them in a better position, nor has FCH offered any persuasive evidence to this effect.[23]

In a case in point previously cited, Baldwin-United, the parent company of three life insurance companies in rehabilitation objected to, inter alia, the subordination of all claims against the assets of the receivership estate to the claims of the policyholders and argued that a proposed plan of rehabilitation overcompensated policyholders. 678 S.W.2d at 756. The Arkansas trial court rejected the parent's argument and affirmed the plan, approving the policyholders' and annuitants' right to receive a perpetual first year crediting rate and a .5% bonus designed to compensate them for the difficulties encountered in the rehabilitation process. Id. at 758-759. The court found that the plan did not overcompensate policyholders and was fair, just, and equitable to all affected entities. Id. at 759. The Arkansas Supreme Court agreed with the trial court, holding that "[t]he Rehabilitation Plan's crediting rates have a reasonable basis." Id. Likewise, the policyholders' entitlement to the Plan Credit and Plan Dividend in the Plan we approved has a reasonable basis and is substantially related to the goal of restoring policyholders to their pre-receivership status.

The rights of policyholders in an insurance receivership in Virginia were established in Universal Life Insurance Co. v. Binford, 76 Va. 103, 110 (1882). The Court wrote that policyholders are "entitled to just such a sum of money as will place [them] where [they] would have stood if [the Company] had continued solvent; in short, to such a sum as would restore substantially the status in quo." Id. at 110. The Court thus clearly articulated the need to protect policyholders and give them the benefit of their bargains. The Plan fully comports with this standard.

In Lucas v. Pittsburgh Life & Trust Co., 137 Va. 255, 119 S.E. 109 (1923), the Court recognized the general rule that "[t]he insolvency of an insurance company constitutes a breach of contract on its part, and on dissolution of the company claims of policyholders are debts due in praesenti." Id. at 271, 119 S.E. at 114.

The same rule applies in the context of an annuity. In New York v. North American Life Insurance Co., 82 N.Y. 172 (1880), the court held:

> The true rule, it seems to me, to measure the value of such annuities, is to take such a sum as will, for the remainder of the life of the annuitant, purchase an annuity for the same amount. In the case of running policies in insolvent companies, we have held that the amount of damage to a policyholder is the value of the policy destroyed, and that such value is the sum which, together with the same future premiums, will procure another policy in a solvent company. So the value of an annuity bond, binding the company to make certain annual payments during life, is such a sum as will purchase a similar bond in another solvent company for the remainder of life. Nothing short of that will give the party whose bond is destroyed full indemnity....[I]n the case of an annuity the process of insurance is inverted, and there is abundant reason for claiming that the same fundamental principles must govern in conducting the two kinds of business, and in estimating the values of the two kinds of contracts.

82 N.Y. at 188.

Under Binford and Lucas, the measure of damages sustained by the owner of a life insurance policy is the amount which would purchase an identical policy in a solvent company. See also Guy v. Globe Ins. Co., 9 Ins. L.J. 466 (Rich. Cir. Ct. 1880). Under this authority, we believe that the policyholders of Fidelity Bankers are entitled to the same benefits which were available to them under their original Fidelity Bankers' policies, without being required to pay for the costs of obtaining the same benefits from a solvent company. In short, the policyholders are entitled to fulfillment of their bargain. This is all the approved Plan is designed to provide. It would be manifestly unjust to require policyholders to accept the restructured Hartford contract, with a lesser interest rate and greater surrender costs, and somehow pretend that they thus have been made whole. Accordingly, we reject FCH's contention that the Plan somehow overcompensates policyholders.

V. FIDELITY BANKERS' INSOLVENCY AND THE HAZARD TO POLICYHOLDERS AND THE PUBLIC

A. The Finding of Insolvency and Hazardous Condition

As set out in our Final Order, we found that Fidelity Bankers was insolvent on May 13, 1991, and that Fidelity Bankers remained insolvent as of the date of the Confirmation Hearing, despite the improvement in its financial situation resulting from the Deputy Receiver's rehabilitation efforts and strengthened financial markets. We have also found that Fidelity Bankers cannot safely resume its operations. Both legally and factually, these findings are well-supported.

B. The Applicable Tests

An insurance company is insolvent when it is either unable to pay its obligations in the usual course of business or when its assets are exceeded by its liabilities. Va. Code Ann. § 38.2-1501 (1990). A determination of the solvency of an insurer necessarily is directed at determining the company's ability to meet both its current and future obligations.

The determination of solvency under each of these tests is made on a different basis. The ability of the company to pay its obligations in the usual course of its business must be determined given the market value of its assets. By contrast, whether a regulated insurer's liabilities exceed its assets is determined solely by reference to statutory accounting principles ("SAP").

C. Fidelity Bankers' Inability to Pay its Obligations in the Usual Course of Business

In May, 1991, Fidelity Bankers was faced with a "run on the bank" and could not meet its obligations to its policyholders, let alone other creditors, in the usual course of its business. The company simply did not have enough money to fulfill its contractual obligations to its customers, the company's policyholders. To determine the ability of Fidelity Bankers to withstand this run on the bank, its liabilities were compared to the market value of its assets. The record clearly indicates that the former exceeded the latter by approximately $222 million as of May 13, 1991.

As the evidence indicated, if the projected trend of surrenders had been allowed to continue, Fidelity Bankers' continued operation would have resulted in catastrophic losses to policyholders.[24]

D. Assets Compared to Liabilities

As noted, the determination of whether Fidelity Bankers' assets exceeded its liabilities is one that had to be made by reference to SAP.[25] Contrary arguments by FCH, that this test should focus on the present value of the Company's estimated future profits, are simply not supported by the facts or law. See, e.g., Meyers v. Moody, 693 F.2d 1196, 1218 (5th Cir. 1982), cert. denied, 464 U.S. 920 (1983); In re Ambassador Ins. Co., 515 A.2d 1074, 1077 (Vt. 1986); In re American Investors Assur. Co., 521 P.2d 560, 562 (Utah 1974); John L. Hammond Life Ins. Co. v. State, 299 S.W.2d 163 (Tex. Civ. App.--Austin 1957, writ ref'd n.r.e.). See generally 19A J. Appleman, Insurance Law & Practice § 10641, at 42 (1982). The evidence presented unequivocally demonstrates that Fidelity Bankers was insolvent when comparing assets to liabilities, using SAP, from May 13, 1991, to the time of the Confirmation Hearing.

E. Fidelity Bankers' Hazardous Condition

The record also compels the conclusion that returning Fidelity Bankers to continued operation would constitute a hazard to policyholders, creditors, and the public. A moratorium was put into place on May 13, 1991, to stem the unprecedented cash demands resulting from the heavy surrender of policies. We do not believe Fidelity Bankers could now function in a non-hazardous manner if it were taken out of receivership and the moratorium were lifted. If an insurer cannot continue operation in a non-hazardous manner, it may be dissolved by the state. See e.g., Caminetti v. Guaranty Union Life Ins. Co., 126 P.2d 159 (Cal. Ct. App. 1942); In Re International Workers Order, Inc., 106 N.Y.S.2d 953 (Sup. Ct. 1951), aff'd, 112 N.E.2d 280 (N.Y. 1953); Neff v. Christian Brotherhood of American Burial Ass'n., 184 N.W.2d 643 (Neb. 1971).

Also worth noting on this point is the manner by which FCH--through its actuarial witness, Mr. Schreiner--attempted to rebut the conclusion that Fidelity Bankers could not have endured this run on the bank. On cross examination, Mr. Schreiner implied that Fidelity Bankers could have withstood these conditions. However, we then heard what he actually interpreted as "withstanding" such a run. Having made similar predictions for Executive Life Insurance Company, Mr. Schreiner stated that it had survived such a run, only to leave that company severely impaired, requiring Guaranty Fund--and therefore taxpayer--assistance, and forcing policyholders to accept payments and benefits totaling substantially less than full value. After further cross examination, Mr. Schreiner admitted that had Fidelity Bankers continued to face such a demand on its assets, the Company would have been left in a "very hazardous condition." Tr. 2179.

We believe that it would now amount to nothing less than dereliction of our duty to adopt the FCH Plan, which would reopen the Company for business; to allow it to "survive" a run; and then be forced to intervene once again when it suffered major problems -- this time at the expense not only of policyholders but also of Guaranty Funds. We will not allow this to happen. We are charged with regulating the business of insurance in Virginia for the primary protection of policyholders and the public, and we were presented with overwhelming evidence that Fidelity Bankers cannot resume operations in a non-hazardous manner. No credible evidence was offered to the contrary.

VI. THE FIXING OF RIGHTS

The rights-fixed doctrine provides that the rights and liabilities of an insurance company and its creditors become fixed as of the date on which delinquency proceedings are instituted against it and a receiver is appointed to conduct its business. See, e.g., McFarling v. Demco, 546 P.2d 625 (Ok. 1976); Parris v. Carolina Mut. Fire Ins. Co., 74 S.E. 1010, 1011 (S.C. 1912). This is true even if it is not known that the insurer is insolvent when it is put into receivership.[26] See, e.g., Langdeau v. Dick, 356 S.W.2d 945, 958 (Tex. Civ. App., Austin 1962, writ ref'd n.r.e.).

FCH opposed the fixing of rights on May 13, 1991, but we believe that not to do so, or to choose some other date, would be unfair to policyholders. The impact of receivership proceedings on that most vulnerable group was overwhelming. A moratorium was imposed that day depriving them of the ability to obtain the cash value of their contracts, and it is still in effect. Crediting rates and other contractual provisions were set or administered by the Deputy Receiver, all without recourse to policyholders and notwithstanding policy provisions to the contrary. Just as the provisions governing policyholders' interests had to be suspended on that date in order to ensure stability, it is only fair that the same result obtain for the Company's other creditors, its officers, directors, and shareholder.

Virginia Code § 38.2-1512 provides that rights and liabilities of an insurer and its policyholders, creditors, and other interested persons are fixed in a liquidation proceeding upon entry of an order directing liquidation. The Code is silent, however, as to when such matters are to be fixed in a rehabilitation proceeding. This lack of express direction therefore leaves the selection of such a date within the broad discretion of the Commission. See, e.g., Grode v. Mutual Fire, Marine & Inland Ins. Co., 572 A.2d 798, 804 (Pa. Commw. Ct. 1990), aff'd, 1992 WL 210948 (Pa. Aug. 21, 1992); Muir v. Transportation Mut. Ins. Co., 523 A.2d 1190, 1192 (Pa. Commw. Ct. 1987). A rehabilitation is necessarily more flexible than

a liquidation, and must be tailored to meet the nuances of a particular situation. As part of the adopted Plan, it was appropriate for the Commission to approve a date which serves as a cutoff to parties' rights. See, e.g., Mendel v. Garner, 678 S.W.2d 759 (Ark. 1984); Muir, 523 A.2d at 1192. It is well established that it is proper to fix rights retroactively as of the date a receiver was initially appointed. See, e.g., Muir, 523 A.2d at 1192; Tennessee ex rel. Williams v. Cosmopolitan Insurance Co., 394 S.W.2d 643 (Tenn. 1965). The selection of such a date is not an impairment of contract. Grode, 572 A.2d at 804; Mendel, 678 S.W.2d at 761.

For policyholders especially, May 13, 1991, was the date on which their contractual relationship with the Company was severely altered. We believe that it is from that date that any compensation due to them should be measured.

There is, however, apparently some confusion about what the fixing of rights means in this context. FCH no doubt fears that, because the value of its ownership of the Company on May 13, 1991, was zero, it will always be zero. This is not necessarily the case. For these purposes, the fixing of rights refers only to the existence, type, and nature of claims against the assets of Fidelity Bankers. It does not refer to, nor does it liquidate, the amounts of claims against Fidelity Bankers. For example, policyholders' account values have continued to grow since May 13, 1991. The Deputy Receiver has continued to credit interest to them, albeit at a lower rate. Thus, while the amount of the policyholders' claims is fluid, the existence, type and nature of the claims remain the same. Policyholders could not, for example, improve their standing to that of a secured creditor. Likewise, unsecured creditors, lower in priority than policyholders, cannot improve their standing to something equal to or greater than that of a policyholder. The fixing of rights also prevents new, non-administrative, claims from arising to dissipate further the Company's already scarce resources.

The Plan implements this order of priority, which places the shareholder last, and we believe this structure is fair, just, and equitable. In addition, our decree that rights were fixed as of May 13, 1991, does nothing more than confirm, as a matter of law, what has undeniably transpired as a matter of fact.[27]

VII. THE LIQUIDATION VALUE

The record clearly indicates that the liquidation value of policyholder claims was, on May 13, 1991, no more than 93% of such claims (the "Liquidation Value").[28] This Liquidation Value represents the extent to which the company could have discharged its liabilities to its policyholders. However, the Liquidation Value creates a floor, not a ceiling for policyholders. Perhaps the most eloquent and persuasive articulation as to the need for establishing a liquidation value was put forth recently by the Receivership Court for Executive Life Insurance Company:

> [T]he appropriate juncture for the determination of asset value, all account values and the liquidation value under Carpenter [v. Pacific Mutual Life Insurance] is the date upon which the insolvent insurance company was placed in conservation. Anything that occurred after that date becomes a benefit of the rehabilitation plan if one is approved and executed, or immaterial if the company is removed from conservation and returned to normal operation.

Insurance Commissioner of the State of California v. Executive Life Insurance Company, No. BS006912 (California Superior Court, Los Angeles, July 1, 1992).

The seminal insurance rehabilitation case, Carpenter v. Pacific Mut. Life Ins. Co., 74 P.2d 761 (Cal. 1937), aff'd sub nom. Neblett v. Carpenter, 305 U.S. 297 (1938), establishes that a party may not object to a rehabilitation plan if that party receives in the rehabilitation at least as much as it would receive in a liquidation. Id. at 777-78. If Fidelity Bankers had been liquidated on May 13, 1991, policyholders would have received no more than 93% of their account values, and general creditors and shareholders would have received nothing.

All interested parties to Fidelity Bankers' estate will, therefore, receive under the Plan at least as much as they would have received in a liquidation, which is all the law requires.

VIII. CONCLUSION

In the final analysis, the Plan must be confirmed. FCH's protest notwithstanding, we do not believe that the Plan overcompensates policyholders. To the contrary, it contemplates restoration, to the extent possible, of the benefits which policyholders would have enjoyed had Fidelity Bankers not been placed into receivership. The record leads us to the inescapable conclusion that this Plan is superior in all respects to the FCH Plan. Fundamentally, it seeks to do what the Company should have done; it strives to keep promises to policyholders.

[1]FCH is the sole shareholder of Fidelity Bankers' immediate parent, Fidelity Bankers Insurance Group, Inc. ("FBIG"). Both FCH and FBIG have been debtors in bankruptcy in a U.S. Bankruptcy Court in California, since May 14, 1991.

[2]A significant feature of many such products were "windows" and "bail outs", permitting owners to withdraw the amount paid, together with accumulated interest, without penalty on certain anniversary dates, or if interest rates fell below certain levels. The anniversary periods for many of Fidelity Bankers' policyholders expired during this receivership. However, the Deputy Receiver's moratorium on cash surrenders, described below and still in effect, prevented policyholders from exercising what otherwise would have been penalty-free withdrawals under such provisions. Indeed, even the ability to withdraw funds with a penalty was suspended.

[3]FCH was paid an annual "asset management" fee by Fidelity Bankers of .50% of Fidelity Bankers' asset base. Payments by Fidelity Bankers to FCH for asset management advice approximated $18 million a year.

[4]We believe this was a disproportionately risky percentage of investments in junk bonds by a life insurer. Insurers in Virginia are now limited by statute as to the percentage of their assets which may be invested in junk bonds. See Va. Code Ann. § 38.2-1411.2 (1992).

[5]With surplus relief reinsurance, a company receives a credit to its reserve liability to the extent that it purchases reinsurance which transfers risk to a reinsurer. In such a transaction, a company cedes all or a portion of a designated insurance risk to a reinsurer. In return, the reinsurer receives a portion of the premium collected on the policies reinsured. The reinsured's duty to reserve for losses is thus reduced to that

portion of the risk which it retains. Subsequent to its acquisition by FCH, Fidelity Bankers entered into reinsurance treaties with Guardian Life Insurance Company of America, Crown Life Insurance Company, and Cologne Life Reinsurance Company. However, the use of these reinsurance treaties to reduce the Company's liabilities was misleading in that, by their terms, there was no legitimate transfer of any substantial risk from Fidelity Bankers to the reinsurers. Tr. 1297-1298. Despite this, Fidelity Bankers took credit for reinsurance on its statutory annual statements filed with the Commission and the other forty-eight states in which it did business. But for these reinsurance treaties, Fidelity Bankers would have been required to report substantially lower surplus and, perhaps, to cease writing new business.

[6]FCLIC is a sister company of Fidelity Bankers domiciled in California and owned by FCH. FCLIC was placed into conservatorship by the California Department of Insurance on May 14, 1991, the day after Fidelity Bankers was placed in receivership in Virginia.

[7]Based on the evidence adduced at the hearing, any further delay in instituting the receivership would have created catastrophic results for Fidelity Bankers' remaining policyholders. Permitting Fidelity Bankers to liquidate rapidly its assets in an attempt to satisfy the massive volume of surrenders would not have solved the problem. While the Company might have been able to pay 100% of the cash requested by some policyholders in May of 1991, the result of such an asset liquidation would have been to leave insufficient funds to protect fully the remaining policyholders.

[8]In appointing the Commission as Fidelity Bankers' receiver, the Circuit Court acted under Chapter 15 of Title 38.2 of the Code of Virginia. We appointed Commissioner Foster Deputy Receiver pursuant to Va. Code Ann. § 38.2-1510 (1990), which allows the Commission to appoint agents and deputies to assist it in rehabilitations.

[9]In his opening remarks to the Commission, FCH's lead counsel noted: "There is no doubt that the Deputy Receiver has done his job well with respect to the class of interest that he is supposed to protect called the policyholders. He has done, in my view, an admirable job of protecting them." Tr. 39.

[10]After an exhaustive search, no entity could be found which was willing to "step into the shoes" of Fidelity Bankers by assuming its entire book of business and attendant liabilities in exchange for all of its assets.

[11]FCH admitted that it had no objection to the due diligence process conducted by the Deputy Receiver. Tr. 1900-1901.

[12]FCH never explained why, if Fidelity Bankers is solvent as FCH contends, it would be necessary to modify policyholder obligations. Put simply, if the Company is not insolvent, it should be able to fulfill its promises to its policyholders completely. The restructuring of its contracts in the manner suggested by the holding company clearly would not meet this standard.

[13]Under Section 1035 of the Internal Revenue Code, policyholders may, under specified circumstances, exchange contracts issued by one insurer for those issued by another insurer without recognizing as taxable income during the year of the exchange the interest earned on the original contract.

[14]Mr. Lon A. Smith, the President and Chief Operating Officer of Hartford Life Insurance Company, testified that Hartford was troubled by FCH's viability and the business transfer its plan contemplated. Tr. 1238-39.

[15]We were not provided adequate information to evaluate Acadia's ability to manage and control a life insurer. No one from Acadia appeared at the Confirmation Hearing, and Acadia did not file a Form A with the Bureau of Insurance as required by Va. Code Ann. § 38.2-1323 and § 38.2-1324, whenever, as here, a person seeks control of a domestic insurer.

[16]See Tr. 1854-55.

[17]Under the FCH proposal, policyholders whose anniversary occurred during the receivership proceedings--thus making their funds contractually available to them without imposition of a surrender charge--would forever lose this benefit, as would policyholders whose interest rate fell below specified "bail-out" levels.

[18]See, e.g., Eden Financial Group, Inc. v. Fidelity Bankers Life Ins. Co., 778 F. Supp. 278, 282-83 (E.D. Va. 1991); Baldwin-United Corp. v. Garner, 678 S.W.2d 754, 758 (Ark. 1984), cert. denied sub nom. Baldwin-United Corp. v. Eubanks, 471 U.S. 1111 (1985).

[19]States must protect their citizens from insurance company insolvencies because such companies are excluded from federal bankruptcy laws. 11 U.S.C. § 109(b)(2), (d).

[20]A plan of rehabilitation will not be set aside by a reviewing court unless there is proof of an abuse of discretion. See, e.g., American Benefit Life Ins. Co. v. Hill Country Life Ins. Co., 582 S.W.2d 227 (Tex. Civ. App.-Austin 1979, writ ref'd n.r.e.); In re National Surety Co., 268 N.Y.S. 88 (N.Y. App. Div.), aff'd, 191 N.E. 521 (N.Y. 1934). See generally 2A Couch on Insurance § 22:24, at 594 (2d ed. 1984).

[21]Indeed, FCH made similar objections to the rehabilitation plan of its other insurance subsidiary, FCLIC, in the recent California proceedings. Tr. 1660-1661.

[22]We know of no reported cases that allow a shareholder to receive anything from an insurance receivership until policyholders receive 100% of the benefits to which they are legally entitled.

[23]The holding company offered general statements to the effect that "market" rates of interest should suffice to compensate contract-holders for their losses. However, no analysis was offered quantifying those losses and demonstrating that such "market" rates of interest would compensate for them. In contrast, the Deputy Receiver's consulting actuary both quantified and explained compensation in the proposed Plan for such losses.

[24]An insurer may properly be found to be insolvent even if it is in a position to make available within a reasonable time sufficient funds to meet promptly any demand which might in the ordinary course of events be made against it. See, e.g. Rhode Island Ins. Co. v. Downey, 212 P.2d 965, 974 (Cal. 1949).

[25]This principle is true even if under Generally Accepted Accounting Principles ("GAAP") the assests may be shown to have substantially greater value and might show an equity in the company. See Meyers, 693 F.2d at 1218; American Investors, 521 P.2d at 562.

[26]This rule derives from the inherent change in circumstances and attendant legal relationships which takes place upon the entry of the Receivership Order. The key date is when title vests in the receiver and the property is placed in custodia legis. For Fidelity Bankers, this date was May 13, 1991.

[27]The bankruptcy provisions regarding date fixing cited by the shareholder turn solely on specific provisions in a statute which are not applicable in an insurance receivership proceeding. See, e.g., Baldwin-United Corp. v. Garner, previously cited. The Bankruptcy Code itself expressly excludes insurance companies from its reach. 11 U.S.C. § 109(b)(2), (d). It would, therefore, be improper for the Commission's authority--granted by state law--to be undermined by application of federal law which does not apply to state insurance regulation. See 15 U.S.C. §§ 1011-15. As we have pointed out previously, insurance insolvency regulations are enacted with the primary purpose of rehabilitating the business of the failed insurer to protect ongoing needs of policyholders. The provision of orderly liquidation of creditor claims, including those of a shareholder, is secondary. Ordinary bankruptcy proceedings do not serve the same goal, so they are irrelevant and immaterial here.

[28]It was in all probability a good bit less, because that ratio ignores the unavoidable and substantial costs of administering a liquidation.

CASE NO. INS910068
DECEMBER 10, 1992

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

ORDER DENYING MOTION FOR SUSPENSION

On September 29, 1992, we entered our Final Order in this case. On October 29, 1992, First Capital Holdings Corporation ("FCH") gave Notice of its intention to appeal said order to the Virginia Supreme Court ("the Court"), as required by Rule 5:21 (c) of the Court's Rules. On November 4, 1992, FCH filed its Petition for Appeal with the Court, also requesting therein that the effectiveness of the Final Order be suspended pending appeal, as provided by Va. Code § 8.01-676.1 (h) and Rule 5:21 (g) of the Court's Rules. Subsequently, the parties to the appeal filed briefs with the Court on the issue of suspension of the Final Order.

We have this day received the order of the Court entered on December 8, 1992, in Record No. 921692, which remands for our consideration FCH's motion for suspension previously filed with the Court.

In considering this motion pursuant to the Court's direction, the Commission notes that the Court's Rule 5:21 (g) makes oral argument on a motion for suspension optional, not mandatory; that FCH did not request oral argument on its motion, nor did it file a reply brief; and that FCH requested expeditious consideration of its motion. The Commission finds that no oral argument is necessary or appropriate on this matter, since the issues have been adequately briefed by the parties.

Therefore, upon consideration of said motion for suspension and the briefs filed with the Court in regard thereto, the motion is denied. As grounds for this decision, the Commission adheres to its views set forth in its own brief on this issued filed on November 20, 1992.

As noted in that brief, this case is of vital importance to many interests; this is particularly so for the over 170,000 policyholders of Fidelity Bankers Life Insurance Company whose funds have been held beyond their reach since May 13, 1991, when the receivership was instituted. Just as FCH urged expeditious consideration of its motion for suspension, the Commission trusts the Court will afford expeditious treatment to the entire appeal of this matter.

To that end, the Commission interprets the Court's order, especially the final sentence thereof, to mean that it is unnecessary for FCH to file any further Notice of Appeal in this matter, and that said Notice which it did file on October 29, 1992 is sufficient herein. Therefore, we hereby direct our Clerk to place this Order in the record in the case, to prepare and certify the record, and to transmit said record to the Clerk of the Court contemporaneously with this Order, pursuant to the Court's Rule 5:21 (d).

Commissioner Moore took no part in this case.

CASE NO. INS910071
JUNE 10, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
HMO 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 §§ 38.2-502.1, 38.2-511, 38.2-1834.C, 38.2-4301.C, 38.2-4306.A.2, 38.2-4306.A.4.e, 38.2-4306.B.1, 38.2-4308.B, 38.2-4312.A.1, and 38.2-4312.A.2, as well as, Sections 6.A(1), 6.A(2), 6.B(1), 13.A, 17.A, and 17.B of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance, and Sections 8.H.2 and 11.B.2 of 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 fifteen thousand dollars ($15,000) 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. INS910163
JUNE 10, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
HEALTHKEEPERS OF VIRGINIA,
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, 38.2-1834.C, 38.2-4301.C, 38.2-4306.A.2, 38.2-4306.A.4.e, 38.2-4306.B.1, 38.2-4308.B, 38.2-4312.A.1, and 38.2-4312.A.2, as well as, Sections 6.A(1), 6.A(2), 6.B(1), 13.A, 17.A, and 17.B of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance, and Sections 8.H.2 and 11.B.2 of 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 thirteen thousand dollars ($13,000) 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. INS910224
AUGUST 14, 1992

APPLICATION OF
NATIONAL COUNCIL ON COMPENSATION INSURANCE

For revision of workers' compensation insurance rates

FINAL ORDER

The application herein was heard by the State Corporation Commission (Commission) beginning on July 28, 1992, and ending on August 4, 1992. The National Council on Compensation Insurance (Applicant), the Commission's Bureau of Insurance, protestants Washington Construction Employers Association and the Iron Workers Employers Association, protestant Virginia Workers' Compensation Coalition, and the Division of Consumer Counsel of the Office of the Attorney General were represented by their counsel.

NOW, ON THIS DAY, having considered the record herein, and the law applicable thereto,

THE COMMISSION is of the opinion, finds, and orders:

(1) That the factor of 1.074 proposed by Applicant to adjust for experience prior to adjustment for additional premium resulting from the Assigned Risk Adjustment Program (ARAP) produces excessive premiums and, in lieu thereof, a factor of 1.067 shall be utilized, resulting from the use of the Applicant's calculations except for the use of premium and loss development factors based on five-year, weighted averages to the 8th report and on four- and three-year, weighted averages to the 9th and 10th reports respectively, and excluding the conversion of reported losses from ex-IBNR to reported losses including IBNR;

(2) That the factor of 1.035 proposed by the Applicant as a change in trend produces excessive premiums and, in lieu thereof, a factor of 1.023 shall be utilized, resulting from the use of Staff Witness Bass's calculations adjusted to reflect the September 1, 1992, effective date;

(3) That the provision for general expense of 6.7% together with an expense constant of $140 proposed by the Applicant produces excessive premiums and, in lieu thereof, a provision of 5.8% shall be utilized together with an expense constant of $140, with the 5.8% resulting from use of Staff Witness Bass's calculations modified to reflect the average premium discount levels based on current Virginia discount schedules "X" and "Y";

(4) That the provision of 0.0% proposed by the Applicant for profit and contingencies produces excessive premiums and, in lieu thereof, a provision of -5.74% shall be utilized, resulting from an 80/20 equity-to-debt ratio, a 13% return on equity, an 8.78% debt expense, no provision for dividends and deviations, a general expense calculation as explained above, Staff Witness Parcell's pre-tax and post-tax investment income calculations, and a reserve/surplus ratio of 3.5;

(5) That the provisions proposed by the Applicant for loss adjustment expense (-2%), benefits (0.6%), and premium taxes (0.6%) are accepted and shall be utilized;

(6) That the factor of 0.984 proposed by the Applicant to offset for additional premium resulting from ARAP produces excessive premiums and, in lieu thereof, a factor of 0.980 shall be utilized, resulting from the use of a 20% market share and an average impact of ARAP on assigned risks of 10.1%;

(7) That the assigned risk surcharge of +25% with an offset factor of 0.957 proposed by the Applicant produces excessive premiums, and in lieu thereof, an assigned risk surcharge of +10% with an offset factor of 0.980 shall be utilized;

(8) That the proposed premium level increase of 46.2% in the "F" Classifications be, and it is hereby, disapproved, and in lieu thereof, there shall be a premium level increase of 32.9%;

(9) That NCCI shall file promptly revised premium discount schedules consistent with the revised provision for underwriting profit and contingencies;

(10) That the studies used by the Applicant for determining the time pattern for collection of premiums and payment of expenses are out of date and not sufficiently based upon actual Virginia experience and, therefore, in lieu thereof, the Applicant shall provide in future rate applications results of current studies reflecting Virginia experience, with the parameters and specifications of such studies to be established in consultation with the Commission's Bureau of Insurance;

(11) That the study used by the Applicant for determining expenses by size of premiums and premium discounts is out of date and, therefore, in lieu thereof, the Applicant shall in future rate applications provide the results of a current study, with the parameters and specifications of such study to be established in consultation with the Commission's Bureau of Insurance;

(12) That, except as ordered herein, the proposed revisions to rates, minimum premiums, rules, regulations, and procedures for writing workers' compensation insurance in this Commonwealth that have been filed by the Applicant herein on behalf of its members and subscribers shall be, and are hereby, approved for use in this Commonwealth. All of the changes approved herein, which result in an average workers' compensation insurance premium increase of 14.4%, shall be effective on and after September 1, 1992.

CASE NO. INS910224
AUGUST 24, 1992

APPLICATION OF
NATIONAL COUNCIL ON COMPENSATION INSURANCE

For revision of workers' compensation insurance rates

AMENDATORY ORDER

IT IS ORDERED:

(1) That ordering paragraph (3) of the order entered herein August 14, 1992 be, and it is hereby, amended to read:

> (3) That the provision for general expense of 6.7% together with an expense constant of $140 proposed by the Applicant produces excessive premiums and, in lieu thereof, a provision of 6.0% shall be utilized together with an expense constant of $140, with the 6.0% resulting from use of Staff Witness Bass's calculations, as corrected, and modified to reflect the average premium discount levels based on current Virginia discount schedules "X" and "Y";

(2) That, because of the correction and change ordered in paragraph (1) hereof, the reference to 32.9% in ordering paragraph (8) of the aforesaid order be, and it is hereby, amended to read 33.1%; and

(3) That, because of the correction and change ordered in paragraph (1) hereof, the reference to 14.4% in ordering paragraph (12) of the aforesaid order be, and it is hereby, amended to read 14.7%.

CASE NO. INS910236
OCTOBER 26, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
WILLIAM M. MOORE,
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 and 38.2-1804 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to an insurer when due, 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 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 fifteen thousand dollars ($15,000), 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 §§ 38.2-1804 or 38.2-1813; and

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

CASE NO. INS910239
FEBRUARY 3, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing Long-Term Care Insurance

CORRECTING ORDER

WHEREAS, by order entered herein November 27, 1991, the Commission adopted a regulation entitled "Rules Governing Long-Term Care Insurance"; and

WHEREAS, the regulation attached to the Commission's aforesaid order contained four typographical errors which resulted from reformatting the pages of the regulation;

THEREFORE, IT IS ORDERED that the following corrections shall be made to the Commission's "Rules Governing Long-Term Care Insurance":

(1) Page 20, delete the first line: "though your policy had never been in force. After the application has been";

(2) Page 20, add as the last line: "and protection, you should be aware of and seriously consider certain factors which";

(3) Page 25, add as the first three lines: "benefits shall be determined in accordance with § 38.2-3130 paragraph 7. Claim reserves must also be established in the case when such policy or rider is in claim status. Reserves for policies and riders subject to this subsection should be based on"; and

(4) Page 34, delete the first three lines: "(d) State whether or not the company has a right to change premium, and if such a right exists, describe clearly and concisely each circumstance under which premium may change."].

CASE NO. INS910244
JANUARY 7, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing Multiple Employer Welfare Arrangements

AMENDING ORDER

IT APPEARING that the order entered herein December 30, 1991 contained an incorrect title to the regulation being adopted in the ordering paragraph;

THEREFORE, IT IS ORDERED that the aforesaid ordering paragraph be, and it is hereby, amended to read "Rules Governing Multiple Employer Welfare Arrangements" vice "Rules Governing Multiple Employer Health Care Plans".

CASE NO. INS910259
JANUARY 7, 1992

PETITION OF
MONUMENTAL GENERAL INSURANCE COMPANY

For review of a decision by the Bureau of Insurance to withdraw approval of certain credit accident and sickness insurance forms

FINAL ORDER

WHEREAS, pursuant to Virginia Code § 38.2-3710.H, the Bureau of Insurance ("Bureau") withdrew approval of all of Monumental General Insurance Company's ("Monumental") credit accident and sickness insurance forms effective June 21, 1991;

WHEREAS, pursuant to Virginia Code § 38.2-1926, Monumental requested a hearing concerning the withdrawal of approval of its credit accident and sickness insurance forms;

WHEREAS, by order entered September 20, 1991, the Commission granted Monumental's request for a hearing;

WHEREAS, on November 7, 1991, the Commission's Hearing Examiner conducted the aforesaid hearing on behalf of the Commission where Monumental and the Bureau appeared represented by counsel;

WHEREAS, on December 13, 1991, the Hearing Examiner filed his report in this matter wherein he found that (i) the Bureau's decision to withdraw its prior approval of Monumental's credit accident and sickness policy forms was just and reasonable; (ii) the Bureau's decision should be affirmed by the Commission, and (iii) if Monumental desires to offer only 14 day retro coverage in Virginia, it should file revised policy forms limited to this line of insurance, and propose rates therefor which are supported by generally accepted actuarial principles and appropriately adjusted to normalize the Company's past claims experience to reflect discontinuance of 7 day and 30 day retro insurance; and

THE COMMISSION, having considered the record herein, the findings of fact, conclusions of laws and recommendations of its Hearing Examiner, adopts the Hearing Examiner's findings of fact and conclusions of law as its own;

THEREFORE, IT IS ORDERED:

(1) That the decision of the Bureau of Insurance to withdraw approval of Monumental General Insurance Company's credit accident and sickness insurance forms be, and it is hereby, AFFIRMED; and

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

CASE NO. INS910268
MARCH 5, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA,
CONTINENTAL CASUALTY COMPANY,
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD,
TRANSCONTINENTAL INSURANCE COMPANY,
TRANSPORTATION INSURANCE COMPANY,
AND
VALLEY FORGE INSURANCE COMPANY,
Defendants

SETTLEMENT ORDER

IT APPEARING from a market conduct examination 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:

American Casualty Company of Reading, Pennsylvania violated Virginia Code §§ 38.2-231, 38.2-304, 38.2-305.A(6), 38.2-305.B, 38.2-317, 38.2-610, 38.2-1906.B, 38.2-1908.B, 38.2-2014, 38.2-2113, 38.2-2114, 38.2-2120, 38.2-2202.A, 38.2-2202.B, 38.2-2208, 38.2-2210, 38.2-2212, 38.2-2214, and 38.2-2220 as well as Administrative Order Nos. 9677 and 9793;

Continental Casualty Company violated Virginia Code §§ 38.2-231, 38.2-304, 38.2-305.A(6), 38.2-305.B, 38.2-1908.B, 38.2-2014, 38.2-2202.A, and 38.2-2206 as well as Administrative Order Nos. 9677 and 9793;

National Fire Insurance Company of Hartford violated Virginia Code §§ 38.2-231, 38.2-1906.B, 38.2-2014, 38.2-2202.A, 38.2-2208, 38.2-2212 and 38.2-2220 as well as Administrative Order No. 9793;

Transcontinental Insurance Company violated Virginia Code § 38.2-304;

Transportation Insurance Company violated Virginia Code §§ 38.2-304, 38.2-305.B, 38.2-1908.B, 38.2-2005, 38.2-2014, and 38.2-2202.A as well as Administrative Order Nos. 9677 and 9793; and

Valley Forge Insurance Company violated Virginia Code §§ 38.2-231, 38.2-304, 38.2-305.A(6), 38.2-305.B, 38.2-317, 38.2-610, 38.2-2014, 38.2-2113, 38.2-2114, 38.2-2120, 38.2-2202.A, 38.2-2202.B, 38.2-2208, 38.2-2210, 38.2-2212, 38.2-2214, and 38.2-2220 as well as Administrative Order Nos. 9677 and 9793.

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 forty thousand dollars ($40,000), 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, American Casualty Company of Reading, Pennsylvania, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-304, 38.2-305.B, 38.2-610, 38.2-1908.B, 38.2-2014, 38.2-2113, 38.2-2114, 38.2-2120, 38.2-2208 or 38.2-2212;

(3) That Defendant, Continental Casualty Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-304, 38.2-1908.B or 38.2-2014;

(4) That Defendant, National Fire Insurance Company of Hartford, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-2014, 38.2-2208 or 38.2-2212;

(5) That Defendant, Transportation Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-304, 38.2-1908.B or 38.2-2014;

(6) That Defendant, Valley Forge Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-304, 38.2-305.B, 38.2-610, 38.2-2014, 38.2-2113, 38.2-2114, 38.2-2120, 38.2-2208 or 38.2-2212; and

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

CASE NO. INS910287
JANUARY 23, 1992

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 DISMISSING RULE TO SHOW CAUSE

ON MOTION of Defendants, the Deputy and Special Deputy Receivers of Fidelity Bankers Life Insurance Company and the Office of General Counsel, by their several counsel, and for good cause shown,

IT IS ORDERED that the complaint filed herein be, and it is hereby, WITHDRAWN and that the rule to show cause issued herein be, and it is hereby, DISMISSED with prejudice.

CASE NO. INS910296
JANUARY 17, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MINNESOTA MUTUAL FIRE & CASUALTY 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, may have violated Virginia Code §§ 38.2-1822 and 38.2-1812 by permitting unlicensed lending institutions to solicit contracts of homeowners insurance on behalf of the company and by providing certain compensation to the unlicensed lending institutions;

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 violation;

IT FURTHER APPEARING that Defendant has been advised of its right to a hearing in this matter, whereupon Defendant, without admitting any violation of any law, has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of

Virginia the sum of thirty thousand dollars ($30,000), 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 §§ 38.2-1822 or 38.2-1812; and

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

CASE NO. INS910304
JANUARY 6, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
DOUGLAS W. HAIRSTON,
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 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 by failing to account for and remit when due premiums collected on behalf of a certain insurer;

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 November 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 by failing to account for and remit when due premiums collected on behalf of a certain insurer;

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. INS910307
JANUARY 31, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing Credit for Reinsurance

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein October 21, 1991, the Commission ordered that a hearing be held in the Commission's Courtroom on December 17, 1991, for the purpose of considering the adoption of a regulation proposed by the Bureau of Insurance entitled "Rules Governing Credit for Reinsurance";

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 the the regulation should be adopted, with certain amendments;

THEREFORE, IT IS ORDERED that the regulation entitled "Rules Governing Credit for Reinsurance" which is attached hereto and made a part hereof, should be, and it is hereby, ADOPTED to be effective March 1, 1992.

NOTE: A copy of the Regulation entitled "Rules Governing Credit for Reinsurance" 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. INS910329
JANUARY 16, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
COMBINED UNDERWRITERS 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 November 15, 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 January 15, 1992; 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 January 31, 1992, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 31, 1992, 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. INS910329
FEBRUARY 3, 1992

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

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein January 16, 1992, Defendant was ordered to take notice that the Commission would enter an order subsequent to January 31, 1992, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 31, 1992, Defendant filed with the Clerk of the Commission a request for a hearing 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 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;

(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. INS910331
JANUARY 9, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MARTIN R. EBDING,
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, committed acts for which Defendant's license may be revoked pursuant to Virginia Code § 38.2-1831 by falsely swearing on Defendant's application for an insurance agent's license that Defendant had not been convicted of a felony;

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 November 14, 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 committed acts for which Defendant's license should be revoked pursuant to Virginia Code § 38.2-1831 by falsely swearing on Defendant's application for an insurance agent's license that Defendant had not been convicted of a felony;

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. INS910341
JANUARY 10, 1992

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

VACATING ORDER

WHEREAS, by order entered herein December 18, 1991, 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, was ordered to eliminate the impairment in its net worth and restore the same to at least the amount required by law no later than January 30, 1992;

WHEREAS, by affidavit dated January 7, 1992 and filed herein, Robert Pfotenhauer, President and Chief Executive Officer of GHA, advised the Commission that GHA has removed the impairment in its net worth and has restored the same to at least the amount required by law;

THEREFORE, IT IS ORDERED:

(1) That the impairment order entered herein December 18, 1991 be, and it is hereby, VACATED;

(2) That, as of the effective date of this order, GHA may continue to enroll new participants who are residents of the Commonwealth of Virginia; and

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

CASE NO. INS920003
JANUARY 13, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte, In re: Adoption of supplemental report form pursuant to Virginia Code § 38.2-1905.2.B.

ORDER ADOPTING SUPPLEMENTAL REPORT FORM

WHEREAS, by order entered herein September 7, 1990, the Commission provided an opportunity for the Attorney General and interested insurers to comment on the feasibility of amending the existing supplemental report forms to conform to a format substantially similar to that adopted by the National Association of Insurance Commissioners for the Insurance Expense Exhibit which is filed as a supplement to each insurer's Annual Statement; and

WHEREAS, the Commission has considered and reviewed the comments filed in this matter concerning the supplemental report forms,

IT IS ORDERED that the supplemental report form, which is attached hereto and made a part hereof, be, and it is hereby, ADOPTED for filing pursuant to Chapter 19 of Title 38.2 of the Code of Virginia and that such supplemental report be filed by insurers with the Commission on or before May 1, 1992.

NOTE: A copy of the Attachment entitled "Supplemental Report Required by Virginia Code § 38.2-1905.2 for Certain Lines of Subclassifications of Liability 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. INS920004
JANUARY 31, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
INTER-AMERICAN INSURANCE COMPANY OF ILLINOIS,
Defendant

ORDER REVOKING LICENSE

WHEREAS, for the reasons stated in an order entered herein January 10, 1992, Defendant was ordered to take notice that the Commission would enter an order subsequent to January 30, 1992, revoking the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 30, 1992, 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. INS920005
JULY 1, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
JOHN M. JARRELL,
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, committed acts for which Defendant's license could be revoked pursuant to Virginia Code § 38.2-1831; to wit: Defendant was convicted of a felony on April 28, 1992, in the Circuit Court of Cumberland County, Virginia;

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 18, 1992 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 committed acts for which Defendant's license to transact the business of insurance in the Commonwealth of Virginia should be revoked pursuant to Virginia Code § 38.2-1831;

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. INS920009
FEBRUARY 5, 1992

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

SETTLEMENT ORDER

IT APPEARING from a market conduct examination 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 §§ 38.2-231, 38.2-304, 38.2-305, 38.2-1906.B, 38.2-1908.B, 38.2-2014, 38.2-2113, 38.2-2114, 38.2-2120, 38.2-2202, 38.2-2208, 38.2-2212, 38.2-510.A(10), 38.2-610, 38.2-2206, 38.2-2210, 38.2-2220 and Section 4.4 of the Commission's Rules Governing 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 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 fifteen thousand dollars ($15,000), 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 §§ 38.2-231, 38.2-2014, 38.2-2113, 38.2-2114, 38.2-2208, 38.2-2210 or 38.2-2212; and

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

CASE NO. INS920010
MAY 12, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
THOMAS EGGLESTON ADKINS, et al.,
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 Virginia Code § 38.2-1805.A by accepting payment of premiums in arrears on policies of life insurance or accident and sickness insurance which had lapsed;

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 Defendants' licenses upon a finding by 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 ten thousand dollars ($10,000), 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 Defendants cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-1805.A; and

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

CASE NO. INS920011
MAY 12, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
JOSEPH J. BARBARISE, et al.,
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 Virginia Code § 38.2-1805.A by accepting payment of premiums in arrears on policies of life insurance or accident and sickness insurance which had lapsed;

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 Defendants' licenses upon a finding by 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 ten thousand dollars ($10,000), 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 Defendants cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-1805.A; and

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

CASE NO. INS920013
MAY 18, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
STEWART TITLE GUARANTY COMPANY,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation conducted by the Bureau of Insurance that Defendant, 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 alleged to have violated certain provisions of Title 38.2 of the Code of Virginia;

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 theCommission, after notice and an opportunity for a hearing, 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 any law and affirmatively denying the allegations made by the Bureau of Insurance, has made an offer of settlement to the Commission in order to resolve a disputed matter, wherein Defendant has tendered to the Commonwealth of Virginia the sum of fifty thousand dollars ($50,000), has waived its right to a hearing and has agreed to the entry of an order by the Commission prohibiting any future similar violations of the Code of Virginia;

IT FURTHER APPEARING that the Bureau of Insurance has recommended that the Commission accept the offer of settlement 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 cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-1822, 38.2-1833, 38.2-1812 or 38.2-4614; and

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

CASE NO. INS920014
JULY 21, 1992

APPLICATION OF
DONALD L. COLEMAN, JR.

For a license to transact the business of a life and health insurance agent in the Commonwealth of Virginia

FINAL ORDER

WHEREAS, by order entered herein January 31, 1992, Donald L. Coleman, Jr.'s application for a life and health insurance agent's license came on for hearing before the Commission's Hearing Examiner on March 31, 1992; and

WHEREAS, on May 27, 1992, the Hearing Examiner issued his final report wherein he found that Donald L. Coleman, Jr. is not trustworthy or competent to hold a life insurance agent's license and he recommended that the Commission enter an order denying the application and passing the papers herein to the file for ended causes; and

THE COMMISSION, having considered the record herein and the report of its Hearing Examiner, adopts the finding of its Hearing Examiner as its own;

THEREFORE, IT IS ORDERED:

(1) That the application of Donald L. Coleman, Jr. for a license to transact the business of a life and health insurance agent in the Commonwealth of Virginia be, and it is hereby, DENIED; and

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

CASE NO. INS920020
JANUARY 31, 1992

APPLICATION OF
HOMEBUYERS WARRANTY CORPORATION VI

For approval of application for acquisition of control of a domestic insurer pursuant to Virginia Code § 38.2-1323

ORDER GRANTING APPROVAL OF APPLICATION

ON A FORMER DAY came Homebuyers Warranty Corporation VI ("HWC"), a Florida corporation, and, pursuant to Virginia Code § 38.2-1323, filed with the Clerk of the Commission an application for approval of acquisition of control of United One Home Protection Corporation of Virginia ("UHPC"), a domestic insurer;

AND THE COMMISSION, having considered the application of HWC, the recommendation of the Bureau of Insurance that the application be granted and the law applicable herein, is of the opinion that the application of HWC should be granted.

THEREFORE, IT IS ORDERED, pursuant to Virginia Code § 38.2-1326, that the application of HWC to acquire control of UHPC be, and it is hereby, GRANTED.

CASE NO. INS920059
APRIL 2, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ZURICH INSURANCE COMPANY
and
AMERICAN GUARANTEE AND LIABILITY INSURANCE CO.,
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: Zurich Insurance Company violated Virginia Code §§ 38.2-231, 38.2-304, 38.2-305.A, 38.2-305.B, 38.2-610, 38.2-1822, 38.2-1906.B, 38.2-1908.B, 38.2-2005, 38.2-2014, 38.2-2202, 38.2-2206, 38.2-2208, 38.2-2210, 38.2-2220 and 38.2-2224; American Guarantee and Liability Insurance Company violated Virginia Code §§ 38.2-304, 38.2-305.B, 38.2-1906.B, 38.2-1908.B, 38.2-2005 and 38.2-2014;

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 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 twelve thousand dollars ($12,000), 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, Zurich Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-231, 38.2-304, 38.2-305.A, 38.2-305.B, 38.2-610, 38.2-1906.B, 38.2-1908.B, 38.2-2005, 38.2-2014, 38.2-2206, 38.2-2210, 38.2-2220 or 38.2-2224; and

(3) That Defendant, American Guarantee and Liability Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-1908.B or 38.2-2014; and

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

CASE NO. INS920060
APRIL 3, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PROGRESSIVE CASUALTY INSURANCE COMPANY
and
PROGRESSIVE SPECIALTY 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: Progressive Casualty Insurance Company violated Virginia Code §§ 38.2-1905, 38.2-2210, 38.2-2214, 38.2-2220 and the Cease and Desist Orders entered in Case Nos. INS830372 and INS900388; and Progressive Specialty Insurance Company violated Virginia Code §§ 38.2-1905, 38.2-2210, 38.2-2214, 38.2-2220 and the Cease and Desist Orders entered in Case Nos. INS830372 and INS900388;

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 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 ten thousand dollars ($10,000), 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 Defendant 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, 38.2-2210, 38.2-2214, or 38.2-2220;

(3) That Defendant, Progressive Specialty Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-1905, 38.2-2210, 38.2-2214 or 38.2-2220; and

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

CASE NO. INS920062
JUNE 23, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
SHENANDOAH 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, 38.2-514, 38.2-606.7.b(2), 38.2-606.8, 38.2-607.A.1, 38.2-607.C, 38.2-608.A, 38.2-608.A.4, 38.2-608.C, 38.2-610, 38.2-1812.A, 38.2-1822.A, 38.2-1822.B, 38.2-1833.A.1, 38.2-1834.C, 38.2-3115.B, and 38.2-3402.A; as well as, Sections VI(1), VI(2), VII(1), VII(2)(a)(ii), VII(2)(a)(i), VII(2)(b) of the Commission's Rules Governing Life Insurance Replacements; Sections 6.A(1), 6.C(1), 7, 9.C, 13.A, 16 and 17.A of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance; Sections 7(a) and 8(b) of the Commission's Rules Governing Unfair Claim

Settlement Practices; Sections 10.A and 10.B of the Commission's Rules Governing Implementation of the Individual Accident and Sickness Insurance Minimum Standards Act; Sections V(1)(d), V(3)(b), V(3)(c), V(4)(a), V(5)(a), V(6)(a), and VII(2) of the Commission's Rules Governing Life Insurance and Annuity Marketing Practices; and Section 6.C of the Commission's Rules Governing Underwriting Practices and Coverage Limitations and Exclusions for Acquired Immunodeficiency Syndrome (AIDS);

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 thirty thousand dollars ($30,000), 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.C, 38.2-502.1, 38.2-510, 38.2-514, 38.2-606.7.b(2), 38.2-606.8, 38.2-607.A.1, 38.2-607.C, 38.2-608.A, 38.2-608.A.4, 38.2-608.C, 38.2-610, 38.2-1812.A, 38.2-1822.A, 38.2-1822.B, 38.2-1833.A.1, 38.2-1834.C, 38.2-3115.B, or 38.2-3402.A; as well as, Sections VI(1), VI(2), VII(1), VII(2)(a)(ii), VII(2)(a)(i), VII(2)(b) of the Commission's Rules Governing Life Insurance Replacements; Sections 6.A(1), 6.C(1), 7, 9.C, 13.A, 16 and 17.A of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance; Sections 7(a) and 8(b) of the Commission's Rules Governing Unfair Claim Settlement Practices; Sections 10.A and 10.B of the Commission's Rules Governing Implementation of the Individual Accident and Sickness Insurance Minimum Standards Act; Sections V(1)(d), V(3)(b), V(3)(c), V(4)(a), V(5)(a), V(6)(a), and VII(2) of the Commission's Rules Governing Life Insurance and Annuity Marketing Practices; or Section 6.C of the Commission's Rules Governing Underwriting Practices and Coverage Limitations and Exclusions for Acquired Immunodeficiency Syndrome (AIDS); and

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

CASE NO. INS920068
MAY 12, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PEOPLES SECURITY 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 § 38.2-1805.A by accepting payment of premiums in arrears on policies of life insurance or accident and sickness insurance which had lapsed;

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 thirty thousand dollars ($30,000), 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 § 38.2-1805.A; and

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

CASE NO. INS920071
APRIL 2, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
OPTIMUM CHOICE, 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 a health maintenance organization in the Commonwealth of Virginia, in a certain instance, violated Section 7(I) of the Commission's Rules Governing Health Maintenance Organizations by paying accrued interest on a subordinated note without the prior written approval of the Commission;

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 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 Section 7(I) of the Commission's Rules Governing Health Maintenance Organizations; and

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

CASE NO. INS920073
MAY 11, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
WILLIAM FERNANDEZ, 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 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 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 27, 1992 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 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. INS920074
APRIL 7, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
THE LIFE INSURANCE COMPANY OF VIRGINIA,
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, 38.2-502.1, 38.2-510, 38.2-511, 38.2-604, 38.2-606.8, 38.2-607.A, 38.2-608.A, 38.2-608.C, 38.2-610, 38.2-1812.A, 38.2-1822.A, 38.2-1833.A.1 and 38.2-1834.C as well as Sections VII(1), VII(2)(a), and VII(2)(b) of the Commission's Rules Governing Life Insurance Replacements, Sections 7(a) and 8(a) of the Commission's Rules Governing Unfair Claim Settlement Practices, Sections V(1)(d), V(3)(b), V(4)(o), V(5)(a) and V(6)(a) of the Commission's Rules Governing Life Insurance and Annuity Marketing Practices and Section 6.c of the Commission's Rules Governing Underwriting Practices and Coverage Limitations and Exclusions for Acquired Immunodeficiency Syndrome (AIDS);

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 forty-five thousand dollars ($45,000) 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. INS920075
APRIL 28, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
GARY WAYNE WILSON,
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, committed acts for which Defendant's insurance agent's license may

be revoked by the Commission pursuant to Virginia Code § 38.2-1831; to wit: Defendant was convicted in the United States District Court, Eastern District of Virginia of two felony counts.

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 24, 1992 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 committed acts for which Defendant's insurance agent's license should be revoked by the Commission pursuant to Virginia Code § 38.2-1831; to wit: Defendant was convicted in the United States District Court, Eastern District of Virginia of two felony counts;

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. INS920076
MARCH 3, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing Accelerated Benefits Provisions

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 provides that the Commission is authorized to issue reasonable rules and regulations governing accelerated benefits provisions of individual and group life insurance policies and to provide required standards of disclosure;

WHEREAS, the Bureau of Insurance has submitted to the Commission a proposed regulation entitled "Rules Governing Accelerated Benefits Provisions" 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 April 15, 1992, adopting the regulation proposed by the Bureau of Insurance unless on or before April 15, 1992, any person objecting to the adoption of such a 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 Gerald A. Milsky, who shall forthwith give further notice of the proposed adoption of the regulation to all insurance companies licensed to write life insurance 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 Governing Accelerated Benefits Provisions" 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. INS920076
APRIL 20, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Rules Governing Accelerated Benefits Provisions

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein March 3, 1992, the Commission ordered all interested parties to take notice that the Commission would enter an order subsequent to April 15, 1992, adopting a regulation proposed by the Bureau of Insurance entitled "Rules Governing Accelerated Benefits Provisions" unless on or before April 15, 1992, 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; and

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 recommendation of the Bureau of Insurance, is of the opinion that the regulation, as amended, should be adopted;

THEREFORE, IT IS ORDERED that the regulation, as amended, entitled "Rules Governing Accelerated Benefits Provisions" which is attached hereto and made a part hereof, should be, and it is hereby, ADOPTED to be effective June 1, 1992.

NOTE: A copy of the Regulation entitled "Rules Governing Accelerated Benefits Provisions" 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. INS920077
MARCH 5, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Revised Rules Governing Variable Life Insurance

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 and 38.2-3313 provide that the Commission is authorized to issue reasonable rules and regulations governing variable life insurance;

WHEREAS, the Bureau of Insurance has submitted to the Commission a proposed regulation entitled "Revised Rules Governing Variable Life Insurance" which is attached hereto and made a part hereof; and

WHEREAS, the Commission is of the opinion that the proposed revised regulation should be adopted;

THEREFORE, IT IS ORDERED:

(1) That all interested persons TAKE NOTICE that the Commission shall enter an order subsequent to April 22, 1992, adopting the revised regulation proposed by the Bureau of Insurance unless on or before April 22, 1992, any person objecting to the adoption of such a regulation files a request for a hearing, specifying in detail their objection to the adoption of the proposed revised 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 Gerald A. Milsky, who shall forthwith give further notice of the proposed adoption of the revised regulation to all insurance companies licensed to write life insurance 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 "Revised Rules Governing Variable Life 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. INS920077
MAY 4, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of Adopting Revised Rules Governing Variable Life Insurance

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein March 5, 1992, the Commission ordered all interested parties to take notice that the Commission would enter an order subsequent to April 22, 1992, adopting a regulation proposed by the Bureau of Insurance entitled "Revised Rules Governing Variable Life Insurance" unless on or before April 22, 1992, 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; and

WHEREAS, as of the date of this order, no interested party has requested a hearing before the Commission to object to the adoption of the proposed regulation; and

THE COMMISSION, having considered the record herein and the recommendation of the Bureau of Insurance, is of the opinion that the regulation should be adopted;

THEREFORE, IT IS ORDERED that the regulation entitled "Revised Rules Governing Variable Life Insurance" which is attached hereto and made a part hereof, should be, and it is hereby, ADOPTED to be effective June 15, 1992.

NOTE: A copy of the Regulation entitled "Revised Rules Governing Variable Life 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. INS920079
MARCH 6, 1992

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

ORDER SUSPENDING LICENSE

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; and

WHEREAS, 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 Defendant shall issue no new or renewal contracts or policies of insurance in the Commonwealth of Virginia until further order of the Commission except Defendant may continue to renew guaranteed renewable accident and health policies;

(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. INS920081
MARCH 9, 1992

APPLICATION OF
MUTUAL FIRE INSURANCE CORPORATION OF SURRY, SUSSEX AND SOUTHAMPTON

For approval to distribute the remaining assets of the corporation pursuant to Virginia Code § 38.2-216

ORDER APPROVING APPLICATION

ON A FORMER DAY came the Mutual Fire Insurance Corporation of Surry, Sussex and Southampton ("Mutual Fire"), a domestic corporation licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a mutual assessment property and casualty insurer, and filed with the Commission an application to distribute the remaining assets of the corporation to its policyholders on a pro-rata basis based on each policyholder's last premium assessment and to cease operations as a mutual assessment property and casualty insurer;

WHEREAS, the Bureau of Insurance has reviewed the application and the method for distributing the remaining assets and has determined that the distribution treats all policyholders fairly and equitably; and

THE COMMISSION, having considered the application, the recommendation of the Bureau of Insurance that the application be approved and the law applicable hereto, is of the opinion that the application should be granted;

THEREFORE, IT IS ORDERED:

(1) That the application of Mutual Fire be, and it is hereby, APPROVED;

(2) That Mutual Fire shall promptly distribute its remaining assets to its policyholders after all claims by policyholders and creditors have been paid or otherwise satisfied and shall file an affidavit of compliance with the Bureau of Insurance upon the completion thereof; and

(3) That, upon the completion of the distribution of its assets, Mutual Fire shall surrender its license to transact the business of insurance as a mutual assessment property and casualty insurer to the Bureau of Insurance.

CASE NO. INS920084
MARCH 26, 1992

APPLICATION OF
MARKEL AMERICAN INSURANCE COMPANY

For exemption pursuant to Virginia Code § 38.2-1328

ORDER GRANTING EXEMPTION

ON A FORMER DAY came Markel American Insurance Company ("Applicant"), by counsel, and, pursuant to Virginia Code § 38.2-1328, filed with the Commission a request for exemption from the provisions of Virginia Code §§ 38.2-1323 through 38.2-1327 with respect to a proposed plan to reorganize the structure of the holding company (the "Plan") which has been filed with the Bureau of Insurance; and

THE COMMISSION, having considered the request for exemption, the proposed Plan and the recommendation by the Commission's Bureau of Insurance of approval of the requested exemption, is of the opinion and finds that the proposed Plan has not been made or entered into for the purpose of and does not have the effect of changing or influencing the control of Markel American Insurance Company, a domestic insurer;

THEREFORE, IT IS ORDERED that the requested exemption from the provisions of Virginia Code §§ 38.2-1323 through 38.2-1327 in connection with the proposed Plan be, and it is hereby, GRANTED.

CASE NO. INS920089
JUNE 23, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
JOSEPH VILLANUEVA,
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 38.2-1822.A as well as Sections V(1)(a), V(1)(b), V(2)(a), V(2)(b), V(2)(c) and V(2)(d) of the Commission's Rules Governing Life Insurance Replacements;

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 12, 1992, 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 38.2-1822.A as well as Sections V(1)(a), V(1)(b), V(2)(a), V(2)(b), V(2)(c) and V(2)(d) of the Commission's Rules Governing Life Insurance Replacements;

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. INS920094
APRIL 7, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
REALSAFE CORPORATION OF VIRGINIA, INC.,
Defendant

ORDER SUSPENDING LICENSE

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 has violated any law of this Commonwealth, or has in this Commonwealth violated its charter or exceeded its corporate powers; and

WHEREAS, by letter filed herein, Defendant has consented to the voluntary suspension of its license to transact the business of a home protection company 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 as a home protection company, 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;

(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. INS920097
MAY 20, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MD-IPA,
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.A, 38.2-316.B, 38.2-502.1, 38.2-508, 38.2-510.A.4, 38.2-510.A.5, 38.2-510.A.6, 38.2-510.A.10, 38.2-510.A.14, 38.2-511, 38.2-514, 38.2-604, 38.2-610.A.1, 38.2-610.A.2, 38.2-1812.A, 38.2-1822.A, 38.2-1833.A.1, 38.2-1834.C, 38.2-3405, 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, 38.2-4311, 38.2-4312.A.1, and 38.2-4312.A.2 as well as Sections 6.C.2, 6.C.3, 8.C.3, 8.H.1, 8.H.2, 8.H.5, 9.B.2, 12.A, 12.B and 12.C.2 of the Commission's Rules Governing Health Maintenance Organizations, Sections 2.B, 6.A.1, 6.B.1, 9.C, 11, 13.A, 17.A and 17.B of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance, and Section 6.A.1 of the Commisison's Rules Governing Underwriting Practices and Coverage Limitations and Exclusions for Acquired Immunodeficiency Syndrome (AIDS);

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 eighty-eight thousand dollars ($88,000), has waived its right to a hearing, has agreed to the entry by the Commission of a cease and desist order, has agreed to adopt all the recommendations contained in the Market Conduct Examination Report for the period ending September 30, 1991, and has agreed to provide the Bureau of Insurance such documentation of compliance with the recommendations as may be requested by the Bureau; 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.A, 38.2-316.B, 38.2-502.1, 38.2-508, 38.2-510.A.4, 38.2-510.A.5, 38.2-510.A.6, 38.2-510.A.10, 38.2-510.A.14, 38.2-511, 38.2-514, 38.2-604, 38.2-610.A.1, 38.2-610.A.2, 38.2-1812.A, 38.2-1822.A, 38.2-1833.A.1, 38.2-1834.C, 38.2-3405, 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, 38.2-4311, 38.2-4312.A.1, and 38.2-4312.A.2 as well as Sections 6.C.2, 6.C.3, 8.C.3, 8.H.1, 8.H.2, 8.H.5, 9.B.2, 12.A, 12.B and 12.C.2 of the Commission's Rules Governing Health Maintenance Organizations, Sections 2.B, 6.A.1, 6.B.1, 9.C, 11, 13.A, 17.A and 17.B of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance, and Section 6.A.1 of the Commisison's Rules Governing Underwriting Practices and Coverage Limitations and Exclusions for Acquired Immunodeficiency Syndrome (AIDS); and

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

CASE NO. INS920101
JUNE 10, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNITED PHYSICIANS INSURANCE RISK RETENTION GROUP,
Defendant

CONSENT ORDER

WHEREAS, by Rule to Show Cause entered herein May 7, 1992, Defendant was ordered to appear in the Commission's Courtroom on June 17, 1992, and show cause, if any, why the Commission should not permanently enjoin Defendant from issuing any new or renewal policies in the Commonwealth of Virginia; and

WHEREAS, by letter filed herein, Defendant has consented to the entry of an order enjoining Defendant from issuing any new or renewal policies in the Commonwealth of Virginia until further order of the Commission;

THEREFORE, IT IS ORDERED that, until further order of the Commission, Defendant be, and it is hereby, enjoined from issuing any new or renewal policies in the Commonwealth of Virginia.

CASE NO. INS920102
MAY 20, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN BANKERS INSURANCE COMPANY OF FLORIDA,
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 §§ 38.2-304, 38.2-305.A, 38.2-305.B, 38.2-317, 38.2-502, 38.2-511, 38.2-610, 38.2-1906.B, 38.2-2105, 38.2-2113, 38.2-2114 and 38.2-2118;

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 fifteen thousand dollars ($15,000), 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 §§ 38.2-304, 38.2-305.A, 38.2-305.B, 38.2-317, 38.2-502, 38.2-511, 38.2-610, 38.2-1906.B, 38.2-2105, 38.2-2113, 38.2-2114 and 38.2-2118; and

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

CASE NO. INS920108
MAY 12, 1992

APPLICATION OF
PRINCE GEORGE MUTUAL FIRE INSURANCE COMPANY

For approval to distribute the remaining assets of the corporation pursuant to Virginia Code § 38.2-216

ORDER APPROVING APPLICATION

ON A FORMER DAY came Prince George Mutual Fire Insurance Company ("Mutual Fire"), a domestic corporation licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia as a mutual assessment property and casualty insurer, and filed with the Commission an application to distribute the remaining assets of the corporation to its policyholders on a pro-rata basis based on each policyholder's percentage of all 1991 insurance in force with the Company and to cease operations as a mutual assessment property and casualty insurer;

WHEREAS, the Bureau of Insurance has reviewed the application and the method for distributing the remaining assets and has determined that the distribution treats all policyholders fairly and equitably; and

THE COMMISSION, having considered the application, the recommendation of the Bureau of Insurance that the application be approved and the law applicable hereto, is of the opinion that the application should be granted;

THEREFORE, IT IS ORDERED:

(1) That the application of Mutual Fire be, and it is hereby, APPROVED;

(2) That Mutual Fire shall promptly distribute its remaining assets to its policyholders after all claims by policyholders and creditors have been paid or otherwise satisfied and shall file an affidavit of compliance with the Bureau of Insurance upon the completion thereof; and

(3) That, upon the completion of the distribution of its assets, Mutual Fire shall surrender its license to transact the business of insurance as a mutual assessment property and casualty insurer to the Bureau of Insurance.

CASE NO. INS920109
SEPTEMBER 10, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
CLYDE JOHNSON, 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 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 by failing to account for and remit when due premiums collected on behalf of a certain insurer;

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 July 27, 1992, 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 by failing to account for and remit when due premiums on behalf of a certain insurer;

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. INS920112
JUNE 23, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Revised Rules Governing Minimum Standards for Medicare Supplement Policies

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein April 30, 1992, the Commission ordered that a hearing be held in the Commission's Courtroom on June 2, 1992, for the purpose of considering the adoption of a revised regulation proposed by the Bureau of Insurance ("Bureau") entitled "Revised Rules Governing Minimum Standards for Medicare Supplement Policies";

WHEREAS, the Commission's Hearing Examiner conducted the aforesaid hearing on behalf of the Commission;

WHEREAS, the 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 Hearing Examiner, is of the opinion that the regulation, as amended, should be adopted;

THEREFORE, IT IS ORDERED that the regulation entitled "Revised Rules Governing Minimum Standards for Medicare Supplement Policies" which is attached hereto and made a part hereof, should be, and it is hereby, ADOPTED to be effective July 30, 1992.

NOTE: A copy of the Regulation entitled "Revised Rules Governing Minimum Standards for Medicare Supplement Policies" 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. INS920112
JUNE 24, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of adopting Revised Rules Governing Minimum Standards for Medicare Supplement Policies

AMENDING ORDER

IT APPEARING that the Revised Rules Governing minimum Standards for Medicare Supplement Policies attached to the Commission's Order Adopting Regulation contained a typographical error on page 17 of the regulation;

THEREFORE, IT IS ORDERED that page 17 of the Commission's Rules Governing Minimum Standards for Medicare Supplement Policies, which is attached hereto and made a part hereof, be, and it is hereby, amended.

NOTE: A copy of the Regulation entitled "Rules Governing Minimum Standards for Medicare Supplement Policies" 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. INS920113
MAY 12, 1992

PETITION OF
VIRGINIA ASSOCIATION OF SERVICE COMPANIES

To set aside Bureau of Insurance Administrative Letter 1992-7

ORDER DISMISSING PETITION

ON A FORMER DAY came the Virginia Association of Service Companies and filed a petition with the Clerk of the Commission to set aside Administrative Letter 1992-7 issued by the Bureau of Insurance;

WHEREAS, the Bureau of Insurance, in its response to the petition, has no objection to withdrawing Administrative Letter 1992-7 upon order of the Commission and subsequently moving the Commission to institute a rule-making proceeding to consider an amendment to Rule 7:3 of the Commission's Rules Governing Insurance Premium Finance Companies concerning the refund of interest charges upon cancellation as the result of default; and

THE COMMISSION, having considered the petition filed herein, the response of the Bureau of Insurance and the law applicable hereto, is of the opinion that Administrative Letter 1992-7 should be withdrawn;

THEREFORE, IT IS ORDERED:

(1) That Administrative Letter 1992-7 shall be withdrawn forthwith by the Bureau of Insurance and the Bureau shall provide notice of the withdrawal to all Insurance Premium Finance Companies licensed in Virginia; and

(2) That the petition filed herein by the Virginia Association of Service Companies be, and it is hereby, DISMISSED.

CASE NO. INS920117
AUGUST 3, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
CHARLES J. LAMB,
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 § 38.2-1802 by soliciting, negotiating, procuring, or effecting contracts of insurance with an unlicensed insurer;

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 June 1, 1992 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 § 38.2-1802 by soliciting, negotiating, procuring, or effecting contracts of insurance with an unlicensed insurer;

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. INS920122
AUGUST 3, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
BLUE CROSS BLUE SHIELD OF VIRGINIA,
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 § 38.2-502.1 as well as Sections 4, 5.A, 5.B, 6.A(1), 6.A(2), 6.B(1), 6.B(2), 7 and 13.A of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance;

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 eleven thousand dollars ($11,000) 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. INS920123
AUGUST 5, 1992

COMPLAINT OF
ERIE INSURANCE EXCHANGE

For a review of a decision by the Bureau of Insurance

FINAL ORDER

ON A FORMER DAY came Erie Insurance Exchange ("Erie"), by counsel, and filed with the Clerk of the Commission a Complaint for a review of a decision by the Bureau of Insurance which required Erie, pursuant to Virginia Code § 38.2-1611.1, to show a certificate of contribution to the Virginia Property and Casualty Guaranty Association ("Guaranty Association") as an asset on its financial statements in order to amortize the amount in each succeeding year and offset the amount amortized against premium taxes owed; and

THE COMMISSION, having considered the Complaint filed herein by Erie, the Response filed by the Bureau of Insurance, and the Additional Pleadings of Erie, is of the opinion that Erie should have the option not to show a certificate of contribution to the Guaranty Association as an asset without affecting Erie's ability to amortize the amount of such contribution over succeeding years and offset the amount amortized against premium taxes owed;

THEREFORE, IT IS ORDERED that the relief sought by Erie Insurance Exchange in its Complaint be, and it is hereby, GRANTED.

CASE NO. INS920125
MAY 15, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN TRUCKING ASSOCIATIONS, INC.,
Defendant

CONSENT ORDER

By letter filed with the Clerk of the Commission on May 14, 1992, the American Trucking Associations, Inc., a non-profit corporation located in Alexandria, Virginia ("ATA"), consented to the entry of an order in which ATA agreed to amend its self-insured health care benefit plan ("the Plan") to satisfy the Commission's concerns that the Plan constitutes a multiple employer welfare arrangement under the Commission's Rules Governing Multiple Employer Welfare Arrangements.

Specifically, ATA has agreed (i) not to enroll any new employer groups; (ii) to terminate all health care and/or dental coverage effective July 1, 1992, for employees of the Alabama Trucking Association; District of Columbia Trucking Association; Regional & Distribution Carriers Conference; and Virginia Trucking Association; (iii) to continue to honor all covered claims which are incurred by employees of the foregoing entities prior to July 1, 1992, but not reported until September 30, 1992; and (iv) to report to the Commission not later than October 30, 1992, that all health care and/or dental coverage for the foregoing entities has been terminated and that all covered claims submitted prior to September 30, 1992, have been paid.

THEREFORE IT IS ORDERED:

(1) That, as of the date hereof, ATA shall not enroll any new employer groups in its health care benefit plan;

(2) That ATA shall terminate all health care and/or dental coverage effective July 1, 1992 for employees of the Alabama Trucking Association, District of Columbia Trucking Association, Regional & Distribution Carriers Conference, and Virginia Trucking Association;

(3) That ATA shall continue to honor all covered claims of employees of the entities identified in Ordering Paragraph 2 supra which are incurred prior to July 1, 1992 but not reported until September 30, 1992; and

(4) That ATA shall report to the Commission not later than October 30, 1992, that all health care and/or dental coverage for the entities identified in Ordering Paragraph 2 supra has been terminated and that all covered claims submitted prior to September 30, 1992, have been paid.

CASE NO. INS920126
JUNE 5, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
QUICKRETE AND AFFILIATED MEDICAL BENEFITS TRUST,
Defendant

CONSENT ORDER

By letter filed with the Clerk of the Commission on May 12, 1992, the Quickrete and Affiliated Medical Benefits Trust (the "Trust"), an unlicensed self-funded multiple employer welfare arrangement operating in the Commonwealth of Virginia, advised the Commission (i) that the Trust had terminated all health care coverage effective November 30, 1991; (ii) that the participating employers in the Trust had adopted a resolution to dissolve the Trust effective November 30, 1991; and (iii) that the trustees of the Trust would continue to hold trust assets after December 1, 1991, for the purpose of paying claims incurred by participants and beneficiaries prior to December 1, 1991, and paying all other liabilities of the Trust as the Trust winds down its affairs.

IT IS ORDERED:

(1) That the trustees promptly wind down the affairs of the Trust; and

(2) That the Trustees shall report to the Commission not later than September 15, 1992, that all covered claims of participants and beneficiaries have been paid, and that all outstanding liabilities of the Trust have been paid or otherwise satisfied.

CASE NO. INS920127
MAY 12, 1992

ADMINISTRATIVE ORDER DELEGATING CERTAIN AUTHORITY TO THE COMMISSIONER OF INSURANCE

Virginia Code § 12.1-16 provides, in pertinent part:

> In the exercise of the powers and in the performance of the duties imposed by law upon the Commission with respect to insurance and banking, the Commission may delegate to such employees and agents as it may deem proper such powers and require of them, or any of them, the performance of such duties as it may deem proper.

This statute provides further that the head of the Bureau through which the Commission administers the insurance laws shall be designated "Commissioner of Insurance."

NOW THEREFORE, finding it lawful and proper to do so, the Commission hereby delegates to the Commissioner of Insurance the authority to exercise its powers and to act for the Commission in all matters in the administration of the insurance laws and regulations of this Commonwealth; provided, however, the power to revoke any license issued by the Bureau of Insurance pursuant to this delegation of authority, the power to approve offers of settlement and the power to promulgate rules and regulations shall be, and are hereby, expressly reserved to the Commission. This delegation of authority shall be effective and continuing unless otherwise ordered by the Commission.

In the performance of the duties herein delegated to him, the Commissioner of Insurance shall have the power and authority to make all findings and determinations permitted or required by law.

All actions taken by the Commissioner of Insurance pursuant to the authority granted herein are subject to review by the Commission in accordance with the Rules of Practice and Procedure of the State Corporation Commission.

This order supersedes and revokes any and all orders previously delegating any authority to the Commissioner of Insurance.

CASE NO. INS920129
JUNE 12, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
AMERICAN PSYCHMANAGEMENT OF MARYLAND, 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 a certain instance, violated Virginia Code § 38.2-1300 by failing to file timely with the Bureau of Insurance Defendant's 1991 annual statement;

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 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 § 38.2-1300; and

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

CASE NO. INS920130
JUNE 1, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
RANDMARK, 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 a certain instance, violated Virginia Code § 38.2-1300 by failing to file timely with the Bureau of Insurance Defendant's 1991 Annual Statement;

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 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 § 38.2-1300; and

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

CASE NO. INS920132
JUNE 24, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
GORDON R. WEBB,
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 and 38.2-2015 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to certain insurance companies when due, and by failing to comply with the Agent Performance Standards set by the Virginia Automobile Insurance Plan requiring the timely payment of unearned commissions to insurance companies;

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 13, 1992 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 and 38.2-2015 by failing to hold collected premiums in a fiduciary capacity and account for and remit the premiums to certain insurance companies when due, and by failing to

comply with the Agent Performance Standards set by the Virginia Automobile Insurance Plan requiring the timely payment of unearned commissions to insurance companies;

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. INS920137
MAY 29, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
DANA LYNN ROBINSON,
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 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 May 1, 1992, 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 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. INS920147
AUGUST 4, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
KENNETH W. HAMERSLEY,
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 § 38.2-508 and Section V of the Commission's Rules Governing Life Insurance and Annuity Marketing Practices by placing an advertisement which misrepresented the benefits, advantages, conditions or terms of an insurance policy;

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 June 29, 1992 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 § 38.2-502 and Section V of the Commission's Rules Governing Life Insurance and Annuity Marketing Practices by placing an advertisement which misrepresented the benefits, advantages, conditions or terms of an insurance policy;

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. INS920153
NOVEMBER 19, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
CARLOS A. VARGAS,
SYLVIA VARGAS
and
LATIN AMERICAN INSURANCE AGENCY, INC.,
Defendants

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendants, currently licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, violated Virginia Code §§ 38.2-1822, 38.2-1812, 38.2-1813 and 38.2-310 by soliciting, negotiating, procuring, or effecting contracts of insurance prior to obtaining insurance agent licenses from the Commission, by accepting commissions without first being licensed, by failing to hold collected premiums in a fiduciary capacity and account for and pay the premiums to an insurer when due, and by charging and receiving fees for the procurement of 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 Defendants' licenses upon a finding by 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 ten thousand dollars ($10,000), 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 Defendants cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-1822, 38.2-1812, 38.2-1813 and 38.2-310; and

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

CASE NO. INS920227
SEPTEMBER 22, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
OLD 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 § 38.2-502.1 as well as Sections 6.A(1), 6.A(2), 6.B(1), 6.C(1), 7, 10.A, 13.A and 16 of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance, and Sections V(1)(e), V(4)(b), V(5)(b), V(6)(a) and V(8)(c) 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 eight thousand dollars ($8,000) 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. INS920232
AUGUST 5, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
IHA MANAGEMENT TRUST OF ALABAMA, d/b/a COMPACARE, INC.,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Defendant is a multiple employer welfare arrangement domiciled in the state of Alabama 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 welfare arrangement pursuant to the Commission's Rules Governing Multiple Employer Welfare Arrangements adopted in Case No. INS910244, nor is Defendant exempt 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 26, 1992, (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 welfare arrangement 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 26, 1992, 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 hearing.

CASE NO. INS920232
SEPTEMBER 4, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
IHA MANAGEMENT TRUST OF ALABAMA, d/b/a COMPACARE, INC.,
Defendant

FINAL ORDER

WHEREAS, by order entered herein August 5, 1992, for the reasons stated therein, Defendant was ordered to TAKE NOTICE that the Commission would enter an order subsequent to August 26, 1992, (i) permanently enjoining Defendant from operating a multiple employer welfare arrangement 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 welfare arrangement 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 26, 1992, 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 welfare arrangement in the Commonwealth of Virginia;

(2) That Defendant be, and it is hereby, penalized the sum of five thousand dollars for operating an unlicensed multiple employer welfare arrangement in the Commonwealth of Virginia, which sum shall be paid to the Clerk of the Commission within thirty days from the date hereof;

(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. INS920235
JULY 7, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MD-INDIVIDUAL PRACTICE ASSOCIATION, INC.
and
OPTIMUM CHOICE, INC.,
Defendants

CONSENT ORDER

WHEREAS, by letter filed herein by their counsel, MD-Individual Practice Association, Inc. ("MD-IPA") and Optimum Choice, Inc. ("Optimum Choice"), health maintenance organizations domiciled in the State of Maryland, have agreed not to issue any new or renewal contracts providing for the delivery of health care services in the Commonwealth of Virginia, but shall otherwise continue to be licensed and service their existing business during the period of time required to wind-down orderly their operations in Virginia; and

WHEREAS, MD-IPA and Optimum Choice have agreed to take this action in conjunction with the reorganization of their operations in Virginia, which shall be assumed by a newly licensed Virginia domiciled subsidiary;

THEREFORE, IT IS ORDERED that MD-IPA and Optimum Choice shall not issue any new or renewal contracts providing for the delivery of health care services in the Commonwealth of Virginia, but shall otherwise continue to be licensed and service their existing business during the period of time, not to exceed one year from the date hereof, required to wind-down orderly their operations in Virginia.

CASE NO. INS920236
SEPTEMBER 15, 1992

PETITION OF
LAWYERS TITLE INSURANCE CORPORATION

For an investigation of The Bank of Hampton Roads regarding possible violations of Va. Code § 38.2-513(A) and for an order permanently enjoining any such violation

FINAL ORDER

ON A FORMER DAY came Lawyers Title Insurance Corporation ("LTIC") and, pursuant to Virginia Code § 38.2-513(B), filed with the State Corporation Commission (the "Commission") a petition alleging that The Bank of Hampton Roads (the "Bank") was in violation of Virginia Code § 38.2-513(A) in that the Bank had required title insurance from its borrowers but either directly or indirectly refused to accept LTIC as the insurer for the borrower and/or unreasonably disapproved insurance policies which had been issued by LTIC and provided by prospective borrowers for the protection of the property securing the credit or lien and, further, requesting that the Commission investigate the Bank and enter an order permanently enjoining any such violation;

AND IT APPEARING that LTIC and the Bank have entered into a settlement, the terms of which are set forth in a letter and attachment thereto heretofore filed with the Clerk of the Commission;

AND THE COMMISSION, having considered the petition and the settlement entered into by LTIC and the Bank, is of the opinion that such settlement should be accepted and finds that the Bank violated Virginia Code § 38.2-513(A) as set forth in the first paragraph of this order.

THEREFORE, IT IS ORDERED:

(1) That the Bank cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-513(A);

(2) That, no later than thirty (30) after the entry of this order, the Bank shall comply fully with the terms of the settlement filed with the Clerk of the Commission and advise the Commission of the accomplishment thereof by affidavit of an authorized officer of the Bank; and

(3) That any monetary penalty the Commission is authorized by law to impose for the Bank's violation of Virginia Code § 38.2-513(A) is suspended, and shall be waived, upon timely compliance with ordering paragraph (2) hereof; and

(4) That the papers herein shall be placed in the file for ended causes upon the Clerk's timely receipt of the affidavit required in ordering paragraph (2) hereof.

CASE NO. INS920240
OCTOBER 5, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNIVERSAL LIFE INSURANCE COMPANY, et al.,
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 Virginia Code § 38.2-1805.A by accepting payment of premiums in arrears on policies of life insurance or accident and sickness insurance which had lapsed;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218, 38.2-219, 38.2-1040 and 38.2-1831 to impose certain monetary penalties, issue cease and desist orders and to suspend or revoke Defendants' licenses upon a finding by 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 fifteen thousand dollars ($15,000), 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 Defendants cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-1805.A; and

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

CASE NO. INS920241
DECEMBER 7, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte, In re: Determination of competition as an effective regulator of rates pursuant to Virginia Code § 38.2-1905.1.E.

FINAL ORDER

On September 15, 1992 and October 19, 1992, pursuant to an order entered herein July 20, 1992, the Commission conducted hearings on whether competition is an effective regulator of rates charged for certain lines and subclassifications of commercial liability insurance, which lines and subclassifications were designated and set forth in the Commission's 1991 Report to the General Assembly pursuant to Virginia Code § 38.2-1905.1(C); and

THE COMMISSION, having considered the record in this proceeding and the law applicable herein is of the opinion, finds and ORDERS:

(1) That competition is not an effective regulator of the rates charged for insurance agents professional liability insurance; lawyers professional liability insurance; medical professional liability insurance; real estate agents professional liability insurance; detective agencies and security guards liability insurance; volunteer fire departments and rescue squads liability insurance; and water treatment plants liability insurance; and that, pursuant to Virginia Code § 38.2-1912, for twenty-seven (27) months from the date of this order or until further order of the Commission, whichever is sooner, all insurance companies licensed to write the aforesaid lines and subclassifications of insurance and, to the extent permitted by law, all rate service organizations licensed pursuant to the provisions of Chapter 19 of Title 38.2 of the Code of Virginia shall file with the Commissioner of Insurance any and all changes in the rates, prospective loss costs and supplementary rate information for these lines and subclassifications of insurance, and, pursuant to Virginia Code § 38.2-1912(B) and (D), such supporting data and information as is deemed necessary by the Commissioner of Insurance for the proper functioning of the rate monitoring process at least sixty (60) days before they become effective; and

(2) That, while evidence was presented at the hearing concerning competition with respect to architects and engineers professional liability insurance and landfill liability insurance, pursuant to Virginia Code § 38.2-1903, and for good cause shown, these lines and subclassification of insurance be, and they are hereby, exempted from the rate-filing provisions of Chapter 19 of Title 38.2 of the Code of Virginia.

CASE NO. INS920245
NOVEMBER 9, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
CHIROPRACTIC CONSULTANTS, INC.,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, not certificated by the Commission to transact the business of a private review agent in the Commonwealth of Virginia, in a certain instance, violated Virginia Code § 38.2-5301 by conducting utilization review in the Commonwealth of Virginia without first obtaining a certificate from the Commission;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218 and 38.2-219 to impose certain monetary penalties and issue cease and desist orders upon a finding by 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 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 § 38.2-5301; and

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

CASE NO. INS920251
AUGUST 3, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
GROUP HOSPITALIZATION AND MEDICAL SERVICES, INC.,
Defendant

CONSENT ORDER

ON A FORMER DAY came Group Hospitalization and Medical Services, Inc. ("GHMSI"), a federally chartered corporation domiciled in the District of Columbia and licensed in Virginia as a health services plan pursuant to Chapter 42 of Title 38.2, and agreed to the entry of a Consent Order the terms of which are set forth in the ordering paragraphs below;

THEREFORE IT IS ORDERED:

(1) That GHMSI shall not, without prior written approval of the Commission,

(a) enter into any transaction with any affiliate,

(b) acquire or organize any affiliate,

(c) make any loan or advance to any affiliate, or

(d) make any extension of credit, guarantee, or provide collateral to any person which is not an affiliate where the proceeds of such transaction, in whole or substantial part, are to be used to make loans, advances, or extensions of credit to, to purchase the assets of, or to make investments in any affiliate of GHMSI; nor shall GHMSI make any equity investment in any non-affiliated person for such purpose;

(2) That GHMSI shall comply with all provisions of Chapter 42 of Title 38.2, in particular Article 2;

(3) That GHMSI shall not enter into any transaction with any officer or director or with any person in which an officer or director, either directly or indirectly, has an ownership, creditor or other beneficial interest, unless such transaction is within the usual and customary course of the officer's employment with GHMSI;

(4) That GHMSI shall within thirty (30) days of this order submit to the Commission for its review an investment plan for GHMSI's invested assets whereby GHMSI will provide for an appropriate matching of its assets and liabilities arising out of its business and for a reasonable insulation against appropriate interest-rate risk; such plan shall include specific provisions for timely implementation and confirmation of such implementation to the Commission; and

(5) That GHMSI shall submit within thirty (30) days of this order a detailed plan, satisfactory to the Commission, to effect the sale or otherwise liquidate its real estate holdings to the extent necessary to provide adequate liquidity to its portfolio of invested assets so as to ensure GHMSI's ability to fulfill its obligations to subscribers. The plan shall provide for timely implementation and for reports to the Commission on implementation at least monthly or more often if requested by the Commission.

CASE NO. INS920259
AUGUST 10, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
KEVIN M. URBINE,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-219 provides that the Commission shall have the authority to issue cease and desist orders for violations or attempted violations of the insurance title or any rule, regulation, or order issued by the Commission under the insurance title;

WHEREAS, Virginia Code § 38.2-1802 prohibits any person from soliciting, negotiating, procuring or effecting contracts of insurance in this Commonwealth on behalf of any insurer which is not licensed to transact the business of insurance in this Commonwealth;

WHEREAS, based on an investigation conducted by the Bureau of Insurance, it appears that Defendant solicited, negotiated, procured, or effected contracts of insurance in the Commonwealth of Virginia on behalf of an insurance company which was not licensed in this Commonwealth or approved as a surplus lines insurer;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter a cease and desist order subsequent to August 26, 1992, ordering Defendant to cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-1802 unless on or before August 26, 1992, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2218, Richmond, Virginia 23216, a responsive pleading to object to the entry of the aforesaid order and a request for a hearing.

CASE NO. INS920260
AUGUST 10, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ROBERT URBINE,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-219 provides that the Commission shall have the authority to issue cease and desist orders for violations or attempted violations of the insurance title or any rule, regulation, or order issued by the Commission under the insurance title;

WHEREAS, Virginia Code § 38.2-1802 prohibits any person from soliciting, negotiating, procuring or effecting contracts of insurance in this Commonwealth on behalf of any insurer which is not licensed to transact the business of insurance in this Commonwealth;

WHEREAS, based on an investigation conducted by the Bureau of Insurance, it appears that Defendant solicited, negotiated, procured, or effected contracts of insurance in the Commonwealth of Virginia on behalf of an insurance company which was not licensed in this Commonwealth or approved as a surplus lines insurer;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter a cease and desist order subsequent to August 26, 1992, ordering Defendant to cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-1802 unless on or before August 26, 1992, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2218, Richmond, Virginia 23216, a responsive pleading to object to the entry of the aforesaid order and a request for a hearing.

CASE NO. INS920261
AUGUST 10, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ATLANTIC AVIATION & MARINE, INC.,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-219 provides that the Commission shall have the authority to issue cease and desist orders for violations or attempted violations of the insurance title or any rule, regulation, or order issued by the Commission under the insurance title;

WHEREAS, Virginia Code § 38.2-1802 prohibits any person from soliciting, negotiating, procuring or effecting contracts of insurance in this Commonwealth on behalf of any insurer which is not licensed to transact the business of insurance in this Commonwealth;

WHEREAS, based on an investigation conducted by the Bureau of Insurance, it appears that Defendant solicited, negotiated, procured, or effected contracts of insurance in the Commonwealth of Virginia on behalf of an insurance company which was not licensed in this Commonwealth or approved as a surplus lines insurer;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter a cease and desist order subsequent to August 26, 1992, ordering Defendant to cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-1802 unless on or before August 26, 1992, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2218, Richmond, Virginia 23216, a responsive pleading to object to the entry of the aforesaid order and a request for a hearing.

CASE NO. INS920262
AUGUST 7, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PACIFIC STAR & MARINE ASSURANCE COMPANY, LTD.,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-219 provides that the Commission shall have the authority to issue cease and desist orders for violations or attempted violations of the insurance title or any rule, regulation, or order issued by the Commission under the insurance title;

WHEREAS, Virginia Code § 38.2-1024 provides that no insurer unless authorized pursuant to Chapter 48 of Title 38.2 shall transact the business of insurance in the Commonwealth of Virginia until it has obtained a license from the Commission; and

WHEREAS, based on an investigation conducted by the Bureau of Insurance, it appears that Defendant has transacted the business of insurance in the Commonwealth of Virginia without first obtaining a license from the Commission or without first being approved as a surplus lines insurer;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter a cease and desist order subsequent to August 26, 1992, ordering Defendant to cease and desist from transacting the business of insurance in the Commonwealth of Virginia unless on or before August 26, 1992, 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. INS920263
AUGUST 7, 1992

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

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-219 provides that the Commission shall have the authority to issue cease and desist orders for violations or attempted violations of the insurance title or any rule, regulation, or order issued by the Commission under the insurance title;

WHEREAS, Virginia Code § 38.2-1024 provides that no insurer unless authorized pursuant to Chapter 48 of Title 38.2 shall transact the business of insurance in the Commonwealth of Virginia until it has obtained a license from the Commission; and

WHEREAS, based on an investigation conducted by the Bureau of Insurance, it appears that Defendant has transacted the business of insurance in the Commonwealth of Virginia without first obtaining a license from the Commission or without first being approved as a surplus lines insurer;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter a cease and desist order subsequent to August 26, 1992, ordering Defendant to cease and desist from transacting the business of insurance in the Commonwealth of Virginia unless on or before August 26, 1992, 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. INS920264
AUGUST 7, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNIFIED ASSURANCE & CASUALTY COMPANY, INC.,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Virginia Code § 38.2-219 provides that the Commission shall have the authority to issue cease and desist orders for violations or attempted violations of the insurance title or any rule, regulation, or order issued by the Commission under the insurance title;

WHEREAS, Virginia Code § 38.2-1024 provides that no insurer unless authorized pursuant to Chapter 48 of Title 38.2 shall transact the business of insurance in the Commonwealth of Virginia until it has obtained a license from the Commission; and

WHEREAS, based on an investigation conducted by the Bureau of Insurance, it appears that Defendant has transacted the business of insurance in the Commonwealth of Virginia without first obtaining a license from the Commission or without first being approved as a surplus lines insurer;

THEREFORE, IT IS ORDERED that Defendant TAKE NOTICE that the Commission shall enter a cease and desist order subsequent to August 26, 1992, ordering Defendant to cease and desist from transacting the business of insurance in the Commonwealth of Virginia unless on or before August 26, 1992, 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. INS920264
SEPTEMBER 4, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
UNIFIED ASSURANCE & CASUALTY COMPANY, INC.,
Defendant

CEASE AND DESIST ORDER

WHEREAS, by order entered herein August 7, 1992, for the reasons stated therein, Defendant was ordered to TAKE NOTICE that the Commission would enter a cease and desist order subsequent to August 26, 1992, ordering Defendant to cease and desist from transacting the business of insurance in the Commonwealth of Virginia unless on or before August 26, 1992, 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;

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 that Defendant shall, from the date hereof, cease and desist from transacting the business of insurance in the Commonwealth of Virginia without first obtaining a license or approval from the Commission.

CASE NO. INS920265
AUGUST 11, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In the matter of determining whether to suspend the 1993 program year assessment to the Virginia Birth-Related Neurological Injury Compensation Fund by licensed non-participating physicians pursuant to Virginia Code § 38.2-5020.G

ORDER SUSPENDING ASSESSMENT

WHEREAS, pursuant to Virginia Code § 38.2-5021, the Bureau of Insurance ("Bureau") caused an actuarial evaluation to be made of the assets and liabilities of the Birth-Related Neurological Injury Compensation Fund ("Fund"), which evaluation covered the years 1988 through 1991 and projected estimates for years 1992 and 1993;

WHEREAS, based on the findings of the aforesaid actuarial evaluation, the Bureau of Insurance has recommended that, pursuant to Virginia Code § 38.2-5020.G, the $250 annual assessment to the Fund for program year 1993 by all licensed non-participating physicians in Virginia be suspended; and

THE COMMISSION, having considered the actuarial evaluation filed herein and the recommendation of the Bureau of Insurance, is of the opinion that the $250 annual assessment to the Fund for program year 1993 by all licensed non-participating physicians in Virginia should be suspended;

THEREFORE, IT IS ORDERED that the $250 annual assessment to the Fund for program year 1993 by all licensed non-participating physicians in Virginia should be, and it is hereby, SUSPENDED.

CASE NO. INS920293
SEPTEMBER 4, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
INTERCARGO 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 a certain instance, violated Virginia Code § 38.2-1905.2 and the order entered by the Commission in Case No. INS920003 by failing to file timely with the Bureau of Insurance the Supplemental Report for Certain Lines or Subclassifications of Liability Insurance;

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 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 § 38.2-1905.2; and

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

CASE NO. INS920309
SEPTEMBER 1, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
NEW YORK MARINE AND GENERAL 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 a certain instance, violated Virginia Code § 38.2-1905.2 and the order entered by the Commission in Case No. INS920003 by failing to file timely with the Bureau of Insurance the Supplemental Report for Certain Lines or Subclassifications of Liability Insurance;

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 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 § 38.2-1905.2; and

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

CASE NO. INS920359
SEPTEMBER 9, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
TERRY T. LAW,
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 by failing to account for and remit when due premiums collected on behalf of a certain insurer;

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 18, 1992 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 by failing to account for and remit when due premiums collected on behalf of a certain insurer;

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. INS920365
SEPTEMBER 10, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
STRATFORD HOUSE, INC.,
Defendant

SETTLEMENT ORDER

IT APPEARING from an investigation and subsequent allegations by the Bureau of Insurance that Defendant, duly registered with the Commission to transact the business of a continuing care provider in the Commonwealth of Virginia, in a certain instance, violated Virginia Code § 38.2-4904 by failing to file timely with the Bureau of Insurance an annual disclosure statement;

IT FURTHER APPEARING that the Commission is authorized by Virginia Code §§ 38.2-218 and 38.2-219 to impose certain monetary penalties and issue cease and desist orders upon a finding by 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) 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. INS920375
SEPTEMBER 16, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MATLACK SYSTEMS, INC.,
Defendant

CONSENT ORDER

BY LETTER filed with the Clerk of the Commission, Matlack Systems, Inc. ("Matlack"), a Delaware corporation located in Wilmington, Delaware, consented to the entry of an order in which Matlack agreed to amend its self-insured health care benefit plan (the "Plan") to satisfy the Commission's concerns that the Plan constitutes a multiple employer welfare arrangement under the Commission's Rules Governing Multiple Employer Welfare Arrangements; and

WHEREAS, Matlack has agreed (i) not to enroll any new employer groups; (ii) to terminate all health care and/or dental coverage effective June 1, 1992, for employees of any other employer other than Matlack; (iii) to continue to honor all covered claims which are incurred by employees of employers other than Matlack prior to June 1, 1992, but not reported until September 30, 1992; and (iv) to report to the Commission not later than October 30, 1992, that all health care and/or dental coverage for the foregoing employees of employers other than Matlack has been terminated and that all covered claims submitted prior to September 30, 1992, have been paid;

THEREFORE, IT IS ORDERED:

(1) That, as of the date hereof, Matlack shall not enroll any new employer groups in its health care benefit plan;

(2) That Matlack shall terminate all health care and/or dental coverage effective June 1, 1992 for employees of employers other than Matlack;

(3) That Matlack shall continue to honor all covered claims of employees of the entities identified in Ordering Paragraph 2 above which are incurred prior to June 1, 1992, but not reported until September 30, 1992; and

(4) That Matlack shall report to the Commission not later than October 30, 1992, that all health care and/or dental coverage for the entities identified in Ordering Paragraph 2 above has been terminated and that all covered claims submitted prior to September 30, 1992, have been paid.

CASE NO. INS920377
NOVEMBER 5, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

EX PARTE: In the matter of adopting Rules Governing Actuarial Opinions and Memoranda

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein September 16, 1992, the Commission ordered that a hearing be held in the Commission's Courtroom on November 3, 1992, for the purpose of considering the adoption of a regulation proposed by the Bureau of Insurance ("Bureau") entitled "Rules Governing Actuarial Opinions and Memoranda";

WHEREAS, the Commission conducted the aforesaid hearing where the Bureau appeared, by counsel, and recommended several technical corrections to the regulation and no interested party appeared to comment on the proposed regulation;

THE COMMISSION, having considered the record herein, the one comment filed by an interested party and the recommendation of the Bureau, is of the opinion that the regulation should be adopted, as amended;

THEREFORE, IT IS ORDERED that the regulation entitled "Rules Governing Actuarial Opinions and Memoranda" which is attached hereto and made a part hereof should be, and it is hereby, ADOPTED to be effective December 15, 1992.

NOTE: A copy of the Regulation entitled "Rules Governing Actuarial Opinions and Memoranda" 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. INS920378
SEPTEMBER 17, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
ACTION STAFFING, INC.,
Defendant

ORDER TO TAKE NOTICE

WHEREAS, Defendant is a multiple employer welfare arrangement domiciled in the state of Florida 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 welfare arrangement pursuant to the Commission's Rules Governing Multiple Employer Welfare Arrangements adopted in Case No. INS910244, nor is Defendant exempt 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 September 30, 1992, (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 welfare arrangement 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 September 30, 1992, 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 hearing.

CASE NO. INS920379
NOVEMBER 2, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
STONEWALL INSURANCE COMPANY
and
DIXIE INSURANCE COMPANY,
Defendants

SETTLEMENT ORDER

IT APPEARING from a market conduct examination conduced by the Bureau of Insurance that Defendants, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in a certain instance, violated certain provisions of the Code of Virginia, to wit: Stonewall Insurance Company violated Virginia Code §§ 38.2-305, 38.2-610, 38.2-1906.B, 38.2-2014, 38.2-2202, 38.2-2208, 38.2-2212, and 38.2-2220; and Dixie Insurance Company violated Virginia Code §§ 38.2-305, 38.2-1906.B, 38.2-2014, 38.2-2202, 38.2-2208, 38.2-2212, 38.2-2220, and Section 4.4 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 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, without admitting any violation of Virginia law and solely for the purpose of settlement, have tendered to the Commonwealth of Virginia the sum of fifteen thousand dollars ($15,000), have waived their right to a hearing and Defendant, Stonewall Insurance Company, 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 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, Stonewall Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code § 38.2-305, 38.2-610, 38.2-1906.B, 38.2-2014, 38.2-2212, or 38.2-2220; and

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

CASE NO. INS920384
SEPTEMBER 23, 1992

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

IMPAIRMENT ORDER

WHEREAS, American Financial Security Life Insurance Company, a foreign corporation domiciled in the State of Missouri 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, the June 30, 1992 Quarterly Statement of Defendant, filed with the Commission's Bureau of Insurance, indicates capital of $2,000,000, and surplus of $56,443;

IT IS ORDERED that, on or before November 20, 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. INS920385
OCTOBER 28, 1992

APPLICATION OF
VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

For approval of amended plan of operation pursuant to Virginia 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 Regulation entitled "Plan of Operation" 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. INS920387
OCTOBER 14, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
and
CITIZENS INSURANCE COMPANY OF AMERICA,
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 sections of the Code of Virginia, to wit: Hanover Insurance Company violated Virginia Code §§ 38.2-2208, 38.2-2113, 38.2-2212, 38.2-1906.B, 38.2-231, 38.2-2220, 38.2-2210, 38.2-2114, 38.2-508, 38.2-304, 38.2-305, 38.2-2014, 38.2-2206, 38.2-317, 38.2-2005, 38.2-510.A(6), 38.2-510.A(10), as well as, Sections 4.4 and 4.5 of the Commission's Rules Governing Insurance Premium Finance Companies, and Section 4 of the Commission's Rules Governing Unfair Claim Settlement Practices; Massachusetts Bay Insurance Company violated Virginia Code §§ 38.2-2208, 38.2-2113, 38.2-2212, 38.2-231, 38.2-1906.B, 38.2-2114, 38.2-317, 38.2-2220, 38.2-2210, 38.2-610, 38.2-304, 38.2-2014, 38.2-2206, 38.2-1908.B, 38.2-510.A(6), 38.2-510.A(10), as well as, Sections 4.4 and 4.5 of the Commission's Rules Governing Insurance Premium Finance Companies, and Section 4 of the Commission's Rules Governing Unfair Claim Settlement Practices; Citizens Insurance Company of America violated Virginia Code §§ 38.2-2208, 38.2-2113, 38.2-2212, 38.2-1906.B, 38.2-2220, 38.2-2114, 38.2-510.A(6), 38.2-510.A(10), as well as, Section 4 of the Commission's Rules Governing Unfair Claim Settlement 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 Defendants' licenses upon a finding by 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 ten thousand dollars ($10,000), 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, Hanover Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-2208, 38.2-2113, 38.2-2212, 38.2-1906.B, 38.2-231, 38.2-2220, 38.2-2210, 38.2-2114, 38.2-508, 38.2-304, 38.2-305, 38.2-2014, 38.2-2206, 38.2-317, 38.2-2005, 38.2-510.A(6), 38.2-510.A(10), as well as, Sections 4.4 and 4.5 of the Commission's Rules Governing Insurance Premium Finance Companies, and Section 4 of the Commission's Rules Governing Unfair Claim Settlement Practices;

(3) That Defendant, Massachusetts Bay Insurance Company, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-2208, 38.2-2113, 38.2-2212, 38.2-231, 38.2-1906.B, 38.2-2114, 38.2-317, 38.2-2220, 38.2-2210, 38.2-610, 38.2-304, 38.2-2014, 38.2-2206, 38.2-1908.B, 38.2-510.A(6), 38.2-510.A(10), as well as, Sections 4.4 and 4.5 of the Commission's Rules Governing Insurance Premium Finance Companies, and Section 4 of the Commission's Rules Governing Unfair Claim Settlement Practices;

(4) That Defendant, Citizens Insurance Company of America, cease and desist from any conduct which constitutes a violation of Virginia Code §§ 38.2-2208, 38.2-2113, 38.2-2212, 38.2-1906.B, 38.2-2220, 38.2-2114, 38.2-510.A(6), 38.2-510.A(10), as well as, Section 4 of the Commission's Rules Governing Unfair Claim Settlement Practices; and

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

CASE NO. INS920389
NOVEMBER 4, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
STEWART A. LANE,
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 as a life and health agent, in a certain instance, committed acts for which Defendant's license could be revoked pursuant to Virginia Code § 38.2-1831 by failing to disclose a prior felony conviction on Defendant's application for an insurance agent's license;

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 violation;

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 30, 1992, 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 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 committed acts for which Defendant's license to transact the business of insurance in the Commonwealth of Virginia should be revoked;

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. INS920396
OCTOBER 14, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
SOUTHERN TITLE INSURANCE CORPORATION,
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 §§ 38.2-1330.C and 38.2-4607 by failing to obtain prior approval from the Commission before paying an extraordinary dividend and by assuming risks in an amount in excess of fifty percent of the aggregate amount of its total capital and surplus and its reserves other than its loss or claim reserves;

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 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 §§ 38.2-1330.C or 38.2-4607; and

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

CASE NO. INS920405
NOVEMBER 19, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MONUMENTAL 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 §§ 38.2-1805.A by accepting payment of premiums in arrears on policies of life insurance or accident and sickness insurance which had lapsed;

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 § 38.2-1805.A; and

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

CASE NO. INS920406
OCTOBER 26, 1992

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

IMPAIRMENT ORDER

WHEREAS, The Insurance Company of Florida, a foreign corporation domiciled in the State of Florida 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, the June 30, 1992, Quarterly Statement of Defendant, filed with the Commission's Bureau of Insurance, indicates capital of $2,000,000, and surplus of $822,467;

IT IS ORDERED that, on or before December 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. INS920406
DECEMBER 22, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
THE INSURANCE COMPANY OF FLORIDA,
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 26, 1992, 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 15, 1992; 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 January 7, 1993, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before January 7, 1993, 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. INS920407
NOVEMBER 18, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
FIRST COLONY 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.B, 38.2-316.C, 38.2-502.1, 38.2-514, 38.2-606.6, 38.2-606.7.b(2), 38.2-606.8, 38.2-610.A, 38.2-610.B, 38.2-610.D, 38.2-1812.A, 38.2-1833.A.1, 38.2-1834.C, 38.2-3115.B and 38.2-3711.B, as well as, Sections V(2)(a), VI(2), VII(1), VII(2)(a)(i), VII(2)(a)(ii), and VII(2)(b) of the Commission's Rules Governing Life Insurance Replacements, Sections V(1)(d), V(2)(a), V(3)(b), V(4)(c), V(4)(m), V(5)(a), V(6)(a) and V(6)(c) of the Commission's Rules Governing Life Insurance and Annuity Marketing Practices, and Sections 9.B and 10(3) of the Commission's Rules Governing Credit Life Insurance and Credit Accident and Sickness Insurance;

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 twenty-eight thousand dollars ($28,000) 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. INS920408
NOVEMBER 18, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
FIRST VIRGINIA 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 §§ 38.2-502.1, 38.2-510.A.5, 48.2-511, 38.2-602.2.b, 38.2-1318.B, 38.2-3115.B, and 38.2-1812, as well as Section 4 of the Commission's Rules Governing Unfair Claim Settlement Practices, Sections V(1)(d) and V(1)(g) of the Commission's Rules Governing Life Insurance and Annuity Marketing Practices, and Section 10(5) of the Commission's Rules Governing Credit Life Insurance and Credit Accident and Sickness Insurance;

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 seven thousand dollars ($7,000) 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. INS920412
DECEMBER 8, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
NORTH AMERICAN LIFE AND CASUALTY 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 §§ 38.2-502.1, 38.2-510 and 38.2-3412.B, as well as, Sections 6.A(1), 6.B(1) and 13.A of the Commission's Rules Governing Advertisement of Accident and Sickness Insurance, and Section 7(a) of the Commission's Rules Governing Unfair Claim Settlement 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 seven thousand five hundred dollars ($7,500) 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. INS920413
NOVEMBER 2, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
PHILADELPHIA REINSURANCE CORPORATION,
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; 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. INS920416
NOVEMBER 4, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
MCA 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 October 23, 1992, the District Court for Oklahoma County, Oklahoma found Defendant to be insolvent and appointed the Insurance Commissioner of the State of Oklahoma to be the Receiver of the 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 November 16, 1992, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before November 16, 1992, 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. INS920416
NOVEMBER 18, 1992

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

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein on November 4, 1992, Defendant was ordered to take notice that the Commission would enter an order subsequent to November 16, 1992, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before November 16, 1992, 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 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. INS920417
NOVEMBER 4, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION
v.
OLD COLONY 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 May 21, 1992, the Superior Court of Fulton County, Georgia appointed the Commissioner of Insurance of the State of Georgia the Rehabilitator of Defendant after Defendant admitted the likelihood of insolvency at March 31, 1992, and after having consented to the relief contained in the aforesaid Court's order; 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 November 16, 1992, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before November 16, 1992, 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. INS920417
NOVEMBER 18, 1992

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

ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein on November 4, 1992, Defendant was ordered to take notice that the Commission would enter an order subsequent to November 16, 1992, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before November 16, 1992, 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 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. INS920417
DECEMBER 8, 1992

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

VACATING ORDER

GOOD CAUSE having been shown, the order entered herein November 18, 1992, is hereby vacated.

CASE NO. INS920417
DECEMBER 8, 1992

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

AMENDED ORDER SUSPENDING LICENSE

WHEREAS, for the reasons stated in an order entered herein on November 4, 1992, Defendant was ordered to take notice that the Commission would enter an order subsequent to November 16, 1992, suspending the license of Defendant to transact the business of insurance in the Commonwealth of Virginia unless on or before November 16, 1992, 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, by letter filed herein November 30, 1992, Defendant consented to a voluntary suspension of Defendant's 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; 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.

MOTOR CARRIER DIVISION - AUDITS

CASE NO. MCA910125
JANUARY 8, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COOPER MOTOR LINE, INC.
2841 Old Woodruff Road
Greer, South Carolina 29651,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on January 6, 1992, 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 $23,765.18 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 7, 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. MCA910131
FEBRUARY 4, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
B & P MOTOR LINES, INC.
US #74E at State 120
P.O. Box 727
Forest City, North Carolina 28043,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on February 3, 1992, 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 $43,850.27 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 5, 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. MCA910135
FEBRUARY 4, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
REGAL TRANSPORTATION, INC.
1617 Warren Avenue
P.O. Box 310
Niles, Ohio 44446-0310,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on February 3, 1992, 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 $7,711.05 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 5, 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. MCA920004
MARCH 12, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
DAVID BENEUX PRODUCE & TRUCKING, INC.
Highway 64 West
P.O. Drawer F
Mulberry, Arkansas 72947,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on March 9, 1992, 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 $8,247.09 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 April 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. MCA920005
JUNE 19, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
LATTAVO BROTHERS, INC.
2230 Shepler Church Avenue
P.O. Box 6270
Canton, Ohio 44706,
Defendant

FINAL SETTLEMENT JUDGMENT ORDER

The Defendant herein having indicated a desire not to contest the Rule to Show Cause heretofore directed against Lattavo Brothers, Inc., but rather to settle this case by payment of the additional taxes, in the amount of $12,492.61, and the Commission's Staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $12,492.61, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA920019
APRIL 7, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
SUNDANCE TRANSPORT INC.
107 Holgate Street
P.O. Box 511
Chinchilla, Pennsylvania 18410,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on April 6, 1992, 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 $8,979.75 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 May 6, 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. MCA920019
DECEMBER 22, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
SUNDANCE TRANSPORT, INC.
107 Holgate Street
P.O. Box 511
Chinchilla, Pennsylvania 18410,
Defendant

JUDGMENT OF COMPROMISE AND SETTLEMENT

IT APPEARING to the State Corporation Commission that by Final Judgment Order, dated April 7, 1992, the Defendant was ordered to surrender for cancellation on May 6, 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 judgment and penalty in the sum of eight thousand nine hundred seventy-nine dollars and seventy-five cents ($8,979.75); and

IT FURTHER APPEARING that the Commission's Motor Carrier Division has requested the Final Judgment Order be settled by payment of $6,877.95.

THE COMMISSION, upon consideration of said request, is of the opinion that the settlement offer of the Defendant should be accepted, and the judgment previously entered should be satisfied as authorized by § 12.1-15 of the Code of Virginia; accordingly,

IT IS ORDERED:

(1) That the Final Judgment Order issued in this case on April 7, 1992 be, and the same is hereby, satisfied by the payment of $6,877.95, said amount already having been received;

(2) That the Commission's Motor Carrier Division forthwith allow Sundance Transport, Inc. to register its vehicle in Virginia so as to allow it to recommence operating in and through the Commonwealth.

CASE NO. MCA920028
JULY 22, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
LONG HAUL EXPRESS, INC.
550 Secaucus Road
Secaucus, New Jersey 07094,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on July 20, 1992, 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 $38,475.67 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 August 21, 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. MCA920033
OCTOBER 23, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
JAMES E. MITCHELL
t/a MITCHELL'S TRUCKING
1003 Elm Street
P.O. Box 264
Bedford, Virginia 24523,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on October 19, 1992, 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 $8,394.70 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 November 20, 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. MCA920047
SEPTEMBER 16, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
BEAMON & LASSIER, INC.
6000 Robin Hood Road
Norfolk, Virginia 23518,
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 $9,060.35, and the Commission's Staff offering no objection thereto; accordingly,

IT IS ORDERED that the Defendant pay the sum of $9,060.35, which amount having been paid, the case is ordered removed from the docket.

CASE NO. MCA920050
NOVEMBER 25, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MIDLANTIC EXPRESS, INC.
How Lane
P.O. Box 2622
New Brunswick, New Jersey 08903,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on November 23, 1992, 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 $19,371.05 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 24, 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. MCA920051
OCTOBER 23, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
SPURGEON TRUCKING, INC.
2597 Charles Town Road
Martinsburg, West Virginia 25401,
Defendant

FINAL JUDGMENT ORDER

The Rule to Show Cause issued against the Defendant having come on for hearing on October 19, 1992, 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 $6,345.98 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 November 20, 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.

MOTOR CARRIER DIVISION - RATES AND TARIFFS

CASE NO. MCS910006
JANUARY 7, 1992

APPLICATION OF
LINWOOD A. MARTENS, t/a CHESAPEAKE BAY CRUISES

For a certificate of public convenience and necessity as a sight-seeing and special or charter party carrier by boat

OPINION AND FINAL ORDER

Morrison, Chairman

On November 16, 1990, Linwood A. Martens, t/a Chesapeake Bay Cruises, filed application for a certificate of public convenience and necessity as a sight-seeing and special or charter party carrier by boat, pursuant to Chapter 14.1 of Title 56, Code of Virginia. Following the administrative acceptance of an application amendment by the Commission's Motor Carrier Division, the application was regularly docketed and a hearing examiner appointed to conduct further proceedings.

The Browning Group, Inc., t/a Discovery, filed a protest in opposition to the application on March 13, 1991. After the date originally scheduled for an evidentiary hearing was continued, the hearing was conducted by the Hearing Examiner on May 22, 1991. The Browning Group, Inc., t/a Discovery, (Protestant) was the only party appearing in opposition to the granting of a certificate. Evidence of considerable length was presented on behalf of the Applicant and the Protestant, and a transcript thereof was prepared and filed on June 11, 1991.

The Report of the Hearing Examiner was filed on July 19, 1991. It recommended that the Commission enter an order granting the certificate sought with a limitation thereon restricting food and beverage service available on the Applicant's boat to that of a snack bar. At the request of counsel for the Protestant, the period allowed the parties to file comments to the Report was extended until August 20, 1991. At the end of that period, Counsel for the Protestant filed comments which urged that the evidentiary record did not support the granting of a certificate. Applicant's Counsel presented argument at the conclusion of the hearing, which is fully set forth in the transcript.

The Applicant proposes to operate the vessel, Rainbow, from the Marina Shores Marina on Great Neck Road in Virginia Beach. No issues are raised concerning Mr. Martens' capabilities to safely operate the vessel, or the safety, adequacy or comfort of the vessel itself. Eating facilities are to be limited to a small snack bar.

The sight-seeing route of the Rainbow would proceed from the area of the Lynnhaven River, out of its Inlet, to the first and second islands of the Chesapeake Bay Bridge Tunnel, then easterly to Cape Henry, then back to Lynnhaven Inlet to return to the point of origin. This cruise is estimated to take approximately one and one-half hours.

The General Manager of the Marina from which the Rainbow would operate testified in support of the application, stating that he was of the opinion that it would benefit the Marina, as well as the Virginia Beach tourist trade. A representative of the Virginia Beach Motel/Hotel Association testified that any additional service to tourists, such as the Applicant's sight-seeing boat, would be of positive benefit to the local economy, and that he was thus in support of the application. This witness, Jerry E. Ross, identified himself as representing the President of the Association who was unable to attend the hearing.

The Protestant is an existing holder of a sight-seeing and special or charter party boat certificate with a point of origin at 550 Laskin Road in Virginia Beach. This location is estimated to be five or six miles from the point of origin proposed by the Applicant.

The Protestant's boat, "Discovery" cruises from the Laskin Road location out of Long Neck Creek into Linkhorn Bay, through the length of Broad Bay, through Long Creek Cut into Long Creek, then into the Lynnhaven River, or Lynnhaven Inlet. The vessel returns to its point of origin along the route described without entering the open waters of Chesapeake Bay.

In contrast to the Applicant's proposed operation, the Discovery is equipped with food preparation facilities so that lunch and dinner cruises are emphasized. The Protestant holds wine, beer and mixed beverage licenses. However, a sight-seeing only option is offered at a reduced fare. The Protestant estimates that 50% of its revenues are generated by food and beverage sales.

The Protestant was granted its certificate of public convenience and necessity in 1989. Thereafter, the Discovery was constructed in Wisconsin at a cost of approximately $680,000. The boat is owned by the parents of the President of the Protestant corporation which leases the vessel. It commenced operating on August 1, 1989.

Unfortunately, the Protestant has experienced substantial financial losses from the operation of the Discovery for its short season of 1989, the full season of 1990, and for the limited operation of the vessel during 1991 until the time of the evidentiary hearing. There is no evidence tending to show that these operational deficits are caused by the quality of service, price structure, or promotional effort by the Protestant. To the contrary, Terry Browning, President of Browning Group, Inc., testified at length concerning the extensive advertising and promotional efforts to increase the market for its sight-seeing boat service.

Essentially, the position of the Protestant is that while it is optimistic that with the continuation of marketing efforts the Discovery will eventually turn a profit, the actual experience of the Protestant in its market area causes it to firmly believe that the introduction of a competing sight-seeing carrier would be ruinous to the economic future of its certificated operation.

It is the contention of the Applicant that its proposed operation will be so different from that of the Protestant as to constitute no competitive threat to the Protestant. The Applicant urges that the two operations are so dissimilar as to constitute a comparison of "apples and oranges." The distinguishing characteristics urged by the Applicant are that it will offer its sight-seeing attractions both without, as well as within, the Lynnhaven area, and that it will not be a lunch or dinner cruise boat, but will only offer snack bar type food service.

It was largely upon these distinguishing characteristics of the proposed operation that the Hearing Examiner made his recommendation.

During the pendency of this proceeding, on August 22, 1991, another application for the same type of certificate as this was filed, Application of Nancy Anne Charters, Inc., Case No. MCS910097. In that case, the proposed operation would be routed through Lynnhaven Inlet into Chesapeake Bay to visit practically the same points of interest as are described in the application before us. At a hearing in the Nancy Anne case before a hearing examiner on October 15, 1991, Terry L. Browning, President of the protestant corporation, testified in opposition to that application on the same grounds as in this case.

Hearing Examiner Glenn P. Richardson filed his Report in the Nancy Anne case on October 30, 1991. He recommends that the application be denied, reasoning that the Applicant failed to present sufficient evidence to demonstrate an existing public need for its proposed service.

It is remarkable that in the Nancy Anne case Linwood A. Martens, the Applicant in the case before us, signed a letter of endorsement of the Nancy Anne application stating that "Properly promoted, there are certainly enough people in this area in the summertime to make a number of boats profitable." Such letter was filed as an "Exhibit" attached to comments filed by Counsel following the rendition of Mr. Richardson's Report. It is, therefore, not a part of the evidentiary record in the case, and will be given no weight in our decision in this case. It is mentioned only to illustrate the situation which would exist if we were not inclined to give proper recognition to the purpose of Chapter 14.1 of Title 56 of the Code. We would otherwise have three holders of certificates attempting to operate three competing sight-seeing vessels out of essentially the same market area. The economic viability of all three would be at best doubtful, and the public interest would not thereby be well served.

We decline to adopt the Hearing Examiner's Report and decide that this application should be denied.

We find that the application is not justified by the public convenience and necessity, as defined by the three-pronged test of Atlantic Greyhound Lines v. Jones Bus Co., 216 Va. 255, 217 S.E.2d 857 (1975). The record in this case would certainly support a finding that the Applicant has the ability to provide economical, comfortable and convenient service. However, the record does not support a finding that there is an existing public need for the service; moreover, the actual experience of the Browning Group supports a conclusion that the existing public demand for the service in the geographic area of the proposed operation is hardly sufficient to support the service of an existing certificated carrier.

The same operational experience of the Protestant likewise leads to the conclusion that there would be an unacceptable degree of economic and competitive impact upon an existing carrier providing similar service if the proposed operation were permitted.

In reaching these conclusions we are not unmindful of the emphasis placed on a portion of § 56-457.3 of the Code by Counsel for the Applicant, and indeed the Hearing Examiner. Clearly the first clause of the first sentence of that Code section provides that the purpose of the Chapter "is to encourage sightseers to visit and view points of interest in Virginia by providing economical, comfortable and convenient transportation,. . ." The section further provides that this Commission is to consider "all facts bearing on that purpose, including existing means of transportation", and that this Commission "shall issue no more certificates than the public convenience and necessity require."

Two points of historical perspective are pertinent to the interpretation of § 56-457.3. First, when the Legislature enacted Chapter 14.1 of Title 56 during the 1968 General Assembly Session, this Code section was largely borrowed from § 56-338.54 of Chapter 12.4 of Title 56, which was enacted in 1960. The three-pronged test of Atlantic Greyhound Lines involved a certificate of public convenience and necessity to operate as a special or charter party bus carrier, but the Supreme Court was interpreting Code § 56-338.54. This is why this Commission has employed, and will continue to employ, the three-element test of Atlantic Greyhound to define "public convenience and necessity" whether dealing with boats or buses.

The second point of historical perspective influences our interpretation of the language "to encourage sightseers to visit and view points of interest in Virginia". At the time of the enactment of Chapter 14.1 in 1968, there were existing sight-seeing carriers by boat operating on the waters of the Commonwealth. The fact of their lawful existence prior to the enactment of Chapter 516, Acts of Assembly, 1968 is demonstrated by a case cited by Counsel for the Applicant, Peninsula Cruise, Inc. v. S.C.C., 218 Va. 613, 238 S.E.2d 838 (1977). Until 1968, any enterprising boat captain could freely enter the tour boat business without a Commission certificate, competing as he wished with others on the same waters. The quoted purpose language extolling the virtues of tourism would do nothing, in and of itself, to cause a potential sight-seeing boat carrier to invest the very substantial amounts of capital necessary to acquire and equip a suitable vessel for a successful operation and one which could comply with requirements of the U.S. Coast Guard. It is not reasonable to suppose that the Legislature intended that we should certificate any sight-seeing boat carrier upon a showing that it might have a positive effect on Virginia tourism. Such a construction would leave the sight-seeing boat industry in practically the same state as it existed before the enactment of the law.

Instead, we believe a correct interpretation of the legislatively intended results of § 56-457.3 is that persons would be encouraged to invest in such enterprises which would promote Virginia tourism if they could be assured of reasonable protection from competing carriers over the same or substantially the same routes through a certificate of public convenience and necessity.

Considering the sizable investment required in the sight-seeing boat business, our careful scrutiny to determine the presence of potentially ruinous competition from a competing applicant is required. Of course, this assumes that the certificated carrier is fulfilling its obligation to furnish economical, comfortable and convenient transportation.

In this case, the uncontroverted evidence is that the Protestant successfully applied for a certificate under Chapter 14.1, and in reliance thereon acquired a specially constructed vessel costing approximately $680,000 to build. It is uncontroverted that the operation of Protestant's vessel has resulted in operational losses despite diligent promotional efforts. There being no evidence of the Protestant's failure to furnish economical, comfortable and convenient service, it must be concluded that the existence of the public demand for the service has not reached a degree that will allow the operation to become profitable. This being the case, the opinions of the Applicant and his supporting witnesses concerning the public need for additional sight-seeing boat service in the area are assuredly outweighed by the Protestant's evidence.

In construing the Commission's authority in a special or charter party bus case, the Supreme Court has said that the Commission is authorized "to deny a charter party certificate only when it finds that a grant will create competitive pressure so intense that existing carriers will be unable to earn a reasonable profit" Abbott Bus Line v. Courtesy Bus Lines, 230 Va. 181, 188, 335 S.E.2d 818, 822 (1985). We must agree with the observation of Counsel for the Protestant that earning no profit whatsoever does not meet the standard of a "reasonable profit."

The question of whether the distinguishing features of the Applicant's proposed operation should enable it to nevertheless receive a certificate has been thoroughly considered. Our concern here is the fact that the Applicant's proposed route will offer boat passengers a cruise beyond the inland waters of Lynnhaven Bay and into the waters of the Chesapeake Bay, an area not served by the Discovery.

We find that the rather speculative evidence offered to demonstrate a public need or demand for the open water portion of the route fails to sustain the Applicant's burden of proof in the face of the Protestant's positive evidence of a lack of any need or demand for such service among its customers. In view of the Protestant's continued operating deficits we find Mr. Browning's testimony credible and persuasive on this point. He stated that if he detected any demand for such service he would offer it. If points of interest in the Chesapeake Bay were to be visited by Discovery, it would require little or no additional capital investment by the Protestant, and would involve the relatively simple procedure of seeking a certificate amendment. Under these circumstances, it is not reasonable to believe that a significant public need exists which would remain untapped by the Protestant.

We have considered the case of Peninsula Cruise, Inc. v. S.C.C., 218 Va. 613, 238 S.E.2d 838 (1977), cited by Counsel for the Applicant. We find the case quite distinguishable upon its facts, as well as the law. In that case, the parties at issue both maintained economically viable sight-seeing boat operations, and the case decision resulted from the operation of a grandfather clause, § 56-457.9 of the Code.

Accordingly, IT IS ORDERED:

(1) That the application be, and the same is hereby, denied.

CASE NO. MCS910006
JANUARY 27, 1992

APPLICATION OF
LINWOOD A. MARTENS, t/a CHESAPEAKE BAY CRUISES

For a certificate of public convenience and necessity as a special or charter party carrier by boat

ORDER DENYING REHEARING

It appearing to the State Corporation Commission that the Applicant has requested a rehearing of this matter and suspension of the January 7, 1992 Final Order entered in this case;

The Commission, after due consideration of the Applicant's Petition and the arguments contained therein, is of the opinion that no grounds for a rehearing exist; accordingly,

IT IS ORDERED:

(1) That the request of the Applicant be, and the same is hereby, denied.

CASE NO. MCS910057
JANUARY 2, 1992

APPLICATION OF
SUN-AD LIMITED, t/a ESCORT LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Sun-Ad Limited t/a Escort 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 Amending Order on November 27, 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 December 31, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of November 27, 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 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 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. MCS910062
JANUARY 17, 1992

APPLICATION OF
BUTLER LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Butler Limousine 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 Amending 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 or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910071
SEPTEMBER 10, 1992

APPLICATION OF
ADVENTURE LIMOUSINE SERVICE, LTD.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Adventure Limousine Service, Ltd. ("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 Amending Order on June 17, 1992, 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 4, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 17, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910083
JANUARY 17, 1992

APPLICATION OF
EXECUTIVE CAR SERVICE, INC.

For a certificate as an executive sedan carrier

CORRECTING ORDER

IT APPEARING to the State Corporation Commission that the final order issued in the above-captioned matter recited that the certificate of authority was to be as a limousine carrier when in fact the authority applied for was to be as an executive sedan carrier; accordingly,

IT IS ORDERED:

(1) That the Commission's Final Order heretofore entered in this matter be, and the same is hereby, amended to reflect that the authority granted is a certificate as an executive sedan carrier.

CASE NO. MCS910084
FEBRUARY 5, 1992

APPLICATION OF
CAPITAL LIMOUSINE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Capital Limousine, 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 December 23, 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 23, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 § 56-338.14; 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 Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910086
APRIL 10, 1992

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 December 23, 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 23, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910087
JANUARY 17, 1992

APPLICATION OF
ADMIRAL LIMOUSINE TRANSPORTATION SERVICE, INC.

For a certificate as an executive sedan carrier

CORRECTING ORDER

IT APPEARING to the State Corporation Commission that the final order issued in the above-captioned matter recited that the certificate of authority was to be as a limousine carrier when in fact the authority applied for was to be an executive sedan carrier; accordingly,

IT IS ORDERED:

(1) That the Commission's Final Order heretofore entered in this matter be, and the same is hereby, amended to reflect that the authority granted is a certificate as an executive sedan carrier.

CASE NO. MCS910088
APRIL 5, 1992

APPLICATION OF
STEVAN MARISH, JR.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Stevan Marish, 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 December 23, 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 23, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910094
MARCH 6, 1992

APPLICATION OF
HAROLD I. MASON, t/a J & L TOURS

For a certificate of public convenience and necessity as a common carrier of passengers over irregular routes

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on December 18, 1991 on this Application.

On the appointed day, the Applicant came for hearing before Senior Hearing Examiner, Russell W. Cunningham. William T. Stone, Esquire appeared as counsel for the Applicant. Graham G. Ludwig, Jr. appeared as counsel for the Commission. Hamill D. Jones, Jr., Esquire appeared as counsel for the Protestants. No interveners appeared or participated at the hearing. The Hearing Examiner's Report was filed on January 16, 1992. Comments to the Report were timely filed by the Protestants.

The Hearing Examiner found that the Applicant failed to demonstrate that the Application was justified by the public convenience and necessity and as such recommended that the Application be denied.

UPON CONSIDERATION of the Application, the Hearing Examiner's Report and the comments filed thereto, the Commission is of the opinion and finds that the Applicant has failed to meet his burden of proof by failing to present sufficient evidence demonstrating existing public need for his service, that the Application is thereby not justified by the public convenience and necessity; accordingly

IT IS ORDERED:

(1) That the findings of the Hearing Examiner's Report are adopted;

(2) That the Application of Harold I. Mason be, and the same is hereby, denied.

CASE NO. MCS910095
JANUARY 17, 1992

APPLICATION OF
JULIUS WILLIAM GARRETT, JR.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Julius William Garrett, 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 Amending Order on December 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 January 16, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 11, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910097
JANUARY 7, 1992

APPLICATION OF
NANCY ANNE CHARTERS, INC.

For a certificate of public convenience and necessity as a sight-seeing and special or charter party carrier by boat

FINAL ORDER

Pursuant to an Order of the Commission, a hearing was conducted before Glenn P. Richardson, Hearing Examiner, on this application for a certificate of public convenience and necessity as a sight-seeing and special or charter party carrier by boat.

The Applicant was represented by Counsel. No formal protests were filed. Terry L. Browning, President of The Browning Group, Inc. appeared without counsel and testified in opposition to the application as an intervener in the proceeding. The Hearing Examiner's Report was filed on October 30, 1991. Comments to the Report were timely filed on behalf of the Applicant.

Finding that the Applicant failed to demonstrate that its application is justified by the public convenience and necessity, the Hearing Examiner recommended that the Commission enter an order denying the application.

UPON CONSIDERATION of the application, the Hearing Examiner's Report and the comments filed thereto, the Commission is of the opinion and finds that the Applicant has failed to meet its burden of proof by failing to present sufficient evidence demonstrating existing public need for its service, that the application is thereby not justified by the public convenience and necessity and should not be granted; accordingly,

IT IS ORDERED:

(1) That the Report of the Hearing Examiner be, and the same is hereby, adopted;

(2) That the application be, and the same hereby is, DENIED.

CASE NO. MCS910099
APRIL 20, 1992

APPLICATION OF
RESTON LIMOUSINE & TRAVEL SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Reston Limousine & Travel 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 Amending Order on February 24, 1992, 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 April 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of February 24, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910113
MAY 29, 1992

APPLICATION OF
HOOSHANG OMIDPANAH

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Hooshang Omidpanah ("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 Amending Order on January 29, 1992, 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 20, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of January 29, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910118
JANUARY 17, 1992

APPLICATION OF
DELMONICO LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Delmonico Limousine 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 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 14, 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 or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910119
FEBRUARY 5, 1992

APPLICATION OF
WILLIAM BUSH

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that William Bush ("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 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 14, 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 or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910121
MARCH 3, 1992

APPLICATION OF
KIDNER TRANSPORT, INC.

For a certificate of public convenience and necessity as a household goods carrier

FINAL ORDER

On September 11, 1991, Kidner Transport, Inc. filed an application for a certificate of public convenience and necessity as a household goods carrier pursuant to § 56-338.1, et seq. of the Code of Virginia. The Commission ordered a public hearing on the Application to be held before a hearing examiner on November 14, 1991.

On that day the hearing was held before Hearing Examiner Glenn P. Richardson. Brooks Savage, Esquire, appeared as counsel for the Applicant; Graham G. Ludwig, Jr., Esquire, appeared as counsel for the Commission; and Charles W. Hundley, Esquire, appeared as counsel for the Protestants. No interveners appeared or participated. The Hearing Examiner's Report was filed on January 10, 1992. Comments to the Report were timely filed.

Finding that the record did not demonstrate that the Applicant is fit, willing and able to provide intrastate household goods service, the Hearing Examiner recommended that the Application be denied by the Commission. This conclusion was based on what the Hearing Examiner characterized as "a series of persistent and flagrant violations of the criminal, traffic, and motor carrier laws by Mr. Kidner."

Although the Hearing Examiner expressly declined to address the evidence relating to an existing public need for the Applicant's proposed service, he observed that the Household Goods Carrier Act (Chapter 12.1 of Title 56 of the Code) contains no protective provisions for existing household goods carriers.

The Hearing Examiner's Report includes an accurate summary of the hearing record. Additionally, criminal history and driving records of John Kidner, President and sole Director of the Applicant, were received in camera. The same John Kidner also has a record of two motor carrier violations of record with this Commission, the last such violation occurring in June, 1991.

After consideration of the entire record, the Commission has determined that the recommended denial of the Application should not be adopted, and that the Application should be granted.

For this discussion, we shall assume, without deciding, that the criminal history, driving and motor carrier records of John Kidner may be properly considered to the prejudice of the corporate Applicant. When thus considered, with the exception of the motor carrier violations, we do not find a proximate connection between the nature of the offenses for which he was convicted and the issue of his fitness to fulfill the obligations of a certificated household goods carrier. The connection in this case is more remote when the fact that most of his difficulties with the law appear to have occurred a number of years ago. With the exception of the motor carrier violations, no offense seems to have occurred during the course of his work in the household goods carrier business.

The facially serious criminal conviction in 1990 arises by reason of Mr. Kidner having in his possession a box of "M-80 firecrackers" while in interstate travel on a pleasure boat. The penalty for this crime did not include any incarceration. A denial of the certificate on the basis of this most recent criminal violation would mean that this Commission would likely be imposing a more serious consequence than did the sentencing court. Further, we are unable to see any relevance of this offense to the issue of the Applicant's fitness to hold a certificate where the conduct underlying the crime seems to be that of a Fourth of July celebrant, rather than the actions of a terrorist.

The motor carrier violations by the corporate Applicant itself are clearly relevant to the issue of the Applicant's fitness, and are certainly more disturbing to the Commission. The 1990 violation of the Commission's Lease Rule 5 is a relatively minor offense. The 1991 violation involving a household goods move of over 30 miles, is a prohibited act without a certificate of the type for which this Application is made. The charge itself gave rise to the Applicant filing for a certificate in order to bring its operations into compliance.

In recommending denial of this Application, the Hearing Examiner suggested that such result should not be deemed a permanent bar to the granting of a certificate at some future date if Mr. Kidner demonstrated that "he is completely rehabilitated and that he is able to comply with all federal and state laws, as well as the rules and regulations of the Commission. . . ." This observation demonstrates the close question involved in the case.

Considering the time which has passed since the June, 1991 motor carrier violation, we believe the better course is to grant the Applicant the certificate sought, thus bringing it fully under regulation as a certificated household goods carrier. We strongly admonish the Applicant to fully comply with all obligations devolving upon it as a certificate holder, including the filing of tariffs.

Our disposition of this case will more nearly satisfy at least some of the concerns voiced by the Protestants, which are to the effect that the competition to them of the Applicant's operation is unfair unless it is subject to the same rules and regulations with which the Protestants must comply.

Although the Hearing Examiner's Report did not decide the issue of an existing public need for the Applicant's proposed service, it correctly recognized that the household goods carrier is not granted the same statutory protection from competition as is found in other chapters of Title 56 of the Code. Chapter 12.1 has been held to deserve a liberal construction which does not prevent reasonable competition, Park Brothers Moving Corporation, Et Al. v. S & M Systems Corporation, 216 Va. 322, 218 S.E. 2d 441 (1975).

During the course of the hearing, at the conclusion of the Applicant's evidence, counsel for the Protestants moved to strike that evidence on the ground that the Applicant had failed to sustain its burden to show a public need for the Applicant's proposed service. The Hearing Examiner denied such motion, stating that sufficient evidence had been produced at that stage of the proceeding to show sufficient public need. We find that ruling to have been correct. After considering the entire record, we also find that there is sufficient evidence therein to find that the proposed operation of the Applicant is justified by public convenience and necessity.

Accordingly, IT IS ORDERED that a certificate of public convenience and necessity as a household goods carrier to and from all points in Virginia be, and the same hereby is, granted.

CASE NO. MCS910130
JANUARY 17, 1992

APPLICATION OF
NASSER R. ABU-RISH

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Nasser R. Abu-Rish ("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 1, 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 18, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of October 1, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910131
NOVEMBER 17, 1992

APPLICATION OF
GEORGE T. HARRIS, IV AND RONALD L. SMITH, JR., t/a AROUND TOWN LIMOUSINE SERVICE,
Transferor
and
AROUND TOWN LIMOUSINE SERVICE, INC.,
Transferee

To transfer certificate as a limousine carrier No. LM-48

FINAL ORDER

IT APPEARING to the State Corporation Commission ("Commission") that George T. Harris, IV and Ronald L. Smith, Jr., Transferors, and Around Town Limousine Service, Inc., Transferee, ("Applicants") filed an Application with the Commission requesting Certificate No. LM-48 as a limousine carrier be transferred pursuant to Title 56 Chapter 12.8 of the Code of Virginia (1950); that the Commission entered an Amending Order on August 27, 1992, 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 12, 1992; that the Applicants have complied with all requirements of the public notice as set forth in the Commission's Order of August 27, 1992; that no request for hearing was made for comment timely failed;

NOW THE COMMISSION, upon consideration of the Application, the exhibits thereto, and the report of the Staff, is of the opinion and finds:

(1) That the Transferee is fit, willing and able to provide the proposed service; and

(2) That Certificate No. LM-48 as a limousine carrier should be transferred to the Transferee pursuant to § 56-338.114; accordingly,

IT IS ORDERED:

(1) That the transfer of Certificate No. LM-48 be, and the same is hereby, granted;

(2) That the certificate described in paragraph (1) above be issued to the Transferee upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS910133
MARCH 24, 1992

APPLICATION OF
EXPRESS CARWASH OF CHARLOTTESVILLE, L.P.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Express Carwash of Charlottesville, L.P. ("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 Amending Order on January 29, 1992, 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 20, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of January 29, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910135
MAY 1, 1992

APPLICATION OF
MAGDY OUDA

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Magdy Ouda ("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 Amending Order on February 27, 1992, 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 April 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of February 27, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910145
JANUARY 15, 1992

APPLICATION OF
CHARLES M. RICKS, JR., t/a CLASSIC LIMOUSINE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Charles M. Ricks, Jr. t/a Classic Limousine ("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 November 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 December 23, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of November 14, 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 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 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. MCS910147
FEBRUARY 7, 1992

APPLICATION OF
VIRGINIA COACH LINE, INC.

For a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a hearing examiner on January 23, 1992 to receive evidence on this Application for a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle. Applicant seeks authority which would allow the Applicant to transport passengers along the following routes:

Between the City of Richmond to the intersection of Route 1 and Parham Road via I-95.

Between Brook Road and Parham Road via Villa Park Drive.

Between the intersection of U.S. 637 (Atlee Station Road) and Route 301 via Route 301 to Richmond city limits.

Between Route 301 and Parham Road via Parham Road and Parham-Chippenham connector to the intersection of 150 (Chippenham) and Powhite Parkway.

ON THE APPOINTED DAY, the Application came on for hearing before Hearing Examiner Glenn P. Richardson. Calvin F. Major 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 and capable to render adequate and reliable service as a common carrier of passengers 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 Virginia Coach Line, Inc. is granted a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle, authorizing it to transport passengers over the routes shown above.

CASE NO. MCS910148
FEBRUARY 5, 1992

APPLICATION OF
BOUTROS H. CHAMOUN

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Boutros H. Chamoun ("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 December 23, 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 23, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910149
SEPTEMBER 22, 1992

APPLICATION OF
FAIRFAX TOWN CAR SERVICE, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Fairfax Town Car 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 December 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 January 14, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 11, 1991; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 authorizing them to transport passengers by executive sedan 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. MCS910150
JANUARY 17, 1992

APPLICATION OF
CARDINAL LIMOUSINE & TOUR SERVICES, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Cardinal Limousine & Tour Services, 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 November 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 December 23, 1991; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of November 14, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910151
APRIL 2, 1992

APPLICATION OF
R. NEILL JEFFERSON, t/a BLUE RIDGE LIMOUSINE & TOUR SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that R. Neill Jefferson t/a Blue Ridge Limousine & Tour 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 Amending Order on January 13, 1992, 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 4, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of January 13, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910156
JANUARY 27, 1992

APPLICATION OF
SAMUEL T. ATKINSON, Transferor
and
ATKINSON TANK LINES, INC., Transferee

To transfer certificate of public convenience and necessity as a petroleum tank truck carrier No. K-116

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a Hearing Examiner on January 16, 1992 to receive evidence on this Application for the transfer of certificate of public convenience and necessity as a petroleum tank truck carrier which authorizes the holder thereof to transport petroleum products as described in said certificate.

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 interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found:

(1) That the Transferee is fit, willing and able to provide the services required under the transfer of certificate No. K-116;

(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-116 be, and the same is hereby, granted.

CASE NO. MCS910161
APRIL 1, 1992

APPLICATION OF
CHRISTOPHER D. BAKER

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Christopher D. Baker ("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 Amending Order on February 11, 1992, 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 26, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of February 11, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910162
JUNE 15, 1992

APPLICATION OF
THEODORE HENRY BROWN

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Theodore Henry Brown ("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 December 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 20, 1991; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910163
OCTOBER 5, 1992

APPLICATION OF
BAKER FUNERAL HOME, INC., t/a MANASSAS LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Baker Funeral Home, Inc. t/a Manassas 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 Amending Order on June 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910170
APRIL 13, 1992

APPLICATION OF
SPECIAL TOUCH LIMOUSINE SERVICES, INC., Transferor
and
RICHMOND COACH SERVICE, INC., Transferee

To transfer certificate as a limousine carrier No. LM-22

FINAL ORDER

IT APPEARING to the State Corporation Commission that Special Touch Limousine Services, Inc., Transferor and Richmond Coach Service, Inc., Transferee ("Applicants") have filed an Application with the Commission requesting a certificate as a limousine carrier No. LM-22 be transferred; that the Commission entered an Amending Order on February 3, 1992, 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, object or request for hearing on or before March 16, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of February 3, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, the exhibits thereto, and the report of the Staff, is of the opinion and finds:

(1) That the Transferee is fit, willing and able to provide the proposed service; and

(2) That certificate as a limousine carrier No. LM-22 should be transferred pursuant to § 56-338.118; accordingly,

IT IS ORDERED:

(1) That certificate as a limousine carrier No. LM-22 be and the same is hereby, transferred to the Transferee;

(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. MCS910171
APRIL 9, 1992

APPLICATION OF
PROFESSIONAL LIMO SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Professional Limo 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 Amending Order on February 4, 1992, 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 23, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of February 4, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910173
APRIL 7, 1992

APPLICATION OF
A-1 LIMOUSINE SERVICE, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that A-1 Limousine 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 December 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 24, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910174
APRIL 13, 1992

APPLICATION OF
VICAR LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Vicar Limousine 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 December 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 24, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910175
FEBRUARY 24, 1992

APPLICATION OF
BLACK AND WHITE CARS, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Black and White Cars, 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 December 23, 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 23, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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 the Rules and Regulations of this Commission.

CASE NO. MCS910176
FEBRUARY 24, 1992

APPLICATION OF
CHECKER CAB COMPANY, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Checker Cab Company, 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 December 23, 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 23, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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 the Rules and Regulations of this Commission.

CASE NO. MCS910177
APRIL 16, 1992

APPLICATION OF
NORVIEW CARS, INCORPORATED

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Norview Cars, Incorporated ("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 December 23, 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 January 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 23, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910179
MARCH 31, 1992

APPLICATION OF
EXECUTIVE E.T. TRANSPORTATION, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Executive E.T. Transportation, 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 December 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 February 10, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of December 30, 1991; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910180
APRIL 7, 1992

APPLICATION OF
MICHAEL L. BOYKIN, t/a A SIMPLE LIMO

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Michael L. Boykin t/a A Simple Limo ("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 January 31, 1992, 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 16, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of January 31, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS910181
MARCH 2, 1992

APPLICATION OF
HUSS, INCORPORATED

For a certificate of public convenience and necessity as a common carrier of property by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on February 20, 1992, to receive evidence on this Application for a certificate of public convenience and necessity as a common carrier of property over the following route: between Plasterco and Chilhowie, Virginia via Saltville, Virginia over State Routes 91 and 107. Carrier is to operate "Closed Doors" between Plasterco and Saltville.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Howard P. Anderson, Jr. 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 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 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;

(2) That a certificate of public convenience and necessity as a common carrier of property by motor vehicle, as described above, be, and the same is hereby, granted.

CASE NO. MCS910182
MARCH 19, 1992

APPLICATION OF
MELVIN K. FOX, d/b/a URBAN TRANSPORTATION OF VIRGINIA

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 on February 19, 1992, 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 James City and York as well as the City of Williamsburg, Virginia. Transportation will be restricted to disabled persons and clients of the Department of Social Services within the geographic area.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glen P. Richardson. 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) There is existing public need for the proposed service of the Applicant;

(2) The Applicant is fit, willing and able to provide the service requested; 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 for the Applicant that he would recommend that the Commission enter an order granting the Application. Counsel then waive this 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 certificate of public convenience and necessity as a common carrier of passengers by motor vehicle over irregular routes in the geographic area of the counties of James City and York, as well as the City of Williamsburg, Virginia, restricted to transportation of disabled persons and clients of the Department of Social Services within the geographic area be, and the same is hereby, granted.

CASE NO. MCS920002
AUGUST 31, 1992

APPLICATION OF
GROUND TRANSPORTATION SPECIALISTS, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Ground Transportation Specialists, 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 Amending Order on June 18, 1992, 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 6, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 18, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920003
AUGUST 11, 1992

APPLICATION OF
CHESAPEAKE & NORTHERN TRANSPORTATION CORPORATION,
Transferor
and
GOLD STAR TOURS, INC.,
Transferee

To transfer certificate of public convenience and necessity as a special or charter party carrier by motor vehicle, No. B-215

FINAL ORDER

Chesapeake & Northern Transportation Corporation (Chesapeake & Northern) and Gold Star Tours, Inc. (Gold Star Tours) jointly filed an application with the Commission to transfer Chesapeake & Northern's certificate of public convenience and necessity as a special or charter party carrier by motor vehicle (No. B-215) to Gold Star Tours. A public hearing was held before Hearing Examiner Howard P. Anderson, Jr. on March 19, 1992. Graham G. Ludwig, Jr., Esquire served as counsel to the Commission and Michael E. Inman, Esquire served as counsel for the Applicants. Calvin F. Major, Esquire served as counsel for Protestants Cavalier Transportation Co., Inc., Tourtime American, Ltd., and Gallop Bus Lines, Inc. (Protestants). At the hearing, counsel for the Applicants requested that the Commission either grant the Application with no restrictions on the transferred certificate, or deny the Application.

In his Report dated April 21, 1992, the Hearing Examiner concluded that Gold Star Tours may not hold both a broker's license and a special or charter party certificate in the same business entity, without restricting the certificate so that the holder would not be allowed to use its broker's license to solicit individual customers for the purpose of using its own special or charter party equipment. The Applicants filed comments to the Hearing Examiner's Report.

Gold Star Tours currently holds a broker's license that allows it to solicit and arrange, for compensation, transportation of individuals or groups by motor carrier. The Application currently before the Commission would transfer from Chesapeake & Northern to Gold Star Tours a certificate giving Gold Star Tours the additional authority to operate as a special or charter party carrier.

Until September 1, 1991, Mr. James Riffe owned the two separate corporations, Chesapeake & Northern (the special or charter party business) and Gold Star Tours (the broker business), and operated both out of the same office. On September 1, 1991, Mr. Riffe sold Gold Star Tours to Mr. Hjalmer Lappalainen, who operates both Gold Star Tours and Chesapeake & Northern. Mr. Lappalainen intends for Gold Star Tours to purchase Chesapeake & Northern's special or charter party certificate and to lease certain equipment from Chesapeake & Northern. The record indicates that Mr. Lappalainen proposes to have the same corporate entity control both certificates, and, therefore both businesses.

Virginia Code § 56-338.50(d) defines "special or charter party" as a group movement of passengers transported under a single contract made with one person for an agreed charge, and for which transportation no individual or separate fares are solicited, charged, collected or received by the carrier (emphasis added). A "broker" is one who, as a principal or agent, offers for sale or provides, furnishes, contracts or arranges for transportation with motor carriers. Section 56-338.50(d) prohibits a special or charter party carrier from also acting as a broker to solicit individual customers for the purpose of using its own special or charter party equipment by specifically forbidding solicitation, charging, collecting or receiving any individual or separate fares.

The Commission finds that it is unable to grant the Application for the transfer of the certificate without placing restrictions on that certificate, in order to avoid violation of Virginia Code § 56-338.50(d). Based on the request by the Applicant that the Commission either approve the Application without any restrictions or deny it, the Commission must deny the Application.

UPON CONSIDERATION of the Application, the Hearing Examiner's Report, the transcript and the comments, the Commission is of the opinion and finds that the Application must be denied; accordingly,

IT IS ORDERED:

(1) That the transfer of the certificate of public convenience and necessity as a special or charter party carrier by motor vehicle No. B-215 from Chesapeake & Northern Transportation Corporation to Gold Star Tours, Inc. is denied; and

(2) That this case is dismissed from the Commission's docket of active cases.

CASE NO. MCS920005
MARCH 31, 1992

APPLICATION OF
ROBERT LEE PRICE

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Robert Lee Price ("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 January 24, 1992, 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 12, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of January 24, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920006
MARCH 31, 1992

APPLICATION OF
WHEELING LIMOUSINE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Wheeling Limousine, 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 January 24, 1992, 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 12, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of January 24, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920007
APRIL 20, 1992

APPLICATION OF
NEW RIVER CRUISE 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 March 24, 1992, 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 Senior Hearing Examiner Russell W. Cunningham. Randolph D. Eley, Jr., Esquire, appeared as counsel for the 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;

(2) That New River Cruise 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 Exhibit 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. MCS920008
MARCH 31, 1992

APPLICATION OF
GARY A. BAKER, d/b/a LANDMARK LIMOUSINE

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Gary A. Baker d/b/a Landmark Limousine ("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 January 24, 1992, 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 12, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of January 24, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920009
APRIL 16, 1992

APPLICATION OF
RANDALL BEARD GRESHAM, t/a GRESHAM'S TOURS & TRAVEL

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 March 25, 1992, to receive evidence on this application for Randall Beard Gresham t/a Gresham's Tours & Travel for a license to broker the transportation of passengers by motor vehicle to all points in Virginia from all points in Virginia;

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. Hamill D. Jones, Jr., Esquire appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No protestants appeared or participated at the hearing, but one intervener was heard.

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, as did the intervener, 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. MCS920011
MARCH 31, 1992

APPLICATION OF
JST ENTERPRISES, INC., t/a THOMAS TRANSPORTATION SERVICES

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that JST Enterprises, Inc. t/a Thomas Transportation Services ("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 January 31, 1992, 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 16, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of January 31, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920012
MARCH 31, 1992

APPLICATION OF
EXECUTIVE LIMOUSINE SERVICE, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Executive Limousine 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 January 31, 1992, 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 16, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of January 31, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920015
SEPTEMBER 3, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MARSHALL ANTHONY METTS, d/b/a METTS SPORTS TOURS
9314 Warwick Boulevard
Newport News, Virginia 23601,
Defendant

FINAL JUDGMENT ORDER

This Rule to Show Cause issued against the Defendant having come on for hearing on September 1, 1992, 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 authority to broker the transportation of passengers by motor vehicle, as granted in an order entered on January 4, 1990, in Case No. MCS890061, be, and the same is hereby revoked.

CASE NO. MCS920019
DECEMBER 14, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
YORKTOWN VICTORY CRUISES, INC.

For a certificate as a sight-seeing and special or charter party carrier by boat

DISMISSAL ORDER

IT APPEARING to the State Corporation Commission that by Final Order, dated September 21, 1991, Yorktown Victory Cruises, Inc. was granted authority by the Commission as a sight-seeing and special or charter party carrier by boat in Case No. MCS900076; 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 Yorktown Victory Cruises, Inc. has not complied with the provisions of law for operating in Virginia and that Yorktown Victory Cruises, Inc. has requested no certificate to be issued; 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 Yorktown Victory Cruises, Inc. be, and the same is hereby, dismissed and no certificate be issued.

CASE NO. MCS920020
DECEMBER 14, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
CONTEMPORARY TRAVEL LTD.

For a license to broker the transportation of passengers by motor vehicle

DISMISSAL ORDER

IT APPEARING to the State Corporation Commission that by Final Order, dated October 15, 1990, Contemporary Travel Ltd. was granted authority by the Commission as a broker of transportation of passengers by motor vehicle in Case No. MCS900034; and

IT FURTHER APPEARING that the license 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 Contemporary Travel Ltd. has not complied with the provisions of law for the issuance of its license to broker transportation and further that its corporate status has been terminated; 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 Contemporary Travel Ltd., MCS920020, be, and the same is hereby, dismissed and no certificate be issued.

CASE NO. MCS920022
APRIL 20, 1992

APPLICATION OF
JEROME FALKENSTEIN

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Jerome Falkenstein ("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 March 3, 1992, 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 April 14, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 3, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920024
MAY 18, 1992

APPLICATION OF
FRANCIS T. BROWN, t/a CARTIER LIMOUSINE & AIRPORT TRANSPORTATION

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Francis T. Brown t/a Cartier Limousine & Airport Transportation ("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 March 3, 1992, 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 April 14, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 3, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920025
MAY 29, 1992

APPLICATION OF
ROBERT E. MOORE, t/a BAY POINT ASSOCIATES

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Robert E. Moore t/a Bay Point Associates ("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 March 3, 1992, 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 April 14, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 3, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920026
JULY 2, 1992

APPLICATION OF
RAPPAHANNOCK MOTOR LINES, INC.

For a certificate of public convenience and necessity as a common carrier of property by motor vehicle

FINAL ORDER

On March 30, 1992, a hearing was held before Hearing Examiner Howard P. Anderson, Jr. to consider this Application for certificate of public convenience and necessity as a common carrier of property by motor vehicles. George H. Heilig, Jr., Esquire and Debra L. Mosley, Esquire appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. Calvin F. Major, Esquire, appeared as counsel for the Protestant, Wilson Trucking Corp. ("Wilson"). No intervenors appeared at the hearing. Posthearing briefs were filed by the Applicant and Wilson. The Hearing Examiner filed his Report on May 6, 1992.

The Report concluded that the Applicant had not met its required burden of proof and recommended that the Commission deny the Application. Neither Applicant nor Wilson filed comments to the Hearing Examiner's Report.

The Commission has considered the statutory requirements for issuing a certificate of public convenience and necessity as a common carrier of property by motor vehicle, including Virginia Code §§ 56-281 and 56-282 and the record before the Commission.

UPON CONSIDERATION of the Application, the briefs, the Hearing Examiner's Report, and the transcript, the Commission is of the opinion and finds that the Applicant did not meet its burden of proof as required by statute, and accordingly, the Application is denied;

IT IS ORDERED:

(1) That the Application of Rappahannock Motor Lines, Inc., be denied; and

(2) That this matter be dismissed from the docket of the Commission's pending proceedings.

CASE NO. MCS920027
JUNE 16, 1992

APPLICATION OF
CHARLES W. CUMBOW, JR., t/a ROADRUNNER CHAUFFEUR 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 on April 16, 1992, 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 as shown on Exhibit A attached hereto and subject to the following restrictions:

(1) No vehicles with a passenger carrying capacity of more than 6 persons are to be used in the operations granted hereunder;

(2) Service shall be restricted to the transportation of Medicaid and Medicare patients, clients of the Department of Social Services of the state of Virginia, railroad personnel, the elderly, (55 and over), and the handicapped; and

(3) No passenger service shall originate in the following political subdivisions: cities of Bedford, Harrisonburg, Lynchburg and Winchester; the counties of Amherst, Bedford, Clarke, Fluvanna, Frederick, Goochland, Henrico, Nelson, Page, Rockingham, Shenandoah and Warren.

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner, Russell W. Cunningham. The Applicant appeared pro se. Graham G. Ludwig, Esquire, appeared as counsel to the Commission. Calvin F. Major and Hamill D. Jones appeared 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) There is existing public need for the proposed service of the Applicant;

(2) The Applicant is fit, willing and able to provide the service requested; 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 the Applicant that he would recommend that the Commission enter an order granting the Application. The Hearing Examiner's Report was forwarded to the Applicant and counsel of record and no comments were received.

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 Examiners' Report be, and the same are hereby, adopted; and

(2) That a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle over irregular routes in the geographic areas shown on Appendix A attached hereto and subject to the three restrictions as shown above be, and the same is hereby, granted.

NOTE: A copy of Appendix A identifying geographic areas to be served 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. MCS920028
APRIL 28, 1992

APPLICATION OF
CHARLES W. CUMBOW, JR., t/a ROADRUNNER CHAUFFEUR SERVICE

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Charles W. Cumbow, Jr. t/a Roadrunner Chauffeur 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 March 3, 1992, 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 April 14, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 3, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920029
MAY 13, 1992

APPLICATION OF
JAMES E. HUSEBY, t/a CORPORATE SEDAN SERVICE

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that James E. Huseby t/a Corporate Sedan 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 March 3, 1992, 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 April 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 3, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920031
APRIL 27, 1992

APPLICATION OF
AMERICAN DREAM LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that American Dream Limousine 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 March 9, 1992, 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 April 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 9, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920032
APRIL 27, 1992

APPLICATION OF
KELLEY A. CARLISLE, t/a BLUE CHIP LIMOUSINE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Kelley A. Carlisle t/a Blue Chip Limousine ("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 March 9, 1992, 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 April 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 9, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920033
APRIL 27, 1992

APPLICATION OF
DAVID W. CLEWIS, d/b/a CERRO GORDO LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that David W. Clewis, d/b/a Cerro Gordo 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 March 6, 1992, 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 April 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 6, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920034
JUNE 12, 1992

APPLICATION OF
ROCCO J. DELEONARDIS

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Rocco J. Deleonardis ("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 March 16, 1992, 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 April 20, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 16, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920035
MAY 26, 1992

APPLICATION OF
MICHAEL H. WALTA, t/a LUXURY LIMOUSINE SERVICE

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Michael H. Walta t/a Luxury 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 March 16, 1992, 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 April 20, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 16, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920036
JULY 2, 1992

APPLICATION OF
TIDEWATER TOURING, INC.

For a certificate of public convenience and necessity as a sight-seeing carrier by motor vehicle

FINAL ORDER

On April 29, 1992, a public hearing was held before a Hearing Examiner to receive evidence on this Application for a certificate of public convenience and necessity as a sight-seeing carrier by motor vehicle. Applicant seeks authority to provide service as shown on Appendix A attached hereto.

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, Jr., Esquire, appeared as counsel for Protestants, V.I.P. & Celebrity Limousines, Inc. and Celebrity Limousines, Inc. No intervenors participated.

At the conclusion of the hearing, the Hearing Examiner announced his findings from the bench and advised that he would recommend that the Commission enter an order granting the Application. The transcript of the hearing and the Hearing Examiner's Report were filed on May 20, 1992. The fifteen (15) day comment period has passed and no comments were filed.

The Hearing Examiner made the following findings:

(1) The Applicant is fit, willing and able to render adequate and reliable service as a sight-seeing carrier by motor vehicle; and

(2) The public convenience and necessity requires the issuance of the certificate requested.

UPON CONSIDERATION of the Application, the Hearing Examiner's Report, and the transcript, the Commission is of the opinion and finds that the public convenience and necessity requires that the Application be granted; accordingly,

IT IS ORDERED:

(1) That the Hearing Examiner's findings are adopted;

(2) That Tidewater Touring, Inc. is granted a certificate of public convenience and necessity as a sight-seeing carrier by motor vehicle as shown on Appendix A attached hereto.

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. MCS920037
JULY 2, 1992

APPLICATION OF
TIDEWATER TOURING, INC.

For a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle

FINAL ORDER

On April 29, 1992, a public hearing was held before a Hearing Examiner to receive evidence on this Application for a "B" 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 Cities of Norfolk, Virginia Beach, Chesapeake, Suffolk, Portsmouth, Poquoson, and Richmond, as well as the Counties of Isle of Wight, Surry, York, James City, Charles City, and Henrico, to all points within the Commonwealth of Virginia. At the hearing, the Applicant requested that the Application be amended: 1) to restrict authority to vehicles with a passenger carrying capacity not to exceed 34 persons; and 2) to state that the certificate shall not be sold or leased.

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. Hamill D. Jones, Jr., Esquire appeared as counsel to the Protestants, V.I.P. & Celebrity Limousines, Inc. and Celebrity Limousines, Inc. No intervenors participated in the proceeding.

At the conclusion of the hearing, the Examiner announced his findings from the bench and advised that he would recommend that the Commission enter an order granting the Application as amended by the Applicant. The transcript of the hearing and the Hearing Examiner's Report were filed on May 20, 1992.

The Hearing Examiner made the following findings:

(1) That the Applicant is fit, willing and able to render adequate and reliable service as a special or charter party carrier by motor vehicle; and

(2) That the public convenience and necessity requires issuance of the certificate, as amended by the Applicant.

The Protestants filed comments to the Hearing Examiner's Report.

UPON CONSIDERATION of the Application, the Hearing Examiner's Report, the transcript and the comments, the Commission is of the opinion and finds that the public convenience and necessity requires that the Application be granted; accordingly,

IT IS ORDERED:

(1) That the Hearing Examiner's findings are adopted;

(2) That Tidewater Touring, Inc. is granted a "B" certificate of public convenience and necessity as a special or charter party carrier by motor vehicle authorizing it to transport passengers from points of origin located in the Cities of Norfolk, Virginia Beach, Chesapeake, Suffolk, Portsmouth, Poquoson, and Richmond, as well as the Counties of Isle or Wight, Surry, York, James City, Charles City, and Henrico to all points within the Commonwealth of Virginia, subject to the Applicant's amendments restricting the operations under the certificate to vehicles with a passenger carrying capacity not to exceed 34 persons and prohibiting the sale or lease of the certificate.

CASE NO. MCS920038
MAY 29, 1992

APPLICATION OF
CORPORATE CAR SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Corporate 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 Amending Order on April 20, 1992, 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, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 20, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920039
APRIL 27, 1992

APPLICATION OF
STEVEN CAM ARBOGAST

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Steven Cam Arbogast ("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 March 16, 1992, 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 April 20, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 16, 1992; that no request for hearing was made or comment timely filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920040
AUGUST 24, 1992

APPLICATION OF
GEORGE S. LIPSCOMB, JR.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that George S. Lipscomb, Jr. ("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 Amending Order on June 18, 1992, 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 6, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 18, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920043
JUNE 18, 1992

APPLICATION OF
JAMES H. BEVERLY, V, t/a BEVERLY HILLS LIMO: 90210

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that James H. Beverly, V t/a Beverly Hills Limo: 90210 ("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 March 16, 1992, 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 April 20, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 16, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920044
JUNE 4, 1992

APPLICATION OF
NATIONAL TOUR SERVICES, LTD., t/a RED CARPET LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that National Tour Services, Ltd. t/a Red Carpet 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 March 16, 1992, 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 April 20, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of March 16, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920046
AUGUST 24, 1992

APPLICATION OF
KHALID BAKRIM

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Khalid Bakrim ("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 June 4, 1992, 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 22, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 4, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920048
JULY 30, 1992

APPLICATION OF
NEENA G. WINN

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Neena G. Winn ("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 4, 1992, 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 22, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 4, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920050
JUNE 16, 1992

APPLICATION OF
AMER R. JAHANGIRI, t/a WASHINGTON AIRPORT SERVICES

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Amer R. Jahangiri t/a Washington Airport Services ("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 April 3, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 3, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the application, 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 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. MCS920051
MAY 26, 1992

APPLICATION OF
LISA KATHLEEN DOUCETTE, t/a 'LIMOUSINES BY RENDEZVOUS'

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Lisa Kathleen Doucette t/a 'Limousines by Rendezvous' ("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 April 2, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 2, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920052
JULY 17, 1992

APPLICATION OF
MADISON LIMOUSINE SERVICE INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Madison Limousine 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 April 2, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 2, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920055
JULY 13, 1992

APPLICATION OF
BETTY NEWTON ELLIOTT, t/a GET AWAY TOURS

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 June 30, 1992, to receive evidence on this application for Betty Newton Elliott t/a Get Away Tours 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 Halifax, Mecklenberg, Brunswick, Lunenburg, Nottoway, Charlotte and Pittsylvania as well as the Cities of South Boston and Danville.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Howard P. Anderson. The Applicant appeared pro se. 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 as described above is hereby granted.

CASE NO. MCS920058
JUNE 4, 1992

APPLICATION OF
JAMES SUTTON

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that James Sutton ("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 April 3, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 3, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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 Applicant upon satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

CASE NO. MCS920059
AUGUST 24, 1992

APPLICATION OF
ELITE LIMOUSINE SERVICE, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Elite 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 Amending Order on June 15, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 15, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920060
MAY 26, 1992

APPLICATION OF
IRA C., INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that IRA C., 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 April 7, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 7, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920061
JUNE 18, 1992

APPLICATION OF
P&B LIMOUSINES, INCORPORATED

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that P&B Limousines, Incorporated ("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 April 23, 1992, 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 June 10, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 23, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920066
JUNE 18, 1992

APPLICATION OF
PHILLIP T. POWELL

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Phillip T. Powell ("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 April 23, 1992, 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 June 10, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 23, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920067
JUNE 18, 1992

APPLICATION OF
ELVIN M. HUDNALL

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Elvin M. Hudnall ("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 April 23, 1992, 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 June 10, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 23, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920068
JUNE 18, 1992

APPLICATION OF
L P R, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that L P R, 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 April 23, 1992, 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 June 10, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of April 23, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920069
JUNE 24, 1992

APPLICATION OF
JEAN B. AND J. DAVID STEELMAN

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Jean B. and J. David Steelman ("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 Initial Order on May 18, 1992, 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 June 19, 1992; that the Applicants have complied with all requirements of public notice as set forth in the Commission's Order of May 18, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920070
JULY 13, 1992

APPLICATION OF
STERLING EVENT PLANNERS OF WILLIAMSBURG, 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 June 29, 1992, to receive evidence on this application of Sterling Event Planners of Williamsburg, 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 Counties of Henrico, Charles City, James City, York, Arlington (Washington National Airport) Loudoun (Dulles International Airport) and the Cities of Richmond, Williamsburg, Hampton, Norfolk, Virginia Beach and Newport News.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. Hamill D. Jones, 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 as described above is hereby granted.

CASE NO. MCS920071
JUNE 26, 1992

APPLICATION OF
ATKINSON TANK LINES, INC.,
Transferor
and
PURYEAR TRUCKING INC. OF VIRGINIA,
Transferee

To transfer a portion of certificate of public convenience and necessity as a petroleum tank truck carrier No. K-137

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a Hearing Examiner on June 22, 1992 to receive evidence on this Application for the transfer of a portion of certificate of public convenience and necessity as a petroleum tank truck carrier No. K-137 which authorizes the holder thereof to transport petroleum products to all points in Virginia from points of origin in Chesapeake, Norfolk and Newport News, Virginia. The products to be transported are limited to liquid asphalt only.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. 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 interveners appeared or participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found:

(1) That the Transferee is fit, willing and able to provide the services required under the transfer of that portion of certificate No. K-137 as described above;

(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 that portion of certificate of public convenience and necessity as a petroleum tank truck carrier No. K-137, as described above, be, and the same is hereby, granted.

CASE NO. MCS920072
JULY 16, 1992

APPLICATION OF
FIRST LIMOUSINE SERVICE OF VIRGINIA INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that First Limousine Service of Virginia 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 May 15, 1992, 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 June 18, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of May 15, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920073
SEPTEMBER 10, 1992

APPLICATION OF
FIRST LIMOUSINE SERVICE OF VIRGINIA, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that First Limousine Service of Virginia, 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 May 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of May 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920074
JULY 7, 1992

APPLICATION OF
CROSSROADS MOVING & STORAGE, INC.

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 on June 24, 1992, to consider this Application for a certificate of public convenience and necessity as a household goods carrier by motor vehicle between all points in Virginia.

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Kenworth E. Lion, Jr., Esquire appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No protests were filed and no intervenors appeared at the hearing.

After hearing the evidence presented, the Hearing Examiner found:

(1) That the Applicant is fit, willing and able to provide adequate and proper household goods service;

(2) That the Applicant can and will comply with all provisions of law and the rules and regulations of the Commission; and

(3) That the Application and proposed operation are justified by the public convenience and necessity.

WHEREFORE, the Hearing Examiner recommended that the Commission enter an order adopting his findings and awarding the Applicant a certificate of public convenience and necessity as a households goods carrier by motor vehicle.

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.

NOW, THE COMMISSION, upon consideration of the record and the Hearing Examiner's Report, is of the opinion and finds that the Application is justified by the public convenience and necessity and should be approved; accordingly,

IT IS ORDERED:

(1) That the findings and recommendations set forth in the Hearing Examiner's Report, as summarized above, are hereby adopted in their entirety;

(2) That a certificate of public convenience and necessity as a household goods carrier by motor vehicle be, and the same is hereby, issued to Crossroads Moving & Storage, Inc. authorizing it to transport household goods by motor vehicle between all points in Virginia;

(3) That the certificate described above be issued upon satisfaction of all requirements for operation as set by law and the rules and regulations of this Commission.

CASE NO. MCS920076
JULY 16, 1992

APPLICATION OF
JETT ENTERPRISES, 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 July 8, 1992, to receive evidence on this Application of Jett Enterprises, Inc. for a license to broker the transportation of passengers by motor vehicle from and to all points in Virginia;

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn P. Richardson. Katherine M. Waters, 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. MCS920077
SEPTEMBER 10, 1992

APPLICATION OF
ALBERTO REINALDO, t/a AFTER HOURS LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Alberto Reinaldo t/a After Hours 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 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of May 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920078
JULY 27, 1992

APPLICATION OF
THREE G ENTERPRISES, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Three G Enterprises, 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 May 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of May 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920080
NOVEMBER 20, 1992

APPLICATION OF
PROTOCOL LIMOUSINE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Protocol Limousine, 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 Amending Order on August 24, 1992, 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 7, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of August 24, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920081
AUGUST 28, 1992

APPLICATION OF
TODD MARINE ENTERPRISES, INC.

For a certificate of public convenience and necessity as a sight-seeing 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 July 30, 1992, to receive evidence on this Application for a certificate of public convenience and necessity as a sight-seeing and special or charter party carrier by boat. Applicant was seeking authority to provide service as shown in the Application.

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Michael J. Gardner, Esquire, appeared as counsel for Applicant. Graham G. Ludwig, Jr., Esquire, appeared as counsel to the Commission. Thomas W. Moss Jr., Esquire, appeared as counsel for the Protestant. Interveners were present and participated.

During the hearing the Applicant and the Protestant agreed to restrict the Application as follows:

(1) The carrier (Todd Marine Enterprises, Inc.) will operate no closer to the oceanfront of Virginia Beach than one (1) mile except when entering and leaving Rudee Inlet; and

(2) Todd Marine will not advertise its operation as a "sight-seeing" ride.

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 as amended. The fifteen day (15) comment period has passed and comments of interveners and interest parties were filed.

The Hearing Examiner made the following findings:

(1) The Applicant is fit, willing and able to render adequate and reliable service as a sight-seeing and special or charter party carrier by boat; and

(2) The Application is warranted by the public convenience and necessity.

UPON CONSIDERATION of the Application and the Hearing Examiner's Report, the transcript, and all comments filed by interested parties, 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 Todd Marine Enterprises, Inc. is granted a certificate of public convenience and necessity as a sightseeing and special or charter party carrier by boat as shown on Appendix A attached hereto.

NOTE: A copy of the 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. MCS920083
AUGUST 24, 1992

APPLICATION OF
COMMONWEALTH OIL COMPANY, INCORPORATED,
Transferor
and
FOSTER FUELS, INC.,
Transferee

To transfer of certificate of public convenience and necessity as a petroleum tank truck carrier No. K-7

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a Hearing Examiner on July 27, 1992 to receive evidence on this Application for the transfer of certificate of public convenience and necessity as a petroleum tank truck carrier which authorizes the holder thereof to transport petroleum products as described in said certificate.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Howard P. Anderson. R. J. Lackey, 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:

(1) That the Transferee is fit, willing and able to provide the services required under the transfer of certificate No. K-7;

(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-7, be, and the same is hereby, granted.

CASE NO. MCS920086
JULY 16, 1992

APPLICATION OF
BUFFINGTON, BUFFINGTON, BUFFINGTON, POWELL & BUFFINGTON, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Buffington, Buffington, Buffington, Powell & Buffington, 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 May 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of May 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920087
JULY 16, 1992

APPLICATION OF
BUFFINGTON, BUFFINGTON, BUFFINGTON, POWELL & BUFFINGTON, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Buffington, Buffington, Buffington, Powell & Buffington, 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 May 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of May 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920089
AUGUST 26, 1992

APPLICATION OF
ZULKERNAIN M. BHATTI

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Zulkernain M. Bhatti ("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 May 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of May 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920090
AUGUST 26, 1992

APPLICATION OF
CONTINENTAL SEDAN, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Continental Sedan, 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 May 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of May 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920091
OCTOBER 15, 1992

APPLICATION OF
LIMO SCENE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Limo Scene, 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 Amending Order on August 24, 1992, 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 12, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of August 24, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920096
JULY 28, 1992

APPLICATION OF
GOLDEN TOUCH LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Golden Touch Limousine 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 June 5, 1992, 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 23, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 5, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920098
JULY 29, 1992

APPLICATION OF
THE CITY OF HOPEWELL

For a certificate of public convenience and necessity as a sight-seeing 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 July 28, 1992, to receive evidence on this Application for a certificate of public convenience and necessity as a sight-seeing and special or charter party carrier by boat. Applicant requested authority as set forth in Exhibit A attached hereto;

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Russell W. Cunningham. Ted Wilmot, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No Protestants or interveners participated in the proceeding.

At the conclusion of the hearing, the Examiner announced his findings from the bench and advised counsel that he would recommend that the Commission enter an order granting the Application, and counsel for the Applicant waived the fifteen (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 sight-seeing 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;

UPON CONSIDERATION of the Application and the Hearing Examiner's findings, 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 The City of Hopewell is granted a certificate of public convenience and necessity as a sight-seeing and special or charter party carrier by boat authorizing it to transport passengers as a sight-seeing and special or charter party carrier by boat as shown on Exhibit A attached hereto upon the satisfaction of all requirements for operation set by law and the Rules and Regulations of this Commission.

NOTE: A copy of Exhibit 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. MCS920102
SEPTEMBER 28, 1992

APPLICATION OF
AUSTIN LIMOUSINE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Austin Limousine, 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 15, 1992, 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 3, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 15, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920103
AUGUST 18, 1992

APPLICATION OF
TIDEWATER TOURING, 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 July 16, 1992, 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 Williamsburg to all points within the Commonwealth of Virginia.

ON THE APPOINTED DAY, the hearing was held before Senior Hearing Examiner Russell W. Cunningham. Calvin Major appeared as counsel for the Applicant. Graham G. Ludwig, Jr., Esquire appeared as counsel to the Commission. No Protestants or intervenor(s) participated in the proceeding.

At the conclusion of the hearing, the Examiner announced his findings from the bench and advised counsel that he would recommend that the Commission enter an order granting the Application.

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;

Counsel for the Applicant waived the customary comment period.

UPON CONSIDERATION of the Application, the Hearing Examiner's Report and the transcript, 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 Tidewater Touring, 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 Williamsburg to all points within the Commonwealth of Virginia.

CASE NO. MCS920105
DECEMBER 17, 1992

APPLICATION OF
ROADWAY PACKAGE SYSTEM, INC.

For a certificate of public convenience and necessity as a restricted parcel carrier by motor vehicle

FINAL ORDER

The Application of Roadway Package System, Inc. for a certificate of public convenience and necessity as a restricted parcel carrier by motor vehicle between all points in the Commonwealth was heard before a Hearing Examiner on September 2, 3 and November 30, 1992. The Honorable Howard P. Anderson, Jr. presided. Calvin F. Major, Esquire and James D. Davis, Esquire appeared as counsel for the Applicant. Graham G. Ludwig, Jr. appeared as counsel for the Commission. G. Ronald Grubbs, Jr. appeared as counsel for the Protestant Clemons Courier Service, Inc. The protest of Clemons Courier Service, Inc. was withdrawn prior to the hearing on November 30, 1992. No interveners appeared at or participated in any of the hearings.

After considering the evidence presented in the case, the Hearing Examiner found:

(1) That the Applicant is fit, willing and able to provide the proposed service; and

(2) That the public convenience and necessity will be served by the granting of the Application.

At the conclusion of the hearing on this Application, the Hearing Examiner announced the above findings from the bench and further advised that he would recommend that the Commission enter and Order granting the Application. Counsel to the Applicant then waived their 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 Applicant is fit and capable of rendering the proposed service; that the Applicant can and will comply with all provisions of law and the rules and regulations of this Commission; and that the Application and proposed operation are justified by the public convenience and necessity; accordingly,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity as a restricted parcel carrier by motor vehicle be, and the same is hereby, granted Roadway Package System, Inc. authorizing it to transport restricted parcels by motor vehicle between all points in the Commonwealth; and

(2) That the certificate described in paragraph (1) above be issued to the Applicant upon satisfaction of all requirements for operation as set by law and the regulations of this Commission.

CASE NO. MCS920106
AUGUST 31, 1992

APPLICATION OF
BRENDA B. LINDSEY

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Brenda B. Lindsey ("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 June 18, 1992, 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 5, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 18, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920108
OCTOBER 16, 1992

APPLICATION OF
FREDERICK L. HUNTER

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 September 28, 1992, to receive evidence on this Application for Frederick L. Hunter for a license to broker the transportation of passengers 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. 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. MCS920109
AUGUST 26, 1992

APPLICATION OF
BLUE RIDGE LIMO, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Blue Ridge Limo, 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 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920111
AUGUST 24, 1992

APPLICATION OF
CAREY LIMOUSINE D.C., INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Carey Limousine D.C., 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 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920112
AUGUST 24, 1992

APPLICATION OF
CAREY LIMOUSINE D.C., INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Carey Limousine D.C., 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 June 26, 1992, 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 13, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of June 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920113
OCTOBER 28, 1992

APPLICATION OF
MOHAMED OUSRI

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Mohamed Ousri ("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 Amending Order on August 31, 1992, 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 19, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of August 31, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920115
SEPTEMBER 10, 1992

APPLICATION OF
DMV LIMOUSINE, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that DMV Limousine, 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 July 10, 1992, 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 10, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of July 10, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920116
SEPTEMBER 10, 1992

APPLICATION OF
GRANT'S WORLD CLASS LIMOUSINE SERVICE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Grant's World Class Limousine 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 July 10, 1992, 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 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of July 10, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920117
NOVEMBER 5, 1992

APPLICATION OF
R. K. TISINGER TRUCKING, INC.

For a certificate of public convenience and necessity as a petroleum tank truck carrier

FINAL ORDER

Pursuant to an Order of the Commission, a hearing was conducted before Glenn P. Richardson, Hearing Examiner, on this Application for a certificate of public convenience and necessity as a petroleum tank truck carrier.

The Applicant was represented by Counsel. Protests were filed and no interveners participated. The Hearing Examiner's Report was filed on September 18, 1992. No comments to the Report were filed on behalf of the Applicant or the Protestants.

Finding that the Applicant failed to demonstrate that its Application is justified by the public convenience and necessity, the Hearing Examiner recommended that the Commission enter an order denying the Application.

UPON CONSIDERATION of the Application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the Applicant has failed to meet its burden of proof by failing to present sufficient evidence demonstrating existing public need for its service, that the Application is thereby not justified by the public convenience and necessity and should not be granted; accordingly,

IT IS ORDERED:

(1) That the Report of the Hearing Examiner be, and the same is hereby, adopted;

(2) That the Application be, and the same hereby is, DENIED.

CASE NO. MCS920118
NOVEMBER 18, 1992

APPLICATION OF
MOYER AND SONS, INC.

For a certificate of public convenience and necessity as a household goods carrier

FINAL ORDER

Pursuant to an Order of the Commission, a hearing was conducted before Glenn P. Richardson, Hearing Examiner, on this Application for a certificate of public convenience and necessity as a household goods carrier.

The Applicant was represented by Counsel. Protests were filed and no interveners participated. The Hearing Examiner's Report was filed on October 30, 1992. No comments to the Report were filed on behalf of the Applicant or the Protestants.

Finding that the Applicant failed to demonstrate that its Application is justified by the public convenience and necessity, the Hearing Examiner recommended that the Commission enter an order denying the Application.

UPON CONSIDERATION of the Application and the Hearing Examiner's Report, the Commission is of the opinion and finds that the Applicant has failed to meet its burden of proof by failing to present sufficient evidence demonstrating existing public need for its service, that the Application is thereby not justified by the public convenience and necessity and should not be granted; accordingly,

IT IS ORDERED:

(1) That the Report of the Hearing Examiner be, and the same is hereby, adopted;

(2) That the Application be, and the same hereby is, DENIED.

CASE NO. MCS920119
SEPTEMBER 25, 1992

APPLICATION OF
MARTIN THOMAS MCLAUGHLIN, INC.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Martin Thomas McLaughlin, 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 July 31, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of July 31, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920120
SEPTEMBER 29, 1992

APPLICATION OF
LEAH H. POWELL, t/a DYNASTY SEDANS

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Leah H. Powell t/a Dynasty Sedans ("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 30, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of July 30, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920122
SEPTEMBER 10, 1992

APPLICATION OF
THOMAS SUMMAKIE

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Thomas Summakie ("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 10, 1992, 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 31, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of July 10, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920126
SEPTEMBER 21, 1992

APPLICATION OF
ALLEN B. CRAVEN: ROYAL LIMOUSINE, INC.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Allen B. Craven: Royal Limousine, 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 July 27, 1992, 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 16, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of July 27, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920129
OCTOBER 1, 1992

APPLICATION OF
BANCMARC TRANSPORTATION INCORPORATED

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Bancmarc Transportation Incorporated ("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 31, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of July 31, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920130
SEPTEMBER 29, 1992

APPLICATION OF
SAMIR G. BARAMKI

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Samir G. Baramki ("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 3, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of August 3, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920136
NOVEMBER 5, 1992

APPLICATION OF
DARELL RUTROUGH

For a certificate of public convenience and necessity as a special or charter party carrier by motor vehicle

FINAL ORDER

Pursuant to an Order of the Commission, a hearing was conducted before Glenn P. Richardson, Hearing Examiner, on this Application for a certificate of public convenience and necessity as a special or charter party carrier by motor carrier.

The Applicant proceeded pro se. Protests were filed and no interveners participated. The Hearing Examiner's Report was filed on October 8, 1992. Comments to the Report were timely filed on behalf of the Applicant.

Finding that the Applicant failed to demonstrate that its Application is justified by the public convenience and necessity, the Hearing Examiner recommended that the Commission enter an order denying the Application.

UPON CONSIDERATION of the Application, the Hearing Examiner's Report and the comments filed thereto, the Commission is of the opinion and finds that the Applicant has failed to meet its burden of proof by failing to present sufficient evidence demonstrating existing public need for its service, that the Application is thereby not justified by the public convenience and necessity and should not be granted; accordingly,

IT IS ORDERED:

(1) That the Report of the Hearing Examiner be, and the same is hereby, adopted;

(2) That the Application be, and the same hereby is, DENIED.

CASE NO. MCS920137
SEPTEMBER 23, 1992

APPLICATION OF
LAND YACHTS, L.C.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Land Yachts, L.C. ("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 30, 1992, 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 15, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of July 30, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920140
NOVEMBER 10, 1992

APPLICATION OF
SAFESIDE SERVICES LTD.

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Safeside Services Ltd. ("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 15, 1992, 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 3, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of September 15, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920141
NOVEMBER 10, 1992

APPLICATION OF
STEVEN CAM ARBOGAST

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Steven Cam Arbogast ("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 24, 1992, 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 8, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of August 24, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920148
DECEMBER 17, 1992

APPLICATION OF
NOONEY BUS LINE, INC.

For authority to discontinue intrastate regular route common carrier passenger service

FINAL ORDER

On July 2,1992, Nooney Bus Line, Inc. filed a petition with the State Corporation Commission requesting authority to discontinue its service, including the transportation of baggage, mail, light express and newspapers over the regular routes authorized by certificate of public convenience and necessity No. P-2406;

On September 18, 1992, the Commission entered an order 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 or before October 26, 1992. No request for hearing was made or comment filed.

NOW, THE COMMISSION, upon consideration of the Application, is of the opinion and finds that the Applicant should be authorized to abandon service by Certificate No. P-2406.

THEREFORE, IT IS ORDERED:

(1) That the Applicant be, and is hereby, authorized to discontinue its scheduled passenger service including the transportation of baggage, mail, and light express, and newspapers, as shown in Certificate No. P-2406;

(2) That the Motor Carrier Division (Rates and Tariffs) shall cancel Certificate No. P-2406.

CASE NO. MCS920149
DECEMBER 16, 1992

APPLICATION OF
DOMINION COACH COMPANY t/a VIRGINIA OVERLAND BUS LINES

For authority to discontinue intrastate regular route common carrier passenger service

FINAL ORDER

On June 19, 1992, Dominion Coach Company ("Applicant") filed a petition with the State Corporation Commission requesting authority to discontinue its service, including the transportation of baggage, mail, light express and newspapers over a certain regular route authorized by a certificate of public convenience and necessity issued by the Commission No. P-2567.

On September 18, 1992, the Commission entered an order 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 or before October 26, 1992; no request for hearing was made or comment filed.

Now, the Commission, upon consideration of the application, is of the opinion and finds that the Applicant should be authorized to abandon service authorized by Certificate No. P-2567.

THEREFORE, IT IS ORDERED:

(1) That the Applicant be, and is hereby, authorized to discontinue its scheduled passenger service including the transportation of baggage, mail, light express, and newspapers, as shown in Certificate No. P-2567;

(2) That the Motor Carrier Division (Rates and Tariffs) shall cancel Certificate No. P-2567.

CASE NO. MCS920150
DECEMBER 1, 1992

APPLICATION OF
NATIONAL COACH WORKS, INC. OF VIRGINIA

For a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on October 29, 1992, to receive evidence on this Application for a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle which would authorize the holder thereof to transport passengers along the following routes:

> Between the commuter lot located at the corner of State Route 208 and Houser Road in Spotsylvania County, Virginia and the Pentagon, Arlington County, Virginia via Houser Road, Hood Road, State Route 1, I-95, State Route 630 and I-395.

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn Richardson. Calvin F. Major, Esquire, appeared as counsel for the Applicant. Graham G. Ludwig, Esquire, appeared as counsel to the Commission. No Protestants appeared but one intervener participated at the hearing.

After considering the evidence presented in the case, the Hearing Examiner found that:

(1) There is existing public need for the proposed service of the Applicant;

(2) The Applicant is fit, willing and able to provide the service requested; 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 for the Applicant that he would recommend that the Commission enter an order granting the Application. The fifteen (15) day comment period has passed.

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 Examiners' Report be, and the same are hereby, adopted; and

(2) That a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle over the following route: Between the commuter lot located at the corner of State Route 208 and Houser Road in Spotsylvania County, Virginia and the Pentagon, Arlington County, Virginia via Houser Road, Hood Road, State Route 1, I-95, State Route 630 and I-395 be, and the same is hereby, granted.

CASE NO. MCS920152
NOVEMBER 10, 1992

APPLICATION OF
MARVIN HOWELL, t/a HOWELL LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Marvin Howell t/a Howell 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 September 15, 1992, 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 3, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of September 15, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920154
NOVEMBER 20, 1992

APPLICATION OF
STEVAN MARISH, JR.

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Stevan Marish, 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 September 29, 1992, 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 17, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of September 29, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920158
NOVEMBER 25, 1992

APPLICATION OF
PRIME EXECUTIVE SERVICE

For a certificate as an executive sedan carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Prime Executive 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 25, 1992, 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 12, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of September 25, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920169
DECEMBER 15, 1992

APPLICATION OF
MICHAEL D. BOSWELL, d/b/a BTC LIMOUSINE SERVICE

For a certificate as a limousine carrier

FINAL ORDER

IT APPEARING to the State Corporation Commission that Michael D. Boswell, d/b/a BTC 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 October 26, 1992, 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 10, 1992; that the Applicant has complied with all requirements of public notice as set forth in the Commission's Order of October 26, 1992; that no request for hearing was made or comment filed;

NOW THE COMMISSION, upon consideration of the Application, 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 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. MCS920171
DECEMBER 22, 1992

APPLICATION OF
PIEDMONT MOVERS, INC.,
Transferor
and
PIEDMONT MOVING SYSTEMS, INC.,
Transferee

To transfer certificate of public convenience and necessity as a household goods carrier No. HG-468

FINAL ORDER

ON ANOTHER DAY the Commission ordered that a public hearing be held before a Hearing Examiner on December 10, 1992, to receive evidence on this Application for the transfer of 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. Jeffrey A. Vogelman, 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:

(1) That the Transferee is fit, willing and able to provide the services required under the transfer of certificate No. HG-468;

(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 household goods carrier No. HG-468 be, and the same is hereby, granted.

CASE NO. MCS920172
DECEMBER 9, 1992

APPLICATION OF
EDDIE'S BUS SERVICE, INC.

For a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle

FINAL ORDER

ON ANOTHER DAY, the Commission ordered that a public hearing be held before a Hearing Examiner on November 25, 1992, to receive evidence on this Application for a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle which would authorize the holder thereof to transport passengers along the following routes:

Between the cities of Chesapeake, Portsmouth and Norfolk via Shillelagh Road, I-104, Bainbridge Boulevard, State Street, I-264, Frederick Boulevard, Greenwood Drive, Joliff Road, I-64 and Military Highway

ON THE APPOINTED DAY, the hearing was held before Hearing Examiner Glenn Richardson. 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) There is existing public need for the proposed service of the Applicant;

(2) The Applicant is fit, willing and able to provide the service requested; 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 for the Applicant that he would recommend that the Commission enter an order granting the Application. The fifteen (15) day comment period was waived by counsel for the Applicant.

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 Examiners' Report be, and the same are hereby, adopted; and

(2) That a certificate of public convenience and necessity as a common carrier of passengers by motor vehicle over the following route: Between the cities of Chesapeake, Portsmouth and Norfolk via Shillelagh Road, I-104, Bainbridge Boulevard, State Street, I-264, Frederick Boulevard, Greenwood Drive, Joliff Road, I-64 and Military Highway be, and the same is hereby, granted.

DIVISION OF PUBLIC SERVICE TAXATION

CASE NO. PST910001
MARCH 26, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COLUMBIA GAS TRANSMISSION CORPORATION,
Defendant

DISMISSAL ORDER

The Supreme Court of Virginia, having found the Commission's Final Order entered in this proceeding on August 6, 1991 to be erroneous in Columbia Gas Transmission Corp. v. State Corporation Commission, Record No. 911456 (Feb. 28, 1992), reversed and annulled the Commission's order and entered final judgment dismissing the Commission's Rule to Show Cause. Accordingly,

IT IS ORDERED that this matter be dismissed from the Commission's docket of active cases, and the papers herein be transferred to the files for ended cases.

DIVISION OF PUBLIC UTILITY ACCOUNTING

CASE NO. PUA870029
JULY 20, 1992

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 planned to accomplish the sale in two phases. Customers located in the John Marshall Highway and Criser 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.

By Commission Order dated April 11, 1991, Company was 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. That transaction was completed on July 18, 1991, and Company filed a report on July 26, 1991, showing the accounting transactions made on its books to reflect the sale and transfer. The final approval of the facilities in the Happy Creek Road area was postponed pending receipt of the final sales price for the facilities.

On June 4, 1992, Company filed for final approval of the sale and transfer of the electric facilities located in the Happy Creek Road area of the Town of Front Royal, Virginia, to Front Royal for a sales price of $296,816.00. The sales price was calculated on the basis of the replacement cost of the facilities 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 Happy Creek Road area to Front Royal at a sales price of $296,816.00 determined in the manner described herein would not jeopardize adequate service to the public at just and reasonable rates. Accordingly,

IT IS ORDERED:

(1) That The Potomac Edison Company is authorized to sell and transfer to the Town of Front Royal, Virginia, the electric facilities in the Happy Creek Road area of Front Royal at a sales price of $296,816.00 determined as described herein;

(2) That any gains realized from the sale shall be booked above-the-line, although this has no implications for ratemaking purposes; and

(3) That this matter shall be continued until September 30, 1992, 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. PUA880049
DECEMBER 23, 1992

APPLICATION OF
DELMARVA POWER AND LIGHT COMPANY

For authority to issue short-term debt

ORDER EXTENDING AUTHORITY

By Order dated September 29, 1988, Delmarva Power & Light Company ("Applicant" or "Company") was granted authority to exceed the statutory 5% short-term debt limit and issue up to $100,000,000 of short-term debt through September 29, 1990. This authority was extended through December 31, 1992, by an Order dated August 10, 1990. On December 17, 1992, Applicant filed a letter requesting that the authority granted in August of 1990 be extended through December 31, 1993.

As part of its financing plan for 1993, Company proposes to issue commercial paper or otherwise incur short-term debt up to a maximum amount of $100,000,000. The short-term borrowings will serve as interim financing until medium or long-term debt or equity can be issued. The proceeds from the issuances will be used primarily to finance the Company's capital requirements, which include funding its ongoing construction program and maintaining service.

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 will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to issue short-term debt up to a total aggregate amount of $100,000,000 at any one time for the period ending December 31, 1993;

2) That Applicant shall file a complete application for short-term debt financing no later than November 15, 1993, to enable a thorough review of the Company's principal amount, terms and conditions, and uses of the short-term debt financing program prior to the expiration of the authority granted herein;

3) That Applicant shall respond promptly and fully to any Staff requests for information in connection with the financing program; and

4) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUA900013
JULY 21, 1992

APPLICATION OF
TOLL ROAD CORPORATION OF VIRGINIA

For a certificate of authority and approval of rates of return, toll rates and rate making methodology pursuant to the Virginia Highway Corporation Act of 1988

SECOND ORDER AMENDING CERTIFICATE

By 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 Dulles Toll Road and Leesburg, Virginia. On June 28, 1991, the Commission issued an Order Amending Certificate, permitting TRCV, among other things, to transfer the certificate to Toll Road Investors Partnership II ("TRIP II") upon closing of the financing for its toll road project. TRCV filed an application on June 11, 1992 requesting additional amendments to the certificate. The Application for Amendment was served on the parties and on the localities affected by the proposed toll road project.

On June 30, 1992, the Commission's Staff filed a report analyzing the Application for Amendment. The Staff found that significant progress has been made toward the initiation of construction of the project. However, TRCV will be unable to complete the financial arrangements until July 31, 1992, or thereafter. The beginning of construction is expected immediately after the financial closing. There remain no proposals to construct any comparable project.

TRCV has submitted a revised financing plan for our approval. The modifications from the last financing plan are reasonable, and we find that they are consistent with the existing terms of the certificate, as amended. No further amendment is necessary to accommodate the current financing plan.

Several changes are proposed in the partnership structure to which the certificate will be transferred. We also find it unnecessary to amend the prior certificate to accommodate these changes because they are consistent with our previous authorization. In addition, the certificate, as amended, should be interpreted to permit transactions of the type described in paragraph 16(F) of the Application for Amendment without Commission involvement as long as TRIP II remains the certificate holder and the entity responsible for operation of the toll road.

As the Application for Amendment reveals, the schedule for the project now contemplates commencement of construction no earlier than late summer, 1992. We find this schedule reasonable given the advanced stage of planning for the project, and the Commonwealth Transportation Board has approved it by resolution, dated July 16, 1992, a copy of which has been provided for the record by TRCV. Although construction will begin more than two years after issuance of our original certificate, we do not believe revocation of the certificate for that reason under § 56-549 would be justified under these circumstances, assuming construction begins within the next several months.

Finally, the Application for Amendment asks for authority to collect certain tolls from users of the existing Dulles Toll Road on behalf of the Virginia Department of Transportation ("VDOT"). We will grant that request to clarify our previous authorizations. Accordingly,

IT IS ORDERED:

(1) That the provisions of the Opinion and Final Order of July 6, 1990, as amended by the Commission's Order of January 28, 1991, and the Order Amending Certificate of June 28, 1991, shall remain in full force and effect;

(2) That, in addition, TRCV is authorized to collect tolls on behalf of VDOT in accordance with the applicable terms of the Comprehensive Agreement between them;

(3) That the Opinion and Final Order of July 6, 1990, the Order of January 28, 1991, the Order Amending Certificate of June 28, 1991, and this Second Order Amending Certificate shall hereafter constitute the certificate required by the Virginia Highway Corporation Act, authorizing construction and operation of the Dulles Toll Road Extension project; and

(4) That this case shall remain open pending further order of the Commission.

CASE NO. PUA900021
JANUARY 6, 1992

APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA

For authority to advance funds to Central Telephone Company, an affiliate

ORDER EXTENDING AUTHORITY

By Commission Order dated May 25, 1990, Central Telephone Company of Virginia ("Applicant", "Centel") was granted authority to advance funds to Central Telephone Company ("Central Telephone") through December 31, 1991. Such advances would be repayable at any time in whole or in part and would bear interest equal to the thirty (30) day commercial paper rate for high grade commercial paper sold through brokers as quoted in the first Wall Street Journal of each month in the "Money Rates" section. Centel has requested an extension of this authority.

Along with its request for extension of authority, Applicantfiled a report of action showing loans to Central Telephone Company as well as borrowings from Central Telephone Company from January 1, 1990, through September 30, 1991. Advances to Central Telephone during this period totaled $27,055,540. Advance proceeds were used for construction expenditures, debt repayment and other general corporate purposes in accordance with the Commission's May 25, 1990, Order. The interest rates charged on such advances were in accordance with the authority granted.

THE COMMISSION, upon consideration of Applicant's request for extension of authority and having been advised by its Staff, is of the opinion that approval of the requested extension of authority through December 31, 1992, would not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

(1) That the authority granted to Applicant in the Commission's May 25, 1990, Order is hereby extended through December 31, 1992;

(2) That should Applicant desire to continue such an arrangement beyond December 31, 1992, an application shall be filed with the Commission for subsequent approval;

(3) That the authority extended 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 extended herein, pursuant to Section 56-79 of the Code of Virginia; and

(5) That this matter be continued to February 26, 1993, for the presentation by Applicant, on or before said date, of a report of the action taken in accordance with the authority extended herein; such report to include a schedule of funds loaned to Central Telephone detailing the date of advance, amount, interest rate, date of repayment, and use of loan proceeds; a schedule of short-term borrowing by Centel showing the date of borrowing, amount, maturity, interest rate, and use of proceeds; and a balance sheet reflecting the action taken.

CASE NO. PUA900024
JUNE 26, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to issue and sell bonds

ORDER EXTENDING AUTHORITY

By Order dated June 7, 1990, Virginia Electric and Power Company ("Applicant") was granted authority to issue and sell up to $400 million of First and Refunding Mortgage Bonds ("Bonds") for a period of two years from the date of the Order. The Bonds are registered with the Securities and Exchange Commission as a shelf registration.

On April 9, 1991, Applicant issued $100 million of Bonds to meet ongoing capital requirements and presently has $300 million of remaining capacity from its shelf registration. By letter filed on June 25, 1992, Applicant requested an extension of its authority to issue Bonds under the shelf registration through December 31, 1992.

THE COMMISSION, upon consideration of the original application, Applicants letter dated June 26, 1992, and having been advised by its Staff, is of the opinion and finds that Applicant's request will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue and sell up to $300 million in First and Refunding Mortgage Bonds from the date of this Order through December 31, 1992, under the terms and conditions and for the purposes stated in the original application;

2) That all the requirements and guidelines prescribed in the June 7, 1990, Order shall remain in full force and effect; and

3) That this matter be continued subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUA910019
JANUARY 10, 1992

APPLICATION OF
VIRGINIA TELEPHONE COMPANY

For authority to enter into affiliate agreements

ORDER GRANTING AUTHORITY

Virginia Telephone Company, formerly Virginia Hot Springs Telephone Company, ("Virginia Telephone", "Company", "Applicant") has filed an application under the Public Utilities Affiliates Act for authority to enter into a Service Contract (the "Service Contract") with Telephone Systems Service Division ("TSSD", "Service Division") and Addendum (the "Addendum") to the Service Contract and a Service Contract (the "Computing Service Contract") with TDS Computing Services, Inc. ("TDS/CS"). TSSD and TDS/CS are affiliates of Virginia Telephone Company.

Under the proposed Service Contract with TSSD, TSSD would provide consulting services to Virginia Telephone as necessary and as requested by Applicant. Service Division would employ officers and other employees whose salaries would be paid by TSSD and who would be available to Virginia Telephone and others, as required, to perform services described in the contract. Services to be provided include insurance, pensions, personnel, technical assistance, securities and finance, marketing and sales, and purchasing. Services would be charged directly to Company on the basis of time sheets maintained by TSSD officers and employees showing time spent for work performed and the nature of the services rendered; expense vouchers describing the expenditure in reasonable detail; invoices or other evidence describing the particular services in detail; all purchases of material made by Service Division for Company charged to telephone company in the exact amount charged by the supplier, plus applicable and appropriate sales taxes; and costs associated with material purchases distributed to users of such materials based upon the dollar volume of materials purchased, unless such costs can be identified with specific purchases.

Where services are performed for the benefit of two or more companies, the costs of providing such services would be allocated to the users based on the ratio of the user's number of main stations to the total number of main stations of all the companies receiving the services. Non-telephone affiliates would be allocated a portion of such costs based upon equivalent main stations determined by the average of the ratios of non-telephone total assets to telephone total assets and non-telephone total revenues to total revenues.

The costs of services performed under the Service Contract include salaries, wages, fees and other compensation of personnel or outside consultants; costs of house service; depreciation and/or rental on all office furniture, fixtures, business machines and other equipment used in providing the services; postage and costs of forms, stationery or other office supplies used; insurance; reasonable return on invested capital; property taxes; and payroll taxes.

As stated in the application, Service Division would render monthly invoices and Applicant would be required to make payment within thirty (30) days after receipt of such monthly invoices. The Service Contract would continue in force until terminated by either party giving sixty (60) days written notice.

In the Addendum, TDS Telecom would render services rendered directly by Service Division and referred to on monthly billings as "TSSD" services, they being generally described as administrative, plant operations, revenue requirements, marketing, customer services, REA-related services and telephone controller services.

Under the Computing Service Contract, TDS/CS would provide computer and related services for Company as necessary and as requested by Company employing equipment, supplies, personnel and other services all of whose costs would be paid for by TDS/CS. Computer services to be provided would include financial and plant accounting printout reports, payroll functions, customer billing functions, other reports such as separations and settlements and station statistics, complete mailing service and computer output on microfilm or microfiche.

According to the Computing Service Contract, charges rendered would be competitive to average rates charged by outside vendors for comparable services. Costs would be charged directly to telephone company based on time sheets maintained by officers and employees of TDS/CS showing elapsed time for labor and equipment usage and nature of the services rendered; expense vouchers describing the expenditure in reasonable detail; and invoices or other evidence describing the particular services in reasonable detail.

As stated in the Computing Service Contract, the costs of services performed would include salaries, wages, fees and other compensation of personnel or outside consultants performing the services; cost of house service, depreciation and /or rental on all computer equipment, business machines and other maintenance charges on computer equipment, business machines and other equipment used; insurance; reasonable return on invested capital, property taxes; and payroll taxes.

According to the terms of the Computing Service Contract, where any service is performed for two or more companies, each user would pay a proportion of the total costs of that service based on one or more of the following methods of allocation, and the method chosen would be applied consistently to that type of service until a more appropriate method, if any, is developed and consistently applied:

(1) A ratio of the user's number of telephones or subscribers to the total number of telephones or subscribers of all the companies receiving the services;

(2) A cost per line printed or per transaction for the user determined by dividing total costs by total lines printed or total transactions;

(3) A cost per document printed for user determined by dividing total costs by total documents printed; and

(4) A ratio of the user's revenues or expenses to the total revenues or expenses of all the companies receiving the service.

If the above methods are not appropriate, then alternate methods which are appropriate to the type of service rendered would be used. TDS/CS would render monthly invoices and Virginia Telephone would be required to make payment within ten (10) days after receipt of such invoice.

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 agreements would not be detrimental to the public interest and should be approved. The Commission does, however, have reservations regarding the use of main stations as the basis for allocating the majority of costs under the Service Contract. For this reason, the Commission feels that a limited approval period would be in order to allow the opportunity for the Commission to review Company's allocation methods at a later date. The Commission is also of the opinion that the return components proposed in the application are excessive and that a more appropriate return component to be charged Applicant would be fourteen per cent (14%). Accordingly,

IT IS ORDERED:

(1) That Virginia Telephone Company is authorized to enter into the Service Contract and Addendum to Service Contract with Telephone Systems Service Division and the Service Contract with TDS Computing Services, Inc. under the terms and conditions as described in the application;

(2) That such authority shall be effective as of June 7, 1991, as requested by Company, and shall continue through December 31, 1995;

(3) That should Applicant wish to continue such arrangements beyond December 31, 1995, subsequent approval from the Commission shall be required;

(4) That any billings to Applicant in connection with the authority granted herein containing a return component exceeding fourteen per cent (14%) must be adjusted quarterly to reflect a maximum return component of fourteen per cent (14%);

(5) That Applicant shall secure Commission approval for any change in the Service Contract or Computing Service Contract or the allocation methods and procedures as described herein;

(6) That Applicant shall respond promptly and fully to any Staff requests for information in connection with the authority granted herein;

(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;

(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; and

(9) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA910026
MARCH 27, 1992

APPLICATION OF
THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA

For approval of agreement with affiliate

ORDER GRANTING AUTHORITY

On September 5, 1991, The Chesapeake and Potomac Telephone Company of Virginia ("C&P", "Company", "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act. In its application, Company requests authority to continue to provide housing and related support and administrative services for Bell Atlantic Network Services, Inc. ("NSI") employees.

In Case No. PUA840068, by Order dated April 8, 1985, Company was granted authority to provide housing space and associated services to NSI employees located in the C&P buildings then shared with NSI. Since that time, the number of C&P buildings housing NSI employees has increased due to the growth of NSI and the fact that many of its employees are located in Virginia. C&P represents that it is benefited by these arrangements in that vacant space can be utilized, returning revenue to C&P.

In its application, Applicant proposes to continue to provide housing and related support and administrative services for NSI employees and to receive payment for such services and housing. The support and administrative services include office, communications and building services such as trash collection, utilities and cleaning. C&P represents that it is efficient and cost effective to provide these services on a centralized basis to both C&P and NSI employees located in the same building. C&P will bill NSI on a monthly basis and will report such transactions to the Commission in its annual report of its affiliate transactions.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion and finds that continuation of the above-described arrangement between Company and NSI will not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That C&P is hereby authorized to continue to participate in the above-described agreement to provide housing and associated services to NSI employees in C&P buildings and to bill NSI for such services in accordance with the terms and conditions contained in the Agreement;

2) That should the terms and conditions of the Agreement change from that contained in this application, Applicant shall be required to obtain Commission approval 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. PUA910027
JANUARY 29, 1992

APPLICATION OF
UNITED INTER-MOUNTAIN TELEPHONE COMPANY

For authority to enter into a revised service agreement with an affiliate

ORDER GRANTING AUTHORITY

On October 25, 1991, United Inter-Mountain Telephone Company ("United," "Company," "Applicant) filed an application under the Public Utilities Affiliates Act for authority to enter into a revised Service Agreement (the "Agreement") with Sprint/United Management Company ("Management Company," "Affiliate"), an affiliate.

By Commission Order dated October 21, 1991, in Case No. PUA810084, United was granted approval of a service agreement (the "Prior Service Agreement") dated September 10, 1981, between Company and United Telephone System, Inc., an affiliate of Company. The Prior Service Agreement provided for the furnishing by United Telephone System, Inc. of management, financial, professional, technical, and advisory services to Company. In Case No. A-734, by Order dated April 2, 1979, the Commission granted approval to United of an agreement (the "Prior Data Agreement") dated December 14, 1978, between United and United Information Services, Inc., an affiliate of Company. The Prior Data Agreement related to the provision of data processing and related services including production data processing, programming, inserting and mailing, and microfilm production services.

Under the proposed Agreement, management and information services provided by affiliates of United under the Prior Service Agreement and the Prior Data Agreement (together referred to as the "Prior Agreements") would be provided by Sprint/United Management Company. The services to be obtained by Company are substantially identical and represent a continuation of the services currently obtained from its affiliates pursuant to the Prior Agreements.

Under the proposed Agreement, services to be provided to United Inter-Mountain would be as follows:

(1) Management Services--Management services to be provided would include those of human resources, revenues, finance, communications, planning, legal, general support, tax, business operation, information, and additional services as requested or required;

(2) Information Services--Information services to be provided would include those of production data processing, inserting and mailing, programming, and microfiche production; and

(3) Business Operation Services and Support--Business Operation Services and Support would include performance of negotiation and execution of agreements with vendors and customers, customer billing functions, customer service and interface functions, accounts receivable and payable functions, and network operations and management, including provisioning of equipment, software and upgrades, hardware, facilities and interconnection arrangements with other telecommunications providers.

For services received pursuant to the Agreement, United would pay a monthly management fee. Fees charged to United and other affiliated companies would be equal to the actual costs of providing such services. In determining such charges, the following would be taken in account:

(a) Fees for services rendered for any single user company would be charged to and paid by that company;

(b) Fees for services rendered for more than one user company, but not all user companies, would be considered in the management fee calculation for amounts charged to and paid by the user companies for which the services are rendered; The charges for such services which cannot be separately ascertained for each user company would be allocated in management fees fairly, based on a common allocator germane to the services provided, among all such user companies for which such services are rendered;

(c) Costs associated with the general administration of Management Company's services and costs incurred for all services performed for or furnished to all user companies generally, and/or all other costs not described in (a) or (b) above would be allocated in management fees among all user companies based on a common allocator germane to the services provided; and

(d) Charges for services performed by the Management Company would be billed by invoice to United.

The Agreement would remain in full force and effect from year to year but may be terminated by either party upon ninety (90) 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 approval of the revised Service Agreement would not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

(1) That United Inter-Mountain Telephone Company is hereby authorized to enter into the revised Service Agreement as described in the application;

(2) That any changes in the revised Service Agreement shall require Commission approval;

(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;

(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. PUA910028
FEBRUARY 3, 1992

APPLICATION OF
UNITED INTER-MOUNTAIN TELEPHONE COMPANY

For authority to make purchases from North Supply Company, an affiliate

ORDER GRANTING AUTHORITY

On November 8, 1991, United Inter-Mountain Telephone Company ("United," "Company," "Applicant") filed an application under the Public Utilities Affiliates Act for authority to purchase telecommunications material, supplies, and equipment from North Supply Company ("North Supply," "Affiliate"). This filing was made in conformity with ordering paragraph (2) of the Commission's Order dated October 17, 1991, in Case No. PUA910018.

Company represents in its application that in performance of its obligations as a public service company to construct and maintain telecommunications facilities, there exists the need to purchase and have available material, supplies, and equipment such as poles, cable, conduit, inventory, telephones and tools. These purchases have been made pursuant to United's Purchasing Policy Statement as filed with the Commission on April 12, 1982.

In its application, United seeks approval to continue its practice of purchasing material, supplies and equipment from North Supply when needed to continue its day to day provisioning of telecommunications services. Company represents that purchases from North Supply would continue to be made at prices no greater than similar product group sales sold to non-affiliate customers under like terms, conditions, and volume from non-affiliates. Applicant further states that such purchases by United of these same items under like terms, conditions and volume from non-affiliates would result in prices, at best, comparable to those charged by Affiliate.

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 provided that there are some provisions to enable the Commission to monitor purchases in such a way to assure that United is paying competitive prices for such purchases made from North Supply. To accomplish such goal, the Commission is of the further opinion that the arrangement whereby United makes such purchases should be approved as long as billings for each purchase are $250,000 or less. Purchases in which billings are in excess of $250,000 should require a separate application

for approval. In this way, the Commission Staff can better monitor purchases made and assure that the public interest is being protected. Accordingly,

IT IS ORDERED:

(1) That United Inter-Mountain Telephone Company is hereby authorized to purchase material, supplies and equipment as described herein as long as billings for each purchase are $250,000 or less;

(2) That purchases for which billings are in excess of $250,000 shall require a separate application for Commission approval;

(3) That any changes in Company's Purchasing Policy Statement as filed with the Commission on April 12, 1982, shall be reported to the Director of Economics and Finance and the Director of Public Utility Accounting of the Commission and shall require a new application for authority to make purchases from North Supply;

(4) That the authority granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia;

(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. PUA910029
JANUARY 13, 1992

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For authority to enter into a gas supply agreement with an affiliate

ORDER GRANTING AUTHORITY

On November 12, 1991, Virginia Natural Gas, Inc. ("VNG", "Company", "Applicant") filed an application under the Public Utilities Affiliates Act for authority to enter into a gas supply agreement, Rate Schedule USA Service Agreement (the "Agreement") and an amendment (the "Amendment") to the Agreement with its affiliate, CNG Transmission Corporation ("Transmission","Affiliate").

Virginia Natural Gas is completing construction of intrastate pipeline facilities from Fauquier County to Hanover County (the "Joint Use Pipeline") and east to James City County (the "VNG Lateral"), (together referred to as the "Facilities"), that were approved by the Commission in Case No. PUE900038 (formerly Case No. PUE860065). The Facilities are being constructed to provide natural gas transportation service for electric generation by Virginia Electric and Power Company ("Virginia Power") and the Doswell Limited Partnership ("Doswell") through the Joint Use Pipeline; for natural gas distribution service by the City of Richmond ("Richmond") through the Joint Use Pipeline; and for natural gas distribution service by VNG through the Joint Use Pipeline and the VNG Lateral. VNG states that Virginia Power and Doswell will use significantly larger volumes of gas than Richmond and VNG, but the Virginia Power and Doswell generating units are not expected to be on line for commercial operation until the first half of 1992. Richmond and VNG need service to meet expected distribution system requirements during the 1991-92 winter heating season.

The Facilities will be connected upstream to Transmission's PL-1 pipeline in Loudoun County by approximately 27 miles of pipeline (the "Interconnection Facilities") to be constructed by Transmission. The Interconnection Facilities have been approved by the Federal Energy Regulatory Commission ("FERC") and are expected to be completed during the first half of 1992 to coincide with the commercial operation of Doswell and Virginia Power electric generation units. Company states that the Interconnection Facilities will enable Virginia Power, Doswell, Richmond and VNG to receive gas via Transmission's PL-1 pipeline, the Interconnection Facilities, and the Joint Use Pipeline. In order to serve the distribution loads of Richmond and VNG and to provide gas for testing the Doswell electric generation facility during the 1991-92 winter, Transmission has completed the southernmost seven miles of the Interconnection Facilities to connect the Facilities with Transcontinental Gas Pipe Line Corporation's ("Transco") mainline interstate pipeline system at a point in Prince William County. VNG states in its application that the projected completion date of the Facilities was approximately December 31, 1991.

VNG and Transmission propose to enter into an intercompany agreement, Rate Schedule USA Interim Service Agreement as amended, under which VNG would purchase gas during the 1991-92 winter season from Transmission to be delivered through the seven mile portion of the Interconnection Facilities with the Transco pipeline. In a later application, VNG will seek approval of long-term storage, sales, and transportation agreements with Transmission for gas to be delivered through the twenty-seven (27) mile Interconnection Facilities to be completed in 1992. After completion of the Interconnection Facilities, the Agreement and the Amendment for which approval is being sought in this application will be terminated, which is permitted upon thirty (30) days' written notice after March 31, 1992.

Under the Agreement, VNG would purchase gas from Transmission at a rate not to exceed the maximum Rate Schedule USA rate or $3.82 per Dth, whichever is less. Rate Schedule USA is on file with, and has been approved by, the FERC. Transmission has made arrangements to structure the service VNG will receive under the Agreement to provide reliable service throughout the winter season. These arrangements include employing a combination of transportation on the systems of Transmission and Texas Eastern Transmission Corporation ("TETCO") and Washington Gas Light ("WGL"). The $3.82 per Dth is based on a $2.80 per Dth cost of gas from Transmission, which includes Transmission system costs and additional demand and commodity charges incurred by Transmission from TETCO, Transco, and WGL in connection with structuring the Rate Schedule USA service.

Because of the special arrangements and financial commitments Transmission has made to secure reliable service for VNG through the 1991-92 winter season and based on VNG's estimated gas requirements under cold weather conditions, VNG agreed to purchase two (2) million Dth of gas under the Service Agreement at a daily nomination level of up to 20,000 Dth per day. This two (2) million Dth commitment was based on an assumption that the supply would be available to VNG commencing November 1, 1991. In recognition of the expected December 31, 1991, completion date of the VNG Lateral pipeline, VNG and Transmission executed an Amendment to the Agreement dated November 5, 1991, to reduce the total quantity that VNG is committed to purchase under the Agreement from two (2) million Dth to 1.5 million Dth.

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 and Amendment would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

(1) That Virginia Natural Gas, Inc. is hereby authorized to enter into the Rate Schedule USA Service Agreement as amended under the terms and conditions and for the purposes as described in the application;

(2) That should there be any changes in the Agreement as amended from that contained in Company's application, Commission approval shall be required for such changes;

(3) That the approval herein shall in no way assure VNG recovery of such costs in the PGA/ACA and shall have no other ratemaking implications;

(4) That Applicant shall advise the Commission when the Agreement approved herein is terminated;

(5) That the authority granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia;

(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. PUA910031
FEBRUARY 10, 1992

JOINT APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY
AND
MECKLENBURG ELECTRIC COOPERATIVE

For authority to transfer utility assets

ORDER GRANTING AUTHORITY

On November 26, 1991, Virginia Electric and Power Company ("VEPCO," "Virginia Power") and Mecklenburg Electric Cooperative ("Mecklenburg") filed as joint applicants ("Applicants") under the Utility Transfers Act requesting authority to transfer from Virginia Power to Mecklenburg certain underground distribution facilities located within Tall Oaks Subdivision, Emporia, Virginia, that are within Mecklenburg's assigned service territory. The facilities to be sold include conductors, transformers, conduits, poles, outdoor lighting, and meter sockets. The parties have mutually agreed to a price of $29,000.

VEPCO represents that the facilities to be sold were constructed by VEPCO in 1980, 1984, 1986, 1987, 1988, 1989, and 1990. Virginia Power has in the past and is currently serving customers in the portion of the Tall Oaks Subdivision which is in the Mecklenburg territory. There are currently a total of ten customers in the area to be transferred: eight permanent residential customers, one temporary home construction service, and one service to the Tall Oaks Subdivision sign. VEPCO further represents that each of the ten customers has been contacted, and none has any objection to the proposed transfer. As for the $29,000 sales price, VEPCO states that this was the result of arms-length bargaining. The bargaining took into consideration Mecklenburg's estimated cost of installing like facilities versus Virginia Power's reproduction cost new depreciated value of its facilities. The potential obligation to remove the encroaching facilities was also considered.

Applicants represent that the purchase and sale will neither impair nor jeopardize adequate service to the public at just and reasonable rates and that the transfer is in the public interest.

THE COMMISSION, upon consideration of the application and representations of Applicants and having been advised by its Staff, is of the opinion that the proposed transfer of the distribution facilities described herein and included in Schedule I to the application will not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

(1) That Virginia Electric and Power Company is authorized to sell to and Mecklenburg Electric Cooperative is authorized to purchase from Virginia Electric and Power Company the underground distribution facilities located within Tall Oaks Subdivision, Emporia, Virginia, as described herein under the terms and conditions as specified in the application; and

(2) That this case shall be continued until March 31, 1992, for the presentation by Applicants, on or before such date, of a report of action taken pursuant to the authority granted herein, such report to include a schedule of the accounting entries recording the sale and purchase and balance sheets reflecting the actions taken.

CASE NO. PUA910033
JANUARY 9, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY
AND
VIRGINIA NATURAL GAS, INC.

For authority to transfer utility assets

ORDER GRANTING AUTHORITY

Virginia Electric and Power Company ("Virginia Power") and Virginia Natural Gas, Inc. ("VNG") (collectively, the "Applicants") have filed an application under the Utility Transfers Act for authority to transfer utility assets from Virginia Power to VNG.

The Applicants request approval of a proposed transfer from Virginia Power to VNG of certain facilities (the "Facilities") consisting of two microwave tower structures currently located on VNG property. The antenna support structures and microwave antennas have been used in conjunction with electronic equipment to connect VNG offices to the Virginia Power microwave system for the purpose of carrying voice and data communications circuits. Since the service agreement between Virginia Power and VNG terminated on December 31, 1991, the Facilities will no longer be used to support communications between the two companies. The structures have also been used to support VNG two-way radio antennas for two-way radio communications. Upon transfer of the Facilities, the structures will continue to be used by VNG to support two-way radio antennas.

As stated in the application, the original cost of the Facilities is $34,218. Accumulated depreciation on the Facilities is $6,115. The Applicants have agreed on a sales price of $0. The Applicants represent that the structures have no value to Virginia Power and represent a financial obligation if the proposed transfer does not take place. Costs to be incurred by Virginia Power if it were required to remove the structures are estimated at $20,000. Virginia Power states that the loss resulting from the transfer will be charged to Account 421.1, a "below-the-line" account, and Virginia Power's customers will not subsidize the loss.

THE COMMISSION, upon consideration of said application and representations of the Applicants and having been advised by its Staff, is of the opinion that the transfer of the Facilities will neither impair not jeopardize adequate service to the public at just and reasonable rates. Accordingly,

IT IS ORDERED:

1) That the Applicants are authorized to transfer the public utility assets, all in the manner, under the terms and conditions and for the purposes as described in the application; and

2) That this matter be continued until March 31, 1992, for the presentation by the Applicants, on or before such date, of a report of the action taken pursuant to the authority granted herein, such report shall contain all journal entries associated with said transaction and balance sheets reflecting the Applicants' positions before and after the action taken.

CASE NO. PUA910034
JANUARY 10, 1992

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 February 21, 1991, paragraph two (2) in Case No. PUA910002. The changes in the Illinois, Tennessee and Kansas schedules are per the original agreements. 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 authority granted herein shall not preclude the Commission from exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia;

(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. PUA920001
MARCH 27, 1992

APPLICATION OF
GTE SOUTH INCORPORATED

For authority to enter into contract with an affiliate

ORDER GRANTING AUTHORITY

GTE South Incorporated ("Company", "Applicant") has filed an application with the Commission under the Public Utilities Affiliates Act for authority to enter into a contract with GTE Data Services Incorporated ("GTEDS") for the provision of data processing and related services.

In Case No. 18705, by Order dated July 3, 1969, the Commission approved the initial contract between General Telephone Company of the Southeast (predecessor of GTE South Incorporated) and GTEDS for the provision of data processing and related services. Since that time, Company has provided the Commission with copies of various amendments and modifications to the original contract as such occurred. In Case No. PUA900060, by Order dated December 13, 1990, the Commission approved a new contract (the "Master Agreement") to be effective January 1, 1989. The Master Agreement more accurately described the services to be provided and the technology used to provide such. It also codified the terms and conditions of the entire agreement between the parties in one inclusive document. Such approval was granted through January 1, 1992.

Company and GTEDS have now determined that it would be beneficial to continue operating under the Master Agreement and request approval to continue operating under the Master Agreement with an effective date of January 1, 1992. Company states that it will continue to provide the Commission copies of any and all amendments to the Master Agreement should such occur.

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 between GTE South Incorporated and GTEDS would not be detrimental to the public interest. The Commission is of the further opinion, however, that certain safeguards are necessary in order to assure that the prices Applicant pays for such services in the future will be competitive with the market. To assure such competitiveness, the Commission is of the opinion that the above-described arrangement should be approved for a three-year period ending January 1, 1995. Accordingly,

IT IS ORDERED:

1) That GTE South Incorporated is authorized to enter into the Master Agreement as described in the application for a three-year period ending January 1, 1995;

2) That should Applicant wish to continue with the Master Agreement beyond January 1, 1995, subsequent approval from the Commission shall be required;

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. PUA920002
FEBRUARY 11, 1992

APPLICATION OF
GTE SOUTH INCORPORATED
AND
CONTEL OF VIRGINIA, INC.

For approval of extension of time in filing required reports

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 under the Public Utilities Affiliates Act for approval of an extension of time in filing reports pursuant to an Order dated August 21, 1991, in Case No. PUA910016.

In the Commission's Order dated August 21, 1991, GTE South and GTE Virginia were granted authority to enter into a series of contracts with various other GTE affiliates. The contracts consisted of an Operating Agreement between Joint Applicants and the other GTE Telephone Operating Companies, a Service Agreement between GTE Service Corporation and GTE Virginia, and a Supply Agreement between GTE Supply and GTE Virginia.

The Order required that Joint Applicants file on an annual basis certain reports providing the Commission information relative to the various approved affiliated agreements. Ordering paragraph (13) of the Order allowed Joint Applicants to file the required reports either as one combined report or as separate reports. However, the Commission directed in ordering paragraph (13) that such report(s) be filed 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.

Joint Applicants propose that the Commission permit them to file the required reports on or before June 1, 1992, and each year thereafter on or before June 1. The application states that, if the required reports were to be filed by February 1, the reports would contain unaudited accounting and financial information. Joint Applicants feel that it would be more appropriate to file information that has been audited by its external auditors. Such information would provide the Commission with an accurate description of the foregoing transactions. GTE South and GTE Virginia represent that audited results are normally available in May of the following calendar year. For these reasons, Joint Applicants request that the date for filing such reports be extended to June 1.

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 above-described extension of time in filing reports directed by the Commission's August 21, 1991 Order would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

(1) That GTE South Incorporated and Contel of Virginia, Inc. are hereby granted authority to submit the reports required in the Commission's Order dated August 21, 1991, in Case No. PUA910016, on or before June 1, 1992, and on or before June 1 of each subsequent year for the preceding calendar year;

(2) That the reports referred to herein shall include audited accounting and financial data;

(3) That all other provisions of the Commission's August 21, 1991, shall remain in full forces and effect; and

(4) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA920003
MARCH 12, 1992

APPLICATION OF
UNITED INTER-MOUNTAIN TELEPHONE COMPANY

For authority to loan or advance funds to parent, United Telecommunications, Inc.

ORDER GRANTING AUTHORITY

United Inter-Mountain Telephone Company ("United Inter-Mountain") has filed an application under the Public Utilities Affiliates Act for authority to continue to loan or advance funds to United Telecommunications, Inc. ("UTI") from time to time, the total outstanding amount not to exceed $15,000,000 at any one time. Such advances would be on demand and would bear interest payable monthly, such interest to be determined

by the Thirty-Day Commercial Paper Index as published by the Federal Reserve, plus forty-five basis points. Company states that it is a wholly-owned subsidiary of UTI and requests that the agreement be approved for a one year period ending on December 31, 1992. United Inter-Mountain has also advised Staff that on February 26, 1992, it changed its name to United Telephone-Southeast.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the above described arrangement will not be detrimental to the public interest and should be approved; accordingly,

IT IS ORDERED:

1) That United Inter-Mountain, now known as United Telephone-Southeast ("Company"), is hereby authorized to loan or advance funds from time to time to UTI, the total outstanding amount not to exceed $15,000,000 at any one time, under the terms and conditions as described in the application;

2) That, should Company desire to continue such an arrangement beyond December 31, 1992, an application 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 shall maintain the authority to inspect the accounting records and books of any Company affiliate as necessary as pertains to this approval; and

5) That this matter be continued to February 26, 1993, for the presentation by Company, on or before such date, of a report of the action taken in accordance with the authority granted herein; such report to include a schedule of funds loaned to UTI detailing the date of advance, amount, interest rate, date of repayment and use of loan proceeds; a schedule of short-term borrowings by the Company showing the date of borrowing, amount, maturity, interest rate, and use of proceeds; and a balance sheet reflecting the action taken.

CASE NO. PUA920004
FEBRUARY 25, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to provide certain services to Dominion Capital, Inc. and to participate in the America's Utility Fund investment services program

ORDER GRANTING AUTHORITY

On February 7, 1992, Virginia Electric and Power Company("Virginia Power," "Company," "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to provide certain services to its affiliate, Dominion Capital, Inc. ("Dominion Capital") and to participate in the America's Utility Fund (the "Fund") investment services program.

Virginia Power states in its application that Dominion Capital plans to market and administer, either by itself or through subsidiaries, the America's Utility Fund investment services program. That program would expand upon the customer stock purchase program used successfully by Virginia Power and Dominion Resources, Inc. ("DRI") over the past ten years. Using bill inserts similar to those now used by Virginia Power in its program, participating utilities, including Virginia Power, would offer their customers the opportunity to invest in America's Utility Fund (which would be a diversified utility mutual fund), the common stock of the participating utility, or both. For Virginia Power to participate in the Fund, the customer stock purchase plan inserts that are now used would be modified to provide Company's customers with the additional investment option of the America's Utility Fund.

Virginia Power now provides DRI with the remittance processing and data processing services required for the customer stock purchase plan. Those services are provided pursuant to the cost allocation and service agreement that was approved by the Commission in June 1986.

Virginia Power proposes to provide Dominion Capital with remittance processing and data processing services in connection with the America's Utility Fund. Those services would be the same as those provided for the customer stock purchase plan. Remittance processing would consist of the processing of the coupons and payments associated with the America's Utility Fund investment services program. The personnel and incidental facilities involved in providing that service would be from the Virginia Power Remittance Processing Department. Data processing would involve the maintenance of participant files and the preparation of periodic participant statements for the Fund. The Information Systems Group within Virginia Power would furnish Dominion Capital with computer facilities, personnel, and other incidental assistance, consisting of applications development, computer usage, maintenance and enhancement labor, office systems and records, mailing and duplicating services.

Costs of the remittance processing and data processing services provided to Dominion Capital would be paid for in the manner approved by the Commission under the June 1986 cost allocation and service agreement between Virginia Power and DRI. Charges for the services would be billed to DRI as a part of the overall intercompany billing. DRI would then bill Dominion Capital. In the alternative, Virginia Power could directly bill Dominion Capital for such services. Pursuant to the Commission's Order in Case No. PUE830060, Virginia Power, as a part of its annual report to the Commission, would report on the remittance processing and data processing services provided to Dominion Capital.

Virginia Power states that no additional personnel or capital expenditures would be required for Company to provide the requested services. Although additional programmer/analysts would be required to install and test the software for processing the America's Utility Fund customer files, those programmer/analysts would be contract employees paid for directly by Dominion Capital.

THE COMMISSION, upon consideration of the application and representations of the 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 provided that the arrangement not include any charge backs to Virginia Power from Dominion Capital and that the agreement be between Virginia Power and Dominion Capital with no involvement by DRI. Virginia Power should directly bill Dominion Capital rather than handling billings through DRI. Accordingly,

IT IS ORDERED:

(1) That Virginia Electric and Power Company is hereby authorized to provide remittance processing and data processing services to Dominion Capital and to participate in the America's Utility Fund investment services program as described in the application;

(2) That the authority granted herein shall not include a provision for charge backs from Dominion Capital to Virginia Power;

(3) That Virginia Power shall directly bill Dominion Capital for services provided by Virginia Power and that there be no involvement by Dominion Resources, Inc. in connection with this arrangement;

(4) That should any terms and conditions of the arrangement change from those described in the application, Commission approval shall be required for such changes;

(5) That pursuant to the Commission's Order in Case No. PUE830060, Applicant, as part of its annual report to the Commission, shall report on the remittance processing and data processing services provided to Dominion Capital;

(6) That the authority granted herein shall not preclude the Commission form exercising the provisions of Sections 56-78 and 56-80 of the Code of Virginia;

(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. PUA920005
JULY 17, 1992

APPLICATION OF
THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA

For authority to enter into an amended agreement with affiliate

ORDER GRANTING AUTHORITY

The Chesapeake and Potomac Telephone Company of Virginia ("C&P of Virginia" or "Company") has filed an application under the Public Utilities Affiliates Act for authority to enter into an amended contract with Bell Atlantic Directory Graphics, Inc. ("BADG") for BADG to provide services in addition to the directory photocomposition services currently provided. Such services currently provided were authorized by Commission Order dated August 19, 1988, in Case No. PUA880037.

The proposed amendment to the contract as stated in the application would further mechanize the yellow pages production process by allowing C&P of Virginia's yellow pages sales representatives to create and edit new and existing yellow pages ads at their sales offices using personal computers. Moreover, the sales representative would be able to electronically transmit their finalized ads to BADG for inclusion in the production ad database. This process is referred to as Integrated Ad Makeup ("IAMUP"). Company states that IAMUP allows the technological improvements from the photocomposition process to be used in presales activity.

Company represents that using the IAMUP system to be installed and managed by BADG, artists at C&P of Virginia's yellow pages sales representative will have access to an art library of approximately 30,000 generic images as well as all Yellow Pages ads in the production ad database. From these sources, the artist would be able to create sample ads that the sales representatives would present to potential and current advertisers when attempting to sell new ads and upgrades to existing ads. The artists would also be able to respond faster to ad changes requested by advertisers and to print the revised ads for viewing by the advertiser. After an ad is approved by the advertiser, it would be electronically transmitted from the sales representative to BADG for inclusion in the production ad database.

Company states in its application that the key benefit flowing from IAMUP is the improvement in customer service that would result from the ability to respond more quickly to advertiser requests to create new ads, to make changes to existing ads, and to allow advertisers to review, on a timely basis, computer-generated proofs of ads as they would appear in the directory instead of ads with handwritten changes. C&P of Virginia represents that the reduction in the time it takes to get a proof to an advertiser and the better proof quality should reduce directory errors and advertiser claims and enable the sales representative to sell more ads and more ad features.

Another benefit of IAMUP, as stated by Company, is the simplified work flow that would result from the reduction in the paper flow and the number of steps needed to handle the flow of ads. Under the IAMUP system, ads are transferred electronically from the sales representative to

the production ad database. Changes to the ads would be made at the point in the ad flow nearest to the advertiser, i. e. the sales representative, instead of at BADG. Company states that the simplified work flow should help to reduce directory errors and advertiser claims.

Company represents that the key to the benefits that it would realize from IAMUP is the seamless integration of the ads and artwork produced at the sales representative with the production ad database. C&P of Virginia further states that BADG was selected to provide the service because of its expertise in and experience with both the existing production ad database and C&P of Virginia's directory production system. Company states that any attempt to use other vendors would complicate an already complex integration effort as well as introduce another party into the flow of advertising from the sales representative to the directory. According to Company, this would thwart the effort to streamline this advertising flow. In addition, the party other than BADG with the greatest experience in transferring computer-generated ads from a sales representative to a production database publishes forty four (44) competitive directories in the Bell Atlantic region. Company states that allowing a competitor to operate and manage IAMUP and its integration with the production ad database and the directory production system could jeopardize Company's directory advertising business.

The IAMUP rates in the proposed contract amendment are based on BADG's fully distributed costs for the IAMUP products and services. The monthly hardware, software, and expense fees as well as ongoing support fees are competitive with the market. The target date for IAMUP is June 30, 1992, and would run through the remainder of the photocompositon period (June 30, 1994). Company has shown, at Staff's request, that the additional costs of IAMUP are more than offset during the remainder of the photocomposition period by cost reductions in advertiser claims, current BADG ad makeup charges, current BADG late charges which are incurred for changes to ads made by BADG after a certain date in the directory closing cycle, current BADG charges for producing multiple copies of ad proofs, and the current paper flow among the sales representative, Network Services, Inc. ("NSI") Directory, and BADG. In addition, Company estimates that IAMUP would lead to increased sales revenues of approximately one-tenth of one percent.

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 amendment to the previously approved arrangement would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That Company is authorized to enter into the amended contract with Bell Atlantic Directory Graphics, Inc. as described herein;

2) That any changes in the amendment as described herein shall require Commission approval;

3) That the authority granted shall run through June 30, 1994;

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. PUA920006
FEBRUARY 26, 1992

APPLICATION OF
UNITED CITIES GAS COMPANY

For approval of lease agreement with affiliate

ORDER GRANTING AUTHORITY

On February 11, 1992, 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 real property lease agreement (the "Lease Agreement," the "Lease") with its affiliate, UCG Leasing, Inc. ("Leasing").

In its application, United Cities requests approval of a real property lease agreement with Leasing under which United Cities would lease a certain tract of land together with all improvements thereon, and United Cities would make rental payments to Leasing. Applicant represents that none of the rental payments made by United Cities under the Lease Agreement would be allocated to Virginia ratepayers. The Lease is for an office and service center located in Georgia and will not be used to serve any Virginia customers.

The Lease Agreement is between United Cities and Leasing for a specified tract of land in Columbus, Georgia. The Lease is for a twenty-five year period beginning September 1, 1992, and ending August 31, 2017. The annual rental will be $419,025. On expiration of the original term of the Lease, the Lease 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 real property lease agreement 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 Lease with UCG Leasing, Inc. 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 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. PUA920007
MARCH 30, 1992

APPLICATION OF
SOUTHWESTERN VIRGINIA GAS COMPANY

For authority to lease computer equipment from an affiliate

ORDER GRANTING AUTHORITY

Southwestern Virginia Gas Company ("Applicant", "Southwestern") has filed an application with the Commission under the Public Utilities Affiliates Act requesting authority to enter into a computer leasing arrangement with Southwestern Virginia Energy Industries, Ltd. ("Energy"), an affiliate.

Under the proposed arrangement, Applicant would lease certain IBM PC equipment, terminals, and printers from Energy for $310.65 per month. The leasing arrangement is comparable to a similar lease agreement available from a non-affiliate. Applicant represents that it did not have funds available to purchase the equipment. Southwestern states that the new equipment is needed by Applicant to have online information available in the Customer Service Department and to tie in with Transco's mainframe for purchase gas information. Applicant currently leases its mainframe computer from Energy under Commission approval in Case No. PUA890014.

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 above-described leasing agreement would not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Southwestern Virginia Gas Company is authorized to enter into the computer leasing agreement with Southwestern Virginia Energy Industries, Ltd. under the terms and conditions and for the purposes as stated in the application;

2) That there be no change in the monthly rental payment of $310.65 or in other terms and conditions of the leasing arrangement as described in the application filed on February 14, 1992, without prior Commission approval;

3) That the approval granted herein shall not preclude the Commission from applying the provisions of the Code of Virginia, Sections 56-78 or 56-80 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 the 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. PUA920008
JUNE 12, 1992

APPLICATION OF
CONTEL OF VIRGINIA, INC.

For authority to enter into contract with an affiliate

ORDER GRANTING AUTHORITY

Contel of Virginia, Inc. d/b/a GTE Virginia ("Company", "Applicant") has filed an application with the Commission under the Public Utilities Affiliates Act for authority to enter into a contract (the "Agreement") with GTE Data Services Incorporated ("GTEDS") for the provision of data processing and related services. The services relate primarily to systems and computer programming services as well as computer processing. The Agreement codifies the terms and conditions of the entire agreement between the parties in one inclusive document. Company requests approval effective January 1, 1992.

Services similar to those proposed herein were previously provided to Company by Contel Service Corporation. The Agreement is also basically the same as that approved in Case No. PUA920001 for GTE South Incorporated.

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 between Contel of Virginia, Inc. and GTEDS would not be detrimental to the public interest. The Commission is of the further opinion, however, that certain safeguards are necessary in order to assure that the prices Applicant pays for such services in the future will be competitive with the market. To assure such competitiveness, the Commission is of the opinion that the above-described arrangement should be approved for a three-year period ending January 1, 1995. Accordingly,

IT IS ORDERED:

1) That Contel of Virginia, Inc. is authorized to enter into the Agreement as described in the application for a three-year period ending January 1, 1995;

2) That should Applicant wish to continue with the Agreement beyond January 1, 1995, subsequent approval from the Commission shall be required;

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. PUA920009
MAY 26, 1992

APPLICATION OF
SOUTHWESTERN VIRGINIA GAS COMPANY
and
MIDWAY BOTTLED GAS COMPANY, INC.

For approval of Certain Propane Gas Purchases under the Affiliates Act

ORDER DENYING APPROVAL

On February 20, 1992, Southwestern Virginia Gas Company ("Southwestern" or "the Company") and Midway Bottled Gas Company, Inc. ("Midway") (hereafter referred to as the "Applicants") filed a joint application with the State Corporation Commission ("Commission") for approval of certain purchases made by Southwestern of bottled propane gas from Midway for Southwestern's metered propane gas customers. The joint application was filed pursuant to Chapter 4 of Title 56 of the Code of Virginia of 1950, as amended. In the joint application, Southwestern stated that Southwestern Virginia Energy Industries, Ltd. owns 94.82% of Southwestern's stock and 100% of the outstanding stock of Midway. The Company states that Midway is an affiliate.

The joint application further recited that it had obtained Commission approval of an arrangement to purchase propane from Midway for use by Southwestern's metered propane customers. Specifically, on March 22, 1991, the Commission entered an Order in Case No. PUA910008, authorizing Southwestern to purchase gas from Midway at a margin of $.2821 per gallon.

The joint application represents that the Staff has not accepted Southwestern's actual cost adjustment for its purchased gas adjustment and that Southwestern, therefore, cannot collect the commodity cost or margins associated with the Company's propane purchase from Midway made during 1990. The application states that the total cost of these purchases was $5,110. In addition, the joint application alleges that all of the propane purchased by the Company for metered service in 1990 was purchased under the same terms subsequently approved by the March 22, 1991

Final Order entered in Case No. PUA910008. The joint application notes that the Company's failure to receive prior approval for the earlier propane purchases from Midway was inadvertent. Midway and Southwestern have requested that the Commission enter an order expressly approving those purchases under the same terms approved in Case No. PUA910008.

On April 7, 1992, the Staff of the State Corporation Commission ("Staff") filed a Motion, requesting that we deny and dismiss the joint application. In its Motion, the Staff alleged that Southwestern's currently effective purchased gas adjustment ("PGA") tariff does not permit the retroactive recovery in 1992, of Southwestern's 1990 purchases of propane from Midway and that no other portions of Southwestern's tariffs appeared to permit the recovery by Southwestern of costs in 1990 to purchase propane from Midway. In addition, the Staff's Motion stated that Southwestern's application did not provide a verified copy of the contract between Southwestern and Midway in effect in 1990, nor did it set out the rates charged or provide cost support for the rates charged to Southwestern by Midway for the 1990 purchases. The Staff contends that the captioned application was insufficient to enable the Commission to conclude that Southwestern's costs and arrangements to purchase propane in 1990, were in the public interest.

By our April 10, 1992 Order, we docketed this proceeding and invited Southwestern and Midway to file a Response on or before April 20, 1992, to the Staff's Motion.

On April 20, 1992, Southwestern and Midway filed a joint response ("Response") to the Staff's Motion to Deny and Dismiss Application. In the Response, Southwestern and Midway argue that Staff's February 3, 1991 letter accepted the propane purchases conditional upon Commission approval of an affiliates' agreement authorizing the purchase of propane from Midway for metered propane purchases. It asserts that Staff's February 3, 1991 letter did not place a time limit for satisfying its condition on the acceptance of the 1991 PGA. It maintains that entry of an order in the proceeding approving the 1990 purchases would result in no retroactive recovery of costs since these costs have already been recovered under the PGA previously accepted by the Staff.

Southwestern and Midway additionally argue that the arrangement or contract for the 1990 propane purchases by Southwestern from Midway is no longer executory and has been consummated. They concede that Southwestern failed in its duty to file a contract under the Affiliates Act prior to their consummation. They, however, assert that neither Virginia Code § 56-77 nor any other provision in the Affiliates Act restricts the Commission's discretion to approve transactions which were never reduced to writing and which have been fully consummated. Finally, the Applicants assert that they demonstrated by reference to Case No. PUA910008 that the cost of purchasing propane from Midway at Midway's lowest commercial rate was substantially more advantageous to its ratepayers than the cost of obtaining propane from a nonaffiliated supplier. The Applicants did not request further hearing or oral argument in their Response.

NOW, THE COMMISSION, upon consideration of the joint application, the Staff's Motion to Deny and Dismiss Application, and the Response to that Motion, is of the opinion and finds that the captioned application is not in the public interest and must be denied. While our Staff assists us in our duties, its determinations cannot bind us. The final determination of whether the costs to purchase propane are in the public interest is ours. See Roanoke Gas Co. v. Div. of Consumer Counsel, 219 Va. 1072, 1079 (1979).

Indeed, the Staff's February 3, 1991, letter advising Southwestern that the Staff had accepted the PGA tariff applicable to the 1990 propane purchases, subject to affiliates approval under Virginia Code Chapter 4, Title 56, could not extend the time under Southwestern's PGA during which the costsassociated with these purchases could be recovered. Our March 22, 1991 Final Order in Case No. PUA910008 approved Southwestern's arrangement with Midway as of that date in time and did not expressly authorize the retroactive recovery of costs incurred in 1990. Hence the specific costs incurred earlier in 1990 were not found to be in the public interest by that Order.

Southwestern has failed to identify any portions of its currently effective tariff which would allow the recovery of the costs incurred in 1990 to purchase propane. With the exception of supplier refunds, Southwestern's actual cost adjustment ("ACA") portion of its PGA tariff limits recognition of gas purchase costs and any adjustments to those costs to Southwestern's determination period, i.e., January through December, and does not appear to be susceptible to an interpretation that would allow recovery of propane costs incurred in 1990.

Moreover, mere citation to the joint application filed in Case No. PUA910008 is insufficient to satisfy our public interest inquiry in this proceeding. While Rule 8:4 of the Commission's Rules of Practice and Procedure authorizes us to take judicial notice of our decisions in other cases, we cannot take judicial notice of the facts on which such decisions are based. Each application must be supported by its own factual record. In this case, none of the specific terms of the arrangement between Southwestern and Midway in effect during 1990 have been produced; no specific proof has been introduced in this record that in 1990, the costs incurred by Southwestern were as advantageous as could be obtained elsewhere; no specific data about Midway's supplier's posted propane price and shipping charges was provided; nor was any support provided for Midway's margin of $.2821 per gallon.

It is critical that the Commission have satisfactory proof of the costs incurred as a result of a transaction between a public service company and its affiliated interest. The Commission must closely scrutinize transactions between a utility and one of its affiliates. A fundamental public policy underlies the stringent standard of proof enumerated in Chapter 4 of Title 56 of the Virginia Code of 1950, as amended. Such additional scrutiny is necessary because the contracting parties have a unity of interests and do not deal at arm's length. Thus, there exists the opportunity for excess profit at ratepayers' expense - a situation that does not exist when the parties to a transaction are independent of each other. See Commonwealth Gas Services, Inc. v. Reynolds Metals Co., 236 Va. 362, 367 (1988). See also Roanoke Gas Co. v. Commonwealth, 217 Va. 850, 854 (1977) (an "important aspect of public interest is assurance 'that an affiliated company of a regulated utility does not receive unjust benefits, to the detriment of the utility's customers.'"). We are unable to conclude in this proceeding that the 1990 purchases are in the public interest or that this application should be granted.

Accordingly, IT IS ORDERED:

(1) That the joint application requesting approval of purchases from Midway which were consummated in 1990 is hereby denied; and

(2) That there being nothing further to be done herein, this matter shall be dismissed, and the papers filed herein be made a part of the Commission's file for ended causes.

CASE NO. PUA920010
AUGUST 3, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY
and
SOUTHSIDE ELECTRIC COOPERATIVE

For authority to transfer utility assets

ORDER GRANTING AUTHORITY

Virginia Electric and Power Company ("Virginia Power", "Company") and Southside Electric Cooperative ("SEC", "Cooperative") (collectively, "Applicants") have filed an application under the Utility Transfers Act.

Applicants request approval of a proposed sale by Virginia Power and purchase by Cooperative of approximately nine (9) miles of sixty nine (69) kV transmission line (the "Facilities") located within SEC's assigned service territory, being that portion of Virginia Power's line serving SEC's Lone Gum Substation. The purchase price for the Facilities is $98,644.00 which is equal to the present reproduction cost of the Facilities less depreciation, as estimated by Virginia Power.

Virginia Power represents that SEC plans to meet its future service needs in the Lone Gum area through purchases from Appalachian Power Company ("APCO") via a new delivery point with APCO. SEC accepted Virginia Power's offer to purchase the terminated Lone Gum Delivery Point facilities located within SEC's assigned service territory in lieu of paying Virginia Power to remove the Facilities. Applicants represent that the cost to Cooperative for removing the Facilities would have been higher than the purchase price of the Facilities.

THE COMMISSION, upon consideration of the application and representations of Applicants and having been advised by its Staff, is of the opinion that the sale and conveyance of the Facilities will neither impair nor jeopardize adequate service to the public at just and reasonable rates. Accordingly,

IT IS ORDERED:

1) That Applicants are authorized to transfer the public utility assets, all in the manner, under the terms and conditions and for the purposes as described in the application; and

2) That this matter be continued until September 30, 1992, for the presentation by Applicants, on or before such date, of a report of the action taken pursuant to the authority granted herein, such report shall contain a bill of sale for the transaction, all journal entries associated with the transaction and balance sheets reflecting the Applicants' positions before and after the action taken.

CASE NO. PUA920012
MAY 19, 1992

APPLICATION OF
SOUTHWESTERN VIRGINIA GAS COMPANY

For approval of propane purchases from Midway Bottled Gas Company, Inc., an affiliate

ORDER GRANTING AUTHORITY

On April 8, 1992, Southwestern Virginia Gas Company ("Company", "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for approval of propane purchases from Midway Bottled Gas Company, Inc. ("Midway") during 1991 prior to March 22, 1991. Such purchases were consummated under the same terms that the Commission approved in Case No. PUA910008, by Order dated March 22, 1991. As in Case No. PUA910008, Midway supplied propane bottled gas for Company's metered propane gas customers being served under Company's Rate Schedule A.

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 for the purchase of propane gas under the same terms and conditions as approved in Case No. PUA910008 would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That approval is granted for the purchase by Southwestern Virginia Gas Company of propane bottled gas for Company's metered propane gas customers under the same terms and conditions as approved in Case No. PUA910008;

2) That the approval granted herein shall have no implications for cost recovery under Company's automatic cost adjustment ("ACA");

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 hereafter; and

5) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA920013
AUGUST 3, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY
and
NORTHERN VIRGINIA ELECTRIC COOPERATIVE

For authority to transfer utility assets

ORDER GRANTING AUTHORITY

Virginia Electric and Power Company ("Virginia Power", "Company") and Northern Virginia Electric Cooperative ("NOVEC", "Cooperative") (collectively, "Applicants") have filed an application under the Utility Transfers Act.

Applicants request approval of a proposed sale by Virginia Power and purchase by Cooperative of the Sycoline Substation and the accompanying distribution circuit serving the substation (the "Substation") located within NOVEC's assigned service territory. Virginia Power has agreed to sell and convey and Cooperative has agreed to purchase and acquire, subject to Commission approval, the Substation. The purchase price for the Substation is $253,559.00 which is equal to the present reproduction cost of the facilities less depreciation, as estimated by Virginia Power. Cooperative represents that by owning the Substation, it will benefit from having total operational control of the facilities which in turn will enable NOVEC to serve its customers more cost effectively and more efficiently.

THE COMMISSION, upon consideration of the application and representations of Applicants and having been advised by its Staff, is of the opinion that the sale and conveyance of the Substation will neither impair nor jeopardize adequate service to the public at just and reasonable rates. Accordingly,

IT IS ORDERED:

1) That Applicants are authorized to transfer the public utility assets, all in the manner, under the terms and conditions and for the purposes as described in the application; and

2) That this matter be continued until September 30, 1992, for the presentation by Applicants, on or before such date, of a report of the action taken pursuant to the authority granted herein, such report shall contain a bill of sale for the transaction, all journal entries associated with the transaction and balance sheets reflecting the Applicants' positions before and after the action taken.

CASE NO. PUA920015
DECEMBER 22, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to enter into Deed/Indenture with affiliates

ORDER GRANTING AUTHORITY

On May 28, 1992, The Potomac Edison Company ("PE," "Company," "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to enter into a Deed/Indenture with its affiliates, Monongahela Power Company ("Monongahela") and West Penn Power Company ("West Penn"), (collectively referred to as "Affiliates") to allow PE and Monongahela to purchase from West Penn an undivided 20% interest and undivided 27.5% interest, respectively, in a portion of an ash disposal site at Hatfield's Ferry Power Station in Monongahela Township, Greene County, Pennsylvania, so that the three companies would own jointly that portion of the ash disposal site in the same manner in which they share ownership of Hatfield's Ferry Power Station and the rest of the land on which it is situated.

Company represents that by Deed dated April 22, 1991, West Penn purchased, for $38,000, a tract of land situated in Monongahela Township, Greene County, Pennsylvania, containing approximately four (4) acres. Also conveyed to West Penn by the above-noted Deed dated April 22, 1991, is any right, title, and interest in and to an existing access road used for the past twenty five (25) years and running from Route 88 to the aforesaid four (4) acres. PE, Monongahela, and West Penn jointly own Hatfield's Ferry Power Station (the "Power Station") and the land on

which it is situated, which includes an ash disposal site necessary for the operation of the station. The Power Station and the land on which it is situated is located in Monongahela Township, Greene County, Pennsylvania. The above-mentioned tract of land is part of the aforesaid ash disposal site at the Power Station.

Other than the aforesaid tract of land situated in Monongahela Township, Greene County, Pennsylvania, and containing four (4) acres, which West Penn currently solely owns in fee simple, PE, Monongahela, and West Penn jointly own the Hatfield's Ferry Power Station and all other land on which it is situated. Each company owns an undivided interest in the Power Station and the land as follows: PE - 20%, Monongahela - 27.5%, and West Penn - 52.5%. West Penn purchased the aforesaid tract of land to obtain additional soil borrow area and provide buffer space required for ash disposal sites by new Pennsylvania Solid Waste Management Regulations.

PE, Monongahela, and West Penn propose to make the ownership of the aforesaid tract of land containing four (4) acres coincide with the ownership of the rest of the Power Station and the land on which it is situated. PE, Monongahela, and West Penn, therefore, propose that West Penn, for a consideration of $7,600.00 and other good and valuable consideration, convey to PE an undivided 20% interest in the tract of land and the same percentage of undivided title, right, and interest in and to an existing access road used for the past 25 years and running form Route 88 to the aforesaid four (4) acres. PE and Affiliates also propose that West Penn, for a consideration of $10,450.00 and other good and valuable consideration, convey to Monongahela an undivided 27.5% interest in the same tract of land and the same percentage of undivided right, title, and interest in and to the aforesaid existing access road. Therefore, PE, Monongahela, and West Penn propose to enter into the Deed/Indenture dated April 14, 1992, in order for West Penn to make the conveyances to PE and Monongahela described above. Company represents that the purpose for such conveyance is to allocate the ownership of the ash disposal site in the same manner in which all other land and facilities are allocated.

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 Deed/Indenture agreement would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That The Potomac Edison Company is hereby authorized to enter into the proposed Deed/Indenture with Monongahela Power Company and West Penn Power Company so that the companies will own jointly the aforesaid tract of land situated in Monongahela Township, Greene County, Pennsylvania, and containing four (4) acres in the same manner in which they share ownership (PE - undivided 20% interest, Monongahela - undivided 27.5% interest, and West Penn - undivided 52.5% interest) of the Hatfield's Ferry Power Station and the rest of the land on which it is situated;

2) That the authority granted herein shall not preclude the Commission from exercising the provisions of §§ 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 § 56-79 of the Code of Virginia hereafter;

4) That, on or before February 26, 1993, Applicant shall file a Report of Action with respect to the proposed Deed/Indenture and include, in this Report, the accounting entries that reflect the transaction; and

5) That this matter shall be continued generally subject to the continuing review and appropriate directive of the Commission.

CASE NO. PUA920016
JULY 17, 1992

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", "Company", "Applicant") has filed an application under the Public Utilities Affiliates Act for authority to purchase a central office digital switch from The Chesapeake and Potomac Telephone Company ("C&P-DC"). The digital switch was purchased in February, 1992 at a sales price of $1,158,251, the net book value of the equipment at the time of sale.

Applicant represents that it needs this switch to replace an IA ESS switch in its Alexandria central office. Company states that the digital switch will provide for growth, lower maintenance costs and greater revenue opportunity through Digital Centrex and Integrated Systems Digital Network ("ISDN") sales. Company studied the cost of a new switch, but found that C&P-DC's switch plus necessary new equipment would provide the same equipment configuration as a new switch, but at a savings of over $600,000. C&P-DC was in a position to sell because its switch once served federal government customers who left C&P-DC service and shifted to a competitive service.

C&P of Virginia states that because of the unique nature of this transaction (a central office switch became available in the District at about the same time C&P of Virginia required the switch), engineering planners in the two companies were not aware of the requirements of Virginia's Affiliated Interest Law and made arrangements for the transfer to take place in February. Subsequently, the affiliate filing was identified. The transaction has not been booked by either company pending approval of this application. At Staff's request, Company has provided figures to support the sales price and cost savings derived from purchasing the used equipment.

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 transfer of equipment from C&P-DC 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-DC a central office digital switch as described in the application at a sales price of $1,158,251, the net book value of the equipment at the time of transfer;

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 September 30, 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.

CASE NO. PUA920017
SEPTEMBER 3, 1992

APPLICATION OF
UNITED CITIES GAS COMPANY

For authority to enter into lease agreements with affiliate

ORDER GRANTING AUTHORITY

On June 22, 1992, United Cities Gas Company ("United Cities", "Company," "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to enter into two (2) real property lease agreements ("Lease Agreements") with an affiliate, UCG Energy Corporation ("UCG Energy," "Affiliate") for corporate office space. The two Lease Agreements would be effective September 1, 1992, and would involve the lease by United Cities of certain premises together with the appurtenances, including the right to use, in common with others, the lobbies, elevators, and other common areas of the building of which the leased premises are a part. The space is located in Franklin Operations Building, 377 Riverside Drive, Franklin, Tennessee 37064.

The first lease is one which provides for the lease of 14,977 square feet by United Cities for use by certain corporate office departments. The term of the lease is for five years, beginning on September 1, 1992, and ending on August 31, 1997. The annual basic rental will be $179,724.00. On the expiration of the original term, the lease grants four options of five years each to renew or extend the lease for additional five year terms upon such terms and conditions to be agreed upon by Company and Affiliate. United Cities would allocate to Virginia the expenses related to this agreement based on the average number of customers.

The second lease provides for the lease of some 6,900 square feet by United Cities for use by the Illinois/Tennessee/Missouri Division Office. The term of this lease is for five years, beginning on September 1, 1992, and ending on August 31, 1997. The annual basic rental would be $82,800.00. On the expiration of the original term, the lease grants four options of five years each to renew or extend the lease for additional five year terms upon such terms and conditions to be agreed upon by Company and Affiliate. The lease would have no effect on Virginia ratepayers.

Company represents that it moved into the current corporate office in late 1985. The building was designed for the corporate organization as it existed at that time. Company further states that there are currently three functions in the corporate office building that were not part of the organizational structure in 1985. The Regulatory Affairs Group, Gas Supply and Control, and Purchasing have all been added as Corporate functions. Due to this space limitation, Company states that it is necessary to lease additional space needed for this additional requirement. The Illinois/Tennessee/Missouri Division Office will relocate its office due to the termination of its current lease.

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 Agreements for a five-year period beginning on September 1, 1992, and ending on August 31, 1997, would not be detrimental to the public interest and should be approved. The Commission is of the further opinion, however, that in order to continue to protect the public interest, the terms and conditions of any renewal or extension of the Lease Agreements as described herein should be submitted to the Commission for its review and approval. Accordingly,

IT IS ORDERED:

1) That United Cities Gas Company is hereby authorized to enter into the real property lease agreements with UCG Energy Corporation for corporate office space under the terms and conditions as described herein, such authority to be effective September 1, 1992, and end on August 31, 1997;

2) That Commission approval shall be required for any renewal or extension of the Lease Agreements beyond the initial five-year period as described herein;

3) That should any terms and conditions of the Lease Agreements change from those described in the application during the initial five-year period, 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, §§ 56-76 and 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 § 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. PUA920018
SEPTEMBER 3, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to acquire utility securities

ORDER GRANTING AUTHORITY

On August 3, 1992, Virginia Electric and Power Company ("Virginia Power," "Company," "Applicant") filed an application with the Commission under the Utility Transfers Act for authority to acquire First Mortgage Bonds issued by Old Dominion Electric Cooperative ("ODEC," "Old Dominion") in exchange for the Notes Company currently holds.

By Commission Order dated July 15, 1983, in Case No. PUE830020, Virginia Electric and Power Company was granted authority to enter into certain transactions with ODEC effecting the sale by Virginia Power to Old Dominion of an 11.6 undivided interest in its North Anna Nuclear Power Station Units 1 and 2. ("North Anna"). The purchase price for ODEC's interest in North Anna included certain taxes that were known to be incurred by Virginia Power as a result of the sale.

At the closing, Virginia Power received two non-interest bearing promissory notes (the "Notes") issued by ODEC for the payment of the tax liability. The Notes are secured by a Second Deed of Trust given by ODEC to John J. Beardsworth, Jr. and Nathan H. Miller, as trustees, conveying ODEC's interest in North Anna as security for the payment of the Notes. The lien of the Virginia Power Deed of Trust was, by its terms, subordinate to the lien of a Mortgage and Security Agreement between ODEC and the United States of America, acting through the Administrator of the Rural Electrification Administration ("REA"). The REA Mortgage secured the payment of certain REA guaranteed indebtedness of Old Dominion to the Federal Financing Bank. As of July 31, 1992, the unpaid principal balance of the Notes was approximately $11,930,400.00. The Notes mature in December 1993 and December 1996, respectively. Each of the Notes provides that it may be prepaid by ODEC at any time without penalty or premium. ODEC is now in the process of issuing $500,000,000 of its First Mortgage Bonds, 1992 Series A (the "Bonds"). As a result, the REA debt will be repaid and the REA mortgage extinguished.

To secure the Bonds, ODEC will convey its interest in North Anna, along with substantially all of its other assets, now owned or hereafter acquired, to Crestar Bank, as Trustee, under an Indenture of Mortgage and Deed of Trust, dated as of May 1, 1992. As a condition to the issuance of the Bonds, it required that the lien of the Virginia Power Deed of Trust be subordinate and inferior to the lien of the Bond Indenture.

To accomodate ODEC's issuance of the Bonds, Virginia Power has executed a Deed of Subordination (the "Subordination") subordinating the lien of the Virginia Power Deed of Trust to the lien of the Bond Indenture. In consideration of Virginia Power's execution of the Subordination, ODEC will issue to Companyin exchange for the Notes a new series of ODEC's First Mortgage Bonds (the "Replacement Bonds"), in a principal amount equal to the outstanding principal amount of the Notes at the time of issuance of the Replacement Bonds and having terms substantially similar to the terms of the Notes. The Replacement Bonds will be secured ratably with the other bonds issued under the Bond Indenture. As with the Notes, the Replacement Bonds will be non-interest bearing. The Virginia Power Deed of Trust will be extinguished.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that Virginia Power's proposed acquisition of securities of ODEC as described herein would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That Virginia Power is hereby authorized to acquire the Replacement Bonds of ODEC as described herein; and

2) That Applicant shall file, on or before November 30, 1992, a report of the action taken pursuant to the authority granted herein; and

3) That this matter shall be continued generally subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUA920019
OCTOBER 7, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to acquire a computer software package from, and enter into a license agreement with, affiliate, Tech Resources, Inc.

ORDER GRANTING AUTHORITY

On August 14, 1992, Virginia Electric and Power Company ("Virginia Power," "Company," "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to acquire a software package from, and enter into a Software License Agreement (the "Agreement") with, Tech Resources, Inc., ("Tech Resources," "Affiliate"), an affiliate.

In its application, Company states that Tech Resources is a joint venture that is primarily involved in the provision of business management, information and technical systems, and support services. Tech Resources is located in Columbus, Ohio, and is jointly owned by Dominion Energy, Inc. and Battelle Memorial Institute of Columbus. Both Dominion Energy and Virginia Power are wholly owned subsidiaries of Dominion Resources, Inc. Therefore, Tech Resources and Virginia Power are "affiliated interests" as defined by Virginia Code Section 56-76.

Company states in the application that it recently concluded that it requires the development or acquisition of computer software which offers certain Standard Industrial Code ("SIC") modeling capabilities. Company initiated a search for software which satisfies its unique requirements and discovered only two vendors that market such software.

Company obtained technical and pricing information from the two suppliers, Tech Resources and PHH Fantas. A firm price of $6,900 was received from Tech Resources for MATPAK and Market Miner economic development target marketing software. A price of approximately $100,000 was received for a similar software package from PHH Fantas. Virginia Power reviewed these software packages and determined that the less expensive software supplied by Tech Resources would satisfy its technical requirements. Virginia Power and Tech Resources have executed a purchase order and entered into a Software License Agreement conditioned upon Commission approval.

Company represents that Tech Resources' MATPAK and Market Miner software would be used by Company's Economic Development section in assisting service area communities to: (1) review and establish linkages between businesses already established in a given community and potential business expansion/recruitment prospects (2) better target their marketing/advertising efforts toward specific businesses; and (3) understand the requirements that targeted businesses have (i. e. land, work force, water requirements) in order to better assist, anticipate and react to business expansion/recruitment prospects.

Virginia Power represents that the proposed transaction is in the public interest. Company states in a response to a Staff request concerning the public interest that the software has the potential to assist Company's new Economic Development group in accomplishing its energy efficiency and load conservation initiatives. Specifically, Company would be in a position to better respond to opportunities for using existing, committed distribution, transmission, and power generating facilities if it has the opportunity to use the information that MATPAK would supply regarding a given community. Company represents that it would be able to focus on the energy needs of industries that are compatible with Virginia's existing energy resources and the efficient utilization of those resources. Company further indicates that the use of MATPAK software would also allow economic development efforts to focus on strengthening the service area's existing business base by better understanding the existing and future needs of the business base. Similarly, Virginia Power indicates that it would be prepared to retain those businesses that have already located within the service area and are already an integral part of Company's energy supply profile.

THE COMMISSION, upon consideration of the application and representations of Applicant and having been advised by its Staff, is of the opinion that Virginia Power's proposed acquisition of a computer software package and Software License Agreement as described herein would not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Virginia Electric and Power Company is hereby authorized to acquire the computer software package from Tech Resources, Inc. and enter into the Software License Agreement 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 hereafter; and

4) That there appearing nothing further to be done in this matter, the same be, and it hereby is, dismissed.

CASE NO. PUA920023
DECEMBER 23, 1992

APPLICATION OF
KENTUCKY UTILITIES COMPANY

For authority to purchase real property and improvements from an affiliate

ORDER GRANTING AUTHORITY

On August 27, 1992, Kentucky Utilities Company ("KU," "Company," "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for authority to purchase real property and improvements from KU Capital Corporation ("Capital," "Affiliate"), an affiliate.

Capital is a Kentucky corporation and a wholly-owned subsidiary of KU Energy Corporation. On March 25, 1992, Capital purchased a seven-story office building and adjacent parking garage located at 101-151 East Vine Street, Lexington, Kentucky. The conveyance from Lime & Vine Realty Company was evidenced by a deed recorded in the Fayette County Court Clerk's Office.

KU proposes to purchase the above-described property and improvements from Capital. Upon consummation of the proposed purchase, KU will lease the building to existing tenants until the expiration of their leases. When the existing leases expire, Company will occupy such portions of the building as it needs and may lease the remainder. KU, however, expects to occupy most of the building space with its personnel.

Company states that the building's investment and operating costs will be recorded on KU's books as non-utility related property and expenses until utility personnel begin occupying the building. Upon the occupancy of KU personnel, the appropriate transfer of investment costs and recording of expenses to utility accounts will begin. This accounting will be accomplished on the allocated basis of square footage with a recognition of floor priority; or, in the case of parking facilities, on a cost per parking space occupancy.

KU has previously submitted to the Commission, by letters dated May 1, 1991 and April 27, 1992, filings including cost of service information representing the allocation of general plant costs between KU in Kentucky and Virginia based on a labor allocator. This same labor allocator will be applied to the building when it is occupied by KU to provide utility related service.

Company provides the following in support of the proposed purchase:

1) KU has an immediate need for additional office space and anticipates that it will ultimately be the primary occupant of the seven-story building proposed to be purchased.

2) The building purchase is consistent with Company's Corporate Policies and Guidelines for Intercompany Transactions which requires intercompany transactions to be structured, and reimbursement made, in such manner that such transactions do not have an adverse impact on utility customers.

An appraisal of the above-described property was conducted by an outside appraisal firm. Such appraisal estimated the fair market value as of April 20, 1992, at $4,997,000. KU Capital's proposed sale price will represent the net book value recorded on its books and will include its purchase cost of $4,977,817 ($4,725,000 plus capitalized transaction costs), less accumulated depreciation, plus minor capital improvements incurred by Capital prior to the KU acquisition. Net book value is estimated to be $4,898,056.05 as of December 31, 1992.

According to KU's Corporate Policies and Guidelines, this sale and transfer must be settled by cost or fair market value, whichever is lower. The proposed sale will be less than the appraised value, adjusted for subsequent minor improvements. The arrangement will occur upon the closing and deed transfer of the property on that date.

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 transaction would not be detrimental to the public interest and should be approved. The Commission is of the further opinion, however, that the proposed labor allocator for allocating costs between Kentucky and Virginia should not be decided upon in this case but should be dealt with in the context of a rate proceeding. Accordingly,

IT IS ORDERED:

1) That Kentucky Utilities Corporation is hereby authorized to purchase the above-described property from KU Capital under the terms and conditions as described herein;

2) That the authority granted herein shall not include approval of the labor allocator for allocating costs between Kentucky and Virginia but shall be dealt with in the context of a rate proceeding;

3) That the authority granted herein shall not preclude the Commission from exercising the provisions of §§ 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 § 56-79 of the Code of Virginia;

5) That, on or before February 26, 1993, Applicant shall file a report of the action taken pursuant to the authority granted herein, such report to include the date of sale and the accounting entries reflecting the transaction; and

6) That this matter shall be continued generally subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUA920024
NOVEMBER 17, 1992

APPLICATION OF
THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA

For authority to enter into sublease with an affiliate

ORDER GRANTING AUTHORITY

The Chesapeake and Potomac Telephone Company of Virginia ("Company," "C&P," "Applicant") has filed an application with the Commission under the Public Utilities Affiliates Law for authority to enter into a Sublease with an affiliate, Bell Atlantic International, Inc. ("BAII," "Affiliate") for approximately 33,405 square feet of office space in an office building in Rosslyn, Virginia. Company represents that it needs this space to house personnel for about five (5) years while its present space in the Pentagon undergoes extensive renovation pursuant to a project C&P has undertaken with the U.S. Department of Defense ("DOD").

C&P states that the work, known as the Tempo project, involves a complete renovation of the areas in the Pentagon which house telephone switches and C&P personnel. A requirement of the work to be done by C&P for the Pentagon is that personnel be relocated reasonably close to the Pentagon in space meeting the specific requirements of DOD. DOD would also have employees located in this space. Company represents that it has no existing available space to meet all the requirements. Therefore, in February, 1992, Company issued a public reply for quotes seeking suitable space in the Rosslyn area.

After an evaluation of responses, C&P sought and obtained a "best and final" offer. About that time, BAII made Company aware of the fact that it was downsizing its forces at its location in Rosslyn and had available space it was willing to sublease.

C&P agreed to the sublease of space from its affiliate since it clearly met its requirements. However, it was agreed that it would do so only on the price terms C&P had received in the "best and final" offer. BAII would pay the balance of the rent not paid for by C&P. The Sublease between C&P and BAII commits C&P to pay the same rent over the lease term. All increases and escalations in rent would be paid by BAII.

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 sublease arrangement would not be detrimental to the public interest and should be approved. Accordingly,

IT IS ORDERED:

1) That C&P Telephone Company of Virginia is hereby authorized to enter into the Sublease with Bell Atlantic International, Inc. as described herein;

2) That should the terms and conditions of the Sublease change from those contained in the Sublease dated June 30, 1992, Commission approval shall be required for such changes;

3) That the approval granted herein shall not preclude the Commission from exercising the provisions of §§ 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 §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. PUA920025
DECEMBER 23, 1992

PETITION OF
CENTEL CORPORATION
and
SPRINT CORPORATION

For authority to effect a merger

ORDER GRANTING AUTHORITY

On September 3, 1992, Sprint Corporation ("Sprint") and Centel Corporation ("Centel") (collectively referred to as the "Petitioners") filed a petition with the Commission under the Utility Transfers Act for authority to merge Sprint and Centel.

Sprint is a Kansas Corporation with its principal executive offices at 2330 Shawnee Mission Parkway, Westwood, Kansas. Through its subsidiaries, Sprint has four lines of business: local telephone operations, long distance telephone operations, directory publishing, and distribution of telecommunications products. F W Sub Inc., a Kansas corporation, is a wholly-owned subsidiary of Sprint formed for the sole purpose of consummating the proposed merger of Sprint and Centel.

Sprint has the following subsidiaries which are Virginia public service companies as defined by Virginia Code § 56-232: United Telephone - Southeast, Inc., providing local exchange telephone service to over 84,000 access lines in 27 exchanges in all or part of nine counties in Virginia, and Sprint Communications Company of Virginia, Inc., providing interLATA interexchange service in Virginia.

Centel is a Kansas corporation which has its principal executive offices at 311 South Wacker Drive, Chicago, Illinois. Centel, through its subsidiaries, provides local exchange telephone services and cellular communications throughout the United States. Centel's subsidiary, Central Telephone Company of Virginia ("Central Telephone - Virginia") is the local exchange company doing business in Virginia, providing telephone service to over 225,000 access lines in sixty-one (61) exchanges in all or part of thirty-four (34) counties in Virginia.

The Petitioners and F W Sub Inc., on May 27, 1992, executed an Agreement and Plan of Merger which provides for F W Sub Inc. to merge with and into Centel, which will be the surviving corporation. Centel will thereby become a subsidiary of Sprint. For federal income tax purposes, the Parties intend that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. Such a reorganization will result in no recognition of taxes to the existing shareholders of Centel or Sprint as a result of the merger. A further intention of the Parties is that the merger will be accounted for as a "pooling of interests" under APB 16.This will allow the assets of the Petitioners to be carried forward at their recorded values and for the restated income of the merged organization to consist of the incomes of each of the Petitioners in the current fiscal period at the effective time of the merger.

At the effective time of the merger, all shares of Centel Common Stock which had been issued and outstanding prior to the effective time will be canceled and converted into the right to receive 1.37 shares of Sprint Common Stock. In addition, outstanding options to purchase shares of Centel Common Stock will be assumed by Sprint. The holders of these options will receive, for each share of Centel Common Stock for which an option is held, an equivalent number of options to purchase shares of Sprint Common Stock based on a formula contained in the Agreement. All outstanding shares of Centel Preferred Stock will be redeemed by Centel except that each share of Centel Cumulative Preferred Stock, 6.00% Dividend Series, that is outstanding prior to the effective time of the merger, will be converted into the right to receive one (1) share of Sprint Cumulative Preferred Stock, 6.00% series at the effective time of merger.

As a result of this transaction, Centel will become a wholly-owned subsidiary of Sprint; however, Central Telephone - Virginia will remain a subsidiary of Centel and will continue to hold its certificates of public convenience and necessity, licenses, and other authorizations. Therefore, no changes in the existing approvals under the Affiliates Act will be necessary.

The Petitoners represent that Centel's local exchange properties are, in some instances, adjacent to Sprint's local exchange operations. Their operations complement each other so that the companies will potentially be better able to serve the public. The Petitioners also represent that a number of efficiencies are anticipated as a result of the merger. It is anticipated that the greater size of the merged companies should create significant economies of scale resulting in reduced costs. It should also generate the financial and other resources needed to compete effectively in today's competitive telecommunications industry. In addition, the Petitioners represent that direct cost savings and operational efficiencies should be realized through consolidation and elimination of redundant functions and assets, streamlining operations and sharing of overheads. The Petitioners further state that the merger, by virtue of the resulting larger size, will enhance Sprint's financial resources and improve Centel's access to the capital markets.

Following the merger, Centel and its subsidiaries will continue to operate all of its local exchange telephone companies, including Central Telephone - Virginia. No immediate changes are contemplated with respect to operations or structure in Virginia as a result of the proposed merger. If it is determined, after study, that operational or structural changes affecting Central Telephone - Virginia or United Telephone - Southeast, Inc. would be in the public interest, then requests for further Commission approval will be made, as appropriate.

THE COMMISSION, upon consideration of the petition and representations of the Petitioners and having been advised by its Staff, is of the opinion that the disposition and acquisition of Central Telephone - Virginia as set forth herein will not impair or jeopardize the continued provision of adequate service to the public at just and reasonable rates by Central Telephone - Virginia and therefore, such disposition and acquisition and the resulting merger of Sprint Corporation and Centel Corporation should be approved. Accordingly,

IT IS ORDERED:

1) That the disposition and acquistion of Central Telephone - Virginia as described herein is hereby approved;

2) That the authority for Centel Corporation, F W Sub Inc., and Sprint Corporation to enter into the Agreement and Plan of Merger as described herein is hereby granted;

3) That Centel Corporation and Sprint Corporation are authorized under Chapter 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 petition filed herein;

4) That Centel Corporation, Sprint Corporation, and Central Telephone - Virginia shall respond promptly and fully to any Staff requests for information in connection with this matter;

5) That a report of the action pursuant to the authority granted herein shall be filed by no later than February 26, 1993; and

6) That this matter be continued generally subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUA920026
OCTOBER 14, 1992

APPLICATION OF
APPALACHIAN POWER COMPANY

For consent to and approval of a modification to an existing inter-company agreement with an affiliate

ORDER GRANTING AUTHORITY

On September 10, 1992, Appalachian Power Company ("Company," "Appalachian," "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for consent to and approval of a modification of an existing Inter-Company Power Agreement (the "Agreement") with Ohio Valley Electric Corporation ("OVEC") and other affiliated companies.

Company represents that OVEC is an Ohio corporation which was organized in 1952 primarily for the purpose of supplying electric energy to the United States Atomic Energy Commission (the "AEC") at its Portsmouth, Ohio, gaseous diffusion plant. The AEC was abolished on January 19, 1975, and certain of its functions, including the procurement of electric power for the facility, were transferred to, and vested in, the Administrator of the United States Energy Research and Development Administration ("ERDA"). On October 1, 1977, all of the functions of ERDA were transferred to the Secretary of the United States Department of Energy.

Appalachian further states that OVEC subsequently entered into an Inter-Company Power Agreement, dated July 10, 1953 with certain public utilities (the "Sponsoring Companies"), including, among others, Appalachian, Indiana Michigan Power Company ("Indiana Michigan"), Columbus Southern Power Company ("Columbus Southern"), and Ohio Power Company ("Ohio"), affiliated companies. The Agreement governed, among other things, the obligations of the Sponsoring Companies to sell supplemental power to OVEC and the rights of the Sponsoring Companies to purchase surplus power from OVEC.

The Agreement has since been modified in 1966, 1967, 1975, 1979, and 1981. By Order dated June 30, 1976, in Case No. A-497, the Commission approved the Agreement and Modifications Nos. 1, 2, 3, and 4 and authorized Company to continue such contractual arrangements. By Order dated March 13, 1980, in the same case, the Commission approved Modification No. 5 and authorized Company to continue such arrangements. By Order dated September 29, 1981, in Case No. PUA810079, the Commission approved Modification No. 6 and again authorized Company to continue the contractual arrangements.

The parties to the Agreement have entered into Modification No. 7, dated January 15, 1992 , and the parties are seeking appropriate approval from the Federal Energy Regulatory Commission (the "FERC") and from all state regulatory agencies having jurisdiction in the matter. Therefore, Applicant requests Commission approval of Modification No. 7 and authority to continue the contractual arrangement.

As stated in the application, Modification No. 7 effects changes in the Agreement to conform to changes contained in Modification No. 14 to a contract dated October 15, 1952 between OVEC and the United States of America, currently acting by and through the Department of Energy (the "DOE"). Appalachian is not a party to the DOE Power Agreement nor to Modification No. 14 thereof.

As of the date of filing, three (3) of the corporate directors of Appalachian are also directors of OVEC, seven (7) are directors of Columbus Southern, five (5) are directors of Indiana Michigan, and seven (7) are directors of Ohio. Accordingly, OVEC, Indiana Michigan, Columbus Southern, and Ohio are affiliated interests of Appalachian within the meaning of Section 56-76 of the Code of Virginia. The effect of the Modification No. 7 is a reduction in power billings to the DOE and the Sponsoring Companies.

In response to Staff inquiries, Appalachian represents that the surplus energy made available to the Sponsoring Companies, including Appalachian, is quite economical and, therefore, beneficial to the Sponsoring Companies and to their customers.

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 Modification No. 7 to the above-described Inter-Company Power Agreement would not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Appalachian Power Company is hereby granted approval of Modification No. 7 of the Inter-Company Power Agreement as described herein and authorized to continue the contractual arrangement as described herein;

2) That any further modifications to the Agreement shall require Commission approval;

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;

5) That Company shall file a report with the Commission on or before February 26, 1993, showing power billings for the twelve months ended December 31, 1992, in connection with the authority granted herein; and

6) That this case shall be continued generally subject to the continued review, audit, and appropriate directive of the Commission.

CASE NO. PUA920027
OCTOBER 26, 1992

APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA

For approval of affiliate agreements with Centel Cellular Company of Virginia

ORDER GRANTING AUTHORITY

On September 11, 1992, Central Telephone Company of Virginia ("Company", "Centel-Virginia") and Centel Cellular Company of Virginia ("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 three Cellular Interconnection Agreements (the "Agreements") entered into on August 15, 1991, October 29, 1991, and January 17, 1992 between Applicants under which Applicants will interconnect their facilities for the provision of through communications services. Pursuant to the Agreements, Centel-Virginia and Centel Cellular will physically connect their facilities and will interchange traffic in Centel-Virginia's service areas located in South Hill, Martinsville, and South Boston, Virginia. The interchanged traffic will be handled over connecting circuits owned and provided by Company. Applicants represent that the Agreements are 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 points of connection necessary for the telephone company to provide services under the Agreements. Company will provide connection circuits as requested by Centel Cellular. Centel-Virginia will bill Centel Cellular for facilities and services provided under the Agreements according to local network usage rates, which are equivalent to those set forth in Company's tariff on file with the Commission.

The Agreements have initial terms of one year and are automatically renewed for successive one year terms. The Agreements provide for termination for cause upon thirty (30) days written notice or upon ninety (90) 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 Agreements as described herein are hereby approved effective August 15, 1991, October 29, 1991, and January 17, 1992, for the South Hill, Martinsville, and South Boston, Virginia areas, respectively;

2) That should any terms and conditions of the Agreements change from those described herein, Commission approval shall be required for such changes;

3) That the authority granted herein shall not preclude the Commission from applying the provisions of §§ 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 § 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. PUA920028
OCTOBER 14, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For consent to and approval of a modification to an existing inter-company agreement with an affiliate

ORDER GRANTING AUTHORITY

On September 15, 1992, The Potomac Edison Company ("Company," "PE," "Applicant") filed an application with the Commission under the Public Utilities Affiliates Act for consent to and approval of a modification of an existing Inter-Company Power Agreement (the "Agreement") with Ohio Valley Electric Corporation ("OVEC") and other affiliated companies.

Company represents that OVEC is an Ohio corporation which was organized in 1952 primarily for the purpose of supplying electric energy to the United States Atomic Energy Commission (the "AEC") at its Portsmouth, Ohio, gaseous diffusion plant. The AEC was abolished on January 19, 1975, and certain of its functions, including the procurement of electric power for the facility, were transferred to, and vested in, the Administrator of the United States Energy Research and Development Administration ("ERDA"). On October 1, 1977, all of the functions of ERDA were transferred to the Secretary of the United States Department of Energy.

PE further states that OVEC subsequently entered into an Inter-Company Power Agreement, dated July 10, 1953 with certain public utilities (the "Sponsoring Companies"), including, among other, PE, West Penn Power Company ("West Penn") and Monongahela Power Company ("Monongahela"), affiliated companies. The Agreement governed, among other things, the obligations of the Sponsoring Companies to sell supplemental power to OVEC and the rights of the Sponsoring Companies to purchase surplus power from OVEC.

The Agreement has since been modified in 1966, 1967, 1975, 1979, and 1981. By Order dated June 30, 1976, in Case No. A-497, the Commission approved the Agreement and Modifications Nos. 1, 2, 3, and 4 and authorized Potomac Edison to continue such contractual arrangements. By Order dated March 13, 1980, in that same case, the Commission approved Modification No. 5 and authorized Company to continue such arrangements. By Order dated September 29, 1981, in Case No. PUA810079, the Commission approved Modification No. 6 and again authorized Company to continue the contractual arrangements.

The parties to the Agreement have entered into Modification No. 7, dated January 15, 1992 , and the parties are seeking appropriate approval from the Federal Energy Regulatory Commission (the "FERC") and from all state regulatory agencies having jurisdiction in the matter. Therefore, Applicant requests Commission approval of Modification No. 7 and authority to continue the contractual arrangement.

As stated in the application, Modification No. 7 effects changes in the Agreement to conform to changes contained in Modification No. 14 to a contract dated October 15, 1952 between OVEC and the United States of America, currently acting by and through the Department of Energy (the "DOE"). PE is not a party to the DOE Power Agreement nor to Modification No. 14 thereof.

As of the date of filing, three of the corporate directors of PE are also directors of OVEC, West Penn and Monongahela. Accordingly, OVEC, Monongahela, and West Penn are affiliated interests of PE within the meaning of Section 56-76 of the Code of Virginia. The effect of the Modification No. 7 is a reduction in power billings to the DOE and the Sponsoring Companies.

In response to Staff inquiries, PE represents that the surplus energy made available to the Sponsoring Companies, including PE, is quite economical and, therefore, beneficial to the Sponsoring Companies and to their customers.

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 Modification No. 7 to the above-described Inter-Company Power Agreement would not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That The Potomac Edison Company is hereby granted approval of Modification No. 7 of the Inter-Company Power Agreement as described herein and authorized to continue the contractual arrangement as described herein;

2) That any further modifications to the Agreement shall require Commission approval;

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;

5) That Company shall file a report with the Commission on or before February 26, 1993, showing power billings for the twelve months ended December 31, 1992, in connection with the authority granted herein; and

6) That this case shall be continued generally subject to the continued review, audit, and appropriate directive of the Commission.

CASE NO. PUA920033
DECEMBER 7, 1992

APPLICATION OF
UNITED TELEPHONE-SOUTHEAST, INC.

For authority to loan or advance funds to parent, Sprint Corporation

ORDER GRANTING AUTHORITY

United Telephone-Southeast, formerly, United Inter-Mountain Telephone Company ("United", "Company") has filed an application under the Public Utilities Affiliates Act for authority to continue to loan or advance funds to Sprint Corporation, formerly, United Telecommunications, Inc. ("Sprint") from time to time, the total outstanding amount not to exceed $15,000,000 at any one time. Such advances would be on demand and would bear interest payable monthly, such interest to be determined by the Thirty-Day Commercial Paper Index as published by the Federal Reserve, plus forty-five basis points. Company states that it is a wholly-owned subsidiary of Sprint and requests that the agreement be approved for a one year period ending on December 31, 1993.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that approval of the above described arrangement would not be detrimental to the public interest and should be approved; accordingly,

IT IS ORDERED:

1) That United Telephone-Southeast is hereby authorized to loan or advance funds from time to time to Sprint Corporation, the total outstanding amount not to exceed $15,000,000 at any one time, under the terms and conditions as described in the application;

2) That, should Company desire to continue such an arrangement beyond December 31, 1993, 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 §§56-78 and 56-80 of the Code of Virginia hereafter;

4) That the Commission shall maintain the authority to inspect the accounting records and books of any Company affiliate as necessary as pertains to this approval;

5) That Company shall file, on or before February 28, 1994, a report of the action taken in accordance with the authority granted herein; such report to include a schedule of funds loaned to Sprint detailing the date of advance, amount, interest rate, date of repayment and use of loan proceeds; a schedule of short-term borrowings by the Company showing the date of borrowing, amount, maturity, interest rate, and use of proceeds; and a balance sheet reflecting the action taken; and

6) That this matter shall be continued generally subject to the continuing review, audit, and appropriate directive of the Commission.

DIVISION OF COMMUNICATIONS

CASE NO. PUC890041
JULY 1, 1992

CLIFTON FORGE-WAYNESBORO TELEPHONE COMPANY,
Petitioner,
v.
VIRGINIA ELECTRIC AND POWER COMPANY,
Defendant

ORDER GRANTING MOTION TO DISMISS

On June 15, 1992, Clifton Forge-Waynesboro Telephone Company ("CFW") and Virginia Electric and Power Company ("Virginia Power") filed a joint Motion to Dismiss this proceeding. The joint motion stated that the two parties had reached an agreement and compromise of all matters involving the joint use of wooden poles currently in dispute, that the terms and rates for the future joint use of wooden poles would be pursuant to agreement between the parties and that they had agreed to dismiss the civil litigation pending in the Circuit Court of the City of Waynesboro as well as the dismissal of this proceeding.

The Commission is of the opinion that the motion should be granted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the joint Motion to Dismiss filed by CFW and Virginia Power is hereby granted; and

(2) That there being nothing further to come before the Commission, this matter shall be removed from the docket and the record developed herein placed in the file for ended causes.

CASE NO. PUC900050
MARCH 27, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
INSTITUTIONAL COMMUNICATIONS COMPANY-VIRGINIA

FINAL ORDER

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 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.

Prehearing discussions between the Commission's Staff and the Company resulted in a settlement of the dispute which was adopted by the Commission's Order Imposing Fine dated February 15, 1991.

Pursuant to that order, a fine was imposed upon ICC-V but the entire amount of the fine was suspended upon the condition that ICC-V file complete and timely quarterly reports for the four quarters of 1991. The Commission Staff has reported that ICC-V did file complete and timely quarterly reports for 1991. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the fine imposed by our order of February 15, 1991 is hereby vacated; 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. PUC910007
FEBRUARY 14, 1992

APPLICATION OF
THE CITY OF VIRGINIA BEACH

For a certificate pursuant to § 25-233 of the Code of Virginia

FINAL ORDER

On February 28, 1991, the City of Virginia Beach ("City" or "Applicant") filed this application for the Commission to certify that, pursuant to § 25-233 of the Code of Virginia, a public necessity or an essential public convenience requires that the City acquire certain real estate owned by Contel of Virginia, Inc. ("Contel") by condemnation proceedings. By order of June 10, 1991, this matter was assigned to a Hearing Examiner to conduct all further proceedings.

By ruling of October 15, 1991, the Examiner continued this matter generally to allow the parties to negotiate a sale of the property in dispute. By letter filed January 13, 1992, the parties advised the Examiner that the contract for the sale of the property to the City had been consummated and that the property had been transferred to the City. They jointly requested that the application be withdrawn. By order of January 13, 1992, the Hearing Examiner granted the request of the City and Contel to withdraw the application. The Commission agrees with the Examiner's recommendation that this matter be dismissed from the Commission's docket.

ACCORDINGLY, IT IS THEREFORE ORDERED that due to the withdrawal of the application, this matter is dismissed from the docket and the record developed herein shall be placed in the file for ended causes.

CASE NOS. PUC910027 AND PUC910046
FEBRUARY 20, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for a new cell site and to expand its Rural Service Area 9

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for a new cell site and to expand its Rural Service Area 9

FINAL ORDER

On July 10, 1991, Virginia Cellular Limited Partnership ("Applicant" or "Virginia Cellular") filed a modified service territory map depicting its new cell site at Smithfield, which would have the effect of expanding its Rural Service Area ("RSA"). On December 3, 1991, Virginia Cellular filed an additional modified service territory map depicting its new cell site at Franklin, which would have the effect of further expanding its RSA. The RSA granted to Virginia Cellular by certificate No. C-32A should be amended and the new service territory maps should be referenced on the amended certificate. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificate of Virginia Cellular Limited Partnership, No. C-32A, is hereby canceled and shall be reissued as certificate No. C-32B. The new certificate shall refer to the new service territory maps filed with these two applications; and

(2) That there being nothing further to come before the Commission, these dockets are closed and the records developed herein shall be placed in the file for ended causes.

CASE NO. PUC910033
MARCH 27, 1992

APPLICATION OF
VIRGINIA RSA 3 LIMITED PARTNERSHIP

To amend certificate for two relocated cell sites and for a new cell site expanding its Rural Service Area

FINAL ORDER

On September 4, 1991, Virginia RSA 3 Limited Partnership ("Virginia RSA 3" or "Applicant") filed a modified service territory map depicting the relocation of two cell sites and the addition of another cell site, which changes slightly enlarge the applicant's Rural Service Area ("RSA"). The RSA granted to Virginia RSA 3 by certificate No. C-28 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 3 Limited Partnership, No. C-28, is hereby canceled and shall be reissued as certificate No. C-28A. 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 the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910035
APRIL 22, 1992

APPLICATION OF
TNI ASSOCIATES, A GENERAL PARTNERSHIP

For a certificate to provide radio common carrier services throughout the Commonwealth

FINAL ORDER

On October 4, 1991, TNI Associates, A Limited Partnership ("TNI" 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 (adopted by Final Order of February 26, 1990 in Case No. PUC890042) for a certificate to provide radio common carrier services throughout the Commonwealth. On November 7, 1991, TNI filed an amendment advising the Commission that it was now a general, rather than a limited, partnership. On December 6, 1991, TNI filed an amendment asking that the Commission delete transmitters for its initial service around Orange and Franklin and instead to add a base station and control facility in Falls Church.

By Order of February 14, 1992, the Commission directed TNI to provide notice to Virginia's existing radio common carriers and to officials of the city's towns and counties in which service will initially be offered. That same Order provided that a public hearing will be scheduled only if objections to the application were received.

The deadline for objections was March 30, 1992. That date has passed and no objections have been filed. TNI has filed proof of notice as directed by the Commission's Order of February 14, 1992. The Commission Staff has no objection to granting the requested authority. Having considered the application and the lack of objections from other radio common carriers, government officials or the Commission 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, TNI should be granted its certificate to provide radio common carrier services throughout the Commonwealth. Accordingly,

IT IS THEREFORE ORDERED:

(1) That TNI is granted RCC Certificate No. 168 authorizing it to provide service throughout the Commonwealth. Initially, service will be offered in and around Northern Virginia 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. PUC910036
JANUARY 21, 1992

APPLICATION OF
DOVER RADIO PAGE OF VIRGINIA, INC.

For a certificate to provide radio common carrier services throughout the Commonwealth

FINAL ORDER

On October 15, 1991, Dover Radio Page of Virginia, Inc. ("Dover" 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 in Case No. PUC890042, 1990 S.C.C. Ann. Rept. 245) for a certificate to provide radio common carrier service throughout the Commonwealth. By order of November 19, 1991, the Commission directed Dover to provide notice to Virginia's existing radio common carriers and to officials of the cities, towns and counties in which service would initially be offered. That same order provided that a public hearing would be scheduled only if substantial objections to the application were received.

The deadline for objections was December 31, 1991. That date has passed and no objections have been filed. Dover has filed proof of notice as directed by the Commission's order of November 19, 1991. The Commission 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 Staff, the Commission is of the opinion that the application should be granted, and pursuant to the terms of the § 56-508.6 of the Code of Virginia and the RCC Rules, Dover should be granted a certificate to provide radio common carrier services throughout the Commonwealth. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Dover is granted Certificate No. RCC-167, authorizing it to provide service throughout the Commonwealth. Initially, service will be offered along Virginia's Eastern Shore, covering all of Accomack County and the northern portions of Northampton County; and

(2) That there be 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. PUC910037
FEBRUARY 20, 1992

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

FINAL ORDER

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. By order of November 19, 1991, the Commission directed WilTel to publish notice of the proposed service throughout the Commonwealth and to serve notice on governmental officials. That order provided that a public hearing would be scheduled only if sufficient objections were received on or before December 31, 1991. That deadline has passed and no objections have been received. By letter dated January 23, 1992, WilTel filed its proof of notice showing publication of the prescribed notice and that service had been made on the proper officials.

The Commission is of the opinion that the application should be granted in conformance with procedures previously used for the certification of inter-LATA, interexchange carriers. Accordingly,

IT IS THEREFORE ORDERED:

(1) That WilTel of Virginia, Inc. is hereby granted a certificate of public convenience and necessity, No. TT-19A, to provide inter-LATA, interexchange service throughout Virginia subject to the restrictions and conditions set out in the Commission's Rules Governing the Certification of Inter-LATA, Interexchange Carriers and in § 56-265.4:4 of the Code of Virginia;

(2) That WilTel file three (3) copies of its tariffs with the Commission's Division of Communications;

(3) That the tariffs filed by the Company for inter-LATA, interexchange service may become effective upon the date of this order or any subsequent date chosen by the Company. The criteria set out in Va. Code § 56-481.1 for the provision of service on a competitive basis have been met and the Company may price its service competitively. Further changes in rates shall be accomplished as set forth in Rule 11 of the Commission's Rules Governing the Certification of Inter-LATA, Interexchange Carriers;

(4) That WilTel offer customers acquired from Telesphere Communications, Inc., Telesphere Network, Inc., and Telesphere Limited, Inc. the option of receiving service pursuant to WilTel's tariffs;

(5) Those customers acquired from Telesphere Communications, Inc., Telesphere Network, Inc., and Telesphere Limited, Inc. who so choose may continue their existing service pursuant to the contracts negotiated with those companies for a period not to exceed six months from the date of this Order; and

(6) 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
JANUARY 13, 1992

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 ON RECONSIDERATION

On December 23, 1991, the Commission entered its Order Granting Certificate, which gave Certificate No. C-54 to Virginia RSA #1 Limited Partnership (the "Partnership") to render cellular mobile radio communications service in the Rural Service Area ("RSA") known as Virginia 1-Lee. By letter of January 9, 1992, the Partnership notified the Commission that it was not a Virginia limited partnership but rather was organized as a Delaware limited partnership.

The Commission is of the opinion that the reference to the Partnership as being a Virginia Limited Partnership should be deleted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the third sentence of our Order of December 23, 1991 is amended to read as follows: "The Application shows that the Partnership is a limited partnership whose general partner is United Inter-Mountain Telephone Company, a Virginia public service corporation." and

(2) That in all other respects, the Order of December 23, 1991 remains the same.

CASE NO. PUC910040
JANUARY 14, 1992

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 ON RECONSIDERATION

On December 24, 1991, the Commission issued its Order Granting Certificate, which granted Certificate No. C-55 to Virginia RSA #2 Limited Partnership ("the Partnership") to render cellular mobile radio communications service in Rural Service Area Virginia 2-Tazewell. By letters of January 9, 1992 and January 13, 1992, the Partnership advised the Commission that it was not a Virginia limited partnership but rather was in the process of being organized as a Delaware limited partnership. The letter of January 13 requested that United Inter-Mountain Telephone Company ("United") be substituted as the applicant and be issued the certificate because the partnership process was not complete and certification is necessary in order to preserve the construction permit issued by the Federal Communications Commission. The letter of January 13 requested that the Order be amended to reflect United as the applicant and that United be issued the certificate. It stated that upon the limited partnership's being organized under the laws of the state of Delaware, United would advise the Commission and request that Virginia RSA #2 Limited Partnership be substituted as holder of the certificate.

Having considered the letters and the necessity of preserving the construction permit, the Commission is of the opinion United should be granted the certificate with the understanding that Virginia RSA #2 Limited Partnership would be substituted when the partnership is ultimately organized.

ACCORDINGLY, IT IS THEREFORE ORDERED:

(1) That ordering paragraph number (1) of the Commission's Order of December 24, 1991 is amended to read as follows:

"That United Inter-Mountain Telephone Company is hereby granted a certificate of public convenience and necessity, No. C-55, to render cellular mobile radio communications service within the area depicted on the map filed herein and known as RSA Virginia 2-Tazewell;"

(2) That ordering paragraph number (2) of the Commission's Order of December 24, 1991 is amended to read as follows:

"That the tariff submitted by United Inter-Mountain Telephone Company may take effect as of the date of this Order or any subsequent date chosen by United for service rendered within the Virginia 2-Tazewell Rural Service Area;"

(3) That the third sentence of our Order of December 24, 1991 is amended to read as follows:

"The Application shows that the Partnership is to be a limited partnership whose general partner will be United Inter-Mountain Telephone Co., a Virginia public service corporation;"

(4) That the fourth sentence of our Order of December 24, 1991, listing limited partners, is deleted;

(5) That upon notification that the Virginia RSA #2 Limited Partnership has been organized as a limited partnership, the Commission will open a new docket to substitute the partnership as holder of the certificate for RSA Virginia 2-Tazewell;

(6) That in all other respects, the Order of December 24, 1991 remains the same.

CASE NO. PUC910042
FEBRUARY 21, 1992

APPLICATION OF
CENTURY ROANOKE CELLULAR CORPORATION

To amend certificate for a new cell site and other modifications expanding its Cellular Geographic Service Area

FINAL ORDER

On November 21, 1991, Century Roanoke Cellular Corporation ("Century Roanoke") filed a modified service territory map depicting new service contours resulting from a new Cell Site near Buchanan, relocating an existing cell site, increasing power from Cell Site 1, and adding height to the antenna at Cell Site 2. All these modifications have the effect of expanding its Cellular Geographic Service Area ("CGSA"). The CGSA granted to Century Roanoke by certificate No. C-20 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 Century Roanoke, No. C-20 is hereby canceled and shall be reissued as certificate No. C-20A. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC910043
FEBRUARY 21, 1992

APPLICATION OF
CHARLOTTESVILLE CELLULAR PARTNERSHIP, d/b/a CELLULAR ONE

To amend certificate for the relocation of cell sites and to expand its Cellular Geographic Service Area

FINAL ORDER

On November 21, 1991, Charlottesville Cellular Partnership, d/b/a Cellular One ("Charlottesville Cellular") filed a modified service territory map depicting the service contours resulting from the relocation of two cell sites. These modifications have the effect of expanding its Cellular Geographic Service Area ("CGSA"). The CGSA granted to Charlottesville Cellular by certificate No. C-29 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 Charlottesville Cellular, No. C-29 is hereby canceled and shall be reissued as certificate No. C-29A. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920001
APRIL 20, 1992

APPLICATION OF
GTE SOUTH, INC.

To regrade multi-party lines to single party service

FINAL ORDER

On January 7, 1992, GTE South, Inc. ("GTE" or "Company") filed an application seeking authority to revise § S3 (basic local exchange service) of its General Customer Services Tariff in order to regrade multi-party customers to single party service when optional Usage Sensitive Service becomes available in exchanges.

By order of January 31, 1992, the Commission directed the Company to provide direct mail notice to all affected customers. That order also provided a deadline of April 1, 1992 for customers to comment upon the proposal or to request a hearing. That deadline has passed and seven comments have been received. Five of those were opposed to the regrading.

Having considered the application, the comments from subscribers and the need for uniform rates for similarly situated customers, the Commission is of the opinion that GTE's application should be granted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That GTE may implement its revised § S3 of its General Customer Services Tariff to regrade multi-party subscribers to single party service when optional Usage Sensitive Service becomes available in its exchanges;

(2) That GTE obtain Staff approval of the form and manner in which subscribers will be notified, at least 30 days in advance, of the regrading of their multi-party service to single party;

(3) That GTE continue to offer multi-party service to present and new customers in exchanges not equipped to provide Usage Sensitive Service; and

(4) 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. PUC920003
MARCH 4, 1992

APPLICATION OF
US SPRINT COMMUNICATIONS COMPANY OF VIRGINIA, INC.

To amend certificate to reflect new corporate name

FINAL ORDER

By letter of January 17, 1992, US Sprint Communications Company of Virginia, Inc. ("US Sprint") informed the Commission that it will change its corporate name, effective March 2, 1992, to Sprint Communications Company of Virginia, Inc. ("Sprint"). The change of the corporate name requires no Commission approval, but the Commission does desire to amend the certificate of public convenience and necessity held by US Sprint to note the new corporate name. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificate of public convenience and necessity held by US Sprint, No. TT-12A, is hereby canceled and reissued as No. TT-12B, to show the new corporate name as Sprint Communications Company of Virginia, Inc., formerly US Sprint Communications Company 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 shall be placed in the file for ended causes.

CASE NO. PUC920004
FEBRUARY 27, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

For a certificate to provide cellular mobile radio communications in Virginia Rural Service Area 11

ORDER GRANTING CERTIFICATE

On January 27, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular" or "Applicant") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications in the area known as Virginia Rural Service Area ("RSA") 11-Madison. As required by § 56-508.11 of the Code of Virginia, Virginia Cellular has received its Mobile Radio Authorization from the Federal Communications Commission to construct and operate a cellular radio telecommunications system within that RSA as depicted on the maps filed with the Division of Communications. The application shows that Virginia Cellular is a limited partnership whose general partner is Contel Cellular, Inc. and whose limited partners are Contel Cellular, Inc., Bell Atlantic Mobile Systems of Norfolk, Inc., Bell Atlantic Mobile Systems of Richmond, Inc., and Contel Cellular of Richmond, Inc. Each of the limited partners is a Virginia public service corporation except Contel Cellular, Inc.

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 Virginia Cellular is ready to commence service. The Commission is of the opinion that Virginia Cellular should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Virginia Cellular Limited Partnership is hereby granted a certificate of public convenience and necessity, No. C-59 to render cellular mobile radio communication service within the Cellular Geographic Service Area depicted on the map filed herein;

(2) That the tariff submitted by Virginia Cellular may take effect as of the date of this order or any subsequent date chosen by Virginia Cellular for service rendered within the Cellular Geographic 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. PUC920005
APRIL 7, 1992

APPLICATION OF
GTE SOUTH, INC.

To shift the community of Yards from its Pocahontas exchange to its Bluefield exchange

FINAL ORDER

On January 28, 1992, GTE South, Inc. ("GTE") filed an application seeking authority to transfer the community of Yards from the Pocahontas exchange (from which Yards currently receives service) to GTE's Bluefield exchange. By order of February 14, 1992, the Commission directed GTE to provide notice to each customer in the Yards community about the proposal and the consequences of being shifted from the Pocahontas to the Bluefield exchange.

The deadline for comments or requests for hearing concerning the proposed transfer was March 30, 1992. No comments or requests for hearing have been filed. In light of the ballots received by GTE favoring the proposed change and the lack of comments herein, the Commission is of the opinion that the application of GTE should be granted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That GTE South, Inc. is hereby granted authority to transfer the community of Yards from its Pocahontas exchange to its Bluefield exchange; 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. PUC920006
MARCH 27, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

For a certificate to provide cellular mobile radio communications in Virginia Rural Service Area 8

ORDER GRANTING CERTIFICATE

On January 31, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular" or "Applicant") filed an application for a certificate of public convenience and necessity to provide cellular mobile radio communications in the area known as Virginia Rural Service Area ("RSA") 8-Amelia. As required by § 56-508.11 of the Code of Virginia, Virginia Cellular has received its Mobile Radio Authorization from the Federal Communications Commission to construct and operate a cellular radio telecommunications system within that RSA as depicted on the maps filed with the Division of Communications. The application shows that Virginia Cellular is a limited partnership whose general partner is Contel Cellular, Inc. and whose limited partners are Contel Cellular, Inc., Bell Atlantic Mobile Systems of Norfolk, Inc., Bell Atlantic Mobile Systems of Richmond, Inc., and Contel Cellular of Richmond, Inc. Each of the limited partners is Virginia Public Service Corporation except Contel Cellular, Inc.

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 Cellular is ready to commence service. The Commission is of the opinion that Virginia Cellular should be authorized to commence service as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Virginia Cellular Limited Partnership is hereby granted a certificate of public convenience and necessity, No. C-60, 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 Virginia Cellular may take effect as of the date of this Order or any subsequent date chosen by Virginia 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. PUC920009
APRIL 2, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for a new cell site expanding Rural Service Area 12

FINAL ORDER

On February 18, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular" or "Applicant") filed a letter and modified service territory maps depicting the addition of a cell site at Carmel Church, which slightly enlarges the Applicant's Rural Service Area ("RSA"). The RSA granted to Virginia Cellular by certificate No. C-30A 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 Cellular Limited Partnership, No. C-30A, is hereby canceled and shall be reissued as certificate No. C-30B. 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 the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920013
MAY 7, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificates for the addition of two new cell sites expanding Rural Service Area 12 and the Richmond Cellular Geographic Service Area

FINAL ORDER

On February 26, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular") filed modified service territory maps depicting the service contours resulting from the addition of a new cell site in its Rural Service Area 12 ("RSA 12") and a new cell site in its Richmond Cellular Geographic Service Area ("CGSA"). The CGSA granted to Virginia Cellular by certificate No. C-40 and the RSA granted by certificate No. C-30B should be amended and new service territory maps should be referenced on the amended certificates. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificates of Virginia Cellular, No. C-40 and No. C-30B are hereby canceled and shall be reissued as certificates No. C-40A and C-30C. The new certificates shall refer to the new service territory maps filed with this application; and

(2) That there being nothing further to come before the Commission, this case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920016
MAY 7, 1992

APPLICATION OF
VIRGINIA RSA 4 (NORTH) LIMITED PARTNERSHIP

To reissue certificate in the name of Centel Cellular Company of Virginia

FINAL ORDER

On March 20, 1992, Virginia RSA 4 (North) Limited Partnership filed notice that its general partner, Centel Cellular Company of Virginia ("Centel Cellular") had acquired the remaining interests of the partnership and had dissolved the partnership. It requested that the certificate, No. C-45, issued to the partnership be canceled and reissued in the name of Centel Cellular Company of Virginia. The amended Radio Station Authorization issued by the Federal Communications Commission was attached to the notice.

The Commission is of the opinion that the certificate should be reissued as requested. Accordingly,

IT IS THEREFORE ORDERED:

(1) That certificate No. C-45 issued in the name of Virginia RSA 4 (North) Limited Partnership is hereby canceled and reissued as certificate No. C-45A for the Virginia 4B2 Rural Service Area, in the name of the sole owner, Centel Cellular Company of Virginia; and

(2) That there being nothing further to come before the Commission, this docket is dismissed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920017
JULY 16, 1992

APPLICATION OF
SOUTHWEST VIRGINIA CELLULAR TELEPHONE, INC.

To amend certificate within Virginia Rural Service Area 2

FINAL ORDER

On March 18, 1992, Southwest Virginia Cellular Telephone, Inc. ("Southwest") filed a modified service territory map depicting the service contours resulting from increasing the power at its Marion cell site. The increased power has the effect of slightly expanding Southwest's Cellular Geographic Service Area ("CGSA"). The CGSA granted to Southwest by certificate No. C-56 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 Southwest Virginia Cellular Telephone, Inc., No. C-56, is hereby canceled and shall be reissued as certificate No. C-56A. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920020
JULY 16, 1992

APPLICATION OF
CONTEL CELLULAR OF RICHMOND, INC.

To amend certificate for the addition of a cell site and to expand its Rural Service Area

FINAL ORDER

On April 7, 1992, Contel Cellular of Richmond, Inc. ("Contel Cellular") filed a modified service territory map depicting service contours resulting from the addition of a new cell site near Farmville. This modification has been approved by the Federal Communications Commission and has the effect of expanding Contel's Rural Service Area ("RSA"). The Virginia-7 RSA granted to Contel Cellular by Certificate No. C-57 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 Contel Cellular, No. C-57, is hereby canceled and shall be reissued as Certificate No. C-57A. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920021
JULY 16, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for the addition of two new cell sites and to expand its Rural Service Area

FINAL ORDER

On April 7, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular") filed a modified service territory map depicting the service contours resulting from the addition of two new cell sites near Meridithville and Sturgeonville. These modifications have been approved by the Federal Communications Commission and have the effect of expanding Virginia Cellular's Rural Service Area ("RSA"). The Virginia-8 RSA granted to Virginia Cellular by Certificate No. C-60 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 Cellular, No. C-60, is hereby canceled and shall be reissued as Certificate No. C-60A. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920022
JULY 29, 1992

APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA, INC.

For authority to provide extended area calling from its Schuyler Exchange to its Scottsville and Charlottesville Exchanges

FINAL ORDER

On April 14, 1992, the Central Telephone Company of Virginia, Inc. ("Centel" or "Company") filed an application seeking authority to implement extended area calling from its Schuyler exchange to its Scottsville and Charlottesville exchanges. On May 6, 1992, the Commission entered an order requiring direct mail notice of the proposal to each Schuyler subscriber. That order established a deadline of July 6, 1992 for persons to comment in opposition to the proposal or to request a hearing.

Pursuant to that order, the Division of Communications filed a report on July 20, 1992. The report states that only six objections were filed and recites the results of the poll conducted by Centel during January, 1992. Centel mailed ballots to 485 customers and 355 (73%) of the ballots were returned. Of the ballots returned, 88% favored the extended area calling proposal and only 12% opposed it.

Having reviewed the application and the Staff Report and having considered the overwhelmingly favorable response to the ballot, the Commission is of the opinion that Centel should be permitted to implement its proposed extended area calling tariffs. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the tariff revisions necessary to implement Centel's extended area calling from its Schuyler exchange to its Charlottesville and Scottsville exchanges may take effect upon a date of Centel's choice; and

(2) That there being nothing further to come before the Commission, this case shall be dismissed from the docket and the record developed herein placed in the file for ended causes.

CASE NO. PUC920023
JULY 2, 1992

APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA

To eliminate Improved Mobile Telephone Service in Martinsville

FINAL ORDER

On April 16, 1992, Central Telephone Company of Virginia ("Centel") filed an application seeking authority to discontinue Improved Mobile Telephone Service ("IMTS") in Martinsville. By order of June 17, 1992, the Commission directed Centel to mail notice to each of the affected subscribers. By letter of June 24, 1992, counsel for Centel advised the Commission that the only two remaining Martinsville subscribers of IMTS had discontinued their service.

In light of Centel's statement that it no longer has any subscribers to IMTS in Martinsville, the Commission is of the opinion that Centel's application should be granted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Centel may discontinue the offering of Improved Mobile Telephone Service in Martinsville as of the date of this Order or any subsequent date chosen by Centel; 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. PUC920024
JULY 16, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for the addition of a new cell site

FINAL ORDER

On April 15, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular") filed a modified service territory map depicting the service contours resulting from the addition of a new cell site near Newman. This modification has the effect of expanding Virginia Cellular's Richmond Cellular Geographic Service Area ("CGSA"). The CGSA granted to Virginia Cellular by certificate No. C-40 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 Cellular Limited Partnership, No. C-40, is hereby canceled and shall be reissued as certificate No. C-40A. The new certificate shall to refer to the new service territory map filed with this application; and

(2) That there being nothing further to come before the Commission, this case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920024
JULY 29, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for the addition of a new cell site

AMENDING ORDER

On July 16, 1992, the Commission entered its Final Order canceling Certificate No. C-40 and reissuing it as Certificate C-40A to reflect the new service contours of Virginia Cellular Limited Partnership resulting from the addition of a new cell site near Newman. The certificate to be cancelled should have been Certificate No. C-40A and the new certificate should have been No. C-40B. Certificate No. C-40A was granted Virginia Cellular Limited Partnership by the Commission's Final Order of May 7, 1992 in Case No. PUC920013. The correct certificate numbers can be established by amending Ordering Paragraph No. 1 of our Final Order of July 16, 1992. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Ordering Paragraph No. 1 of the Commission's Final Order of July 16, 1992 is hereby modified such that the reference to certificate No. "C-40" is corrected to read "C-40A" and the reference to certificate No. "C-40A" is corrected to read "C-40B"; and

(2) That in all other respects, the Final Order of July 16, 1992 remains unchanged.

CASE NO. PUC920025
JULY 16, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for the addition of a new cell site in Virginia Rural Service Area 11

FINAL ORDER

On April 15, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular") filed a modified service territory map depicting the service contours resulting from the addition of a new cell site near Lake Anna. The modification has the effect of expanding Virginia Cellular's Cellular Geographic Service Area ("CGSA") in Virginia Rural Service Area 11. The CGSA granted to Virginia Cellular by certificate No. C-59 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 Cellular Limited Partnership, No. C-59, is hereby canceled and shall be reissued as certificate No. C-59A. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920027
JULY 16, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for the relocation of a cell site in Virginia Rural Service Area 9

FINAL ORDER

On May 15, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular") filed a modified service territory map depicting the service contours resulting from the relocation of a cell site. This modification has the effect of expanding its Cellular Geographic Service Area ("CGSA") in Virginia Rural Service Area 9-Greensville. The CGSA granted to Virginia Cellular by certificate No. C-32B 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 Cellular Limited Partnership, No. C-32B, is hereby canceled and shall be reissued as certificate No. C-32C. The new certificate shall to refer to the new service territory map filed with this application; and

(2) That there being nothing further to come before the Commission, this case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920028
SEPTEMBER 4, 1992

APPLICATION OF
PAGING NETWORK OF VIRGINIA, INC.

For a certificate to provide radio common carrier services throughout the Commonwealth

ORDER GRANTING CERTIFICATE

On May 21, 1992, Paging Network of Virginia, Inc. ("PageNet of Virginia" 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 (adopted by Final Order of February 26, 1990 in Case No. PUC890042) for a certificate to provide radio common carrier services throughout the Commonwealth. By Order of July 6, 1992, the Commission directed PageNet of Virginia to provide notice to Virginia's existing radio common carriers and to officials of the cities, towns and counties in which service would initially be offered. That same order provided that a public hearing would be scheduled only if substantial objections to the application were received.

The deadline for objections was August 17, 1992. That date has passed and no objections have been filed. PageNet of Virginia has filed proof of notice as directed in the Commission's Order of July 6, 1992. The Commission 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 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, PageNet should be granted a certificate to provide radio common carrier services throughout the Commonwealth. Accordingly,

IT IS THEREFORE ORDERED:

(1) That PageNet of Virginia is granted RCC Certificate No. 170 to provide service throughout the Commonwealth. Initially, service will be offered throughout Central Virginia, from the Atlantic Ocean and the Chesapeake Bay as far west as the Shenandoah Valley and south to the North Carolina border, as depicted on the maps 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. PUC920030
SEPTEMBER 22, 1992

APPLICATION OF
CENTURY ROANOKE CELLULAR CORPORATION

To amend certificate for modifications expanding its Cellular Geographic Service Area

FINAL ORDER

On June 23, 1992, Century Roanoke Cellular Corporation ("Century Roanoke") filed a modified service territory map depicting new service contours resulting from modifications that expand its Cellular Geographic Service Area ("CGSA"). The CGSA granted to Century Roanoke by Certificate No. C-20A 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 Century Roanoke, No. C-20A is hereby canceled and shall be reissued as certificate No. C-20B. 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 case is closed and the record developed herein shall be place in the file for ended causes.

CASE NO. PUC920031
OCTOBER 5, 1992

APPLICATION OF
RICHMOND CELLULAR TELEPHONE COMPANY

To amend certificate to reflect change in partnership name

FINAL ORDER

On July 17, 1992, Richmond Cellular Telephone Company ("Richmond Cellular") (a partnership) filed a letter advising the Commission that it changed its name to RCTC Wholesale Company. The certificate previously granted to Richmond Cellular, No. C-6 should be amended and the new name should be reflected on the amended certificate. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificate previously granted to Richmond Cellular Telephone Company, No. C-6, is hereby canceled and shall be reissued as certificate No. C-6A. The new certificate shall be issued in the new name of the partnership, RCTC Wholesale Company (formerly Richmond Cellular Telephone Company); and

(2) That there being nothing further to come before the Commission, this case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920034
OCTOBER 29, 1992

APPLICATION OF
SOUTHWEST VIRGINIA CELLULAR TELEPHONE, INC.

To amend certificate to reflect corporate name change

FINAL ORDER

By letter of September 11, 1992, Southwest Virginia Cellular Telephone, Inc. ("Southwest Virginia Cellular") requested that the Commission amend its certificate of convenience and necessity to reflect that the corporation's name had been changed to JMW, Inc. The affected certificate, No. C-56, was granted to Southwest Virginia Cellular on December 20, 1991. The Commission is of the opinion that the request should be granted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Southwest Virginia Cellular's Certificate, No. C-56, is hereby cancelled and reissued as Certificate No. C-56A to reflect the name change to JMW, Inc., formerly Southwest Virginia Cellular Telephone, Inc.; 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. PUC920034
NOVEMBER 17, 1992

APPLICATION OF
SOUTHWEST VIRGINIA CELLULAR TELEPHONE, INC.

To amend certificate to reflect corporate name change

AMENDING ORDER

By order of October 29, 1992, the Commission issued a new certificate to Southwest Virginia Cellular Telephone, Inc. ("Southwest Virginia Cellular") in order to reflect that the corporation's name had been changed to JMW, Inc. However, that order incorrectly reissued the new certificate as Certificate No. C-56A when in fact that certificate had already been issued to Southwest Virginia Cellular. In order to correct the certificate number, the Commission needs only to modify the second sentence of our order of October 29, 1992 and ordering paragraph no. (1). Accordingly,

IT IS THEREFORE ORDERED:

(1) That the second sentence of the Commission's Final Order of October 29, 1992, is amended to read as follows: "The affected Certificate, No. C-56A, was granted to Southwest Virginia Cellular on July 16, 1992;"

(2) That ordering paragraph no. (1) of the Commission's Final Order of October 29, 1992, is amended to read as follows: "That Southwest Virginia Cellular's Certificate, No. C-56A, is hereby canceled and reissued as Certificate No. C-56B to reflect the name change to JMW, Inc., formerly Southwest Virginia Cellular Telephone, Inc.;" and

(3) That in all other regards, the order of October 29, 1992, remains unchanged.

CASE NO. PUC920035
NOVEMBER 24, 1992

APPLICATION OF
TRI-CITIES CELLULAR COMPANY

To amend certificate for a new cell site expanding its Cellular Geographic Service Area

FINAL ORDER

On September 14, 1992, Tri-Cities Cellular Telephone Company ("Tri-Cities") filed a modified service territory map depicting new service contours resulting from a new cell site near Gate City. The new cell site has the effect of expanding the Cellular Geographic Service Area ("CGSA") granted to Tri-Cities by certificate No. C-9. That certificate should be canceled and reissued as certificate No. C-9A and the new certificate should refer to the new service territory map. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificate of Tri-Cities Cellular Telephone Company No. C-9 is hereby canceled and shall be reissued as certificate No. C-9A. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920036
NOVEMBER 24, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for a new cell site expanding its Cellular Geographic Service Area

FINAL ORDER

On September 15, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular") filed a modified service territory map depicting new service contours resulting from a new cell site near Hebron within the Richmond-Petersburg-Colonial Heights-Hopewell Cellular Geographic Service Area ("CGSA"). The new cell site has the effect of expanding the CGSA granted to Virginia Cellular by certificate No. C-40B. That certificate should be canceled and reissued as certificate No. C-40C and the new certificate should refer to the new service territory map. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificate of Virginia Cellular Limited Partnership, No. C-40B is hereby canceled and shall be reissued as certificate No. C-40C. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920037
NOVEMBER 24, 1992

APPLICATION OF
VIRGINIA CELLULAR LIMITED PARTNERSHIP

To amend certificate for a new cell site expanding its Cellular Geographic Service Area

FINAL ORDER

On September 22, 1992, Virginia Cellular Limited Partnership ("Virginia Cellular") filed a modified service territory map depicting new service contours resulting from a new cell site near South Hill. This modification has the effect of expanding the Cellular Geographic Service Area ("CGSA") granted Virginia Cellular for the Virginia 8-Amelia Rural Service Area ("RSA"). The affected certificate No. C-60A should be revoked and a new certificate, No. C-60B should be issued referring to the new service territory map. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificate of Virginia Cellular Limited Partnership, No. C-60A is hereby canceled and shall be reissued as certificate No. C-60B. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920038
NOVEMBER 24, 1992

APPLICATION OF
JMW, INC. (FORMERLY SOUTHWEST VIRGINIA TELEPHONE, INC.)

To amend certificate for a new cell site expanding its Cellular Geographic Service Area

FINAL ORDER

On September 22, 1992, JMW, Inc. (formerly Southwest Virginia Cellular Telephone, Inc.) filed a modified service territory map depicting new service contours resulting from a new cell site near Hamilton Knob. This modification has the effect of expanding the Cellular Geographic Service Area ("CGSA") of JMW, Inc. in the Virginia 2-Tazewell Rural Service Area ("RSA"). The affected certificate, No. C-56B, should be canceled and reissued as a new certificate, No. C-56C, referring to the new service territory map. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the certificate of JMW, Inc. (formerly Southwest Virginia Cellular Telephone, Inc.), No. C-56B is hereby canceled and shall be reissued as certificate No. C-56C. 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 case is closed and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUC920041
DECEMBER 22, 1992

APPLICATION OF
TRI-CITIES CELLULAR TELEPHONE COMPANY

To amend certificate to reflect corporate restructuring

FINAL ORDER

By letter of November 5, 1992, Tri-Cities Cellular Telephone Company ("Tri-Cities") requested that the Commission amend its certificate of convenience and necessity to reflect that the corporation had been restructured into a corporate parent, Contel Cellular of Tennessee, Inc., formerly named Contel Cellular of Tri-Cities II, Inc., a Virginia public service corporation. The affected certificate No. C-9A was granted to Tri-Cities on November 24, 1992. Having been notified that the Federal Communications Commission has approved assignment of the license to Contel Cellular of Tennessee, Inc., the Commission is of the opinion that the request should be granted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Tri-Cities Cellular Telephone Company's certificate, No. C-9A, is here canceled and reissued as certificate No. C-9B to reflect that it has been absorbed into its corporate parent, Contel Cellular of Tennessee, Inc., formerly Contel Cellular of Tri-Cities II, Inc.; 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.

DIVISION OF ENERGY REGULATION

CASE NO. PUE860079
NOVEMBER 10, 1992

PETITION OF
LAKE WILDERNESS PROPERTY OWNERS ASSOCIATION, et al.

To investigate the service and tariffs of Wilderness Water and Utility Company

FINAL ORDER

This proceeding began in December of 1986 when Lake Wilderness Property Owners Association ("the Association") petitioned the Commission to investigate the quality of service and certain tariff provisions of Wilderness Utility Associates, Inc. t/a Wilderness Water and Utility Company ("the Company"), which provides water service to the Lake Wilderness subdivision located in Spotsylvania County, Virginia. In response to the Association's petition, public hearings were held in both Spotsylvania County and in Richmond, Virginia, and a task force was formed to address the problems being experienced at the Lake Wilderness subdivision.

In response to a Commission Staff motion of December 4, 1991, recommending dissolution of the task force, the Association, by counsel, filed a pleading on January 31, 1992. In its pleading, the Association requested that the Commission schedule a hearing to receive customer comments on the quality of water and the service being provided by the Company. On February 14, 1992, the Association amended its pleading to request that a hearing be held locally.

On April 17, 1992, the Company filed a reply to the Association's pleading. The Commission Staff filed its report on May 1, 1992, addressing matters raised by the Association in its pleading and by the Company in its reply.

Approximately 366 residents of the Lake Wilderness subdivision subsequently filed a petition which supported the Association's earlier request for a local hearing. In their petition, the residents confirmed that they were experiencing the types of problems raised by the Association in its pleading.

On June 18, 1992, the Association filed its response to Company's reply and to Staff's Report. Pursuant to a July 17, 1992 Commission Order and a July 21, 1992 Hearing Examiner's Ruling, a hearing was scheduled for September 1, 1992.

On the appointed day, the matter came to be heard before Glenn P. Richardson, Hearing Examiner. Counsel appearing were: Donald G. Owens, Esquire, for the Association; Richard D. Gary, Esquire, for the Company; and Marta B. Curtis, Esquire, for the Commission Staff.

At the hearing, fifty-two persons appeared and made statements regarding the quality of Company's water supply and the failure of Company to provide a continuous supply of water. In discussing Company's water quality, some residents produced samples of discolored water with suspended particles, stained kitchen utensils, and discolored home water filters. Some residents also testified of stomach problems and a concern about the quality of the water that prompted them to buy bottled water for drinking and washing purposes.

Public witnesses further testified about frequent water outages. Nearly all of the public witnesses testified that they had experienced some outages with varying degrees of frequency. Residents testified that, after an outage, the water was unclear for long periods of time. Residents also testified to problems with low water pressure and to poor repair and maintenance procedures. One witness testified that while she worked for the Company, it had, in violation of a Virginia Department of Health ("VDH") recording requirement, failed to record test results for one of its wells.

In addition, residents complained that they were often unable to reach Company representatives to report outages and that their property values had been adversely affected by Company's inability to provide adequate water service. Witnesses testified that the Company had been dilatory in making improvements. The residents claimed that the Company had collected substantial funds in connection fees over the past five years, but had spent little of the money on improvements to the water system.

Staff witness Gail G. Frassetta also discussed Company's water supply and water quality problems and offered several recommendations to remedy those problems. Her recommendations were as follows:

1. The task force should be disbanded and Staff should make periodic inspections of the Company's facilities and maintain communication with representatives of the Company and the Property Owners Association;

2. The debris buried at Well Site # 2 should be removed promptly in accordance with the Virginia Department of Waste Management's ("VDWM") regulations, and the storage tanks and booster pumps proposed for Well # 2 be installed within 60 days after removal of the debris;

3. The Company should be ordered to begin marking water lines with magnetic tape during the regular maintenance or repair of line breaks; identify water line locations; maintain and update system maps

showing the location of water lines, and pinpoint and identify service complaints and line breaks on these maps; and file yearly progress reports with the Commission detailing the updates to the system maps and the impact of new connections on the system. The Company should file its first progress report within six months after the issuance of the final order in this case;

4. The Company should be directed to file ten-year projections of demand and supply by subdivision section;

5. The Company should set up a public awareness program designed to inform the property owners about anticipated repairs, improvements, or extensions to the system;

6. The Company should continue to maintain a complaint log, detailing the date of the complaint, customer name and address, nature of the complaint, and action taken to resolve the complaint;

7. The Company should institute a water flushing program;

8. The Company should conduct monitoring programs at its wells to determine the actual levels of iron and manganese;

9. The Company should update its hydraulic analysis for Sections 2-11 and conduct an initial hydraulic analysis for Sections 12-16;

10. The Company should conduct a survey of the system pressure under actual supply and demand conditions; and

11. The Company should conduct new 48-hour yield and drawdown tests for all its wells without recent information.

Hugh J. Eggborn from VDH testified on behalf of Staff and further recommended that the Company:

1. Identify, mark and map water line locations, mark in the field and record on maps in order to minimize line breaks by other utilities working in Lake Wilderness;

2. Institute a regular water line flushing program to reduce sediment in the water lines;

3. Proceed with the construction of the new tank and booster pumps at Well # 2 after resolving the debris problem with VDWM;

4. Update and revise the hydraulic analysis for Sections 2-11 and conduct a hydraulic analysis for Sections 12-16;

5. Conduct a monitoring program at the wells and in the distribution system to determine the actual levels of iron and manganese;

6. Conduct a survey of distribution system pressures under actual supply and demand conditions;

7. Conduct new yield and drawdown tests for all wells without recent information;

8. Cease making any new connections to the water systems serving Sections 2-11 and Sections 12-16 until any necessary improvements are made to system's capacity and water quality. This includes source capacity, distribution and storage capacity, and water quality considerations.

At the hearing, Mr. Eggborn expanded on recommendation # 7 and testified that new yield and drawdown tests should be performed at Well # 2, Well # 4, and Well # 6. Mr. Eggborn also testified that a new yield and drawdown test should be conducted at Well # 3 if the Company intends to use this well for a significant period of time.

Company Witness Reece agreed with all the recommendations and testified that Company had begun constructing and planning for system improvements and had been making operational changes as suggested by VDH and Staff.

In his Report, the Examiner concluded that Company had not satisfactorily performed its public service obligations and that direct, hands-on supervision by the Commission was needed to remedy the many problems discussed at the public hearing. The Examiner noted that, while some of the problems have been caused by contractors, growth in the subdivision or extreme weather conditions, most of the problems were the result of Company's inability or outright refusal to properly maintain and upgrade the system to provide a reliable and continuous supply of water.

The Examiner recommended the following:

1. The task force should remain in effect and continue to meet on a bi-monthly basis. It is clear from testimony that many of the system problems are aggravated by lack of communication between the Company and the residents of Lake Wilderness Subdivision. The task force members should include representatives from the Company, the Property Owners Association, the Commission Staff, and VDH;

2. The Company, in conjunction with the task force, should develop and implement a procedure for responding to and repairing leaks and line breaks in a timely manner. Such a procedure should include proper repair techniques and routine line flushing;

3. The Company must promptly remove the debris buried at Well Site # 2 in accordance with VDWM's regulations, and install the storage tanks and booster pumps proposed for Well # 2 within 60 days after removal of the debris;

4. The Company must immediately begin marking its water lines with magnetic tape during regular maintenance or repair of line breaks;

5. The Company must physically locate and uncover water line laterals for customers. The homeowners and the Property Owners Association should assist in encouraging contractors to work only during regular business hours so that the Company can identify the water line locations and reduce water outages and line breaks caused by careless or inattentive contractors;

6. The Company must maintain and update system maps showing the location of water lines, and pinpoint and identify service complaints and line breaks on these maps and the Company must file yearly progress reports with the Commission detailing the updates to the system maps and the impact of new connections to the system. The Company must file its first progress report within six months after the issuance of the final order in this case;

7. The Company must file with the Commission ten-year projections of demand and supply by subdivision section, and the first ten-year projection must be filed within six months after the issuance of the final order in this case;

8. The Company must develop a program for responding to customer complaints. At a minimum, the program should include a contact person, telephone number and mailing address for routine billing and service complaints, as well as the 24-hour emergency telephone number for outages, line breaks, or other emergency service problems;

9. The Company must maintain a complaint log, detailing the date of the complaint, customer name and address, nature of the complaint, and action taken to resolve the complaint;

10. The Company must immediately institute a water flushing program in accordance with VDH requirements and recommendations. In addition, the Company should install blow-off valves in those areas where the lines cannot be flushed effectively;

11. The Company must immediately conduct monitoring programs at its wells to determine the actual levels of iron and manganese in accordance with VDH requirements and recommendations;

12. The Company must update its hydraulic analysis for Sections 2-11 and conduct an initial hydraulic analysis for Sections 12-16 in accordance with VDH requirements and regulations;

13. The Company must conduct a survey of the system pressure under actual supply and demand conditions in accordance with VDH requirements and recommendations;

14. The Company must conduct new 48-hour yield and drawdown tests at Well # 2, Well # 4, and Well # 6 in accordance with VDH requirements. The Company must also conduct such tests on Well # 3 if the Company intends to use the well for more than the time prescribed by VDH; and

15. The Company must cease making any new connections to the water system serving Sections 2-11 and Sections 12-16 until any necessary improvements are made to the system capacity and water quality that satisfy VDH requirements and the VDH lifts its connection moratorium.

In addition, the Hearing Examiner recommended that this case be remanded to the Office of Hearing Examiners so that he might oversee the implementation of the recommendations until all improvements necessary to ensure a safe dependable water supply are made. The Hearing Examiner also recommended that the Company be ordered to file a report with the Examiner within 30 days of the issuance of the final order in this case. The report should set forth in detail the actions taken in regard to each of the recommendations 1-15. Further, the Examiner recommended that the Company up-date this report every three months and submit a copy of all such reports to the task force which will have an opportunity to comment on them.

On October 2, 1992, Company, by counsel, filed a letter commenting on the Report of the Hearing Examiner. In the letter, Company stated that it has reviewed the Report and accepts the recommendations of the Hearing Examiner. Company stated that it does not necessarily agree with all of the public statements made during the proceeding but was prepared to comply with the Hearing Examiner's recommendations.

On October 5, 1992, the Association, by counsel, filed Comments on the Hearing Examiner's Report. In its Comments, the Association stated that the relief sought in its pleadings and testimony, a new owner and operator of the Company, was the only remedy that would solve permanently the problems discussed in the Examiner's Report. Nevertheless, the Association submitted the following comments for the purpose of clarifying and strengthening the Examiner's recommendations:

1. Relative to the Examiner's Recommendation # 1 on the task force, the Association recommends that the task force should include, and be limited to representatives from the Company, the Property Owners Association, the Commission Staff and VDH;

2. Relative to the Examiner's recommendation # 2 on procedures for responding to and repairing leaks, the Association recommends that the Commission direct Company to repair immediately all leaks that are known to exist;

3. Relative to the Examiner's Recommendation # 5 about locating and uncovering water line laterals, the Association recommends that the Company be directed to install water meters for its customers;

4. Relative to Examiner's Recommendation # 7 that Company must file ten-year projections of demand and supply, the Association recommends that language be added that would require Company to file amended projections every six-month period after the first;

5. Relative to the Examiner's Recommendation # 8 regarding a program for responding to customer complaints, the Association recommends that a local 24-hour emergency telephone be included;

6. Relative to Recommendation # 9 regarding the complaint log, the Association recommends that Company be required to note the date the complaint was resolved;

7. Relative to Recommendation # 10 as to the water flushing program, the Association recommends that the Company be required to install fire hydrants and shut-off and blow-off valves in those areas where the system is to be flushed;

8. Relative to the Recommendation # 15 regarding the prohibition on new connections, the Association recommends that Company also be required to make improvements to the distribution system before making any new connections; and

9. The Association proposes a new recommendation that would require the Company to provide the Commission with detailed financial statements showing its revenues and connection fees collected and expended during the last five years.

NOW THE COMMISSION, having considered the record, the Hearing Examiner's Report and the comments thereto is of the opinion and finds that the Examiner's recommendations should be adopted as modified herein. The Commission believes that an additional requirement relative to the complaint log and certain suggestions of the Association should also be imposed on the Company. Specifically, the Commission will also adopt the Association's suggestions regarding members of the task force, the repair of known water leaks and procedures for responding to customer complaints. Suggestions relative to the installation of blow-off and shut-off valves as well as the additional prerequisite before installing new connections should also be imposed.

The Commission is also of the opinion that the Association's recommendation relative to accounting data for connection fees is reasonable and should be adopted. The Company has been subject to this Commission's jurisdiction for the applicable period of time and should have these records readily available.

The Commission will not adopt the Association's suggestion to require water meters at the present time. The Commission will not adopt the Association's suggestions that would require amended demand and supply projections every six months and require the installation of fire hydrants. The requirement to file amended demand and supply projections on a six months basis would place an unreasonable administrative burden on the Company. In addition, mandatory installation of fire hydrants is unwarranted at this time as there is nothing in the record detailing the cost or necessity of installing fire hydrants in this subdivision.

We are, however, of the opinion that the Company should file updated demand and supply projections with the Hearing Examiner and with the Division of Energy Regulation every two years. Moreover, the task force should investigate the Association's request for fire hydrants and obtain detailed data relative to the cost and necessity of this proposal. Accordingly,

IT IS ORDERED:

(1) That the task force shall remain in effect and continue to meet at least on a bi-monthly basis. Members of the task force shall include, and be limited to representatives from the Company, the Property Owners Association, the Commission Staff and VDH. In addition to the duties referenced herein, the task force shall investigate the necessity and feasibility of having fire hydrants installed in the Lake Wilderness subdivision;

(2) That the Company, in conjunction with the task force, shall develop and implement a procedure for responding to and repairing leaks and line breaks in a timely manner; such procedure shall include proper repair techniques and routine line flushing procedures. Company is directed to repair immediately all leaks that are known to exist;

(3) That the Company shall promptly remove the debris buried at Well Site # 2 in accordance with VDWM's regulations, and install the storage tanks and booster pumps proposed for Well # 2 within 60 days after removal of the debris;

(4) That the Company shall immediately begin marking its water lines with magnetic tape during regular maintenance or repair of line breaks;

(5) That the Company shall physically locate and uncover water line laterals. The homeowners and the Property Owners Association should assist in encouraging contractors to work only during regular business hours so that the Company can identify the water line locations and reduce water outages and line breaks caused by careless and inattentive contractors;

(6) That the Company shall maintain and update system maps showing the location of water lines, and pinpoint and identify service complaints and line breaks on these maps; and the Company shall file yearly progress reports with the Commission detailing the updates to the system maps and the impact of new connections to the system. The first progress report shall be filed within six months after the issuance of this Order;

(7) That the Company shall file with the Commission ten-year projections of demand and supply by subdivision section. The first ten-year projection shall be filed within six months after the issuance of this Order with subsequent updated demand and supply projections due to be filed every two years;

(8) That the Company shall develop a program for responding to customer complaints. This program shall include a contact person, telephone number and mailing address for routine billing and service complaints as well as the local 24-hour emergency telephone number for outages, line breaks, or other emergency problems;

(9) That the Company shall maintain a complaint log detailing the date of the complaint, customer name and address, nature of the complaint, action taken to resolve the complaint and the date the complaint was resolved;

(10) That the Company shall immediately institute a water flushing program in accordance with VDH requirements and recommendations and shall install shut-off and blow-off valves in those areas where the lines cannot be flushed effectively;

(11) That the Company shall immediately conduct monitoring programs at its wells to determine the actual levels of iron and manganese in accordance with VDH requirements and recommendations;

(12) That the Company shall update its hydraulic analysis for Sections 2-11 and conduct an initial hydraulic analysis for Sections 12-16 in accordance with VDH requirements and regulations;

(13) That the Company shall conduct a survey of the system pressure under actual supply and demand conditions in accordance with VDH requirements and recommendations;

(14) That the Company shall conduct new 48-hour yield and drawdown tests at Well # 2, Well # 4 and Well # 6 in accordance with VDH requirements. The Company shall also conduct such tests on Well # 3 if the Company intends to use the well for more than the time prescribed by VDH;

(15) That the Company shall not make any new connections to the water systems serving Sections 2-11 and Sections 12-16 until all necessary improvements are made to the system capacity, the distribution system and water quality that satisfy VDH requirements and VDH lifts its connection moratorium;

(16) That the Company shall provide the Commission with detailed financial statements showing revenues and connection fees collected and the expenditures of those funds for the last five years;

(17) That this case be hereby remanded to the Office of the Hearing Examiners;

(18) That Company shall file with the Examiner within 30 days from the date of this Order a report detailing the action taken in regard to ordering paragraphs (1-16); and

(19) That the Company shall update the report referenced in ordering paragraph (18) every three months and shall submit a copy of such report to the task force for its comments.

CASE NO. PUE880091
DECEMBER 23, 1992

APPLICATION OF
APPALACHIAN POWER COMPANY

For approval to implement residential experimental rate

ORDER EXTENDING TIME TO COMPLETE RATE EXPERIMENT

On October 3, 1988, Appalachian Power Company ("APCO" or "the Company") filed its application, together with supporting testimony and proposed tariffs, to conduct a residential rate experiment for approximately one year as part of its overall program to promote energy efficiency and conservation. The application was subsequently modified on November 30, 1988, and on February 2, 1989.

The Company sought approval under Virginia Code § 56-234 of an experimental variable spot price ("VSP") rate for use with the TranstexT Advanced Energy Management ("TranstexT") System in a maximum of 300 residential homes of customers located in the Roanoke Area. TranstexT is an energy management system which provides consumers with facilities which automatically control electric energy consumption. The equipment programs varied comfort levels for heating and cooling, and water heating at different times of the day.

On February 27, 1989, the Commission approved the rate schedule on an experimental basis which allowed admission to the rate schedule until April 1, 1990, and which terminated the rate schedule on April 1, 1991. The Commission further required the Company to file semi-annual reports with the Commission's Division of Energy Regulation.

On February 16, 1990, the Commission, by order, extended admission to the rate schedule until April 1, 1991 and extended the rate schedule until April 1, 1992. The Commission further required the Company to file semi-annual reports with the Commission's Division of Energy Regulation.

On January 3, 1992, the Commission, by order, extended the rate schedule until January 1, 1993, providing for implementation of a revised rate schedule effective for service rendered on or after January 20, 1992. The Company was required to continue filing semi-annual reports with the Commission's Division of Energy Regulation.

On December 4, 1992, the Company filed a motion requesting permission to extend the date on which the experimental tariff will expire to December 31, 1993. APCO stated that the data on usage by TranstexT customers across the American Electric Power Company, Inc. System has been collected and is currently being analyzed. The Company further stated that it anticipates that it will complete its analysis and make a recommendation to the Commission regarding implementation of the tariff on a permanent basis in 1993. Pending the completion of this process, APCO desires to extend the availability of the rate schedule.

NOW THE COMMISSION, having considered the Motion finds that good cause exists to grant APCO's request for extension. The Commission, therefore, finds that the experimental rate shall expire on December 31, 1993. The Commission also finds that APCO shall continue to file semi-annual reports on its experience with this experimental rate with the Commission's Division of Energy Regulation to include, but not be limited to the revenue impact of the rate schedule election upon the Company. Accordingly,

IT IS ORDERED:

(1) That Appalachian Power Company's experimental rate shall expire on December 31, 1993;

(2) That Appalachian Power Company shall continue to file semi-annual reports on its experimental rate with the Commission's Division of Energy Regulation to include, but not be limited to the revenue impact of the rate schedule upon the Company; and

(3) That the case remain open until further disposition by the Commission.

CASE NOS. PUE890023 and PUE900041
SEPTEMBER 28, 1992

APPLICATION OF
APPALACHIAN POWER COMPANY

To revise its fuel factor and cogeneration tariff pursuant to Virginia Code § 56-249.6 and PURPA § 210

FINAL AUDIT FOR TWELVE-MONTH PERIOD ENDED DECEMBER 31, 1990 FUEL COSTS - RECOVERY POSITION

By previous order dated April 28, 1989, in Case No. PUE890023, the Commission established a fuel factor of 1.589¢/kwh for Appalachian Power Company ("APCO") effective May 1, 1989. By order dated August 3, 1990, in Case No. PUE900041, the Commission approved for APCO a fuel factor of 1.543¢/kwh effective August 28, 1990. This factor remained operative through December 31, 1990.

The Commission's Staff investigated the level of jurisdictional fuel expenses incurred and revenues collected by APCO during the twelve months ended December 31, 1990, and filed a report on June 16, 1992. Staff concluded that for the twelve-month period ended December 31, 1990:

- APCO's delivered fuel prices were reasonable.
- APCO's generating unit performance was reasonable.
- APCO's generating unit thermal efficiencies were reasonable.
- APCO's level of interchange power and the associated costs were reasonable.
- APCO's reported fuel expenses for the twelve months ended December 31, 1990 appear to conform to the Commission's definitional framework of fuel expenses.
- APCO was in a cumulative over-recovery position of $7,052,100 as of August 27, 1990. As of December 31, 1990, APCO was in a cumulative over-recovery position of $3,999,512.

APCO did not contest Staff's audit report.

NOW, THE COMMISSION, having considered the record herein, finds that as of December 31, 1990, APCO experienced a cumulative over-recovery of its jurisdictional fuel expenses in the amount of $3,999,512. 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. PUE890023 be, and the same is hereby, closed and Case No. PUE900041 be, and the same is hereby, continued generally.

CASE NO. PUE900006
JULY 8, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval of expenditures for new generation facilities pursuant to Va. Code § 56-234.3 and for a certificate of public convenience and necessity pursuant to Va. Code § 56-265.2

ORDER GRANTING MOTION TO DISMISS

On June 19, 1992, Virginia Electric and Power Company ("Virginia Power" or "the Company") filed a Motion to Dismiss its application for the approval of proposed, but contingent, expenditures related to the construction of new electric generating facilities and for the issuance of a certificate of public convenience and necessity. In support of its Motion, Virginia Power states that its 1992 Expansion Plan does not project a need to build additional combustion turbines until at least 1997. Accordingly, the Company has determined that there is no longer an immediate need to keep this investigation open.

On June 23, 1992, the Commission's Hearing Examiner issued his report recommending that the Commission enter an order dismissing this application from its docket of pending proceedings.

The Commission, upon consideration of this matter is in argeement with the Hearing Examiner's recommendations and hereby finds that the Company's Motion should be granted. Accordingly,

IT IS ORDERED that the application of Virginia Power for approval of expenditures for new generation facilities and for a certificate of convenience and necessity, filed in this matter on January 8, 1990, be and it hereby is dismissed from the Commission's docket of pending proceedings.

CASE NO. PUE900023
JUNE 2, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For an expedited increase in rates

ORDER REQUIRING REFUND

On February 28, 1992, the Supreme Court of Virginia reversed the Commission's decision in this case in Virginia Committee for Fair Utility Rates, et al. v. VEPCO, et al., 243 Va. 320, ___ S.E.2d ___ (1992). It remanded the matter to the Commission to order appropriate refunds to ratepayers and dismiss the case. In a Petition for Rehearing filed on March 30, 1992, the Commission, by counsel, asked the Court to clarify its instructions on remand as to whether any of three refund theories described in the Petition were precluded from further consideration by the Commission.

Thereafter, in its mandate, the Court clarified its instructions, stating:

> The directive to dismiss the application does not limit the Commission's discretion to determine the quantum of excessive revenues that Virginia Power must refund.

We interpret the Court's instructions to permit us to exercise our discretion to adopt an appropriate theory of refund.

The effectiveness of the rates adopted in this case ended on September 1, 1991, when new rates were made effective, subject to refund, in Application of Virginia Electric and Power Company, Case No. PUE910047. No action we take in this case can affect the rates made effective in Case No. PUE910047. Our task is simply to make Virginia Power's ratepayers whole - that is, to put them as nearly as possible in the position they should have held at the end of this case had the error found by the Court not occurred.

The Court's opinion concludes that the Commission failed to implement properly its "Rules Governing Utility Rate Increase Applications" ("Rate Case Rules"). The basic premise of the opinion is that the Commission allowed Virginia Power to propose an adjustment (to add projected construction work in progress to the Company's rate base) which could not be properly included in an application for expedited rate relief under the Rate Case Rules because it had not been approved in the utility's last general rate case.

The Court capsulized its interpretation of the Rate Case Rules by saying:

> Our review of the Rate Case Rules indicates that these Rules seek to create a quid pro quo relationship. The utility is permitted to obtain expedited implementation of its increase in rates. In return, the utility is precluded from changing its cost of equity, altering rate design, or proposing any new accounting formula adjustment that was not approved in its last general rate case. 243 Va. at 328.

Since this case was treated as an expedited case, it was subject to the quid pro quo described by the Court. Its essential nature cannot be changed after the fact; nor should it be. We should thus attempt to return ratepayers and the Company to the positions they would have reached had the quid pro quo been strictly observed.

The Commission's decision in this case rejected the Company's improper CWIP adjustment, but the revenue effect of that rejection was partially offset by adoption of the Staff's attrition adjustment. Although the difference between the two adjustments has already been refunded pursuant to the Commission's Final Order of April 22, 1991, the Court's opinion, in our view, requires an additional refund to make ratepayers whole. We conclude that a reasonable means of measuring and removing the remaining effect on rates of Virginia Power's ultimately rejected CWIP adjustment is to refund with interest those revenues attributable to the Staff's attrition adjustment, which was accepted. Notwithstanding this action, we reiterate our view, which we believe to be consistent with the Court's opinion, that the limitations on proposed adjustments set forth in the Rate Case Rules are directed solely to the utility applicant and not to Staff. Application of Virginia Electric and Power Company, 1988 S.C.C. Ann. Rept. 312, 314. Such a refund is appropriate in this case because it will, in our opinion, return the Company and its ratepayers to the relative positions they would have reached had the error identified by the Court been avoided.

An issue was also raised in the remand proceeding concerning the appropriate rate of interest to be paid on the refund. The Commission's long-standing practice has been to require interest equal to an average, quarterly prime rate for the refund period, and this is the method used to date in this case. We are not convinced that method should be altered for purposes of this particular refund.

ACCORDINGLY, IT IS ORDERED:

(1) That Virginia Power shall calculate the principal amount of the refund in accordance with this Order;

(2) That the principal amount of the refund and interest thereon shall be returned to ratepayers within 90 days of the date hereof;

(3) That interest upon such refunds shall be computed from the date payment of each monthly bill 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 ("Selected Interest Rates") (Statistical Release G.13), for the three months of the preceding calendar quarter;

(4) That the interest required to be paid shall be compounded quarterly;

(5) That the refunds ordered herein 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 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 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;

(6) That on or before October 1, 1992, 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, and the personnel hours, associated salaries and costs for verifying and correcting the refund methodology;

(7) That Virginia Power shall bear all costs of the refunds directed in this order; and

(8) That this case shall be continued until further order of the Commission.

Commissioner Moore took no part in the consideration of this matter.

CASE NO. PUE900023
OCTOBER 19, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For an expedited increase in rates

DISMISSAL ORDER

By order dated June 2, 1992, the Commission required Virginia Electric and Power Company ("Virginia Power" or "Company") to refund excessive rates together with interest and to file a document on or before October 1, 1992, showing that all refunds had been lawfully made. This matter was continued until further order of the Commission.

On September 30, 1992, counsel for Virginia Power submitted a statement of compliance signed by the Company's Senior Vice President - Finance and Controller that all refunds had been made pursuant to the Commission's order of June 2, 1992. Also attached was an itemization of the Company's actual cost of the refund through August, 1992, and estimated cost for the month of September, 1992.

With the refunds having been accomplished, the Commission of the opinion that nothing further remains to be done in this case. Accordingly,

IT IS THEREFORE ORDERED that this matter is dismissed and the record developed herein shall be placed in the file for ended causes.

Commissioner Moore took no part in the consideration of this matter.

CASE NO. PUE900070
MARCH 27, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In re, Investigation of Conservation and Load Management Programs

FINAL ORDER

By order of January 7, 1991, the Commission initiated an investigation to consider the subject of conservation and load management ("CLM") programs of electric and gas utilities. We noted therein that we have long encouraged utility efforts to promote CLM. However, we recognized that our policies have generally been developed on a case by case basis in reviewing tariff provisions, experimental CLM programs, ratemaking treatment for companies' CLM efforts, and advertising expenses and promotional practices (See Comm. of Va., at the relation of the S.C.C., Ex Parte: In Re, Investigation of Promotional Allowances, 1970 S.C.C. Ann. Rept. 136, Case No. 18796, Final Order, April 15, 1970). We therefore determined that it was now appropriate to address CLM in a more comprehensive manner. We requested comments on a broad spectrum of such issues, to be filed no later than February 28, 1991. Staff was directed to review those comments and prepare a report recommending specific rules or policies regarding CLM programs on or before April 26, 1991. Thereafter, the Commission invited a second round of comments on the Staff Report. Finally, we heard oral argument on October 29, 1991.

The response to our order was substantial. Almost 300 interested parties filed comments. Many of those were individual citizens who unanimously applauded CLM efforts. Companies, government agencies, nonprofit organizations, and citizen and environmental groups also responded. Utilities participating included Virginia Electric & Power Company ("Virginia Power"); Appalachian Power Company ("APCO"); The Potomac Edison Company ("Potomac Edison"); Kentucky Utilities d/b/a Old Dominion Power Company; Delmarva Power & Light Company ("Delmarva"); the Virginia, Maryland and Delaware Association of Electric Cooperatives ("the Cooperatives"); Commonwealth Gas Services, Inc. ("Commonwealth Gas"); Virginia Natural Gas, Inc. ("VNG"); United Cities Gas Company; and Washington Gas Light Company ("WGL"). Government agencies and other organizations filing comments included the Environmental Protection Agency ("EPA"); Elizabeth Haskell, Secretary of Natural Resources, Commonwealth of Virginia ("Secretary Haskell"); The Department of Mines, Minerals and Energy, Commonwealth of Virginia ("DMME"); Division of Consumer Counsel, Office of the Attorney General, Commonwealth of Virginia ("Consumer Counsel"); Transphase System, Inc.; Sycom Enterprises; Virginia Committee for Fair Utility Rates ("the Committee"); Southern Environmental Law Center ("SELC"); Conservation Council of Virginia; the Virginia Chapter of the Sierra Club; Natural Resources Defense Council ("NRDC"); Fairfax County Department of Consumer Affairs; Virginia Citizens Action ("VCA"); and the American Lung Association of Virginia.

STAFF RECOMMENDATIONS

The Staff report summarized existing CLM efforts in Virginia and the nation, provided an overview of existing Commission policy regarding CLM programs, suggested certain policy modifications, and discussed key issues which should be addressed in this proceeding.

First, the Staff recommended that the rules relating to promotional allowances be revised so as to permit such allowances for cost effective CLM programs. It distinguished such programs from those designed primarily to increase load or market share, and recommended, as a prerequisite to rate recovery of related costs, that all programs be evaluated and approved on a case by case basis to assure that a program is both cost effective and primarily directed at CLM, rather than some other objective.

A pivotal policy question identified by Staff was that of measuring the cost effectiveness of CLM programs. The criteria used to quantify costs and benefits, and thereby evaluate effectiveness, is clearly crucial to the determination of public interest. It was Staff's opinion that this issue requires more detailed work before a recommendation can be made to the Commission, and that a series of technical conferences or a task force should thus be organized. Such an effort would provide a focused and in-depth analysis of various evaluation methods.

The report also addressed the extent to which environmental and societal externalities should be considered in the evaluation of program costs and benefits, noting that this is "the most controversial issue in this proceeding." In question are those environmental and societal costs and benefits which are not currently internalized by utilities or explicitly quantified in the planning process. Staff said that any attempt to internalize such costs or benefits could have far reaching implications. It therefore suggested that new legislation might be a more appropriate vehicle to initiate such a change.

Once utilities implement optimal CLM programs, the focus will necessarily shift to recovery of costs. The Staff discussed two aspects of this issue: direct CLM program costs, and "lost revenues." Staff observed that currently most direct costs are expensed in the year they are incurred; however, other options are available and should be considered. For instance, some costs can be capitalized in rate base when programs have long term benefits. Staff felt that specific cost treatment should be addressed in individual rate cases, given the potentially wide disparity among programs of various companies. Automatic adjustment clauses should not be used for such recovery, in Staff's view, since the Commission's general policy regarding the use of such a clause is only to "allow a utility to adjust, without a rate increase, its revenues in response to changes in the costs of a relatively volatile, major expense item . . . over which it has no control." App. of Old Dominion P. Co., 1984 S.C.C. Ann. Rept. 408, aff'd, Old Dominion P. Co. v. S.C.C., 228 Va. 528 (1984).

In regard to "lost revenue", the Staff noted that, since sales and profits are closely linked under current ratemaking principles, by promoting conservation a utility may forgo some profits due to lower sales. The parties expressed divergent views on whether such "lost revenues" should be accounted for in setting rates. Although Staff identified a variety of approaches for addressing the issue, it made no recommendation. It did believe utilities should be allowed to propose and attempt to justify lost revenue recovery methods in rate cases.

Several parties had addressed the role demand-side bidding might play in a utility's resource plan, and the potential benefits of injecting a market place pricing discipline into utility planning. One of the difficulties associated with demand-side bidding, however, is the measurement of the results of third party programs, to assure that projected savings are achieved. A related question is whether third party CLM programs will materialize and perform as promised over the long term. Because of such uncertainties, Staff did not suggest utilities be required to use bidding. It believed, however, that the potential benefits warranted examination, and it recommended that Virginia Power be directed to use a demand-side bidding program on an experimental basis, since that company has had extensive experience with supply-side bidding for nonutility generation over the last four years.

Staff also suggested that any proposed demand-side bidding programs should be considered in formal Commission proceedings, to foster a comprehensive review of a utility's integrated resource programs, plans for implementation, and cost/benefit analysis.

In oral argument, Staff said that consideration of demand-side options must necessarily include study of supply-side options, as well, and it suggested it may be time to implement formal review of utility companies' entire integrated resource plans.

Numerous parties filed comments on the Staff Report: Consumer Counsel, Secretary Haskell, DMME, APCO, Potomac Edison, Delmarva, Virginia Power, Commonwealth Gas, WGL, VNG, the Cooperatives, the Committee, Arlington County, VCA, NRDC, SELC, and the Virginia Chapter of the Sierra Club. At the hearing, statements were received from Staff; State Senator Robert C. Scott; Secretary Haskell; EPA; NRDC; SELC; the Virginia Chapter of the Sierra Club; the Conservation Council of Virginia; Sycom; Elizabeth Ising; William B. Charlton; VCA; the Consumer Counsel; Thomas J. Charlton; the Committee; the Cooperatives; Potomac Edison; Virginia Power; Commonwealth Gas; and WGL and Shenandoah Gas Company.

Although we will not summarize all comments of all parties received in this proceeding, the Commission found such extensive input quite valuable in reaching its decision herein.

PARTICIPANTS' COMMENTS

Senator Scott urged the Commission to establish rules that would require electric utilities to meet as much need as possible through energy conservation. He recommended that environmental and social externalities should be considered. He also supported the Staff recommendations to remove prohibitions on promotional allowances, and to place demand and supply-side options on par. In addition, he suggested the Commission consider the potentially favorable impact certain rate structure innovations, such as the use of inclining block rates (under which the price per unit increases with higher usage), might have on CLM.

Secretary Haskell strongly supported energy conservation, noting that Governor Wilder has issued a state energy plan which emphasizes this point. She urged the Commission to encourage innovation to improve environmental quality in Virginia, and to remove regulatory and market barriers to energy conservation measures. She applauded liberalized promotional allowances as a good first step. She believed the Commission should equate demand and supply-side options and should consider environmental externalities in evaluating utility resource plans. Her final recommendation was that the Commission initiate a task force to address the many details associated with integrated resource planning. She observed that the bonus allowances available under the Clean Air Act clearly provide an economic incentive for Virginia to promote energy conservation.

The Consumer Counsel agreed with the Staff's recommendation that the costs associated with CLM programs should be treated in a comparable manner to those of supply-side options. He reviewed the concerns which gave rise to the present ban on subsidies and promotional

allowances and urged that any revision to those rules respect those concerns. He expressed misgivings that some programs may result in building market share rather than decreasing loads, and approved the Staff's suggestion to limit proposals to CLM initiatives. Counsel urged the Commission not to take any action to reimburse utilities for "lost revenues." Whatever revenue impacts occur, he argued, will be short term, because the test year revenue level under the normal ratemaking process will already reflect lost revenues.

The EPA encouraged the Commission to evaluate demand and supply-side options on an equal basis. It favored incentives to save, rather than sell, electricity.

The NRDC urged the Commission to authorize the decoupling of utility net profits from sales volume, as has been done in several states. It also encouraged positive incentives for energy efficiency performance.

The SELC, the Virginia Chapter of the Sierra Club and the Conservation Council of Virginia urged Virginia to declare a clear preference for utilizing cost effective conservation and efficiency measures as resources to meet the state's growing need for energy. They asserted that the cost effectiveness of CLM programs should be determined by comparing costs and benefits using the societal impact or "all rate payers" test. They urged the Commission to move forward to provide firm and aggressive guidelines promoting the development of demand-side programs that capture all cost aspects of conservation and efficient resources.

The Committee urged the Commission to proceed carefully, and to encourage innovation and promote cost effective programs, while bearing in mind the potential impact of significant changes in the ways utilities operate and the ways rates are set. It agreed that when CLM programs meet the utilities' needs and are more cost effective, they should be implemented instead of supply-side options, thereby resulting in the best mix of resources to meet the needs of customers at the lowest cost. The Committee opposed the concept of quantifying selected externalities. It argued that the suggestion to incorporate some externalities but ignore others could distort the balancing process, lead to economic inefficiency and result in higher utility rates. Further, it argued that the valuation of externalities is a nearly impossible task. It also agreed with the Consumer Counsel that the lost revenue issue need not be addressed, given the current ratemaking process.

The Cooperatives agreed with the Staff's proposed revision of the promotional allowance rules. They were concerned, however, with the related approval process and the potential for it to develop into protracted litigation, particularly related to alternative energy suppliers. They also endorsed the Commission Staff's position that quantification of externalities is more appropriately addressed by legislators than by the Commission.

Virginia Power believed that the Staff's proposed revisions to the rules for promotional allowances go a long way toward allowing the use of cost effective promotions as part of CLM programs. However, it urged the Commission to make clear that promotions which reduce unit cost of power, such as allowances for heat pumps, should also be allowed. Virginia Power stated that it was presently developing an internal methodology which would allow the company to give stronger consideration to many proposed CLM programs.

Commonwealth Gas Services urged further modification of the rules for promotional allowances to insure that no unfair competitive advantages are bestowed upon any utility in the name of CLM programs. It urged the Commission to consider source to site analyses, which it believed were necessary to validate claimed energy efficiencies.

WGL and Shenandoah Gas Company urged the adoption of a standard CLM cost benefit evaluation framework to be used by all utilities. They also proposed adoption of the "all rate payers test", which would consider the impact of a proposed program on all regulated energy suppliers, gas or electric. Finally, they urged funding limits for cooperative advertising by utilities.

DISCUSSION

We believe cost effective CLM programs are essential components of the balanced resource portfolio that utilities must achieve to provide energy to Virginia consumers at fair and reasonable rates. We appreciate the valuable input provided by the participants and our Staff in this investigation.

As we have considered the many issues here, it has become clear that a more detailed investigation will be needed regarding the appropriate tests to employ in measuring the success of programs. We must also continue to refine the distinctions between CLM programs on the one hand and on- and off-peak load building programs on the other. Specific ratemaking treatment of program costs will need to be evaluated carefully in the context of each utility's rate cases. This Commission, utilities, consumers and third-party CLM program providers must all continue to increase the public awareness of energy efficiency and conservation so that we may aggressively pursue implementation of sound cost effective programs.

While we are encouraged about the role conservation can play in our future, we must move cautiously in an attempt to avoid promoting uneconomic programs, or those that are primarily designed to promote growth of load or market share without serving the overall public interest. Conservation at any cost is not appropriate, and we must closely evaluate utility companies' demand-side programs to assure that each company is carefully following a cost effective strategy. Our goal then can be succinctly stated as establishing the framework which will facilitate optimal CLM programs. The Commission, in fact, has a statutory mandate to investigate the "acts, practices, rates or charges" of utilities to determine whether they are calculated to "promote the maximum effective conservation and use of energy and capital resources used by public utilities in rendering utility service" (Va. Code § 56-235.1).

The first critical question which we must address is which test or tests should be applied to judge whether a program is cost effective. Opinions on this issue varied widely among the participants in this proceeding.

We must adopt uniform measures against which to evaluate programs designed to conserve energy or better balance a utility's load. It is only with that information that we can determine if a program is in the public interest. We agree with our Staff, however, that the advantages and disadvantages of various assessment methods are not adequately developed in this record.

Staff suggested a task force or a series of technical conferences as suitable approaches to continue this investigation. Either method is acceptable. Staff should forthwith establish the necessary meeting schedules to collect the requisite data, followed by an interim report on or before

July 31, 1992, which will detail the procedures it will follow in its investigation, the goals of the process, any progress to date, and the date it expects to complete a final report. This final report should describe all alternative cost effective measures, the advantages and disadvantages of each, and Staff's recommendation on the appropriate tests to apply.

This effort should not involve the question of how to quantify environmental externalities, however. This Commission clearly considers environmental factors in rendering our decisions, but these factors are taken into account from a qualitative, not quantitative, standpoint. See Va. Code § 56-46.1. Under that statute, such factors are analyzed in rendering our decisions on whether to approve the construction of major electric transmission facilities. Similarly, we consider all aspects of the public convenience and necessity in deciding whether to approve certificates for the construction of other utility facilities. Moreover, to the extent those conditions impose direct costs on the public utility, they are reflected in rates, as appropriate.

However, we believe that we lack the statutory authority to go beyond this direct effect on the ratemaking process. Virginia Code § 56-235.1 commands us to determine which acts, practices, rates or charges are reasonably calculated to promote conservation and the maximum effective use of energy, but specifies "that nothing in this section shall be construed to authorize the adoption of any rate or charge which is clearly not cost-based or which is in the nature of a penalty for otherwise permissible use of utility services." Also, Virginia Code § 56-235.2 specifically states that the utility must demonstrate that its "rates, tolls, charges or schedules in the aggregate provide revenues not in excess of the aggregate actual costs incurred by the public utility in serving customers within the jurisdiction of the Commission," and prohibits speculative adjustments to such costs. We believe that it would be speculative, and thus contrary to our legal authority, to include adjustments in rates for external environmental factors. Moreover, as noted by the Committee, incorporating selected externalities, but ignoring the impact of others, could distort the balancing process and lead to economic inefficiency, resulting in higher utility rates for all customers. We therefore agree with our Staff and a number of the parties, who suggested that incorporation of environmental externalities should be dealt with from a broader perspective than utility ratemaking. Congress and the General Assembly are the proper bodies to provide this perspective. When and if we are directed by legislation to incorporate quantified environmental externalities into the regulatory process, we shall do so, of course.

The Staff did propose specific revisions to our current rules relating to promotional allowances, established by Final Order in Case No. 18796, dated April 15, 1970. Therein, we prohibited electric and gas utilities from giving any payment, subsidy or allowance to influence the installation, sale, purchase or use of any appliance or equipment. We were concerned with public service companies competing with independent contractors in the appliance market and further, with avoiding having such payments subsidized by all customers, specifically those not receiving the benefits of the promotional program. The situation has changed sufficiently to require us to revisit those rules and to consider the need to establish programs which will encourage sound CLM. The participants in this proceeding uniformly supported revisions to our 1970 rules.

We believe that promotional allowances for cost effective CLM programs are appropriate. Rate recovery for such promotions should be allowed only for cost effective CLM programs, though, and not for those designed primarily to increase load or market share, unless a company proves that the program is cost effective and serves the overall public interest. We will not expressly prohibit the payment of such allowances by utilities, however, but rather, we will only address the propriety of cost recovery through rates. We also caution that the rules do not guarantee rate recovery for cost effective CLM programs. The reasonableness of the level of costs incurred will be evaluated as a part of each company's rate case.

Advertising, and particularly cooperative advertising, was also addressed by Staff and the participants. The Virginia Code prohibits rate recovery for electric utilities for advertising unless it is required by "law or rule or regulation, or for advertisements which solely promote the public interest, conservation or more efficient use of energy . . " Virginia Code § 56-235.2. Accordingly, the Commission has allowed reasonable levels of advertising expenses associated with CLM. Such practice will continue, but we will more closely scrutinize those costs in the context of individual rate cases, to carefully distinguish between advertising for cost effective CLM programs and those primarily designed to promote load growth which do not otherwise serve the overall public interest. State law does not currently address advertising by gas companies, but we have historically applied the same standards there.

WGL urged the Commission to impose funding limits on cooperative advertising. We agree that utilities should not be allowed to recover excessive levels of advertising costs. However, the proper level will vary widely from company to company depending on many individual factors. It is appropriate, then, to review the proper funding level for each company in individual rate cases.

Questions were also raised related to the ratemaking treatment for CLM program costs. Recovery of direct CLM program costs is currently addressed in each company's rate case. Most such costs are expensed, but some costs with long term benefits may be more appropriately capitalized and included in ratebase. We have stressed the importance of similar ratemaking treatment in the context of buy and build options.

Use of an automatic adjustment clause, however, is not appropriate. These clauses are permitted only in extraordinary circumstances "and with great caution, after carefully weighing the expected benefits against their disadvantages, in light of the public interest." Old Dominion P. Co. v. S.C.C., 228 Va. 528 (1984). Automatic adjustment clauses have been used to allow utilities to automatically adjust revenues to account for major, volatile costs beyond the company's control. At this time, the costs associated with CLM programs do not satisfy these criteria.

A number of participants also discussed alternative approaches to addressing "lost revenues", and this issue generated some controversy. If a conservation program is successful, utility sales should decrease and the company may forgo some profits until it can adjust its rates to reflect the decreased revenue. Staff identified some of the options other jurisdictions have implemented to deal with this subject. Staff made no specific recommendation, but suggested that the Commission consider proposals in the context of rate cases. Most utilities, not surprisingly, argued that an adjustment to compensate utilities for "lost revenues" is critical. Opponents countered that some regulatory lag exists with regard to all costs of service, and that the effect of CLM programs will be addressed in the normal course of ratemaking. We tend to agree. We should observe in this regard that we currently have a pending proceeding before us to revisit our utility rate case rules. In that case our Staff has proposed rules which provide a more forward looking test period. If such a concept is adopted, it may alleviate the problems associated with decreasing revenues resulting from aggressive conservation programs. We will, however, continue to monitor this phenomenon.

Rate design is also a powerful tool which can be used to achieve optimal CLM objectives. As Staff indicated, it is important to establish appropriate price signals to promote energy efficiency.

A large number of rate design objectives must be balanced in setting rates, and the Virginia Supreme Court has sustained the Commission's determination that "non-cost factors may be considered by the Commission in setting rates for various classes of services . . . to accomplish legitimate regulatory objectives." Secretary of Defense v. C & P Telephone, 217 Va. 149, 152 (1976).

Clearly then, we have the discretion to consider the impact of rate design on CLM. Rates can reflect costs or drive costs. Examples of the latter would include mandatory time of use rates and summer/winter differentials. In designing rates, utilities should consider costs and cost allocation in terms of the market signals sent by the rates. We thus encourage utilities to pursue innovative rate design and continue to improve costing methodologies.

Staff recommended that Virginia Power be required to implement a demand-side bidding program. There are clearly potential benefits which may flow from demand-side bidding programs similar to those we have seen from the supply-side resource selection process. Competition appears to have lowered costs, encouraged technical innovation and provided an independent check on utility cost estimates. There are also a number of potential difficulties unique to demand-side bidding, as noted in the record, however. Therefore, an experimental program such as that suggested by Staff, and which Virginia Power has endorsed, will provide an opportunity to garner more data and information on the subject. Utilities are already free to implement demand-side bidding if they believe such a program would be advantageous, of course.

A number of parties addressed the proper role of the Commission and its Staff in reviewing and providing oversight of a utility's CLM programs. Staff recommended formal Commission proceedings to promote a comprehensive review of each utility's demand-side strategy. Later, Staff expanded its recommendation to suggest that we should initiate formal review of both demand and supply-side resource plans. Currently, utilities file their long range resource plans with the Division of Economics and Finance and such plans are available there for public review. Although public hearings are not conducted, nor Commission approval granted or denied, our Staff reviews those long-range resource plans extensively. We believe the existing process is working well. We, therefore, will not mandate a comprehensive formal review of utilities' long-range resource plans. However, formal review and approval of CLM programs is appropriate at this juncture. Such proceedings may focus on each new program prior to its implementation, or involve periodic review of a utility's entire demand-side package. Each utility, after consulting with the Staff, should determine which process is more appropriate in its individual circumstance.

Finally, the more we have focused on the issues surrounding conservation and load management, the more it has become apparent that an information gap exists relating to this subject. Public interest in energy efficiency and conservation has been increasing, as is exhibited by the comments we received here. We therefore direct our Staff to survey the information currently available and identify what additional methods would aid the dissemination of appropriate data regarding CLM options.

Now, the Commission, having considered the record developed in this case, is of the opinion and finds that the rules for promotional allowances should be revised as set forth in Attachment A; Staff, utilities, consumers and third party CLM providers should aggressively pursue cost effective CLM programs; Staff should initiate a working group to identify the alternative approaches to estimating demand-side program cost effectiveness and submit an interim report to the Commission on or before July 31, 1992; Virginia Power should initiate a demand-side bidding program; and further, Staff should review the information available to consumers about conservation and identify possible methods of distribution in order to reach the largest number of consumers interested in energy efficiency and conservation. Accordingly,

IT IS ORDERED:

(1) That our rules on promotional allowances shall be, and hereby are, superseded by the rules set forth in Attachment A;

(2) That Staff shall organize a working group to develop recommendations on an appropriate cost/benefit method or methods to estimate the effectiveness of CLM programs and submit an interim report to the Commission on or before July 31, 1992;

(3) That Virginia Power shall develop an experimental demand-side bidding program and report the projected schedule for development and implementation on or before August 1, 1992;

(4) That utilities shall file formal applications for review of CLM programs as discussed herein; and

(5) That this case shall remain open for the filing of the required reports.

Commissioner Moore took no part in the decision in this case.

NOTE: A copy of the Regulation entitled "Rules Governing Utility Promotional Allowances" 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. PUE900070
APRIL 17, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte: In re, Investigation of Conservation and Load Management Programs

ORDER DENYING RECONSIDERATION

Washington Gas Light Company and Shenandoah Gas Company have filed a Petition for Reconsideration of our Final Order issued in this case on March 27, 1992. The Companies argue that the Commission should reconsider the "Rules Governing Utility Promotional Allowances" published with the Final Order. They are concerned that the rules are applicable only when rate recovery is sought for the costs of a promotional allowance program, and that promotional allowance programs contrary to the public interest would be initiated where rate recovery of the costs is not sought.

The Commission has ample authority to address the concerns of the Companies without modification of the Rules. Section VI.B of the Rules provides:

> Nothing in the provisions of these rules shall preclude the Commission from investigating, formally or informally, a utility promotional activity and, if it determines the activity to be adverse to the public interest, modifying or eliminating the activity.

In addition, the Commission may require reporting under § 56-249 of the Code and may modify utility conservation and load management practices under § 56-235.1 when necessary to protect the public interest. The Staff working group created by ordering paragraph (2) of our Final Order in this case may also consider the issues raised by the Companies' Petition.

For all these reasons, the Companies' Petition for Reconsideration is DENIED.

Commissioner Moore took no part in the issuance of this Order.

CASE NO. PUE910005
FEBRUARY 26, 1992

APPLICATION OF
OLD DOMINION POWER COMPANY
and
KENTUCKY UTILITIES COMPANY

To transfer certificates of public convenience and necessity

FINAL ORDER

Old Dominion Power Company, Kentucky Utilities Company ("KU") and KU Energy Corporation filed an application on January 22, 1992 seeking approval to effect a corporate reorganization. By Order dated May 31, 1991, in Case No. PUA910005, the Commission authorized the creation of a holding company, KU Energy Corporation, and the merger of Old Dominion Power Company into KU.

On November 26, 1991, the Commission issued a Certificate of Incorporation to KU thereby incorporating it as a Virginia public service corporation. Also on November 26, 1991, the Commission issued a Certificate of Merger to merge the Old Dominion Power Company into KU effective December 1, 1991.

In a Dismissal Order entered on February 10, 1992, in Case No. PUA910006, the Commission found that the corporate restructuring had been made in accordance with the authority previously granted.

The Commission now finds that the certificates of public convenience and necessity heretofore issued to Old Dominion Power Company should be transferred to KU. Accordingly,

IT IS ORDERED:

(1) That Kentucky Utilities Company be, and it hereby is, authorized and empowered to continue the operation and rendition of public utility service under the certificates of public convenience and necessity heretofore issued by this Commission to the former Old Dominion Power Company and the following certificates are transferred to Kentucky Utilities Company:

Certificate Nos. E-T8, E-T9, E-T10, E-T11, E-T12, E-U7, E-U8, E-U9, E-U10, E-U11, E-U12, E-U13, E-V6, E-V7, E-V8, E-V9, E-V12, E-V13, E-W1, E-W2, E-W3, E-W4, E-W5, E-W6, E-W7, E-X1, E-X2, E-X3, ET-2, ET-3C, ET-4A, and ET-144; and

(2) That this case be dismissed from the docket of active proceedings.

CASE NO. PUE910014
JANUARY 28, 1992

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 Virginia Beach: West Landing Substation and Landstown Substation-West Landing Substation 230 kV Transmission 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 Virginia Beach to authorize the construction and operation of the West Landing 230/34.5 kV Substation and a single-circuit 230 kV transmission line connecting this proposed substation with the exiting Landstown Substation. The Report of Senior Hearing Examiner Russell W. Cunningham was filed with the Clerk of the Commission on December 23, 1991. In his report, Examiner Cunningham recommended that the Commission grant the application. Virginia Power filed a letter urging adoption of Examiner Cunningham's report, and the Commission received no other comments or exceptions. For the reasons discussed below, the Commission will adopt the report and grant the application.

As set out in the report, Examiner Cunningham found that Virginia Power had established a need for the proposed substation and transmission line. Uncontradicted testimony and exhibits offered by Virginia Power showed that existing and anticipated load required the construction of additional facilities in this developing area of the City of Virginia Beach. According to Virginia Power's evidence, the proposed facilities provide an efficient and economical means of meeting current and anticipated demand for electric service. The Commission adopts this finding of need for the project.

With regard to impact on the environment, Examiner Cunningham found that Virginia Power had gone to great lengths to avoid adverse impact where possible and to mitigate the impact whenever necessary. The Virginia Department of Conservation and Recreation intervened in this proceeding and proposed a number of additional steps to reduce or eliminate adverse impact. Virginia Power's testimony and exhibits showed that the Company had taken these proposals into consideration and would cooperate with the Department as this project is constructed and operated. Consequently, the examiner found that the proposed project reasonably minimized the adverse impact on the environment as required by law, and the Commission adopts this finding.

The record upon which the Commission has relied in granting this application includes correspondence exchanged between the Department of Conservation and Recreation and Virginia Power. This correspondence indicates agreement on a number of steps which the Company will undertake to avoid adverse impact on the environment as the line is constructed in the near future and as it is operated in coming years. The Commission is confident that Virginia Power will adhere, so far as is reasonably possible, to these commitments and will cooperate with the Department of Conservation and Recreation, as well as the other agencies.

Upon consideration of the record and Examiner Cunningham's report, the Commission finds that this application should be granted and that the appropriate certificate of public convenience and necessity should be issued. Accordingly,

IT IS ORDERED:

(1) That, pursuant to §§ 56-46.1 and 56-265.2 of the Virginia Code, this application of Virginia Power be granted;

(2) That Virginia Power be authorized to construct and operate the West Landing 230/34.5 kV Substation and a single- circuit 230 kV transmission line between the existing Landstown Substation and the proposed West Landing Substation, all within the City of Virginia Beach;

(3) That Virginia Power be issued an amended certificate of public convenience and necessity as follows: Certificate No. ET-95r, 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 to constrict and operate a proposed 230 kV single-circuit transmission line and the West Landing Substation in the City of Virginia Beach; all as shown on the map attached thereto. Such Certificate No. ET-95r will supersede Certificate No. ET-95q, issued on May 7, 1991.

(4) 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. PUE910020
JANUARY 16, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For an expedited increase in rates

FINAL ORDER

On March 26, 1991, the Potomac Edison Company ("Potomac Edison" or "Company") filed an application seeking an expedited increase in its electric rates of $6.6 million per year. By order of April 26, 1991, the Commission authorized Potomac Edison's proposed rates to take effect on an interim basis, subject to refund, consolidated the Company's proposed Outdoor Lighting tariff revisions into this proceeding, and assigned this matter to a hearing examiner to be heard on September 25, 1991.

When the hearing convened September 25, 1991, the parties announced that they had prepared a stipulation which resolved all issues in this case. The Examiner received the stipulation and directed the Company to reduce its interim rates to the level of a $5,519,000 annual increase pending the Company's receiving a certificate of convenience and necessity for the installation of scrubbers at its Harrison Power Station. That certificate was granted on December 12, 1991 and the Examiner issued his report in this case on December 20, 1991. The Commission is in agreement with the Examiner's report and the proposed stipulation. Specifically, we find:

(1) That the 12 months ending December 31, 1990 is an appropriate test period in this case;

(2) That the Company's test year operating revenues, after all adjustments, were $120,536,000;

(3) That the Company's test year operating revenue deductions, after all adjustments, were $105,642,000;

(4) . That the Company's test year net operating income and adjusted net operating income were $14,894,000 and $14,777,000 respectively;

(5) That the Company's current rates produced a return on adjusted end of test period rate base of 8.24 percent and a return on equity of 7.94 percent during the test year;

(6) That the Company's current cost of equity is 11.75 percent to 12.75 percent and the top of the equity range, 12.75 percent, should be used to calculate the Company's overall cost of capital given the superior performance of the Company's generating units during the test year;

(7) That the Company's overall cost of capital is 10.276 percent based on its capital structure as of March 31, 1991;

(8) That the Company's adjusted end of test period rate base is $179,355,000;

(9) That the $5,519,000 rate increase proposed by the stipulation is just and reasonable, producing a return on rate base not in excess of the Company's overall cost of capital;

(10) That the revenue allocation and rate design proposals of Staff witness Lacy are just and reasonable and are adopted herein; and

(11) That the Company's proposed revisions to its outdoor lighting tariffs are just and reasonable and are adopted as part of the rates in this case;

NOW THEREFORE, IT IS ORDERED:

(1) That as part of its next rate increase filing, the Company shall provide additional information on non-jurisdictional customers. Such information shall include the number of non-jurisdictional customers served on each rate schedule and an estimate of the annual revenues associated with those customers. To the extent practical, estimates of expenses and rate base attributable to non-jurisdictional customers shall also be developed;

(2) That the Company shall file a lead/lag study at least 60 days before its next rate increase filing;

(3) That the Company's revised tariffs designed to produce $5,519,000 in additional gross revenues shall be effective for service rendered on and after April 26, 1991;

(4) That on or before April 1, 1992, Potomac Edison shall refund, with interest, as directed below, all revenues collected from the application of the interim rates which were effective for service beginning April 26, 1991 through October 3, 1991, 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 1 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 (2) 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 check to the last known address of such customers when the refund amount is $1 or more. Potomac Edison 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. Potomac Edison may retain refunds owed to former customers when such refund amount is less than $1; however, Potomac Edison will prepare and maintain a list detailing each of the former accounts for which refunds are less than $1 and in event such former customers contact Potomac Edison and request refunds such refunds shall be made promptly. All unclaimed refunds will be handled in accordance with Virginia Code § 55-210.6:2;

(8) That on or before May 1, 1992, Potomac Edison 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, among other things, computer costs, the personnel hours, associated salaries and costs for verifying and correcting the refund methodology and developing a computer program;

(9) That Potomac Edison 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. PUE910021
MAY 12, 1992

APPLICATION OF
DELMARVA POWER & LIGHT COMPANY

Annual Informational Filing

FINAL ORDER

Delmarva Power & Light Company ("Delmarva" or "the Company") submitted its Annual Informational Filing ("AIF") to the Commission on April 12, 1991. The Staff Report on Delmarva's AIF was filed August 2, 1991.

Two Staff accounting proposals contained in that report were not immediately acceptable to Delmarva. Staff had proposed that the Company eliminate its allowance for funds used during construction ("AFUDC") effective January 1, 1991 and that the Company book new composite depreciation rates as of January 1, 1991. However, Delmarva has now indicated that it eliminated the AFUDC effective January 1, 1992, but that it does not want to book the new depreciation rates until that same treatment has been adopted by the Delaware Public Service Commission.

Delmarva has notified the Commission that it intends to file a rate case in the Spring of 1992. The Commission is of the opinion that the booking of depreciation rates can be addressed and resolved in that rate filing and that the Company's elimination of AFUDC as of January 1, 1992 is appropriate. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Delmarva cease accruing AFUDC effective January 1, 1992 with the rate implications to be resolved in Delmarva's next rate filing; 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. PUE910024
JANUARY 24, 1992

APPLICATION OF
SOUTHWESTERN VIRGINIA GAS COMPANY

For an expedited increase in rates

FINAL ORDER

On May 1, 1991, Southwestern Virginia Gas Company ("Southwestern" or "the Company") filed a rate application, supporting testimony, and exhibits for an increase of $270,596 in its rates for natural gas service with the State Corporation Commission ("the Commission"). On the same day, Southwestern filed a Motion for Waiver, requesting that it be allowed to raise certain issues set forth in its Motion as part of its expedited rate application.

On May 13, 1991, the Commission entered an Order granting the Company's request for waiver and permitting the Company to address its proposed residential customer charge, increased transportation rate, new metered propane gas service schedule, and new Rules 9 and 11 within the context of its expedited rate application.

On May 28, 1991, the Commission entered its Preliminary Order, where, among other things, it permitted the Company's proposed rates to become effective, subject to refund with interest, for all bills rendered on and after July 1, 1991.

On May 31, 1991, the Company, by counsel, filed a motion, requesting the Commission to allow the Company to amend its application to replace existing Rules Nos. 39 and 40 of its tariff with revised Rule No. 39, which amended the Company's existing curtailment and interruption policy to conform to the schedule of priorities, rules and definitions adopted by the Commission in its May 1, 1991 Final Order in Commonwealth of Virginia, ex rel: State Corporation Commission, Ex Parte, In re: Priorities for available gas supplies, Case No. PUE900053.

On June 18, 1991, the Commission entered its Order for Notice and Hearing in the captioned matter. In that Order, the Commission granted the Company's Motion to amend its application, appointed a Hearing Examiner to the matter, directed the Company to give notice of its application, and established a procedural schedule for Southwestern, the Staff, interveners, and Protestants.

On October 29, 1991, the matter came for hearing before Howard P. Anderson, Jr., Hearing Examiner. Counsel appearing were Richard D. Gary, Esquire, counsel for Southwestern, and Sherry H. Bridewell, Esquire, counsel for the Commission Staff. No protestants or interveners appeared. By agreement of counsel and with the concurrence of the Hearing Examiner, all prefiled testimony was received into the record without cross-examination. Counsel for Southwestern and the Staff offered a written Stipulation into the record designed to resolve all of the issues in the case with the exception of the appropriate level of the Company's transportation rate.

The Company proposed to increase its transportation rate from 32.11¢ per Mcf to 42.00¢ per Mcf, a 30 percent increase. It proposed to retain its current customer charge of $75 for the Transportation Rate Schedule. The Staff, on the other hand, proposed to limit the increase in Southwestern's transportation rate to 15 percent, producing a volumetric rate of 37.06¢ per Mcf, and supported an $80 customer charge to avoid rate shock.

On December 12, 1991, the Hearing Examiner filed his Report in the captioned matter. In that Report, the Examiner found as follows:

(1) The Stipulation presented by Southwestern and Staff is just and reasonable. I recommend that it be adopted by the Commission;

(2) The use of a test year ending December 31, 1990, is proper;

(3) Southwestern's test year operating revenues, after all adjustments, were $5,783,856;

(4) Southwestern's test year operating revenue deductions, after all adjustments, were $5,524,357;

(5) Southwestern's test year net operating income and adjusted net operating income, after all adjustments, were $259,499 and $234,497 respectively;

(6) Southwestern's rates produced a return on year end rate base of 6.77% and a return on equity of 5.11% after adjustments during the test year;

(7) Southwestern's required return on equity is within the range of 12.25% to 13.25% and its overall cost of capital is 11.081% to 11.704%;

(8) A reasonable return on equity for setting rates in this case is 12.75%.

(9) Southwestern's overall cost of capital is 11.393%;

(10) Southwestern's test year rate base, after all adjustments, was $3,461,653;

(11) Southwestern requires an additional $248,979 in gross annual revenues in order to have an opportunity to earn an 11.39% return on rate base;

(12) Staff's proposed rate design and revenue allocation is appropriate and should be adopted. In particular, Staff's proposed transportation rate and customer charge should be adopted; and

(13) Southwestern's interim rates placed into effect on July 1, 1991, produce annual revenues greater than found reasonable in this Report. Southwestern should refund, with interest, all amounts collected under the interim rates that exceed the amount of revenues found just and reasonable herein. Southwestern shall bear all costs of such refunding.

The Examiner recommended that the Commission enter an order that adopted the findings of his Report, granted Southwestern an increase in gross annual revenues of $248,979, directed a prompt refund with interest of the excess revenues collected under the interim rates in effect since July 1, 1991, and dismissed the proceeding from the Commission's docket of active cases. The Examiner invited Southwestern to file comments in response to his Report within fifteen days of the Report's issuance.

On December 24, 1991, Southwestern filed its Exceptions to the December 12, 1991 Report. The Company took exception to the Examiner's adoption of the Staff's transportation rate proposal.

NOW THE COMMISSION, upon consideration of the record herein, the December 12, 1991 Hearing Examiner's Report, and the Exceptions filed thereto, is of the opinion and finds that the findings and recommendations of the Hearing Examiner's Report should be adopted, except with respect to revenue apportionment and rate design.

The Commission finds that the proposed reduction in revenues authorized herein should be applied uniformly to the Company's proposed commodity rates for all customer classes. The revised rate design should, however, reflect Staff's recommended customer charge of $80 for the transportation class. In adopting the Company's proposed volumetric rate for the transportation class, we note that none of the Company's transportation customers opposed the Company's proposal.

We further find that the rates filed herein must be modified to reflect the fact that metered propane gas service customers will be served under Rate Schedule A as recommended by Staff. The Company must refund the excess revenues it has collected under its interim rates to the extent they exceed those required to be filed herein.

Accordingly, IT IS ORDERED:

(1) That the findings and recommendations of the December 12, 1991 Hearing Examiner's Report are hereby adopted except as modified herein;

(2) That, consistent with the findings made herein, the Company shall forthwith file revised tariffs, designed to produce $248,979 in additional gross annual revenues, said tariffs to be effective for bills rendered on and after July 1, 1991;

(3) That the Company shall transfer $16,363 from retained earnings to the accumulated provision for uncollectibles, retroactive to July 1, 1991, and shall implement accrual accounting for uncollectibles effective July 1, 1991, as described on p. 6 of Exh. PSB-3;

(4) That the Company shall establish a regulatory asset of $10,155 for the relocation of a main, as described on pp. 3-4 of Exh. PSB-3, and shall amortize this amount over three years, beginning July 1991, as further described on p. 4 of Exh. PSB-3;

(5) That, on or before March 31, 1992, Southwestern shall complete its refund, with interest as directed below, of all revenues collected from the application of its proposed rates which became effective for bills rendered on and after July 1, 1991, to the extent that such revenues exceeded, 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 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 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 or more. Southwestern may retain refunds owed to former customers when such refund amount is less than $1; however, Southwestern 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;

(9) That, on or before April 30, 1992, Southwestern 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 and the man-hours, associated salaries, and costs for verifying and correcting the refund methodology and for developing the computer programs;

(10) That the Company shall bear all costs of such refunding;

(11) That the Company shall collect data to facilitate the development of homogeneous rate classes in the Company's next rate case, as set forth on pp. 12-13 of Exh. GGF-5;

(12) That the Company shall calculate an interruptible Actual Cost Adjustment acceptable to the Staff and shall forthwith submit appropriate tariff language regarding that adjustment in this proceeding;

(13) Southwestern shall forthwith submit appropriate tariff language, similar to Exh. GGF-5 to Staff witness Frassetta's testimony regarding the Company's line extension policy, which shall be applicable for all line extension requests received after the date of this Order; and

(14) That there being nothing further to be done, this matter is hereby dismissed from the Commission's docket of active cases, and the papers filed herein shall be placed in the Commission's file for ended causes.

CASE NO. PUE910027
JULY 28, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend its Certificates of Public Convenience and Necessity authorizing operation of transmission lines and facilities in the Counties of Goochland and Henrico: North Pole-Oilville-Short Pump 230 kV Transmission Line and Oilville Substation

ORDER GRANTING APPLICATION

Before the Commission is the application of Virginia Electric and Power Company ("Virginia Power" or "Company") to amend its certificates of public convenience and necessity for Goochland and Henrico Counties. Virginia Power proposes to construct and operate the Oilville Substation in Goochland County. The Company also proposes to construct a double-circuit 230 kV transmission line running from North Pole Substation, Goochland County, approximately 4.7 miles to the proposed Oilville Substation. Virtually all of this segment of the line would be constructed on right-of-way previously acquired. The line would then run approximately 9.3 miles from the Oilville Substation to the Short Pump Substation, Henrico County. New right-of-way would be acquired for this portion of the line. Initially, one circuit of the transmission line would be constructed, and a second circuit would be added when load growth required. For the reasons stated in this order, the Commission will grant this application.

After public notice and hearing, Hearing Examiner Howard P. Anderson, Jr., filed a Report on November 22, 1991, recommending that the Commission grant the application. Among other findings and recommendations, the examiner recommended that Virginia Power be authorized to construct the transmission line from Oilville to Short Pump on the route favored in its application, Route A. Upon consideration of the Report and comments filed with the Commission, the matter was remanded to Examiner Anderson for further hearing and consideration of the routing of a short portion of the transmission line. See Order Remanding Proceeding, (Feb. 6, 1992).

Pursuant to that order, Examiner Anderson conducted further proceedings and filed a Supplement to Final Report on May 21, 1992, and an Addendum on June 24. In his Supplement to Final Report, the examiner recommended a modification of Route A to minimize the impact on affected property owners. The Commission received no comments on the supplemental report. Upon consideration of the record, the Report, the Supplement to Final Report, and the Addendum the Commission will adopt Examiner Anderson's findings and recommendations, including the recommended modification to Route A.

Examiner Anderson found the record to show a need for the proposed substation and transmission line, and the Commission concurs. As discussed in the Final Report, eastern Goochland County and western Henrico County have shown substantial growth in load, and additional Virginia Power facilities are required to provide adequate and reliable electric service. The proposed facilities are the most economical and efficient means of meeting the need.

Virginia Power proposes to use existing right-of-way where possible. With a minimal exception, the segment of the transmission line connecting the North Pole and Oilville Substations will require no additional right-of-way and will parallel an existing 500 kV transmission line. While a portion of the same existing right-of-way could be used for the Oilville to Short Pump segment, the Examiner found that such routing would unnecessarily increase the length and environmental impact of the project. The Commission adopts these findings as well.

As noted above, Examiner Anderson initially recommended Route A, as set out in Virginia Power's application, as the best routing for the transmission line. Virginia Power identified four possible routes linking the Oilville and Short Pump Substations. We agree that the routing identified as Route A has the least impact on environmental resources and existing land uses. The other routes studied by Virginia Power would have greater impact on residences and on wetlands and woodlands. The alternate routes would also be more expensive. In his Supplement to Final Report, the Examiner proposed a slight modification of Route A affecting less than 1,000 feet of a route extending over 9 miles. We find that the recommended modification to Route A is a reasonable solution balancing existing land uses and the need for the transmission line.

Finally, the Commission notes that a portion of the proposed transmission line between Short Pump and Oilville would transit the service territory of Rappahannock Electric Cooperative. According to the application, Rappahannock Electric Cooperative does not oppose this routing. We see no obstacle to Virginia Power constructing and operating a necessary facility outside its service territory.

Accordingly, IT IS ORDERED:

(1) That, pursuant to §§ 56-46.1 and 56-265.2 of the Code of Virginia, this application of Virginia Power be granted;

(2) That, upon issuance of appropriate certificates of public convenience and necessity, Virginia Power be authorized to construct and operate the Oilville 230/34.5 kV Substation in Goochland County; and be authorized to construct and operate a double-circuit 230 kV transmission line from the North Pole Substation to the Oilville Substation and continuing to the Short Pump Substation in Goochland and Henrico Counties; and that Virginia Power be authorized to construct initially a single circuit on this transmission line with the addition of a second circuit when required by future load growth; and

(3) That, forthwith upon receipt of this order, Virginia Power shall file maps showing the revisions in routing approved in this Order so that appropriate certificates of public convenience and necessity may be issued.

CASE NO. PUE910027
SEPTEMBER 3, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend its Certificates of Public Convenience and Necessity authorizing operation of transmission lines and facilities in the Counties of Goochland and Henrico: North Pole-Oilville-Short Pump 230 kV Transmission Line and Oilville Substation

ORDER ISSUING CERTIFICATE

On July 28, 1992, the Commission granted Virginia Electric and Power Company's ("Virginia Power" or "Company") application to construct and operate a double-circuit 230 kV transmission line running from the North Pole Substation to the Oilville Substation and on to the Short Pump Substation. In addition, the Commission authorized the Company to construct and operate the Oilville Substation.

The Commission also directed Virginia Power to file maps showing the revision in routing approved in the order of July 28, 1992 so that appropriate amended certificates of public convenience and necessity for Goochland and Henrico Counties could be issued. On August 27, 1992, the Company filed a diagram illustrating the approved revision in routing of the transmission line. As the Company noted, the revisions in the routing approved by the Commission would not be noticeable on a map of the scale filed with the application. The diagram showing the modification will be part of the record of this proceeding and will be available for future reference. Accordingly,

IT IS ORDERED:

(1) That amended certificates of public convenience and necessity be issued to Virginia Electric and Power Company as follows:

Certificate No. ET-114d, for Goochland County, authorizing Virginia Electric and Power Company to operate presently certificated transmission lines and facilities and to construct and operate the proposed double-circuit transmission line and substation all as shown on the map attached hereto; Certificate No. ET-114d will supersede Certificate No. ET-114c, issued on September 7, 1989.

Certificate No. ET-86n, for Henrico 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 line; all as shown on the map attached hereto; Certificate No. ET-86n will supersede Certificate No. ET-86m 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. PUE910028
FEBRUARY 27, 1992

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

For an expedited increase in rates

FINAL ORDER

On April 22, 1991, Virginia-American Water Company ("Virginia-American" or the "Company") filed an application for an expedited increase in rates designed to increase the Company's gross annual revenues by $1,251,004 based on a test year ending December 31, 1990. The Company also filed a Motion for Waiver requesting that the Commission allow it to address two "new" adjustments in the context of its expedited rate case. Those proposed adjustments included a rate base adjustment to recognize the costs associated with reconstruction of a filter building in the Hopewell operating district and an adjustment to eliminate certain expenses associated with pension plan administration.

On May 10, 1991, the Commission entered a Preliminary Order docketing the application and granting Company's Motion for Waiver. In an Order dated May 20, 1991, the Commission scheduled the application for hearing, established a procedural schedule for the filing of pleadings, testimony and exhibits, and directed the Company to provide notice of its application throughout its service territory. In that Order, the Commission also authorized the Company to place its proposed rates into effect on an interim basis, subject to further investigation and refund, for service rendered on and after May 22, 1991.

A public hearing was held before Hearing Examiner Glenn P. Richardson on October 7, 1991, to receive evidence relevant to the Company's application. Counsel appearing were Richard D. Gary, Esquire and Graham C. Daniels, Esquire for the Company; William H. Chambliss, Esquire for the Division of Consumer Counsel, Office of Attorney General ("Consumer Counsel"); Deborah V. Ellenberg, Esquire and Marta B. Davis, Esquire for the Commission Staff.

The Company, in rebuttal testimony filed on September 23, 1991, agreed to the adjustments proposed by Staff, and consequently reduced its proposed rate increase to $867,629. At the hearing, four accounting adjustments remained in controversy. The adjustments included: (1) the annualization of revenues for the Company's Hopewell residential customers, (2) the treatment of rate case expenses incurred by the Company in its last rate case, (3) the proforma adjustment for wages and benefits, including payroll taxes and group insurance expenses, and (4) the gain realized from the sale of real property located in Alexandria, Virginia.

Pursuant to the Hearing Examiner's Ruling of July 9, 1991, a local hearing was held on October 10, 1991, in Prince William County. Three interveners appeared at the local hearing and made statements opposing the application: John D. Jenkins and Terrance Spellane, members of the Prince William Board of Supervisors and Thomas F. O'Kane, Jr., Director of Transportation and Environmental Services for the City of Alexandria.

On December 11, 1991, the Hearing Examiner filed his Report. In his Report, the Examiner found that:

(1) The twelve months ending December 31, 1990, is an appropriate test period in this case;

(2) The Staff's accounting adjustments, as modified herein, are just and reasonable;

(3) The Company's test year operating revenues, after all adjustments, were $22,869,797;

(4) The Company's test year operating revenue deductions, after all adjustments, were $17,312,694;

(5) The Company's test year net operating income and adjusted net operating income were $5,557,103 and $5,550,106 respectively;

(6) The Company's current rates produced a return on adjusted end of test period rate base of 9.86%, and a return on equity of 9.85% during the test year;

(7) The Company's current cost of equity is 12.00% to 13.00%, and the midpoint of the range, or 12.50%, should be used to calculate the Company's overall cost of capital and revenue deficiency;

(8) The Company's overall cost of capital, based on the subsidiary capital structure of Virginia-American as of June 30, 1991, and a 12.50% cost of equity, is 10.837%;

(9) The Company's adjusted end of period rate base is $56,309,242;

(10) The Company requires additional gross annual revenues of $861,583 to earn a reasonable rate of return on its investment;

(11) The $861,583 rate increase should be allocated as follows: Hopewell-$397,340; Alexandria-$0; and Prince William-$464,243;

(12) The Company should be required to promptly refund, with interest, all revenues collected under its interim rates in excess of the amount found just and reasonable herein;

(13) In future rate cases, the Company should calculate its cost of capital using an average cost rate for short-term debt based on the last three months of the test year;

(14) In future rate cases, the Company should use end of period balances for any short-term debt used for bridge financing; and

(15) The Company should provide cost of service information in its next rate case to support the service charges in each of its rate schedules.

The Examiner discussed in detail each of the four issues in controversy and recommended that the Commission enter an order adopting the findings in his Report, granting the Company an increase in gross annual revenues of $861,583, directing the prompt refund of amounts collected under interim rates in excess of the rate increase found reasonable and dismissing the case from the Commission's docket of active cases.

By letter dated December 18, 1991, Virginia-American, by counsel, stated that it took no exception to the Hearing Examiner's December 11, 1991 Report. The Company requested that the Commission in its Final Order allow the Company 150 days from the date of the Final Order to program its billing system, effect the refunds and report to the Commission. In support of its request, the Company stated that it would require sufficient time to complete its refunds due to its quarterly billing schedule and the lead time required to program its system.

On December 30, 1991, the Consumer Counsel filed comments and exceptions to the December 11, 1991 Report of the Hearing Examiner. In those comments, the Consumer Counsel took exception to the Examiner's findings and conclusions relative to the proforma wages and benefits accounting adjustment. He specifically requested the Commission to recognize proforma revenues through the audit period or limit employee expenses to the year end employee count. He also requested that the Commission recognize an accounting adjustment to eliminate group insurance expense in excess of 8.11 percent. Although the Consumer Counsel chose not to take exception to the Hearing Examiner's findings relative to the gain realized on the sale of real property in Alexandria, he requested the Commission direct the Company to separate the gain on the sale of the Alexandria property from its working capital requirement analysis in its next rate case.

NOW THE COMMISSION, upon consideration of the record developed herein, the Hearing Examiner's Report and the comments thereto, is of the opinion and finds that the findings and recommendations of the Examiner are reasonable and should be adopted.

The Examiner properly rejected the Consumer Counsel's proposal to eliminate payroll expenses for those employees added after the close of the test year. Staff's adjustment, however, recognized the number of new employees at the time of Staff's audit which more accurately reflects the payroll level the Company can be expected to incur during the period new rates are in effect. Moreover, Staff's adjustment is similar to the payroll adjustment approved by the Commission in the Company's last rate case (Case No. PUE900017) and approved in other prior utility rate cases. Taxes and group insurance are impacted by annualization of employee changes which occured during the test period. The recognition of three new employees added after the end of the test period would also impact payroll taxes and group insurance, thus those items should be adjusted as recommended by Staff and the Company. Further, we agree that the Company's group insurance expense should recognize the 8.11 percent increase in premiums effective January 1, 1991.

Relative to the gain on the sale of the Alexandria real estate, we again agree with the Examiner. The Consumer Counsel offered no convincing reasons for us to alter the accounting treatment prescribed in Company's last rate case. In Case No. PUE900017, we directed Virginia-American to employ a zero cash working benchmark to reflect this gain until such time as it could substantiate a significant change in its cash working capital requirements. Detailed lead/lag studies used to determine a utility's cash working capital are time consuming and expensive and not routinely filed in every rate case.

Staff also proposed to allocate a greater portion of the federal income tax expense to customers in the Hopewell operating district to more accurately ascribe the costs of providing service to the appropriate operating division. The effect of that allocation was a higher rate increase to the Hopewell district than proposed by the Company. Although the Examiner determined that there were no legal impediments to allocating an additional increase to the Company's Hopewell customers, he proposed a modification to the rate increase allocation which would render moot any concern with proper notice, reduce the Company's administrative expenses in calculating refunds and filing rate schedules for its Hopewell customers and lessen the impact of the increase for its Prince William customers. We will adopt his recommendation here. Accordingly;

IT IS ORDERED:

(1) That the findings and recommendations of the Hearing Examiner, as stated in his Report of December 11, 1991, are hereby accepted;

(2) That consistent with the finding herein, the Company shall forthwith file revised tariffs designed to produce $861,583 in additional gross annual revenues;

(3) That on or before July 27, 1992, 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 May 22, 1991, 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;

(4) 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;

(5) That the interest required to be paid shall be compounded quarterly;

(6) That the refunds ordered in paragraph (3) 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;

(7) That on or before July 27, 1992, 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;

(8) That the Company shall bear all costs of the refund; and

(9) That there being nothing to be done further herein, the same is hereby dismissed from the Commission's docket of active cases.

CASE NO. PUE910028
MARCH 16, 1992

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

For an expedited increase in rates

ORDER GRANTING RECONSIDERATION

On April 22, 1991, Virginia-American Water Company ("Virginia-American" or "Company") filed an application for an expedited increase in rates designed to increase Company's gross annual revenues by $1,251,004. Prior to filing its application, the Company, on April 12, 1991, filed a Motion for Waiver requesting a waiver of Rule II(2) of the Commission's Rules Governing Utility Rate Increase Applications and Annual Informational Filings ("Rate Case Rules").

In a Preliminary Order dated May 10, 1991, the Commission granted Company's Motion for Waiver and allowed Virginia-American to include two adjustments in its request for expedited rate relief which were not approved in Company's last general rate case. The adjustments included a rate base adjustment to recognize costs associated with reconstruction of its Hopewell filter building and an adjustment to eliminate certain pension expenses no longer incurred by Company. Virginia-American was subsequently authorized, by Order dated May 20, 1991, to put its proposed rates into effect on an interim basis subject to refund effective for service rendered on and after May 22, 1991.

On February 27, 1992, the Commission entered its Final Order in this proceeding and granted Company $861,583 in additional gross annual revenues. Therein, the Commission also directed Company to refund, with interest, all excess revenues collected under its interim rates.

By Petition filed on March 10, 1992, the Division of Consumer Counsel, Office of Attorney General ("Consumer Counsel") requested the Commission to reconsider its Final Order. In its Petition, the Consumer Counsel referenced a Virginia Supreme Court opinion issued subsequent to the Commission's Final Order in this case. In a February 28, 1992 opinion, in the cases of Virginia Committee for Fair Utility Rates v. Virginia Electric and Power Co., et al., Record No. 911318; Jean Ann Fox v. Virginia Electric and Power Co., et al., Record No. 911319; and Division of Consumer Counsel, Office of the Attorney General v. Virginia Electric and Power Co., et al., Record No. 911320, the Court stated that the Commission could not waive its Rate Case Rules and consider new adjustments within the context of an expedited case. The Consumer Counsel therefore requested that the Commission grant its Petition to consider the appropriate remedy for Company's ratepayers.

NOW THE COMMISSION, having considered the Petition and the recent opinion of the Court, is of the opinion and finds that the Petition should be granted. The Commission is of the further opinion that our reconsideration will not result in an increase in Company's revenue requirement greater than $861,583, therefore the Company should complete the refunds required by the Final Order but the remaining directives in the Commission's Final Order should be suspended. Accordingly,

IT IS ORDERED:

(1) That ordering paragraphs (1), (2), and (9) of the Commission's Order dated February 27, 1992, be and hereby are suspended; and

(2) That the Commission's jurisdiction over the above-referenced case be continued.

CASE NO. PUE910028
OCTOBER 19, 1992

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

For an expedited increase in rates

ORDER ON RECONSIDERATION

On April 22, 1991, Virginia-American Water Company ("Virginia-American" or "Company") filed an application for an expedited increase in rates designed to increase Company's gross annual revenues by $1,251,004. Prior to filing its application, the Company, on April 12, 1991, filed a Motion for Waiver requesting a waiver of Rule II (2) of the Commission's Rules Governing Utility Rate Increase Applications and Annual Informational Filings ("Rate Case Rules").

In a Preliminary Order dated May 10, 1991, the Commission granted Company's Motion for Waiver and allowed Virginia-American to include two adjustments not approved in Company's last general rate case in its request for expedited rate relief. The adjustments included a rate base adjustment to recognize costs associated with reconstruction of the Hopewell filter building and an adjustment to eliminate certain pension expenses no longer incurred by Company.

On February 27, 1992, the Commission entered its Final Order in this proceeding which adopted the Hearing Examiner's recommendations and granted Company $861,583 in additional gross annual revenues. Staff had recommended a slightly different allocation of the additional revenues than the Examiner. He determined that Staff's proposed allocation was not controversial and was reasonable; however, it would have resulted in an increase to the Hopewell customers above the amount published in the Company's public notice. The Hearing Examiner concluded that there were no legal impediments which would preclude allocating an additional increase to the Hopewell customers since the aggregate revenue requirement notice to all customers was higher than the aggregate revenue requirement recommended by Staff, but he suggested a slight modification to Staff's proposed revenue allocation for several other reasons. He stated that modifying Staff's revenue allocation to reduce the allocation to the Hopewell district to the published level would remove any hint of violating the Hopewell customers' due process rights and would eliminate administrative costs associated with implementing a completely new set of rate schedules for the Hopewell customers.

He also found that slight modification of the Staff's revenue allocation proposal would lessen some of the impact or "rate shock" to the Prince William customers. He noted that in the Company's application the original proposed increase represented a substantial increase to Prince William customers. He therefore recommended that the proposed increase be allocated among the Company's operating districts as follows:

Hopewell	- $397,340
Alexandria	- -0-
Prince William	- $464,243

In the February 27, 1992 Final Order, the Commission directed the Company to allocate the approved increase in the manner recommended by the Examiner.

By Petition filed on March 10, 1992, the Division of Consumer Counsel, Office of the Attorney General ("Consumer Counsel") requested the Commission to reconsider its Final Order in light of a Virginia Supreme Court opinion issued subsequent to the Commission's Final Order in this case. In its Petition, Consumer Counsel referenced a February 28, 1992 opinion in the cases of Virginia Committee for Fair Utility Rates v. Virginia Electric and Power Co., et al., Record No. 911318; Jean Ann Fox v. Virginia Electric and Power Co., et al., Record No. 911319; and Division of Consumer Counsel, Office of the Attorney General v. Virginia Electric and Power Co., et al., Record No. 911320 which stated that the Commission could not waive its Rate Case Rules and consider new adjustments within the context of an expedited case. The Consumer Counsel requested that the Commission grant its Petition to consider the appropriate remedy for Company's ratepayers.

In a March 16, 1992 Order Granting Reconsideration, the Commission suspended ordering paragraphs (1), (2), and (9) of its Final Order and continued its jurisdiction over the matter. On June 17, 1992, the Commission issued its Order Requiring Response and directed both Company and Consumer Counsel to file a response stating their position with respect to further action on or before June 29, 1992.

On June 29, 1992, Company, by counsel, filed a response to the Petition for Reconsideration stating that the waiver rested on an accounting technicality. Company stated that expenditures related to the reconstruction of the Hopewell filter building were consistent with those allowed in previous cases and, if properly labeled as capital items, would not have required a waiver. Therefore, Company requested that Consumer Counsel's Petition be denied.

On June 30, 1992, Consumer Counsel filed a Motion and Response. In its Motion, Consumer Counsel requested that the Commission accept the response one day out of time due to counsel's absence from the office. In its Response, Consumer Counsel requested that the Commission recalculate Company's revenue requirement in this proceeding eliminating the revenues associated with the filter building repairs.

NOW THE COMMISSION, having considered the waiver granted in this proceeding, the above cited Virginia Supreme Court opinion, Consumer Counsel's Petition and the Responses thereto, is of the opinion and finds that the Company's revenue requirement should be recalculated to eliminate revenues associated with repairs to the Hopewell filter building and to include the previously eliminated pension plan expenses.

Although the Company states that the expenditures relating to the reconstruction of the Hopewell filter building were consistent with adjustments allowed in previous cases, the Company, by motion, clearly requested the Commission to grant a limited waiver to allow consideration of its proposed rate base adjustment for extraordinary maintenance repairs associated with the reconstruction of its filter building in the southern division. The Company also requested the Commission to eliminate expenses associated with the administration of its pension plan from its cost of service in that same motion. The Commission entered a Preliminary Order on May 10, 1991, explicitly granting Company's Motion for Waiver. Clearly, a waiver was requested and a waiver was granted. Subsequent to the Final Order issued herein, the Supreme Court of Virginia determined that the Commission could not waive its rate case rules and consider new adjustments within the context of an expedited case. The case before us was expedited and accordingly the Commission must now remove those new adjustments for which a waiver was granted.

The additional revenue requirement associated with the repairs to the Hopewell filter building were, of course, ascribed to the Hopewell operating district and accordingly, an adjustment to eliminate those revenues should be removed from the increase previously allocated to that same operating district. The pension plan expenses, however, affect the previously approved increase allocated to both the Hopewell and Alexandria operating districts.

The increase ascribed to the Prince William operating district is unaffected by the elimination of either adjustment. Moreover, Staff's proposed allocation to Prince William was reduced slightly in our Final Order to mitigate the rate shock to those customers. The Commission continues to be concerned with the impact on the Prince William customers, therefore no adjustment to the increase allocated to that district need be made.

The aggregate impact of removing adjustments associated with repairs to the Hopewell filter building and the pension plan expenses reduces the previously approved increase by $70,904. The total increase approved in this case is thus $790,679. That increase should be allocated among the Company's operating districts as follows:

Hopewell	$366,749
Alexandria	($ 40,313)
Prince William	$464,243
TOTAL INCREASE	$790,679

Accordingly,

IT IS ORDERED:

(1) That consistent with the findings herein, the Company shall forthwith file revised tariffs designed to produce $790,679 in additional gross annual revenue;

(2) That on or before December 4, 1992, Virginia - American shall complete additional refunds with interest as directed below, of all revenues collected from the application of proposed rates which became effective for service rendered on and after May 22, 1991, 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;

(3) 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 calender quarter. The applicable average prime rate for each calender quarter shall be the arithmetic mean to the nearest 100th of 1% of the prime rate values published in the Federal Reserve Bulletin, or in the Federal Reserve's "Selected Interest Rates" (statistical release G13), for the three months of the preceding calender quarter;

(4) That the interest required shall be paid compounded quarterly;

(5) That the refunds ordered in paragraph 2 above may be accomplished by credit to the appropriate customers' account for current customers. Refunds to former customers shall be made by a check to the last known address as such customers when the refund amount owed is $1 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;

(6) That on or before February 1, 1993, 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 cost of the refund. The itemization of these costs shall include, inter alia, computer costs, man hours, associated salaries, cost for verifying and correcting the refund methodology, and the cost associated with developing the computer programs necessary to make the refund;

(7) That the Company shall bear all costs of the refund; and

(8) That there being nothing further to be done herein, the same is hereby dismissed from the Commission's docket of active cases.

Commissioner Hullihen Williams Moore did not participate in this decision.

CASE NO. PUE910028
OCTOBER 30, 1992

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

For an expedited increase in rates

ORDER GRANTING AN EXTENSION OF TIME TO COMPLETE REFUNDS AND FILE REPORT

On October 19, 1992, the Commission issued its Order on Reconsideration in this proceeding and directed Virginia-American Water Company ("Company") to file revised tariffs designed to produce $790,679 in additional gross annual revenue. In this Order, the Commission directed Company to refund, with interest, all revenues effective for service on and after May 22, 1991, to the extent that such revenues would exceed the permanent rates directed therein. In addition, the Commission directed that refunds were to be completed on or before December 4, 1992, and that Company was to file with the Commission a report detailing the accomplishment of those refunds. This report was due to be filed on or before February 1, 1993.

In a letter dated October 22, 1992, Company's counsel requested that the Commission grant Company additional time to complete its refunds and to file its report. In that letter, Company's counsel stated that, due to quarterly billing, Company could not complete its refunds by the December 4, 1992 deadline. Company specifically requested that it be allowed until April 15, 1993, to complete the customers refunds and until May 1, 1993, to file its report.

NOW THE COMMISSION, having considered our Order on Reconsideration and Company's request, is of the opinion and finds that Company's request is reasonable and should be granted. Accordingly,

IT IS ORDERED:

(1) That Company shall be granted an extension of time to complete customer refunds and to submit a report as directed by this Commission in ordering paragraphs (2) and (6) of our October 19, 1992 Order on Reconsideration;

(2) That Company shall complete the refunds directed in paragraph (2) of the Order on Reconsideration, on or before April 15, 1993;

(3) That, on or before May 1, 1993, Company shall submit to the Commission Staff a report detailing the accomplishment of the refunds as directed in paragraph (6) of the Commission's Order for Reconsideration; and

(4) That there being nothing further to be done, this matter is hereby dismissed from the Commission's docket of active cases.

CASE NO. PUE910029
AUGUST 11, 1992

APPLICATION OF
COMMONWEALTH GAS SERVICES, INC.

For an expedited increase in rates

FINAL ORDER

On April 16, 1991, Commonwealth Gas Services, Inc. (the "Company" or "Services") filed an application for an expedited increase in rates designed to produce additional gross annual operating revenue of $3,292,375. The Company's application was based on a test period ending December 31, 1990.

The Commission entered its preliminary order on May 7, 1991, docketing the captioned proceeding and permitting Services to place its proposed rates into effect, subject to refund with interest, for service rendered on and after May 16, 1991. On May 16, 1991, the Commission entered its Order for Notice and Hearing appointing a Hearing Examiner, establishing a procedural schedule for the Company, Protestants, public witnesses and Staff and setting this matter for hearing on September 4, 1991.

Counsel appearing at the hearing were Stephen H. Watts, II and Rodney W. Anderson for Services; Kendrick R. Riggs for Virginia Electric and Power Company ("Virginia Power"); Edward L. Flippen for Westvaco Corporation ("Westvaco"); James C. Dimitri for Allied-Signal, Inc. ("Allied-Signal"); Louis R. Monacell for E. I. Du Pont De Nemours and Company, Inc., ICI Americas, Inc., Owens-Brockway Glass Container, Reynolds Metals Company, and Virginia Fibre Corporation ("Industrial Protestants"); and Sherry Bridewell for the Commission Staff. No public witnesses or interveners appeared in that hearing.

At the hearing, counsel for Staff and Services tendered a written Stipulation designed to resolve all outstanding issues between Staff and Company in the case. Services agreed to accept Staff's accounting adjustments, capital structure, cost of capital, cost of equity, rate design, revenue apportionment, elimination of the Lynchburg residential rate differential and banking and balancing tracking recommendations. Virginia Power did not oppose the Stipulation and it was admitted into the record. Services and Westvaco also tendered an agreement between those parties to propose specific language to section 16 of the Company's General Terms and Conditions which provided that:

> (d) In any event, volumes taken under Rate Schedule SS will be the last gas through the meter on any given day.

Staff did not oppose that agreement.

The Industrial Protestants and Allied-Signal urged modification of the rate design proposed for the transportation rate. Specifically, they urged the Commission to adopt the rate design proposal for interruptible transportation service recommended by Edward R. Pruitt of Allied-Signal. He urged the Commission to allocate the increase to all rate components, including the customer charge, by the same percentage. The Industrial Protestants and Allied-Signal also urged rejection of the Staff's proposed tracking mechanism for balancing transportation gas volumes. Finally, Industrial Protestants asserted that the increase in the revenue requirement should be no greater than $1,771,167. In that regard, they argued that the rate base updated through July 1991 was unsupported by the record.

On January 9, 1992, Hearing Examiner Howard P. Anderson, Jr. filed his Report in which he found that:

> (1) The Stipulation presented by Commonwealth Gas Services, Inc. and Staff is just and reasonable. The Stipulation presented by Commonwealth and Westvaco is also reasonable. I recommend that both stipulations be adopted by the Commission;
>
> (2) The use of a test year ending December 31, 1990, is proper;
>
> (3) Commonwealth's test year operating revenues, after all adjustments, were $130,669,376;
>
> (4) Commonwealth's test year operating revenue deductions, after all adjustments, were $118,888,855;
>
> (5) Commonwealth's test year net operating income and adjusted net operating income, after all adjustments, were $11,780,521 and $11,340,251 respectively;
>
> (6) Commonwealth's rates produced a return on year end rate base of 9.51% and a return on equity of 10.27% after adjustments during the test year;
>
> (7) The use of the consolidated capital structure of The Columbia Gas System, Inc. as of March 31, 1991 is proper;
>
> (8) Commonwealth's required return on equity is within the range of 12.25% to 13.25% and its overall cost of capital ranges from 10.429% to 10.901%;
>
> (9) A reasonable return on equity for setting rates in this case is 12.75%;
>
> (10) Commonwealth's overall cost of capital is 10.666%;
>
> (11) Commonwealth's test year rate base, after all adjustments, was $119,199,738;
>
> (12) Commonwealth requires an additional $2,145,904 in gross annual revenues in order to have an opportunity to earn a 10.67% return on rate base;
>
> (13) Staff's proposed rate design and revenue allocation is appropriate and should be adopted;
>
> (14) Staff's proposals for banking and balancing should be adopted;
>
> (15) Staff's proposed tracking mechanism should be adopted; and
>
> (16) Commonwealth's interim rates placed into effect on May 16, 1991, produce annual revenues greater than those found reasonable in this Report. Commonwealth should refund, with interest, all amounts collected under the interim rates that exceed the amount of revenues found just and reasonable herein. Commonwealth shall bear all costs of such refunding.

Hearing Examiner Anderson then recommended that the Commission enter an order adopting the findings of his Report; granting Services an increase in gross annual revenue of $2,145,904; directing a prompt refund with interest of the excess revenues collected under the interim

rates in effect since May 16, 1991; and dismissing the case from the Commission's docket of active cases. The parties filed comments and exceptions to the Examiner's recommendations.

On February 20, 1992, the Commission entered an order remanding this matter back to the Hearing Examiner for the purpose of taking additional evidence on issues relating to the Commission Staff's proposed banking and balancing tracking mechanism. Pursuant to that order, a hearing was held on May 4, 1992. The Hearing Examiner subsequently filed a supplement to his Final Report on June 17, 1992. Therein he found that the proposed banking and balancing tracking mechanism should be implemented and the appropriate tariff language adopted.

The parties filed comments and exceptions to the Hearing Examiner's Supplemental Report on or before July 2, 1992. Allied-Signal reiterated its objection to the Hearing Examiner's recommendations on the design of the transportation rate. Allied-Signal also argued that the Staff's proposed tracking mechanism should be rejected.

Similarly, the Industrial Protestants urged the Commission to adopt an equal percentage increase to all components of the transportation rate and urged rejection of Staff's tracking proposal for transportation gas imbalances.

The Company, in comments supporting the recommendations contained in the Hearing Examiner's Supplemental Report, restated its support for Staff's tracking mechanism and its commitment to implement it as soon as possible if approved by the Commission.

On July 15, 1992, the Company also filed a Motion to Strike a Portion of Allied-Signal's Exceptions to the Hearing Examiner's Supplemental Report. Specifically, Services stated that in its supplemental exceptions Allied-Signal cited a document which had been denied admission into evidence. On July 23, 1992, Allied-Signal responded to the Motion to Strike asserting that the document should have been properly admitted into the record. We find that the Motion to Strike should be denied. In its exceptions to the Hearing Examiner Report Allied-Signal did refer to a document which had been marked but not admitted into evidence in the proceeding. However, this Commission is capable of weighing the evidence properly admitted and making its decision based thereon.

NOW THE COMMISSION upon consideration of the record herein, the Hearing Examiner's January 9, 1992 report, his June 17, 1992 supplement to that report and all comments and exceptions filed in response to both, is of the opinion and finds that the findings and recommendations of the Hearing Examiner's reports are just and reasonable and supported by the record. Accordingly, we will adopt the Hearing Examiner's findings.

The revenue requirement approved herein does include a rate base updated to reflect actual rate base additions through July, 1991. The Industrial Protestants assert that the record does not contain evidence in support of that updated rate base. To the contrary, Staff witness Richard Taylor offered revised schedules to reflect an updated rate base at the September 4, 1991 hearing. Mr. Taylor took the stand and was available for cross-examination on those revised schedules. Moreover, Company witness Payne stood cross-examination on the rate base updated to July 31, 1991. The record clearly contains evidence to support the updated rate base recommended by the Hearing Examiner in his reports.

Also at issue is the transportation rate design. The Company and Staff recommend allocation of the increase to the rate blocks with no increase to the customer charge. Although the Industrial Protestants and Allied-Signal urge allocation of the increase to the customer charge as well as the transportation rate blocks, we find the Company's and Staff's recommendation to be reasonable.

Finally, the Hearing Examiner recommended adoption of Staff's proposal to implement a banking and balancing tracking mechanism which is intended to charge or credit transportation customers for the effects of their natural gas imbalances on purchased gas costs. The Company supported Staff's tracking mechanism, however Allied-Signal and the Industrial Protestants opposed it. In support of the proposal, Staff contended that the potential magnitude and volatility of transportation volumes and purchased gas prices could have a substantial impact on purchased gas costs. No party disputed the volatile shifts experienced in demand and pricing for natural gas. Staff witness Walker testified that any costs imposed on the system as a result of transportation imbalances should be allocated to those customers responsible for the imbalance. The proposed mechanism is also intended to credit transportation customers for any positive impact on purchased gas costs. We agree with the Examiner that the transportation customer should be assessed the costs or credited with the benefits flowing from the impact of transportation imbalances on the Company's purchased gas costs. Moreover, the evidence also indicates that such a tracking mechanism may be implemented without undue complication to Services' existing balancing procedures. Accordingly,

IT IS ORDERED:

(1) That Services Motion to Strike a Portion of Allied-Signal's Exceptions to the Hearing Examiner's Supplemental Report is denied;

(2) That the findings and recommendations of the January 9, 1992 and June 17, 1992 Hearing Examiner's reports are hereby adopted;

(3) That consistent with our findings herein, Services shall forthwith file revised tariffs designed to produce $2,145,904 in additional gross annual revenues, said tariffs to be effective for service rendered on and after May 16, 1991;

(4) That on or before November 1, 1992, Services shall complete its refund, with interest as directed below, of all revenues collected from the application of its proposed rates which became effective for service beginning May 16, 1991, to the extent that such revenues exceeded, 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;

(5) That the interest upon the refund ordered above shall be computed from the date payment of each monthly bill during the period which the Company's proposed tariffs were in effect was due until that 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 on 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;

(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. 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 or more. Services may retain refunds owed to former customers when such refund amount is less than $1; however, Services 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 Services and request refunds, such refunds shall be made promptly;

(8) That on or before December 1, 1992, Services shall file with the Commission's Staff a document showing that all refunds have been lawfully made pursuant to this Order and itemizing the cost of the refund. Such itemization of such 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 program;

(9) That Services shall bear all costs of such refunding; and

(10) That there being nothing further to be done herein, the same is hereby dismissed from the Commission's docket of active cases.

CASE NO. PUE910033
FEBRUARY 10, 1992

APPLICATION OF
NORTHERN VIRGINIA ELECTRIC COOPERATIVE

For a general increase in rates

FINAL ORDER

On June 7, 1991, Northern Virginia Electric Cooperative ("the Cooperative" or "NOVEC") delivered an application for a general rate increase to the State Corporation Commission ("Commission"). NOVEC completed its application on June 12, 1991. In its application, NOVEC requested an increase of $6,494,918 or 5.5%, in its gross annual revenues. In addition, the Cooperative proposed to restructure its Large Power Service rate, roll-in Rider Nos. 13 through 17 and S-13, and increase various service fees and charges. NOVEC filed financial and operating data for the twelve months ending December 31, 1990, in support of its application.

On July 2, 1991, the Commission entered an Order which docketed the captioned matter; suspended the Cooperative's proposed tariff revisions through November 9, 1991; set the matter for hearing on November 20, 1991 before a Hearing Examiner; directed the Cooperative to give public notice of its application; and established a procedural schedule for the Company, Protestants, interveners, and Staff.

On the appointed day, the matter came for hearing before Howard P. Anderson, Jr., Hearing Examiner. Counsel appearing were Kenworth E. Lion, Jr., counsel for NOVEC; Edward L. Flippen, Esquire, counsel for Protestants Luck Stone Corporation ("Luck"), Contel Federal Systems ("Contel"), and International Business Machines Corporation ("IBM"); Linda L. Panitz, counsel for Protestant IBM; and Sherry H. Bridewell, Esquire, counsel for the Commission's Staff. John E. Bonfadini appeared as a public witness.

During the hearing, counsel for Luck advised that the single issue of concern to it had been withdrawn. Contel, by counsel, requested a new cost of service study be filed in NOVEC's next case. Also during the hearing, counsel for IBM and NOVEC offered a stipulation into the record resolving all contested issues between those parties. NOVEC reduced its proposed revenue increase by $156,939 to reflect its agreement with IBM to eliminate the minimum demand charge found in the Delivery Point Service ("DPS") rate Schedule. The Hearing Examiner identified this document as Company Exhibit No. 1. A Settlement and Stipulation between Staff and NOVEC was filed as a late filed exhibit on December 2, 1991, and identified as Company Exhibit 2. As part of this Settlement, NOVEC agreed to accept Staff's off-the-books methodology for tracking individual rider revenue and accepted Staff witness Henderson's revenue apportionment and rate design recommendations.

On November 22, 1991, the Cooperative advised the Commission that it would place its proposed rates, as revised at the hearing, into effect for all service rendered on and after December 1, 1991, as authorized by Va. Code § 56-238. NOVEC also filed an executed bond to secure the refund of these revenues. By his Ruling dated November 27, 1991, the Examiner accepted the Cooperative's bond and prescribed the interest refunds would bear.

On January 15, 1992, the Hearing Examiner issued his Report. In his Report, the Examiner found as follows:

(1) The Recommended Settlement and Stipulation submitted by NOVEC and Staff is just and reasonable and should be accepted;

(2) The terms set forth by the letter dated November 13, 1991, resolving all issues between NOVEC and IBM are just and reasonable and should be accepted;

(3) The use of a test year ending December 31, 1990, is proper in this proceeding;

(4) NOVEC's test year operating revenues, after adjustments, were $117,092,441;

(5) NOVEC's test year operating revenue deductions, after adjustments, were $103,557,492;

(6) NOVEC's test year modified margins, after adjustments, were $3,313,735;

(7) NOVEC's end of test period rate base, after adjustments, was $206,934,809;

(8) NOVEC's rates produced a test year TIER of 1.48 and a modified TIER of 1.33;

(9) NOVEC requires $6,337,979 in additional gross annual revenue to earn a TIER of 1.93.

The Hearing Examiner recommended that the Commission enter an order adopting the findings in his Report, granting NOVEC an increase in gross annual revenues of $6,337,979, and dismissing the proceeding. The Examiner invited the parties to file Comments in response to his Report within 15 days of the Report's issuance.

On January 27, 1992, NOVEC, by counsel, advised that it took no exception to the January 15, 1992 Hearing Examiner's Report.

NOW THE COMMISSION, upon consideration of the record herein, is of the opinion and finds that the findings and recommendations of the Hearing Examiner's Report are supported by the record and should be adopted.

Accordingly, IT IS ORDERED:

(1) That the findings and recommendations of the January 15, 1992 Hearing Examiner's Report are hereby adopted;

(2) That the Cooperative's tariff revisions, which became effective on an interim basis subject to refund with interest for service rendered on and after December 1, 1991, shall be made permanent and the Cooperative shall forthwith file permanent tariffs with the Division of Energy Regulation;

(3) That the revision to the DPS tariff eliminating the $67,583.52 minimum demand charge shall be made permanent;

(4) That NOVEC shall capitalize on a per books basis, effective January 1, 1991, the same percentage of employee benefits as is capitalized for payroll;

(5) That NOVEC shall track individual rider revenues, using an off-the-books methodology. For rate case purposes, NOVEC shall provide the Staff with revenue collected by individual riders for each month of the applicable test period. Much of this data should represent actual figures;

(6) That NOVEC shall identify all of its non-jurisdictional customers, and where practical, shall collect, maintain and include separate expense, ratebase, and revenue data on these consumers as part of its next rate filing; and

(7) That there being nothing further to be done herein, this matter is hereby dismissed.

CASE NO. PUE910035
JANUARY 24, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To establish charges and payments for cogenerators and small power producers, 1992-1993

FINAL ORDER

Before the Commission is the application of Virginia Electric and Power Company ("Virginia Power" or "Company") to establish payments to cogenerators and small power producers, and related terms and conditions, for contracts entered into in 1992 and 1993. These payments, terms, and conditions, which will appear in the Company's Schedule 19, would be offered to qualifying facilities, as defined under applicable federal law and regulations, offering 3,000 kW or less capacity. In making this application, Virginia Power employed the methodology and followed procedures established in prior Commission proceedings. See Adopting Appropriate Methodology for use in Calculating, Pursuant to PURPA, the Schedule 19 Avoided Costs of Virginia Electric & Power Co., 1988 S.C.C. Ann. Rep. 301, recons. denied, 1989 S.C.C. Ann. Rep. 240, aff'd sub nom. Cargill., Inc. v. Virginia Electric & Power Co., No. 890093 (Va. Sup. Ct. Nov. 10, 1989), reh'g denied (Jan. 12, 1990); Virginia Electric & Power Co., 1990 S.C.C. Ann. Rep. 309.

On December 11, 1991, Hearing Examiner Howard P. Anderson filed his Report recommending that the Commission adopt a settlement proposed by Virginia Power, protestant Virginia Hydro Power Association ("Virginia Hydro"), and the Commission Staff. The only other protestant in the proceeding, the Virginia Committee for Fair Utility Rates, did not join in the proposed settlement. By letter filed December 18, 1991, counsel to Virginia Power informed the Commission that the Company, Virginia Hydro, and the Virginia Committee for Fair Utility Rates did not take exception to the Report recommending adoption of the settlement. As explained below, the Commission will adopt Examiner Anderson's Report and accept the proposed settlement.

As discussed by Examiner Anderson, the settlement addressed three issues: firm energy purchase payments; capacity payments; and testing hydroelectric generating facilities. Virginia Power's application contained firm energy payments for 1992 of 2.745¢ per kWh for on-peak hours and 2.050¢ per kWh for off-peak hours. In settlement, Virginia Power and Virginia Hydro proposed payments of 2.795¢ per kWh for on-peak hours and 2.081¢ per kWh for off-peak hours. These proposed payments would be in effect for 1992 and 1993. Other energy payment options proposed by the Company were not at issue. According to the settlement document, the Commission Staff would not support these rates, but would

accept them for purposes of settling this proceeding. The Staff contended that these settlement firm energy payments did not result from application of the differential revenue requirement methodology approved by the Commission.

As recommended by Examiner Anderson, the Commission will accept the firm energy payments for 1992 and 1993 offered in settlement of this proceeding. In adopting the differential revenue requirements methodology, it was the Commission's intention that there be consistency in determining both capacity payments and energy payments for eligible qualifying facilities. The Commission recognizes that implementation of the methodology is a complex undertaking. As the participants in these proceedings gain experience and as new computer software becomes available, new approaches in applying the methodology may be appropriate. However, we expect energy payments developed in future proceedings to be within the framework of the differential revenue requirements methodology.

Turning to capacity payments, Virginia Power and Virginia Hydro agreed to accept payments determined by the Staff for purposes of settling this proceeding. As explained in the stipulation document, Virginia Power did not agree with the Staff's proposal to reflect potential revenues from off-system sales in capacity payments, but Virginia Power would accept these payments in settlement of this case. Acceptance was conditioned on Virginia Power being obligated to enter into contracts pursuant to Schedule 19 for terms of 30 years or less. The Company's conditional acceptance was based on the treatment of "end effects" in the Staff's capacity payments accepted for settlement.

The Commission will accept the Staff's proposed capacity payments included in the settlement. Based on information reported by the Company in this and other proceedings it appears that Virginia Power's options for contract duration offered under prior versions of Schedule 19 have been workable. Under the arrangements previously approved, qualifying facilities have considerable flexibility to select the duration of their contract. Consequently, we find that we can accept the proposed settlement on capacity payments which includes the same options for contract duration. In taking this action we do not, however, decide the issues of whether a qualifying facility might request a contract for a term in excess of 30 years and whether Virginia Power would be obligated to negotiate such a contract. Likewise, the Commission does not reach the companion issue of whether appropriate energy or capacity payments for a contract with a term of more than 30 years should be developed from Schedule 19-1992/1993 approved in this proceeding.

Finally, the parties and Staff agreed that Virginia Power would modify the proposed provisions governing testing of hydroelectric generating facilities. As suggested by Examiner Anderson, the Commission will also accept the proposed language offered in settlement of this case.

In the settlement document, the parties and Staff also recommended that Virginia Power, in conjunction with the Staff, study the following issues prior to proposing its next revisions to Schedule 19:

1. The appropriateness of, and the methodology for, including opportunities for short-term power sales in the calculation of avoided capacity payments;

2. The result, if any, of avoided energy payments of retiring the 200 MW Qualifying Facility block at the end of a 30-year period. The Parties and Staff recognize that the inclusion of "end effects" in the calculation of avoided energy rates may impact the calculation of the avoided capacity payments and this will also be studied; and

3. The appropriateness of, and methodology for, updating the Differential Revenue Requirement assumptions used in the calculation of avoided costs for Schedule 19.

The Commission will accept this portion of the settlement, and we direct the Company, Staff, and other interested parties to review these issues. As noted above, we recognize the complexity of implementing the differential revenue requirements methodology. The Commission encourages the participants to review the methodology and to consider improvements or refinements in its implementation.

In our final order entered in the last proceeding, the Commission directed Virginia Power to propose payments for qualifying facilities biennially. See 1990 S.C.C. Ann. Rep. at 309. Consequently, the Commission anticipates that Virginia Power will file proposed payments for the period 1994-1995 in conjunction with its next 20-year forecast and resource plan now scheduled for filing approximately July 31, 1993, unless otherwise authorized.

In previous orders, the Commission has directed Virginia Power to make annual filings related to the various versions of Schedule 19. Participants in this proceeding and the prior proceedings have gained experience with the differential revenue requirements methodology, and the Commission has received no complaints from qualifying facilities entering into initial contracts with Virginia Power providing for payments calculated using that methodology. Accordingly, the Commission will reduce the reporting requirements. We will require that Virginia Power file only its estimates of fuel prices to be reflected in energy payments for the coming year. The reporting obligations imposed by previous order will be modified to conform with this requirement. In furtherance of this reduced reporting, Virginia Power's next application shall include in its Schedule 19, or equivalent schedule, a table of the displaced fuel mixes, heat rates, and on-peak/off-peak factors drawn from its resource plan for each contract year included in the proposed schedule of payments. Accordingly,

IT IS ORDERED:

(1) That, within seven days of the date of this Order, Virginia Power shall file with the Clerk of the Commission and serve on all parties a revised Schedule 19-1992/1993 effective on the date of this Order; and that this revision shall conform with the conclusions and findings made above with regard to firm energy payments, capacity payments, and hydroelectric generating facility testing and otherwise conform to the settlement approved herein;

(2) That, on or before December 1, 1992, and on or before December 1 of each year thereafter, Virginia Power shall file with the Commission's Division of Energy Regulation the estimated fuel costs which will be incorporated into energy payments made pursuant to contracts governed by Schedule 19 - 1989, previously approved in Case No. PUE870081; Schedule 19 - 1990/1991, previously approved in Case No. PUE890075; and Schedule 19 - 1992/1993, approved in this proceeding;

(3) That, effective upon the date of this order, Virginia Power shall be relieved of any obligation to file the information required by ordering clauses (4) and (5) of the Final Order entered in Case No. PUE890075, Virginia Electric & Power Co., 1990 S.C.C. Ann. Rep. at 310;

(4) That the Commission Staff and Virginia Power shall consult on the issues identified in the settlement, and any related issues; the Commission Staff and Virginia Power shall make reasonable efforts to include protestants in this proceeding and any other interested party in any discussions and studies; Virginia Power and Staff shall address these issues and any resolution in their testimony filed in the next proceeding addressing payments for qualifying facilities;

(5) That, unless otherwise authorized by the Commission, Virginia Power shall file proposed payments to qualifying facilities and related terms and conditions in conjunction with the filing of its next 20-year forecast and resource plan; and

(6) That this matter be dismissed from the Commission's docket of active cases and the papers herein be transferred to the files for ended matters.

CASE NO. PUE910037
JANUARY 3, 1992

APPLICATION OF
SHENANDOAH GAS COMPANY

For an expedited increase in rates

FINAL ORDER

On June 21, 1991, Shenandoah Gas Company ("Shenandoah" or "the Company") filed an application for an expedited increase in natural gas rates with the State Corporation Commission ("the Commission"). In its application, Shenandoah proposed to increase its gross annual operating revenues by $514,684, based upon financial and operating data for the twelve months ended March 31, 1991. In addition, Shenandoah proposed to increase certain of its miscellaneous fees and charges, including its service reconnection fees and dishonored check charges, and to initiate a new charge. The Company requested that the Commission permit its tariff revisions to take effect on an interim basis, subject to refund, for service rendered on and after July 21, 1991.

On July 1, 1991, Shenandoah, by counsel, filed a Motion with the Commission, requesting a waiver of Rule II(3) of the Commission's Rules Governing Utility Rate Increase Applications and Annual Informational Filings. Shenandoah requested the waiver in order to raise its proposed increases in existing and new miscellaneous charges as part of its rate application.

On July 12, 1991, the Commission entered its Preliminary Order in the captioned matter. In that Order, the Commission docketed the application, granted the Company's request for waiver, and permitted the Company's tariff revisions to become effective for service rendered on and after July 21, 1991, subject to refund with interest.

On July 18, 1991, the Commission entered its Order for Notice and Hearing, wherein it assigned the matter to a hearing examiner, set the matter for hearing on November 7, 1991, and established a procedural schedule for the Company, Staff, protestants, and interveners.

On the appointed day, the matter came for hearing before Russell W. Cunningham, Senior Hearing Examiner. Counsel appearing were Donald R. Hayes, Esquire, Counsel for the Company, and Sherry H. Bridewell, Esquire, Counsel for the Commission Staff. No protestants or interveners appeared. During the proceeding, counsel for Shenandoah filed an Offer of Stipulation, which indicated the Company's agreement with the Staff's recommendations in this case. By agreement of counsel and with the concurrence of the Hearing Examiner, all prefiled testimony, together with an Errata Sheet, were accepted into the record without cross-examination. At the conclusion of the hearing, the Hearing Examiner closed the proceeding and issued his Hearing Examiner's Report from the bench.

In his Report, the Examiner accepted the Company's Offer of Stipulation. He also noted that the rate of return on equity recommended by Staff and the Company could be questioned in light of the current economy but found that any reduction in the Company's return on equity would be offset by increases in its operating expenses. He recommended that the Commission authorize Shenandoah to increase its revenue requirement by $514,684 and accept a return on equity of 13 percent.

The Examiner further advised that the Company could file a Response to his Report within 15 days. Counsel for the Company waived the right to file a Response.

NOW THE COMMISSION, upon consideration of the record and statutes herein, is of the opinion and finds as follows:

(1) That the twelve months ended March 31, 1991, is an appropriate test period in this matter;

(2) That the Commission Staff's accounting adjustments are reasonable and should be accepted in this proceeding;

(3) That the Offer of Stipulation, sponsored by the Company, is reasonable and should be adopted and incorporated into this Final Order as Attachment A hereto;

(4) That the recommendations and findings of the Hearing Examiner's November 7, 1991 Report are reasonable and should be accepted herein;

(5) That Shenandoah's operating revenues for the test period, after all adjustments, were $11,746,946;

(6) That the Company's total operating revenue deductions for the test period, after all adjustments, were $10,516,479;

(7) That the Company's net operating income for the test period, after the adjustments, was $1,230,467, and the Company's adjusted operating income, after all adjustments, was $1,185,157;

(8) That the Company's total rate base for the test period, after all adjustments, was $13,796,904;

(9) That during the test period, the Company earned an 8.59 percent return on its rate base;

(10) That, based upon the March 31, 1991 end of test period consolidated capital structure of Washington Gas Light Company, Shenandoah's parent company, adjusted for investment in nonregulated subsidiaries as proposed by Staff witness Maddox, with the component cost rates shown on Schedule 1 of Staff witness Maddox's prefiled testimony, Shenandoah's cost of capital was in the range of 10.874%-11.454%, and its cost of equity was within the range of 12.5%-13.5%;

(11) That the midpoints of the cost of capital and cost of equity ranges, i.e., 11.164% and 13% respectively, should be used to determine Shenandoah's revenue requirement in this case;

(12) That the Company requires $555,497 in additional gross annual revenues, in order to have an opportunity to earn an 11.164% return on its rate base. However, the Company is limited to the amount of increase in revenue for which it applied, i.e. $514,684;

(13) That the Company should design its rates consistent with the recommendations of Staff witness Lacy, and should establish a margin sharing mechanism in connection with Special Contracts under Rate Schedule D. Such a mechanism should explicitly recognize the impact of Shenandoah's Special Contract margin contributions on firm rates, while preserving the Company's flexibility in meeting alternative fuel competition and should provide an incentive to keep gas costs low. We further find that a margin sharing mechanism can help to stabilize the Company's non-gas interruptible revenues;

(14) That Shenandoah's miscellaneous fee and charge proposals are reasonable and should be accepted; and

(15) That this matter should be dismissed from the Commission's docket of active proceedings.

Accordingly, IT IS ORDERED:

(1) That the findings and recommendations of the November 7, 1991 Hearing Examiner's Report are hereby adopted;

(2) That, consistent with the findings made herein, the Company shall file revised permanent tariffs designed to produce $514,684 in additional gross annual revenues, effective for service rendered on and after the date of this Order;

(3) That the Company shall file tariffs designed to implement a margin sharing mechanism, as more particularly described in Staff witness Lacy's testimony;

(4) That the Company's Offer of Stipulation is hereby accepted and incorporated as a part of this Final Order;

(5) That the Company shall propose a cost-based standby service rate for interruptible customers in its next case;

(6) That in future rate cases, Shenandoah shall continue to update the capitalization ratios for Washington Gas Light Company's nonutility subsidiaries and shall file with the Commission all supporting documents related to calculating the adjustment for non-utility subsidiaries;

(7) That Shenandoah shall hereafter credit any demand costs paid by Special Contract customers under Rate Schedule B to the Company's purchased gas adjustment mechanism;

(8) That, in future rate cases, Shenandoah shall adopt the goal of gradually moving rates towards parity of return among customer classes, giving consideration to other ratemaking goals, such as rate continuity and the avoidance of rate shock; and

(9) 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 file for ended causes.

NOTE: A copy of Attachment 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. PUE910041
JANUARY 7, 1992

APPLICATION OF
DEER CREEK WATER COMPANY

For a certificate of public convenience and necessity

FINAL ORDER

On July 19, 1991, Deer Creek Water Company, Inc. ("Deer Creek" or "the Company") filed an application with the Clerk of the State Corporation Commission. In its application, Deer Creek requested that the Commission grant the Company a certificate of public convenience and necessity to provide water service to residents of Deer Creek Estates, a subdivision located in Franklin County, Virginia. The Company also requested approval of its tariff.

On August 7, 1991, the Company filed with the Commission revisions to page 1 of its tariff. The Company's proposed tariff, incorporating its revisions, is as follows:

Water Rates:

Applicable in all territory served by Company. Available to all customers in area indicated above other than customers purchasing water for resale.

1. Service Connections - $750.00
2. Water Rates - $17.50 per month [Bills rendered bimonthly payable in advance].

There is a charge of $17.50 per month for water availability. The monthly charge shall become effective when water service is connected to any lot. The monthly availability charge shall be due regardless of whether any water is used. The monthly availability charge is not in addition to the charge for water service, but is to establish a uniform charge of $17.50 per month for any lot which has water service available.

The Company proposed rules and regulations of service, including a requirement for customer deposits and charges for bad checks and late payment of bills. The Company also proposed a reconnection fee and a fee for a name change or transfer in customer accounts.

On August 14, 1991, the Commission issued its Order Inviting Written Comments and Requests for Hearing. On October 4, 1991, the Company, by counsel, filed a motion requesting the Commission to extend the time for the Company to provide its customers with notice of its application.

On October 16, 1991, the Commission issued an order granting the Company's motion, and the Commission set November 27, 1991, as the deadline for interested persons to file comments or requests for hearing. Pursuant to that Order, the Commission received only one complaint relevant to the Company's tariff. That complaint related to certain portions of the Company's tariff subsequently addressed by Staff in its December 6, 1991 report. There have been no requests for hearing.

In its October 16, 1991 Order, the Commission directed the Staff to review Company's application and submit a report to the Commission on or before December 6, 1991. The Staff filed that report detailing its findings and recommendations. Therein the Staff recommended that the Commission grant the Company a certificate of public convenience and necessity and approve the Company's proposed water rates.

Staff, however, recommended that the Company amend certain portions of its tariff. Specifically, Staff recommended that customer deposits, bad check charges and late payment fees be modified to conform to the Commission's January 10, 1977, Final Order in Case No. 19589. In that order the Commission limited the charges for customer deposits, bad checks and late payment of bills. Deposits were limited to the estimated liability for two months usage, charges for bad checks were limited to $6.00 or the aggregate actual cost of handling the check and late payment fees were limited to 1 1/2 percent of the unpaid amount.

In addition, Staff recommended that the Company clarify certain terminology in its water rate tariff by adopting Staff's proposed language for Schedule 1 as stated in Attachment A of Staff's report. As stated in Attachment A, Staff's proposed language for the minimum monthly service charge would eliminate all references to availability charges.

NOW THE COMMISSION, having considered the Company's application, customers' response and Staff's report, is of the opinion and finds that the granting of a certificate is in the public interest. The Commission is of the further opinion that the Company's tariff as modified by the Staff is just and reasonable and should be approved. Accordingly,

IT IS ORDERED:

(1) That Deer Creek Water Company, Inc. shall be granted Certificate No. W-267;

(2) That the Company's proposed tariff is hereby approved subject to the modifications stated herein;

(3) That the Company shall amend the service charges associated with customer deposits, bad checks and late payment fees to conform with those stated in the Commission's Final Order dated January 10, 1977 in Case No. 19589;

(4) That the Company shall amend the language for Schedule 1 of its water rates to conform to the following language as stated in Attachment A of Staff's report:

> "There shall be a monthly minimum service charge of $17.50 per month for water service and no bill will be rendered for less than the minimum charge. The minimum monthly service charge shall become effective when the water service is connected to the lot";

(5) That the remaining provisions of the Company's proposed tariff are hereby approved; and

(6) That there being nothing further to be done, this case is hereby dismissed from the Commission's docket of active cases.

CASE NO. PUE910041
JANUARY 28, 1992

APPLICATION OF
DEER CREEK WATER COMPANY

For a certificate of public convenience and necessity

ORDER GRANTING RECONSIDERATION

On July 19, 1991, Deer Creek Water Company, Inc. ("Deer Creek" or "Company") filed an application with the State Corporation Commission ("Commission") for a certificate of public convenience and necessity. In its application, Deer Creek requested authority to provide water service to residents of the Deer Creek Estates subdivision located in Franklin County, Virginia. Company also requested approval of its tariff with a monthly water rate of $17.50.

In a letter dated November 13, 1991, the Company notified its customers of its intent to raise its monthly rate for water service from $17.50 to $20.00 effective January 1, 1992. On January 7, 1992, the Commission entered its Final Order granting Deer Creek a certificate of public convenience and necessity and approving its proposed tariff subject to certain modifications associated with its service charges.

By Petition filed January 27, 1992, the Company, by its counsel, requested the Commission to reconsider its Final Order and grant Deer Creek a certificate of public convenience and necessity with its revised tariff that includes the $20.00 monthly rate. In support of its Petition, Company stated that the most recent financial information submitted to the Commission indicated that Deer Creek is operating at an annual loss of approximately $8,000. Company further stated that, in spite of the increase in its tariff, Company will still experience a financial loss.

Upon consideration of Company's request and the Commission's concern that Company continue to supply 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 the Company's revised tariff. Accordingly,

IT IS ORDERED:

(1) That ordering paragraphs (1), (2), (3), (4), (5) and (6) of the Commission's Order dated January 7, 1992, be and hereby is, suspended; and

(2) That the Commission's jurisdiction over the above-referenced case be continued.

CASE NO. PUE910041
JUNE 18, 1992

APPLICATION OF
DEER CREEK WATER COMPANY

For a certificate of public convenience and necessity

AMENDED FINAL ORDER

On July 19, 1991, Deer Creek Water Company, Inc. ("Deer Creek" or "Company") filed an application with the State Corporation Commission for a certificate of public convenience and necessity. In its application, Deer Creek requested authority to provide water service to residents of the Deer Creek estates subdivision located in Franklin County, Virginia. Company also requested approval of its tariff with a monthly rate of $17.50.

In a letter dated November 13, 1991, Company notified its customers of its intent to raise its monthly rate for water service from $17.50 to $20.00 effective January 1, 1992. On January 7, 1992, the Commission entered its Final Order granting Deer Creek a certificate of public convenience and necessity and approving its proposed tariff subject to certain modifications associated with its service charges.

By Petition filed January 27, 1992, Company, by its counsel, requested the Commission to reconsider its Final Order and grant Deer Creek a certificate of public convenience and necessity with a revised tariff that includes a $20 monthly rate. On January 28, 1992, the Commission

issued an Order Granting Reconsideration. In its January 28 Order, the Commission suspended ordering paragraphs (1) through (6) of the Commission's January 7, 1992 Order and continued its jurisdiction over the matter.

On February 14, 1992, Staff filed a Supplemental Staff Report. In its report, Staff stated that the additional revenues generated by the $20 rate, with an offset in expenses relating to gross receipts and special taxes, would produce a net loss of $4,557. Staff also stated that Company's net operating income not including interest expense is $1,864 and would generate a 5.40% return on rate base. Staff therefore recommended approval of Company's revised tariff with the $20 rate.

NOW THE COMMISSION, having considered the matter, is of the opinion that certain ordering paragraphs of the Commission's Order dated January 7, 1992, should no longer be suspended. Although the Commission finds that the $20.00 rate is just and reasonable, the Company made it effective without the thirty days notice to the Commission which is required by § 56-237 of the Code. The Commission has therefore determined, pursuant to authority granted in Virginia Code § 56-240, that Deer Creek should issue refunds, with interest, to its customers for revenues in excess of the $17.50 rate collected for the period during which the $20.00 rate was collected without thirty days notice to the Commission, January 1, 1992 through February 26, 1992. Accordingly,

IT IS ORDERED:

(1) That ordering paragraph (1) of the Commission's January 7, 1992 Final Order relative to the granting of a certificate, shall remain in full force and effect;

(2) That the rate approved in ordering paragraph (2) of the above-referenced Final Order approving Company's initial tariff shall remain in effect for service rendered through February 26, 1992; and that Company's revised tariff with its monthly rate of $20 shall be effective for service rendered on and after February 27, 1992;

(3) That Company shall refund $4.89 to each customer by bill credit or check effective with the September billing; this figure represents the $2.50 excess monthly rate for the period January 1, 1992 through February 26, 1992, plus 6% annual interest;

(4) That, in the event a customer has come on line or left the system during the applicable refund period, Company shall prorate the above-referenced refund;

(5) That ordering paragraph (3) of the Commission's Final Order relative to modification of certain service charges shall remain in full force and effect;

(6) That ordering paragraph (4) of the Commission's Final Order shall be amended to read:

> That the Company shall amend the language for Schedule 1 to conform to the language stated in Attachment A of Staff's Report, but incorporating the revised tariff as follows:
>
> "There shall be a monthly minimum service charge of $20 per month for water service and no bill will be rendered for less than the minimum charge. The minimum monthly service charge shall become effective when the water service is connected to the lot";

(7) That ordering paragraph (5) of the Commission's Final Order shall be amended to state that the remaining provisions of the Company's revised tariff are approved;

(8) That on or before November 2, 1992, Company shall file with the Commission's Division of Energy Regulation a document showing that refunds have been made to all its customers in accordance with this order; and

(9) That there being nothing further to be done, this case is hereby dismissed from the Commission's docket of active cases.

CASE NO. PUE910042
MAY 26, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
ROBERT S. KOLIN, et al.
v.
LAND'OR UTILITY COMPANY

FINAL ORDER

On May 15, 1991, Land'Or Utility Company ("Land'Or" or "Company") notified its customers pursuant to the Small Water or Sewer Public Utility Act of an increase in its tariff effective July 1, 1991. In its tariff, Company proposed to increase its water usage rate per 1,000 gallons to $3.50 per month and added a new sewer usage rate of $3.70 per 1,000 gallons. The minimum charge for water usage is $10.88 per month and the minimum charge for sewer usage is $5.55. Although the minimum charge remains unchanged, the increase in usage rates results in fewer gallons being applied to the minimum charge.

The Company also proposed the following additional charges: a $6 bad check fee, a 1.5% late payment fee; a $30 service initiation fee; and a $75 staking and line inspection fee for new construction. The Company also proposed a new schedule of development charges based on the size of distribution facilities necessary to provide service.

On July 15, 1991, Company's customers delivered to the Commission a petition opposing Company's proposed increase and requesting a hearing to review the matter. By letter dated July 18, 1991, Company notified the Commission Staff that it was willing to waive the signature requirement of Virginia Code § 56-265.13:6 and requested review of Company's increase in its water and sewer rates.

On July 26, 1991, the Commission, pursuant to authority granted in Virginia Code § 56-265.13:6, issued a Preliminary Order docketing the matter and declaring Company's rate to be interim and subject to refund with interest. By order dated August 21, 1991, the Commission scheduled the matter for hearing on November 13, 1991. In its August 21 Order, the Commission directed Staff to investigate the reasonableness of Company's proposed rate increase and established a procedural schedule for filing of pleadings, testimony and exhibits.

On the appointed day, the matter came to be heard before Hearing Examiner Glenn P. Richardson. Counsel appearing were Francis T. Eck for the Company; Milton P. Miller for Land'Or Property Owners Association ("POA") and Marta B. Davis for the Commission Staff. Three of Company's customers appeared as public witnesses and made statements objecting to Land'Or's rate increase.

The only issues in controversy relate to accounting issues. These issues include Land'Or's (1) acquisition adjustment, (2) management fees, (3) rental expenses, (4) rate case expenses and (5) contribution in aid of construction. There was an additional issue of whether notice provided by the Company on May 15, 1991, constitutes sufficient notice pursuant to Virginia Code § 56-265.13:5(B).

On February 26, 1992, the Hearing Examiner filed his Report. In his Report, the Examiner discussed in detail each of the five accounting issues in controversy. In addition, the Examiner noted that, during the course of the hearing, the Company, by counsel, agreed to cure any potential defect in its original notice by making appropriate refunds to those customers affected during the portion of the interim period from July 1, 1991 to 45 days after the Commission's notice was mailed to Company's customers.

In addition, the Examiner found that:

(1) The use of a test year ending June 30, 1991, is proper in this proceeding;

(2) The Staff's proposed accounting adjustments, with the exception of Staff's allowance of $1,600 a month for overhead expenses paid to Marclay Enterprises, are just and reasonable and should be adopted when disposing of this application;

(3) A reasonable amount of overhead expenses related to the Company's management agreement with Marclay Enterprises is $432.00 per month, or $5,184 annually;

(4) The Company's test year operating revenues, after all adjustments, were $320,196;

(5) The Company's test year operating revenue deductions, after all adjustments, were $395,693;

(6) The Company's test year operations produced a net operating loss of $75,497, and a negative rate of return during the test year;

(7) The proposed rates will generate $52,869 in additional annual operating revenues, which will reduce the Company's annual net operating loss to $24,283, based on test year operations;

(8) The proposed rates will not result in unjust and unreasonable rates for water and sewer service; accordingly, the interim rates currently in effect should be made permanent;

(9) The Company's proposed bad check charge, late payment fee, service initiation fee, staking and line inspection fee, and a new schedule of development fees, as amended by the Company, are just and reasonable and should be approved by the Commission; and

(10) In the Company's next application for a rate increase, it should consider: (i) replacing its current minimum bills with a schedule of customer charges, (ii) increasing its availability fees and minimum charges to lessen the impact of future increases on usage customers, and (iii) establishing a disconnect charge for customers leaving its water or sewer system.

The Examiner then recommended that the Commission enter an order adopting the findings of the Report, granting the Company's proposed increase in rates and dismissing this case from its docket of active cases.

By letter dated March 18, 1992, Company, by counsel, filed a Motion for Extension of Time to File its Response to the Report of Glenn P. Richardson, Hearing Examiner. In an order dated March 27, 1992, the Commission granted Land'Or's Motion and accepted, as filed, the response submitted to the Commission's Document Control Center on March 16, 1992.

In its response, Company stated that it took no exception to any of the findings and recommendations of the Hearing Examiner. Company however took exception to the tone and inference contained in the Report. Company objected to certain language in the Report which it asserted questions the credibility of the utility's president. The Company stated that such an inference is improper and should not be allowed to remain in the record.

NOW THE COMMISSION, upon consideration of the record developed herein, the Hearing Examiner's Report and the response thereto, is of the opinion and finds that the findings and recommendations of the Hearing Examiner are reasonable and should be adopted. The Commission is also of the opinion that Company should cure any potential defect in notice as agreed at the hearing. Based on the record, Company has agreed to refund money collected as a result of application of the proposed increase in rates to customers with water usage between 3,111 and

4,000 gallons for the period July 1, 1991 through October 10, 1991. The Commission is of the further opinion that the language in the Hearing Examiner's Report contains no inference which would negatively impact the credibility of utility's management.

The Examiner properly rejected Company's proposed acquisition adjustment pursuant to the two-prong analysis articulated in Application of Po River Water & Sewer Company, 1982 S.C.C Ann. Rep. 492; Application of Potomac Electric Power Company and Virginia Electric & Power Company, 1986 S.C.C. Ann. Rep. 290. Using this analysis, the Commission has approved acquisition adjustments only if (1) the purchase price was determined by arm's length bargaining, and (2) the investment was prudently made for the benefit of the customers and the utility.

We agree with the Examiner's conclusion that such a rate base adjustment is not warranted in this instance. We specifically note the Examiner's observation that a reduction in one element of the cost of service does not prove efficiencies in management resulting in an overall benefit to current customers. Moreover, we note that the purchase of the Company did not result in improvements to the water or sewer system or improve Company's financial condition.

We also agree with the Examiner's analysis relative to Land'Or's management fees pursuant to Company's agreement with its affiliate, Marclay Enterprises, Inc. In his discussion, the Examiner divided management fees into two separate categories. The Examiner correctly concluded that the record supported the fees associated with Company's salaries, as reduced by Staff. Company, however, failed to meet its burden of proof as to fees associated with overhead expenses with the exception of those specific items detailed by the Hearing Examiner. These items are associated with Land'Or's utility operations and the purchase of equipment exclusively used for utility operations.

In addition, the Examiner properly rejected the POA's proposal to eliminate from cost of service Company's rental expense and rate case expense. We agree that the record reveals that Company's rental expense should be allowed. This expense is comparable to the expense for rental of office space in the area and is less per square foot than that paid by unaffiliated companies in the same building. The Examiner's conclusion as to Company's rate case expense is consistent with Commission policy and the evidence in this case.

Moreover, the Examiner properly denied, as contrary to Commission policy, the POA's proposal to use a portion of contributions in aid of construction ("CIAC") to offset Company's losses. As the Examiner stated in his discussion, CIAC are customer contributions which are properly reflected in a reduction to rate base to ensure that utility customers do not pay a return on customer provided capital or property.

Connection fees are the most common form of CIAC. In regard to connection fees, the Examiner specifically noted a similar decision by this Commission in Application of Lake Monticello Service Company, 1983 S.C.C. Ann. Rep. 369. In that case, we found that the utility's use of connection fees to cover operating expenses was improper. We will adopt his recommendation here subject to Company's agreement relative to refunds. Accordingly,

IT IS ORDERED:

(1) That the findings and recommendations of the Hearing Examiner, as stated in his Report of February 26, 1992, are hereby accepted subject to Company's agreement to refund a portion of the interim rates currently in effect;

(2) That consistent with the findings as modified herein, Company shall be granted its proposed increase in rates;

(3) That Land'Or shall forthwith refund, with interest as directed below, a portion of the rate charged to its customers for water usage for the interim period July 1, 1991 to October 10, 1991, and that the portion of the rate subject to refund shall be for water usage between 3,111 and 4,000 gallons;

(4) 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;

(5) That the interest required to be paid shall be compounded quarterly;

(6) That the refunds ordered in paragraph (3) above may be accomplished by credit to the appropriate customers' 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 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;

(7) That on or before September 30, 1992, Land'Or shall file with the Commission's Staff a document showing that all refunds have been made lawfully pursuant to this Order and itemizing the costs of the refund;

(8) That Company shall bear all costs of the refund; and

(9) That there being nothing further to be done in this matter, this case is hereby dismissed from the Commission's docket of active cases and the papers passed to the file for ended causes.

CASE NO. PUE910047
DECEMBER 29, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For an expedited increase in rates

FINAL ORDER

On August 1, 1991, Virginia Electric and Power Company ("Virginia Power" or "the Company") filed an application for an expedited increase in rates designed to produce additional annual revenues of $183,946,000 based upon the test year ending December 31, 1990. 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 September 1, 1991.

On August 20, 1991, Jean Ann Fox filed a motion requesting the Commission to convert the Company's application to a general rate investigation and suspend the Company's proposed rates for 150 days. The Division of Consumer Counsel, Office of the Attorney General ("Consumer Counsel") filed a motion on August 23, 1991, asking the Commission to either dismiss the application, treat it as a general rate application and suspend the proposed rates for 150 days from the date of the filing or require Virginia Power to amend its application to exclude those adjustments which did not conform with the Rules Governing Utility Rate Increase Applications and Annual Informational Filings ("Rate Case Rules"). The Virginia Committee for Fair Utility Rates ("Virginia Committee") supported the motions of Ms. Fox and the Consumer Counsel, by its response filed August 27, 1991. On August 29, 1991, the Commission denied the motions of Ms. Fox and the Consumer Counsel allowing the Company's application to proceed on an expedited basis.

The public hearing on the application was convened on January 15, 1992 for the limited purpose of receiving comments from public witnesses. The hearing was reconvened on January 29 through February 4, 1992. Counsel appearing were Evans B. Brasfield, Richard D. Gary and Kendrick R. Riggs for the Company; Edward L. Flippen for the Virginia Citizens Consumer Council ("VCCC"); James C. Dimitri, Louis R. Monacell and Stephen L. Dalle Mura for the Virginia Committee; Frann G. Francis and Philip F. Abraham for the Apartment and Office Building Association of Metropolitan Washington ("AOBA"); Richard A. Parrish and Jeffrey M. Gleason for the Southern Environmental Law Center, Sierra Club and Citizens Action ("SELC"); Dennis R. Bates for the Fairfax County Board of Supervisors ("Fairfax County"); William H. Chambliss, Edward L. Petrini and Gail S. Marshall for the Consumer Counsel; and Deborah V. Ellenberg and Robert M. Gillespie for the Commission's Staff. Ten public witnesses appeared at the hearing. By the close of the hearing, the Company had reduced its request to $158,983,000.

On February 28, 1992, the Virginia Supreme Court issued a decision in Virginia Power's 1990 rate case which held that the Commission's decision to allow that case to proceed on an expedited basis despite the inclusion in the Company's application of a new attrition adjustment violated the Commission's Rate Case Rules. Virginia Committee for Fair Utility Rates, et al. v. VEPCO, et al., 243 Va. 320, 414 SE.2d 834 (February 28, 1992). Since the 1991 rate case contained similar procedural issues, the Hearing Examiner entered a ruling on March 2, 1992, suspending the briefing schedule pending further ruling of the Examiner. On June 3, 1992, the Examiner issued a further ruling directing the record in the current case to be reopened, providing for the filing of supplemental testimony and scheduling a hearing for July 21, 1992, to identify the revenue impact of the proposal to update rate base beyond the test period, the related adjustments and any other items which might be construed to violate the Commission's Rate Case Rules.

On October 23, 1992, Glenn P. Richardson, Hearing Examiner, issued his report in which he discussed the many issues raised in this proceeding and his recommendations for resolution. Specifically, he found that based on the evidence received in this case:

1. The use of a test year ending December 31, 1990, is proper in this proceeding;

2. The Company's test year operating revenues, after all adjustments, were $2,811,047,000;

3. The Company's test year operating revenue deductions, after all adjustments, were $2,181,076,000;

4. The Company's test year net operating income and adjusted net operating income were $629,971,000 and $624,524,000 respectively;

5. The Company's current rates produced a return on adjusted rate base of 9.52%, and a return on equity of 11.28%;

6. The Company's current cost of equity is within a range of 11.5% to 12.5%, and rates should be established using a 12.25% return on equity to recognize the superior performance of the Company's generating units during the test year;

7. Based on the Company's capital structure as of September 30, 1991, the Company's overall cost of capital is 9.922%;

8. The Company's adjusted test year rate base is $6,560,902,000;

9. The Company's amended application requesting $158,983,000 in additional gross annual revenues is unjust and unreasonable because it will generate a return on rate base greater than 9.922%;

10. The Company requires $41,264,000 in additional gross annual revenues to earn a 9.922% return on rate base;

11. The Company should file permanent rates designed to produce the additional revenues found reasonable herein using the revenue allocation methodology employed in the Company's original application;

12. The Company should be required to promptly refund, with interest, all revenues collected under its interim rates in excess of the amount found just and reasonable herein;

13. The Company's proposed implementation plan for its new general service schedules is reasonable and should be approved, with the exception that current Schedule 5 and 6 customers should be allowed to decide to transfer to the new general service rate schedules, provided: (i) customers migrating to the new general schedules will not be allowed to migrate back to Schedules 5 and 6, and (ii) all Schedule 5 and 6 customers will be transferred to the new general service schedules prior to the termination of the Company's implementation plan;

14. Schedule GS-1 should be modified as recommended by Staff;

15. Staff's proposed flat energy charge for Schedule GS-2 should be rejected; however, the Company and Staff should study the feasibility of implementing an alternate time of use rate for GS-2 customers in the Company's next rate case;

16. Staff's proposed customer charge for Schedule GS-2 should be accepted;

17. Schedules GS-3 and GS-4, as supported by the Company, the Virginia Committee and Commission's Staff, should be adopted, with the exception that the power supply demand charge in GS-3 and GS-4 should be reduced to 75% of the highest kW of demand experienced during the months of June through September of the preceding eleven months;

18. Virginia Committee witness Drazen's proposed revisions to Schedule 6 should be rejected; and

19. The AOBA's request for additional information on the Company's monthly bills should be granted in accordance with AOBA witness Oliver's recommendations.

Comments and exceptions to the Hearing Examiner's report were filed on November 13, 1992. In its exceptions, Virginia Power took issue with the Hearing Examiner's treatment of rate year capacity charges, the capacity cost recovery mechanism and the capacity memorandum account balance. The Company also took exception to the Examiner's recommendation to disallow costs associated with the Management Incentive Program and Success Sharing Plan, to disallow or reduce certain demand side management expenses, to reject Company's interest synchronization adjustment, and to eliminate the leased turbine expense. Virginia Power further excepted to the Examiner's recommendation to use Staff witness Tanner's partial update of the Company's capital structure, to reject the Company's proposal to include the unamortized balance of the 1977 gain on the reacquisition of certain preferred stock in common equity, and to use 12.25% as the appropriate rate of return on common equity. On rate design, the Company excepted to the Examiner's recommended customer charge for GS-1 and GS-2, to his not adopting the Committee's proposed modification to Schedule 6, and to his recommended revision of the monthly billing format as proposed by AOBA.

Comments filed by the Consumer Counsel were generally supportive of the Hearing Examiner's recommendations. However, Consumer Counsel took exception with the Examiner's recommended return on common equity and the Examiner's recommendation to allow certain demand side management expenses. The Consumer Counsel also took exception to the Examiner's recommendation to reject its adjustment to reduce rate base by the amount of accrued interest on customer deposits.

Fairfax County and VCCC also filed exceptions to the Examiner's report. Both parties took exception to the Examiner's recommendation to base the revenue requirement on a return on common equity of 12.25%.

In its exceptions, the Virginia Committee urged the Commission to reject the Examiner's treatment of the gain on the sale of Virginia Natural Gas, Inc. and its proposed revisions to Schedule 6.

NOW THE COMMISSION, upon consideration of the record, the Examiner's report, the exceptions thereto and the applicable statutes, is of the opinion and finds that the findings and recommendations contained in the October 23, 1992 Examiner's report are, as modified herein, supported by the record and should be adopted.

Examiner Richardson prepared a thorough and well reasoned report containing his recommendations for resolution of the many issues in controversy in this case. With only the few exceptions noted below, we adopt his analysis, findings and recommendations as our own. We were not persuaded by the Company's, Consumer Counsel's or the Virginia Committee's exceptions to his recommendations on a number of accounting issues. Since the Examiner has already fully discussed those issues, they need no further discussion here. We differ from the Hearing Examiner only on the recovery mechanism for capacity costs, proper treatment of the Management Incentive Program and Success Sharing Plan costs, the proper flotation adjustment to be recognized in the present case, and the AOBA proposal for additional information on monthly bills. Accordingly, those issues do require further discussion.

CAPACITY COSTS - RATE YEAR VERSUS PRO FORMA YEAR

Although we agree with the Examiner on the required treatment of rate year capacity, that issue also warrants brief comment. As the Hearing Examiner noted, Virginia Power has proposed to include a rate year level of capacity costs in base rates. Such proposal is consistent with the Commission's treatment of capacity costs since 1986. However, the Consumer Counsel and VCCC argued that the amount of capacity costs included in base rates must be limited to the amount incurred through the end of the pro forma period, the twelve months ending December 31,

1991. They argued that the Rate Case Rules provide that "pro forma adjustments will be limited in expedited cases to the amount of increase or decrease in the pro forma period." Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting certain amendments to the Rules Governing Utility Rate Increase Applications, 1985 S.C.C. Ann. Rept. 478. They assert that a rate year level of capacity expenses exceeds this instruction. Moreover, they assert that the Virginia Supreme Court decision in Virginia Committee for Fair Utility Rates, et al. v. VEPCO, et al., 243 Va. 320, 414 S.E.2d 834 (February 28, 1992), provides the Commission no flexibility to vary from the rules "unless or until changed in the manner permitted by the Virginia Constitution and by the statutes." Id. at 327.

The Company argues that the Rate Case Rules are superseded in this regard by the Commission's order in Commonwealth of Virginia, ex rel. State Corporation Commission, 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.

On this issue, we must agree with the Hearing Examiner's conclusion that rate year capacity is not legally permissible under the Rate Case Rules in an expedited proceeding such as this one. We share the Hearing Examiner's concern that the public interest would be better served if the Company were allowed to recover prudently incurred capacity costs on a current basis. Delay in recovery of rate year capacity costs may well increase the cost to ratepayers over the long run since the unrecovered balance will cause the Company to incur significant carrying costs.

The Commission, however, specifically provided that the general investigation on ratemaking treatment of purchased power capacity charges was not a rulemaking, but rather represented an attempt to "articulate a policy which will guide the ratemaking treatment of capacity charges in future cases." More importantly the Commission stated that "consideration of specific procedures must await an appropriate context where interested parties will be afforded a full opportunity to present evidence and to be heard." Any such consideration necessarily must be consistent with existing rules. As the Hearing Examiner noted, the limitations for adjustments in expedited cases found in the Rate Case Rules are mandatory and must be strictly enforced in accordance with the Supreme Court's decision in Virginia Committee. Therefore, the Company's proposed capacity costs must be reduced to the amount of increase in effect during the pro forma period.

CAPACITY CHARGE RECOVERY MECHANISM

As referenced above, the Commission issued an order on November 10, 1988 discussing the merits of using a memorandum account to track capacity cost recoveries versus the level built into base rates. In that order the Commission contemplated application of an earnings test to determine the appropriate rate treatment of any balance in a memorandum account. Capacity memorandum accounting, however, has generated substantial controversy in every Virginia Power rate case since its adoption. To date, the controversy has not centered on the reasonableness of those costs, but rather application of the recovery mechanism. In this case, the parties again argued over the proper treatment of the balance of the memorandum account and further identified a "timing problem" inherent in the mechanism.

In our November 10, 1988 order in this regard we clearly stated that we would continue to monitor the purchased power of Virginia's electric utilities closely, and that we would not hesitate to revisit our general framework for the rate treatment of reliability related capacity charges as individual circumstances warrant.

In this case, Staff recommended that memorandum accounting with an earnings test for Virginia Power be revisited. In addition to the timing problem, Staff asserted that numerous factors cause over or undercollections of capacity costs and suggested several alternative capacity cost recovery mechanisms for the Commission to consider. We agree with Staff that memorandum accounting for Virginia Power is simply not working in the manner contemplated and should be reassessed. However, we will not make a drastic change in our treatment of capacity costs at this time by moving the review of these costs to another type of case such as the fuel factor proceeding. Accordingly, we will continue base rate recovery of capacity costs. The Company, however, should record the over or under recovery of capacity costs on its balance sheet rather than in an off books memorandum account, effective for the test period beginning January 1, 1990. We will not apply an earnings test to determine the proper treatment of the account balance in future cases, but rather, will true up under or overcollections of the account balance. Such deferred accounting will ensure dollar for dollar recovery of reasonably incurred capacity costs. This mechanism will require the Company to carry forward the overcollection of capacity expenses realized for the test period. The deferred account balance also will be included as a component of rate base as was the memorandum account balance. As with memorandum accounting and an earnings test, the Company is not guaranteed that any and all capacity costs recorded in this deferred account will be automatically subject to recovery in a subsequent rate case. Such recovery, of course, will be subject to review of the prudency of those charges.

INCENTIVE PROGRAMS: MANAGEMENT INCENTIVE PROGRAM AND SUCCESS SHARING PLAN

The Hearing Examiner recommended that the Commission remove costs associated with the Company's incentive payments to management and employees. We differ from the Hearing Examiner on the proper treatment of this expense item. Such management and employee incentive payments represent a portion of the Company's employee compensation expense. Measured against total company operation the amount in issue does not appear unreasonable, nor is it necessarily duplicative of the rate of return incentive for excellent plant generating performance. Consistent with our decision in the Company's 1987 general rate case those expenses will be allowed. We are of the opinion that reasonable incentive payments to encourage employee performance goals are worthwhile programs which can stimulate production efficiencies. Accordingly, we will not remove those payments from the Company's cost of service. However, Virginia Power is cautioned to offer evidence sufficient to justify continuing to recover these employee expenses in its cost of service. Further, the Commission will carefully scrutinize any increase over the historic levels of the costs of such programs in future cases.

CAPITAL STRUCTURE AND COST OF SENIOR CAPITAL

We agree with the Examiner that the Staff's proposed capital structure and cost of senior capital should be accepted. As discussed by the Examiner, the cost of the Company's variable rate securities should be based upon an average for the three months ended December, 1991 because the data to support such an update is readily available. We also agree with the Examiner that it would have been improper to permit the Company to update its capital structure to December 31, 1991, because the data supporting that update was not available by the time of the hearing. Updating only the cost rates of the variable rate items in the capital structure is consistent with previous decisions.

We also agree with the Examiner's treatment of the 1977 gain the Company realized on their reacquisition of preferred stock. We will leave that gain to be treated as cost-free capital as was originally done in Application of Virginia Electric and Power Company, 1979 S.C.C. Ann. Rept. 164 at pp. 180-181. However, we do not mean to imply that the 1977 gain must remain as cost-free capital if a method is proposed that treats it consistently with the method typically used for gains and losses on reacquired preferred stock and results in no revenue impact.

COST OF EQUITY

We agree with the Examiner's recommended range for the Company's cost of equity as being 11.5% through 12.5%. However, within that range we have incorporated our consideration of the continuing flotation costs that Dominion Resources, Inc. bears in issuing equity. Hence, we do not adopt the Examiner's accounting method of increasing the Company's operating expenses by $745,000 to recognize its jurisdictional proportion of the test period issuance expenses.

GENERATING UNIT PERFORMANCE

The revenue requirement in this case must be established based upon a point within the 11.5% to 12.5% range for return on equity discussed above. We agree with the Examiner that the revenue requirement should be set at 12.25%, three-fourths of the way to the top of the range. This reflects a reward for the Company's commendable test year performance, restoring the 25 basis points the Company had lost as a result of poor nuclear performance during 1989.

Based on our resolution of the issues discussed above and further discussed in the Examiner's report, Virginia Power's additional revenue requirement is $45,178,000, calculated as follows:

REVENUE REQUIREMENT

Adjusted Operating Income, Per Hearing Examiner	$624,524
1. To include costs of the management incentive and success share plans charged to expense during the test period	(6,342)
2. To remove stock issuance costs as a cost of service expense item	745
3. To reflect the federal income tax effect of the Commission's adjustments	2,164
Adjusted Operating Income (AOI) per the Final Order	$621,091
Rate Base, Per Hearing Examiner	$6,560,902
1. To include costs of management incentive and success share plans charged to capital accounts during the test period	1,983
2. To reflect the cash working capital effect of Commission's adjustments	127
3. To include the overrecovery of purchased capacity costs, net of tax, in rate base	(10,375)
Rate Base per Final Order	$6,552,637
Rate of Return at 12.25% ROE	.09922
Required Adjusted Operating Income	$ 650,153
Adjusted Operating Income	621,091
Net required	$ 29,062
Conversion factor	.640968
Revenue requirement including late payment	$ 45,340
Less: Late payment revenue	162
Revenue Requirement	$ 45,178

REVENUE ALLOCATION AND RATE DESIGN

The Commission agrees with the Examiner and adopts the Company's proposed revenue allocation.

A. Implementation of the General Service Schedules

Rate Schedules GS-1, 2, 3 and 4 have been available for customer subscription since October 27, 1992, the date that the Company's interim rates went into effect in the Company's pending general rate case, Case No. PUE920041. We agree with the Examiner that it is now moot whether these four schedules should be implemented at the conclusion of this case since they have been properly noticed and implemented in the current general rate case. However, a discussion of the issues litigated here will give the parties guidance for proceeding on rate design in that pending case.

We agree with the Examiner that current Schedules 5 and 6 should be closed to new customers and that no migration should be allowed between Schedules 5 and 6. Current customers of Schedules 5 and 6 should be given the option of deciding when to transfer to new GS Rate Schedules but they will not be allowed to migrate back to Schedules 5 and 6 and all current customers of Schedules 5 and 6 must be transferred to the new GS Rate Schedules before the end of Virginia Power's implementation plan. Schedules 5 and 6 will receive larger allocations than other schedules in future rate cases in order to encourage movement to the new GS schedules. However, the Commission retains its discretion to determine on a case by case basis the proportions of those allocations.

B. Customer Charges for Schedules GS-1 and GS-2

In order to encourage the movement of Schedule 5 customers to the new Schedules GS-1 or GS-2, the Commission agrees with the Staff and the Examiner that customer charges should be more in line with those of Schedule 5. Small usage customers will see no reason to move from Schedule 5 if month in and month out they will face a higher customer charge in the GS-1 or GS-2 Schedule. By placing the customer charge for GS-1 at $11 per month for single phase service and $15 per month for three phase service, more Schedule 5 customers will find reason to sign up for GS-1. Similarly, by adopting the Examiner's recommendation that the customer charge for GS-2 be $20 per month, those customers who should be in GS-2 will be less reluctant to leave Schedule 5. As noted by the Examiner, the Company is free to move the customer charges toward actual cost in future rate cases. Moreover, by achieving a quick movement of customers from Schedule 5 to the appropriate Schedule GS-1 or GS-2, the Company and Commission will be better able, in future cases, to allocate and recover appropriate costs and design rates for the entire GS-1 class and the entire GS-2 class. If those two classes do not fill quickly, we will be facing an onerous task in the future of trying to allocate costs and design rates from cost studies based upon fragmentary GS-1 and GS-2 data. Hence, the Commission sets as a priority the expeditious movement of customers from Schedules 5 and 6 to the appropriate GS Schedules.

C. Other GS-1 Issues

The Commission agrees with the Examiner in adopting Staff's proposal on criteria for placing demand meters on GS-1 customers. A GS-1 customer whose demand exceeds 30 kW in more than two of the most recent twelve months should be placed in the GS-2 Schedule. In order to detect such demands, the Company needs some discretion in setting demand meters on GS-1 customers. However, Company should be protected by having the authority to place demand meters on those GS-1 customers whose usage exceeds 6,000 kWh per month or whose estimated demand is greater than 25 kW. Thus, a low load factor customer whose kWh may be less than 6,000 may still be placed upon a demand meter if the Company estimates that his demand is greater than 25 kW.

D. Other GS-2 Issues

Having adopted a policy of encouraging rapid movement from Schedule 5, the Commission believes that goal will be furthered by adopting the Hearing Examiner's recommendation to keep declining energy blocks in Schedule GS-2 for the time being. Movement towards cost based rates is also an important goal and that may ultimately lead to a flat energy charge with a time of use option. But for now, the Commission does not wish to discourage those Schedule 5 customers which rely upon declining energy blocks from receiving similar treatment if they elect service under Schedule GS-2.

E. GS-3 and GS-4 Issues

The Commission adopts the Examiner's recommendations that power supply and distribution demand ratchets are appropriate for Schedules GS-3 and GS-4 but that the power supply demand ratchet should be reduced from 90% to 75% of the highest kW demand experienced during the months of June through September for the preceding eleven months. We also agree with the Examiner's recommendation that Mr. Drazen's proposed off-peak power supply demand charges, blocked distribution demand charges, and on-peak/off-peak energy charges be adopted for both GS-3 and GS-4.

F. Proposed Revisions to Schedule 6

In light of the Commission's policy of encouraging movement of current Schedule 5 and Schedule 6 customers to the new GS Schedules, we do not agree with the Virginia Committee that the distribution demand of those receiving primary service under Schedule 6 should be discounted by 35¢ per kW or that the price of the tail energy block should be lowered. Schedules 5 and 6 will be obsolete schedules and should not be redesigned other than the necessary allocation of future increases to encourage movement of customers to the proper General Service schedules. While there may be a cost basis for the Virginia Committee's proposals, we believe it is academic to fine tune Schedule 6 while we are encouraging those same customers to abandon Schedule 6.

G. Revisions to Monthly Billing Format

The Commission does not agree with the Examiner's recommendation that the revisions to the Company's bill format proposed by AOBA witness Oliver should be adopted. Undoubtedly some customers would benefit from more detailed billing information, but we are concerned about the cost of implementing Mr. Oliver's suggestions. The Company should be aware, however, that some of its customers need more

information than is revealed on their current billing format. We encourage the Company to work individually with these customers to provide them what is needed. As conservation and load management become more important for energy regulation, it is important, as noted by the Examiner, that customers have the right pricing signals and the right information to effectively conserve energy and manage their loads. In making future revisions to the billing format, the Company should be mindful of these needs.

NOW, THEREFORE, IT IS ORDERED:

(1) That the findings and recommendations of the Hearing Examiner's October 23, 1992 report, as modified herein, are adopted;

(2) That Virginia Power shall record over or under recovery of capacity expenses on its balance sheet effective January 1, 1990;

(3) That the Company shall forthwith file revised tariffs designed to produce $45,178,000 in additional gross revenues effective for service rendered from September 1, 1991 through October 27, 1992;

(4) That, on or before April 1, 1993, 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 September 1, 1991, 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 3 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 (2) above, may be accomplished by credit to the appropriate customer's account for current customer's (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 $1.00 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 $1.00; however, Virginia Power will 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 Virginia Power and request refunds, such refund shall be made promptly. All unclaimed refunds shall be handled in accordance with Virginia Code § 55-210.6:2;

(8) That on or before June 1, 1993, Virginia Power shall file with the Staff a document showing that all refunds have been lawfully made pursuant to this order and itemizing the cost of the refund and account charged. Such itemization of costs shall include, inter alia, computer costs, personnel hours, associated salaries and costs 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.

Commissioner Moore did not participate in the decision of this case.

CASE NO. PUE910051
FEBRUARY 12, 1992

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For approval of Pipeline Transportation Service Rates

FINAL ORDER

On August 23, 1991, Virginia Natural Gas, Inc. ("VNG" or "the Company") filed an application with the State Corporation Commission ("Commission") for approval of rates and charges for the use of VNG's intrastate pipeline now being constructed by the Company pursuant to certificates of public convenience and necessity issued in Case No. PUE900038 (formerly Case No. PUE860065). VNG's application stated that the Company had entered into contracts, subject to compliance with regulatory requirements, to provide pipeline transportation service to Doswell Limited Partnership ("Doswell"), the City of Richmond ("the City"), and Virginia Electric and Power Company ("Virginia Power"). Those contracts contained provisions for the rates, charges, and general terms and conditions under which the pipeline transportation service would be provided and are the subject of the instant filing. VNG advised that it had sent copies of its application to Doswell, the City, and Virginia Power and represented that these parties had no objection to the application. VNG noted that there were no other pipeline customers.

On September 13, 1991, the Commission entered its Order docketing the captioned matter; permitting the Company's proposed pipeline transportation service tariffs to take effect on an interim basis, subject to refund, for service rendered on and after September 22, 1991; directing the Company to file direct testimony and exhibits in support of its application and proposed tariffs; directing Staff to file a Report and exhibits analyzing the reasonableness of the Company's proposal; and inviting VNG, the City, Doswell, and Virginia Power to file their respective Responses to the Staff Report.

On September 27, 1991, VNG filed the testimony of Jeffrey L. Huston in support of its application. Mr. Huston's testimony reviewed the status of the pipeline's construction and advised that service to Doswell was expected to begin in October, 1991. He noted that the VNG lateral was expected to be completed by the end of the year and that the only customers initially served under contracts for this service would be Doswell, the City, and Virginia Power. He explained that each of those customers had contracted for a specific Maximum Daily Transportation Quantity ("MDTQ"), entitling the customer to firm transportation service up to his nominated volume on any day. He stated that the MDTQ of the three customers totaled 187,500 decatherms per day, leaving 32,500 decatherms per day of capacity available to VNG's distribution system. Mr. Huston explained that recovery by VNG of its capacity costs as well as the cost of the VNG lateral would be dealt with in VNG's base rate proceedings. He also noted that any time unused capacity was available on the joint use portion of the pipeline, VNG would transport additional volumes for Rate Schedule PT-1 customers on an interruptible basis and that such service would be available pro-rata among customers up to the available capacity of the pipeline. He explained that Rate Schedule PT-1 set out a monthly capacity charge per decatherm for each of the 300 months of the 25 year transportation service contracts. VNG's proposed capacity charge would recover the capitalized costs, net of accumulated deferred income taxes incurred by VNG as shown on its books for that month, plus the related interest expense, Commission approved return for VNG's distribution system, and applicable taxes. Witness Huston urged the Commission to approve VNG's proposal.

In response to a Motion filed by the Staff, the Commission entered an Order on October 24, 1991, extending the date for filing the Staff Report and exhibits to November 18, 1991, and the date for filing a Response to the Report or request for hearing to December 6, 1991. The October 24, 1991 Order advised interested parties that in the absence of a request for a hearing, the Commission might determine the captioned matter based upon the papers and pleadings filed therein.

On November 18, 1991, the Staff filed its Report. In its Report, the Staff reviewed the Commission's Orders authorizing construction and certification of VNG's pipeline and analyzed the provisions of Rate Schedule PT-1. The Staff recommended that revenues derived from any pipeline transportation service offered by VNG within its share of pipeline capacity be retained by VNG. The Staff also suggested that the Commission approve a single rate schedule that would apply on a nondiscriminatory basis to all of the pipeline customers rather than VNG's individual contracts with its customers. Under Staff's proposal, additional provisions could be agreed to by VNG or the customers through separate contracts or service agreements, but these provisions would ultimately be subject to the terms of the Commission-approved rate schedule. Staff proposed an alternative rate schedule which it attached as Exhibit I to its Report. Staff's proposal added three sections to Rate Schedule PT-1. These provisions dealt with lost-and-unaccounted-for gas, balancing of transportation volumes, and the general terms and conditions under which this service could be provided.

With respect to VNG's proposed accounting and allocation methodology, Staff noted that Rate Schedule PT-1 contained no provisions to allocate common plant to the joint-use segment of the pipeline and customers served under the Schedule. Staff recommended that common plant, such as Company headquarters and warehouses, be allocated between the joint-use segment of the pipeline and the VNG distribution operations. Staff stated that in order to keep the costs of the joint-use segment of the pipeline discrete from the costs of services provided to existing distribution customers, as required by the Final Orders in Case Nos. PUE860065 and PUE900038, it intended to allocate a portion of common plant to the customers served under Rate Schedule PT-1, in future VNG rate applications or annual informational filings. Further, Staff's Exhibit I required VNG to establish accounting procedures and accounts separate from its distribution operations to identify and record pipeline costs, O & M expenses, and common plant allocable to VNG's pipeline operations measured on a square foot basis.

Finally, Staff did not oppose VNG's rate design or its proposal that its pipeline service be provided through negotiated rates but did recommend that the Commission require VNG to file the following:

1. all current contracts, and future amendments to those contracts, including the recalculation of capacity charges due to new customers or interruptible sales;

2. a cost allocation study of all plant common to both the Company's distribution and pipeline functions as part of VNG's next rate application or annual informational filing; and

3. an annual report on the impact of daily pipeline transportation customer imbalances on VNG's system cost of gas.

By Order dated December 19, 1991, the Commission extended the time in which VNG, the City, Doswell, and Virginia Power could file their Responses to the Staff's Report.

On January 15, 1992, VNG, by counsel, filed its Response to the November 18 Staff Report and as part of that Response proposed a revised Rate Schedule PT-1, which, it represented, was consistent with the Staff Report. VNG's revised schedule consisted of a uniform rate schedule applicable to pipeline transportation service. VNG explained that the revised schedule added provisions addressing lost-and-unaccounted-for gas, balancing of transported volumes, and service priorities. It noted that the revised schedule clarified provisions related to both interruptible transportation revenue and allocation of common plant. The Company represented that the revisions made to Rate Schedule PT-1 were made after consultation with representatives of Doswell, Virginia Power, and the City. VNG stated that it anticipated that those parties would concur with its filing. Virginia Power, the City, and Doswell filed Responses supporting the revised tariff.

NOW THE COMMISSION, upon consideration of VNG's application and supporting testimony, the Staff's Report, and the Responses thereto, is of the opinion and finds:

(1) That this matter should be determined on the basis of the papers filed herein, and that it is unnecessary to convene an ore tenus hearing;

(2) That VNG's revised Rate Schedule PT-1 filed on January 15, 1992, as further modified herein, should be made permanent;

(3) That the first sentence of Section III "Charges" B should be modified to read: "The Capacity Charges are based on the methodology, calculations, and cost of service components currently approved by the Commission and as set forth in the Computations Supporting Rate Schedule PT-1 included herein. . ..";

(4) That any pipeline transportation service offered to the City, Doswell, or Virginia Power by VNG within VNG's firm entitlement of pipeline capacity should be retained by the Company;

(5) That, if VNG desires to offer pipeline transportation service to its distribution customers within VNG's share of firm pipeline capacity, it must seek further authority from the Commission to do so;

(6) That revised Rate Schedule PT-1, together with the allocation methodology and its applicable Terms and Conditions, should remain subject to the Commission's continuing review, audit and appropriate directive;

(7) That VNG should forthwith file all current contracts as well as any subsequent contracts, together with any amendments thereto, with the Division of Energy Regulation;

(8) That VNG should file a cost allocation study of all plant common to both the Company's distribution and pipeline functions as part of VNG's next rate application or annual informational filing; and

(9) That, on and after the date of this Final Order, VNG should file with the Division of Energy Regulation an annual report on the impact of daily pipeline transportation customer imbalances on VNG's system cost of gas.

Accordingly, IT IS ORDERED:

(1) That, consistent with the findings herein, VNG shall forthwith file revised Rate Schedule PT-1, effective for service rendered on and after September 22, 1991;

(2) That VNG shall forthwith file all current and future contracts, together with any subsequent amendments thereto, including the recalculation of capacity charges resulting from the addition of new customers or interruptible sales, with the Division of Energy Regulation;

(3) That VNG shall file a cost allocation study of all plant common to both the Company's distribution and pipeline functions as part of VNG's next rate application or annual informational filing;

(4) That, on and after the date of this Final Order, VNG shall file annually with the Division of Energy Regulation a report on the impact of daily transportation customer imbalances on VNG's system cost of gas. Said report shall be filed with the Division of Energy Regulation at the conclusion of each calendar year;

(5) That the Company shall respond fully and promptly to Staff data requests concerning this tariff; and

(6) That there being nothing further to be done herein, this matter is hereby dismissed, and the papers filed herein shall be placed in the Commission's file for ended causes.

CASE NO. PUE910051
FEBRUARY 18, 1992

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For approval of Pipeline Transportation Service Rates

AMENDING ORDER

On February 12, 1992, the State Corporation Commission ("Commission") entered its Final Order in the captioned matter. Among other things, Finding Paragraph (4) of the February 12, 1992 Final Order Stated:

> (4) That any pipeline transportation service offered to the City, Doswell, or Virginia Power by VNG [Virginia Natural Gas, Inc.] within VNG's firm entitlement of pipeline capacity should be retained by the Company; . . .

We find it appropriate to clarify this Finding Paragraph to specify that Virginia Natural Gas, Inc. ("VNG" or "the Company") should retain any revenues produced by the provision of pipeline transportation service offered to the City of Richmond ("the City"), Doswell Limited Partnership ("Doswell"), and Virginia Electric and Power Company ("Virginia Power") within VNG's firm entitlement of its intrastate pipeline service and, accordingly, find that Finding Paragraph (4) should be amended to read as follows:

> (4) That any revenues produced from the provision of pipeline transportation service offered to the City, Doswell, or Virginia Power by VNG within VNG's firm entitlement of pipeline capacity should be retained by the Company; . . .

Accordingly, IT IS ORDERED that Finding Paragraph (4) of the February 12, 1992 Final Order shall be so amended, and IT IS FURTHER ORDERED that the other findings and provisions of the February 12, 1992 Final Order shall remain in effect.

CASE NO. PUE910052
JANUARY 29, 1992

APPLICATION OF
NORTHERN VIRGINIA NATURAL GAS,
A Division of Washington Gas Light Company

To initiate a Developmental Natural Gas Vehicle Service Rate

FINAL ORDER

On August 26, 1991, Northern Virginia Natural Gas, a Division of Washington Gas Light Company ("NVNG" or "the Company"), filed an application with the State Corporation Commission ("Commission") to initiate a new service, i.e., a temporary developmental natural gas vehicle rate. As explained in NVNG's application, the proposed rate schedule would authorize the Company to provide to non-governmental customers a new developmental natural gas vehicle service for vehicles capable of using natural gas as a motor fuel. Two types of service would be offered under the new tariff: (1) compressed natural gas to be provided to vehicles at Company-operated public refueling stations; and (2) compressed natural gas to be provided at customer-operated refueling stations to be used by the customer's private fleets or individual natural gas vehicles. The Company subsequently amended its proposed tariff to clarify that sales of compressed natural gas made from customer-operated refueling stations would not be made to the public.

In support of its application, NVNG maintained that the environmental benefits of clean-burning natural gas, along with the potential reductions in imported oil, that could result from its proposed developmental activity, was in the public interest. The Company stated that its tariff proposal was consistent with both Federal and Virginia energy policies. NVNG noted that it was not requesting approval of the level of costs associated with its new service, and that it anticipated that the level of costs associated with the program would be reflected in rates to be addressed in NVNG's next base rate proceeding.

On September 12, 1991, the Commission entered its Order in the captioned matter. In that Order, the Commission docketed the application, suspended the Company's proposed tariff through January 23, 1992, directed NVNG to file testimony in support of its application, invited interested persons to file comments or requests for hearing on or before November 15, 1991, directed the Company to publish public notice of its application, and directed the Staff to file a report analyzing the reasonableness of the Company's proposal.

On October 1, 1991, the Company filed testimony of Ajit S. Ratra in support of its application. Mr. Ratra's testimony explained that Company-operated, public compressed natural gas stations would consist of facilities on NVNG sites that were available to fleet or individual natural gas vehicles when the Company had available capacity. He noted that the rate for service at Company-operated stations would be $0.65 per therm and that this rate included the Virginia Motor Fuel Tax. While he anticipated that this rate would vary with the wholesale price of gasoline, he explained that the rate would not fall below the Company's weighted average commodity cost of gas, including allowances for unaccounted-for gas and applicable taxes.

Mr. Ratra further explained that the compressed natural gas service to customer-operated, but company-owned, facilities would be set at a rate of $0.45 per therm, which rate excluded the Virginia Motor Fuel Tax. This price would vary with the wholesale price of gasoline and would be offered to a number of fleets for demonstration projects. He advised that the number of customer-operated facilities would be limited based on NVNG's natural gas vehicle budget of approximately $1,030,000.

On November 15, 1991, the Fairfax County Department of Consumer Affairs ("Fairfax County") filed Comments in the captioned matter and requested a hearing on NVNG's proposal. Fairfax County supported the Company's efforts to offer an alternative vehicle fuel with less environmentally deleterious effects than gasoline. Fairfax County also recommended that the issue of who would pay for implementation of this alternate fuel program should be addressed before the Company could offer this service.

On December 6, 1991, the Commission Staff filed its Report in the captioned matter. In its Report, the Staff analyzed the tariff, legislative considerations, and determined that NVNG's program could ultimately provide the Company's ratepayers and stockholders with economic benefits and would, in all probability, provide environmental benefits. The Staff identified several options which the Commission could consider in making its final determination in this matter. The Staff supported the third option and recommended that the Commission approve the proposed natural gas vehicle program on an experimental basis and that Staff and the Company work together to develop a risk sharing program for service provided under the natural gas vehicle tariff. The Staff Report stated that a risk sharing program similar to the one in place for NVNG's interruptible sales service would balance natural gas vehicle related risks, e.g., market development, and possible rewards between ratepayers and stockholders. The Staff noted that a risk sharing program could be considered by the Commission in any future rate proceeding where the Company sought recovery of natural gas vehicle related costs.

On December 18, 1991, NVNG, by counsel, filed a letter with the Commission advising that the Company did not intend to file a response to the Staff's Report. On January 9, 1992, Fairfax County withdrew its request for a public hearing.

NOW THE COMMISSION, having considered the Company's application and testimony, the December 6, 1991 Staff Report, and Fairfax County's Comments, is of the opinion and finds:

(1) That this matter may be determined on the basis of the papers filed herein and that no ore tenus hearing should be convened;

(2) That the natural gas vehicle tariff may proceed as an experimental tariff under Va. Code § 56-234 and is necessary to acquire information which may be in the public interest;

(3) That the recommendations of Commission's Staff Report are supported by the record herein and should be adopted;

(4) That the Company's jurisdictional investments in the natural gas vehicle program should be limited to no more than $1,030,000 per year during the period 1992 through 1994. Near the end of that period, the Company may timely file an application with the Commission to continue this tariff as an experimental service offering or to request that the service be allowed to become permanent;

(5) That in the event the Company wishes to invest more than $1,030,000 in the natural gas vehicle program during the period 1992 through 1994, it should apply to the Commission for additional authority to do so;

(6) That the Company should submit a report at the conclusion of each calendar year during the period 1992 through 1994, to the Divisions of Energy Regulation and Public Utility Accounting, which report shall state in detail the investments, operating and maintenance costs, the number of customers, and sales associated with the natural gas vehicle tariff;

(7) That the Company and Staff should jointly develop a risk sharing mechanism for the natural gas vehicle tariff similar to the Company's margin sharing mechanism for interruptible sales service. This risk sharing mechanism should be included as part of any future rate application in which the Company seeks recovery of natural gas vehicle related costs; and

(8) That this matter should be dismissed from the Commission's docket of active proceedings.

Accordingly, IT IS ORDERED:

(1) That, consistent with the findings made herein, the Company's proposed natural gas vehicle tariff, as amended, is hereby accepted on an experimental basis, effective for service rendered on and after the date of this Final Order to and through January 2, 1995;

(2) That at the end of that period, the Company may timely apply to the Commission to continue its natural gas vehicle tariff as an experimental service or to make the tariff permanent;

(3) That NVNG's jurisdictional investments in the natural gas vehicle tariff program shall not exceed $1,030,000 per year during the period 1992 through 1994. In the event the Company wishes to exceed the $1,030,000 cap in a year during the period 1992 through 1994, it shall file an application with the Commission for authority to do so;

(4) That NVNG shall file a report at the conclusion of each calendar year with the Commission's Divisions of Energy Regulation and Public Utility Accounting during the period 1992 through 1994, setting forth in detail the investment, operating and maintenance costs, number of customers and the sales associated with the Company's natural gas vehicle tariff;

(5) That the Company and Staff shall forthwith develop a risk sharing mechanism similar to the Company's margin sharing mechanism for interruptible sales service, which shall be included as part of any future rate application in which the Company seeks recovery of natural gas vehicle related costs; and

(6) That there being nothing further to be done herein, this matter is hereby dismissed and the papers filed herein shall be made a part of the Commission's file for ended causes.

CASE NO. PUE910053
MAY 15, 1992

APPLICATION OF
COLONIAL WATERWORKS, INC.

For a certificate of public convenience and necessity

FINAL ORDER

On September 3, 1991, Colonial Waterworks, Inc. ("Colonial" or "Company") filed with the Clerk of the State Corporation Commission an application for a certificate of public convenience and necessity authorizing Company to provide water service to approximately 497 customers in the City of Suffolk and Southampton County, Virginia. Specifically, these customers are located in the Deerfield, Maple Hill, Bennett's Harbor and Beck's subdivisions of the City of Suffolk and the Scottswood subdivision of Southampton County.

Subsequently, Company advised Staff that it would amend its rules and regulations of service to delete all references to sewer service. On November 6, 1991, Company filed with the Commission its revised rules and regulations.

In its application, Company requested approval of its tariff as follows:

> Water Rates - Residential customers will be charged a flat rate of $15 per month, such charges shall become effective when water service is connected to the lot. Metered commercial customers will be charged $1 per thousand gallons. Non-metered commercial customers will be charged a flat rate of $80 per month.

Company also proposed a bad check charge of $15, a turn-on charge of $50 in the event that water service has been disconnected for non-payment, a customer deposit not to exceed the customer's estimated liability for two months' usage, and a $100 annual availability fee applicable to residential lots which do not receive water service but have service available upon request.

On December 20, 1991, the Commission issued an Order Inviting Written Comment and Request for Hearing. In its December 1991 Order, the Commission set February 18, 1992, as the deadline for interested persons to file comments or requests for hearing regarding Company's application. The Commission received comments from two of Company's customers objecting to the rates proposed in Company's application. There were no requests for hearing.

The Commission also received a letter dated February 21, 1992, from the Office of the City Attorney for the City of Suffolk ("the City"). In that letter the City noted customer complaints regarding the water service provided to customers in subdivisions located within the City. The City specifically addressed slow response in repairing broken water lines, inadequate fire protection, high concentrations of fluoride, sodium and dissolved solids and poor drinking water quality. The City requested that the Commission investigate these complaints. In addition, the City requested that the Commission, as a prerequisite to approving Colonial's tariff, receive assurances from the present owner that customer complaints have been addressed.

In its December 1991 Order, the Commission also directed Staff to review Company's application and submit a report to the Commission on February 28, 1992. On February 25, 1992, Staff, by counsel, filed a Motion to Extend Time for Filing Staff Report and stated that it needed additional time to investigate matters raised by the City in its February 21 letter. In an order dated February 27, 1992, the Commission granted Staff's Motion and extended the time for filing Staff's Report to March 13, 1992.

On March 4, 1992, the Commission received a letter from Colonial's president, Mr. Francis W. Allen, Jr. In this letter, Mr. Allen responded on behalf of the Company to matters raised by the City. He stated that the majority of the complaints referenced by the City relate to a period of time when the water system was operated by its former owner. Mr. Allen stated that, with the exception of fluoride, the Company meets all Virginia Health Department (VHD) requirements. Company further stated that it is making improvements to meet all VHD requirements. In addition, Mr. Allen informally objected to the City's comments being entered into the record since they were submitted after the deadline for comment by interested persons.

On March 13, 1992, Staff filed its Report detailing its findings and recommendations. In its Report, Staff recommended that the Commission grant Colonial a certificate of public convenience and necessity and approve its tariff subject to certain modifications.

These modifications relate to Company's bad check charge and a rate differential for the Deerfield subdivision. Staff recommended that Company's bad check charge be reduced to $6 consistent with our Final Order in Case No. 19589, Ex Parte, In Re: Investigation to determine the reasonableness of certain practices and charges by public utilities, 1977 S.C.C. Ann. Rept. 124.

Staff also recommended implementing Company's plan to charge a lower rate differential for the Deerfield subdivision. According to this plan, Company would continue to charge its Deerfield customers the April 20, 1991 rate and would institute the higher $15 rate effective April 21, 1992. Staff noted that this plan was proposed due to the statutory prohibition against multiple rate increases within a twelve-month period as stated in the Small Water or Sewer Public Utility Act ("SWSA"). Va. Code Ann. § 56-265.13:5 (1991 Cum. Supp.). In its Report, Staff noted that this prohibition is applicable in this instance since the former owner of the water system was certificated to serve the Deerfield subdivision and Deerfield's 1991 rates were established pursuant to the SWSA.

Staff also recommended the following: (1) that Company book depreciation on non-contributed plant at the 3% composite rate; and (2) that Company study the fire protection capability of its system and report the results of the study to the Commission's Division of Energy Regulation.

The City subsequently notified the Commission by letter dated April 1, 1992, that the City still had concerns relative to customer complaints, health hazards and fire protection capacity. Staff has advised the Commission that it is satisfied that the City's concerns have been addressed by the Company, Staff and the Virginia Department of Health.

NOW THE COMMISSION, having considered the application, the comments and responses thereto and Staff's Report, is of the opinion and finds that it is in the public interest to grant Colonial a certificate of public convenience and necessity. The Commission is of the further opinion, based on Staff's Report, that Company's tariff is just and reasonable and should be approved subject to the modifications recommended by Staff. Staff's recommendation relative to the Deerfield subdivision is moot since the time for implementing the rate differential has now expired. Accordingly,

IT IS ORDERED:

(1) That Colonial Waterworks, Inc. shall be granted Certificate No. W-269;

(2) That Company's proposed tariff is hereby approved subject to Staff's modification associated with bad check service charge;

(3) That Company shall amend its service charge associated with bad checks to conform with that stated in the Commission's Final Order dated January 10, 1977 in Case No. 19589;

(4) That Company shall study its fire protection capability and submit a report to the Commission's Division of Energy Regulation detailing the results of this study on or before May 1, 1993;

(5) That Company shall implement the booking recommendation proposed by Staff; and

(6) There being nothing further to be done, this case is hereby dismissed from the Commission's docket of active cases.

CASE NO. PUE910056
JUNE 5, 1992

PETITION OF
KENTUCKY UTILITIES COMPANY
d/b/a OLD DOMINION POWER COMPANY

To revise its tariff

ORDER GRANTING PETITION TO REVISE TARIFF

On September 10, 1991, Old Dominion Power Company ("Old Dominion") filed with the Commission a First Revised Sheet 29 of its tariff S.C.C. No. 12. In its filing, Old Dominion proposed to limit the availability of its customer rural extension plan. Specifically, Old Dominion would offer the plan for residential and rural commercial single-phase power service. Old Dominion also proposes to restrict the definition of "customer" under the tariff to mean "any single-family residence or apartment with year-round usage and operation requesting single-phase power service who is an applicant for electric service from a line extension who shall have contracted with [Old Dominion] to take and pay for the same for a definite period of time".

On December 1, 1991, Old Dominion merged with Kentucky Utilities Company, both a Kentucky and a Virginia corporation. Kentucky Utilities Company, however, transacts business in Virginia under the fictitious name "Old Dominion Power Company"; therefore, Kentucky Utilities Company will be referred to herein as "Old Dominion".

On February 28, 1992, the Commission issued its Order for Notice and Inviting Comments ("Order") which, among other things, required Old Dominion to publish notice of its proposed tariff revision, to serve notice of the proposed tariff revision upon certain government officials, and to provide an opportunity for any interested person to file comments or request a hearing on the proposed tariff revision.

On April 13, 1992, Old Dominion, by counsel, filed its proof of publication and service on certain governmental officials. No comments or requests for a hearing were received by the Commission.

The Commission, upon consideration of this matter, is of the opinion and finds that the petition of Old Dominion to revise its tariff should be granted. Accordingly,

IT IS ORDERED that as of this date Original Sheet 29 of Old Dominion's tariff S.C.C. No. 12 be, and it hereby is, replaced with First Revised Sheet No. 29 for said tariff.

CASE NO. PUE910057
FEBRUARY 5, 1992

APPLICATION OF
RESTON/LAKE ANNE AIR CONDITIONING CORPORATION

To revise its tariffs

DISMISSAL ORDER

ON September 23, 1991, Reston/Lake Anne Air Conditioning Corporation ("RELAC" or "Company") filed an application to revise its tariff. In a December 23, 1991 Order, the Commission docketed the matter, appointed a Hearing Examiner to conduct all further proceedings in this matter and scheduled the matter for hearing on March 2, 1992.

By letter dated January 13, 1992, Mr. Douglas A. Cobb, in his capacity as president of RELAC, requested permission to withdraw Company's application. In a January 16, 1992 Ruling, the Hearing Examiner granted Company's request to withdraw its application, canceled the hearing set for March 2, 1992 and recommended that the Commission enter an order dismissing the application from its docket of pending proceedings.

NOW THE COMMISSION, is of the opinion and finds, that the Hearing Examiner's recommendation is reasonable and should be accepted. Accordingly,

IT IS ORDERED that this matter shall be dismissed from the Commission's docket of pending proceedings and the papers placed in the file for ended causes.

CASE NO. PUE910058
AUGUST 14, 1992

APPLICATION OF
WINTERGREEN VALLEY UTILITY COMPANY, L.P.

For a certificate of public convenience and necessity

FINAL ORDER

On October 4, 1991, Wintergreen Valley Utility Company, L.P. ("Wintergreen" or "Company") filed an application with the Commission requesting a certificate of public convenience and necessity. In its application, Wintergreen requested authority to provide water and sewerage service to its customers located in the Stoney Creek subdivision of Nelson County, Virginia. Wintergreen also requested approval of its current tariff.

Company's water rates and charges are as follows:

	Gallons Per Month	Rate
Residential		
For the first	6,000	$15.00/month
All over	6,000	$ 2.00/1,000 gal.
Commercial		
For the first	120,000	$180.00/month
All over	120,000	$ 2.40/1,000 gal.

Service Connection Fees:
3/4-inch residential service - $500.00
Commercial service - $1,000.00

Company also proposes a $4.25 monthly availability fee for residential lots which have no water service where water service is available upon request after payment of a connection fee. Company also proposes a charge for testing the accuracy of water meters. Company proposes to charge its customers the actual cost of the test where the meter has been tested within the last two years and found to have less than a 2% margin of error.

Company's sewerage rates are as follows:

	Gallons Per Month	Rate
Residential		
For the first	6,000	$30.00/month
All over	6,000	$ 2.70/1,000 gal.
Commercial		
For the first	120,000	$360.00/month
All over	120,000	$ 2.70/1,000 gal.

Service Connection Fees:
Single family dwelling - $1,000
Multi-family dwelling - $1,000 per unit

Commercial or recreational facility - actual cost, but in no event, less than $2,000

In addition, Company proposes to charge a customer deposit not to exceed the estimated bill for two months' usage, a reconnect fee of $15.00, and a bad check charge of $6.00. Company also proposes a late payment fee of 1 1/2 percent per month on past due balances.

In an order dated December 20, 1991, the Commission docketed the matter, directed Staff to investigate the application and present a report detailing its findings and recommendations and ordered Company to provide its customers with an opportunity for comments and requests for hearing.

Company subsequently filed a motion requesting leave to amend its application to modify the availability of service under the residential rate to include small commercial customers. Specifically, Wintergreen proposed to bill three existing small commercial customers at the lower residential rate due to their low usage patterns. In an order issued on February 12, 1992, the Commission granted Company's motion.

On April 21, 1992, the Company filed another motion requesting permission to amend its application to include an availability fee as a portion of its tariff. The Commission granted that motion on May 1, 1992. On May 14, 1992, the Commission issued an order directing Company to provide its customers with an opportunity for comments and requests for hearing on the amended application. In its order, the Commission directed Staff, on or before July 1, 1992, to file a report detailing its findings and recommendations.

The Commission received comments from one of Wintergreen's customers. In his comments, the customer objected to the availability fee proposed by the Company. In a letter dated June 8, 1992, Company responded to the customer's concern. In that letter, Company explained that the availability fee was the same fee as currently paid to the developer. Company noted that, pursuant to the amended application, this fee would now be included as a portion of Wintergreen's operating revenues. The customer subsequently withdrew the objection.

On July 1, 1992, Staff filed its report and recommended that the Commission grant Company a certificate of public convenience and necessity. In its report, Staff noted that Company's proposed rates were not excessive. Staff, however, recommended that the Commission order Company to maintain its own set of books in accordance with the Uniform System of Accounts for Class C Water and Sewer Utilities; to make appropriate booking entries adjusting plant in service for connection fees that should be recorded as contributions in aid of construction; and to maintain time records detailing utility related jobs performed by employees of the developer and to submit such records to the Commission one year from the date of this Order. In addition, Staff recommended that Company be ordered to file an Annual Financial and Operating Report beginning with the 1992 calendar year. Further, Staff recommended that Company include, in its tariff, certain language for Schedule No. 1 to address the availability of the lower rate to the small commercial customer. Staff also recommended that Company include, in its tariff, a fixed charge for testing meter accuracy equal to the fifty dollar ($50) current actual cost.

NOW THE COMMISSION, having considered the amended application, customer's comments and Staff's report, is of the opinion and finds that Wintergreen should be granted a certificate of public convenience and necessity. The Commission is of the further opinion that Company's tariff should be approved subject to the modifications specified below and that Staff's accounting recommendations should be adopted. Accordingly,

IT IS ORDERED:

(1) That Wintergreen Valley Utility Company, L.P. shall be granted certificates No. W-270 and S-78 to provide water and sewerage service to residents of the Stoney Creek subdivision;

(2) That Company's tariff, as amended, is hereby approved subject to the modifications proposed by Staff;

(3) That Company shall amend its tariff to include a fixed charge for meter accuracy tests as recommended by Staff in its July 1, 1992 Report;

(4) That Company shall amend the language in Schedule 1 of its tariff to make the lower rate available to both residential and small commercial customers and shall include the following language: Availability of Service Under the Residential and Small Commercial Rate

> Commercial customers with average usage rates below 30,000 gallons per month shall be billed for their water under the residential and small commercial rate;

(5) That Company shall maintain its own set of books in accordance with the Uniform System of Accounts for Class C Water and Sewer Companies;

(6) That Company shall maintain records detailing utility related jobs performed by employees of the developer and shall submit such records to the Commission's Division of Public Utility Accounting on or before September 1, 1993;

(7) That Company shall make the appropriate booking entries as recommended in Staff's report;

(8) That Company shall file with the Commission's Division of Public Utility Accounting an Annual Financial and Operating Report beginning with calendar year 1992; and

(9) That there being nothing further to be done this matter shall be dismissed and the papers placed in the file for ended causes.

CASE NO. PUE910059
JANUARY 8, 1992

APPLICATION OF
MECKLENBURG ELECTRIC COOPERATIVE

To amend its certificate of public convenience and necessity authorizing operation of facilities in the City of Emporia: Virginia Electric & Power Company - Belfield Substation 115kV Line

ORDER GRANTING AMENDED CERTIFICATE

Before the Commission is Mecklenburg Electric Cooperative's ("Mecklenburg" or "Cooperative") application to amend its certificate of public convenience and necessity for Greensville County, Certificate No. ET120, to authorize the construction and operation outside its service territory of a portion of a single-circuit 115kV line. Mecklenburg proposes to construct the line from an interconnection point with existing Virginia Electric and Power Company ("Virginia Power") facilities to its proposed Belfield 115kV/25kV Substation. The proposed line would extend for approximately 6,596 feet and would require new right-of-way cleared to a width of approximately 100 feet. Of the total length of the proposed line, approximately 1,014 feet would lie in Virginia Power's service territory. The connection with existing Virginia Power facilities; the entire proposed line; and the proposed substation would all lie within the City of Emporia.

According to information in its application, projected load growth will exhaust the capacity of the Cooperative's Emporia Substation in 1992. Mecklenburg has determined that the most efficient and economical means of serving existing and anticipated growth would be to construct the Belfield Substation in its service territory. The new substation would improve reliability while reducing line losses and voltage fluctuations. The power for the proposed substation would be provided by the single-circuit 115kV line.

In planning for the construction of this line, Mecklenburg prepared a Borrower's Environmental Report required by the Rural Electrification Administration. According to the application filed with the Commission, the Soil Conservation Service, the Virginia Marine Resources Commission, and the Virginia Department of Conservation and Recreation approved the Borrower's Environmental Report and the proposed construction. The Cooperative also conducted an archeological study in conjunction with the Virginia Department of Historic Resources. The study indicated no prehistoric or significant historic cultural resources.

The proposed transmission corridor would parallel a railroad line for approximately 1,000 feet. As explained in the application, the balance of the line would cross areas of low vegetation and fields suitable for farming. The proposed routing would minimize the impact on agricultural activities. The Cooperative explained in its application that seven property owners would be affected by the proposed line. As of October 3, 1991, four property owners had entered into agreements to furnish necessary right-of-way, and negotiations continued with the remaining land owners. The application included a letter from the Emporia City Manager advising that the proposed project, including the transmission line, met zoning restrictions. As also shown in Mecklenburg's filing, Virginia Power has agreed to routing a portion of the line through its service territory.

The Commission finds that, pursuant to § 56-265.2 of the Virginia Code, it has jurisdiction over this application to construct and to operate a portion of the line outside Mecklenburg's allotted service territory. As we have noted in prior decisions, some of the facilities of the type proposed in this application, a 115kV line and a 115kV/25kV substation, are ordinary extensions and additions of facilities. Under the statute, the need for certification extends only to that portion of the 115kV line, approximately 1,000 feet, located outside Mecklenburg's allotted service territory.

The application shows that Mecklenburg has given actual notice of this application to Virginia Power, the City of Emporia, affected landowners, and various environmental agencies. There do not appear to be any substantial disputed issues of fact; therefore, the Commission finds that it may dispose of this application without further proceedings.

Upon review of the application, the Commission finds that there is a need for the line connecting the proposed substation to Virginia Power facilities. Anticipated load growth requires additional facilities in Emporia, and Virginia Power does not oppose the construction of the line through its service territory.

The Commission notes that various environmental agencies have approved the proposed project. The project is also in keeping with local zoning. From information provided in the application, it appears that the proposed line would have minimal impact on the environment of the area transited and that existing agricultural activities could be continued. Based on this application, the Commission finds that the public convenience and necessity require that Mecklenburg be authorized to construct and operate a portion of the proposed line through Virginia Power's territory. Accordingly,

IT IS ORDERED:

(1) That, pursuant to § 56-265.2 of the Virginia Code, this application shall be docketed, assigned Case No. PUE910059, and that all papers shall be filed therein;

(2) That, pursuant to § 56-265.2 of the Virginia Code, this application be, and hereby is, granted;

(3) That Mecklenburg be, and hereby is, authorized to construct and to operate a single-circuit 115kV transmission line from existing Virginia Power facilities to the proposed Belfield Substation;

(4) That Mecklenburg be issued an amended certificate of public convenience and necessity as follows:

Certificate No. ET120a, for Greensville County, authorizing Mecklenburg Electric Cooperative to construct and operate a proposed single circuit 115 kV line in the City of Emporia, as shown on the map attached hereto; Certificate No. ET120a will supersede Certificate No. ET120, issued on July 18, 1960.

(5) That this case be, and hereby is, dismissed from the docket of active proceedings and the papers herein be placed in the files for ended cases.

CASE NO. PUE910060
JANUARY 24, 1992

NOTIFICATION OF
AMVEST OIL & GAS, INC.
and
GLAMORGAN COAL CORPORATION

To furnish gas service pursuant to Va. Code § 56-265.4:5

ORDER DISMISSING PROCEEDING

On October 11, 1991, AMVEST Oil & Gas, Inc. ("Amvest") filed with the State Corporation Commission ("Commission") its notification pursuant to Va. Code § 56-265.4:5 of its plans to provide service under Va. Code § 56-265.1(b)(4) to Glamorgan Coal Corporation ("Glamorgan").

On November 4, 1991, the Commission entered an Order docketing the proceeding and notifying all public utilities providing gas service in the Commonwealth of Amvest's plans to furnish gas service and advising jurisdictional natural gas public utilities that they could file an

application to provide natural gas service in the area identified in Amvest's notification documents within sixty days of the entry of that Order. In addition, the Order directed Staff to investigate whether Glamorgan's facilities were located within a territory for which a certificate of public convenience and necessity to provide natural gas service had been granted and to file a memorandum with the Commission advising the Commission of its findings.

On November 21, 1991, the Division of Energy Regulation filed a memorandum with the Commission, advising that it had completed its investigation into the matter and determined that Glamorgan's facilities were not located within an area for which a certificate of public convenience and necessity to provide natural gas service had been issued. On November 25, 1991, the Commission entered its Order Determining Location of Facilities, wherein it also determined that Glamorgan's facilities were not within a territory for which a certificate of public convenience and necessity to provide natural gas service had been granted. It determined that natural gas service by Amvest to Glamorgan for use by Glamorgan's industrial plant and office facilities was not prohibited.

Sixty days from the Commission's November 4 order has elapsed and no jurisdictional public utility has filed an application to provide natural gas service within the area identified in the captioned notification.

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that this matter should be dismissed. Accordingly, IT IS ORDERED that this matter shall be dismissed from the Commission's docket of active proceedings, and the papers filed herein be made a part of the Commission's file for ended causes.

CASE NO. PUE910062
MARCH 6, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
UNITED CITIES 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 United Cities Gas Company ("United Cities" or "Company"), the Defendant, and alleges:

(1) That United Cities 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 20, 1991, and September 19, 1991, United Cities violated several subparts of 49 C.F.R. §192 ("Safety Standards") by conduct including the following:

(a) Failing to conduct required inspections of certain regulator stations;

(b) Failing to conduct the required inspection of a certain relief device;

(c) Failing to conduct required inspections of certain exposed mains;

(d) Failing to take remedial action when external corrosion was noted on certain sections of buried pipe, when exposed;

(e) Failing on certain occasions to comply with United Cities' procedures regarding pipe-to-soil potential measurement; and

(f) Failing to conduct the required inspections of certain cathodic protection rectifiers.

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, United Cities represents and undertakes that:

(1) The Company will pay a fine to the Commonwealth of Virginia in the amount of $44,000 to be paid 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. The Company shall verify its booking by filing a copy of the journal voucher showing this entry with the Division of Public Utility Accounting.

(3) The Company will emphasize and reemphasize to its employees the importance of the required and timely inspections of regulator stations, exposed mains, and cathodic protection rectifiers.

(4) The Company will take appropriate actions to make sure metallic buried pipes, when exposed, are examined for corrosion and the required remedial actions are taken when corrosion is noted as required by 49 C.F.R. §192.459.

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 United Cities has made a good faith effort to cooperate with the Staff during its investigation and further, has agreed to timely comply with the 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 United Cities be, and it hereby is, accepted;

(2) That pursuant to Virginia Code § 56-5.1, United Cities be and it hereby is, fined in the amount of $44,000;

(3) That the sum of $44,000 tendered contemporaneously with the entry of this Order is accepted;

(4) That United Cities timely comply with the remedial action outlined herein; and

(5) That this case is dismissed and the papers herein be placed in the file for ended causes.

CASE NO. PUE910066
MAY 13, 1992

APPLICATION OF
WATER DISTRIBUTORS, INC.

To amend a certificate of public convenience and necessity

FINAL ORDER

On October 25, 1991, Water Distributors, Inc. ("WDI" or "Company") filed an application to amend its certificate of public convenience and necessity (Certificate No. W-226a). In its application, Company requested permission to abandon service to all areas located in Roanoke County, Virginia ("the County"), specifically an area known as the Bridlewood subdivision. In support of this request, Company stated that all its real estate and facilities located in the County were sold to the County pursuant to an agreement signed on September 1, 1990.

Company also requested permission to further amend its certificate to include in its service territory an area in Botetourt County, Virginia, known as Highland Manor subdivision. Company stated that it intended to provide service to Highland Manor subdivision under the same tariff currently on file with the Commission.

On December 20, 1991, the Commission issued an Order Inviting Written Comments and Requests for Hearing. In its order, the Commission set February 21, 1992, as the deadline for interested persons to file comments or requests for hearing regarding Company's application. The Commission has received no comments or requests for hearing from interested persons.

In its December 1991 Order, the Commission also directed Staff to review Company's application and submit a report to the Commission on March 5, 1992. Staff filed that report detailing its review of Company's application and recommended that the Commission grant Company's request to amend its certificate.

NOW THE COMMISSION, having considered the application and Staff's Report, is of the opinion and finds that amendment of Company's certificate pursuant to § 56-265.3(D) is in the public interest. Accordingly,

IT IS ORDERED:

(1) That Water Distributors, Inc.'s Certificate No. W-226a authorizing Company to provide water service to the Bridlewood subdivision be, and hereby is, canceled;

(2) That Company shall be granted an amended certificate (Certificate No. W-226b) to provide water service and include in its service territory the Highland Manor subdivision; and

(3) That there being nothing further to be done, this case shall be, and hereby is, removed from the Commission's docket of active cases, and the papers placed in the file for ended causes.

CASE NO. PUE910068
JANUARY 22, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
WASHINGTON GAS LIGHT 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 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 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 gas company's compliance with the minimum safety standards, has conducted an investigation of Washington Gas Light Company ("Washington Gas" or "Company"), the Defendant, and alleges:

(1) That Washington Gas 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 on June 11, 1991, and August 16, 1991, Washington Gas violated several subparts of 49 C.F.R. §192 by conduct including the following:

(a) Failing to conduct the required inspections of certain critical valves;

(b) Failing on certain occasions to comply with the Company's procedures regarding repair of Grade "2" leaks;

(c) Failing to have line markers on certain above ground facilities;

(d) Failing to have a lock on a certain valve; and

(e) Failing to conduct the required inspection of a certain regulator station.

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, Washington Gas represented that:

(1) The Company would pay a fine to the Commonwealth of Virginia in the amount of $17,000 to be paid 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 January 20, 1992, Washington Gas would tender to the Commission a letter from the President of Washington Gas, certifying that the Company has installed line markers on its facilities at (a) Rolling Road and Grigsby Road and (b) Leesburg west of Route 28;

(4) The Company will emphasize and reemphasize to its employees the importance of the required and timely inspections of regulator stations and critical valves;

(5) On or before January 20, 1992, Washington Gas wouldtender to the Commission a letter from the President of Washington Gas, certifying that the Company has locked the valve to the sensing line on station No. 563; and

(6) The Company will take appropriate actions to make sure that all gas leaks are repaired in accordance with the Company's written procedures.

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 Washington Gas has made a good faith effort to cooperate with the Staff during its investigation, has submitted a letter from its President certifying completion of the remedial action to be taken by January 20, 1992, and further, has agreed to timely comply with the remaining 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 Washington Gas Light Company be, and it hereby is, accepted;

(2) That pursuant to Virginia Code § 56-5.1, Washington Gas Light Company be, and it hereby is, fined in the amount of $17,000;

(3) That the sum of $17,000 tendered contemporaneously with the entry of this Order is accepted;

(4) That Washington Gas Light Company timely comply with the remedial action outlined herein; and

(5) That the Commission retains jurisdiction over this matter for all purposes.

CASE NO. PUE910072
APRIL 3, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
VIRGINIA NATURAL GAS, 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 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 Virginia Natural Gas, Inc. ("VNG" or "Company"), the Defendant, and alleges:

(1) That VNG 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 6, 1991, and December 19, 1991, VNG violated various subparts of 49 C.F.R. §192 and §199 by the following conduct:

(a) Failing on certain occasions to comply with the Company's written procedures regarding repair of gas leaks;

(b) Failing to correctly set relief pressure at certain regulator stations;

(c) Failing to keep proper records regarding relief device set points;

(d) Failing to lock inlet valves to relief devices at certain regulator stations;

(e) Failing to document annual testing of cathodic protection on certain pipe sections;

(f) Failing to install warning signs on a certain bridge crossing;

(g) Failing to have the names and addresses of testing labs and Medical Review Officers ("MROs") in Company's drug plan;

(h) Failing on certain occasions to follow the Company's written pipeline construction procedures;

(i) Failing to properly correct damaged pipeline coating;

(j) Failing to have an inspector present during certain welding operations; and

(k) Failing to have an inspector present during certain backfilling operations.

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, VNG represents and undertakes that:

(1) The Company will pay a fine to the Commonwealth of Virginia in the amount of $118,000 to be paid contemporaneously with the entry of this order. This 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) Contemporaneously with the entry of this order, VNG will tender to the Commission a letter from the president of VNG certifying that the Company:

(a) has taken appropriate actions to correct relief settings at Stations N-3, N-20, N-21, and N-27; and to secure relief devices at stations N-4 and N-8;

(b) has revised its drug plan to include names and addresses of testing labs and MROs;

(c) will maintain proper documentation to show annual testing of cathodic protection on pipe sections NPA17WST and NPD71QGA; and

(d) will comply with the Company's written procedure regarding repair of gas leaks; and

(4) During construction of its pipelines, the Company will make certain that:

(a) a Company inspector is present during backfilling operations to ensure that the pipeline is constructed in accordance with the Company's written procedures and the applicable sections of the Code of Federal Regulations;

(b) a welding inspector is present during welding operations to ensure that welding is performed in accordance with the Company's written procedures and the applicable sections of the Code of Federal Regulations; and

(c) all pipeline construction will be in accordance with the Company's written procedures and the applicable sections of the Code of Federal Regulations.

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 VNG has made a good faith effort to cooperate with the Staff during its investigation, and 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 VNG be, and it hereby is, accepted;

(2) That pursuant to Virginia Code § 56-5.1, VNG be and it hereby is, fined in the amount of $118,000;

(3) That the sum of $118,000 tendered contemporaneously with the entry of this Order is accepted;

(4) That the letter tendered by the president of VNG certifying completion of the remedial action outlined herein is accepted; and

(5) That this case is dismissed and the papers herein be placed in the file for ended causes.

CASE NO. PUE910075
OCTOBER 1, 1992

APPLICATION OF
HIGHLAND LAKE WATER WORKS, INC.

For an increase in tariff pursuant to Virginia Code § 56-265.13:1 et seq.

FINAL ORDER

On November 13, 1991, Highland Lake Water Works, Inc. ("Highland Lake" or "Company") tendered notice of its intent to raise its rates and charges pursuant to the Small Water or Sewer Public Utility Act (Va. Code §§ 56-265.13:1 et seq.) to the State Corporation Commission. That notice, however, did not comply with the Commission's Rules Implementing the Small Water or Sewer Act, as amended ("Rules"). The Company filed notice on November 25, 1991, which included information providing the location where its application could be reviewed and an address where customers could file written comments. That revised notice was also provided to the Company's customers. The Company thus complied with the Commission's Rules.

The revised notice advised Company's customers of its intent to increase its rates and charges effective for service rendered on and after February 1, 1992. In addition to several miscellaneous charge increases, Company proposed to increase the flat rate for water service from $15 per month to $30 per month.

By December 16, 1991, more than 25% of Company's customers had notified the Commission of their objections to the proposed rate increase. In an order dated December 24, 1991, the Commission scheduled the matter for hearing on April 15, 1992 and declared Company's rates to be interim and subject to refund.

On the appointed day, the matter came to be heard before Senior Hearing Examiner, Russell W. Cunningham. Counsel appearing were David W. Shreve for the Company and Marta B. Curtis for the Commission Staff. At the hearing, three of Company's customers appeared opposing the magnitude of Company's proposed increase and expressing differences with past management of the Company.

At the time of the hearing, Staff and Company were in agreement on the majority of issues. Although Company agreed with most of Staff's accounting adjustments, several issues remained in controversy regarding Company's operation and maintenance expenses. These issues related to salary and associated taxes expense, telephone expense, late payment fees and mileage expense. The appropriate bad check charge also generated some controversy. Staff recommended Company maintain its books in accordance with the Uniform System of Accounts for Class C water utilities and suggested Company book adjusting entries to several rate base related accounts to properly reflect the balances.

Staff also discussed the appropriateness of a metered rate structure for Highland Lake. Specifically, Staff recommended Company consider such a structure and file a plan for its implementation with the Division of Energy Regulation. Staff, however, expressed concern with Company's ability to collect its fixed costs with such a structure given the seasonal nature of its customers. Finally, Staff noted that the Company had been assessing a turn-on charge in excess of the $25 authorized charge and an unauthorized turn-off fee. Staff urged that the Company be ordered to stop charging and refund the turn-off fee of $30 and refund the turn-on charge in excess of the approved $25 fee.

On July 8, 1992, the Hearing Examiner filed his Report. In his Report, the Examiner agreed with Staff's adjustment to eliminate expenses associated with late payment fees. The Examiner noted that it was Company's responsibility to pay its bills in a timely fashion and that customers should not be charged with Company's failure to do so. The Examiner also agreed with Staff's position to disallow the $10 bad check charge currently charged by Company. The Examiner found no facts to justify a bad check charge in excess of $6.

In his Report, the Examiner disagreed with Staff's adjustments regarding salary expense, telephone expense and mileage expense items. Specifically, the Examiner found:

(1) That the $1,000 a month salary expense for owner/manager, Mr. Byron P. Lambert was not unreasonable and was supported by evidence presented at the hearing;

(2) That the monthly basic service charge associated with the home telephone of C. Aron was related to work performed as a part time employee performing billing and bookkeeping services at home and that this expense was not unreasonable; and

(3) That the mileage figure and the resulting expense associated with Mr. Lambert's automobile was supported by testimony presented at the hearing and was not unreasonable.

The Examiner, therefore, found it proper to include, in Staff's calculation of operating expense, $12,000 per year salary and associated tax expense for Mr. Lambert, $318 of telephone expense for part time employee Aron and $1,421 of mileage expense for a total of $13,733 additional operation and maintenance expense. The Examiner noted that, with the inclusion of these expenses and the $21 flat rate recommended by Staff, Company would have a net operating loss of $10,512.

The Examiner concluded that the $30 interim flat rate was not unreasonable as it would produce net operating income of $165 and a .38% return on rate base. The Examiner, therefore, recommended that the $30 interim rate be made permanent.

Based on the testimony of Staff witness Frassetta, the Examiner recommended that Company be directed to formulate a metering plan for the conversion from a flat rate to a metered rate. The Examiner also recommended that the Company be directed to advise its customers of its plan to implement metered rates, seek customers' input and comments and submit the metering plan to Staff for its review. Moreover, the Examiner recommended that the metering plan be implemented on a trial basis to assist in the development of an appropriate rate structure. The Examiner further recommended that the Commission retain jurisdiction of the matter in order to monitor the development and implementation of a metered rate structure. No comments were filed to the Hearing Examiner's Report.

NOW THE COMMISSION, having considered the record, the Examiner's Report and the comments thereto, is of the opinion and finds that the findings and recommendations of the Examiner are reasonable and should be accepted. The Commission is of the further opinion that certain additional recommendations of Staff relative to booking accounting adjustments and implementation of a metered rate structure are reasonable and should be adopted as modified herein. Accordingly,

IT IS ORDERED:

(1) That Company's $30 interim flat rate shall be and hereby is made permanent;

(2) That Company shall discontinue charging the $30 turn-off fee and shall not charge a turn-on fee in excess of the $25 approved charge;

(3) That Company shall refrain from charging a bad check charge in excess of $6;

(4) That Company shall maintain its books in accordance with Uniform System of Accounts for Class C water utilities with specific reference to maintaining its books on an accrual basis;

(5) That Company shall book an adjusting entry to several rate base related accounts to properly reflect account balances as of December 31, 1991, as recommended in Staff witness DeBruhl's prefiled testimony;

(6) That Company shall formulate a plan for implementing metered rates and include in the plan the anticipated date for metering each subdivision and the estimated cost for metering Company's customers;

(7) That Company shall advise its customers of the metering plan and shall provide customers with an opportunity to comment on the proposed plan;

(8) That forty-five days after customers have had an opportunity to comment on the plan, Company shall submit the metering plan to the Commission's Division of Energy Regulation;

(9) That Company shall, after review of the metering plan by the Commission's Division of Energy Regulation, implement an approved metering plan on a trial basis keeping records of meter usage data;

(10) That, upon implementing the approved plan on a trial basis, Company shall compile at least 12 months of meter usage data and shall submit such data to the Commission's Division of Energy Regulation in a form that would support a proposed rate structure;

(11) That, on or before January 1, 1993, Company shall refund, with interest as directed below, all revenues collected in excess of the authorized $6 bad check charge and the $25 turn-on charge and shall refund all revenues collected pursuant to any unauthorized turn-off charge;

(12) That interest upon the ordered refunds shall be computed from the date payment was due until the date refunds are made at and for each calendar quarter;

(13) That the interest required to be paid shall be 6% annual interest compounded quarterly;

(14) That the refunds ordered in Paragraph 11 above may be accomplished by credit to the appropriate customer's account for current customers (each 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 customer when the refund amount is $1 or more. Highland Lake may offset the credit or refund to the extent no dispute exists regarding the outstanding balances of its current customers or customers who are no longer on its system. To the extent that outstanding balances of such customers are in dispute, no offset shall be permitted for the disputed portion;

(15) That, on or before March 31, 1993, Company shall file with the Commission's Division of Energy Regulation a document showing that all refunds have been lawfully made pursuant to this Order;

(16) That Company shall bear all costs of the refunding directed in this Order; and

(17) That this matter shall be subject to the continuing review and appropriate directive of this Commission.

CASE NO. PUE910078
MARCH 16, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
TIDEWATER WATER COMPANY
TIDEWATER WATER COMPANY - ISLE OF WIGHT
TIDEWATER WATER COMPANY - SUFFOLK
TIDEWATER WATER COMPANY - SOUTHAMPTON
TIDEWATER WATER COMPANY - JAMES CITY
AQUA SYSTEMS, INC.
KILBY SHORES WATER COMPANY

On November 1, 1991, Tidewater Water Company ("Tidewater" or "Company") notified its customers of a proposed increase in rates for several of its affiliated companies. Tidewater's notice specifically stated that water rates would increase for customers of Tidewater Water Company - Isle of Wight; Tidewater Water Company - Suffolk; Tidewater Water Company - Southampton; Tidewater Water Company - James City; Aqua Systems, Inc. and Kilby Shores Water Company. In a January 17, 1992 Order, the Commission docketed the matter, appointed a Hearing Examiner to conduct all further proceedings in this matter and scheduled the matter for hearing on May 6, 1992.

On February 18, 1992, counsel for Tidewater requested permission to withdraw Company's application. In a February 19, 1992 Ruling, the Hearing Examiner granted Company's request to withdraw its application, canceled the hearing set for May 6, 1992 and recommended that the Commission enter an order granting Company's request and dismissing the application from its docket of pending proceedings. The Examiner noted that there was no need to order Company to refund since Tidewater did not place its proposed rates into effect.

NOW THE COMMISSION is of the opinion and finds that the Hearing Examiner's recommendation is reasonable and should be accepted. Accordingly,

IT IS ORDERED:

(1) That Tidewater's request to withdraw its application for an increase in rates is hereby granted; and

(2) That this case shall be dismissed from the Commission's docket of pending proceedings and the papers placed in the file for ended causes.

CASE NO. PUE910080
JUNE 24, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
TERRI WALDEN, et al.
v.
MANAKIN WATER AND SEWERAGE CORPORATION

FINAL ORDER

On December 3, 1991, Manakin Water and Sewerage Corporation ("Manakin" or "Company") notified its customers pursuant to the Small Water or Sewer Public Utility Act of an increase in its tariff effective January 31, 1992. In its tariff, Company proposed the following change in its sewerage rates and charges:

	Current	Proposed
Monthly Sewer Usage Rate Flat Rate - All Usage	$ 15.00	$ 32.00
Connection Fee - Single Family Dwelling	$2,500.00	$3,000.00
Construction Fee - Existing Single Family Dwelling on Septic Systems	$ -0-	$3,500.00
Deposit - held one year	$ 30.00	$ 35.00

Company also proposed a change in its rules and regulations of service. Company proposed to assess the $32 monthly fee when a certificate of occupancy was issued rather than when a dwelling was actually connected to the system.

On December 19, 1991, Company's customers delivered to the Commission a Petition opposing Company's proposed increase and requesting a hearing to review the matter. In an order dated January 6, 1992, the Commission scheduled the matter for hearing on April 28, 1992 and declared Company's rate increase to be interim and subject to refund with interest. In its January 6, 1992 Order, the Commission directed Staff to investigate the reasonableness of Company's proposed increase and established a procedural schedule for filing of pleadings, testimony and exhibits.

On the appointed day, the matter came to be heard before Hearing Examiner Glenn P. Richardson. Counsel appearing were Ian D. Titley for Company and Marta B. Curtis for the Commission Staff. At the hearing, two of Company's customers appeared as public witnesses and made statements opposing Manakin's proposed rate increase. Both of the customers complained about the magnitude of Company's proposed increase (113%) and requested that the Commission approve a more equitable and reasonable rate. One of the customers also suggested that the large increase was proposed to fund improvements for future development of the subdivision.

At the time of the hearing, several issues remained between Company and Staff. Those issues related to the proper accounting system which Company should use, certain booking recommendations, and a proposed construction fee applicable to customers on septic systems. The construction fee was proposed to apply to those septic system customers who desire to connect to the Manakin system. During the hearing, however, Company agreed to withdraw its construction fee and to accept Staff's accounting methodology and booking recommendations thus eliminating all disputed issues between Company and Staff. Therefore, we do not approve the proposed construction fee.

On May 6, 1992, the Hearing Examiner filed his Report. In his Report, he found that:

(1) The use of a test year ending October 31, 1991 is appropriate in this proceeding;

(2) The Company's test year operating revenues, after all adjustments, were $45,115;

(3) The Company's test year operating revenue deductions, after all adjustments, were $70,052;

(4) The Company's test year operations produced a net operating loss of $24,937, and a negative rate of return during the test year;

(5) The Company's proposed rates will generate $51,000 in additional annual operating revenues, which will give the Company an opportunity to earn a net operating income of $26,063 and a 5.71% return on rate base;

(6) The Company's proposed rates are just and reasonable, and the interim rates currently in effect should be made permanent;

(7) The Company's proposed connection fee, deposit amount and amendment to its rules and regulations of service are just and reasonable and should be approved by the Commission; and

(8) Staff witnesses Boyer's and Gahn's recommendations should be adopted by the Commission, and the Company should be directed to: (i) maintain its books and records in accordance with the Uniform System of Accounts for Class C Sewer Utilities; (ii) restate its books and make correcting entries for utility plant in service, accumulated depreciation, retained earnings, and contributions in aid of construction in accordance with Staff Witness Boyer's recommendations; and (iii) study the feasibility of implementing a volumetric rate for sewer service and present its findings to the Staff prior to filing notice of its next rate case.

The Examiner recommended that the Commission enter an order that adopts the findings in his Report, grants Company's proposed increase in rates and dismisses this case from the Commission's docket of active cases. There were no comments or exceptions to the Hearing Examiner's Report.

NOW THE COMMISSION, upon consideration of the record developed herein and the Hearing Examiner's Report, is of the opinion and finds that the findings and recommendations of the Examiner are reasonable and should be adopted. As the Examiner noted, this increase is the result of the cost of Company's compliance with the requirements of the State Water Control Board, and there is no evidence that Company's cost of service is inflated by excessive costs or unwarranted expenditures. We therefore agree that there is no expense which should be reduced to mitigate the impact on customers' rates in this instance.

The Examiner properly rejected the claim that customers are subsidizing system costs associated with any improvements or excess capacity related to future development of the subdivision. To the contrary, as the Examiner explained, the record reflects that the developer, Manakin Farms, Inc., has agreed to pay a $32 monthly fee on all developed lots in the subdivision and has guaranteed the payment of at least sixteen connection fees per year. Accordingly,

IT IS ORDERED:

(1) That the findings and recommendations of the Hearing Examiner are hereby adopted;

(2) That, consistent with the findings stated herein, Company's interim rates shall be, and hereby are, made permanent; and

(3) That there being nothing further to be done in this matter, this case is hereby dismissed from the Commission's docket of active cases and the papers passed to the file for ended causes.

CASE NO. PUE910080
JULY 8, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
TERRI WALDEN, et al.
v.
MANAKIN WATER AND SEWERAGE CORPORATION

CORRECTING ORDER

On June 25, 1992, the Commission issued its Final Order in this proceeding. In its Final Order, the Commission adopted the findings and recommendations of the Hearing Examiner as stated in his Report filed on May 6, 1992. In his Report, the Examiner found Manakin Water and Sewerage Corporation's ("Company") rates just and reasonable and noted that the increased rates were the result of the cost of Company's compliance with the requirements of the State Water Control Board.

In addition, the Examiner rejected the claim that customers are subsidizing system costs associated with improvements or excess capacity related to future development of the subdivision. In support of his conclusion, the Examiner explained that the record reflects that the developer, Manakin Farms, Inc., has agreed to pay a $32 monthly fee on all "undeveloped" lots in the subdivision and has guaranteed the payment of at least sixteen connection fees per year.

Page 4 of our Final Order incorrectly references the Hearing Examiner's statement relative to the developer's agreement. This reference erroneously states that the developer has agreed to pay the monthly fee on all developed lots (emphasis added).

NOW THE COMMISSION, having considered the matter, is of the opinion that the Final Order should be corrected to provide an accurate reflection of the record and the Hearing Examiner's Report. Accordingly,

IT IS ORDERED that the second sentence, third paragraph of page 4 of the Commission's Final Order of June 25, 1992, shall be corrected as follows:

> To the contrary, as the Examiner explained, the record reflects that the developer, Manakin Farms, Inc., has agreed to pay a $32 monthly fee on all undeveloped lots in the subdivision and has guaranteed the payment of at least sixteen connection fees per year.

CASE NO. PUE920003
DECEMBER 30, 1993

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte, In re: Consideration of a rule governing Accounting for Postretirement Benefits other than Pensions

FINAL ORDER

In December 1990, the Financial Accounting Standards Board ("FASB") issued Statement 106 ("SFAS 106") changing the generally accepted accounting methodology for expenses relating to certain post retirement employment benefits. Under SFAS 106, publicly traded companies must begin to accrue expenses for post retirement benefits other than pensions at the time they are earned by the employee rather than recognize them at the time they are paid after the employee retires. SFAS 106 represents a significant change in accounting policy -- from recognition of expenses for other post retirement benefits ("OPEB") on a cash or "pay-as-you-go" basis to accrual of those expenses much earlier. The FASB made SFAS 106 effective for fiscal years beginning after December 15, 1992 for all public enterprises. SFAS 106 is also effective for nonpublic enterprises with defined benefit plans and with no more than 500 plan participants, for fiscal years beginning after December 15, 1994.

The Commission established this rulemaking proceeding by order of January 21, 1992 to determine whether Virginia public utilities to which the statement is applicable should be allowed to recover OPEB expenses in rates in the same manner they are now required to book those expenses for financial reporting purposes by SFAS 106. Comments were invited on a number of issues specified in the order. After several extensions of time, comments were filed on May 15, 1992, and the Staff filed its report on July 17. The parties were permitted to file responses to the Staff's report, and oral argument was held on September 10, 1992.

The overriding issue for decision in this case is whether OPEB expenses should be accrued as OPEB benefits are earned during the active employment of the beneficiary for ratemaking purposes. Before SFAS 106 was issued, most corporations accounted for OPEB expenses on a cash basis, i.e., as benefits were paid after an employee had retired. Accrual would have the effect of accelerating the recognition of OPEB costs.

The Commission's Staff recommends that the Commission accrue OPEB expenses in affected utilities' costs of service in the same manner directed by SFAS 106. The utility companies commenting in this case have uniformly supported Staff's position. The Division of Consumer Counsel and the Virginia and Old Dominion Committees for Fair Utility Rates oppose Staff's recommendation.

We agree with Staff. SFAS 106 is intended to reflect more accurately the financial position of the reporting entity. The accrual treatment is consistent with accounting methodology for pension benefits and a number of other utility cost items such as depreciation, deferred income taxes and nuclear plant decommissioning costs. OPEB expenses are, in effect, deferred compensation to employees. Accrual accounting for OPEB expenses under SFAS 106 will better reflect utility employee compensation costs at the time the employee's service is rendered, and future ratepayers will not be required to pay employee costs for employment services rendered in the past.

The Virginia and Old Dominion Committees and the Consumer Counsel assert that the future level of OPEB expenses is speculative and therefore excluded from utility cost of service by § 56-235.2 of the Code of Virginia. It is clearly incorrect to say that OPEB expenses are always speculative. It is sufficient here to recognize that OPEB expenses can be estimated using generally accepted methodologies including actuarial computations. Moreover, SFAS 106 provides for ratable recognition of plan amendments, changes in actuarial assumptions and adjustments to reflect actual experience. Section 56-235.2 does not require absolute certainty, and we have no doubt that acceptable estimates of future OPEB expenses can be made in the context of most rate cases.

Several implementation issues arise from our adopting of accrual accounting for OPEB expenses. Three require brief mention here. First, we will impose a longer amortization period (40 years) on part of the transition obligation arising under SFAS 106 for OPEB expenses which are not capitalized. Second, we will require funding of OPEB expenses before they may be included in utility rates. Third, the timing difference in the implementation of accrual accounting for OPEB expenses for reporting and ratemaking purposes may be deferred under certain circumstances.

SFAS 106 defines a transition obligation which arises from the changes it requires in accounting treatment. That transition obligation is the unfunded, unrecognized OPEB liability which exists at the time a company implements SFAS 106 and begins accruing OPEB expenses. The statement suggests that transition obligations, if amortized, be amortized over 20 years. We agree that transition obligations should be amortized, but we believe the 20 year amortization period places too much burden on current ratepayers. Accordingly, we will require a 40 year amortization period for transition obligations except to the extent that they are capitalized.

Second, we agree with Staff that rate recovery of OPEB expenses should depend on whether the accruals are fully funded. We, however, will not restrict prefunding to specific investments. This funding requirement will assure the funds are available to pay OPEB benefits in the future. If a utility does not fully fund its OPEB accruals, the unfunded OPEB liability shall be treated as recovered from customers unless associated with a ratemaking deferral. Therefore, any unfunded OPEB liability shall be deducted from rate base unless deferred for regulatory purposes.

Finally, we also agree that utilities which will not adjust rates coincident with implementation of the SFAS 106 accrual may defer the difference between accrual of OPEB expenses for reporting and ratemaking purposes as a regulatory asset upon two conditions. Such deferral will only be available if the company is earning below its authorized range of return on equity and will file for a change in rates within two years of implementing SFAS 106 or two years of this order, whichever is later. The earnings test period should coincide with the period the accrual is being booked. A company's earnings position will be reviewed per books using a 13-month average rate base and capital structure with only limited adjustments to place the books on a regulatory basis. Any such timing difference should also be added to the utilities' transition obligation and amortized over 40 years.

In the rules appended as Attachment A, we specify these and other requirements for the ratemaking treatment of OPEB expenses. The Commission finds these rules to be in the public interest; accordingly,

IT IS ORDERED:

(1) That the Rules Governing Ratemaking Treatment of Employee Post Retirement Benefits Other Than Pensions, appended hereto as Attachment A, are adopted; and

(2) That, there being nothing further to come before the Commission, Case No. PUE920003 is closed and the papers therein shall be placed in the Commission's files for ended causes.

NOTE: A copy of the Regulation entitled "Rules Governing Ratemaking Treatment of Employee Post Retirement Benefits Other Than Pensions" 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. PUE920004
MARCH 6, 1992

APPLICATION OF
SHENANDOAH VALLEY ELECTRIC COOPERATIVE

To amend its certificate of public convenience and necessity authorizing the operation of facilities in Rockingham County: Timberville, Transmission Substation - Timberville, Distribution Substation - Linville, Distribution Substation 115kV Line

ORDER GRANTING AMENDED CERTIFICATE

Before the Commission is Shenandoah Valley Electric Cooperative's ("Shenandoah" or "Cooperative") application to amend its certificate of public convenience and necessity for Rockingham County, Certificate No. ET-16a. Shenandoah seeks authority to construct and operate outside its service territory portions of a 115kV line and to operate outside its territory portions of an existing 34.5kV line.

Shenandoah proposes to replace an existing 34.5kV line running from its existing Timberville Transmission Substation to the existing Timberville and Linville Distribution Substations with a 115kV line connecting the same facilities. The portion of replacement line linking the Timberville Transmission Substation and the Linville Distribution Substation would extend for approximately 8.02 miles, and the portion connecting the Timberville Transmission Substation and the Timberville Distribution Substation would run for approximately 0.43 mile. All of the proposed line would be in Rockingham County. Approximately two miles of the proposed 115kV line will cross Virginia Electric and Power Company's ("Virginia Power") service territory.

According to Shenandoah's application, the proposed 115kV line will be constructed on existing right-of-way with one minor exception. A short portion of the line will be relocated approximately 60 feet to bypass a mobile home. The existing 34.5kV line will be dismantled. Along portions of the route, lower voltage lines not affected by this application will share common structures with the new 115kV line. The existing 75-foot right-of-way will not be widened.

In addition, Shenandoah seeks authority to operate a portion of 34.5kV line not previously certificated. The Cooperative determined that a portion of the 34.5kV line constructed from the Timberville Distribution Substation to the Bergton Distribution Substation in 1961 crossed Virginia Power's service territory. The Cooperative now seeks to include this segment of line on its certificate.

According to information in its application, the Cooperative's current and projected load growth require improvements to the Linville and Timberville Distribution Substations. Shenandoah has determined that the most efficient and economical means of serving existing and anticipated growth would be to upgrade the Timberville Distribution Substation and to construct a new Linville Substation. Improving these substations requires replacement of the existing 34.5kV lines connecting the distribution substations and the Timberville Transmission Substation with the proposed 115kV line.

In planning for this project, Shenandoah prepared a Borrower's Environmental Report required by the Rural Electrification Administration. According to the application filed with the Commission, the U.S. Fish and Wildlife Service, the U.S. Soil Conservation Service, the Virginia Department of Historic Resources, and the Virginia Department of Conservation and Recreation were advised of this application. In response to suggestions from those agencies, the Cooperative committed to implementing a number of steps to avoid erosion; to minimize disturbance of vegetation; and to limit impact on a small area of wetlands.

As explained in the application, Shenandoah has obtained necessary property easements for upgrading the line. The Rockingham County Zoning and Planning Department has been advised of the application. According to the Cooperative, no permits are required for the new 115kV line. On November 13, 1991, the Rockingham County Board of Supervisors granted a request for a special use permit for the proposed substation improvement projects. Virginia Power has agreed to the routing of portions of the 115kV line through its service territory.

With regard to the previously uncertificated segment of 34.5kV line, Shenandoah notes that the line has been in place since 1961 and was inadvertently omitted from prior applications. The Cooperative has advised Virginia Power of this omission, and, according to Shenandoah, Virginia Power has raised no objection to certification at this time.

The Commission finds that, pursuant to § 56-265.2 of the Code of Virginia, it has jurisdiction over this application to construct and operate a portion of the 115kV line outside Shenandoah's certificated service territory and to certificate another portion of 34.5kV line outside the Cooperative's service territory. As we have held in previous cases, the need for certification extends only to those portions of the 115kV line and 34.5kV line located outside Shenandoah's certificated service territory.

The application shows that Shenandoah has given actual notice of its proposed 115kV line to Virginia Power, Rockingham County, affected land owners, and various environmental agencies. The Cooperative advises that Virginia Power is aware of the request for certification of the existing segment of 34.5kV line not previously included in any application before the Commission. Therefore, the Commission finds that it may dispose of this application without further proceedings.

Upon review of the application, the Commission finds that there is a need for the proposed 115kV line connecting the substations. Anticipated load growth requires improved facilities to serve Rockingham County, and Virginia Power does not oppose the minimal intrusion of the line through its service territory. The Commission notes that environmental agencies have reviewed the proposed project and made recommendations which the Cooperative has accepted. The project is also in keeping with local zoning and land-use regulation. From information provided in the application, it appears that the proposed upgrading of the line would have minimal impact on the environment of the areas transited. Based on this application, the Commission finds that the public convenience and necessity require that Shenandoah be authorized to construct and operate portions of the 115kV line through Virginia Power's territory. Likewise, the Commission finds that the existing 34.5kV line should be authorized. Accordingly,

IT IS ORDERED:

(1) That, pursuant to § 56-265.2 of the Code of Virginia, this application be docketed; be assigned Case Number PUE920004; and that all papers shall be filed therein;

(2) That, pursuant to § 56-265.2 of the Code of Virginia, this application be granted;

(3) That Shenandoah be authorized to construct and to operate a 115kV line from its Timberville Transmission Substation to its Timberville Distribution Substation and its Linville Distribution Substation, including portions of this line passing through Virginia Electric and Power Company's certificated service territory;

(4) That Shenandoah be authorized to operate a 34.5kV line from its Timberville Distribution Substation to its Bergton Distribution Substation, including portions through Virginia Electric and Power Company's certificated service territory;

(5) That Shenandoah be issued an amended certificate of public convenience and necessity as follows:

> Certificate No. ET-16b for Rockingham County, authorizing the Shenandoah Valley Electric Cooperative to operate presently certificated lines and facilities, to operate the presently constructed 34.5kV line from Timberville Substation to Bergton Substation and to construct and operate the 115kV line from its Timberville Transmission Substation to its Timberville Distribution Substation and its Linville Distribution Substation; all as shown on the map attached hereto; Certificate No. ET-16b will supersede Certificate No. ET-16a, issued on May 15, 1978.

(6) 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. PUE920005
JUNE 24, 1992

APPLICATION OF
NORTHERN NECK ELECTRIC COOPERATIVE

For a general increase in rates

FINAL ORDER

On January 22, 1992, Northern Neck Electric Cooperative ("Northern Neck" or "the Cooperative") filed an application for a general rate increase with the State Corporation Commission ("Commission"). In its application, the Cooperative requested an increase of $698,670, consisting of a $618,254 increase in its base revenues after the roll-in of Riders RS-11 through RS-19 and an increase in various service fees and charges and other electric revenues in the amount of $80,416. Northern Neck also proposed a number of changes to its terms and conditions of service and filed financial and operating data for the 12 months ending September 30, 1991, in support of its application.

In its February 11, 1992 Order for Notice, Hearing, and Suspension of Tariff Revisions, the Commission suspended the Cooperative's proposed tariff revisions through June 20, 1992, appointed a Hearing Examiner to hear the matter, scheduled a public hearing for June 18, 1992, and established a procedural schedule for the Cooperative, Protestants, Staff, and Intervenors.

On the appointed day, the matter came before Glenn P. Richardson, Hearing Examiner. No Protestants or intervenors appeared. Counsel appearing at the hearing were Kenworth E. Lion, Jr., counsel for the Cooperative, and Sherry H. Bridewell, counsel for the Commission's Staff.

During the hearing, counsel for the Cooperative and the Commission's Staff submitted an Offer of Settlement and Stipulation ("Stipulation"), which was received as Exhibit No. NNEC-1. The Hearing Examiner received the Cooperative's application, as revised, the prefiled direct testimony of the Cooperative, and the prefiled direct testimony of the Staff, as revised, into the record without the benefit of cross-examination. At the conclusion of the proceeding, counsel for Northern Neck waived the Cooperative's right to comment on the Hearing Examiner's Report.

On June 18, 1992, the Hearing Examiner issued his Report in the captioned matter. In his Report, the Examiner found:

> (1) The Offer of Settlement and Stipulation submitted by the Cooperative and Staff is just and reasonable and should be accepted by the Commission when disposing of this application;
>
> (2) The use of the twelve month period ending September 30, 1991, is a reasonable test period for this proceeding;
>
> (3) The Cooperative's test period operating revenues, after all adjustments, were $13,397,295;
>
> (4) The Cooperative's test period operating revenues deductions, after all adjustments, were $12,311,332;
>
> (5) The Cooperative's test period modified margins, after all adjustments, were $388,008;

(6) The Cooperative's end of test period rate base, after all adjustments, was $20,086,731;

(7) The Cooperative's current rates produced a 1.69 TIER and a 1.48 modified TIER during the test period;

(8) The Cooperative requires $698,670 in additional gross annual revenues to earn a 2.54 TIER and a 2.33 modified TIER;

(9) The proposed increase in base rate revenues includes the effect of the roll-in of wholesale power riders RS-11, RS-12, RS-13, RS-14, RS-15, RS-16, RS-17, RS-18, and RS-19. Wholesale power rider RS-19 was implemented April 1, 1992, after the filing of the Cooperative's application;

(10) The Cooperative should identify all nonjurisdictional customers in its future cost of service studies and, where practical, collect or allocate separate revenue, expense, and rate base data for these customers;

(11) The Cooperative should use the twelve month average noncoincident peak demand method to allocate distribution demand in its future cost of service studies;

(12) The Cooperative should use the measured demand for demand metered customers and estimated demand for all remaining customers when determining the noncoincident peak demand for the Small Commercial class;

(13) The Cooperative's proposed revenue apportionment would move the Large Power, Small Commercial, and Security Light classes away from parity with the overall system return; therefore, the alternate revenue apportionment and rate design proposed by Staff witness Henderson to mitigate this problem should be accepted;

(14) The Cooperative should be allowed to implement a new optional Interruptible Service Rider in accordance with the terms, conditions, and charges set forth in Exhibit II of the Proposed Settlement;

(15) The Cooperative's Terms and Conditions of Service should be revised as recommended by Staff witness Henderson on page 14 of her prepared testimony, and as more particularly set forth in Exhibit III of the Proposed Settlement;

(16) The Cooperative's Wholesale Power Cost Adjustment Clause currently on file with the Commission, and attached as Exhibit IV to the Proposed Settlement, is just and reasonable and should be used by the Cooperative to recognize any future changes in its wholesale power costs.

The Hearing Examiner recommended that the Commission enter an order adopting the findings in his Report, granting the Cooperative an increase of $698,670, and dismissing the application from the Commission's docket of active proceedings.

NOW THE COMMISSION, upon consideration of the record herein and the June 18, 1992 Hearing Examiner's Report, is of the opinion and finds that the findings and recommendations of said Report are just and reasonable and should be adopted. The Commission is further of the opinion and finds that the Offer of Settlement and Stipulation is reasonable, and its terms should be incorporated herein by attachment as Appendix A hereto. Accordingly,

IT IS ORDERED:

(1) That the findings and recommendations of the June 18, 1992 Hearing Examiner's Report are adopted;

(2) That consistent with the findings herein and Appendix A hereto, the Cooperative shall file revised tariffs designed to increase its gross annual revenues by $698,670, effective for service rendered on and after the date of the entry of this Order;

(3) That the terms of Appendix A are incorporated by attachment hereto and are made a part of this Order;

(4) That, in future cost of service studies, Northern Neck shall identify its nonjurisdictional customers and, where practical, collect or allocate separate revenue, expenses and rate base data on these customers, and that in future cost of service studies, the Cooperative shall use a 12-month average noncoincident peak as the basis for allocations of distribution demand;

(5) That, in future cost of service studies, the Cooperative shall use both the measured demand from the demand metered consumers and the estimated demand for the remaining consumers in determining the appropriate level of noncoincident peak demand for the Small Commercial Rate Class;

(6) That Northern Neck shall be allowed to implement a new optional Interruptible Service Rider in accordance with the terms and charges set out in Exhibit II attached and made a part of Appendix A;

(7) That in the event the Cooperative's next rate filing is an expedited rate application, said application shall incorporate the revenue apportionment, rate design, and accounting adjustments proposed by the Staff in this case and accepted herein; and

(8) That there being nothing further to be done herein, the same is dismissed from the Commission's docket of active proceedings, and the papers filed herein shall be placed in the Commission's file for ended causes.

NOTE: A copy of the "Offer of Settlement and Stipulation" 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. PUE920009
MARCH 23, 1992

APPLICATION OF
RAPPAHANNOCK ELECTRIC COOPERATIVE
and
BEAR ISLAND PAPER COMPANY

For approval of security for Schedule LP-2

ORDER REDUCING THE AMOUNT OF SECURITY DEPOSIT

On February 11, 1992, Rappahannock Electric Cooperative ("Rappahannock" or "the Cooperative") and Bear Island Paper Company ("Bear Island") delivered a joint application to the State Corporation Commission ("Commission") to request revision of the letter of credit used to secure payment to the Cooperative from Bear Island. In the application, Rappahannock and Bear Island stated that Rappahannock's current Schedule LP-2 was a closed Schedule under which the Cooperative provides service solely to Bear Island. This Schedule provides that:

> [t]he consumer shall post with the Cooperative a security bond, letter of credit or other security in the amount and form acceptable to and approved by the State Corporation Commission which security deposit shall be used to secure payment to the Cooperative of all obligations of the consumer.

The present letter of credit securing Bear Island's obligations is in the amount of $3,000,000. The application requests approval of a $1,500,000 letter of credit, and maintains that a security of this amount is sufficient to assure payment of Bear Island's obligations. The joint application represented that the only Cooperative customer affected by the application was Bear Island, the only customer served under Schedule LP-2.

On March 9, 1992, the Cooperative filed a document supplementing the joint application. In that document, Rappahannock noted that its total plant investment it had made to serve Bear Island exclusively had been depreciated down to the sum of $1,918,060. It estimated that a bill for 50 days of service to Bear Island would be approximately $2,500,000, but that the Cooperative had total capital credits accrued to but not yet due Bear Island, in the amount of $2,892,626. Rappahannock renewed its request for approval of a reduced amount of the letter of credit securing Bear Island's payment of its obligations.

NOW THE COMMISSION, upon consideration of the joint application, is of the opinion and finds that this matter should be docketed; that no further public notice should be given; that it is proper to reduce the amount of the security required for Schedule LP-2; that a letter of credit in the amount of $1,500,000 is in the public interest and is sufficient to protect the Cooperative from the risk of Bear Island's nonpayment; and that a copy of the revised letter of credit should be filed with the Commission as part of this docket. We are able to find a reduction in the amount of the letter of credit appropriate because the Cooperative presently has accrued capital credits not yet due Bear Island Paper Company in the amount of $2,892,626. The issue of nondepreciated plant is not directly relevant to the inquiry before us. The structure of Schedule LP-2's rate is designed to recover an amount equal to the current annual composite depreciation rate for distribution facilities, multiplied by the total cost to the Cooperative of the facilities required to serve Bear Island. The capital credits accrued on behalf of Bear Island, together with a letter of credit in the amount of $1,500,000, should adequately protect the Cooperative from the risk of nonpayment. We recognize, however, that the total amount of accrued capital credits due to Bear Island may fluctuate over time as credits are paid out or accrued. Therefore, we find that if the total amount of capital credits accrued but not yet returned to Bear Island falls below $1,000,000, the Cooperative should seek a security deposit in an amount greater than the $1,500,000 accepted herein.

Accordingly, IT IS ORDERED:

(1) That this matter is hereby docketed and assigned Case No. PUE920009;

(2) That the joint application is granted to the extent that it requests a reduction in the amount of security required by Schedule LP-2;

(3) That the amount of the letter of credit that Bear Island may provide to Rappahannock may be reduced to the amount of $1,500,000;

(4) That a copy of a letter of credit in the amount of $1,500,000 shall be forthwith filed with the Commission as part of this docket;

(5) That, in the event the total capital credits accrued to the account of but not yet returned to Bear Island falls below $1,000,000, the Cooperative shall seek approval of a security in an amount higher than $1,500,000; and

(6) That there being nothing further to be done herein, this matter is hereby dismissed, and the papers filed herein shall be placed in the Commission's file for ended causes.

Commissioner Moore did not participate in the decision of this case.

CASE NO. PUE920010
AUGUST 14, 1992

APPLICATION OF
CRAIG-BOTETOURT ELECTRIC COOPERATIVE

To revise rates in accordance with the rules for expedited rate increases for electric cooperatives

ORDER GRANTING PETITION TO MAKE RATES PERMANENT

On February 13, 1992, Craig-Botetourt Electric Cooperative ("CBEC" or "the Cooperative") filed an application with the State Corporation Commission of Virginia ("the Commission") for an increase in its rates under the procedure adopted by the Commission on April 11, 1985, permitting expedited rate relief for electric cooperatives whose rate application satisfied certain conditions. Among other things, these conditions include the following:

> (1) The rate increase shall not produce (a) a pro forma Times Interest Earned Ratio ("Tier") in excess of 2.5 times, or (b) additional revenues in excess of 10% of annual adjusted revenues, whichever is less; and
>
> (2) The rate increase shall be based on a twelve month test period and shall be calculated based on the test period per book results, which shall be adjusted for such pro forma and annualized adjustments as have been approved by the Commission in electric cooperatives' general rate cases.

In its application for expedited rate relief, the Cooperative requested a 4.88% increase in its base rates, inclusive of the effects of rolling-in Riders RS-21, RS-23, RS-24A, RS-25 and RS-28, which, in turn, would generate approximately $209,682 in additional gross annual revenues for Virginia only. The Cooperative also proposed to institute a late payment penalty charge of 1 1/2% per month, and expected to receive $10,552 in additional revenue from this change. The Cooperative made its increase in rates effective for service rendered on and after March 1, 1992, and published notice of its increase prior to the effective date of its proposed tariff revisions.

Three letters were filed with the Commission, commenting on the Cooperative's rate application. No requests for hearing were received.

On June 5, 1992, the Commission's Staff filed its Report in the captioned matter and concluded that the Cooperative's rate request fell within the guidelines for an expedited rate increase as set forth in the Commission's April 11, 1985 Order entered in Case No. PUE840052. In its Report, the Staff made booking recommendations regarding the Cooperative's uncollectible expenses and interest on customer deposits. Specifically, the Staff recommended that CBEC re-evaluate its current uncollectible accrual rate of 0.4%. Staff noted that, based on a comparison of actual net write-offs to the applicable revenues for the past three years, the Cooperative's uncollectible expense percentage was 0.19%. The Staff observed that since the audit, CBEC had changed its uncollectible accrual rate to 0.25%.

Staff also recommended that the Cooperative book interest on customer deposits monthly to better match the expense for interest on customer deposits to the period to which it related. Staff stated that it believed this change had been made since the date of Staff's audit.

Further, the Staff commented that the Commission's June 27, 1987 Final Order, entered in Case No. PUE870040, required the Cooperative to provide an allowance for seasonal line extensions or a rebate on some portion of the cost of installing the service for seasonal customers, based upon the revenue generated by such service. The Cooperative's original application did not address line extension costs for seasonal service.

On May 13, 1992, the Cooperative filed revised pages 152 and 152.1 to its application, modifying Section F of its Terms and Conditions of Service. This Section, as revised, provides for free service extension of up to 500 feet for non-permanent residential service. In this revision, the Cooperative did not expressly limit the extension of service to non-permanent residential customers to single phase service. Therefore, the Staff advised the Cooperative that if it wished to limit the extension of non-permanent residential service to single phase facilities it needed to further revise Section F of its Terms and Conditions of service.

In addition, the Staff Report commented that the Cooperative's late payment proposal was consistent with the late payment charge accepted by the Commission in Case No. 19589, and noted that CBEC's proposed rates for the Residential, Commercial, Church and Outdoor Lighting Classes were consistent with those approved in the Cooperative's last general rate case, Case No. PUE870040. It stated that the Cooperative's repricing of the Large Power Schedule was appropriate in this case. The Staff recommended that the Cooperative provide a class cost of service study with its next general rate filing and as part of its next general rate filing, should identify its non-jurisdictional customers and where practical, should separate these customers on that application's filed schedules.

On June 22, 1992, the Cooperative, by counsel, petitioned the Commission to make permanent its increases in rates filed in the application without further hearing. On June 29, 1992, CBEC filed revisions to Section 7 of its tariff, limiting its seasonal line extension allowances to single phase residential service.

NOW THE COMMISSION, having considered the record herein, is of the opinion and finds:

(1) That the twelve months ended September 30, 1991, is an appropriate test period;

(2) That the Staff's accounting adjustments, including its cost allocations, are just and reasonable and should be accepted;

(3) That the Cooperative's jurisdictional test period operating revenues, after all adjustments, was $4,306,275;

(4) That the Cooperative's jurisdictional total operating expenses for the test period, after all adjustments, were $3,695,009;

(5) That the Cooperative's jurisdictional operating margins - adjusted, after all adjustments, were $610,438 for the test period, and CBEC's jurisdictional total margins, after all adjustments, were $302,721 for the test period;

(6) That the Cooperative earned a rate of return on rate base of 6.84%, and an actual TIER of 1.78, after all adjustments, during the test period;

(7) That the Cooperative requires an increase in operating revenues of $220,234, consisting of an increase of $209,682 in base rates, the roll-in of Riders RS-21, RS-23, RS-24A, RS-25, and RS-28, and an increase in other electric revenues of $10,552, in order to have an opportunity to earn 9.25% rate of return and an actual TIER of 2.33;

(8) That the Cooperative should evaluate its accrual percentage of uncollectible expense as recommended by Staff;

(9) That CBEC should book interest on customer deposits as recommended by Staff;

(10) That the Cooperative's revised tariff proposals, as further revised by its February 26, May 13, and June 29, 1992 filings, are reasonable; and

(11) That in its next rate filing the Cooperative should provide a cost of service study and should, as part of its application, identify its non-jurisdictional customers and where practical, should present data concerning these customers separately on the filed schedules.

Accordingly, IT IS ORDERED:

(1) That, consistent with the findings made herein, the Cooperative shall forthwith file revised tariffs designed to produce an increase in base rates of $209,682, an increase in other electric revenues of $10,552, and shall roll-in Riders RS-21, RS-23, RS-24A, RS-25, and RS-28, effective for service rendered on and after March 1, 1992;

(2) That the Cooperative shall implement the booking recommendations proposed by Staff, effective as of the date of this Order;

(3) That the Cooperative shall provide a class cost of service study with its next rate filing and shall identify its non-jurisdictional customers in said filing. Where practical, CBEC shall identify these non-jurisdictional customers separately on the schedules filed with that case; and

(4) 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.

CASE NO. PUE920012
OCTOBER 9, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval of revisions to line extension policy and miscellaneous rates and charges

FINAL ORDER

On February 14, 1992, Virginia Electric and Power Company ("Virginia Power" or "Company") filed an application to revise its line extension policy and miscellaneous rates and charges. The matter has been held in abeyance pending Virginia Power's determination to seek rate relief in 1992.

On May 29, 1992, Virginia Power filed an application for a general increase in base rates, Case No. PUE920041. In addition to the proposed increases in base rates, that filing contains the same proposed revisions that were filed in this case. On September 25, 1992, Virginia Power filed a letter herein requesting that all revisions to its tariff be considered in the general rate case and that the filing of February 14, 1992, including the direct testimony and exhibits of E. Paul Hilton and E. P. Wickham, Jr., be refiled in Case No. PUE920041.

The Commission is of the opinion that the request should be granted. Accordingly,

IT IS THEREFORE ORDERED:

(1) That the filing made by Virginia Power in this case on February 14, 1992, consisting of one bound volume containing the application and the direct testimony and exhibits of E. Paul Hilton and E. P. Wickham, Jr., shall be refiled in Case No. PUE920041; and

(2) That this case is dismissed without prejudice and the record developed herein shall be placed in the file for ended causes.

CASE NO. PUE920014
AUGUST 3, 1992

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For waiver of gas pipeline safety requirement found at 49 C.F.R. 192.327(a)

ORDER GRANTING WAIVER

The Natural Gas Pipeline Safety Act, 49 U.S.C. § 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. The Virginia State Corporation Commission ("Commission") has been designated as the appropriate state agency for the Commonwealth of Virginia. In Case No. PUE890052, 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 ("Safety Standards"). Pursuant to 49 U.S.C. § 1672(d) the Commission may waive compliance with a Safety Standard upon its determination that the waiver is not inconsistent with gas pipeline safety, provided the U.S. Secretary of Transportation is given written notice at least 60 days prior to the effective date of the waiver.

On February 5, 1992, Virginia Natural Gas, Inc. ("VNG" or "the Company") mailed a letter to the Commission's Division of Energy Regulation in which the Company requested a waiver of the gas pipeline safety standard found at 49 C.F.R. § 192.327(a) ("Request for Waiver"), which specifies the minimum coverage for buried transmission lines, for an 87-foot section of its 16-inch gas pipeline being constructed from Hanover County to James City County. Construction of this pipeline required a 554 foot bore under Interstate 295 ("I-295") approximately 10,000 feet east of Route 615. The bore was started from the east side of I-295 at approximately 8 feet below grade. As the bore emerged from the west side of I-295, it had risen to a point 16 inches below grade and consequently less than the minimum of 36 inches required by 49 C.F.R. § 192.327(a). In its letter of February 5, 1992, the Company represents that the Virginia Department of Transportation would prefer leaving the bored pipeline in its current position and opposes making a second attempt to install the pipeline with proper cover. The Company further represents that providing additional cover to meet the minimum requirements is not a viable option, because this area meets the criteria for jurisdictional wetlands. Further, the Company's permit issued by the U.S. Army Corps of Engineers does not allow changes in pre-existing land contours.

On March 24, 1992, this Commission entered an Order for Notice and Inviting Comments ("Order") which prescribed the notice VNG must give of its Request for Waiver. VNG was required to serve various public officials with a copy of the Order by April 6, 1992, and was also required to publish in newspapers of general circulation a specific notice of its Request for Waiver by April 15, 1992. Both the Order and the published notice detailed procedures providing an opportunity for the public to comment or request a hearing on VNG's application. By order dated April 27, 1992, the deadline for the Company to complete its public notice requirements was extended to May 22, 1992, and the deadline for filing comments or requests for hearing was extended to May 29, 1992. On June 4, 1992, the Company filed its Proof of Notice and Service. No comments or requests for hearing were filed in this matter.

On July 30, 1992, Commission Staff filed its report on VNG's Request for Waiver. In its report, Staff found that leaving the bored pipeline in its current position is not inconsistent with gas pipeline safety, as VNG has placed special pipeline markers and installed underground warning tape in the affected area. Staff further recommends that VNG be required to patrol the pipeline crossing at intervals not exceeding four and one-half months, but at least four times each calendar year.

The Commission, upon consideration of this matter, is of the opinion and finds that VNG's Request for Wavier should be granted as it is not inconsistent with gas pipeline safety; that the Company's requested waiver shall become effective within 70 days from the date of this Order unless modified by further order of the Commission; and that the U.S. Secretary of Transportation be informed forthwith of the Commission's action. Accordingly,

IT IS ORDERED:

(1) That VNG be, and it hereby is, granted a waiver of 49 C.F.R. § 192.327(a) for the 87 feet of 16-inch pipeline described herein;

(2) That VNG comply with Staff's recommendations regarding the patrol of the above described pipeline crossing; and

(3) That this waiver shall become effective 70 days from the date of this order, unless modified by further order of the Commission.

CASE NO. PUE920016
AUGUST 24, 1992

APPLICATION OF
SMITH MOUNTAIN WATER COMPANY

To revise its tariff

DISMISSAL ORDER

On December 17, 1991, Smith Mountain Water Company ("Smith Mountain" or "Company") notified its customers of its intent to revise its tariff effective for service rendered on and after January 31, 1992. In a March 19, 1992 Order, the Commission docketed the matter, declared Company's proposed tariff interim and subject to refund, and appointed a Hearing Examiner to conduct all further proceedings. In its Order, the Commission also set the matter for hearing and established a procedural schedule for filing pleadings, testimony and exhibits. In an April 21, 1992 Ruling, the Hearing Examiner rescheduled the public hearing and established a revised procedural schedule for this proceeding.

On August 11, 1992, Smith Mountain, by counsel, requested permission to withdraw its application to revise its tariff. In an August 13, 1992 Ruling, the Hearing Examiner granted Company's request and canceled the hearing set for September 8, 1992. In this Ruling, the Examiner also recommended that the Commission issue an order directing Company to make customer refunds for all excess revenues collected pursuant to its interim rates. In addition, the Examiner recommended that the Commission dismiss Company's application from its docket of active cases.

NOW THE COMMISSION, having considered the application, Company's request, and the Examiner's Ruling, is of the opinion and finds that the Examiner's recommendations are reasonable and should be adopted. Accordingly,

IT IS ORDERED:

(1) That, on or before December 31, 1992, Smith Mountain shall refund all revenues collected from the application of its interim rates and charges effective for service beginning January 31, 1992, to the extent that such revenues exceeded the revenues produced by Company's permanent rates and charges;

(2) That the refunds 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 is $1 or more. Smith Mountain may offset the credit or refund to the extent no dispute exists regarding the outstanding balance of its current customers, or customers who are no longer on its system. To the extent that outstanding balances of such customers are disputed, no offset shall be permitted for the disputed portion. Smith Mountain may retain refunds owed to former customers when such refund is less that $1; however, Smith Mountain will prepare and maintain a list detailing each of the former accounts for which refunds are less that $1, and in the event such former customers contact Smith Mountain and request refunds, such refunds shall be made promptly. All unclaimed refunds shall be handled in accordance with Virginia Code § 55-210.6:2;

(3) That, on or before February 1, 1993, Company shall file with the Division of Public Utility Accounting a document showing that all refunds have been lawfully made pursuant to this Order and itemizing Company's cost of the refund;

(4) That Smith Mountain shall bear all cost of the refunding directed in this Order; and

(5) That there being nothing further to be done, this matter shall be removed from the docket and the papers placed in the file for ended causes.

CASE NO. PUE920017
DECEMBER 28, 1992

APPLICATION OF
ROANOKE GAS COMPANY

For a general increase in rates

FINAL ORDER

On March 2, 1992, Roanoke Gas Company ("Roanoke" or "Company") filed its application for general rate relief. The filing was not in compliance with the Commission's Rules Governing Utility Rate Increase Applications and Annual Information Filings. On April 2, 1992, Roanoke filed revised schedules and testimony bringing the Company's application into compliance with the Rules. The Company's proposed rates would produce additional gross annual operating revenues of $1,118,955, based on the average cost of purchased gas during the test year.

On April 3, 1992, the Commission entered an Order docketing the case, suspending the proposed rates for one hundred and fifty days from April 2, 1992, appointing a Hearing Examiner, and establishing a procedural schedule which culminated in a hearing date of June 30, 1992.

On June 10, 1992, the Commission Staff ("Staff") filed testimony of five witnesses. Staff concluded that the Company was entitled to an additional revenue increase of $606,210, based on an 11.75% return on equity.

On the appointed day, the matter was brought on for hearing before Russell W. Cunningham, Senior Hearing Examiner. Counsel appearing at the hearing were Wilbur L. Hazlegrove, Esquire, on behalf of Roanoke and Sherry H. Bridewell, on behalf of Staff. No interveners, protestants or public witnesses appeared at the hearing.

In its rebuttal, the Company accepted all but five of the Staff adjustments. The controverted adjustments included cost of equity, capital structure, the zero cash working capital allowance, a rate base adjustment dealing with the Company's accelerated refund of deferred gas cost overcollections, and weather normalization.

At the hearing, Staff cross-examined five of the Company's witnesses: J. David Anderson, Frank A. Farmer, Arthur L. Pendleton, Roger L. Baumgardner, and John L. Williamson. Two Company witnesses' testimonies, those of Dr. Charles F. Phillips and Robert W. Glenn, were admitted without cross-examination. The Company waived all cross-examination of the five Staff witnesses. By agreement, the parties also waived post-hearing briefs. By letter dated July 30, 1992, Staff advised the Examiner of its discovery of an error in, and corrected, the Staff's calculation of the Company's interruptible transportation rates.

On September 8, 1992, the Senior Hearing Examiner issued his Final Report in the captioned matter. In his Report, the Examiner accepted a Company recommendation, opposed by the Staff, to adjust the Company's March 31, 1992, capital structure for the effects of an extraordinary dividend payment made to it by its subsidiaries in April, 1992. The Examiner, noting several measurements of current economic weakness, rejected the recommended equity returns advanced by both Roanoke (12.25%) and the Staff (11.75%), in favor of the mid-point (11.0%) of a lower range (10.5-11.5%). The Examiner recommended that Roanoke be directed to retain its benchmark zero cash working capital allowance until such time as it can demonstrate a "reasonably quantifiable" change in its working capital requirements through a current lead-lag study. The Examiner adopted a Staff adjustment reducing rate base by the impact of the Company's overcollection, and subsequent accelerated refund, of its deferred gas cost. Finally, the Examiner recommended rejection of the weather normalization methodologies advanced by both the Company and the Staff, in favor of retaining the methodology approved by the Commission in the Company's last rate case.

The Examiner recommended that the Commission adopt the foregoing findings and grant the Company new rates and charges which would generate additional gross annual revenues of $439,200, and order appropriate refunds.

On September 30, 1992, Roanoke filed its Comments to the Report of the Hearing Examiner. Roanoke had requested, and been granted, additional time to respond to the Report. In its Comments, Roanoke took exception to the findings and conclusions of the Examiner with regard to the Company's cost of equity, the deferred gas cost adjustment to rate base, and the weather normalization methodology adopted by the Examiner.

With regard to the return on equity recommended by the Examiner, Roanoke asserts that the recommendation "is based upon" matters outside the record of the hearing and that the Examiner "pointedly reject[ed] the record testimony and recommendations of the cost of capital witness for the Company and for the Staff." Roanoke argues that, should the Commission adopt the Examiner's recommendation, "it would impermissibly abridge the Company's constitutional right to a fair hearing" and that it would mark "an unprecedented departure from the Commission's Rules and rate making principles to base its findings on the post-hearing predilections of the Hearing Examiner concerning the current and future cost of capital."

The Company also took exception to the Examiner's treatment of deferred gas costs. The Commission approved the deferred gas cost adjustment in Roanoke's 1989 expedited rate case, No. PUE890055. Staff recommended an adjustment to rate base to recognize that the overcollection of purchased gas costs represents customer-supplied, cost free capital to the Company. In the instant case, the Company argues that the basis for making the rate base adjustment has been eliminated, since it requested and was granted the right to make accelerated refunds (during the first quarter of 1992) of the entire 1991 overcollection. Roanoke argues, therefore, that it will not have the use of these funds as cost-free capital during the remainder of 1992. The Examiner refused to accept the Company's argument, noting the past history of overcollections of this account.

Finally, the Company takes exception to the rejection by the Examiner of both the Company and Staff modifications to the Commission's traditional weather normalization methodology, based on a 30 year average heating degree day ("HDD") deficiency. The Company advanced a regression analysis of 20 years of weather data, while the Staff offered two suggestions: expand the traditional 30 year average to incorporate 53 years of data, or in the alternative, the use of a confidence interval based on a range and point estimator. On rebuttal, the Company produced weather information covering 63 years of operations.

NOW THE COMMISSION, upon consideration of the record, the Examiner's Final Report, the exceptions thereto, and the applicable statutes, is of the opinion and finds that the findings and recommendations contained in the September 8, 1992, Final Report are, as modified herein, supported by the record and should be adopted.

Cost of Capital

The Hearing Examiner, citing indications of general economic weakness, recommended reducing the Company's authorized return on equity to the midpoint of a range from 10.5% to 11.5%, or 11.0%. The Company complained in its exceptions of the Examiner's reliance upon extra-record information in deriving this return rate and argued that the record was devoid of evidence upon which such a return could be sustained. The Commission disagrees with this latter assertion. The Company's own cost of capital witness, Dr. Phillips, offered an analysis of the Company's cost of equity, based on the Discounted Cash Flow ("DCF") methodology, which produced an indicated return within a range of 9.83% to 11.42%. Dr. Phillips' adjusted his recommended return by examination of the Company's cost of capital from additional methodologies, but reliance upon his DCF study alone would justify a return of 11.0%.

While the Commission agrees, and finds, that the Company's cost of equity capital has indeed decreased, the Commission does not believe that this cost has decreased by the magnitude implicit in the recommendation of the Examiner. The full analyses of both Dr. Phillips and Lawrence T. Oliver, witness for the Staff, support a somewhat higher return on equity. The Commission will fix Roanoke's authorized return on equity in the range of 11.25% to 12.25%, and calculate its rates at the midpoint, 11.75%, of this range.

Capital Structure

The Examiner adjusted the Company's capital structure to include the effects of a dividend received during the pro forma period from the Company's subsidiaries. The inclusion of this post test period dividend increased the Company's equity ratio from the level recommended by the Staff. The Commission finds that the Examiner's recommendation should be rejected and that the Staff's recommended capital structure should instead be adopted in determining return requirements. Including a post-test period dividend payment, without including the effect of other post-test period financings, distorts the Company's capital structure. The Commission finds that the capital structure recommended by Staff witness Oliver should be representative of the Company's actual capital structure during the period rates set herein will be in effect.

Weather Normalization

Both the Company and the Staff offered modifications to the traditional reliance upon 30 years of weather observations to determine the proper basis to weather normalize the Company's revenues. The Examiner found no reason to depart from the 30 year figure traditionally cited.

The Commission has decided to accept the Company's recommendation in its rebuttal testimony to expand the data base of weather observations upon which the normalization is calculated. The Examiner is indeed correct that the Commission has utilized 30 years of data in past cases, but reliance upon this amount of data arose from the fact that in years past there were only 30 years of reliable weather observations for certain jurisdictional companies.

In its rebuttal, the Company advised that it had recently obtained 63 years of weather observations from the National Oceanic and Atmospheric Administration ("NOAA"). The Commission finds no reason to disregard the 63 years of weather observations available for Roanoke and will base its weather normalization adjustment on the HDD deficiency determined from the complete data set. Adopting the 63-year HDD increases Roanoke's revenue requirement by $120,079.

Deferred Gas Cost

The Examiner accepted an adjustment proposed by Staff to reduce the Company's rate base to restore the elimination of the impact of deferred gas overcollections which the Company had proposed. The Examiner noted that "the Commission has deemed it appropriate to recognize this source of cost-free capital when establishing the cash working capital component of Roanoke's rate base." (Report, at 3.) The Commission, here noting that Staff adjusted its methodology for calculating this adjustment to accommodate the Company's accelerated refund of its test period overcollections, continues to believe it appropriate to recognize the effects of this source of cost-free capital. The finding of the Examiner is sustained.

Other Issues

As a result of the above modifications to the recommendation of the Hearing Examiner, the Commission has determined that Roanoke is entitled to an increase in gross revenues of $657,167, on an annual basis. That revenue increase will be allocated among the Company's customer classes as follows:

Class	Present Revenue	Additional Revenue	Percentage Increase
Residential	22,051,353	281,545	1.28%
Commercial	12,023,640	543,752	4.52%
Interruptible	7,368,115	(168,130)	(2.28%)
Total	41,443,108	657,167	1.59%

The above allocations will serve to bring the rate classes closer to parity without causing undue hardship to any customer class. The cost of service studies presented herein revealed that the interruptible customer class was providing a rate of return substantially in excess of the system average return; the residential class return was close to system average; and, the commercial class return was considerably below system average. Accordingly, the Commission orders the above revenue allocations in order to move all classes closer to parity with the system average. While the cost of service studies would support an even greater reduction to the interruptible class, the Commission deems it appropriate to limit the reduction as shown above in order to temper the effect of the revenue increase on the other customer classes. While parity of return is a goal, the Commission agrees with Staff that customer classes should not be subject to "rate shock" and that the rates must be competitive with alternative fuels. The above allocations are consistent with these goals.

The Company requested permission to increase various of its service charges, including its charge for handling returned checks. Roanoke offered proof that the cost for handling these instruments is $14.94. Accordingly, the Commission will approve the Company's request to set its bad check charge at $15. This is consistent with charges approved by the Commission for many other utilities. The Commission will also approve the proposed increases to the Company's other service charges.

The Commission will approve the Company's request to offer unmetered gas light service. Other gas utilities within the state offer similar services. The Commission notes Staff's concern that such service is an inefficient use of gas in that the lights burn continuously. The Commission may revisit the need for such service in times of constrained gas supply.

Finally, the Commission will approve the Company's requested modifications to its line extension policy. The Staff supported the Company's proposal, which is based on the Company's calculation of an investment cost factor, reflecting return, federal, state and property taxes, and depreciation. The Company determines its maximum allowable investment in an extension by dividing the expected non-gas revenue of the customer, minus incremental operations and maintenance expense adjusted for gross receipts tax, by the investment cost factor.

Accordingly, IT IS ORDERED:

(1) That the findings and recommendations of the September 8, 1992, Hearing Examiner's Report, as modified and supplemented herein, are hereby accepted and adopted;

(2) That, consistent with the findings made herein, Roanoke shall file forthwith with the Division of Energy Regulation revised tariffs designed to recover $657,167 in additional gross annual revenues, to be effective for service rendered on and after August 30, 1992;

(3) That, on or before March 15, 1993, Roanoke shall refund, together with interest as set forth below, all revenues collected from the application of the rates which were made effective, subject to refund, on August 30, 1992, to the extent that those revenues exceed the revenues which would have been collected by the application of the rates approved herein;

(4) 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 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 3 months of the preceding calendar quarter;

(5) That the interest required to be paid shall be compounded quarterly;

(6) That the refunds ordered in Paragraph (3) above may be accomplished by a separately itemized credit to current customers' accounts. Refunds to former customers shall be made by check to the customer's last known address when the refund amount exceeds $1.00. The Company may retain refunds to former customers which do not exceed $1.00. However, Roanoke shall maintain a list of such less than $1.00 refunds owed to former customers, and on request from the customer, make the refund;

(7) That, on or before April 30, 1993, Roanoke 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. Such itemization shall include, but not necessarily be limited to, computer costs, the manhours, associated salaries, and costs for verifying and correcting the refund methodology and for developing the computer programs associated with the refunds;

(8) That Roanoke shall bear all costs of the Refund;

(9) That Roanoke shall forthwith implement the service charges approved herein; and

(10) That there being nothing further to be done herein, the same is hereby dismissed.

CASE NO. PUE920018
APRIL 1, 1992

APPLICATION OF
KENTUCKY UTILITIES COMPANY, t/a OLD DOMINION POWER COMPANY

To revise its fuel factor and cogeneration tariff pursuant to Virginia Code § 56-249.6 and PURPA § 210

ORDER ESTABLISHING 1992/93 FUEL FACTOR

On March 4, 1992, Kentucky Utilities Company t/a Old Dominion Power Company, hereinafter referred to as "Old Dominion" or "Company", filed with the Commission an application, written testimony, exhibits and proposed tariffs intended to decrease its zero-based fuel factor from 1.477¢/kWh to 1.368¢/kWh. The proposed fuel factor is based on an in-period fuel factor of 1.388¢/kWh for the 12 months beginning April 1, 1992, and a correction factor of negative .054¢/kWh. Application of a gross receipts tax factor yields the total fuel factor of 1.368¢/kWh. In this proceeding, Old Dominion also proposed revision of its cogeneration and small power production rate; however, the hearing date for this portion of the Company's application was continued and will be heard on June 23, 1992.

By Order dated March 9, 1992, the Commission established a procedural schedule and set a hearing date for the fuel factor issues of Old Dominion's application. 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. No protests were filed.

On March 23, 1992, the Commission's Staff filed testimony which focussed on the December, 1991 merger of Old Dominion Power Company into Kentucky Utilities Company and the merger's effect upon the Commission's review of fuel expenses. Staff noted that Virginia Code § 56-249.6 requires "[e]ach electric utility which purchases fuel for the generation of electricity" to submit fuel cost estimates for a prospective twelve month period. That Code section also provides that upon investigation and hearing the Commission "shall direct each company to place in effect tariff provisions designed to recover the fuel costs determined by the Commission to be appropriate for that period, adjusted for any over-recovery or under-recovery of fuel costs previously incurred." Prior to the merger, Old Dominion Power Company purchased all of its power requirements from Kentucky Utilities Company. Thus, Old Dominion Power Company did not generate power itself and was not subject to Virginia Code § 56-249.6. Now, subsequent to the merger, Kentucky Utilities Company t/a Old Dominion Power Company, the surviving public service corporation is generating power and is subject to the requirements set forth in that section of the Code. Thus, the Commission is now responsible for the review of the Company's fuel expenses.

In that regard, Staff found that Old Dominion's application lacks the detail necessary for Staff to conduct a thorough investigation of the Company's fuel projections. Accordingly, Staff recommended that the proposed fuel factor decrease be implemented; that the Company be directed

to file the supporting data outlined in Staff's testimony by May 1, 1992; that upon receipt of this information, Staff review the Company's projections and present its findings in a report to the Commission; and that Old Dominion file monthly the fuel data outlined in Staff's testimony, until such time as Old Dominion is a participant in the Commission's fuel monitoring system. The Company took no exception to Staff's Report.

The hearing in this case was held on March 26, 1992. At the hearing, the Company tendered its proof of notice, and the Company's application, testimony and exhibits were admitted into the record without the need for cross-examination. Staff's Report was likewise admitted into the record after examination.

Upon consideration of the record in this case, the Commission is of the opinion and finds that a zero-based fuel factor of 1.368¢ per kWh should be approved; that the Company should be directed to file by May 1, 1992, the supporting fuel projection data outlined in Staff's testimony; that upon receipt of Old Dominion's supporting data, Staff should review the Company's projections and present its findings by June 1, 1992, in a report to the Commission; and that until such time as Old Dominion is a participant in the Commission's computerized fuel monitoring system, the Company should file monthly the fuel data outlined in Staff's testimony. Accordingly,

IT IS ORDERED:

(1) That a zero-based fuel factor of 1.368¢ per kWh be, and the same hereby is, approved effective for all service billed on or after April 1, 1992;

(2) That on or before May 1, 1992, Old Dominion file with the Commission the supporting fuel projection data outlined in Staff's testimony;

(3) That upon receipt of Old Dominion's supporting fuel projection data, Staff review the Company's projections and present its findings by June 1, 1992, in a report to the Commission;

(4) That until such time as Old Dominion is a participant in the Commission's computerized fuel monitoring system, the Company file monthly the fuel data outlined in Staff's testimony; and

(5) That this case is continued generally.

CASE NO. PUE920018
JULY 1, 1992

APPLICATION OF
KENTUCKY UTILITIES COMPANY, t/a OLD DOMINION POWER COMPANY

To revise its fuel factor and cogeneration tariff pursuant to Virginia Code § 56-249.6 and PURPA § 210

ORDER MODIFYING 1992/93 FUEL FACTOR AND ESTABLISHING 1992/93 COGENERATION TARIFF

On March 4, 1992, Kentucky Utilities Company t/a Old Dominion Power Company, hereinafter referred to as "Old Dominion" or "Company", filed with the Commission an application, written testimony, exhibits and proposed tariffs intended to decrease its zero-based fuel factor from 1.477 cents per kWh to 1.368 cents per kWh. In this proceeding, Old Dominion also proposed revision of its cogeneration and small power production rate ("Rate QF"). On March 9, 1992, the Commission entered a procedural order, establishing deadlines for notice requirements, providing an opportunity for interested parties to file a Notice of Protest and Protest, directing Commission Staff to file testimony, and establishing a hearing date. On March 19, 1992, the Commission, on the motion of its Staff, entered an order establishing separate hearing and filing dates for the fuel factor and cogeneration portions of Old Dominion's application. No Protests were filed with the Commission's Document Control Center.

On March 26, 1992, the Commission conducted a hearing on Old Dominion's fuel factor, wherein the Company agreed with Commission Staff's recommendation that the proposed fuel factor decrease be implemented, but that additional fuel projection data should be provided to Commission Staff for evaluation. By Order Dated April 1, 1992, the Commission approved a zero-based fuel factor of 1.368 cents per kWh for Old Dominion effective April 1, 1992; however, the Commission directed the Company to file supporting fuel projection data ("Supporting Data") to be evaluated by Commission Staff. On April 27, 1992, Old Dominion filed its Supporting Data and on June 1, 1992, Commission Staff filed its Report, recommending a further reduction of the fuel factor to 1.314 cents per kWh. By letter filed June 11, 1992, the Company stated that it was in agreement with Staff's recommendations.

With respect to the portion of Old Dominion's application proposing revision to the cogeneration rate, Staff filed its testimony on June 16, 1992, recommending that applicability of Old Dominion's Rate QF be expanded from projects of 100 KW or less to include projects up to 1000 KW; that the Rate QF be based on the Company's 1991 forecast; and that the Company be required to develop metering charges in its next retail rate filing. The Company took no exception to Staff's recommendations.

On June 23, 1992, the Commission conducted a further hearing in this proceeding. The Company's Supporting Data, Staff's Report on said data, and the Company's letter of June 9, 1992 were received into evidence. It was noted that the Company's proof of notice, application, testimony and exhibits as well as the Staff's original testimony on the fuel factor issues were admitted into evidence during the March 26, 1992, hearing. Staff's testimony filed on June 16, 1992, on the cogeneration issues was admitted into the record after examination.

Upon consideration of the record in this case, the Commission is of the opinion and finds that Old Dominion's zero-based fuel factor should be further reduced to 1.314 cents per kWh; that applicability of the Company's Rate QF should be increased from 100 to 1000 KW; that the

Company's Rate QF should be based on the Company's 1991 forecast; and that the Company should be required to develop metering charges in its next retail rate filing. Accordingly,

IT IS ORDERED:

(1) That a zero-based fuel factor of 1.314 cents per kWh be, and the same hereby is, approved effective for all service billed on or after July 1, 1992;

(2) That the applicability of Old Dominion's Rate QF be and it hereby is expanded to projects up to 1000 KW, effective July 1, 1992;

(3) That Old Dominion's Rate QF revisions based on the Company's 1991 forecast be, and the same hereby are, approved effective July 1, 1992;

(4) That Old Dominion develop metering charges in its next filed retail rate case; and

(5) That this case is continued generally.

CASE NO. PUE920019
APRIL 15, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
E.S.C. GAS COMPANY,
Defendant

ORDER OF SETTLEMENT

In October, 1991, the Division of Energy Regulation ("the Staff") initiated an investigation of E.S.C. Gas Company ("E.S.C." or "the Company") as a result of an earlier customer complaint. As a result of its investigation, the Staff maintains that E.S.C. was granted a certificate of incorporation on April 21, 1988, and that its articles of incorporation provide that it is a stock corporation organized for the purpose of engaging in "the transaction of any or all lawful business, not required to be specifically stated in [its] Articles of Incorporation, for which corporations may be incorporated under the Virginia Stock Corporation Act. . . ." E.S.C.'s articles of incorporation do not provide that it is incorporated as a public service corporation. Virginia Code § 13.1-620 prohibits general business corporations from engaging in the business and exercising the privileges of public service companies. Thus, the Staff alleges that E.S.C. is engaging in corporate activities outside of the scope of its charter in violation of Va. Code § 13.1-629(b).

William J. and Hope M. Wiech are E.S.C.'s directors and own all of E.S.C.'s stock. William J. Wiech is the President of E.S.C. Gas Company.

Staff's investigation further indicates that E.S.C. is located in the Rolling Hills Estates Subdivision, west on Route 607, north of Charlottesville, in Greene County, Virginia, and that the Company owns two (2) 1,000 gallon tanks, connected by underground piping also owned by the Company, which are used to distribute propane in a gaseous form to no more than twenty-two residential customers in the Rolling Hills Estates Subdivision.

Virginia Code § 56-265.1(b) of the Utility Facilities Act defines "Public Utility" as "any company [corporation] which owns or operates facilities within the Commonwealth of Virginia for . . . the production, transmission, or distribution, otherwise than in enclosed portable containers, of natural or manufactured gas or geothermal resources for sale for heat, light or power. . . ." Thus, Staff believes that E.S.C. is a public utility subject to the Utility Facilities Act. E.S.C. Gas Company does not possess a certificate of public convenience and necessity issued by the State Corporation Commission ("Commission") authorizing that Company to provide public utility service. Staff, therefore, believes that the Company has not complied with Va. Code § 56-265.3 of the Utility Facilities Act.

Under Virginia law, whenever no fine or other penalty is specifically imposed by statute for a failure to comply with any provision of law, the Commission may impose and collect a fine not to exceed $500 in the case of an individual and in the case of a corporation not to exceed $5,000. See Virginia Code § 12.1-13 (Repl. Vol. 1989).

The Natural Gas Pipeline Safety Act, 49 U.S.C. App. § 1671 et seq. ("Act"), requires the Secretary of Transportation ("Secretary") to establish minimum federal safety standards for the transportation of gas and for pipeline facilities. The Secretary is further authorized to delegate the 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 request 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 U.S.C. App. § 1674A.

The 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 gas public utilities over which the Commission exercises jurisdiction.

In its July 6, 1989 Final Order entered in Commonwealth of Virginia, At the Relation of the State Corporation Commission, 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, Case No. PUE890052, 1989 S.C.C. Ann. Rept. 312, the Commission adopted Parts 191, 192, 193, and 199 of Title 49 of the Code of the Federal Regulations to serve as the minimum gas pipeline standards in Virginia. The Commission is authorized to enforce those standards under Virginia Code § 56-5.1, which adopts § 11(a)(1) of the Natural Gas Pipeline Safety Act of 1968, which, in turn, would allow the Commission to fine up to $10,000 for each violation for each day the violation persists up to a maximum of $500,000 for any related series of violations.

The Commission's Staff is charged with investigation of each jurisdictional gas public utility's compliance with the minimum safety standards. The Staff has conducted an investigation of E.S.C.'s compliance with these pipeline safety regulations, and alleges:

(1) That E.S.C. is a natural gas company within the meaning of Va. Code § 56-5.1;

(2) That Parts 191 and 192 of Title 49, Code of Federal Regulations adopted by the Commission define "Gas" to mean "natural gas, flammable gas, or gas which is toxic or corrosive". 49 C.F.R. §§ 191.3, 192.3;

(3) That propane is a flammable gas and is being used by various E.S.C. customers for heating and cooking;

(4) That E.S.C. has violated various subparts of 49 C.F.R. § 192 on several occasions in the Rolling Hills subdivision, by conduct, including, but not limited to the following:

A. E.S.C.'s main gas line from its two one thousand gallon tanks is only twelve inches deep. Section 192.327 of Title 49, Code of Federal Regulations, requires a minimum of twenty-four inches of cover on main gas lines.

B. E.S.C.'s Fisher 1805 relief device is rated for a maximum inlet pressure of 150 psig. Propane in the tanks, at an ambient temperature of 100° Fahrenheit, can reach a pressure of 172 psig. This device and associated pressure rating is in violation of § 192.143 of Title 49, Code of Federal Regulations as it is not designed to withstand the maximum pressure to which it could be subjected.

C. The Company does not check the relief device annually not to exceed fifteen months as required by § 192.739 of Title 49, Code of Federal Regulations.

D. The Company does not check and service the critical valves in the system annually not to exceed fifteen months as required by 49 C.F.R. § 192.747.

E. E.S.C. does not take periodic sampling of gas to assure the proper concentration of odorant in accordance with 49 C.F.R. § 192.625.

F. E.S.C. does not conduct the annual cathodic protection monitoring required by 49 C.F.R. § 192.465.

E.S.C. 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, E.S.C. represents and undertakes that it will take the following remedial actions outlined below:

(1) In lieu of any penalties which might be assessed by the Commission under Va. Code §§ 12.1-13 and 56-5.1, E.S.C. agrees to offset any service conversion fee of up to $50 incurred by each E.S.C. residential customer who switches from service provided by E.S.C.'s system to a bottled propane gas supplier. Such payment may be in the form of a credit in cases where the customer's liability to E.S.C. for propane service exceeds $50. In the event the customer owes money to E.S.C. in an amount of $50 or less for the provision of propane gas distribution service, E.S.C. shall pay up to $50 cash or may make a check payable to that customer in an amount up to $50. E.S.C. shall inform each of its customers that to receive the benefit of such payment or credit, the customer must mail to E.S.C., before May 25, 1992, a copy of the customer's initial bill from the bottled propane supplier indicating the cost of conversion to bottled propane charged by the supplier to the customer.

(2) By April 22, 1992, E.S.C. will mail the following notice to each of its customers by first class mail, postage-prepaid:

NOTICE OF ABANDONMENT OF SERVICE

Pursuant to the Order of Settlement entered by the State Corporation Commission ("Commission") in Case Number PUE920019, E.S.C. Gas Company ("E.S.C." or "the Company") will terminate service by June 1, 1992, and will abandon its underground propane system, using the procedures prescribed by § 192.727 of Title 49 of the Code of Federal Regulations. These regulations have been adopted as the minimum pipeline safety regulations by the Commission.

In lieu of any penalties which might be assessed by the Commission under Va. Code §§ 12.1-13 and 56-5.1, E.S.C. has agreed to pay up to $50 by check or credits to customers to help offset the conversion costs incurred by E.S.C. customers who switch from service provided by E.S.C.'s system to a

bottled propane gas supplier. Such payment will be in the form of a credit against the customer's bill in cases where the customer owes money in excess of $50 to E.S.C. To receive this benefit, an E.S.C. customer must mail before May 25, 1992, to E.S.C. a copy of the customer's initial bill from the bottled propane supplier indicating the conversion fee charged by the bottled propane supplier to the customer. On June 1, 1992, E.S.C. shall complete the payments by credit or check to all customers who have provided to the Company a copy of the customer's initial bill from the bottled propane supplier.

E.S.C. GAS COMPANY

(3) On or before April 22, 1992, E.S.C. shall file with the Clerk of the Commission a list of its customers and the addresses of these customers. These filings shall refer to Case No. PUE920019 and shall be addressed to William J. Bridge, Clerk of the Commission, P.O. Box 2118, Richmond, Virginia 23216.

(4) By May 15, 1992, E.S.C. shall file proof of the public notice required in paragraph (2) and a report with the Clerk of the Commission on the status of its customers' conversions to bottled propane. E.S.C.'s report shall also describe E.S.C.'s progress toward abandonment. This report shall contain an affidavit by the Company's President, which: identifies each customer; whether that customer has converted to bottled propane or an energy supplier other than E.S.C.; the amount contributed by E.S.C. for conversion to propane; whether the amount paid by E.S.C. was a bill credit or made by check; and which provides a copy of the customer's initial bill from the bottled propane supplier, indicating the conversion fee charged by the supplier to the customer.

(5) E.S.C. shall no later than June 1, 1992, complete its abandonment of its facilities and operations in accordance with § 192.727 of Title 49 of the Code of Federal Regulations, and shall on June 5, 1992, file an affidavit of its President, which affidavit shall include a description of what E.S.C. has done to abandon its system, affirming that the abandonment was concluded in accordance with § 192.727 of Title 49 of the Code of Federal Regulations, and affirming that a bill credit or cash payment in an amount up to $50 per customer was made to each customer served by E.S.C. Gas Company in accordance with the requirements of this Order. This affidavit shall be accompanied by a customer list which indicates the amount paid by E.S.C. or credit made by E.S.C. to each customer and shall be accompanied by copies of the customer's initial bill from the bottled propane supplier indicating the conversion fee charged by the supplier to the customer.

(6) All payments or credits to E.S.C. customers who have submitted an initial bill from a bottled propane supplier in accordance with paragraph (1) and in accordance with the notice set forth in paragraph (2) hereof shall be completed by June 1, 1992.

(7) Any noncompliance with the terms of this Settlement Order shall be subject to the penalties specified (a) in Va. Code § 12.1-33 for violation of the terms of the Order and (b) in Va. Code § 56-5.1 for any pipeline safety violations arising from E.S.C.'s failure to follow § 192.727 of Title 49 of the Code of Federal Regulations' requirements governing abandonment of facilities.

(8) E.S.C. will assure that, until June 1, 1992, its customers who have not yet converted to bottled propane will be provided with continuous service; provided, however, this paragraph shall not be construed as prohibiting E.S.C. from refusing service to any customer who refuses to make payments to E.S.C. for amounts owed to E.S.C. for propane service furnished by E.S.C. to such customer. In the event E.S.C. refuses service to a customer who refuses to make payment and disconnects service to that customer, its abandonment of the facilities to serve the nonpaying customer shall be in accordance with the procedures specified by § 192.727 of Title 49 of the Code of Federal Regulations.

(9) The settlement offered herein settles only the matters between the State Corporation Commission and E.S.C. and not any matters at issue between any other agency, person, corporation or claimant and E.S.C. Gas Company.

The Commission, being fully advised in the premises and finding sufficient basis herein for the entry of this Order, and in reliance on E.S.C.'s representations and undertakings set forth above, is of the opinion and finds that E.S.C. has made a good faith effort to cooperate with the Staff after the investigation was initiated and, further, has agreed to take steps to abandon its system safely. Therefore, the Commission finds that the offer of compromise and settlement should be accepted.

Accordingly, IT IS ORDERED:

(1) That pursuant to the authority granted the Commission by Va. Code § 12.1-15, the offer of compromise and settlement made by E.S.C. Gas Company be, and hereby is, accepted;

(2) That E.S.C. shall timely comply with the remedial actions outlined herein;

(3) That failure of E.S.C. to so comply with the remedial actions set forth herein may result in the initiation of a Rule to Show Cause proceeding against E.S.C. for a continuing violation of this Order under Va. Code §§ 12.1-33 and 56-5.1, and such proceeding may include any action necessary to effect immediate completion of the remedial program described herein; and

(4) That the Commission shall retain jurisdiction over this matter for all purposes.

CASE NO. PUE920019
JUNE 4, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
E.S.C. GAS COMPANY,
Defendant

ORDER EXTENDING DATE TO ABANDON SERVICE AND MAKE FILING

On June 1, 1992, counsel for E.S.C. Gas Company ("E.S.C." or "the Company") and the Commission's Staff ("Staff") filed a Joint Motion requesting an extension of time in which E.S.C. could complete the abandonment of its facilities and operations in accordance with Section 192.727 of Title 49 of the Code of Federal Regulations. This Motion requested an extension of time from June 1 to June 5, 1992, in which to abandon the system, and an extension to June 11, 1992, in which to file an affidavit and other information required by Paragraph (5) found at p. 8 of the April 15, 1992 Order of Settlement. In support of the Joint Motion, the Staff and the Company advised that E.S.C. was prepared to purge the pipes in this system, and that the Staff believed that the interests of public safety would be better served if the lines were purged with the assistance of certain testing equipment. The Motion advised that such testing equipment was not presently available to E.S.C. It requested the extension be granted to allow E.S.C. to obtain this equipment.

NOW THE COMMISSION, upon consideration of the Joint Motion, is of the opinion and finds that the request for an extension of time in which to abandon E.S.C.'s system should be granted, and that the time for abandonment specified in Paragraph (5) at p. 8 of the April 15, 1992 Order of Settlement should be extended. We find it is appropriate to allow additional time for E.S.C. to obtain the necessary equipment to assure that propane gas is properly removed from the system before it is abandoned. In granting this extension, we note that all acts which E.S.C. must perform to abandon its system safely must be performed and completed by June 5, 1992. E.S.C. should not delay in obtaining the appropriate equipment to test for gas remaining in its lines. Failure to abandon this system safely in accordance with the requirements of Section 192.727 of Title 49 of the Code of Federal Regulations may result in fines levied pursuant to Virginia Code § 56-5.1 and § 12.1-33.

In addition, we will extend the time from June 5 to June 11, 1992, in which E.S.C. must file an affidavit of its President, together with the additional information required by Paragraph (5) of p. 8 of the April 15, 1992 Order of Settlement. Failure to adhere to the dates, as extended herein, as well as the terms of the April 15 Order of Settlement, may also result in the imposition of fines levied pursuant to Virginia Code §§ 12.1-33 and 56-5.1.

Accordingly, IT IS ORDERED:

(1) That E.S.C. shall no later than June 5, 1992, complete its abandonment of its facilities and operations in accordance with Section 192.727 of Title 49 of the Code of Federal Regulations and shall by that date have used the necessary testing equipment to assure that the system is purged safely;

(2) That E.S.C. shall, on June 11, 1992, file with the Clerk of the Commission, an affidavit of that Company's President, which affidavit shall include a description of what E.S.C. has done to abandon its system, affirming that the abandonment was concluded in accordance with Section 192.727 of Title 49 of the Code of Federal Regulations, and affirming that a bill credit or cash payment in an amount up to $50 per customer was made to each customer served by E.S.C in accordance with the requirements of the April 15, 1992 Order of Settlement. This affidavit shall be accompanied by a customer list which shall indicate the amount paid by E.S.C. or credit made by E.S.C. to each customer and shall be accompanied by copies of the customer's initial bill from the bottled propane supplier indicating the conversion fee charged by the supplier to the customer. These filings shall refer to Case No. PUE920019 and shall be addressed to William J. Bridge, Clerk of the Commission, P.O. Box 2118, Richmond, Virginia 23216;

(3) Failure of E.S.C. to so comply with the remedial actions set forth herein as well as remedial actions required by the April 15, 1992 Order of Settlement may result in the initiation of a Rule to Show Cause proceeding against the Company for a continuing violation of these Orders under Virginia Code §§ 12.1-33 and 56-5.1. Such proceeding may include any action necessary to effect immediate completion of the remedial program described herein and may result in assessed penalties as specified in Virginia Code §§ 12.1-33 and 56-5.1;

(4) That E.S.C. shall timely comply with the remedial actions outlined herein;

(5) That the other provisions of the April 15, 1992 Order of Settlement shall remain effective; and

(6) That the Commission shall retain jurisdiction over this matter for all purposes.

CASE NO. PUE920019
JUNE 22, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
E.S.C. GAS COMPANY,
Defendant

DISMISSAL ORDER

On April 15, 1992, the State Corporation Commission of Virginia ("Commission") entered an Order, which among other things, directed E.S.C. Gas Company ("E.S.C." or "the Company") to complete the abandonment of its facilities and operations and to file an affidavit of its President, describing what the Company had done to abandon its system, and affirming that a bill credit or cash payment had been made to each customer in accordance with the requirements of the Commission's Order. By its Order dated June 4, 1992, the Commission extended the time in which the Company could abandon its system from June 1, 1992 to June 5, 1992, and the time in which E.C.S.'s President could file his affidavit to June 12, 1992.

On June 11, 1992, the Company filed its affidavit, acknowledging that it had completed the abandonment of its system and advising that no customers had forwarded a request for reimbursement for conversion to bottled propane, as provided in the Commission's April 15, 1992 Order.

NOW THE COMMISSION, having considered the record herein, the affidavits of E.S.C's President and, having been advised by the Commission Staff, is of the opinion and finds that this matter should be dismissed.

Accordingly, IT IS ORDERED that this matter is hereby dismissed, and the papers filed herein placed in the Commission's files for ended causes.

CASE NO. PUE920022
SEPTEMBER 9, 1992

APPLICATION OF
DELMARVA POWER & LIGHT COMPANY

For approval to implement energy for tomorrow program, Rider "EFT"

ORDER APPROVING RATES ON AN EXPERIMENTAL BASIS

On March 13, 1992, Delmarva Power and Light Company ("Delmarva" or "the Company") filed its application, together with supporting data and proposed tariffs, requesting approval to conduct a rate experiment for water heater and/or air conditioner control service, denominated Energy For Tomorrow Rider (hereinafter referred to as Rider "EFT"). Rider "EFT" is a voluntary residential demand side management program developed to help manage the demand placed on Delmarva's electrical system by customers during peak conditions. The Company requests that Rider "EFT" remain in effect through April 15, 1995.

The proposed Rider "EFT" will be available to any eligible Virginia residential customer who agrees to allow Delmarva to cycle their electric central air conditioner/heat pump and/or electric water heater on and off during the summer months of June through September. Cycling is accomplished by a signal transmitted by the Company to a receiver and switch installed at the customer's residence to cycle the customer's appliance(s).

Under the proposed Rider "EFT", there are three options available to customers who allow the Company to cycle the operation of their appliance(s). Option #1 is available to customers who have a central air conditioner or heat pump. Option #2 is available to customers who have an electric water heater of at least 40 gallons of capacity. Option #3 is available to customers who have both a central air conditioner and an electric water heater. Customers who allow cycling of their central air conditioner under Option #1 will receive a credit of $5.00 per month during each summer month from June through September. Customers electing Option #2 will receive a credit of $3.00 per summer month and those electing Option #3 will receive a credit of $8.00 per summer month.

The cycling periods for central air conditioners would occur only on weekdays during the summer months of June 1 through September 30 with no more than thirty (30) weekdays of cycling per year. In addition, the central air conditioner may be "cycled off" for up to 15 minutes out of every 30 minute period only between 9:00 a.m. and 10:00 p.m.

The cycling periods for electric water heaters would also occur only on weekdays during the summer months of June 1 through September 30 with no more than thirty (30) weekdays of cycling per year. In addition, the water heaters may be "cycled off" up to 8 hours during any summer weekday.

In its Order issued on June 4, 1992, the Commission required the Company to publish notice of its application in newspapers of general circulation in its affected service territory. The Commission further directed that a copy of its June 4, 1992 Order be served on the chairman or the board of directors of each affected county and on the mayor or manager of every affected city and town (or equivalent officials in counties, towns, and cities having alternate forms of government) in which the Company intends to offer this experimental service. Delmarva filed proof of its compliance with the Commission's directed notice requirements on July 31, 1992.

In its June 4, 1992 Order, the Commission further provided an opportunity for any interested persons to request a hearing in this case on or before June 26, 1992. No comments or requests for hearing were filed with the Commission regarding this matter.

On July 24, 1992, Commission Staff filed its report on Rider "EFT". Staff generally supports the proposed Rider "EFT" as an experimental program for three reasons. First, Staff concluded that Rider "EFT" will further Delmarva's load management and conservation efforts. Second, Staff also determined that the proposed program is consistent with the Commission's encouragement of demand-side programs as noted in the Commission's Order in Case No. PUE900070. Third, approval of Rider "EFT" on an experimental basis will facilitate the collection of information and data which is vital for the development of successful demand-side programs.

Staff also notes that the Company agreed, in response to a Staff data request, to a limit of 2,000 participants for the proposed program. With respect to the proposed monthly credits, Staff recommends their approval for the limited purposes of the Rider "EFT" experiment; however, Staff notes that the Company's avoided cost is not readily identifiable since optimal resource plans "with" and "without" load management programs were not prepared. Calculation of appropriate credits, therefore, is speculative. Accordingly, Staff urges the Commission to require the Company to conduct a differential revenue requirements analysis of the Rider "EFT" program before it files any future application for implementation or approval of the program on a permanent basis. Delmarva took no exception to Staff's Report.

NOW, THE COMMISSION, having considered the application, the proof of compliance with notice requirements, Staff's Report, the Commission's previous orders regarding conservation and load management, and Virginia Code § 56-234 finds that it is appropriate to allow Delmarva to implement Rider "EFT" on an experimental basis from the date of this order until April 15, 1995. The Commission further finds that Delmarva should limit the program to 2,000 participants and file semi-annual reports on its experience with Rider "EFT" with the Commission's Document Control Center and Division of Energy Regulation. These reports should include, but not be limited to, participation data and interim analysis. Accordingly,

IT IS ORDERED:

(1) That Delmarva's experimental tariff Rider "EFT" is hereby approved for the period commencing the date of this order and ending April 15, 1995;

(2) That Delmarva limit the use of Rider "EFT" to 2,000 participants;

(3) That Delmarva shall file semi-annual reports on its experimental tariff Rider "EFT" with the Commission's Document Control Center and Division of Energy Regulation commencing December 1, 1992, to include, but not be limited to, information as to participation data and interim analysis;

(4) That, prior to application for permanent approval of the EFT program, the Company shall conduct an appropriate analysis to support continuation of the program. The results should be part of an application for permanent approval; and

(5) That this case shall remain open until further order of the Commission.

CASE NO. PUE920024
JUNE 19, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend its Certificate of Public Convenience and Necessity authorizing operation of transmission lines and facilities in Charles City and New Kent Counties: Chickahominy Substation-Lanexa Substation 230 kV Transmission 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 Counties of Charles City and New Kent to authorize the construction and operation of a 230 kV transmission line. The proposed line would run from the Chickahominy Substation, Charles City County, to the Lanexa Substation, New Kent County. By order of April 15, 1992, the Commission docketed this application pursuant to Title 56 of the Code of Virginia and directed Virginia Power to give notice. We also established procedures for requesting a hearing and receiving comments.

On May 5 and May 22, 1992, Virginia Power filed affidavits of service of copies of our order on state and local officials and proof of newspaper publication of notice. Accordingly, we find that appropriate notice of this application was given as required by Sections 56-46.1 and 56-265.2 of the Code. In response to the public notice, the Commission received no comments or requests for a hearing. Upon review of the application, there appear to be no material issues of fact. Accordingly, the Commission finds that it may consider and act upon this application without formal or informal hearing or further proceedings.

According to Virginia Power's application, this additional 230 kV transmission line is required to eliminate excessive line loading on existing facilities and to provide additional capacity to the Williamsburg/Peninsula area. Virginia Power provided information showing substantial load growth in this area during recent years. While the Company estimates that the rate of load growth will decline in the future, existing facilities have small margins of additional capacity. Because of its connections to major Virginia Power generation facilities, Chickahominy Substation is an available source of additional power for the Williamsburg/Peninsula area. The proposed transmission line will provide access to that power so that reliable service can be provided.

As Virginia Power explained in its application, the proposed line will require installation of conductors and related equipment on the unoccupied side of existing supporting structures. No additional right-of-way will be required for the line which will extend approximately 14.2 miles. 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 a review of published studies suggested no harmful health or safety effects would result from the proposed transmission line.

After considering the application, the Commission finds that the proposed transmission line will serve the public convenience and necessity by providing an additional source of power to the Williamsburg/Peninsula area. Since the proposed line will utilize existing supporting structures and will require no additional right-of-way, it will have minimal additional impact on scenic assets and the environment of the affected area. Further, Virginia Power is taking maximum advantage of existing rights-of-way. Therefore, the Commission finds that the application should be granted and the appropriate certificate of public convenience and necessity should be issued. Accordingly,

IT IS ORDERED:

(1) That, pursuant to Sections 56-46.1 and 56-265.2 of the Code, this application be granted;

(2) That Virginia Power be authorized to construct and operate a 230 kV transmission line from its Chickahominy Substation, Charles City County, to its Lanexa Substation, New Kent County, utilizing the unoccupied side of existing supporting structures;

(3) That Virginia Power be issued an amended certificate of public convenience and necessity as follows:

> Certificate No. ET-71i, 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; all as shown on map attached thereto; Certificate No. ET-71i, will supersede Certificate No. ET-71h, issued June 20, 1991.

(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. PUE920025
SEPTEMBER 28, 1992

APPLICATION OF
SOUTHWESTERN VIRGINIA GAS COMPANY

Annual Informational Filing

FINAL ORDER

By order dated March 31, 1992, the State Corporation Commission ("Commission") granted the motion of Southwestern Virginia Gas Company ("Southwestern" or "the Company") for an extension of time from March 31, 1992, to April 30, 1992, within which to file its Annual Informational Filing ("AIF"). The Company filed its AIF on April 21, 1992. On May 20, 1992, Southwestern filed additional information at the request of Commission Staff in order to complete the Company's AIF.

Commission Staff filed its report on August 20, 1992. In its report, Staff took exception to the adjustments proposed by the Company that were not approved in its last rate case. These adjustments included the Company's increase in expenses for the cost of painting a building and for periodic maintenance. Staff also took exception to Southwestern's adjustment regarding the recording of the Company's employee stock option plan ("ESOP"). On April 20, 1992, the Company's ESOP contribution percentage was increased from 10 percent to 15 percent. In its filing, the Company included an annual level of the increase rather than the effective pro forma period level as required by the Commission's rules. Finally, Staff took exception to the Company's adjustment to reflect a lease on additional computer equipment. The net effect of Staff's adjustments decreases rate base from $3,658,121 to $3,651,674 and increases the Company's adjusted operating income from $357,629 to $408,631.

In its Report, Staff noted that Southwestern's revised Rate of Return Statement indicated that the Company is earning a rate of return in excess of its authorized return on equity range and that a revenue reduction of $18,780 is necessary to place Southwestern at the midpoint of this range. Staff, however, recommended that Southwestern write-off deferred debits relating to main relocation expenses and rate case costs in 1992. The effect of writing off those regulatory assets substantially mitigates the Company's over-earning position. On August 24, 1992, Southwestern filed a letter in which the Company accepted Staff's recommendations and conclusions.

The Commission, upon consideration of this matter, is of the opinion and finds that Staff recommendations should be implemented. Accordingly,

IT IS ORDERED:

(1) That Southwestern write off its deferred debits relating to main relocation expenses and rate case costs in 1992; and

(2) That this matter be closed and the papers herein be placed in the file for ended causes.

CASE NO. PUE920027
OCTOBER 1, 1992

APPLICATION OF
KENTUCKY UTILITIES COMPANY, d/b/a OLD DOMINION POWER COMPANY

Annual Informational Filing

FINAL ORDER

On March 31, 1992, the Commission granted Kentucky Utilities Company d/b/a Old Dominion Power Company ("Old Dominion" or "the Company") an extension of time from March 31, 1992, to April 30, 1992, within which to file its Annual Information Filing ("AIF"). On April 30, 1992, Old Dominion filed its AIF based on a test period ending December 31, 1991. On June 3, 1992, Old Dominion revised its AIF and the Commission Staff ("Staff") accepted the filing as complete. The Company's AIF, as revised, revealed the Company was earning above its authorized return on equity. The Commission had authorized the Company the opportunity to earn a return on common equity of 13% in its last general rate proceeding (Commonwealth of Virginia, ex rel., State Corporation Commission v. Old Dominion Power Company, Case No. PUE870018, Final Order dated October 14, 1987).

Staff requested additional information from the Company to determine what the Company's earning position would be if Old Dominion's test period was adjusted on a general rate case basis with an assumed rate year beginning September 1, 1992. The Company's updated rate of return statement, including general rate case adjustments, based on proforma capitalization as of December 31, 1992, and as further adjusted by Staff, showed an estimated return on equity of 14.78%.

On August 31, 1992, Old Dominion filed an application to reduce its rates by $800,000 beginning with the first billing cycle in October, 1992. On September 2, 1992, the Company filed supplemental information in support of its application.

In its application to reduce rates, Old Dominion recognized that it was earning in excess of its authorized 13% return on equity. The Company offered to reduce its rates by $800,000 on an annual basis for bills rendered beginning with the first cycle in October, 1992. Old Dominion made that offer after reviewing the financial results set forth in its AIF; considering the appropriate going forward allocation of costs resulting from the December 2, 1991 merger of Old Dominion and Kentucky Utilities; and recognizing the current financial markets and the Company's successful refinancing of a substantial portion of its long-term debt obligation. The Company proposed the reduction to be uniformly distributed over all rate schedules. The Company also represented that it would begin the accrual of post retirement benefits other than pensions ("OPEB") as a current expense as of January 1, 1993, as set forth in the Financial Accounting Standards Board Statement No. 106.

On September 15, 1992, Staff filed its report finding that the Company's AIF, as revised, had revealed a return on equity of 14.46%. After reviewing the additional information requested from the Company, Staff concluded that Old Dominion's test period earnings adjusted on a general rate case basis with an assumed rate year beginning September 1, 1992, still reflected an overearnings position.

Staff's report further found that based on the revised information submitted by the Company on September 2, 1992, to supplement its application for a rate reduction, Old Dominion's proposed reduction in rates would generate reduced jurisdictional revenues of $801,214 on an annual basis, which in turn would lower the estimated return on equity to 13.39%. Staff also noted that the Company may incur a significant increase in its OPEB expenses, if the Company begins accruing theose expenses January 1, 1993, in accordance with Financial Accounting Standards Board Statement No. 106. Ratemaking treatment for such expenses is currently at issue in Case No. PUE920003.

On September 30, 1992, Old Dominion filed an amended application proposing to increase the Company's reduction in annual revenues to $1,024,440, which lowers the Company's estimated return on equity to 13%. The Company continued to propose the reduction be accomplished through a uniform rate reduction over all schedules. Old Dominion further proposed to eliminate its accrual of OPEB as a current expense as of January 1, 1993, and, instead account for OPEB in the manner ultimately required by the Commission in Case No. PUE920003.

The Staff has recommended the Commission accept the Company's voluntary reduction in rates.

THE COMMISSION, upon consideration of this matter, is of the opinion and finds that Old Dominion's application to voluntarily reduce its rates, as amended, should be granted. Accordingly,

IT IS ORDERED:

(1) That Old Dominion reduce its base rates by $1,024,440 on an annual basis effective for bills rendered on and after October 5, 1992; and

(2) That there being nothing further to come before the Commission, this case is dismissed and the papers herein shall be placed in the file for ended causes.

CASE NO. PUE920034
OCTOBER 20, 1992

NOTIFICATION OF
VIRGINIA GAS COMPANY

To furnish gas service pursuant to Va. Code § 56-265.4:5

ORDER DISMISSING PROCEEDING

On April 20, 1992, Virginia Gas Company ("VGC") filed with the State Corporation Commission ("Commission") notification pursuant to Va. Code § 56-265.4:5 of its intent to provide gas service under Va. Code § 56-265.1(b)(4) to White Stone Company ("WSC") and W-L Construction Paving, Inc. ("W-L"). On August 10, 1992, the Commission Staff filed a memorandum advising that it had completed its investigation and that neither WSC's nor W-L's facilities were within an area for which a certificate of public convenience and necessity had been issued.

On August 12, 1992, the Commission entered an Order docketing the proceeding and notifying all public utilities providing gas service in the Commonwealth of VGC's plans to furnish gas service and advising jurisdictional natural gas public utilities that they could file an application to provide natural gas service in the area identified in VGC's notification documents within sixty days of the entry of that Order.

Sixty days have now elapsed from the entry of the Order of August 12, 1992, and no jurisdictional public utility has filed an application to provide natural gas service within the area identified in the captioned notification.

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that this matter should be dismissed. Accordingly,

IT IS ORDERED:

That this matter shall be dismissed from the Commission's docket of active proceedings, and the papers filed herein be made a part of the Commission's file for ended causes.

CASE NO. PUE920035
NOVEMBER 12, 1992

APPLICATION OF
RAPPAHANNOCK ELECTRIC COOPERATIVE

For a Certificate of Public Convenience and Necessity authorizing operation of lines and facilities in Albemarle County: Profitt Substation and Rivanna Substation - Profitt Substation 115 kV Line

ORDER GRANTING CERTIFICATE

Before the Commission is the application of Rappahannock Electric Cooperative ("Rappahannock" or "Cooperative") for a certificate of public convenience and necessity for Albemarle County to authorize the construction and operation of the Profitt Substation and a portion of a single-circuit 115 kV line. Rappahannock proposes to construct the substation adjacent to an exiting Virginia Electric and Power Company ("Virginia Power") 230 kV transmission line to provide 230 kV to 115 kV transformation for a new power source. A new 115 kV line would link the proposed substation to Rappahannock's existing Rivanna Substation. The new line would require right-of-way 100 feet wide, with the exception of approximately 200 feet constructed on existing right-of-way. The Profitt Substation and approximately 9,500 feet of the 115 kV line would be constructed in Virginia Power's service territory.

By order of July 17, 1992, the Commission docketed this application and directed Rappahannock to give notice. On August 4, 1992, Rappahannock filed proof of service of copies of our Order and copies of its application on designated public officials. The Commission finds that appropriate public notice of this application has been given.

In response to the public notice, no public official or other person asked the Commission to conduct a hearing on the application. We extended the date for receipt of comments from the Council on the Environment ("Council") and any other interested parties by order of August 11, 1992. On September 9, 1992, Keith J. Buttleman, Administrator of the Council, filed with the Clerk of the Commission a letter expressing several environmental concerns raised by the application.

Rappahannock has now moved that the Commission grant its application without the necessity of a public hearing. In support of its motion filed September 22, 1992, the Cooperative agreed to comply with recommendations made by the Council. The Cooperative attached to its motion a letter to Mr. Buttleman from Nevins H. Wilburn, Rappahannock's Manager of Engineering. In that letter, Mr. Wilburn stated that Rappahannock acknowledged Mr. Buttleman's list of environmental issues and agreed to work with the Council and state agencies to promote appropriate regulatory and coordination responses.

The Commission has reviewed the application, Mr. Buttleman's correspondence, Rappahannock's motion and the attached letter. We find that there are no material issues of fact in dispute. Accordingly, we find that we may consider and act upon this application without hearing or further proceedings.

In the July 17, 1992, Order for Notice, the Commission stated that it would consider certification only of proposed facilities outside Rappahannock's service territory. We have previously determined that construction of 115 kV line is an ordinary extension or improvement in the usual course of providing electric service. As contemplated by Section 56-265.2 of the Code of Virginia, Rappahannock must obtain a certificate of public convenience and necessity only for approximately 9500 feet of the proposed line which would be constructed in Virginia Power's service territory. Virginia Electric & Power Co., 1990 S.C.C. Ann. Rep. 327, 328.

Like the segment of proposed 115 kV line, the Profitt Substation would also be constructed in Virginia Power's territory. In addition, a substation providing transformation from 230 kV to a lower voltage is extraordinary construction and not an ordinary extension or improvement. See Virginia Electric & Power Co., 1986 S.C.C. Ann. Rep. 325; Potomac Edison Co., 1986 S.C.C. Ann. Rep. 300. For these reasons, Section 56-265.2 requires Rappahannock to secure a certificate for the Profitt substation as well. Before the Commission may issue the certificate for the substation, we must, as required by Section 56-46.1(A) of the Code, give consideration to the affect of the substation on the environment and establish any necessary conditions to minimize adverse environmental impact. Thus the Commission will consider the substation portion of the application in light of the requirements of Section 56-46.1(A) and Section 56-265.2.

The application evidences a high degree of coordination between Virginia Power and Rappahannock to assure an adequate and reliable supply of electricity to their respective retail customers. According to Rappahannock's application, Virginia Power has no objection to the construction of these facilities in its service territory.

Rappahannock's application also shows a need to add facilities in Albemarle County to assure reliable service to customers. The Rivanna Substation and other Cooperative substations in Albemarle and Greene Counties are now supplied by a 34.5 kV distribution line connected to Virginia Power facilities. The rated capacity of this 34.5 kV line was exceeded in December, 1989, and emergency measures were undertaken. As shown in data filed with the application, Rappahannock projects that its 1992 peak electric demand will exceed the design limits of this 34.5 kV distribution line. Further, energy requirements in this growing area are expected to grow by approximately 6% a year. The 34.5 kV subtransmission system can now supply 40 MW thermal ampacity, but loads up to two and one-half times that ampacity can be encountered under certain conditions. The 34.5 feeder line from Virginia Power exposes this delivery system to greater risk of outages than is appropriate. The proposed Profitt Substation would provide a new source of power at higher voltage. According to Rappahannock's application, the substation and 115 kV line would assure adequate supply and improve reliability.

Rappahannock's application demonstrates consideration of the environment throughout the planning of this project. As detailed in the application, Rappahannock worked with the Albemarle County Planning Commission and received approval from that agency and from the Albemarle County Board of Supervisors. The Virginia Department of Historic Resources, the Marine Resources Commission, the U.S. Department of Interior's Fish and Wildlife Service, the U.S. Department of Agriculture's, Soil Conservation Service, and the U.S. Army Corps of Engineers were all contacted about the project. After study and consultation, the Cooperative identified in its application a number of design considerations and mitigation measures aimed at reducing impact on the environment. Rappahannock stated it would incorporate these measures and work with the various agencies to reduce or avoid environmental damage.

In his letter of September 9, 1992, to the Commission, Council on the Environment Administrator Buttleman indicated three primary areas of concern: endangered, rare, or threatened species; water resource impacts and mitigation; and historic resources. In his reply correspondence, Cooperative Manager of Engineering Wilburn responded to these points. He stated that Rappahannock would cooperate with the appropriate agencies to identify and resolve any problems.

The Profitt Substation would be constructed on a rectangular site 350 feet by 650 feet. One short side would abut Virginia Power's transmission line right-of-way. One long side of the rectangle would abut the Better Living Home Center truss plant. A new access road must be constructed from an existing road serving the truss plant to the substation. This road will be constructed within the Virginia Power transmission line right-of-way except for portions which must be routed to avoid a pond. Rappahannock stated that it will observe appropriate erosion and sedimentation control practices in constructing the substation and the access road.

The proposed 115 kV line would be constructed through woodlands and pasture land, and a portion of the line will adjoin railroad tracks. In its application and correspondence to Mr. Buttleman, Rappahannock stated that it would observe appropriate erosion and sedimentation guidelines in clearing the right-of-way and constructing the line. In particular, the Cooperative will take precautions when working in and around streams, and the appropriate permit for crossing the Rivanna River will be secured.

According to Mr. Buttleman's letter to the Commission, the proposed project would not infringe upon the habitat of any threatened, rare, or endangered species. The record also shows that the Cooperative recognizes the possible impact on sites of historic interest and will cooperate with the Department of Historic Resources in identifying these locations.

Upon consideration of the application, the Commission finds that Rappahannock has demonstrated a need for the proposed facilities. Information included in the application shows increased load growth in Albemarle and Greene Counties. The application also demonstrates that the proposed facilities will efficiently meet the growth. As previously noted, Virginia Power has no objection to the construction of these facilities in its territory. Accordingly, the Commission finds that the public convenience and necessity require the construction of the proposed substation and 115 kV line.

The application, the correspondence to the Commission from Council on the Environment Administrator Buttleman, and the Cooperatives' reply to Mr. Buttleman demonstrate that the impact to the environment has been considered in the planning of the proposed facilities. Rappahannock has considered the numerous potential environmental consequences of the project and proposed measures to mitigate or eliminate adverse impact. Further, the Albemarle County Planning Commission and the Albemarle County Board of Supervisors have approved the project as consistent with local plans for land use and development. Therefore, we find that the Commission may approve the construction of these electric utility facilities and that an appropriate certificate of public convenience and necessity may be issued.[1] Accordingly,

IT IS ORDERED;

(1) That, pursuant to Section 56-46.1(A) and Section 56-265.2 of the Code of Virginia, this application be granted;

(2) That Rappahannock be authorized to construct and to operate the Profitt Substation to provide 230 kV to 115 kV transformation and that Rappahannock be authorized to construct and operate a 115 kV line from the Profitt Substation to its Rivanna Substation, including portions of this line passing through Virginia Power's certificated service territory, all as shown in the application;

(3) That Rappahannock be issued a certificate of public convenience and necessity as follows:

> Certificate No. ET-154, for Albemarle County, authorizing the Rappahannock Electric Cooperative to construct and operate the proposed 115 kV transmission line and substation as shown on the map attached thereto;

(4) That Rappahannock's motion filed September 22, 1992, seeking disposition of this proceeding without public hearing be granted; and

(5) That this case be dismissed from the docket of active proceedings and the papers herein be placed in the files for ended cases.

[1]The certificate of public convenience will indicate the entire route of the 115 kV line. Evaluation of the public convenience and necessity requires consideration of the entire project. Records of utility facilities used by the Commission and available to the public should reflect the entire route, both within and without Rappahannock's service territory.

CASE NO. PUE920036
JULY 2, 1992

APPLICATION OF
DELMARVA POWER & LIGHT COMPANY

To revise its fuel factor pursuant to Virginia Code § 56-249.6

ORDER ESTABLISHING 1992/93 FUEL FACTOR

On April 30, 1992, Delmarva Power & Light Company ("Delmarva" or "the Company") filed with the Commission an application, together with written testimony, exhibits, and proposed tariffs requesting approval of a decrease in its zero-based fuel factor from 2.154¢ per kWh to 1.851¢ per kWh. Delmarva also requests approval of fuel factor treatment of financing charges related to leased nuclear fuel at its Salem Nuclear Generating Station, as well as approval of a pricing methodology for system supplied gas which is consumed in its electric production facilities.

By Order dated June 9, 1992, 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. No notice of protest or protest was received in this proceeding.

On June 25, 1992, Commission Staff filed its testimony. Based upon actual recovery of fuel expenses through May 31, 1992, and projected fuel expenses through June 30, 1992, Staff proposed that the fuel factor be further reduced to 1.843¢ per kWh, effective July 1, 1992. Although Staff did not challenge Delmarva's gas procurement strategy, Staff recommended that the Commission not act on the Company's request for specific approval of the Company's new gas pricing methodology. In Staff's opinion such approval would be similar to approval of a fuel contract.Staff noted that the Commission has historically rejected requests for approval of specific contracts, such as those for coal purchases or purchased power.

With respect to Delmarva's request to recover the finance charges associated with the Company's nuclear fuel lease arrangement through the fuel factor, Staff felt that justification of these expenses through the fuel factor was unclear. Therefore, these finance charges, like any other cost of raising capital, should be recovered through the Company's base rates. However, Staff recommended that the Company be permitted to recover its leased nuclear finance charges through the fuel factor until the Company's next fuel factor case, providing Delmarva an opportunity to fully address this issue. Staff also noted that the Salem No. 2 tripped during a routine performance test causing extensive damage to the turbine and generator. Staff has initiated an investigation of this outage and will present the results of its investigation and any associated recommendations as part of the 1991 Annual Report on Fuel Expenses.

On June 26, 1992, the Company sent a letter to the Commission stating that Delmarva took no exception to Staff's recommendation to further reduce the fuel factor based on updated information. The Company also noted Staff's recommendation that the Company be permitted to recover leased fuel expenses through the fuel factor until the next filed case and requested that the Company be permitted to address this issue as part of its direct case in its next filed fuel factor.

The hearing of this case was held on June 29, 1992. The Company tendered its proof of service and the Company's application, testimony and exhibits were admitted into the record. Staff made corrections to its testimony and it was admitted into the record. The Company took no exception to Staff testimony, as corrected.

Upon consideration of the record in this case, the Commission is of the opinion that a reduction in Company's zero-based fuel factor to 1.843¢ per kWh is appropriate, based in part on projected fuel expenses. Approval of this fuel factor, however, is not to be construed as approval of the Company's actual fuel expenses. Commission Staff files a report annually which addresses the reasonableness of the Company's actual fuel expenses ("Staff's Annual Report"). A copy of Staff's Annual Report is sent to the Company and to each party who participated in the Company's last fuel factor proceeding, all of whom are provided an opportunity to comment and request a hearing on the Report. Should the Commission find, based upon the foregoing, that the Company's actual fuel expenses have been imprudent, the Company's recovery position will be adjusted. This adjustment would be reflected in the Company's next fuel factor.

The Commission further finds that Delmarva should currently be allowed to include the projected finance charges associated with the Company's nuclear fuel lease arrangement in the fuel factor; however, the Company and Staff are directed to address this issue in detail in the Company's next fuel factor proceeding.

The Commission further finds that it should refrain from acting on the Company's request for specific approval of the Company's new gas pricing methodology. Accordingly,

IT IS ORDERED:

(1) That a zero-based fuel factor of 1.843¢ per kWh is hereby approved for service rendered on or after July 1, 1992;

(2) That Delmarva is directed to discuss its leased fuel expenses in its next fuel factor proceeding; and

(3) That this case is continued generally.

CASE NO. PUE920040
JUNE 30, 1992

APPLICATION OF
DELMARVA POWER AND LIGHT COMPANY

For an expedited increase in rates

ORDER AUTHORIZING INTERIM RATES

On May 27, 1992, Delmarva Power & Light Company ("Delmarva" 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 $1,500,000. The test year supporting the application is the 12 months ending December 31, 1991. In its application Delmarva requested the proposed increase go into effect on June 26, 1992, subject to refund pending a final decision in this case. By letter filed June 23, 1992, however, Delmarva requested that it be permitted to delay implementation of the proposed base rate increase until July 1, 1992, enabling the Company to implement its base rate change coincident with its fuel factor change.

On June 26, 1992, Commission Staff ("Staff") filed its Interim Report. Therein Commission Staff stated that it appeared that Delmarva had complied with the Commission's rules governing expedited rate applications.

The Commission, upon consideration of this matter, is of the opinion that Delmarva should be allowed to implement its proposed rates on an interim basis subject to refund with interest. Accordingly,

IT IS ORDERED:

(1) That this matter is hereby docketed and assigned Case No. PUE920040; and

(2) That an interim increase in rates designed to produce additional gross annual revenue of $1,500,000 shall be applied to service rendered on and after July 1, 1992, and that such interim increase shall remain subject to refund with interest until such time as the Commission determines this case.

CASE NO. PUE920043
SEPTEMBER 23, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

To amend its Certificate of Public Convenience and Necessity authorizing operation of transmission lines and facilities in Halifax County: Clover Power Station 230 kV Tap Lines

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 Halifax County to authorize the construction and operation of two parallel single-circuit 230 kV tap lines. The proposed lines would run from Virginia Power's existing Halifax-Farmville 230 kV Transmission Line to the Clover Power Station now under construction. By order of June 25, 1992, the Commission docketed this application pursuant to Title 56 of the Code of Virginia and directed Virginia Power to give notice. We also established procedures for requesting a hearing and receiving comments. On July 7 and July 28, 1992, Virginia Power filed affidavits of service of copy of our order on state and local officials and proof of newspaper publication of notice. Accordingly, we find appropriate notice of this application was given as required by Sections 56-46.1 and 56-265.2 of the Code.

In response to the public notice, the Commission received no requests for hearing. Ms. Myra Lawrence of Halifax, Virginia, wrote the Commission expressing opposition to the routing of the proposed transmission line across a farm in which she has an ownership interest. In response to a letter from the Commission's Office of General Counsel, Ms. Lawrence advised, however, that she did not request that the Commission conduct a hearing to address the need or the environmental impact of the proposed transmission line.

On July 28, the Commission's Division of Energy Regulation filed a Staff Report on this application. The Staff analyzed the proposal and recommended that the Commission grant the application.

Upon consideration of the application and other filings, the Commission finds that there is no material issue of fact. Accordingly, we may consider and act upon this application without formal or informal hearing or further proceedings.

As noted in our order of June 25, 1992, the Commission has authorized the Company and Old Dominion Electric Cooperative to develop and operate jointly the Clover Power Station. The Station will contain two 393 MW (net) generating units when completed. According to Virginia Power's application, the proposed tap lines are required to provide adequate power for construction of the Station and testing of equipment. The site is currently served by a 12.5 kV distribution circuit which provides adequate power only for initial construction activities.

When the first Clover unit becomes operational, the tap lines will provide necessary transmission capacity. The proposed tap lines will also be sufficient to transmit the second unit's generation during normal operations. While there are 115 kV lines in the general vicinity of the Clover Power Station, the Company states that only the 230 kV Halifax-Farmville line has adequate capacity to transmit power from both units. In its report, the Commission Staff concurred in Virginia Power's analysis of the need.

Upon consideration of the application and the Staff Report, the Commission finds that there is a need for the proposed tap lines. The efficient and reliable interconnection of the Clover Power Station to Virginia Power's transmission system requires the proposed facilities.

Virginia Power would acquire new right-of-way cleared to a width of approximately 200 feet and running approximately 3.7 miles for the tap lines. According to the application, no existing rights-of-way could be utilized to connect the Clover Power Station with the Halifax-Farmville line. Virginia Power noted in its application that its proposed route is located within a transmission line corridor identified by Old Dominion Electric Cooperative as part of the extensive environmental analysis required to secure approval for its participation in the Clover project from the U.S. Rural Electrification Administration.

The proposed route crosses agricultural and wooded areas. No structures would be disturbed by the construction of the line. In its application, Virginia Power stated that it would observe appropriate environmental safeguards in constructing and maintaining a line. The Company also stated that its experience and a review of published studies suggested that no harmful health or safety effects would result from the proposed tap lines.

Upon consideration of the application, the Commission finds that the proposed route would minimize adverse impact on environmental and cultural features of the area. Further, it does not appear that the proposed transmission line would alter existing land uses. In her correspondence with the Commission, Ms. Lawrence has stated her opposition to the routing across a farm in which she has an interest. It appears however, that her concerns relate primarily to the impact of the lines on property value. While this is a legitimate concern, Ms. Lawrence has identified no adverse impact on environmental or cultural attributes of the area which the Commission must consider.

In conclusion, the Commission finds that there is a need for the proposed facility and that no existing rights-of-way can be used to satisfy the need. The Commission further finds that the proposed routing reasonably minimizes adverse environmental impact. We find that the application should be granted.

ACCORDINGLY, IT IS ORDERED:

(1) That, pursuant to Sections 56-46.1 and 56-265.2 of the Code, this application be granted;

(2) That Virginia Power be authorized to construct and operate two parallel single-circuit 230 kV tap lines from the Halifax-Farmville 230 kV Transmission Line to the Clover Power Station, all in Halifax County;

(3) That Virginia Power and Old Dominion Electric Cooperative be issued an amended certificate of public convenience and necessity as follows:

> Certificate No. ET-84j, for Halifax County, authorizing the Virginia Electric and Power Company to operate previously certificated transmission lines and facilities and to construct and operate the parallel single-circuit 230 kV tap lines from the Halifax and Farmville 230 kV Transmission Line to the Clover Power Station and authorizing the Old Dominion Electric Cooperative and Virginia Electric and Power Company to construct and operate the previously certificated two 393 MW pulverized coal-fired generating units at the Clover Power Station; all as shown on the map attached thereto; Certificate No. ET-84j will supersede Certificate No. ET-84i, issued January 22, 1990.

(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. PUE920044
OCTOBER 29, 1992

APPLICATION OF
DELMARVA POWER & LIGHT COMPANY

To revise its Cogeneration Tariff Pursuant to PURPA § 210

ORDER ESTABLISHING 1992/93 COGENERATION RATE

On April 30, 1992, Delmarva Power & Light Company ("Delmarva" or "the Company") filed with the Commission an application, written testimony and exhibits to support its proposal to modify its Cogeneration and Small Power Production Rates under Service Classification "X". The proposed modifications are based upon an estimate of the production costs that would be avoided by the addition of a 50 megawatt Qualifying Facility operating at a 100% capacity factor.

By Order dated July 2, 1992, the Commission established a procedural schedule for the processing of Delmarva's proposed revisions to its cogeneration rates. In that regard, the Commission directed the Staff to file a report, directed Delmarva to publish notice, and established a hearing date for this matter. No protests were filed.

On September 16, 1992, the Commission's Staff filed its Report. Staff found Delmarva's proposed energy payments to be reasonable, provided the escalation rate for estimating long term avoided energy costs be decreased to 4%. Staff supported the Company's proposed monthly customer charge; however, Staff recommended Delmarva establish separate operation and maintenance charges for non-time differentiated and time differentiated meters.

In addition, Staff proposed that the Company's Schedule X contain capacity payments based, for this proceeding, on the cost of constructing a 109 MW combustion turbine ("CT") to be installed in 1994. Staff felt the 109 MW CT provided a reasonable basis for estimating the Company's avoided capacity costs since the Company's next proposed unit in its resource plan was a 109 MW CT. It was further noted that the Company's capacity payments in Delaware and Maryland are based on such an "avoided unit" approach. Staff, however, proposed that the capacity payments be calculated on a cents per on-peak kWh basis, making capacity payments available for QF on-peak generation, equal throughout the year. In addition, Staff suggested that in the Company's next cogeneration filing, Delmarva be required to file avoided energy as well as capacity costs using a differential revenue requirement.

On October 2, 1992, Delmarva filed its rebuttal testimony in which it agreed to use a 4% escalation rate to estimate its long term avoided energy costs. The Company also agreed to establish separate charges for non-time differentiated meters. In addition, the Company agreed to include capacity payments in its Schedule X based on a 109 MW CT. However, Delmarva proposed paying 15% per month of the annual capacity payment during the four summer months and 5% per month of the annual capacity payment during the remaining eight months. Delmarva further proposed that only those QF's with a capacity factor equal to or greater than 85% during on-peak hours for a given month should receive the maximum capacity payment. For capacity factors less than 85%, the actual payment would decrease proportionately such that at a capacity factor of 28.33% or less, there would not be a capacity payments. Delmarva stated that approval of its proposed capacity payment provisions, which are the same as those currently in effect for the Company's Schedule "X" customers in Maryland and Delaware, would result in administrative ease and continuity of rates within the Company's service territories. Delmarva further stated its belief that the Company's proposed design better addressed the need for both a reliable and available source of capacity than that provided by Staff's recommendation.

The hearing in this case was held on October 14, 1992. At the hearing, the Company tendered its proof of notice, and the Company's application, prefiled testimony and exhibits and Staff's Report were admitted into the record after cross-examination. In addition, Mr. A. Lee O'Brian appeared on behalf of Staff, testifying that the gross receipts tax is not applicable to QF's; accordingly, Company witness James R. Dietenderfer testified that Delmarva would remove this component from its proposed capacity payment.

UPON CONSIDERATION of the record in this case, the Commission is of the opinion and finds that Delmarva's proposed changes to its Service Classification "X", Cogeneration and Small Power Production Rates, as modified by the Company's rebuttal testimony, are reasonable and should be approved. The Commission further finds that Delmarva should include data in its next cogeneration filing showing avoided energy as well as capacity costs using a differential revenue requirement; however, the Company is not precluded from proposing payment based on alternate methodologies. Accordingly,

IT IS ORDERED:

(1) That the proposed changes to Delmarva's Service Classification "X", Cogeneration and Small Power Production Rates, as modified by the Company's rebuttal testimony, are hereby approved for services rendered on or after October 28, 1992;

(2) That Delmarva include data in its next cogeneration filing showing avoided energy and capacity costs using a differential revenue requirement;

(3) That Delmarva forthwith file amended tariff sheets reflecting their cogeneration rates as modified by the Company's rebuttal testimony to exclude a gross receipts tax component; and

(4) That this case is dismissed from the Commission's docket, and the papers herein be placed in the file for ended causes.

CASE NO. PUE920048
NOVEMBER 9, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of its fuel factor pursuant to Virginia Code § 56-249.6 to recover its fuel costs and the cost of purchased power

ORDER ESTABLISHING 1992/93 FUEL FACTOR

On July 8, 1992, the Commission entered an order granting Virginia Electric and Power Company ("Virginia Power" or "the Company") an extension of time from August 17, 1992, to September 15, 1992, within which to file its new fuel factor projections with the Commission. Virginia Power requested this extension to allow review of the Company's most recent fuel factor projections concurrently with the Company's next filed application for a fuel factor revision estimated at that time for August or September of 1992.

On September 15, 1992, Virginia Power filed with the Commission written testimony, exhibits and proposed tariffs intended to decrease its zero-based fuel factor from 1.584¢/kWh to 1.418¢/kWh effective for usage on and after October 27, 1992. The application also included testimony and exhibits designed to demonstrate how capacity expenses associated with purchased power could be recovered through the fuel factor, if such recovery is approved in the Company's pending 1991 rate case, Case No. PUE910047.

By order dated September 25, 1992, the Commission established a procedural schedule and set a hearing date. In that regard, the Commission directed its Staff to file a report 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 subsequently withdrawn, and one by the Virginia Citizens Consumer Counsel ("VCCC").

On October 19,1992, the Commission Staff ("Staff") filed its report. In this report, Staff stated that, for purposes of fuel factor projections, the Company's assumptions driving the proposed fuel factor were reasonable. Therefore, Staff recommended approval of the proposed factor of 1.418¢/kWh to become effective October 27, 1992. Staff noted, however, that its recommendation did not constitute a finding of prudency by the Staff. Staff also included, as an appendix to its report, a discussion of recovery of capacity costs through the fuel factor.

The public hearing on the Company's application was held on October 23, 1992. At the commencement of the hearing, Virginia Power withdrew those portions of its application and prefiled testimony dealing with capacity expense recovery in the fuel factor, as that issue is pending before the Commission in Virginia Power's 1991 rate case, Case No. PUE910047. Accordingly, Staff withdrew the appendix to its report, which addressed the merits of such recovery. The VCCC also changed its status from Protestant to Intervener and offered a public statement criticizing fuel factor recovery of capacity costs.

The Company's application, testimony and exhibits and the Staff's testimony, excluding those portions dealing with capacity expense recovery in the fuel factor, were admitted into the record, after all witnesses were made available for cross-examination.

Upon consideration of the record in this case, the Commission found from the bench that a zero based fuel factor of 1.418¢/kWh is just and reasonable and should be approved for services rendered on and after October 27, 1992. Approval of this fuel factor, however, is not to be construed as approval of the Company's actual fuel expenses. Commission Staff files a report annually which addresses the reasonableness of the Company's actual fuel expenses ("Staff's Annual Report"). A copy of Staff's Annual Report is sent to the Company and to each party who participated in the Company's last fuel factor proceeding, all of whom are provided an opportunity to comment and request a hearing on the Report. Should the Commission find, based upon the foregoing, that the Company's actual fuel expenses have been imprudent, the Company's recovery position will be adjusted. This adjustment would be reflected in the Company's next fuel factor. Accordingly,

IT IS ORDERED:

(1) That a zero-based fuel factor of 1.418¢/kWh be, and the same hereby is, approved effective October 27, 1992; and

(2) That this case is continued generally.

CASE NO. PUE920050
SEPTEMBER 10, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval of the Heat Pump Customer Assistance Program as a Pilot Program

ORDER GRANTING APPROVAL

On June 26, 1992, Virginia Electric and Power Company ("Virginia Power" or "the Company") filed an application requesting approval of a pilot program, the Heat Pump Customer Assistance Program ("the Pilot Program") for a limited period of time. On July 16, 1992, Virginia Power filed amendments to clarify the limitations of the Pilot Program, to describe more specifically the type of information expected to be collected during the Pilot Program and to state the cost-benefit hypothesis expected to be tested by the Pilot Program.

In its application, as amended, Virginia Power states that the Company has become aware that its customers have concerns regarding the failure of their heating systems to achieve the energy efficiencies and comfort levels expected from heat pumps. Virginia Power further states that, through research, it has identified the cause of such concerns to be improper installation and maintenance. To encourage its customers to take steps to analyze and determine the cause of heat-pump inefficiencies, the Company proposes to offer an allowance payment, up to a maximum of $25, equal to half the cost of inspecting the heat pump by a qualified contractor. This diagnostic review will include:

a. Evaluating the physical condition of equipment;
b. Inspecting and lubricating indoor and outdoor units;
c. Checking refrigerant charge;
d. Inspecting operation of the supplementary heating system;
e. Inspecting the installation, design, and insulation of supply and return ductwork;
f. Inspecting and replacing or cleaning the filter; and
g. Providing a written evaluation including recommendations and an estimate to correct any deficiencies in order for the system to achieve the expected energy efficiencies and intended comfort levels.

The Company states that the evaluation will identify the source of operating problems, the costs to correct these problems, and provide its customers with a better understanding of their systems. The Company proposes to limit the number of customers eligible for the promotional allowance for heat pump inspections to the greater of 10,000 customers or $250,000. This promotional allowance will be offered on a first-come-first-serve basis.

If the problems with the heating system identified in the initial inspection and analysis cannot be cured through routine service, then the customer will be informed in writing of the nature of the problem and the corrective work necessary to solve the problem. To encourage customers to make the investment in the identified corrective work, the Company plans to offer an allowance payment equal to half of the cost of the corrective work, up to a limit of no more than $500. The Company proposes to limit the total cost of promotional allowances for the correction work to $530,000.

Virginia Power proposed to offer the Pilot Program from August 15, 1992, through December 31, 1992, to all existing heat pump owners living in individually metered, owner-occupied homes in the Company's service territory. The Company states that the Pilot Program will have no significant effect on the sales levels of an alternate energy supplier as the allowances will be offered only to existing customers of Virginia Power. The services encouraged through the Pilot Program are to be provided by qualified heating, ventilation and air conditioning ("HVAC") contractors. Virginia Power states that the Company has no interest in or plans for entering the business of sales, services or installation of HVAC equipment. The existing HVAC infrastructure will be used to provide the proposed customer service.

During the course of the Pilot Program, the Company expects to collect, analyze and report information on the effects of the Pilot Program. Based upon its history of providing electric service within its service territory and a general understanding of the electric industry, Virginia Power believes customers who have experienced poor performance with their heat pumps will obtain an average energy savings of 20 percent for each heat pump repaired under this Pilot Program. Virginia Power also cited a similar program conducted by Pacific Gas and Electric which showed that its customers could expect an average heating-energy savings of 27 percent. The Company expects the results of this pilot to demonstrate whether such savings in fact occur, whether such activities in fact are cost-effective, and whether such efforts increase a customer's level of comfort or satisfaction.

In its Order issued on July 20, 1992, the Commission required the Company to publish notice of its application in newspapers of general circulation in its affected service territory. The Commission further directed that a copy of the Commission's July 20, 1992 Order be served on the chairman of the board of supervisors of each affected county and on the mayor or manager of every affected city and town (or equivalent officials in counties, towns, and cities having alternate forms of government) in which the Company intends to offer this experimental service. Virginia Power filed proof of its compliance with the Commission directed notice requirements on August 7, 1992.

In its July 20, 1992 Order, the Commission further provided an opportunity for interested persons to file written comments or to request a hearing in this case on or before August 7, 1992. A number of parties filed comments regarding the proposed program, but no requests for hearing were filed with the Commission regarding this matter.

There were a number of comments filed by heat pump dealers and installers in support of the pilot program. Only two comments were received in opposition to the program. The City of Richmond, for example, asserts that the proposed program appears to be a thinly disguised attempt to build load, aimed at convincing heat pump customers considering replacement of their existing inefficient heat pumps with alternative energy systems, and potential new heat pump customers, that the Company will subsidize continued use of inefficient heat pump systems. The City suggested the program be postponed until the Company makes a showing that the proposed program will be cost effective and in the public interest. The Commission notes, however, that data gathered during the Pilot Program is necessary to perform such an evaluation. Willis Rash of Rash General Construction, Inc., opposes the use of tax dollars to fund the program and what he perceives to be Virginia Power's systematic movement into the business of repairing and installing products that use electricity. While the Company may request to recover the cost of the program in future rate filings, no tax dollars will be utilized in the program. Further, the Company has repeatedly assured that it has no interest in or plans to enter the business of sales, service or installation of heating, ventilation and air conditioning equipment.

Comments were also received from two of the Commonwealth's certificated natural gas utilities. Virginia Natural Gas ("VNG") supports the pilot program, but requests the Commission ensure that the allowances be uniformly and contemporaneously extended to all existing heat pump owners, allocating the allowances, if necessary, among Virginia Power's operating divisions on a pro-rata basis to make certain that a fair distribution of the allowances is achieved. VNG further requests that the promotional allowance for corrective work on heat pumps be carefully limited to apply only to such corrective work and not be offered as a promotional allowance for the replacement of an existing system. This recommendation is also contained in comments filed by Commonwealth Gas Services. The Company has not indicated that its pilot program reimbursements will be used for discounting replacement systems and the Commission will require that any reimbursements be solely for repair of existing systems.

On August 11, 1992, Commission Staff filed its report on the Pilot Program. The Staff supports the idea of a pilot program to gather data on the appropriateness of a heat pump customer assistance program. However, Staff questions the magnitude of the program as proposed by the Company. The Company acknowledged in its June 26th application that it cannot perform a long-term cost/benefit analysis of the proposed program due to a lack of information.

Staff believes that if the main intent of the program is to develop data for the evaluation of a permanent program, then the proposed limit of 10,000 participants is too large. Further, the proposed program budget of $805,000 is not insignificant.

Staff recommends that the proposed program be scaled back to an upper limit in the range of 2,000 to 5,000 participants. Staff notes that other recent Virginia Power pilot programs have been restricted to far fewer customers. The Company's air conditioning program, for example, was initially restricted to 400 customers when that program was developed in 1989. Staff recommends that the program's budget should be scaled back to correspond to any limitation on the total number of participants.

Staff believes that the administration of the program and the procedures necessary to receive reimbursement for an inspection and repair may be confusing. Staff recommends that steps be taken to eliminate the possibility of customers making commitments to have repairs done but not having the Virginia Power funding available for reimbursement. Tax consequences to the customer, if any, of receiving reimbursement assistance under the program should also be fully explained. Finally, Staff recommends, to minimize the potential for fraud and abuse of the program, that the Company perform random inspections to assure that the expected heat pump services are being adequately performed and that any work performed is actually necessary.

On August 19, 1992, the Company filed a letter response to the Staff report, reiterating its desire to offer the program to a maximum of 10,000 participants as initially proposed, believing this level of participation is necessary if the program is to be offered throughout its service territory. If the Commission limits the program as recommended by Staff, the Company requests permission to offer it only in its Northern Division. The Company believes that to offer a scaled back program on a system-wide basis would cause customer complaints, confusion and general dissatisfaction because the number of allowed participants would be significantly less than the expected demand.

On August 24, 1992, Washington Gas Light Company ("WGL") submitted a letter response objecting to Virginia Power's request to offer the Pilot Program, if scaled-back as recommended by Staff, only to customers in its Northern Division, which substantially overlaps WGL's service territory. WGL asserts that Virginia Power offered no substantial reason to limit the program geographically. WGL notes that "customer complaints, confusion and general dissatisfaction," cited by Virginia Power in opposition to the Staff's proposal to scale back the number of participants, would only increase if customers in other Virginia Power operating divisions were offered no opportunity at all to participate.

The Commission concludes that the public interest will be served by approving the Pilot Program as requested by the Company in its June 26 application, as amended by the filing of July 16. The Company will limit the number of customers eligible for the promotional allowance for heat pump inspection to 10,000. The total budget for this portion of the Pilot Program will be limited to $250,000. This promotional allowance will be offered on a first-come, first-served basis with notification of the allowance being given to all the Company's customers throughout its service territory at the same time. Additionally, the Company will limit the promotional allowances for corrective repairs to existing heat pump systems only. The total budget for this portion of the Pilot Program will be limited to $530,000. The Company will be expected to ensure that participants do not order repairs in the absence of the expected reimbursement funding and to advise the participants of the tax consequences, if any, of the expenditures made in their behalf. Finally, the Company will also take the recommended steps to monitor the program for fraud and abuse.

NOW, THE COMMISSION, having considered the amended application, the proof of compliance with notice requirements, comments filed herein, Staff's Report, and the Commission's Rules Governing Utility Promotional Allowances finds that it is appropriate to allow Virginia Power to implement its Pilot Program on an experimental basis, as modified herein, from September 10, 1992, through December 31, 1992. The Commission further finds that Virginia Power should file reports, as ordered below on its experience with the Pilot Program with the Commission's Division of Economics and Finance and Division of Energy Regulation. Accordingly,

IT IS ORDERED:

(1) That Virginia Power's Pilot Program, as modified herein, is hereby approved for the period of September 10, 1992, through December 31, 1992;

(2) That Virginia Power will implement a control mechanism to ensure that its customers do not order repairs in the absence of the expected reimbursement funding;

(3) That Virginia Power advise the participants in the Pilot Program, to the extent possible, of the tax consequences, if any, of the expenditures made by the Company on behalf of the participant;

(4) That Virginia Power perform random inspections of heat pump repairs performed and reimbursed under the Pilot Program to assure that the services are being adequately performed and are necessary;

(5) That Virginia Power shall file reports on its Pilot Program with the Commission's Division of Economics and Finance on the following timetable:

a. March 31, 1993

1. Program notification
2. Number of participants
3. Number of check-ups performed
4. Expenses for check-ups
5. Number of systems repaired
6. Expenses for repairs
7. Total Company expenses

b. June 30, 1993

1. Customer Survey results:

   a. Satisfaction of customers
   b. Perceived performance of heat pumps

2. Preliminary Program conclusions for the future

c. January 1, 1994

1. Measured results
2. Program conclusions and recommendations for the future; and

(6) That this matter be continued generally until further order of the Commission.

CASE NO. PUE920054
OCTOBER 29, 1992

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.

The Virginia State Corporation Commission ("Commission") has been designated, as the appropriate state agency for the Commonwealth of Virginia. In Case No. PUE890052, 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 ("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 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; and

(2) That between January 1, 1991, and December 31, 1991, CGS violated various subparts of 49 C.F. R. § 192 and § 193 by the following conduct:

(a) Failing on certain occasions to keep adequate records regarding actions taken when corrosion or possible graphitization was noted on exposed piping;

(b) Failing to keep adequate records regarding the inspection of removed piping for evidence of internal corrosion;

(c) Failing to conduct the required inspection of a number of regulator stations in accordance with the Safety Standards;

(d) Failing to provide adequate odor levels at certain test locations;

(e) Failing to provide line markers on certain above-ground gas facilities;

(f) Failing to properly grade certain gas leaks;

(g) Failing to inspect certain exposed mains in accordance with the Safety Standards;

(h) Failing to have Plans and Procedures in accordance with the Safety Standards for the Company's Liquefied Natural Gas ("LNG") facility; and,

(i) Failing to provide adequate overpressure protection at certain regulator stations.

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:

(1) The Company will pay a fine to the Commonwealth of Virginia in the amount of $140,000 to be paid contemporaneously with the entry of this order. This 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) Contemporaneously with the entry of this order, CGS will tender to the Commission a letter from the president of CGS certifying that the Company:

(a) will strive to maintain adequate records to show actions taken when corrosion or possible graphitization is noted on exposed piping;

(b) will strive to maintain adequate records to show inspection of removed piping for evidence of internal corrosion and the Company's corrective actions;

(c) will strive to maintain adequate odorant levels throughout the system in accordance with the Safety Standards;

(d) will provide line markers on above-ground gas facilities as required by the Safety Standards;

(e) will inspect all exposed mains in accordance with the Safety Standards;

(f) will prepare LNG Operation and Maintenance Procedures in accordance with the Safety Standards;

(g) will provide adequate overpressure protection in accordance with the Safety Standards; and

(h) will inspect all regulator stations in accordance with Safety Standards.

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, and 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 pursuant to Virginia Code § 56-5.1, CGS be and it hereby is, fined in the amount of $140,000;

(3) That the sum of $140,000 tendered contemporaneously with the entry of this Order is accepted;

(4) That the letter tendered by the president of CGS certifying completion of the remedial action outlined herein is accepted; and

(5) That this case is dismissed and the papers herein be placed in the file for ended causes.

CASE NO. PUE920062
NOVEMBER 9, 1992

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For certification of utility facilities and amendment of a certificate of public convenience and necessity pursuant to Va. Code §§ 56-265.2 and 56-265.3

ORDER AMENDING CERTIFICATE

On August 21, 1992, Washington Gas Light Company ("Washington Gas" or "Company") filed its application for certification of certain proposed and existing utility facilities and amendment of its certificate of public convenience and necessity No. G-51f, which allots to the Company portions of Prince William County, Virginia, for development of gas service. The application requested certification of certain gas delivery points, metering stations and distribution lines constructed and to be constructed within that portion of Prince William County which is in the service territory of Commonwealth Gas Services ("Commonwealth"). Washington Gas further requested authorization to provide gas service to two addresses within the service territory of Commonwealth.

By order dated August 31, 1992, the application was docketed, a case number assigned and notice to interested parties was prescribed. By letter dated September 8, 1992, the Company furnished proof of service of said notice. Comments in support of or opposition to the application, as well as requests for hearing, were to be filed by September 25, 1992. None were forthcoming. By letter dated October 2, 1992, Commonwealth advised that it did not oppose Washington Gas' request.

NOW THE COMMISSION, having considered the application, the pleadings thereto, and the applicable statutes finds that the application should be granted; that it is in the public interest for Washington Gas to construct and operate the utility facilities described in its application; that a certificate of public convenience and necessity should be issued for said facilities; and, that Certificate G-51f of Washington Gas should be amended to include within the service territory described therein two additional addresses -- 8433 and 8435 Cabin Branch Court, Manassas, Virginia 22111.

Accordingly, IT IS ORDERED:

(1) That, pursuant to Virginia Code § 56-265.2, Washington Gas shall be granted a certificate of public convenience and necessity for the construction and operation of the utility facilities described within its application;

(2) That, on or before December 4, 1992, Washington Gas shall file with the Division of Energy Regulation a map delineating its distribution service territory within Prince William County and identifying the location of the utility facilities certified herein which are located outside its distribution service territory;

(3) That, upon the filing of the required map, and pursuant to Virginia Code § 56-265.3, Certificate G-51f, authorizing Washington Gas to provide gas service in portions of Prince William County, shall be canceled and reissued as Certificate No. G-51g, which certificate shall include two additional addresses – 8433 and 8435 Cabin Branch Court, Manassas, Virginia 22111;

(4) 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

(5) That this case be dismissed from the docket of active proceedings and the papers herein be transferred to the files for ended causes.

CASE NO. PUE920067
SEPTEMBER 28, 1992

COMMONWEALTH OF VIRGINIA
At the relation of the
STATE CORPORATION COMMISSION

Ex Parte, in re: Investigation into the promulgation of standards and regulations for energy allocation equipment

ORDER INITIATING INVESTIGATION

Section 56-245.3 of the Code of Virginia, adopted by the 1988 Session of the General Assembly, required the Commission to promulgate regulations and standards under which gas and electric submetering equipment might be installed in each dwelling unit, rental unit or store to fairly allocate each unit's cost of consumption, demand and customer charges. The Commission promulgated such regulations in Case No. PUE880109, investigation into the promulgation of gas submetering standards and regulations, by Final Order entered June 1, 1990. That Order states, inter alia:

> We recognize that complaints by tenants have arisen over the allocation of gas usage by timing devices. However, this Commission is not statutorily authorized under Va. Code § 56-245.3 to regulate timing devices; it is only empowered to regulate meters and gas submeters that meet the ANSI B.109 standards enumerated above. It is axiomatic that the Commission's jurisdiction is limited to that authorized by statute and Constitution.

During the 1991 session of the General Assembly, Code § 56-245.3 was amended, effective July 1, 1992, to extend the Commission's regulatory authority to energy allocation equipment, which, as defined in Code § 56-245.2, includes any device, other than submetering equipment, used to determine approximate electric or natural gas usage for any dwelling unit or nonresidential rental unit within an apartment house, office building or shopping center.

We believe it appropriate, as we did in Case No. PUE880109, to direct the Commission Staff to conduct a general investigation into the standards and regulations for energy allocation equipment. In its investigation, the Commission Staff should contact other Commissions, known trade associations, gas and electric utilities and any other interested and affected persons to provide sufficient information to enable it to carry out its investigative duties. Gas and electric utilities subject to our regulation are expected to fully and promptly reply to any Staff data requests addressing the issues raised herein. We also encourage all interested and affected persons to provide pertinent and meaningful information to assist the Commission in its duty to promulgate standards and regulations for energy allocation equipment.

At the conclusion of its investigation, Staff should summarize its investigatory procedures, findings and recommendations in a report to be filed with the Commission on or before December 11, 1992. Staff's recommendations should contain proposed amendments to our existing submetering regulations necessitated by the 1991 amendment to Code § 56-245.3, effective July 1, 1992, extending our jurisdiction to energy allocation equipment. According to § 56-245.3, those regulations shall require:

> (i) that an apartment house, office building or shopping center owner shall not impose on the tenant any charges, over and above the cost per kilowatt hour, cubic foot or therm, plus demand and customer charges, where applicable, which are charged by the utility company to the owner, including any sales, local utility, or other taxes, if any , except that an additional service charge not to exceed two dollars per dwelling unit or nonresidential rental unit per month may be collected to cover administrative costs and billing, and
>
> (ii) that the apartment house, office building or shopping center owner shall maintain adequate records regarding submetering and energy allocation equipment and shall make such records available for inspection by the Commission during reasonable business hours.

We anticipate that the Staff report will provide a basis for proposed rules and policies which will be the subject of public notice, comment, and opportunity for hearing to be directed by further order in this proceeding. Accordingly,

IT IS ORDERED:

(1) That this matter shall be docketed and assigned Case No. PUE920067;

(2) That the Commission Staff is directed to conduct a general investigation on energy allocation equipment and to propose energy allocation equipment rules and regulations;

(3) That upon completion of its investigation, the Commission Staff shall file its report on or before December 11, 1992, which describes the Staff's investigative procedures, findings, recommendations and any proposed rules which it believes should be considered by the Commission;

(4) That all Virginia gas and electric utilities shall respond fully and promptly to Staff requests for data regarding the issues raised herein; and

(5) That other interested and affected persons be provided an opportunity to submit data and information pertinent to the Staff's investigation.

CASE NO. PUE920071
DECEMBER 8, 1992

APPLICATION OF
CENTRAL VIRGINIA ELECTRIC COOPERATIVE

For a revision of certain rate schedules pursuant to § 56-40 of the Code of Virginia

FINAL ORDER

On October 15, 1992, Central Virginia Electric Cooperative ("CVEC" or "the Cooperative") filed an application requesting authority to add two riders to its Large Power and Commercial and Industrial rate schedules. In its application, the Cooperative requested permission for Schedule IR-Interruptible Service Rider and Schedule GR-Standby Generator Rider to become effective December 1, 1992.

These riders would provide customers served on Schedule LP-Large Power Service and customers served on Schedule I-Commercial and Industrial Service with an opportunity, at their option, to reduce their payments for electricity. These customers may reduce their payments for

electricity by reducing their on-peak electric loads, either by curtailing their use of electricity during CVEC's peak periods (Schedule IR) or by allowing CVEC to direct the dispatch of customer-owned generating equipment during such periods (Schedule GR).

The Schedule IR-Interruptible Service Rider provides for a reduction of $7 per kW of billing demand charges for the kW shifted off of CVEC's monthly peak. Schedule GR-Standby Generator Rider provides for a credit of $8 per kW for all kW of Standby Generator Demand provided by the customer at the time of CVEC's monthly peak demand. Customers who elect to be billed under the proposed riders will pay administrative charges of $75 per month under Schedule IR and $125 per month under Schedule GR.

On November 10, 1992, the Commission issued an Order Inviting Written Comments and Requests for Hearing. In its November 10, 1992 Order, the Commission directed Staff to review the Cooperative's application and to submit a report to the Commission on or before November 30, 1992. In that Order, the Commission also set November 30, 1992, as the deadline for interested persons to file comments or requests for hearing.

At the appointed time, Staff filed its report detailing its findings and recommendations. In its report, Staff concluded that, based on benefit/cost analyses of available data, CVEC's implementation of the proposed program would, in the aggregate, provide a savings for both the Cooperative and participating consumers without imposing new costs or transferring costs to the Cooperative's other service classes.

In its report, Staff noted that there was no Commission policy detailing the appropriate benefit/cost tests which should be applied when evaluating load control programs. Staff also noted that CVEC's application was the first proposal by any electric cooperative for a load curtailment program which specifically differentiated between methods of load curtailment. Therefore, Staff recommended that, in the event the Commission approved the program, the Cooperative should submit to the Commission a report detailing certain costs and savings information.

Specifically, Staff recommended that the Cooperative track costs and savings data for the first two years of the program and use this data to submit annual reports for that two year period. The annual reports should include the following information:

1. A discussion of the ease (or difficulty) of implementing the program;
2. The response of eligible consumers;
3. Any limitations or refusals imposed by the Cooperative on electing consumers because of wholesale power contract restrictions;
4. Data on participating consumers;
5. The Cooperative's record of predicting peaks;
6. The number of consumers selecting each load curtailment rider;
7. The monthly load curtailment contracted for and actually realized, in kilowatts;
8. The expenses incurred by the Cooperative in administering the riders;
9. Total credits paid; and
10. Net savings to the Cooperative.

The reports should discuss areas of the program which do not operate as anticipated and should include suggestions for possible improvements. In addition, the first report should include an evaluation of the effectiveness of offering two levels of credit and the appropriate dollar amount for the credits if specific delivery points are considered.

On November 30, 1992, Virginia Electric and Power Company ("Virginia Power" or "Company"), by its counsel, filed Comments on CVEC's application. In its Comments, Virginia Power stated that it was not opposing the rate schedule riders proposed by CVEC. Company, however, stated that it planned to modify its wholesale rate schedule applicable to CVEC and that Company's plans would impact the benefits and rate credits offered under the Cooperative's proposed Schedule IR and GR.

On the same day, CVEC, by counsel, filed a Motion for Substitution of Counsel. In its Motion, counsel moved for leave to substitute Beverley L. Crump, Esq. and Douglas M. Palais, Esq. as counsel in this proceeding. In support of the Motion, Cooperative noted a potential conflict between CVEC and Virginia Power in this proceeding. The Cooperative stated that its counsel of record, Evans B. Brasfield, Esq., had represented Virginia Power in numerous matters, including rates for electricity. Further, CVEC stated that Messrs. Crump and Palais had consented to serve as counsel for CVEC.

NOW THE COMMISSION, having considered the application, the comments thereto and Staff's report, is of the opinion and finds that CVEC's application should be approved subject to Staff's recommendations. The Commission is of the further opinion that, in the event Virginia Power files an application for restructuring its wholesale rates with the Federal Energy Regulatory Commission ("FERC"), CVEC should file a written report with the Commission's Division of Energy Regulation and should include in the report, the anticipated effect of the restructuring and any suggestions to modify the program to ensure its cost effectiveness. In addition, the Commission is of the opinion that CVEC's Motion to Substitute Counsel is reasonable and should be granted. Accordingly,

IT IS ORDERED:

(1) That CVEC's application for authority to add two new riders to its Large Power Commercial and Industrial rate schedules be, and hereby is, approved subject to Staff's recommendations as stated herein;

(2) That CVEC shall submit to the Commission's Division of Energy Regulation its first annual written report detailing the data required herein, on or before December 10, 1993;

(3) That, in the event Virginia Power files an application for restructuring of its wholesale rates with FERC, CVEC shall file a written report with the Commission's Division of Energy Regulation and shall include, in its report, the anticipated effect of restructuring and suggestions to modify the program to ensure its cost effectiveness;

(4) That the report directed in ordering paragraph (3) shall be filed no later than sixty (60) days after the Cooperative is notifed that Company has filed an application with FERC;

(5) That CVEC's Motion to Substitute Counsel be, and hereby is, granted; and

(6) That there being nothing further to be done in this matter, this case be, and hereby is, dismissed from the Commission's docket of active cases and the papers placed in the file for ended causes.

CASE NO. PUE920073
DECEMBER 10, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For revision of its fuel factor pursuant to Virginia Code § 56-249.6

ORDER ESTABLISHING 1992/93 FUEL FACTOR

On October 16, 1992, The Potomac Edison Company ("Potomac Edison" or "the Company") filed with the Commission written testimony, exhibits, and proposed tariffs intended to increase its zero-based fuel factor from 1.215¢/kWh to 1.412¢/kWh. The Company also filed written testimony and exhibits to support its proposal to reduce the rate to be paid for power purchased from cogeneration and small power production facilities.

By order dated October 29, 1992, the Commission established a procedural schedule and set a hearing date. In that regard, the Commission directed Potomac Edison to publish notice of its proposed fuel factor and cogeneration rate changes and to serve a copy of the Commission's October 29, 1992 order on certain governmental officials of each county in which the Company offers service. The Commission further directed its Staff to file a report and provided an opportunity for any person desiring to participate in the hearing to do so as a Protestant. No protests were filed.

On November 25, 1992, the Commission established a separate procedural schedule for the cogeneration portion of Potomac Edison's application under the Case No. PUE920077.

On December 1, 1992, the Commission Staff ("Staff") filed its report on Company's proposed fuel factor. In this report, Staff stated that, for purposes of fuel factor projections, the Company's assumptions driving the proposed fuel factor were reasonable. Therefore, Staff recommended approval of the proposed factor of 1.412¢/kWh to become effective with December, 1992 cycle bills rendered on and after December 4, 1992. Staff noted, however, that its recommendation did not constitute a finding of prudency by the Staff. Potomac Edison took no exception to Staff's Report.

At the commencement of the December 3, 1992 public hearing on the Company's application, Potomac Edison's proof of notice was received as an exhibit. No public witnesses were present. As there were no differences between Potomac Edison and Staff, Potomac Edison's prefiled testimony and Staff's report were received into evidence without need for cross-examination.

Upon consideration of the record in this case, the Commission found from the bench that a zero-based fuel factor of 1.412¢/kWh is just and reasonable and should be approved effective with Potomac Edison's December, 1992 cycle bills rendered on and after December 4, 1992. Approval of this fuel factor, however, is not to be construed as approval of the Company's actual fuel expenses. Commission Staff files a report annually which addresses the reasonableness of the Company's actual fuel expenses ("Staff's Annual Report"). A copy of Staff's Annual Report is sent to the Company and to each party who participated in the Company's last fuel factor proceeding, all of whom are provided an opportunity to comment and request a hearing on the Report. Should the Commission find, based upon the foregoing, that the Company's actual fuel expenses have been imprudent, the Company's recovery position will be adjusted. This adjustment would be reflected in the Company's next fuel factor. Accordingly,

IT IS ORDERED:

(1) That a zero-based fuel factor of 1.412¢/kWh be, and the same hereby is, approved effective with Potomac Edison's December, 1992 cycle bills rendered on and after December 4, 1992; and

(2) That this case be continued generally.

CASE NO. PUE920079
DECEMBER 2, 1992

PETITION OF
COMMONWEALTH PUBLIC SERVICE CORPORATION

For authority to suspend its Actual Cost Adjustment for interruptible service

ORDER GRANTING AUTHORITY

On November 18, 1992, Commonwealth Public Service Corporation ("Commonwealth") asked the Commission for permission to suspend its interruptible Actual Cost Adjustment ("ACA") effective with its November billing because the ACA, which had been designed to refund an over collection of $37,119.09 had already refunded the amount of $47,188.69 and will continue excessive refunding for another five months.

THE COMMISSION is of the opinion that the request to suspend the application of the ACA to interruptible service should be granted in order to moderate the severity of the adjustment that would have to be imposed upon interruptible service when the ACA is trued-up for bills commencing in April, 1993. Accordingly,

IT IS THEREFORE ORDERED:

(1) That Commonwealth may suspend its interruptible ACA effective for the November billing and continue with the suspension until the ACA is recalculated; and

(2) That there being nothing further to come before the Commission, this matter is dismissed from the Commission's docket and the record developed herein shall be placed in the file for ended causes.

DIVISION OF ECONOMICS AND FINANCE

CASE NO. PUF910006
JANUARY 24, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to issue short-term debt

AMENDING ORDER

On January 9, 1991, The Potomac Edison Company ("Applicant") filed an application for authority to issue short-term debt. On February 8, 1991, the Commission issued an Order Granting Authority whereby Applicant was authorized to incur up to $93,000,000 in short-term debt for the period April 1, 1991 through March 31, 1993.

On October 17, 1991, Applicant filed a Petition For Consent and Approval ("The Petition") of a proposed money pool agreement under Chapters 3 and 4 of the Code of Virginia. On December 30, 1991, Applicant filed an amended money pool agreement for the Commission's review and approval. In the Petition, Applicant requests that the Commission amend its Order of February 8, 1991, to allow it to borrow up to $94,000,000 in short-term debt through December 31, 1993. The borrowing will take place under the money pool agreement, through bank borrowings and/or through commercial paper issuances. Additionally, Applicant requests that it be allowed to invest excess cash in the money pool.

THE COMMISSION, upon consideration of the Petition and having been advised by its Staff, is of the opinion and finds that Applicant's Petition should be granted and that the February 8, 1991 Order should be amended. Accordingly,

IT IS ORDERED:

1) That the Commission's Order of February 8, 1991, shall be amended to allow borrowings up to an aggregate amount of $94,000,000 from the date of this Order through December 31, 1993;

2) That the Commission's Order of February 8, 1991, shall be further amended to allow the indebtedness to be in the form of bank borrowings, commercial paper and/or money pool advances all under the terms and conditions and for the purposes as outlined in the Petition and money pool agreement, as amended;

3) That Applicant is authorized to invest excess funds in the money pool under the terms and conditions and for the purposes as outlined in the money pool agreement, as amended;

4) That the reporting requirements outlined in Ordering paragraph 2 of the Commission Order dated February 8, 1991, shall be vacated;

5) That Applicant shall file with the Commission, within 60 days of the end of each calendar year, beginning on February 28, 1992, a Report of Action, including: the source, amount, date and interest rate of each borrowing and a schedule of repayments; the amount, date and interest rate of each investment in the money pool by Applicant, and a schedule of withdrawls; and a market commercial paper rate applicable to the date and term of each money pool borrowing; and

6) That this matter shall be continued until February 28, 1994, subject to the continued review and appropriate directive of the Commission.

CASE NO. PUF910034
NOVEMBER 25, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY
and
VIRGINIA POWER FUEL CORPORATION

For authority to continue an arrangement for financing Surry nuclear fuel

ORDER DIRECTING AMENDMENTS TO THE INTER-COMPANY CREDIT AGREEMENT

On September 5, 1991, Virginia Electric and Power Company ("Virginia Power" or "the Company") and Virginia Power Fuel Corporation ("VP Fuel") filed an application for authority to continue an arrangement for the financing of Surry nuclear fuel. By order dated October 8, 1991, the Commission authorized continuation of the arrangement for one additional year. The Commission also expanded the scope of this case to include a review of Virginia Power's Inter-company Credit Agreement ("ICA"). We directed Virginia Power to evaluate alternatives for financing Surry nuclear fuel, to review the ICA to determine whether or not any revisions to the agreement were necessary and to submit a report of its analysis.

Virginia Power submitted its report on March 31, 1992, wherein it concluded that it was reasonable to eliminate the VP Fuel program based on cost considerations. Virginia Power also concluded that it should create its own general purpose commercial paper program since Dominion Resources Inc.'s ("DRI") commercial paper rating was lowered to a level below Virginia Power's rating. Finally, Virginia Power proposed to continue the ICA and the DRI lines of credit which jointly support the commercial paper programs of Virginia Power and DRI.

On September 25, 1992, Staff filed a memorandum wherein it concurred with the Company's proposal to eliminate VP Fuel. Staff also recommended that the joint DRI lines of credit be terminated and that separate lines be secured for Virginia Power. Finally, Staff recommended that the ICA be amended to allow a two-year term instead of automatic extensions and to modify the borrowing limit to recognize the new Virginia Power commercial paper program.

By order dated October 14, 1992, we invited Virginia Power and other interested parties to submit comments on the Staff's memorandum. Virginia Power filed comments on October 30, 1992. No other comments were received.

The major issue in contention is the use of joint lines of credit by DRI to support the commercial paper financing of its subsidiaries. Virginia Power maintained that the joint arrangement provides a savings on credit line fees because DRI allows Virginia Power to reserve credit line capacity based on its needs, which may be less than the $200 million limit of Virginia Power's commercial paper program. Fees on the remaining credit line capacity are paid for by either the nonregulated subsidiaries, if they use the lines, or by DRI, if the lines go unused. The joint arrangement also allows for credits against Virginia Power's cost for its reserved capacity when other subsidiaries borrow in excess of their reserved capacity. If separate lines were secured, Virginia Power would pay fees on the full $200 million.

Staff acknowledged that the joint arrangement may result in lower credit line fees for Virginia Power. However, Staff believes that these benefits must be weighed against the exposure of Virginia Power to the risks of the nonregulated subsidiaries. In reviewing this issue, Staff noted that in Case No. PUE830060, which dealt with the corporate reorganization of DRI, the Commission required separation of many transactions between the regulated and nonregulated businesses, despite the resulting duplication of costs. Staff argued that the joint lines of credit are no different. Moreover, Staff disagreed that Virginia Power saves on credit line fees under the joint arrangement in all circumstances. According to Staff, a savings is only achieved if the nonregulated subsidiaries actually use the lines. If the lines go unused, DRI absorbs the fees; however, Staff noted that in this instance the fees would simply be covered by the subsidiaries' dividend payments because DRI does not generate revenue on a consistent basis. Despite the potential cost savings, Staff recommended that the joint lines be separated immediately or at least as soon as favorable pricing could be obtained.

After considering the recommendations of Virginia Power and Staff, we find there is adequate justification for continuing the joint lines of credit at the present time. In reaching this conclusion, we balance the cost savings against the probability that Virginia Power will be unduly exposed to the nonregulated subsidiaries and agree with Virginia Power that the benefits of the joint arrangements outweigh the risks at the present time. However, should this balance change in the future, the joint arrangements may not be appropriate.

With respect to the changes in the ICA recommended by the Staff, we find those changes should be adopted. Virginia Power offered no compelling reason to continue the automatic extension provision of the ICA and Commission review of the agreement every two years would not be burdensome on the Company. Affiliate borrowing arrangements are approved at regular intervals for many other Virginia utilities and such an approach is consistent with our regulatory oversight of these arrangements. It is also appropriate to amend the language related to the maximum amount of borrowings allowed under the ICA to recognize that Virginia Power now has its own commercial paper program.

Finally, no further action is necessary with regard to the appropriateness of the VP Fuel arrangement as Virginia Power stated in its comments that VP Fuel was formally dissolved on October 9, 1992. This decision was supported by a thorough review of the cost effectiveness of the program by the Company and the Staff concurred with the Company's decision to eliminate the VP Fuel arrangement. Accordingly,

IT IS ORDERED:

1) That on or before December 31, 1992, Virginia Power shall file a new Inter-company Credit Agreement and Inter-company Credit Note incorporating changes consistent with the recommendations of Staff in its memorandum filed on September 25, 1992;

2) That, in the future, Virginia Power shall seek Commission approval of the ICA at least two months prior to the expiration of the two year term of the agreement; and

3) That this case shall be continued until further order of the Commission.

CASE NO. PUF910040
JANUARY 27, 1992

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For authority to sell common stock and issue long-term notes to Consolidated Natural Gas Company

ORDER EXTENDING AUTHORITY

Virginia Natural Gas, Inc. ("VNG" or "Applicant"), by Order dated December 6, 1991, was granted the authority 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 to its parent company, Consolidated Natural Gas Company ("CNG"), with a Report of Action accounting the financings in detail due by March 1, 1992.

The proceeds of these financings were to be used to repay indebtedness of VNG incurred to fund the construction of the Intrastate Pipeline project (approved in Case No. PUE860065) and to pay other obligations of Applicant. At the time of its filing, the construction was scheduled to be accomplished by December 31, 1991; however, Applicant now represents that the pipeline construction is running approximately two months behind schedule.

VNG requests authority to continue to sell the common stock and issue long-term notes to CNG, with a Report of Action detailing the issuance and sale of the securities due no later than May 1, 1992.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion that extending the authority in this case will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That the authority granted in Ordering paragraph one of the Commission's December 6, 1991 Order to sell common stock in an amount not to exceed $55.0 million and to 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, shall be and hereby is extended through April 17, 1992;

2) That Ordering paragraph two of the Commission's December 6, 1991 Order relative to a March 1, 1992 Report of Action shall be vacated; and

3) That this matter shall be continued until May 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. PUF910048
JANUARY 10, 1992

APPLICATION OF
ROANOKE GAS COMPANY

For authority to issue common stock

ORDER GRANTING AUTHORITY

Roanoke Gas Company ("Roanoke", "Applicant") filed an application under Chapters 3 and 4 of Title 56 of the Code of Virginia requesting authority to issue Common Stock. Applicant has paid the requisite fee of $250.

Roanoke proposes to issue up to 160,000 shares of Common Stock, par value $5.00, for the purpose of providing shares to shareholders under Roanoke's Dividend Reinvestment and Common Share Purchase Plan ("the Plan"). Roanoke anticipates that the 160,000 shares will be sufficient to satisfy the purchasing requirements of the Plan for a five year period from the effective date of the Plan. The total number of shares issues will be determined by the level of shareholder participation in the Plan, the amount of the dividend, and the stock price at the time of purchase under the Plan. Proceeds will be applied toward financing Applicant's capital requirements. Additionally, Applicant proposes to use the proceeds to make contributions to the equity capital of its subsidiaries.

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 proposed financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Roanoke is authorized to issued up to 160,000 shares of Common Stock for the purposes and under the terms and conditions as described 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 hereafter; and

4) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF920002
FEBRUARY 20, 1992

APPLICATION OF
MECKLENBURG ELECTRIC COOPERATIVE

For authority to convert fixed rate loans to variable rate loans

ORDER GRANTING AUTHORITY

On January 27, 1992, Mecklenburg Electric Cooperative ("Applicant", "Mecklenburg") 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.

Applicant proposes to convert to variable, the interest rate on National Rural Utilities Cooperative Finance Corporation ("CFC") Loan No. 9012 and No. 9017. Mecklenburg represents that no conversion fee will be required on the loans since the CFC fixed interest rate in effect on the day Mecklenburg's Board of Directors passed the resolution to convert the loans was equal to the fixed interest rate of the two loans being converted. Furthermore, Applicant represents that the conversion will allow it to reduce its interest expenses as well as retire more principal, thereby decreasing its long-term debt obligations.

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 proposed transaction will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to convert long-term fixed rate CFC Loan No. 9012 and No. 9017 to 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;

3) That should Applicant elect to convert the loans back to a fixed rate, Applicant shall advise the Commission of the transaction;

4) That approval of the application has no implications for ratemaking purposes;

5) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF920003
FEBRUARY 14, 1992

APPLICATION OF
VIRGINIA ELECTRIC & POWER COMPANY

For authority to issue First & Refunding Mortgage Bonds

ORDER GRANTING AUTHORITY

On January 28, 1992, Virginia Electric & Power Company ("Virginia Power" or "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue up to $1.3 billion of First & Refunding Mortgage Bonds ("Bonds"). Applicant has paid the requisite fee of $250. The proceeds will be used primarily to refund higher cost debt; however, on February 7, 1992, Virginia Power amended its application requesting authority to use any remaining proceeds to meet a portion of its capital requirements.

The coupon rates and maturities will be determined in accordance with conditions in the financial markets at the time of the sale. However, the yield to maturity on any Bond will not exceed 140% of the yield on Treasury securities of comparable maturity and, in fact, is expected to be lower. The Bonds will be registered with the Securities and Exchange Commission and may be issued over a period of two years from the date of registration.

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 issue up to $1.3 billion of First & Refunding Mortgage Bonds for the purposes and under the terms and conditions contained in the application, as amended, provided that the issuance of refunding bonds results in cost savings to Virginia Power;

2) That the call premiums and other expenses associated with refunding, including negative carry expenses for refunding issues only, shall be amortized over the life of the specified refunding Bonds;

3) That Applicant shall track separately invested amounts of Bond proceeds and the associated investment income during any period of negative carry;

4) That expenses associated with the Bonds shall be charged to FERC account 181 and amortized over the life of the Bonds, and that call premiums and unamortized expenses associated with the redeemed securities shall be charged to FERC account 189 and amortized over the life of the Bonds;

5) That promptly after it becomes effective, Applicant shall file a copy of the Securities and Exchange Commission registration statement in conjunction with the sale of the Bonds in its final form;

6) That Virginia Power 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;

7) That within sixty (60) days after the end of each calendar quarter in which any Bonds are issued, Applicant shall file a more detailed Report of Action with respect to the Bonds issued including the date and amount of each series, the interest rate, date of maturity, net proceeds to Applicant, an itemized list of all expenses associated with each issue, the cost of negative carry with supporting calculations and sources of such amounts, 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 Applicant, 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

8) That this matter shall be continued to May 31, 1994, subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF920004
MARCH 2, 1992

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; and
SOUTHSIDE ELECTRIC COOPERATIVE, INC.

For authority to support the financing of the Clover Project by Old Dominion Electric Cooperative

ORDER DENYING AUTHORITY

On January 28, 1992, the ten Virginia distribution cooperative members ("Applicants") of Old Dominion Electric Cooperative ("ODEC") filed an application, which was supplemented on February 6, 1992, under Chapter 3 of Title 56 of the Code of Virginia for authority to provide certain guarantees to ODEC to support the financing of ODEC's undivided 50% interest in two 393 MW coal-fired generating units near Clover, Virginia ("Clover Project"). The requisite fee of $250 has been paid.

In support of their request, Applicants state that ODEC plans to finance its interest in the Clover Project with Rural Electrification Administration ("REA") guaranteed funds from the Federal Finance Bank ("FFB"). On September 27, 1991, the REA issued a loan guarantee commitment for $663,000,000 which contained numerous conditions precedent to the first advance of funds. ODEC's Virginia members now seek our approval of three of those conditions.

Applicants state that the REA is requiring ODEC members to provide financial support to ODEC for the financing of the Clover Project. First, ODEC's Virginia members state in the application that they must provide debt guarantees of fifteen percent (15%) of ODEC's Clover Project cost. In no event shall Applicants' share of this guarantee be less than $48,593,324. The Guaranty of Payment agreement submitted for our approval, however, states a different formula for computation of the amount of guarantees. That agreement contains a two-part formula

distinguished by the commercial operation date. Prior to commercial operation, a guarantee is required of up to 15% of the total project cost less ODEC's net equity. After the commercial operation date, the same formula applies, except that the 15% figure changes to 20%. By letter dated February 28, 1992, counsel for Applicants confirmed that the total "Member Support Amount" does increase from 15% to 20% upon commercial operation of the units. In both instances, a minimum of $60,000,000 of guarantees is required, which translates to $48,593,324 for ODEC's Virginia members. This minimum amount is the same amount of guarantees currently authorized in connection with ODEC's construction financing facility with the National Rural Utilities Cooperative Finance Corporation ("CFC").

Second, the REA is requiring ODEC's members to guarantee that the savings from ODEC's power purchase contract with Allegheny Power System will total at least $60 million. Finally, each member of ODEC must execute new wholesale power purchase contracts with ODEC. The new wholesale power purchase contract contains a take-or-pay provision and is still in draft form pending a final rule by the REA.

Applicants represent that the REA loan guarantee is the most economical funding available for the Clover Project and that, without direct support from ODEC's members, such funding will not be available. Applicants also request that the Commission recognize the structure of a cooperative is different from that of an investor-owned utility. Specifically, they request the Commission recognize that the consumers are also equity owners and that as such those owners should absorb any loss, not the REA.

Attached as Exhibit A to the application are the REA's standard and special conditions placed on the loan guarantee commitment. Among other things, that document includes a condition requiring an order from this Commission providing assurance that ODEC's Virginia members will be able to include in their rates amounts necessary to enable them to meet all future obligations to ODEC under the new wholesale power contract and as those obligations may increase from time to time.

On February 12, 1992, Contel Federal Systems and International Business Machines Corporation filed a protest. Those customers of Northern Virginia Electric Cooperative urged us to refrain from approving any specific costs or allocation formulas in this proceeding.

THE COMMISSION, upon consideration of the application, the protest, and having been advised by its Staff, is of the opinion and finds that the application should be denied. Specifically, we find that we need not approve the wholesale power contract proposed to be executed between ODEC and each of the member cooperatives. Virginia Code § 56-57 defines the securities to which Chapter 3 is applicable as

> "every stock and stock certificate or other evidence of interest or ownership, . . . every bond, note or other evidence of indebtedness, of a public service company, which may be issued, and to every obligation or liability as guarantor, endorser, surety or otherwise in respect of the securities of any other person . . ., which such securities are payable at periods of twelve months or more."

Contracts for the purchase of power from a wholesale provider have never been construed to be liabilities pursuant to that definition. Rather, this Commission has refused to approve wholesale power contracts. See Petition of Tellus, Inc. for approval of a power purchase and operating agreement, Case No. PUE900030 (Order Denying Motion, July 23, 1990) and Application of the Potomac Edison Company to revise its fuel factor and cogeneration tariff pursuant to Code § 56-249.6 and PURPA § 210, Case No. PUE870082 (Order, June 14, 1988). Applicants, however, always carry the burden of proof to justify recovery of any costs incurred as a result of their execution of the new wholesale power contracts in future rate cases.

We further find the Applicants' request for authority to guarantee savings flowing from the 200 MW Allegheny Power System's purchase in lieu of purchases from Virginia Electric and Power Company must be denied. The information supporting the application is insufficient in that the agreement which would guarantee the savings does not identify the annual thresholds that must be met by the members. Further, Applicants request this Commission to authorize them to incorporate a fictitious cost of service, i.e. anticipated savings, into the rates they pay to ODEC. Although we have no jurisdiction over the rates ODEC charges to the members and therefore cannot set cost based rates for ODEC, we shall not sanction such a rate structure.

In Case No. PUA900036, by order dated May 23, 1990, we authorized the Virginia ODEC members to guarantee $48,593,324 of ODEC's $130 million construction loan facility. The request before us now, relative to similar guarantees however, is unclear. As noted above the application recites debt guarantees of 15% of the total Clover Project cost; however the supporting agreement indicates the figure changes to 20% upon the commercial operation of the project. Further, the "Member Support Amount" is unknown. Moreover, it appears that REA can demand payment from only one member to cover a default if the amount is less than that member's pro rata share. This Commission has rejected a similar liability provision. See Application for Century Roanoke Cellular Corp., Case No. PUA890046 (Order Granting Authority, August 3, 1990). We, therefore, are unable to approve the loan guarantees at this time; however, denial of this aspect of the application is without prejudice to Applicants to reapply once the terms of the guarantees can be clearly identified and the uncertainties resolved.

Applicants have withdrawn their request for this Commission to provide assurances that they will be able to include in their rates amounts necessary to meet all future obligations to ODEC under the new wholesale power contract, however that condition remains on the list of conditions precedent to any advance of funds under the REA commitment. In that regard, the Code of Virginia requires us to investigate the rates of public utilities from time to time to determine whether rates are just and reasonable (Section 56-235.2) and to determine whether rates are reasonably calculated to promote the maximum effective conservation and use of energy and capital resources used in rendering service (Section 56-235.1). While we recognize the difference between a cooperative and an investor-owned utility, we cannot ignore our statutory obligation to assure rates are just and reasonable. This Commission therefore cannot assure prospective rate recovery for unknown costs that could be deemed unreasonable at some point in the future. Accordingly,

IT IS ORDERED that the application for authority to provide guarantees to support the financing of the Clover project of Old Dominion Electric Cooperative is hereby denied without prejudice to ODEC's Virginia members to reapply for approval of debt guarantees of some percentage of the total project cost similar to those guarantees approved in Case No. PUA900036.

CASE NO. PUF920005
FEBRUARY 27, 1992

APPLICATION OF
UNITED CITIES GAS COMPANY

For authority to issue common stock under its Employee Stock Purchase Plan

ORDER GRANTING AUTHORITY

On February 3, 1992, United Cities Gas Company ("United Cities" or "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to continue to issue common stock under its Employee Stock Purchase Plan. Applicant has paid the requisite fee of $250.

The Commission, by Order dated September 18, 1987, approved the issuance of up to 200,000 shares of common stock through Applicant's Employee Stock Purchase Plan. That Order approved the issuance under the terms and conditions outlined in the application which stated that the plan expired on January 25, 1992. As of December 31, 1991, only 140,246 shares of the authorized 200,000 shared had been issued.

United Cities now proposes to continue to issue up to the authorized 200,000 shares through January 25, 1997. Applicant also requests that the Commission approve one slight modification to the Plan. The modification will allow the purchase of shares under the plan on a quarterly, rather than semi-annual, basis.

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 will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That United Cities is authorized to continue issuing common stock under its Employee Stock Purchase Plan, up to the previously authorized 200,000 shares limit through January 25, 1997, or such a later time that all shares are issued;

2) That the issuance shall take place under the terms and conditions as described in the application;

3) That should the terms and conditions change, excluding the expiration date of the plan, Applicant shall seek Commission approval for continuation of the Plan; and

4) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF920006
FEBRUARY 27, 1992

APPLICATION OF
KENTUCKY UTILITIES COMPANY

For authority to issue long-term securities

ORDER GRANTING AUTHORITY

On February 5, 1992, Kentucky Utilities Company ("Kentucky Utilities" or "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to issue long-term securities. Applicant has paid the requisite fee of $250.

On December 2, 1991, Old Dominion Power merged into Kentucky Utilities; therefore, Kentucky Utilities is now subject to the jurisdiction of this Commission. Kentucky Utilities requests authority from the Virginia State Corporation Commission to issue on, or before, August 31, 1992, First Mortgage Bonds ("Bonds") and/or unsecured notes ("Notes") (collectively, "Securities") of up to $144,000,000 in an aggregate principal amount in one or more transactions.

As with all bonds issued under Applicant's Indenture, the Bonds will be equally and ratably secured by a first mortgage lien on substantially all of Kentucky Utilities' permanent fixed properties. Issuance of Notes may require Kentucky Utilities to enter into a new trust indenture, which will be similar to its existing indentures, except that no security interest or mortgage on Applicant's property will be granted or created.

The proceeds in the amount of $33,000,000 will be applied to the partial reimbursement for the cost of redeeming two preferred stock issues during 1991: Applicant's 8.65% series issued in August of 1979, and Applicant's 9.96% series issued in March of 1980. Additionally, $111,000,000 of the net proceeds will be used to refund three series of long-term debt: all of the outstanding Series L, 9.125% First Mortgage Bonds, all of the outstanding Series M, 9.25% First Mortgage Bonds, and all of the outstanding Series O, 9.625% First Mortgage Bonds in order to further reduce Kentucky Utilities' embedded cost of capital.

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 sell First Mortgage Bonds and/or Notes in an aggregate principal amount of $144,000,000, 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 file with the Commission Preliminary Reports of Action within ten days of each transaction authorized herein as to the principal amount, rate, maturity, applicable redemption provisions, and net proceeds;

4) That Applicant shall file with the Commission a Final Report of Action no later than October 30, 1992, which shall include information setting forth the date or dates of issuance of the securities authorized herein, the principal amount, the interest rate, the maturity date, all fees and expenses, applicable redemption provisions for each series of Securities issued and sold, a brief statement regarding the net present value savings to Applicant, and a balance sheet reflecting the actions taken; and

5) That this case shall be continued until November 30, 1992.

CASE NO. PUF920007
FEBRUARY 28, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to issue and sell additional first mortgage bonds

ORDER GRANTING AUTHORITY

On February 5, 1992, The Potomac Edison Company ("Applicant") filed an application for authority under Chapter 3 of Title 56 of the Code of Virginia to issue and sell up to $55,000,000 of additional first mortgage bonds ("the Bonds"). Applicant paid the requisite fee of $250.

Applicant seeks approval from the Commission to issue and sell the Bonds prior to December 31, 1993. Applicant intends to issue the Bonds in one or more new series. The Bonds will have maturities ranging from not less than five (5) and not more than thirty (30) years, based on conditions in the financial markets and the needs of Applicant. Interest rates on the Bonds will be set at the time of issue by competitive bidding or negotiated underwriting. Applicant, however, will not issue the Bonds at a rate in excess of 10.5% without requesting further authority. Proceeds realized from the sale of the Bonds will be used for reimbursement of treasury for past capital expenditures as noted in the application.

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 hereby authorized to issue and sell the Bonds up to the aggregate principal amount of $55,000,000 through December 31, 1993, all in a manner, under the terms and conditions, and for the purposes as set forth in the application;

2) That within forty-five (45) days after the effective filing date with the Securities and Exchange Commission ("SEC"), 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;

3) That Applicant shall submit a preliminary report within seven (7) days after the issuance of any Bonds pursuant to this Order including the date issued, amount issued, interest rate, and the comparable Treasury yield (or interpolated yield if there are no comparable Treasuries) at the time the security was sold;

4) 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 the Bonds sold during the calendar quarter including:

a. A copy of the Supplemental Indenture executed for the purpose of issuing the Bonds;

b. The date issued, amount issued, interest rate, comparable Treasury yield (or interpolated yield) at the time of issue, principal and interest payment provisions, date of maturity, any redemption and call provisions, underwriters' names, underwriters' fees, a detailed account of all related issuance expenses, and net proceeds to Applicant;

c. The cumulative principal amount issued under the authority granted herein, and the amount remaining to be issued;

d. Change in capital structure due to the issue(s);

5) That Applicant shall file a Final Report of Action on or before March 1, 1994 that will show actual expenses and fees paid for all the Bonds issued under the authority granted herein, and an explanation of any variance to the estimated expenses noted in the application; and

6) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920008
MARCH 11, 1992

APPLICATION OF
UNITED CITIES GAS COMPANY

For authority to issue additional share of common stock under its Dividend Reinvestment and Stock Purchase Plan

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 issue additional shares of common stock under its Dividend Reinvestment and Stock Purchase Plan ("Plan"). Applicant has paid the requisite fee of $250.

United Cities requests authority to issue 500,000 additional shares of its common stock (1,000,000 shares in aggregate) in accordance with the terms and conditions set forth in the Plan. Under the Plan, holders of the Company's common stock and any class of its preferred stock (collectively, "Shareholders") may reinvest all or part of their dividends automatically in shares of the Company's common stock. Additionally, Shareholders may purchase additional shares through optional cash payments, provided such optional cash payments by any particular Shareholder are not less than $25 per payment and do not exceed $10,000, in aggregate, in any calendar quarter. Shares may be purchased with dividend reinvestments at 95% of market value and with optional cash payments at 100% of market value.

Applicant represents that the proceeds from the sale of such shares will be used to provide working capital to finance the construction, extension, improvement, and/or addition to 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 hereby authorized to issue and sell an additional 500,000 shares of its common stock under its Dividend Reinvestment and Stock Purchase Plan, under the terms and conditions and for the purposes set forth in the application; and

2) That there appearing nothing further to be done in this matter, it is hereby dismissed.

CASE NO. PUF920009
MARCH 13, 1992

APPLICATION OF
UNITED CITIES GAS COMPANY

For authority to issue additional shares of common stock and First Mortgage Bonds

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 on February 18, 1992, requesting authority to issue and sell up to 1,300,000 shares of common stock and $20,000,000 in aggregate principal amount of First Mortgage Bonds, Series U. On March 4, 1992, Applicant filed an amendment to its application to issue and sell up to 1,380,000 shares of common stock. Applicant has paid the requisite fee of $250.

Applicant is currently authorized 20,000,000 shares, with 8,500,783 shares outstanding as of November 30, 1991. The share price is to be determined by United Cities and the underwriters immediately prior to the formal offering and will be based on the market price of Applicant's stock at that time.

The First Mortgage Bonds will be privately placed with institutional investors based on Applicant's agreement with its retained underwriter, PaineWebber Incorporated. The bonds will have interest payable semiannually over a thirty-year term with annual sinking fund payments beginning at the end of the fifteenth year.

Applicant represents that the proceeds from the sale of such shares and bonds will be used to provide working capital, pay short-term bank loans, and finance the construction, extension, improvement, and/or addition to 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 hereby authorized to issue and sell up to 1,380,000 shares of its common stock and $20,000,000 aggregate principal amount of First Mortgage Bonds, Series U, under the terms and conditions and for the purposes set forth in the application;

2) That Applicant shall file with the Commission a Final Report of Action on or before September 30, 1992, which shall include information setting forth the date or dates of issuance of the securities authorized herein, the principal amount, the interest rate, the maturity date, all fees and expenses, applicable redemption provisions, and a balance sheet reflecting the actions taken; and

3) That this matter shall be continued, subject to the review, audit, and appropriate directive of the Commission.

CASE NO. PUF920010
MARCH 13, 1992

APPLICATION OF
RAPPAHANNOCK ELECTRIC COOPERATIVE

For authority to convert fixed rate loans to variable rate loans

ORDER GRANTING AUTHORITY

On February 20, 1992, Rappahannock Electric Cooperative ("Rappahannock", "Applicant") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia. Applicant paid the requisite fee of $250.

Applicant proposes to convert the interest rate on nine of its outstanding long-term loans with the National Rural Utilities Cooperative Finance Corporation ("CFC") from a fixed rate to a variable rate. The fixed rates in effect on the loans range from 8.50% to 9.50%. CFC's variable rate on long-term loans on March 1, 1992, was 5.375%. 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 Staff, is of the opinion that approval of the proposed transaction will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to convert nine 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;

3) That subsequent to converting the rate on a loan in accordance with ordering paragraph 2, Applicant shall apply for authority to make further rate conversions on that loan;

4) That within 30 days following any action taken pursuant to this Order, Applicant shall file a Report of Action with the Commission's Division of Economics and Finance which indicates the effective date of the conversion of the loans, the option selected for payment of any conversion fees, the interest rate in effect on each loan before and after the conversion, and a brief explanation of its rationale for converting any loan from a variable rate back to a fixed rate;

5) That approval of the application has no implications for ratemaking purposes; and

6) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF920011
MARCH 31, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to issue $6.6 million in solid waste disposal notes

ORDER GRANTING AUTHORITY

On March 6, 1992, The Potomac Edison Company ("Applicant" or "Company") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to issue solid waste disposal notes ("Notes") up to a maximum of $6.6 million in principal, on or before May 8, 1992. Applicant has paid the requisite fee of $250.

Applicant proposes to issue the Notes in conjunction with the County Commission of Harrison County, West Virginia ("the CCHC"). The CCHC has been authorized by the West Virginia Economic Development Authority to issue tax exempt solid waste disposal bonds ("Bonds") for certain pollution control systems at the Harrison Power Station ("Harrison"), which is 32.76% owned by Applicant. The Notes will be delivered to the CCHC when the Bonds are issued, and the Notes will be secured by a second lien on Harrison.

The CCHC Bonds will have a market based rate that will not exceed 9.00%. The expected maturity will be between five (5) and thirty (30) years. The proceeds will be used to repay Applicant for expenditures incurred at Harrison as part of the strategy to comply with the Clean Air Act Amendments of 1990.

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 described financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant be and hereby is authorized to issue up to $6.6 million in Notes for the purposes and under the terms and conditions as described in the application;

2) That Applicant shall file on or before June 30, 1992, copies of the Note(s) being issued, Applicants Indenture, Solid Waste Disposal Financing Agreement, Mortgage and Security Agreement, along with a Report of Action containing the following: the date of issue, amount issued, interest rate (specify index if rate is variable), comparable Treasury yield at time of issue, interest provisions, sinking fund schedule, date of maturity, any redemption or call provisions, underwriters' names, underwriters' fees, a detailed account of all related issuance expenses, and net proceeds to Applicant; and

3) That this matter shall be continued, subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF920012
APRIL 16, 1992

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For authority to issue debt securities, preferred stock, and common stock

ORDER GRANTING AUTHORITY

On March 9, 1992, Washington Gas Light Company ("Applicant") filed an application for authority under Chapter 3 of Title 56 of the Code of Virginia to issue and sell up to $150 million in debt securities, negotiate a five-year, $75 million revolving credit agreement, issue up to $50 million of preferred stock, and issue up to 4,000,000 shares of common stock. Applicant paid the requisite fee of $250.

Applicant proposes to issue up to $150 million of new debt securities in the form of first mortgage bonds, debentures, loans, medium term notes ("MTN"), debt securities which may be convertible into common stock, or other forms of long-term debt. Applicant requests authority to issue the proposed debt securities through one or more public offerings, private placements, or Eurodollar market offerings, depending on capital market conditions at the time of issuance. The proposed debt securities will be issued with a maturity of not less than one year or not greater than thirty years. Applicant represents that the interest rate, adjusted for discount or premium, on any debt issued will not exceed 200 basis points above comparable maturity U.S. Treasury securities, excluding issuance costs. Applicant requests the authority to issue this debt at any time within the two-year effective period of its Shelf Registration with the Securities and Exchange Commission ("SEC"). Should Applicant issue MTN which mature prior to the end of the two-year period of authority, Applicant requests authorization to replace maturing MTN with new debt securities. At no time, however, would the aggregate principal amount of new debt issues outstanding exceed the requested amount of $150 million.

To provide flexible access to capital and support to commercial paper issues, Applicant seeks authority to negotiate a $75 million revolving credit agreement ("RCA"), which will replace Applicant's existing $75 million RCA that expires September 30, 1992.

Additionally, Applicant requests authority to issue and sell up to $50 million of preferred stock at any time during the same authorization period applicable to the $150 million of proposed debt securities. Applicant seeks the flexibility to issue the preferred stock as fixed-rate, adjustable-rate, auction-rate, perpetual, convertible, or other forms, depending on market conditions at the time of issuance.

Lastly, Applicant requests authority to cumulatively issue up to 4,000,000 additional shares of common stock. Applicant seeks authorization to issue up to 1,500,000 shares of common stock through one or more public offerings during the same authorization period applicable to the proposed $150 million of new debt. Applicant also requests the authority to issue and sell up to 1,500,000 shares of common stock at any time as provided through conversion features underlying any convertible debt or preferred stock, which may be issued under the authority requested in this case. Finally, Applicant seeks authorization to issue up to 1,000,000 additional shares of common stock on an on-going basis through its Dividend Reinvestment and Common Stock Purchase Plan ("DRP") and other common stock plans.

Applicant represents that funds obtained from the proposed security financings will be used for on-going capital expenditures, working capital requirements, payment of sinking funds, debt retirement, and for the potential refunding of existing debt if market conditions make it attractive to do so.

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 additional long-term debt securities up to an aggregate principal amount of $150 million;

(b) to issue and sell additional Preferred Stock up to an aggregate principal amount of $50 million;

(c) to issue and sell up to 1,500,000 additional shares of common stock in one or more public offerings;

from January 1, 1993, through December 31, 1994, all in a manner, under the terms and conditions, and for the purposes as set forth in the application;

2) That Applicant is authorized to issue debt securities to replace any medium-term notes that are issued and mature within the two-year period authorized in Ordering Paragraph 1;

3) That any debt securities authorized herein shall be issued at a yield (stated interest rate adjusted for discount or premium), that shall not exceed the current yield on United States Treasury securities of comparable maturity by 200 basis points, excluding issuance costs;

4) That any preferred stock security authorized herein shall be issued at a yield (stated dividend rate adjusted for discount or premium), that shall not exceed the current yield on municipal debt issues of comparable maturity and quality by 150 basis points, excluding issuance costs;

5) 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;

6) That Applicant shall submit a preliminary report within seven (7) days after the issuance of any security pursuant to Ordering Paragraph 1 which includes the date, type of security, amount, interest or dividend rate thereon, and comparable yield data confirming that the maximum rate for long-term debt or preferred stock in Ordering Paragraphs 3 and 4 was not exceeded;

7) That within sixty (60) days after the end of each calendar quarter in which any securities are issued pursuant to Ordering Paragraph 1, Applicant shall file a more detailed report with respect to all securities sold during the calendar quarter including:

(a) The date, type, amount, interest or dividend rate, date of maturity, underwriters' names, underwriters' fees, other issuance expenses realized, and net proceeds to Applicant;

(b) A copy of any terms or conditions not previously provided (e.g., conversion provisions, indenture amendments, charter amendments, etc.) which were executed for the purpose of issuing any security under Ordering Paragraph 1;

(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 for the early redemption of an outstanding issue, to provide a schedule showing all reacquisition losses and overall cost savings from the refunding;

(e) Change in capital structure due to issue(s), and a balance sheet as of the respective quarter ended;

8) That Applicant is authorized to issue and sell up to 1,500,000 shares of common stock as provided by the conversion feature underlying any convertible debt security or preferred stock shares issued pursuant to Ordering Paragraph 1;

9) That Applicant is authorized to issue and sell up to 1,000,000 additional shares of common stock through its DRP and other stock plans;

10) That Applicant is authorized to negotiate a five-year, $75 million RCA to replace its existing RCA which expires September 30, 1992;

11) That Applicant shall file a copy of the negotiated RCA document within 30 days after it becomes effective;

12) That Applicant shall file a final Report of Action on or before March 31, 1995, showing actual expenses and fees paid for the proposed financing, and an explanation of any variance from the estimated expenses contained in the Financing Summary attached to the application; and

13) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920012
AUGUST 5, 1992

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For authority to issue debt securities, preferred stock, and common stock

AMENDING ORDER

On March 10, 1992, Washington Gas Light Company ("Company" or "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue and sell up to $150 million in debt securities, $50 million of preferred stock, and 4,000,000 shares of common stock. Applicant also requested authority to negotiate a $75 million revolving credit agreement ("RCA") for a period of up to five years.

By Order dated April 16, 1992, the Commission granted Applicant authority to issue and sell the securities up to the requested amounts, as stated in the application. Additionally, Applicant's request for authority to negotiate a $75 million RCA was granted.

On July 27, 1992, Company filed an application requesting that the Commission amend its Order of April 16, 1992, to permit Company to negotiate one or more revolving credit agreements in a total aggregate amount of up to $75 million for terms of up to five-years. Company acknowledged an inconsistency its March 10, 1992, application wherein it requested authority for ". . . a $75 million revolving credit agreement . . ." at the beginning while referencing "revolving credit agreements" in the Conclusion. Company stated that the intention of its application was for authority to negotiate one or more revolving credit agreements. Company indicated that this would permit Company to take advantage of the most favorable pricing arrangements available and provide Company with the flexibility to incur the credit capacity and associated costs on an incremental basis as needed.

THE COMMISSION, upon consideration of Applicant's request is of the opinion and finds the request should be granted and that the April 16, 1992, Order should be amended. Accordingly,

IT IS ORDERED:

1) That Ordering paragraph ten (10) of the Commission's April 16, 1992, Order shall be amended to read as follows:

> That Applicant is authorized to negotiate one or more revolving credit agreements in a total aggregate amount of up to $75 million for terms of up to five-years, to replace its existing RCA which expires September 30, 1992; and

2) That all other requirements and provisions of the April 16, 1992 Order shall remain in full force and effect.

CASE NO. PUF920013
APRIL 10, 1992

APPLICATION OF
DELMARVA POWER & LIGHT COMPANY

For authority to borrow the proceeds of up to $40,000,000 of tax-exempt refunding bonds, and to issue and sell up to $200,000,000 of debt securities, $60,000,000 of preferred stock, and 3,500,000 shares of common stock

ORDER GRANTING AUTHORITY

On March 17, 1992, Delmarva Power & Light Company ("Applicant" or "Company") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to borrow the proceeds of up to $40,000,000 of tax-exempt refunding bonds, to issue and sell up to $200,000,000 of debt securities, to issue up to $60,000,000 of preferred stock, and to issue and sell up to 3,500,000 shares of common stock. Applicant has paid the requisite fee of $250.

Applicant requests authority to borrow the proceeds of up to $40,000,000 of tax-exempt facility refunding revenue bonds ("Tax-Exempt Bonds") issued by The Delaware Economic Development Authority ("the Authority") on or before March 31, 1993. The Tax-Exempt Bonds may be issued and sold publicly or in private placements through one or more underwriters or placement agents. The arrangements between the Company and the Authority relating to the Tax-Exempt Bonds will be set forth primarily in one or more financing agreements. Under the financing agreements, the Company will be obligated to pay amounts sufficient to satisfy, when due, the principal of, premium, if any, and interest on the Tax-Exempt Bonds. The Company anticipates that the Tax-Exempt Bonds will carry a fixed interest rate for a term of up to thirty years. The proceeds from the issuance of the Tax-Exempt Bonds will be applied to redeem outstanding exempt facility bonds issued on behalf of the Company.

Secondly, Applicant requests the authority to issue up to $200,000,000 of debt securities, comprised of either First Mortgage Bonds ("Secured Notes"), or Medium Term Notes issued under an Indenture ("Unsecured Notes"), or any combination thereof (collectively, "Notes"), at a rate not to exceed 10%. The Notes will be issued pursuant to a Registration Statement as filed with the Securities and Exchange Commission (the "SEC") on April 1, 1992. The Company requests that it be granted authority to issue the Notes for a period of time ending March 31, 1994, through either public offerings or private placements.

The Secured Notes will have maturities between two and forty years from the date of issuance with coupon rates not to exceed 10% and will be evidenced by one or more Supplemental Indentures to the Company's Mortgage and Deed of Trust. The Unsecured Notes may be issued in one or more tranches and will have maturities ranging from nine months to thirty years from the date of issuance. Coupon rates, not to exceed 10%, will be determined through either a bidding procedure or negotiations with underwriters or placement agents. The Company will issue the Unsecured Notes pursuant to and under the terms and conditions of either an existing Indenture with Manufacturers Hanover Trust Company, or a new Indenture with a trustee to be selected by the Company.

Thirdly, Applicant requests authority to issue and sell up to $60,000,000 in aggregate principal amount of Preferred Stock ("New Preferred") for a period of time ending March 31, 1993. The New Preferred will be comprised of a new series of up to 2,400,000 shares of Preferred Stock, Cumulative, with a par value of $25.00 per share, and it will be issued in either public offerings or private placements. A Registration Statement will be filed with the SEC approximately 30 days prior to the proposed issuance.

The Company anticipates that the New Preferred will be sinking fund, fixed-rate preferred stock; however, depending on the then-prevailing market conditions, Applicant requests the flexibility to issue the New Preferred based on auction rates or as perpetual, fixed-rate preferred stock.

Finally, Applicant requests the authority to issue up to 3,500,000 additional shares of its Common Stock for an aggregate principal amount of approximately $65,000,000 ("Common Stock") for a period of time ending March 31, 1993. The Company will issue and sell the Common Stock publicly through one or more underwriters. A Registration Statement will be filed with the SEC approximately 30 days prior to the proposed issuance. The rights and privileges of the Common Stock will be the same as the 52,668,964 shares (90,000,000 shares authorized) that the Company currently has outstanding.

The proceeds from the sale of the Notes, New Preferred, and Common Stock will be used primarily to finance the Company's capital requirements, to include funding its ongoing construction program, maintaining service, and reducing its cost of capital by replacing higher-cost securities with securities issued at lower interest or dividend rates and/or extending the maturities of currently outstanding securities.

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 will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to:

(a) borrow the proceeds of $40,000,000 of the Tax-Exempt Bonds to be issued by the Authority on or before March 31, 1993;

(b) issue up to $45,000,000 of First Mortgage Bonds or provide a substitute credit facility as security for the payment of interest and principal on the Tax-Exempt Bonds, or purchase insurance to provide credit enhancement and lower its effective interest cost;

(c) issue up to $200,000,000 in aggregate principal amount of Secured and Unsecured Notes on or before March 31, 1994;

(d) issue and sell up to $60,000,000 in aggregate principal amount of Preferred Stock on or before March 31, 1993; and

(e) issue and sell up to 3,500,000 additional shares of Common Stock on or before March 31, 1993,

under the terms and conditions and for the purposes set forth in the application;

2) That Applicant shall submit a Preliminary Report of Action within seven (7) days after the issuance of any securities pursuant to Ordering Paragraph 1, to include the type of security, the proposed issuance date, amount of the issue, the interest or dividend rate with a brief cost/benefit analysis presented if the proceeds of the issue are to finance the refunding of existing securities, the maturity date, and a brief explanation for the maturity and issuance date chosen;

3) That within sixty (60) days after the end of each calendar quarter in which any securities are issued pursuant to Ordering Paragraph 1, Applicant shall file with the Commission a detailed Report of Action with respect to all securities issued and sold during the calendar quarter including:

(a) The date, type, amount, interest or dividend rate, date of maturity, underwriters' names, underwriters' fees, other issuance expenses realized, and net proceeds to Applicant;

(b) A copy of any terms or conditions not previously provided (e.g., indenture amendments, charter amendments, etc.) which were executed for the purpose of issuing any security under Ordering Paragraph 1;

(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 for the early redemption of an outstanding issue, to provide a schedule showing all reacquisition losses and overall cost savings from the refunding; and

(e) The change in capital structure due to issue(s), and a balance sheet as of the respective quarter ended;

4) That Applicant shall file a Final Report of Action on or before May 31, 1994, to include all information required in Ordering Paragraph 3 and actual expenses and fees paid for the proposed financings with an explanation of any variances from the estimated expenses contained in the Financing Summary attached to the application; and

5) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920014
APRIL 14, 1992

APPLICATION OF
A & N ELECTRIC COOPERATIVE

For authority to convert fixed rate loans to variable rate loans

ORDER GRANTING AUTHORITY

On March 25, 1992, A & N Electric Cooperative ("A & N", "Applicant") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia. Applicant paid the requisite fee of $250.

Applicant requests authority to convert the interest rate on five of its outstanding long-term loans with the National Rural Utilities Cooperative Finance Corporation ("CFC") from a fixed rate to a variable rate. A & N stated in its application that one of the five CFC loans had already been converted to a variable rate. Applicant states it was unaware at the time that such action required Commission approval. The fixed rates in effect on the four remaining loans range from 8.75% to 9.50%. CFC's variable rate on long-term loans on April 1, 1992, was 5.375%. 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 Staff, is of the opinion and finds that approval of the proposed transaction will not be detrimental to the public interest. Additionally, the Commission finds that Applicant did violate the authority granted by Commission Order dated July 26, 1990, in Case No. PUA900049 by converting CFC Loan No. 9005 to a variable rate prior to securing Commission approval. Given this violation was not detrimental to the public interest, the Commission will not exercise it powers granted in Section 56-71 of Chapter 3 of the Code of Virginia. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to convert the five 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 each of the five loans back to a fixed rate if market conditions make such conversion favorable;

3) That for any loan converted from a variable rate back to a fixed rate in accordance with ordering paragraph 2, Applicant shall apply for authority to make further rate conversions on that loan;

4) That within 30 days following any action taken pursuant to this Order, Applicant shall file a Report of Action with the Commission's Division of Economics and Finance which indicates the effective date of the conversion of the loans, the option (amortized or discounted lump-sum) selected for payment of any conversion fees, the interest rate in effect on each loan before and after the conversion, a brief explanation of the rationale for converting any loan from a variable rate back to a fixed rate, accompanied by a schedule that shows the overall cost savings relative to the prior fixed rate;

5) That approval of the application has no implications for ratemaking purposes; and

6) That there appearing nothing further to be done, this matter is hereby dismissed.

CASE NO. PUF920015
APRIL 16, 1992

APPLICATION OF
COMMUNITY ELECTRIC COOPERATIVE

For authority to convert fixed rate loans to variable rate loans

ORDER GRANTING AUTHORITY

On March 25, 1992, Community Electric Cooperative ("Community", "Applicant") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia. Applicant paid the requisite fee of $250.

Applicant requests authority to convert the interest rate on two of its outstanding long-term loans with the National Rural Utilities Cooperative Finance Corporation ("CFC") from a fixed rate to a variable rate. The fixed rate in effect on both of the loans is 8.75%. CFC's variable rate on long-term loans on April 1, 1992, was 5.375%. 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 Staff, is of the opinion and finds that approval of the proposed transaction will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to convert the two 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 each loan back to a fixed rate if market conditions make such conversion favorable;

3) That for any loan converted from a variable rate back to a fixed rate in accordance with ordering paragraph 2, Applicant shall apply for authority to make further rate conversions on that loan;

4) That within 30 days following any action taken pursuant to this Order, Applicant shall file a Report of Action with the Commission's Division of Economics and Finance which indicates the effective date of the conversion of the loans, the option (amortized or discounted lump-sum) selected for payment of any conversion fees, the interest rate in effect on each loan before and after the conversion, a brief explanation of the rationale for converting any loan from a variable rate back to a fixed rate, accompanied by a schedule that shows the overall cost savings relative to the prior fixed rate;

5) That approval of the application has no implications for ratemaking purposes; and

6) That there appearing nothing further to be done, this matter is hereby dismissed.

CASE NO. PUF920016
APRIL 30, 1992

APPLICATION OF
RAPPAHANNOCK ELECTRIC COOPERATIVE

For authority to issue notes to the Rural Electrification Administration and the National Rural Utilities Cooperative Finance Corporation

ORDER GRANTING AUTHORITY

On April 6, 1992, Rappahannock Electric Cooperative ("Applicant" or "Rappahannock") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia requesting authority to issue long-term notes to the Rural Electrification Administration ("REA") and the National Rural Utilities Cooperative Finance Corporation ("CFC"). Applicant has paid the requisite fee of $250.

Rappahannock proposes to borrow from REA and CFC $29,400,000 and $13,263,158, respectively. Applicant will issue notes as evidence of the loan agreements, which are secured by a Supplemental Mortgage and Security Agreement, whereby all assets of Rappahannock are pledged as security for this and earlier REA and CFC loans. The interest rate on the REA note will be fixed at five percent (5%) per annum for a period of thirty-five (35) years. Principal repayment will begin two (2) years after the date of the note.

The concurrent loan with CFC will also have a thirty-five (35) year maturity, and it will have a fixed interest rate for sequential seven-year periods. The loans will bear interest at the rate in effect for such loans on the date of each advance of funds on the loan. Each initial rate will be determined based upon CFC's cost of borrowings at the time of the advance. Thereafter, the rate may be adjusted every seven years to reflect current market conditions. Principal repayment will begin as of the first full billing quarter following the full advance of funds or two (2) years after the date of the approval of the loan, whichever occurs first.

The proceeds from the issuance will provide long-term financing for new construction and system improvements of Rappahannock's distribution, transmission, and maintenance 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 hereby authorized to issue notes to the REA and CFC in the amount of $29,400,000 and $13,263,158, respectively, under the terms and conditions and for the purposes set forth in the application;

2) That Applicant shall seek Commission approval to convert to a variable interest rate on the CFC note;

3) That Applicant shall file with the Division of Economics and Finance within thirty (30) days of the first advance of funds, and thereafter annually by March 1, until either 1996 or the year in which the full amount of the loan is advanced, whichever occurs first, 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 actions taken; and

4) That Applicant shall file with the Division of Economics and Finance within thirty (30) days from the date of notification of a change in CFC's long-term fixed interest rate on the note authorized herein a Report of Action which states the new rate, the method used for determining the rate, the loan amount which will be outstanding at the time of the rate change, and a brief explanation of the expected impact on Rappahannock;

5) That there appearing nothing further to be done in this matter, it is hereby dismissed.

CASE NO. PUF920017
MAY 1, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to issue up to $45 million in first mortgage bonds

ORDER GRANTING AUTHORITY

On April 10, 1992, The Potomac Edison Company ("Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to issue first mortgage bonds ("Bonds") up to a maximum of $45 million in principal, on or before March 31, 1994. Applicant has paid the requisite fee of $250.

Applicant has filed with the Securities and Exchange Commission ("SEC") for authority to issue the Bonds in one or more series. Applicant proposes to issue the Bonds to refund two issues, the 8 5/8% Series due 2003 and 8 5/8% Series due 2007. Applicant further proposes that the Bonds will be issued only when market conditions exist that will result in savings after considering the costs of the new issue. The Bonds will have a market based rate, and will be priced at not less than 98% of par so that the issuance yield will not exceed 8.163%. The expected maturity will be between five (5) and thirty (30) years.

THE COMMISSION, upon consideration of the application, and having been advised by its Staff, is of the opinion and finds that approval of the described financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue up to $45 million in Bonds for the purposes and under the terms and conditions as described in the application;

2) That Applicant shall file on or before June 30, 1992, a copy of the Form S-3 Registration Statement and Exhibits filed with the SEC;

3) That within seven days after any Bond(s) are issued, Applicant shall file a preliminary Report of Action containing the following: the date(s) of issue, amount issued, interest rate, comparable Treasury yield at or nearest to the time of issue, date of maturity, underwriters' names, and net proceeds to Applicant;

4) That within 45 days after the end of any quarter in which any Bond(s) are issued, Applicant shall file a detailed Report of Action containing the following: a detailed analysis of the savings due to the new issue, showing the effective cost rate (yield to maturity method) of the redeemed issue compared to the new issue, the date(s) of issue, amount issued, coupon interest rate, effective yield to maturity, comparable Treasury yield at time of issue, interest provisions, sinking fund schedule, date of maturity, any redemption or call provisions, underwriters' names, underwriters' fees, a detailed account of all related issuance expenses, a detailed account of any losses or reacquired debt, to include any call premiums or unamortized expenses from the original issue, net proceeds to Applicant, and remaining unissued authority;

5) That Applicant shall file a Final Report of Action on or before June 20, 1994, to include all information required in Ordering Paragraph 4 and actual expenses and fees paid for the proposed refinancing with an explanation of any variances from the estimated expenses contained in the Financing Summary attached to the application;

6) That approval of the application shall have no implications for ratemaking purposes; and

7) That this matter shall be continued, subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF920018
MAY 6, 1992

APPLICATION OF
THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA

For authority to issue up to $200 million in debt securities

ORDER GRANTING AUTHORITY

On April 10, 1992, The Chesapeake and Potomac Telephone Company of Virginia ("Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to issue debt securities ("Debt") up to a maximum of $200 million in principal, on or before April 30, 1994. Applicant has paid the requisite fee of $250.

Applicant has filed with the Securities and Exchange Commission ("SEC") for authority to issue Debt in one or more series. Applicant proposes to issue the Debt to refund two types of outstanding debt, $100 million in 9.25% Series due 2015 and $100 million in short-term or maturing debt. Applicant further proposes that the higher coupon debt will be refunded only when market conditions exist that will result in significant savings after considering the costs of the new issue. Applicant requests to amortize call premiums and unamortized issuance costs of the refunded issue over the life of the new debt. The Debt will have a market based rate not to exceed the comparable Treasury rate by more than 250 basis points. The expected maturity will be between one (1) and thirty (30) years.

THE COMMISSION, upon consideration of the application, and having been advised by its Staff, is of the opinion and finds that approval of the described financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue up to $200 million in Debt for the purposes and under the terms and conditions as described in the application;

2) That within seven days after any securities are issued, Applicant shall file a preliminary Report of Action containing the following: the date(s) of issue, amount issued, interest rate, comparable Treasury yield at or nearest to the time of issue, date of maturity, underwriters' names, and net proceeds to Applicant;

3) That within 45 days after the end of any quarter in which any securities are issued, Applicant shall file a detailed Report of Action containing the following: a detailed analysis of the savings due to the new issue, showing the effective cost rate (yield to maturity method) of the redeemed issue compared to the new issue, the expected NPV of the savings, the date(s) of issue, amount issued, coupon interest rate, effective yield to maturity, comparable Treasury yield at time of issue, interest provisions, sinking fund schedule, date of maturity, any redemption or call provisions, underwriters' names, underwriters' fees, a detailed account of all related issuance expenses, a detailed account of any losses on reacquired debt, to include any call premiums or unamortized expenses of the refunded issue, net proceeds to Applicant, and remaining unissued authority;

4) That Applicant shall file a Final Report of Action on or before June 20, 1994, to include all information required in Ordering paragraph 3 and actual expenses and fees paid for the proposed refinancing with an explanation of any variances from the estimated expenses contained in the Financing Summary attached to the application;

5) That approval of the application shall have no implications for ratemaking purposes; and

6) That this matter shall be continued, subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF920018
OCTOBER 14, 1992

APPLICATION OF
THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA

For authority to issue up to $200 million in debt securities

AMENDING ORDER

By Order dated May 6, 1992, The Chesapeake and Potomac Telephone Company of Virginia ("C&P") was authorized to issue up to $200 million of debt securities for the purposes and under the terms and conditions stated in C&P's application. The application stated that the debt would be issued for a term of not less than one (1) and not greater than forty (40) years. However, in describing the contents of the application on page one of the Order, we incorrectly stated that the expected maturity of the debt securities will be between one (1) and thirty (30) years.

On October 13, 1992, C&P filed a letter with the Commission requesting that the May 6, 1992 Order be amended to correct the language which describes the expected maturity of the debt.

THE COMMISSION is of the opinion and finds that the May 6, 1992 Order should be amended. Accordingly,

IT IS ORDERED:

1) That the last sentence of the second paragraph on page one of the May 6, 1992 Order Granting Authority shall be and hereby is amended as follows:

> The expected maturity may range from one (1) to forty (40) years.

2) That all other provisions of the May 6, 1992, shall remain in full force and effect.

CASE NO. PUF920019
MAY 8, 1992

APPLICATION OF
APPALACHIAN POWER COMPANY

For authority to enter into transactions relating to the issuance of pollution control revenue bonds

ORDER GRANTING AUTHORITY

On April 17, 1992, Appalachian Power Company ("Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority for the issuance of up to $70,000,000 of pollution control revenue bonds to refund higher cost outstanding bonds. The requisite fee of $250 has been paid.

Up to $40,000,000 of Series I pollution control revenue bonds ("Series I Bonds") will be issued through the County Commission of Mason County, West Virginia. Up to $30,000,000 of Series C pollution control revenue bonds ("Series C Bonds") will be issued through the County Commission of Putnam County, West Virginia. The proceeds of the Series I Bonds will be used to redeem the Series A, Mason County bonds, which were issued on July 31, 1978, at an interest rate of 7 3/4%. The proceeds of the Series C Bonds will be used to redeem the Series A, Putnam County bonds, issued on October 28, 1976, at an interest rate of 7 3/4%. The outstanding bonds support financing of pollution control facilities at the Philip Sporn and Mountaineer Plants in Mason County, West Virginia, and the John E. Amos Generating Station in Putnam County, West Virginia.

Applicant states that the interest rate on the Series I Bonds and the Series C Bonds will not exceed 7.404% and 7.536%, respectively. Applicant further states that any discount from the initial public offering price shall not exceed 5% of the principal amount and the stated maturity shall not exceed 30 years.

THE COMMISSION, upon consideration of the application and having been advised by Staff, is of the opinion and finds that approval of the above described financing will not be detrimental to the public interest, provided that the refunding results in savings to Applicant after consideration of both the interest rate and the initial offering price, together with all other expenses associated with the issuance. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to enter into transactions relating to the issuance of up to $70 million in pollution control revenue bonds for the purposes and under the terms and conditions as described in the application, provided that such issuance results in savings to Applicant;

2) That, within seven days after any Bond(s) are issued, Applicant shall file a preliminary Report of Action containing the issue and maturity dates, amount issued, price to public, interest rate, and net proceeds to Applicant;

3) That, within 45 days after the end of any quarter in which any bond(s) are issued, Applicant shall file a detailed Report of Action containing the following: a detailed analysis of the savings due to the new issue, showing the effective cost rate of the redeemed issue compared to the new issue, the issue and maturity dates, amount issued, stated interest rate, sinking fund provisions, call provisions, underwriters' names, underwriters' fees, a detailed account of all other issuance expenses, a detailed account of any loss on reacquired debt, to include call premiums and unamortized expenses from the original issue, and net proceeds to Applicant;

4) That Applicant shall file a Final Report of Action on or before November 30, 1992, including any additional information on final expenses associated with the issue(s) and a balance sheet reflecting the action taken;

5) That approval of the application shall have no implications for ratemaking purposes; and

6) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920020
JUNE 4, 1992

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For authority to enter into short-term, intercompany financing

ORDER GRANTING AUTHORITY

On May 13, 1992, Virginia Natural Gas, Inc. ("Applicant" or "VNG") filed an application pursuant to Chapters 3 and 4 of Title 56 of the Code of Virginia requesting authority to participate in the Consolidated Natural Gas Company ("CNG") System Money Pool ("Money Pool"). The requisite fee of $250 has been paid.

By Order dated May 28, 1991, in Case No. PUF910021, the Commission authorized VNG to borrow up to $110 million for the period July 1, 1991 through June 30, 1992. Applicant now proposes that it be authorized to participate in the Money Pool for the period beginning July 1, 1992 through June 30, 1997. Additionally, Applicant proposes that aggregate borrowings from the Money Pool will not exceed $50 million.

The proceeds from the Money Pool will be used as working capital for general corporate purposes, including gas storage and inventories, and temporary financing of construction, extension, improvements and additions to facilities. The funds will be loaned on a short-term basis at interest rates based on the weighted average effective rate of interest on CNG's commercial paper and revolving credit borrowings. If no such borrowings are outstanding, the interest rate for Money Pool advances will be based upon the daily composite Federal Funds rate, as quoted by the Federal Reserve Bank of New York.

Based on the fact that the Money Pool funds will be backed by CNG's commercial paper and revolving credit borrowings, the Commission finds that the authorization period should parallel the authorization period granted by the Securities and Exchange Commission with regard to CNG's short-term debt. As stated in CNG's Form U-1 attached as Exhibit C of VNG's application, the current term for CNG's Credit Agreement extends through March 31, 1995.

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; however, the authorization period should be limited to July 1, 1992 through March 31, 1995. Accordingly,

IT IS ORDERED:

1) That Virginia Natural Gas, Inc., be authorized to participate in the Money Pool for borrowings up to an aggregate amount outstanding of $50,000,000 and to invest excess cash from time to time in the Money Pool, under the terms and conditions, and for the purposes as set forth in the application;

2) That approval of the application shall have no implications for ratemaking purposes;

3) That the authority granted herein extends from July 1, 1992 through March 31, 1995;

4) 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;

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 shall file annually with the Commission within sixty (60) days of the end of each calendar year reports of action taken pursuant to the authority granted herein, to include the amounts advanced from the Money Pool, the date of the advances and the interest rate, a schedule of repayments, the amounts invested in the Money Pool, the interest earning rate on the investments, and a proforma schedule of anticipated Money Pool borrowings for the upcoming year;

7) That Applicant shall file a Final Report of Action on or before May 31, 1995, to include all information required in Ordering Paragraph 6; and

8) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920021
JUNE 12, 1992

APPLICATION OF
PRINCE GEORGE ELECTRIC COOPERATIVE

For authority to convert fixed rate loans to variable rate loans

ORDER GRANTING AUTHORITY

On May 19, 1992, Prince George Electric Cooperative ("Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to convert from fixed to variable interest rates three National Rural Utilities Cooperative Financing Corporation ("CFC") loans. Applicant has paid the requisite fee of $250.

Applicant proposes to convert CFC loans to a lower interest rate, allowing lower interest charges and accelerating the repayment of the principal outstanding. The CFC Loans will have a variable rate adjusted monthly with both interest and principal due quarterly. The fixed rates in effect on the three long-term loans range from 8.75% to 9.50%. CFC's variable rate on May 19, 1992, was 5.375%. 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 and finds 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 convert three CFC loans from a fixed to a variable interest rate for the purposes and under the terms and conditions as described in the application;

2) That Applicant may convert the loans back to a fixed rate if market conditions make such conversion favorable;

3) That subsequent to converting the rate on a loan in accordance with ordering paragraph 2, Applicant shall apply for authority to make further rate conversions on that loan;

4) That within 30 days following any action taken pursuant to this Order, Applicant shall file a Report of Action with the Commission's Division of Economics and Finance which indicates the effective date of the conversion of the loans, the option selected for payment of any conversion fees, the interest rate in effect on each loan before and after the conversion, and a brief explanation of its rationale for converting any loan from a variable rate back to a fixed rate; and

5) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF920022
JUNE 19, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY
and
ALLEGHENY POWER SYSTEM, INC.

For authority to issue preferred and/or common stock

ORDER GRANTING AUTHORITY

On May 26, 1992, The Potomac Edison Company ("Applicant") filed an application under Chapters 3 and 4 of Title 56 of the Code of Virginia requesting authority to issue up to 4,000,000 shares of additional common stock to its parent, Allegheny Power System, Inc. ("APS") and/or issue up to 500,000 shares of preferred stock to the public. Applicant proposes to issue and sell the securities from time to time, on or before April 30, 1994. Applicant has paid the requisite fee of $250.

Applicant proposes to issue common and preferred stock of up to $80 million in total. Preferred stock of up to $50 million would be sold to the public or placed by private auction at a dividend rate not to exceed 9.00% without further regulatory approval. Applicant estimates issuance expenses of $165,000 and underwriting fees of 1.00% or $500,000. Applicant expects that the dividend will be a fixed rate determined at the time of issuance. Common stock would be issued to APS. Common stock would be issued such that the principal amounts of preferred and common stock together would not exceed the $80 million authority.

THE COMMISSION, upon consideration of the application, and having been advised by its Staff, is of the opinion and finds that approval of the described financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue up to $80 million in preferred and/or common stock for the purposes and under the terms and conditions as described in the application;

2) That within sixty (60) days following registration of the securities with the SEC, Applicant shall file a copy of the Form S-3 Registration Statement and Exhibits filed with the SEC;

3) That within seven (7) days after any stock is issued pursuant to this Order, Applicant shall file a preliminary Report of Action containing the date(s) of issue, amount issued, dividend rate, underwriters' names, and net proceeds to Applicant;

4) That within sixty (60) days after the end of any quarter that any preferred or common stock is issued, Applicant shall file a detailed Report of Action containing the following: the date(s) of issue, amount issued, dividend rate, sinking fund and call provisions, underwriters' names, underwriters' fees, a detailed account of all related issuance expenses, net proceeds to Applicant, and remaining unissued authority;

5) That Applicant shall file a final Report of Action on or before July 31, 1994, to include all information required in Ordering Paragraph 4 and actual expenses and fees paid for the proposed financings with an explanation of any variances from the estimated expenses contained in the Financing Summary attached to the application;

6) That approval of the application shall have no implications for ratemaking purposes; and

7) That this matter shall be continued, subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF920023
JUNE 19, 1992

APPLICATION OF
CENTRAL VIRGINIA ELECTRIC COOPERATIVE

For authority to convert a fixed rate loan to a variable rate loan

ORDER GRANTING AUTHORITY

On May 28, 1992, Central Virginia Electric Cooperative ("Central", "Applicant") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia. Applicant paid the requisite fee of $250.

Applicant proposes to convert the interest rate on one of its outstanding long-term loans with the National Rural Utilities Cooperative Finance Corporation ("CFC") from a fixed rate to a variable rate. The fixed rate in effect on the loan is 9.00%. CFC's variable rate on long-term loans on June 1, 1992, was 5.50%. Applicant represents that such conversion, which requires the payment of a fee to CFC, is expected to result in savings to its members by reducing the cost of the loan.

The Commission, upon consideration of the application and having been advised by Staff, is of the opinion that approval of the proposed transaction will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to convert CFC Loan No. 9007 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 loan back to a fixed rate if market conditions make such conversion favorable;

3) That in the event Applicant converts the rate on the loan in accordance with ordering paragraph 2, Applicant shall apply for additional authority to make further rate conversions on that loan;

4) That within 30 days following any action taken pursuant to this Order, Applicant shall file a Report of Action with the Commission's Division of Economics and Finance which indicates the effective date of the loan conversion, the option selected for payment of the conversion fee, the interest rate in effect on the loan before and after the conversion, and a brief explanation of the rationale for converting the loan from a variable rate back to a fixed rate;

5) That approval of the application has no implications for ratemaking purposes; and

6) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF920024
JULY 2, 1992

APPLICATION OF
SOUTHSIDE ELECTRIC COOPERATIVE

For authority to convert fixed rate loans to variable rate loans

ORDER GRANTING AUTHORITY

On June 12, 1992, Southside Electric Cooperative ("Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to convert from fixed to variable interest rates thirteen National Rural Utilities Cooperative Financing Corporation ("CFC") loans. Applicant has paid the requisite fee of $250.

Applicant proposes to convert CFC loans to a lower interest rate, allowing lower interest charges and accelerating the repayment of the principal outstanding. The CFC loans will have a variable rate adjusted monthly with both interest and principal due quarterly. The fixed rates in effect on the thirteen long-term loans range from 8.50% to 9.75%, and the total principal being converted is $15,112,376.32. CFC's variable rate on July 1, 1992, was 5.5%. 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 and finds 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 convert thirteen CFC loans from a fixed to a variable interest rate for the purposes and under the terms and conditions as described in the application;

2) That Applicant may convert the loans back to a fixed rate if market conditions make such conversion favorable;

3) That in the event Applicant converts the rate on a loan in accordance with ordering paragraph 2, Applicant shall apply for additional authority to make further rate conversions on that loan;

4) That within 30 days following any action taken pursuant to this Order, Applicant shall file a Report of Action with the Commission's Division of Economics and Finance which indicates the effective date of the conversion of the loans, the option selected for payment of any conversion fees, and the interest rate in effect on each loan before and after the conversion, and a brief explanation of its rationale for converting any loan from a variable rate back to a fixed rate; and

5) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF920025
JULY 24, 1992

APPLICATION OF
KENTUCKY UTILITIES COMPANY

For authority to incur up to $238,670,000 in tax-exempt long-term debt

ORDER GRANTING AUTHORITY

Kentucky Utilities Company ("Kentucky Utilities", "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to enter into loan agreements for up to $238,670,000. Applicant has paid the requisite fee of $250.

Under the proposed loan agreements, various county municipalities will issue tax-exempt bonds the proceeds of which will be loaned to Kentucky Utilities. The loan agreements will be either unsecured or secured by First Mortgage Bonds, a line of credit, or security options as outlined in the application. The interest rate on the tax exempt bonds will be either fixed or variable, based on market conditions at the time of issuance. The proceeds will be used to refund and replace up to $38,670,000 in outstanding tax-exempt obligations. The remaining $200,000,000 in proceeds will be used to fund the construction of qualifying tax-exempt facilities over a two year period.

THE COMMISSION, upon consideration of the application and subsequent representations of Applicant 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 to enter into transactions related to the issuance of up to $238,670,000 in long-term debt in various series of tax-exempt bonds for the purposes and under the terms and conditions as described in the application through July 31, 1994;

2) That within 7 days after any bond(s) are issued, Applicant shall file a preliminary Report of Action containing the issue and maturity dates, amount issued, rate of interest at time of issuance, a repricing schedule for variable rate issues;

3) That within 60 days after the end of any quarter in which bond(s) are issued, Applicant shall file a detailed Report of Action containing the following for each series issued in the preceding quarter: issue and maturity dates, amount issued, rate of interest at time of issuance, a repricing schedule for variable rate issues, the rationale for choosing either the variable or fixed rate, sinking fund provisions, call provisions, underwriters' names, underwriters' fees, a detailed account of all other issuance expenses, a detailed account of any loss on reacquired debt including call premiums and unamortized expenses from the original issue, a copy of the remarketing agreement if applicable, and a list of all contracts and agreements regarding the sale or marketing of the bonds;

4) That Applicant shall file a final Report of Action on or before September 30, 1994, including any additional information on final expenses associated with the issues and a balance sheet reflecting the action taken; and

5) That this matter shall be continued, subject to the continued review, audit, and appropriate directive of the Commission.

CASE NO. PUF920026
AUGUST 24, 1992

APPLICATION OF
GTE SOUTH INCORPORATED

For authority to issue long-term debt securities

ORDER GRANTING AUTHORITY

On July 13, 1992, GTE South Incorporated ("GTE" or "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue up to $225 million of First Mortgage Bonds and/or Debentures ("Bonds"). GTE completed its Application on July 31, 1992. Applicant has paid the requisite fee of $250.

The proceeds will be used primarily to refund higher cost debt with the balance of the proceeds to be used to reduce short-term indebtedness. The coupon rates and maturities will be determined in accordance with conditions in the financial markets at the time of the sale. However, the interest rate on any Bond will not exceed 150% of the yield to maturity on Treasury securities of comparable maturity at the time of sale of the Bonds. The Bonds will be registered with the Securities and Exchange Commission and may be issued over a period of two years from the date of registration.

GTE also requested approval to recover the call premium expenses and the unamortized issuance expenses associated with redemption of the debt issues described in its application, over the life of the refunding debt. GTE's proposed method of recovery is consistent with the ratemaking treatment typically authorized for refinancing costs which are reasonably incurred.

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. The Commission is of the further opinion that Applicant's request for approval to recover refinancing costs over the life of the refunding issues should not be authorized in this case. Recovery of such cost would be more appropriately addressed within the context of Applicant's next rate-related proceeding in which the test year coincides with the incurrence of any refinancing costs.

IT FURTHER APPEARING to the Commission that the authority granted herein shall supersede the authority granted in Case No. PUA900023 by Commission Order, dated May 7, 1990. Accordingly,

IT IS ORDERED:

1) That GTE is hereby authorized to issue up to $225 million of First Mortgage Bonds and/or Debentures, for the purposes and under the terms and conditions contained in the application, from the date of this Order through September 30, 1994, provided that the issuance of refunding bonds results in cost savings to GTE;

2) That promptly after it becomes effective, Applicant shall file a copy of the Securities and Exchange Commission registration statement in conjunction with the sale of the Bonds in its final form;

3) That GTE 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, Applicant shall file a more detailed Report of Action with respect to the Bonds issued including the date and amount of each series, 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 Applicant, a list of all contracts and underwriting agreements regarding the sale or marketing of the Bonds, and a balance sheet reflecting the action taken;

5) That a final Report of Action shall be filed on or before November 30, 1994;

6) That there appearing nothing further to be done pursuant to Case No. PUA900023, the matter is and shall be dismissed; and

7) That this matter shall be continued subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF920027
JULY 31, 1992

APPLICATION OF
A & N ELECTRIC COOPERATIVE

For authority to borrow up to $4,500,000 in short-term debt

ORDER GRANTING AUTHORITY

On July 16, 1992, A & N Electric Cooperative ("Applicant", "A & N") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to incur up to a maximum of $4,500,000 in short-term indebtedness under one or more line of credit agreements. Applicant has paid the requisite fee of $250.

A & N proposes to increase its line of credit limit from $1,000,000 to $4,500,000 with the National Rural Utilities Cooperative Finance Corporation ("CFC"). 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 $3,000,000. A & N represents that, although it will have two line of credit agreements, its total aggregate short-term borrowings will not exceed $4,500,000. Applicant represents that the increase in short-term financing is needed to continue to meet the requirements of its extensive construction program which arises from its continued growth.

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 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 aggregate amount up to $4,500,000 for a sixty month period from the date of this Order, under the terms and conditions and for the purpose stated in the application;

2) That on or before September 30, 1993, Applicant shall file 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 July 31, 1993 with corresponding interest rates on all advances, and a balance sheet as of July 31, 1993; and

3) That this matter shall remain under the continuing review, audit and appropriate directive of this Commission.

CASE NO. PUF920028
AUGUST 7, 1992

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, 1992 through September 30, 1993. 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 Gas Energy Systems, Inc., American Environmental Products, Inc., and Davenport Insulation, Inc. ("Affiliates") during the same period. Applicant represents that the funds will be used to fund seasonal working capital requirements. 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 and finds 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, 1992 through September 30, 1993, 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;

5) That Applicant shall file a Report of Action on or before November 30, 1993, including a detailed accounting of the sale of the short-term debt, the disposition of the proceeds derived therefrom, any expenses, commissions, or fees paid in connection therewith, and a balance sheet as of September 30, 1993; and

6) That this matter shall be continued subject to the continued review, audit and appropriate directive of the Commission.

CASE NO. PUF920029
AUGUST 7, 1992

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, "Applicants") filed an application under Chapters 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, 1993, up to an aggregate amount outstanding of $22,000,000. WGL also proposes to make Advances to Shenandoah and Shenandoah proposes to receive Advances through September 30, 1993, up to an aggregate amount outstanding 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 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 the application and having been advised by its 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 WGL is authorized to make interest-bearing open account Advances to its affiliates, Frederick and Shenandoah, through September 30, 1993;

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 Section 56-78 and 56-80 of the Code of Virginia hereafter;

6) That Applicants shall file a report of the action taken pursuant to the authority granted herein on or before November 30, 1993, including a schedule of Advances, showing 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; and

7) That this matter shall be continued subject to the continued review, audit and appropriate directive of the Commission.

CASE NO. PUF920030
JULY 30, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to issue preferred stock

ORDER GRANTING AUTHORITY

On July 20, 1992, Virginia Electric and Power Company ("Virginia Power") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue up to 2,000,000 shares of preferred stock for a total of up to $200 million. The requisite $250 fee has been paid.

The proceeds of the preferred stock will be used to refund higher cost preferred stock outstanding. The preferred stock will be registered with the Securities and Exchange Commission ("SEC") and may be issued for a period of two years from the date of registration. The dividend rates, redemption requirements and other terms will be determined in accordance with conditions in the financial markets at the time of sale.

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 will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue up to 2,000,000 shares of preferred stock for a total of up to $200 million over a period of two years from the date of SEC registration under the terms and conditions and for the purposes stated in the application, provided the issuance of any refunding preferred stock results in cost savings to Virginia Power and provided that the two year period does not extend beyond September 30, 1994, without prior approval of the Commission;

2) That promptly after it becomes effective, Applicant shall file with the commission a copy of the Securities and Exchange Commission registration statement in conjunction with the sale of preferred stock in its final form;

3) That the expenses associated with the issuance of the preferred stock, including call premiums, negative carry and other issuance expenses, shall be charged to the appropriate FERC account and that Applicant shall track separately invested amounts of preferred stock proceeds and the associated investment income during any period of negative carry;

4) That Virginia Power shall file a preliminary Report of Action within seven days after the issuance of any preferred stock pursuant to this Order including the date issued, the amount of each series, the dividend rate, and a listing of the issues refunded;

5) That Applicant shall file a detailed Report of Action within sixty days after the end of each quarter in which preferred stock is issued including the date and amount of each series, the dividend rate, net proceeds, sinking fund and call provisions, an itemized list of expenses associated with each issue (including amounts associated with negative carry), a list of all contracts and underwriting agreements regarding the sale or marketing of the preferred stock, a description of the series of outstanding preferred stock redeemed, an analysis demonstrating that the refunding resulted in cost savings to Applicant (including a comparison of the effective rates of the new and refunded issues), and a balance sheet reflecting the action taken;

6) That a final Report of Action shall be filed on or before November 30, 1994; and

7) That this case shall be continued subject to the continuing review and directive of the Commission.

CASE NO. PUF920031
AUGUST 27, 1992

APPLICATION OF
UNITED TELEPHONE-SOUTHEAST, INC.

For authority to issue First Mortgage Bonds

ORDER GRANTING AUTHORITY

On August 5, 1992, United Telephone - Southeast, Inc. ("Applicant", "United") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue up to $28,200,000 of First Mortgage Bonds ("Bonds"). Applicant has paid the requisite fee of $250.

Applicant proposes the private placement of its 7.77% Series T, First Mortgage Bonds in the amount of $13,500,000 with a maturity date of 2002. Applicant also proposes the private placement of its 8.77% Series U, First Mortgage Bonds in the amount of $14,700,000 with a maturity date of 2019.

The proceeds will be used primarily to redeem United's 11% Series 0 and 9.45% Series Q First Mortgage Bonds. Series 0 has a current principal amount outstanding of $7,350,000 and has a maturity date of October 1, 1999. Series Q has a current principal amount outstanding of $12,900,000 and a maturity date of August 1, 2008. The remaining proceeds will be used to pay issuance expenses, retire short-term debt and increase working capital.

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 United Telephone-Southeast, Inc. is hereby authorized to place privately up to $28,200,000 of its First Mortgage Bonds for the purposes and under the terms and conditions contained in the application provided that the issuance results in a cost savings to United;

2) That on or before December 4, 1992, Applicant shall file a Report of Action with respect to the Bonds issued including the date of issuance, 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 Applicant, a list of all contracts and underwriting agreements regarding the sale or marketing of the Bonds, and a balance sheet as September 30, 1992; and

3) That this matter shall be continued subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF920032
AUGUST 25, 1992

APPLICATION OF
SHENANDOAH VALLEY ELECTRIC COOPERATIVE

For authority to issue notes to the Rural Electrification Administration and the National Rural Utilities Cooperative Finance Corporation

ORDER GRANTING AUTHORITY

On August 13, 1992, Shenandoah Valley Electric Cooperative ("Applicant" or "Shenandoah") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia requesting authority to issue long-term notes to the Rural Electrification Administration ("REA") and the National Rural Utilities Cooperative Finance Corporation ("CFC"). Applicant has paid the requisite fee of $250.

Shenandoah proposes to borrow from REA and CFC $8,400,000 and $3,750,000, respectively. Applicant will issue notes as evidence of the loan agreements, which are secured by a Supplemental Mortgage and Security Agreement. The REA note will have a term of thirty-five (35) years, and will have a fixed rate of interest of five percent (5%) per annum. Principal repayment will begin two (2) years after the date of the note. The concurrent note with CFC will also have a thirty-five (35) year term, and it will have a fixed interest rate for sequential seven-year periods. The CFC notes will bear interest at the rate in effect on the date of each advance of funds on the note. Each initial rate will be determined based on CFC's cost of borrowing at the time of the advance. Thereafter, the rate may be adjusted every seven years to reflect current market conditions. Principal repayment will begin as of the first full billing quarter following the full advance of funds or two (2) years after the date of the approval of the note, whichever occurs first.

The proceeds from the notes will provide long-term financing for construction and system improvements of Shenandoah's distribution, transmission and maintenance 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 hereby authorized to issue notes to REA and CFC in the amount of $8,400,000 and $3,750,000, respectively, under the terms and condition and for the purposes set forth in the application;

2) That Applicant shall seek Commission approval to convert to a variable interest rate on the CFC note;

3) That Applicant shall file with the Division of Economics and Finance within thirty (30) days of the first advance of funds, and thereafter annually by March 1, until either 1996 or the year in which the full amount of the loan is advanced, whichever occurs first, a Report of Action which shall include the amount of each advance, the corresponding interest rate, the uses of the funds, and a balance sheet reflecting the action taken;

4) That Applicant shall file with the Division of Economics and Finance within thirty (30) days from the date of notification of a change in CFC's long-term fixed interest rate on the note authorized herein a Report of Action which states the new rate, the method used for determining the rate, the loan amount which will be outstanding at the time of the rate change, and a brief explanation of the expected impact on Shenandoah; and

5) That there appearing nothing further to be done in this matter, it is hereby dismissed.

CASE NO. PUF920033
SEPTEMBER 4, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to issue and sell money market preferred stock

ORDER GRANTING AUTHORITY

On August 14, 1992, Virginia Electric and Power Company ("Applicant" or "Company") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to issue and sell one or more series of up to 1,000,000 shares of Money Market Cumulative Preferred™ Stock ("New Preferred"). Applicant has paid the requisite fee of $250.

Applicant proposes to issue and sell the New Preferred in an underwritten public offering in units of 1,000 shares, or multiples thereof, at a par value of $100 per share. This proposed offering represents the fifth issuance by the Company of a series of preferred stock having a variable dividend rate. The liquidation price of the New Preferred will be established on a negotiated basis at market rates with Merrill Lynch & Company, Lehman Brothers, and Smith Barney, Harris Upham & Company, Incorporated. The Company represents that the initial rate is anticipated to be approximately 2.80%; thus, it represents the lowest cost preferred equity instrument presently available to the Company. Thereafter, dividends will vary and will be set periodically on the basis of an auction procedure every 49 days. The New Preferred will be a perpetual security in that the Company is not required to redeem these shares, but the shares will be subject to redemption at any time subject to the terms in the application.

The proceeds from the sale of the New Preferred will be used primarily to repay short-term indebtedness and to finance the Company's capital requirements, to include funding its ongoing construction program, upgrading and maintaining service, and replacing higher-cost securities.

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 will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to issue and sell up to 1,000,000 shares of Money Market Cumulative Preferred™ Stock under the terms and conditions and for the purposes set forth in the application;

2) That Applicant shall submit a Report of Action on or before December 31, 1992, pursuant to the authority granted in this Order, to include the date of issuance, the initial dividend rate, the amount of the proceeds, the number of shares, the underwriters' discount and other issuance expenses, a copy of the registration statement filed with the Securities and Exchange Commission, the use of the proceeds, as well as a brief review of auctions which take place between the initial dates of issuance and the date of this Report of Action; and

3) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920034
SEPTEMBER 22, 1992

APPLICATION OF
AMERICAN WATER WORKS COMPANY
and
VIRGINIA-AMERICAN WATER COMPANY

For authority to issue common stock to an affiliate and long-term debt to an institutional investor

ORDER GRANTING AUTHORITY

On August 17, 1992, Virginia-American Water Company ("Applicant") filed an application, and on August 28, 1992, amended the application, under Chapters 3 and 4 of Title 56 of the Code of Virginia requesting authority to issue $5,000,000 in long-term debt ("the Debt") to an institutional investor and 10,226 shares of additional common stock to its parent, American Water Works Company, Inc. ("AWW"). Applicant proposes to issue and sell the securities during the month of October, 1992. Applicant has paid the requisite fee of $250.

Applicant proposes to place the Debt with Allstate Life Insurance Company, which will bear an interest rate of 7.44% per annum. The Debt will mature October 1, 2002 and will contain no call provisions for early redemption. Applicant estimates total debt issuance expenses of $60,000, but no underwriting fees due to private placement of the Debt. Simultaneously with the sale of the Debt, Applicant proposes to sell 10,266 shares of common stock, par value $50.00 per share, to AWW for $1,000,000. Internal issuance expenses for common stock are insignificant. The proceeds of the securities will be used to refund the 15 3/4% bond that matured on August 1, 1992, to pay off short-term debt, to pay scheduled preferred stock sinking fund obligations, and to support ongoing construction expenditures of the Applicant. THE COMMISSION, upon consideration of the application, and having been advised by its Staff, is of the opinion and finds that approval of the described financing will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to issue $5,000,000 in long-term debt and $1,000,000 in common stock for the purposes and under the terms and conditions as described in the application;

2) That within seven (7) days following the issuance of the securities, Applicant shall file a preliminary Report of Action containing an account of the date of issuance and net proceeds to Applicant;

3) That on or before March 1, 1993, Applicant shall file a final Report of Action containing the following: the date of issue, amount issued, interest rate, a detailed account of all issuance expenses with an explanation of any variance from the Financing Summary attached to the application, net proceeds to the Applicant, and a year-end balance sheet showing the impact of the issuance; and

4) That this matter shall be continued, subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF920035
SEPTEMBER 10, 1992

APPLICATION OF
APPALACHIAN POWER COMPANY

For authority to issue debt securities

ORDER GRANTING AUTHORITY

On August 19, 1992, Appalachian Power Company ("Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority for the issuance of up to $50 million of pollution control revenue bonds and up to $130 million of First Mortgage Bonds ("Bonds") or unsecured promissory notes ("Notes"). The requisite fee of $250 has been paid.

The $50 million of Series J pollution control revenue bonds ("Series J Bonds") will be issued through the County Commission of Mason County, West Virginia. The proceeds of the Series J Bonds will be used to redeem $50 million of Series B, Mason County bonds, which were issued in June of 1979 at an interest rate of 7 1/2%. Applicant states that the interest rate on the Series J Bonds will not exceed 7.16975%. Applicant further states that any discount from the initial public offering price shall not exceed 5% of the principal amount and the stated maturity shall not exceed 30 years.

Applicant requests authority to issue the $130 million of Bonds or Notes through December 31, 1992. The proceeds of the Bonds or Notes will be used to refund long-term debt, repay short-term debt and for other corporate purposes. Applicant has identified two outstanding issues of First Mortgage Bonds which may be candidates for refunding: the $60 million 9 3/4% Series due 2006 and the $70 million 9 1/2% Series due 2006.

Applicant states that the rate on the Bonds will not exceed by more than 300 basis points the yield to maturity on Treasury securities of comparable maturity. The maturity of the Bonds may range from nine months to 32 years. The Notes may be issued at a fixed or variable rate. The fixed rate on the Notes will not exceed by more than 200 basis points the yield on Treasury securities of comparable maturity while the variable rate will not exceed by more than 250 basis points the lending bank's prime rate. The term of the Notes may range from nine months to 12 years. Current indicated market rates for both the Bonds and the Notes are well below the 200 to 300 basis point spreads cited in the application.

THE COMMISSION, upon consideration of the application and having been advised by Staff, is of the opinion and finds that approval of the above described financing will not be detrimental to the public interest, provided that any refunding of long-term debt results in savings to Applicant after consideration of both the interest rate and the initial offering price, together with all other expenses associated with the issuance. Accordingly,

IT IS ORDERED:

1) That Applicant is authorized to enter into transactions relating to the issuance of up to $50 million in pollution control revenue bonds and up to $130 million of First Mortgage Bonds or unsecured promissory notes for the purposes and under the terms and conditions as described in the application, provided that the issuance of any refunding long-term debt results in savings to Applicant;

2) That, within seven days after any debt is issued pursuant to this Order, Applicant shall file a preliminary Report of Action containing the issue and maturity dates, amount issued, price to public (with and without accrued interest), interest rate, net proceeds to Applicant and the comparable Treasury yield at the time the debt was sold;

3) That, within 60 days after the end of any quarter in which any debt is issued, Applicant shall file a detailed Report of Action containing a detailed analysis of the savings due to the new issue (showing the pre-tax effective cost rate of the redeemed issue compared to the new issue), the issue and maturity dates, amount issued, price to public, interest rate, the comparable Treasury yield at the time the debt was sold, sinking fund provisions, call provisions, underwriters' names, underwriters' fees, a detailed account of all other issuance expenses, a detailed account of any loss on reacquired debt, to include call premiums and unamortized expenses from the original issue, net proceeds to Applicant and a list describing all filings, contracts or agreements in conjunction with the issuance;

4) That Applicant shall file a Final Report of Action on or before February 26, 1993, including any additional information on final expenses associated with the issue(s) and a balance sheet reflecting the action taken;

5) That approval of the application shall have no implications for ratemaking purposes; and

6) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920036
SEPTEMBER 14, 1992

APPLICATION OF
COMMUNITY ELECTRIC COOPERATIVE

For authority to convert two fixed rate loans to variable rate loans

ORDER GRANTING AUTHORITY

On August 20, 1992, Community Electric Cooperative ("Community", "Applicant") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia. Applicant paid the requisite fee of $250.

Applicant proposes to convert the interest rate on two of its outstanding long-term loans with the National Rural Utilities Cooperative Finance Corporation ("CFC") from a fixed rate to a variable rate. The fixed rate in effect on both loans is 9.50%. CFC's variable rate on long-term loans on September 1, 1992, was 5.125%. Applicant represents that such conversion, which requires the payment of a fee to CFC, is expected to result in savings to its members by reducing the cost of the loan.

The Commission, upon consideration of the application and having been advised by Staff, is of the opinion and finds that approval of the proposed transaction will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to convert CFC Loan No. 9005 and CFC Loan No. 9012 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 loan back to a fixed rate if market conditions make such conversion favorable;

3) That in the event Applicant converts the rate on the loan in accordance with ordering paragraph 2, Applicant shall apply for additional authority to make further rate conversions on that loan;

4) That within 30 days following any action taken pursuant to this Order, Applicant shall file a Report of Action with the Commission's Division of Economics and Finance which indicates the effective date of the loan conversion, the option selected for payment of the conversion fee, the interest rate in effect on the loan before and after the conversion, and a brief explanation of the rationale for converting the loan from a variable rate back to a fixed rate;

5) That approval of the application has no implications for ratemaking purposes; and

6) That there appearing nothing further to be done in this matter, it hereby is dismissed.

CASE NO. PUF920037
OCTOBER 16, 1992

APPLICATION OF
CENTRAL VIRGINIA ELECTRIC COOPERATIVE

For authority to borrow long-term funds

ORDER GRANTING AUTHORITY

On September 21, 1992, Central Virginia Electric Cooperative ("Applicant", "Central") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia requesting authority to borrow long-term funds. Applicant has paid the requisite fee of $250.

Central proposes to borrow from the Rural Electrification Administration ("REA") and National Rural Utilities Cooperative Finance Corporation ("CFC"), $4,442,000 and $1,961,856, respectively. Applicant will issue notes as evidence of the loan agreements, which are secured by a supplemental mortgage and security agreement. The REA note will have a term of thirty five years, and will have a fixed rate of interest of five percent per annum. The concurrent note with CFC will also have a thirty five year term. Applicant will have the option of either selecting a fixed or variable rate at the time the CFC funds are advanced. However, if and when the fixed rate option is selected, the rate will be fixed for sequential seven year periods.

The proceeds from the notes will be used in conjunction with internally generated funds for improvements and additions to Central's distribution and transmission facilities.

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 will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to issue notes to REA and CFC in the amounts of $4,442,000 and $1,961,856 respectively, under the terms and condition, and for the purposes set forth in the application;

2) That Applicant shall seek Commission approval to convert to a variable interest rates on the CFC note once a fixed rate is selected;

3) That Applicant shall advise the Commission of the CFC note interest rate within thirty days from the date of the first advance of funds;

4) That this matter shall remain under the continued review, audit and appropriate directive of the Commission, until the authority granted by this Order is exhausted; and

5) That there appearing nothing further to be done in this matter, it is hereby dismissed.

CASE NO. PUF920038
OCTOBER 20, 1992

APPLICATION OF
CRAIG BOTETOURT ELECTRIC COOPERATIVE

For authority to borrow long-term funds

ORDER GRANTING AUTHORITY

On September 25, 1992, Craig Botetourt Electric Cooperative ("Applicant", "Craig") filed an application with the Commission under Chapter 3, of Title 56 of the Code of Virginia requesting authority to borrow long-term funds. Applicant has paid the requisite fee of $250.

Craig proposes to borrow from the Rural Electrification Administration ("REA") and National Rural Utilities Cooperative Finance Corporation ("CFC"), $909,000 and $401,031, respectively. Applicant will issue notes as evidence of the loan agreements, which are secured by a supplemental mortgage and security agreement. The REA note will have a term of thirty five years, and will have a fixed rate of interest of five percent per annum. The concurrent note with CFC will also have a thirty five year term. Applicant will have the option of either selecting a fixed or variable rate at the time the CFC funds are advanced. However, if and when the fixed rate option is selected, the rate will be fixed for sequential seven year periods.

The proceeds from the notes will be used in conjunction with internally generated funds for improvements and additions to Craig's distribution and transmission facilities.

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 will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to issue notes to REA and CFC in the amount of $909,000 and $401,031 respectively, under the terms and condition, and for the purposes set forth in the application;

2) That Applicant shall seek Commission approval to convert to a variable interest rates on the CFC note once a fixed rate is selected;

3) That Applicant shall advise the Commission of the CFC note interest rate within thirty days from the date of the first advance of funds;

4) That this matter shall remain under the continued review, audit and appropriate directive of the Commission, until the authority granted by this Order is exhausted; and

5) That there appearing nothing further to be done in this matter, it is hereby dismissed.

CASE NO. PUF920039
OCTOBER 23, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to issue debt securities

ORDER GRANTING AUTHORITY

On October 2, 1992, Virginia Electric and Power Company ("Virginia Power", "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority for the issuance of up to $60 million of tax-exempt pollution control revenue bonds ("Bonds"). The requisite fee of $250 has been paid.

The bonds will be issued through the Industrial Development Authority of the County of Halifax, Virginia. The proceeds will be used to finance the cost of certain pollution control and/or sewage and solid waste disposal facilities at the Clover Power Station. The interest on the bonds will be variable and will be a function of short-term tax-exempt money market rates. The Bonds will also contain provisions allowing Applicant to fix the interest rate for the remaining period to maturity, which will not be later than November 1, 2027.

THE COMMISSION, upon consideration of the application and having been advised by Staff, is of the opinion and finds 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 enter into transactions relating to the issuance of up to $60 million of tax-exempt pollution control revenue bonds for the purposes and under the terms and conditions as described in the application;

2) That, within seven days after any debt is issued pursuant to this Order, Applicant shall file a preliminary Report of Action containing the issue and maturity dates, amount issued, interest rate, and net proceeds to Applicant;

3) That, within 60 days after the end of any calendar quarter in which any debt is issued, Applicant shall file a detailed Report of Action containing the issue and maturity dates, amount issued, interest rate, redemption provisions, underwriters' fees, remarketing fees, a detailed account of all other issuance expenses, net proceeds to Applicant, and a list describing all filings, contracts or agreements in conjunction with the issuance;

4) That Applicant shall file a final Report of Action on or before May 31, 1994, including any additional information on final expenses associated with the issue and a balance sheet reflecting the action taken; and

5) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920040
OCTOBER 23, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to issue debt securities

ORDER GRANTING AUTHORITY

On October 2, 1992, Virginia Electric and Power Company ("Virginia Power", "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority for the issuance of up to $20 million of tax-exempt pollution control revenue bonds ("Bonds"). The requisite fee of $250 has been paid.

The bonds will be issued through the County Commission of Grant County, West Virginia. The proceeds will be used to finance the cost of certain pollution control and/or sewage and solid waste disposal facilities at the Mt. Storm Power Station. The interest on the bonds will be variable and will be a function of short-term tax-exempt money market rates. The Bonds will also contain provisions allowing Applicant to fix the interest rate for the remaining period to maturity, which will not be later than October 1, 2017.

THE COMMISSION, upon consideration of the application and having been advised by Staff, is of the opinion and finds 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 enter into transactions relating to the issuance of up to $20 million of tax-exempt pollution control revenue bonds for the purposes and under the terms and conditions as described in the application;

2) That, within seven days after any debt is issued pursuant to this Order, Applicant shall file a preliminary Report of Action containing the issue and maturity dates, amount issued, interest rate, and net proceeds to Applicant;

3) That, within 60 days after the end of any calendar quarter in which any debt is issued, Applicant shall file a detailed Report of Action containing the issue and maturity dates, amount issued, interest rate, redemption provisions, underwriters' fees, remarketing fees, a detailed account of all other issuance expenses, net proceeds to Applicant, and a list describing all filings, contracts or agreements in conjunction with the issuance;

4) That Applicant shall file a final Report of Action on or before February 28, 1994, including any additional information on final expenses associated with the issue and a balance sheet reflecting the action taken; and

5) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920041
OCTOBER 30, 1992

APPLICATION OF
PRINCE GEORGE ELECTRIC COOPERATIVE

For authority to borrow long-term funds

ORDER GRANTING AUTHORITY

On October 6, 1992, Prince George Electric Cooperative ("Applicant", "Prince George") filed an application with the Commission under Chapter 3 of Title 56 of the Code of Virginia requesting authority to borrow long-term funds. Applicant has paid the requisite fee of $250.

Applicant proposes to borrow from the Rural Electrification Administration ("REA") and National Rural Utilities Cooperative Finance Corporation ("CFC"), $1,190,000 and $531,250, respectively. Applicant will issue notes as evidence of the loan agreements, which are secured by a supplemental mortgage and security agreement. The REA note will have a term of thirty five years, and will have a fixed rate of interest of five percent per annum. The concurrent note with CFC will also have a thirty five year term. Applicant will have the option of either selecting a fixed or variable rate at the time the CFC funds are advanced. However, if and when the fixed rate option is selected, the rate will be fixed for sequential seven year periods.

The proceeds from the notes will be used in conjunction with internally generated funds for improvements and additions to Prince George's distribution facilities.

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 will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to issue notes to REA and CFC in the amounts of $1,190,000 and $531,250 respectively, under the terms and condition, and for the purposes set forth in the application;

2) That Applicant shall seek Commission approval to convert to a variable interest rates on the CFC note once a fixed rate is selected;

3) That Applicant shall advise the Commission of the CFC note interest rate within thirty days from the date of the first advance of funds;

4) That this matter shall remain under the continued review, audit and appropriate directive of the Commission, until the authority granted by this Order is exhausted; and

5) That there appearing nothing further to be done in this matter, it is hereby dismissed.

CASE NO. PUF920042
NOVEMBER 13, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to issue up to $52.4 million in solid waste disposal notes

ORDER GRANTING AUTHORITY

On October 19, 1992, The Potomac Edison Company ("Applicant" or "the Company") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to issue solid waste disposal notes ("Notes") up to a maximum of $52.4 million in principal, on or before December 31, 1995. Applicant has paid the requisite fee of $250.

Applicant proposes to issue the Notes in conjunction with the County Commission of Harrison County, West Virginia ("the CCHC"). The CCHC has been authorized by the West Virginia Economic Development Authority to issue tax exempt solid waste disposal bonds ("Bonds")

for certain pollution control systems at the Harrison Power Station ("Harrison"), which is 32.76% owned by Applicant. The Notes will be delivered to the CCHC when the Bonds are issued, the Notes will contain identical terms as the Bonds, and the Notes will be secured by a second lien on Harrison.

The CCHC Bonds will have a market based rate, and the expected maturity will be between five (5) and thirty (30) years. The CCHC Bonds will be issued in a number of series through December 31, 1995. The proceeds will be used to repay Applicant for expenditures incurred at Harrison as part of the strategy to comply with the Clean Air Act Amendments of 1990.

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 be and hereby is authorized to issue up to $52.4 million in Notes for the purposes and under the terms and conditions as described in the application;

2) That within sixty (60) days after the end of any quarter in which any Notes are issued, Applicant shall file a preliminary Report of Action containing the following: the date of issue, amount issued, interest rate (specify index if rate is variable), comparable Treasury yield at time of issue, interest provisions, sinking fund schedule, date of maturity, any redemption or call provisions, underwriters' names, underwriters' fees, a detailed account of all related issuance expenses, net proceeds to Applicant, and remaining principal yet to be issued under current authority;

3) That within ninety (90) days after completion of the security issuance(s) authorized herein but not later than March 31, 1996, Applicant shall a final Report of Action containing the following: the date(s) of issue, amount issued, interest rate, comparable Treasury yield at time of issue, interest provisions, sinking fund schedule, date of maturity, any redemption or call provisions, underwriters' names, underwriters' fees, a detailed account of total issuance expenses, net proceeds to Applicant, and a schedule of the effective annual yield-to-maturity of each issue; and

4) That this matter shall be continued, subject to the continuing review, audit and appropriate directive of the Commission.

CASE NO. PUF920043
NOVEMBER 13, 1992

APPLICATION OF
UNITED CITIES GAS COMPANY

For authority to issue long-term debt

ORDER GRANTING AUTHORITY

United Cities Gas Company ("United Cities", "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia for authority to issue $10,000,000 of First Mortgage Bonds. Applicant has paid the requisite fee of $250.

Applicant proposes to issue its First Mortgage Bonds, Series V, 7.50% ("the Bonds") in the principal amount of up to $10,000,000 to be dated as of the date of purchase. The Bonds will have a maturity of 15 years from the date of issue and will be offered through a private placement. The proceeds from the bonds will be used to retire short-term debt, for property acquisitions, working capital needs and construction, extension, improvement, and/or additions to facilities.

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 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, Series V in the principal amount up to $10,000,000 under the terms and conditions and for the purposes stated in the application; and

2) That on or before February 26, 1993, Applicant shall file a Report of Action including the date of issuance, interest rate, maturity, a statement detailing the specific uses for the proceeds, a schedule detailing the total issuance expenses, effective cost rate and a balance sheet as of December 31, 1992; and

3) That this matter shall be continued subject to the contining review, audit and appropriate directive of this Commission.

CASE NO. PUF920044
NOVEMBER 20, 1992

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY
and
DOMINION RESOURCES, INCORPORATED

For authority to sell common stock

ORDER GRANTING AUTHORITY

On October 28, 1992, Virginia Electric and Power Company ("Applicant" or "Company") and Dominion Resources, Incorporated ("DRI") filed an application under Chapters 3 and 4 of Title 56 of the Code of Virginia requesting authority to issue and sell in one or more transactions up to $120,000,000 in aggregate value of unissued shares of the Company's common stock to DRI, on or before December 31, 1992. Applicant has paid the requisite fee of $250.

The proceeds from the sale of the common stock will be used primarily to pay short-term indebtedness and to finance the Company's capital requirements, to include funding its ongoing construction program, maintaining and upgrading service, and refunding outstanding higher-cost securities.

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 will not be detrimental to the public interest. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to issue and sell up to $120,000,000 in aggregate value of unissued shares of common stock, without par value under the terms and conditions and for the purposes set forth in the application;

2) That Applicant shall submit a Preliminary Report of Action within ten (10) days of each issuance of common stock, to include the date of issuance, the number of shares sold, the purchase price per share, and the total amount of the proceeds;

3) That Applicant shall submit a Final Report of Action on or before February 26, 1993, to include the date(s) of issuance, the amount of the proceeds, the number of shares, the price per share, the use of the proceeds, the total proceeds of DRI's stock purchase plans and the amounts received by each subsidiary, the issuance expenses allocated by DRI to Applicant in connection with the stock transactions, and a balance sheet reflecting the actions taken; and

4) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920045
DECEMBER 1, 1992

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

For authority to issue short-term debt

ORDER GRANTING AUTHORITY

On November 10, 1992, 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 $11,750,000 outstanding through December 31, 1993. 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 thee Federal Funds Rate plus 55 basis points. The current line of credit agreement with Signet Bank expires on March 31, 1993.However, Applicant anticipates that another line of credit will be established through March 31, 1994. The proceeds from the short-term debt borrowings will be used to fund the early redemption of the 9-1/4% and 9-1/4% B General Mortgage Bonds on December 1, 1992, fund the maturity of the 11-3/8% and 10-1/4% General Mortgage bonds during 1993, 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 $11,750,000, under the terms and conditions and for the purposes described in the application, from the date of this Order through December 31, 1993;

2) That Applicant shall submit a copy of the executed line of credit agreement within thirty days after executing a new credit agreement for the period April 1, 1993 through March 31, 1994;

3) That the filing requirements outlined in the Commission's Dismissal Order entered in Case No. PUF910003 is hereby superseded by those outlined below;

4) That Applicant shall file, within 60 days of the end of each quarter, a Report of Action taken pursuant to the authority granted, such report to include: a schedule of the monthly borrowings and repayments of short-term debt, the corresponding interest rates, a description of the use of the proceeds a detailed listing of the expenses associated with the short-term debt balances and a balance sheet for each quarter;

5) That Applicant shall file a Final Report of Action on or before February 28, 1994; and

6) That this matter shall be continued subject to the continued review, audit and appropriate directive of this Commission.

CASE NO. PUF920046
DECEMBER 17, 1992

APPLICATION OF
UNITED CITIES GAS COMPANY

For authority to incur short-term indebtedness

ORDER GRANTING AUTHORITY

On November 16, 1992, United Cities Gas Company ("Applicant" or "United Cities") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to borrow up to $60,000,000 of short-term debt during calendar year 1993. On December 9, 1992, United Cities amended its application to request a change in the loan amount. Applicant has paid the requisite fee of $250.

United Cities requests authority to incur up to $45,000,000 of short-term debt during 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 working capital and for the construction, extension, improvement, and/or addition to its facilities until conditions in the financial markets are favorable for United Cities to enter into long-term financing arrangements.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion and finds that approval of the amended application will not be detrimental to the public interest. The Commission is of the further opinion that the authority granted in Case No. PUF910032 should be terminated and superseded by the authority granted herein. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to issue short-term debt in an aggregate amount outstanding not to exceed $45,000,000 at any one time from the date of this Order through December 31, 1993, 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 actions taken;

3) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission; and

4) That there appearing nothing further to be done pursuant to Case No. PUF910032, the matter shall be and is hereby dismissed.

CASE NO. PUF920047
DECEMBER 22, 1992

APPLICATION OF
SOUTHSIDE ELECTRIC COOPERATIVE

For authority to borrow up to $10,000,000 in short-term debt

ORDER GRANTING AUTHORITY

On November 24, 1992, Southside Electric Cooperative ("Southside", "Applicant") filed an application under Chapter 3 of Title 56 of the Code of Virginia requesting authority to incur up to a maximum of $10,000,000 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 agreement with the National Rural Utilities Cooperative Finance Corporation ("CFC")from $7,000,000 , as previously authorized by Commission Order dated June 12, 1990 in Case No. PUA900037, to $10,000,000. Applicant also proposes to enter into a line of credit agreement with NationsBank ("Nations") under which Southside will be able to borrow up to $10,000,000.

Applicant represents that, although it will have two line of credit agreements, its total aggregate short-term borrowings will not exceed $10,000,000. Applicant further represents that the increase in short-term financing is needed to permit the continued construction of tramsmission lines until permanent financing can be obtained.

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 proposed financing will not be detrimental to the public interest. The Commission is of the further opinion that the authority granted herein should supersede the authority granted in Case No. PUA900037 by Commission Order dated June 12, 1990. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to incur short-term indebtedness in an aggregate amount up to $10,000,000 for a sixty month period from the date of this Order, under the terms and conditions and for the purposes set forth in the application;

2) That the authority herein shall supersede the authority granted in Case No. PUA900037;

3) That on or before March 1, 1994, Applicant shall file a Report of Action pursuant to the authority granted herein, and shall include a schedule of all advances and repayments from the date of this Order through December 31, 1993, with corresponding interest rates on all advances, a schedule separately showing all commitment fees and prepayment fees, and a balance sheet as of December 31, 1993; and

4) That this matter shall remain under the continuing review, audit, and appropriate directive of this Commission.

CASE NO. PUF920048
DECEMBER 17, 1992

APPLICATION OF
COMMONWEALTH GAS SERVICES, INC.
and
THE COLUMBIA GAS SYSTEM, INC.

For approval of intercompany financing for 1993

ORDER GRANTING AUTHORITY

On December 2, 1992, Commonwealth Gas Services, Inc. ("Applicant" or "Commonwealth") and The Columbia Gas System, Inc. ("System") filed an application under Chapters 3 and 4 of Title 56 of the Code of Virginia requesting authority to enter into intercompany financing arrangements during 1993. Applicant has paid the requisite fee of $250.

Commonwealth requests authority to enter into the following financing arrangements with System, its parent company, during the calendar year of 1993: 1) to issue to System up to an aggregate amount of $33,000,000 in Installment Promissory Notes ("Long-term Notes"); 2) to borrow up to an aggregate amount of $45,000,000 at any one time in short-term loans from the System and/or other affiliated companies through the Intrasystem Money Pool ("Money Pool"); and 3) to invest temporary excess funds, from time to time, in the Money Pool.

The proceeds from the sale of the Long-term Notes will be used primarily to retire $29,439,000 of currently outstanding long-term debt, which matures during 1993. Money Pool borrowings will be used for funding the 1993 construction program and for financing peak short-term requirements such as gas purchases and storage.

In offering financing to Commonwealth, System proposes to allocate a proportionate share of the fees associated with System's $200,000,000 Secured Revolving Credit Agreement granted by the Bankruptcy Court on September 10, 1991. The fees associated with System's debtor-in-possession financing are estimated to be $4,081,250 for 1993. Commonwealth's share of these fees is currently 5.79%, or $236,305. In contrast, the annual Money Pool costs for Commonwealth prior to bankruptcy were approximately $42,000.

THE COMMISSION, upon consideration of the application and having been advised by its Staff, is of the opinion and finds that approval of the above proposed financing should be granted. Applicant's allocable share of the fees for participating in the Money Pool have risen dramatically and they are no longer commensurate with the level of financing costs incurred by other Virginia utilities. Consequently, while the proposed intercompany financing appears to be in the public interest, approval of the financing in no way reflects approval of the proposed costs for ratemaking purposes. In any subsequent rate proceedings filed by Commonwealth, the Commission will carefully scrutinize the propriety of allowing Applicant to recover these fees in rates. Accordingly,

IT IS ORDERED:

1) That Applicant is hereby authorized to:

(a) issue to System up to an aggregate amount of $33,000,000 of Installment Promissory Notes;

(b) borrow through the Money Pool from System and/or other affiliates up to an aggregate amount of $45,000,000; and

(c) invest temporary excess funds in the Money Pool

from January 1, 1993 through December 31, 1993, all in the manner, under the terms and conditions, and for the purposes set forth in the application, except as modified herein;

2) That Applicant shall account for all allocated fees associated with System's Revolving Credit Agreement such that administrative, commitment, structuring, and facility fees may be separately and individually discernible;

3) That approval of the application shall have no implications for ratemaking purposes;

4) That approval of the application shall not preclude the Commission from applying the provisions of §§ 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;

6) That Applicant shall continue to substantiate the fact that proposed security issuances are offered at the most reasonable interest rates and terms available and that it has contacted financial institutions to compare other rates and terms in future cases;

7) That Applicant shall file quarterly reports within 45 days of the end of each calendar quarter following the date of this Order, 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 expenses and each type of allocated fee;

(c) Monthly schedules of System's borrowings under its Revolving Credit Agreement; and

(d) A report detailing the issuance and sale of Long-term Notes, to include the principal amount, date of issue, interest rate, date of maturity, issuance expenses, net proceeds to Applicant, and use of the proceeds; and

8) That this matter shall be continued, subject to the continuing review, audit, and appropriate directive of the Commission.

CASE NO. PUF920049
DECEMBER 22, 1992

APPLICATION OF
THE POTOMAC EDISON COMPANY

For authority to issue and sell additional first mortgage bonds

ORDER GRANTING AUTHORITY

On December 7, 1992, The Potomac Edison 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"). Applicant has paid the requisite fee of $250.

Applicant will file a shelf registration for $90 million in new Bonds with the Securities and Exchange Commission ("SEC"). Applicant seeks approval from the Commission to issue and sell the new Bonds, from time to time, over a period from January 1, 1993, through December 31, 1994, with maturities up to thirty (30) years, as financial markets and the needs of the Applicant warrant. Applicant represents that the Bonds will be marketed through agents or when warranted, by itself.

Applicant proposes to determine interest rate and redemption provisions on each Bond at the time of sale through a competitive bidding process to reflect current financial market conditions. However, Applicant represents that no Bond would be issued at more than 11.0% without

further regulatory approval. Funds from the sale will be used to reimburse expenditures made for construction, extension and improvements of facilities not secured under a previous financing arrangement.

Applicant estimates that the expenses associated with establishing this program will be approximately $220,500, and the underwriting expenses are estimated not to exceed 1.00% of the principal issued.

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 additional first mortgage bonds up to $90 million with maturities not to exceed thirty (30) years from the date of issue in the manner set forth in the application;

2) That the interest rate of the Bonds shall not exceed 11.00% without further regulatory application and approval;

3) That, on or before March 31, 1993, 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 Bond program, including any affiliation, direct or indirect, between Applicant and agent;

4) That Applicant shall submit a preliminary report within seven (7) days after the issuance of any Bonds pursuant to this Order, such report to provide the date and amount of the Bond, the interest rate, a comparable Treasury yield at the time the Bond was sold and an explanation for the timing of the issue;

5) 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 any Bonds sold during said calendar quarter, which shall provide the date, amount issued, interest rate, comparable Treasury yield, date of maturity, underwriters' names, underwriters' fees, net proceeds to the Applicant, the cumulative principal amount issued under the authority granted herein, the amount remaining to be issued, a general statement of the purposes for which the Bonds were issued and an appropriate schedule showing the change in capital structure due to issue(s);

6) That on or before March 31, 1995, Applicant shall file a final report of action containing the information required in ordering paragraph 5; and

7) That this matter shall be continued, subject to the continuing review, audit and appropriate directive of the Commission.

DIVISION OF RAILROAD REGULATION

CASE NO. RRR910003
MARCH 31, 1992

APPLICATION OF
CSX TRANSPORTATION, INC.

For authority to transfer its agency at Clifton Forge, Virginia, and the non-agency stations under its jurisdiction, to its Covington, Virginia agency

FINAL ORDER

By application filed on September 17, 1991, CSX Transportation, Inc. ("CSXT") has requested Commission approval to transfer its agency at Clifton Forge, Virginia to its Covington, Virginia agency. CSXT proposes to serve CliftonForge, and the non-agency stations under its jurisdiction (Bell's Valley, Craigsville, Eagle Rock, Goshen, Fordwick, Iron Gate and Low Moor) from Covington. By order entered on October 3, 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 November 4, 1991, and the Division's investigation report was to be submitted by December 22, 1991.

The Division investigated the matter and filed its investigation report on December 20, 1991. It found that adequate and efficient service could be maintained if CSXT were permitted to transfer agency duties from Clifton Forge to Covington as proposed in the application. The Division concluded that the transfer would allow CSXT to give better service to customers by consolidating the Clifton Forge and Covington agency functions in one location and that the Covington agency could absorb the additional duties. CSXT will continue its yard operation at Clifton Forge, and no employee positions at Clifton Forge would be eliminated.

The Division interviewed a number of railroad patrons, none of whom expressed opposition to the application. No requests for hearing were filed.

Based upon 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 its agency functions from Clifton Forge to Covington and to serve Clifton Forge, Bell's Valley, Craigsville, Eagle Rock, Goshen, Fordwick, Iron Gate, and Low Moor, Virginia, from its Covington, Virginia agency; and

(2) That, there being nothing further to come before the Commission in this proceeding, Case No. RRR910003 be closed and the papers therein placed in the Commission's files for ended causes.

CASE NO. RRR910004
APRIL 29, 1992

APPLICATION OF
CSX TRANSPORTATION, INC.

For authority to consolidate agency service

FINAL ORDER

By application, dated November 6, 1991, CSX Transportation, Inc. ("CSXT") seeks authority to consolidate the agency service currently provided by its Portsmouth, Virginia, Transportation Service Center with its Customer Service Center in Jacksonville, Florida. CSXT proposes to provide all agency services from the Jacksonville Customer Service Center to the following stations in Virginia:

Alexander Park	Franklin	Norfolk	South Suffolk
Berkley	Hercules	Portsmouth	Suffolk
Boykins	Kilby	Nurney	Wilford Siding
Branchville	Lamberts Point	Pinners Point	West Franklin
Carrsville	Magnolia	Sarah	U.S. Naval Base
Chesapeake	Newsoms	South Norfolk	

Agency personnel would be consolidated in Jacksonville, but operations personnel would remain at Portsmouth.

By order of November 27, 1991, the Commission required public notice of the application and set dates for filing of an investigation report by the Division of Railroad Regulation and for public comments. By order of February 5, 1992, the Commission required additional service of the application and extended the time for filing public comments and the Division's investigation report. Public comments were required to be filed by March 13, 1992, and the Division's investigation report was due on April 17, 1992.

The Division investigated the matter and filed its investigation report on April 17, 1992. The Division found that CSXT customers currently served by the Portsmouth agency would receive the same services and privileges if the application were granted, except that telephone and computer communications would be received in Jacksonville rather than Portsmouth. CSXT has completed consolidations of services from North Carolina, South Carolina and Georgia to Jacksonville, and the Division reported that customers affected by these consolidations found the new service satisfactory. Contacts with authorities in those states also reflected that no serious problems had been experienced.

The Division interviewed a large number of customers currently served by the Portsmouth Transportation Service Center, and none expressed opposition to the consolidation. The Division advised railroad customers to contact it if the consolidation were approved and subsequent service problems were encountered. No requests for hearing were filed.

The Division concluded that CSXT can continue to provide adequate and efficient service to the public if the consolidation is approved. Based on the Division's Report, the Commission agrees. Accordingly,

IT IS ORDERED:

(1) That CSXT is authorized to consolidate the agency services now provided by the Portsmouth, Virginia, Transportation Service Center with the services provided from its Customer Service Center in Jacksonville, Florida, as described in the application; and

(2) That, there being nothing further to come before the Commission in this proceeding, Case No. RRR910004 be closed and the papers therein placed in the Commission's files for ended causes.

CASE NO. RRR910005
MARCH 4, 1992

APPLICATION OF
NORFOLK SOUTHERN CORPORATION

For authority to abolish Mobile Route VA-2 based at Franklin, Virginia, and place agency duties under the jurisdiction of the open agency at Franklin, Virginia

FINAL ORDER

By application filed on November 18, 1991, Norfolk Southern Corporation ("NS") has requested Commission approval to abolish its mobile agency, Mobile Route VA-2, based at Franklin, Virginia. NS proposes to perform the duties of the mobile agency from its open agency at Franklin. The Franklin agency would also have jurisdiction over stations at Courtland, Capron, Drewryville and Emporia.

By order entered December 4, 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 February 7, 1992. The Division's investigation report was to be submitted by February 28, 1992.

The Division investigated the matter and filed its investigation report on February 28, 1992. It found that train service would not be affected and that NS would experience a reduction in its expenses if the application were granted. The Division concluded that adequate and efficient service could be maintained if Mobile Route VA-2 were abolished, and recommended that the application be granted.

The Division interviewed a number of railroad patrons. None of them expressed any objection to the NS proposals. No requests for hearing were filed.

Based upon the Division's investigation and recommendations, 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 formerly served by Mobile Route VA-2, namely Courtland, Capron, Drewryville and Emporia, from its open agency at Franklin, Virginia, and

(2) That, there being nothing further to come before the Commission in this proceeding, Case No. RRR910005 be closed and the papers therein placed in the Commission's files for ended causes.

CASE NO. RRR920001
JUNE 2, 1992

APPLICATION OF
CSX TRANSPORTATION, INC.

For authority to move its agency at Charlottesville, Virginia, and the non-agency stations under its jurisdiction to Richmond, Virginia

FINAL ORDER

By application filed on January 13, 1992, CSX Transportation, Inc. ("CSXT") requests authority to transfer its agency at Charlottesville, Virginia, and the non-agency stations under its jurisdiction, namely, Afton, Crozet, Farmington, Fishersville, Ivy, Keswick, Mechum's River, Peyton, Shadwell, Staunton and Waynesboro, Virginia, to CSXT's Richmond, Virginia, Transportation Service Center. On January 27, 1992, the Commission issued an order requiring public notice of the application and directing the Division of Railroad Regulation to investigate the matter. Public comments and requests for hearing were to be filed by March 20, 1992, and the Division's investigation report was to be submitted by May 22, 1992.

The Division investigated the matter and filed its report on May 22, 1992. It found that the Richmond Transportation Service Center could absorb the duties of the Charlottesville agency and that approval of the application would result in an approximate annual savings of $42,000 to CSXT. The Division concluded that adequate and efficient service could be maintained if CSXT were permitted to transfer the Charlottesville agency to Richmond.

Several customers interviewed by the Division expressed concerns and complaints about CSXT train service. The complaints relate to operational matters such as the condition of equipment. While these matters do not affect the decision we must make in this case, they should be addressed. We note that railroad operations personnel will remain in Charlottesville after the transfer and that customers have been asked to advise the Division if any problems are not corrected by CSXT within a reasonable time. The Division should keep us informed as well.

No requests for hearing have been filed and we find that the application should be granted; accordingly,

IT IS ORDERED:

(1) That CSXT is authorized to transfer its Charlottesville, Virginia, agency and jurisdiction over the non-agency stations at Afton, Crozet, Farmington, Fishersville, Ivy, Keswick, Mechum's River, Peyton, Shadwell, Staunton and Waynesboro, Virginia, to the CSXT Transportation Service Center at Richmond, Virginia; and

(2) That, there being nothing further to come before the Commission in this proceeding, Case No. RRR920001 be closed and the papers therein placed in the Commission's files for ended causes.

CASE NO. RRR920002
JULY 23, 1992

APPLICATION OF
CSX TRANSPORTATION, INC.
and
RICHMOND, FREDERICKSBURG AND POTOMAC RAILWAY COMPANY

For authority to move the agency at Doswell, Virginia, to the Richmond, Virginia Transportation Service Center

FINAL ORDER

By joint application filed on March 9, 1992, CSX Transportation, Inc. ("CSXT") and Richmond, Fredericksburg and Potomac Railway Company ("RF&P") sought authority to move their agency at Doswell, Virginia to the Richmond, Virginia Transportation Service Center ("TSC"). CSXT and RF&P also requested transfer of jurisdiction over the non-agency stations at Verdon and North Doswell to the Richmond TSC. Effective April 1, 1992, RF&P ceased to exist as a separate corporation and became a subdivision of the CSXT Baltimore Division. CSXT currently operates the Doswell agency.

On March 17, 1992, the Commission issued an order requiring public notice of the application and directing the Division of Railroad Regulation to investigate the matter. Public comments and requests for hearing were to be filed by June 12, 1992, but none were filed. The Division's investigation report was filed on July 17, 1992, as required by the Commission's order.

The Division found that the Richmond TSC could absorb the duties of the Doswell agency. It also found that approval of the application would result in a savings of $42,000 per year to CSXT and allow CSXT to be more efficient in serving its customers. It concluded that CSXT could continue to provide adequate and efficient service if the application were granted.

Based on the Division's investigation report, we find that the application should be granted; accordingly,

IT IS ORDERED:

(1) That CSXT is authorized to transfer its Doswell, Virginia agency, and jurisdiction over the non-agency stations at Verdon and North Doswell, to the Richmond TSC; and

(2) That, there being nothing further to come before the Commission in this proceeding, Case No. RRR920002 be closed and the papers therein placed in the Commission's files for ended causes.

CASE NO. RRR920003
OCTOBER 28, 1992

APPLICATION OF
NORFOLK AND WESTERN RAILWAY COMPANY

For authority to transfer agency at Waynesboro, Virginia

FINAL ORDER

By application filed on July 15, 1992, the Norfolk and Western Railway Company ("N&W") requests authority to transfer agency work, including jurisdiction over the non-agency stations of Lyndhurst and Crimora, Virginia, from its Waynesboro, Virginia agency to Mobile Agency Route VA-8 based in Shenandoah, Virginia. The Waynesboro agency would be eliminated. N&W also seeks authority to remove stations at Luray and Stanley, Virginia from the jurisdiction of Mobile Route VA-8 and place them under the jurisdiction of the base agent at Shenandoah, Virginia.

On July 24, 1992, the Commission issued an order requiring public notice of the application and directing the Division of Railroad Regulation to investigate the matter. Public comments and requests for hearing were required to be filed by September 18, 1992, but none were filed. The Division's investigation report was filed on October 16, 1992, as required by the Commission's order.

The Division found that Mobile Agency Route VA-8 and the Shenandoah base agent could absorb the duties of the Waynesboro agency and that approval of the application would result only in a change of location where paperwork is performed. It also found that approval of the application would also result in an estimated annual savings of $47,080 to N&W. The Division concluded that adequate and efficient service could be maintained if the application were approved.

Based on the Division's investigation report, we find that the application should be granted; accordingly,

IT IS ORDERED:

(1) That N&W is authorized to transfer its Waynesboro agency and jurisdiction over the non-agency stations at Lyndhurst and Crimora to Mobile Agency Route VA-8 based at Shenandoah, Virginia;

(2) That N&W is authorized to transfer jurisdiction over its stations at Luray and Stanley from Mobile Agency Route VA-8 to the base agent at Shenandoah; and

(3) That, there being nothing further to come before the Commission in this proceeding, Case No. RRR920003 be closed and the papers therein placed in the Commission's files for ended causes.

DIVISION OF SECURITIES AND RETAIL FRANCHISING

CASE NO. SEC890147
MARCH 12, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
WILLIS H. BEBINGER,
Defendant

ORDER VACATING PREVIOUS ORDER

IT APPEARING that this matter was initiated on August 23, 1989, by a Rule to Show Cause ("Rule") naming Willis H. Bebinger ("Bebinger") as the Defendant, that the Rule was served upon the Secretary of the Commonwealth as statutory agent for Bebinger pursuant to Virginia Code § 8.01-329, and that on November 3, 1989 a Final Order and Judgment was entered by default against Bebinger; and

IT FURTHER APPEARING that in January of 1992, Bebinger sent a letter to Commission counsel stating that he had never received notice of the Commission proceeding against him, as the address used for service of the Rule was incorrect; and

IT FURTHER APPEARING that the Division of Securities and Retail Franchising had access to Bebinger's correct address and failed to access such information; and

IT FURTHER APPEARING that one of the conditions precedent for obtaining personal jurisdiction under Virginia Code § 8.01-329 is the filing of an affidavit with the court stating the last known address of the person to be served, that the affidavit submitted in this matter by the Division of Securities and Retail Franchising failed to state the Division's last known address of Bebinger, and that Bebinger became aware of this matter after the Final Order and Judgment was entered.

THE COMMISSION, upon consideration of the Defendant's letter and the applicable law, is of the opinion and finds that Bebinger's letter should be treated as a motion to vacate, and that personal jurisdiction over the Defendant was never obtained in this matter because the affidavit required by Virginia Code § 8.01-329A1 was insufficient; accordingly, it is

ORDERED:

(1) That the Final Order and Judgment entered in this matter against Bebinger on November 3, 1989 be, and it hereby is, vacated for lack of personal jurisdiction; and

(2) That this matter be continued generally for hearing on the merits.

CASE NOS. SEC900015 and SEC900016
APRIL 21, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ALAN SARROFF, individually, and d/b/a Sarroff, Sager & Co., a general partnership, t/a Virginia Securities
and
LEE H. SAGER, JR., individually, and d/b/a Sarroff, Sager & Co., a general partnership, t/a Virginia Securities,
Defendants

SETTLEMENT ORDER

IT APPEARING to the State Corporation Commission of Virginia ("Commission") that Alan Sarroff, individually, and doing business as Sarroff, Sager & Co., a general partnership trading as Virginia Securities ("Alan Sarroff") and Lee H. Sager, Jr., individually, and doing business as Sarroff, Sager & Co., a general partnership trading as Virginia Securities ("Lee H. Sager, Jr."), the Defendants, have made an offer to compromise and settle all matters arising herein by agreeing to the form, substance and entry of this Settlement Order ("Order") and by representing and undertaking that:

(1) Alan Sarroff and Lee H. Sager, Jr. admit the allegations of the Division of Securities and Retail Franchising ("Division") contained in the Rule to Show Cause issued in this matter on April 23, 1991, as modified by Commission Order dated February 5, 1992;

(2) Alan Sarroff and Lee H. Sager, Jr. will jointly pay a penalty of $60,000 to the Commonwealth of Virginia;

(3) Alan Sarroff and Lee H. Sager, Jr. will jointly pay $5,000 as reimbursement for the expenses incurred by the Division in its investigation of this matter; and

(4) For a period of four (4) years from the date of this Order, both Alan Sarroff and Lee H. Sager, Jr. each agree not to apply for registration in any capacity under the Virginia Securities Act.

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 pursuant to Virginia Code § 13.1-521, Alan Sarroff and Lee H. Sager, Jr. be, and they hereby are jointly penalized in the amount of $60,000;

(3) That the Defendants shall jointly pay to the Commission the sum of $5,000 as reimbursement for the costs of the Division's investigation;

(4) That the sum of $65,000 tendered contemporaneously with the entry of this Order is accepted;

(5) That for a period of four (4) years from the date of this Order, Alan Saroff and Lee H. Sager, Jr. shall not apply for registered in any capacity under the Virginia Securities Act; and

(6) That this case is dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC900019
MARCH 27, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ROGER PAUL SAGER,
Defendant

SETTLEMENT ORDER

IT APPEARING to the State Corporation Commission of Virginia ("Commission") that Roger Paul Sager, the Defendant, without admitting or denying the allegations of the Division of Securities and Retail Franchising ("Division") contained in a Rule to Show Cause issued in this matter on April 23, 1991, has made an offer to compromise and settle all matters arising therein by agreeing to the form, substance and entry of this Settlement Order ("Order") and by representing and undertaking that:

(1) Roger Paul Sager will not transact business in this Commonwealth as an agent unless he becomes so registered under the Virginia Securities Act (Va. Code Sections 13.1-501 - 13.1-527.3 (1989 & Cum. Supp. 1991)) or is exempted therefrom;

(2) For a period of seven (7) years from the date of this Order, in the event that Roger Paul Sager shall become registered under the Virginia Securities Act as an agent, he will not (a) become a principal, officer, director or partner of any broker-dealer which transacts business in this Commonwealth ("Broker-Dealer"), (b) either directly or indirectly, own or control more than ten percent (10%) of the voting securities of such Broker-Dealer, or otherwise control the management and policies of the Broker-Dealer, or (c) serve in any supervisory, managerial or compliance capacity for such Broker-Dealer;

(3) In the event that Roger Paul Sager shall become registered under the Virginia Securities Act as an agent and he shall subsequently be found by any judicial or administrative body to have violated any provision of the Virginia Securities Act, or admits to such violation, the Defendant shall surrender forthwith his agent registration to the Commission;

(4) For a period of seven (7) years from the date of this Order, in the event Roger Paul Sager shall become registered as an agent under the Virginia Securities Act, said registration shall not be effective during the pendency of any judicial or administrative action instituted by (a) any federal or state government, (b) any federal or state governmental agency or body, or (c) any "self regulatory organization" as defined in the Securities Exchange Act of 1934 against the Defendant in connection with his securities-related activities; should the Defendant's agent registration become ineffective under the preceding clause, it shall become effective forthwith if the Defendant substantially prevails in any such judicial or administrative action instituted against him;

(5) Roger Paul Sager shall not be registered with any broker-dealer registered under the Virginia Securities Act unless such broker-dealer submits to the Division, by affidavit, prior agreement to the following special supervisory procedures:

(a) For a period of five (5) years from the date of this Order (or for the period of the Defendant's employment, if less than five (5) years), a member of the broker-dealer's compliance department will (i) review all customer orders placed by Roger Paul Sager prior to execution of the orders to ensure compliance with Virginia Code Section 13.1-507; (ii) each month randomly select and contact five

percent (5%) of Roger Paul Sager's customers and determine if they have any complaints regarding Roger Paul Sager's handling of their accounts; and, (iii) maintain a record of the name of each client contacted, the date on which each client was contacted, and the means by which each client was contacted; and

(b) For a period of seven (7) years from the date of this Order (or for the period of the Defendant's employment, if less than seven (7) years), immediately notify the Division of any complaints received that may arise with respect to Roger Paul Sager's customer accounts; and

(6) That the financial statement of Roger Paul Sager, attached hereto as Exhibit A, is in all respects true, correct and complete and presents fairly the financial condition of the Defendant as of the date of the statement.

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 Roger Paul Sager fully comply with the aforesaid terms and undertakings set forth above; and

(3) That this Order is not and shall not be construed as an injunction, order, judgment, or decree which would cause any disqualification under the Virginia Securities Act, including the rules and regulations adopted thereunder, of the Defendant, unless the Defendant fails to comply with the aforesaid terms and undertakings of the settlement.

CASE NOS. SEC910125 and SEC910126
DECEMBER 18, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
FIDELITY ASSOCIATES OF RICHMOND, INC.
and
AULDIS EDWARD WRIGHT,
Defendants

FINAL ORDER AND JUDGMENT

On September 24, 1992, the Commission issued a rule to show cause against the Defendants which, among other things, scheduled a hearing of this matter for November 4, 1992. On motion of the Division of Securities and Retail Franchising ("Division"), the hearing date was continued generally by order of November 3, 1992, and, by order dated November 19, 1992, was set for December 2, 1992. Fidelity Associates of Richmond, Inc. neither filed a pleading in response to the rule to show cause nor appeared by counsel at the hearing conducted on December 2, 1992. Defendant Wright filed a responsive pleading and appeared at the hearing, pro se. The Division was represented by Staff counsel.

The Commission, based upon the pleadings and the evidence herein, is of the opinion and finds:

(1) That Fidelity Associates was incorporated under the Virginia Stock Corporation Act in June 1980; its corporate existence was terminated automatically on September 1, 1991;

(2) That for the several years immediately prior to the termination of Fidelity Associate's existence, Wright was the president, treasurer and one of two directors of the corporation;

(3) That the Commission, by order entered herein on August 16, 1991 ("Order"), accepted the Defendants' offer to settle the alleged Securities Act violations set forth in the Order;

(4) That the Order required the Defendants to comply with the terms and undertakings of their offer, including the provisions that Wright make a written offer to rescind the alleged sales of securities (described as notes or evidences of indebtedness embodied in written "Agreements") within twenty-one days after entry of the Order, make restitution to all investors who timely accepted the offer, and submit to the Division evidence of having made the offer and the results thereof;

(5) That as of the date of the hearing, Wright had not made the offer of rescission or complied with the other settlement provisions enumerated in paragraph (4), above;

(6) That during the course of testifying on his own behalf, Wright stated that he considered each Agreement a continuing obligation and that, with respect to those investors who have not obtained judgments on the Agreements, he intended to repay each investor in accordance with the interest provisions of his or her Agreement;

(7) That, although Wright's testimony in regard to how he expects to obtain the funds to repay the investors is not credible, the investors should be afforded any opportunity to receive payment of the money they are owed pursuant to the Agreements;

(8) That any penalty imposed on Wright by the Commission should not be so great so as to reduce significantly his ability to repay the investors pursuant to the Agreements;

(9) That for having violated the Order, Wright should be penalized in the sum of $5,000;

(10) That the injunctive provisions and other sanctions imposed against Wright, as well as the rescission provisions (as modified below), set forth in the Order should remain in force and effect;

(11) That Wright so flagrantly violated the Order and so clearly demonstrated lack of the good character and reputation required for registration pursuant to § 13.1-505 that he, as well as any entity which he controls or in which he is a principal, should be prohibited permanently from being registered in any capacity under the Securities Act;

(12) That Wright should be permanently enjoined from violating this or any other Commission order issued under the Securities Act; and

(13) That if Wright fails to comply with or violates any provision of this order, the Commission will consider imposing additional sanctions on him.

It is, therefore,

ORDERED:

(1) That within sixty (60) days from the date of this order, Wright comply with the rescission and restitution provisions set forth in paragraph (1), page 2 of the Order Accepting Offer of Settlement entered herein on August 16, 1991;

(2) That within seventy-five (75) days from the date of this order, Wright submit to the Division of Securities and Retail Franchising either evidence of compliance as specified in paragraph (2), pp. 2-3 of the August 16, 1991, Order or, in the event of noncompliance with the rescission and restitution provisions, a statement of the reasons for such noncompliance;

(3) That pursuant to Va. Code § 13.1-521, Wright be, and he hereby is, penalized in the amount of $5,000, and that the Commonwealth recover of and from Wright said sum;

(4) That the injunctive, prohibitory and mandatory provisions set forth in the August 16, 1991, Order remain in full force and effect;

(5) That Wright, including any entity which he controls or in which he is a principal, be, and hereby is, permanently prohibited from being registered in any capacity under the Securities Act;

(6) That Wright be, and he hereby is, permanently enjoined from violating any Commission order to which he is subject issued pursuant to the Securities Act; and

(7) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC910157
JANUARY 24, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
F.N. WOLF & CO., INC.
Defendant

ORDER ACCEPTING OFFER OF SETTLEMENT

It appearing to the State Corporation Commission of Virginia ("Commission") that the Commission's Division of Securities and Retail Franchising ("Division") instituted an investigation of F.N. Wolf & Co., Inc., pursuant to Section 13.1-518 of the Code of Virginia, and;

It further appearing that the Division has alleged that Wolf failed to maintain a current record of investment objectives of forty of its clients to whom recommendations to purchase, sell or exchange a security were made between May 1988 and June 1991 and that such failure violates Commission Securities Act Rules 303B, 303D.1, and 304A.2 pertaining to (i) the diligent supervision of the activities of all agents, (ii) the enforcement of written procedures regarding opening of new client accounts, and (iii) the maintenance of current and accurate records concerning customer investment objectives, and;

It further appearing that while Wolf has neither admitted nor denied the Division's allegations, it does admit the Commission's jurisdiction and authority to enter this order, and, in connection with an offer to settle and compromise all matters arising from the investigation, has agreed to pay to the Commonwealth, as a penalty, the amount of Four Thousand Dollars ($4,000.00) and to the Commission, to reimburse it for the cost of the investigation, the amount of Three Thousand Five Hundred Dollars ($3,500.00), and has agreed to the following undertakings:

1. That Wolf will take appropriate disciplinary action against the employees, including branch managers, who failed to follow established procedures to insure new account applications were properly filled in, including the identification of the client's investment objective;

2. That Wolf shall amend its Compliance and Procedures Manual to identify clearly the specific task required to be completed in the line of duty by all its personnel given supervisory responsibility over representatives who offer and sell securities to Virginia residents; and

3. That for a period of six (6) months from the date of this Order, Wolf's Compliance Director shall be responsible for the review of all account applications, whether new or updated, for clients residing in the Commonwealth to insure that they are completed in accordance with all Commission Rules, including identification of stated investment objective. Within fourteen (14) days after the conclusion of the six (6) month period of review, the Compliance Director shall submit a written report to the Division which shall indicate the number of applications reviewed during the period of review and the number in which required information was omitted or inaccurately stated, if any, and;

It further appearing that the Division has recommended that Wolf's offer of settlement be accepted pursuant to the authority granted the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

1. That Wolf comply fully with the undertakings above recited;

2. That Wolf shall pay to the Commonwealth a penalty in the amount of $4,000.00 in settlement of all matters arising out of the investigation and that the Commonwealth recover of and from Wolf said amount;

3. That Wolf shall pay to the Commission to reimburse it for the costs of the investigation, the amount of $3,500.00;

4. That the sum of $7,500.00 tendered by Wolf contemporaneously with entry of this Order is accepted, and;

5. That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC910181
JANUARY 3, 1992

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

AMENDING ORDER

It appearing to the Commission that the Order of Settlement entered herein on December 13, 1991, is in need of amendment, and for good cause shown, it is

ORDERED that the aforesaid Order be, and it hereby is, amended as follows:

(1) That Paragraph (2) of the Defendant's undertaking is amended by deletion of the stricken language and the addition of the underlined language, to wit:

(2) GAMCO Investors, Inc. will pay to this Commonwealth pursuant to Va. Code § 13.1-521 ~~a penalty in~~ the ~~amount~~ sum of ~~forty-five~~ fifty-three thousand dollars (~~$45,000~~ 53,000) and will pay to the Commission the sum of ~~ten~~ two thousand dollars (~~$10,000~~ 2,000) to defray the costs of the investigation.

(2) That Paragraph (3) of the Order is amended by deletion of the stricken language and the addition of the underlined language, to wit:

(3) That pursuant to Virginia Code § 13.1-521, GAMCO Investors, Inc. pay ~~a penalty~~ to the Commonwealth ~~in~~ the ~~amount~~ sumof ~~forty-five~~ fifty-three thousand dollars (~~$45,000~~ 53,000), that pursuant to Virginia Code § 13.1-518, GAMCO Investors, Inc. pay to the Commission the sum of ~~ten~~ two thousand dollars (~~$10,000~~ 2,000) 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;

(3) That Paragraph (4) of the Order is amended by deletion of the stricken language and the addition of the underlined language, to wit:

(4) That the sums of ~~forty-five~~ fifty-three thousand dollars (~~$45,000~~ 53,000) and ~~ten~~ two thousand dollars (~~$10,000~~ 2,000) tendered by GAMCO Investors, Inc. contemporaneously with the entry of this Order of Settlement are accepted;

IT IS FURTHER ORDERED that the remainder of the aforesaid Order continue in force and effect.

CASE NO. SEC910182
MARCH 31, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MELHADO, FLYNN & ASSOCIATES, INC.,
Defendant

ORDER ACCEPTING OFFER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, Melhado, Flynn & Associates, Inc., pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant has, in violation of Section 13.1-504 A, B and C of the Code of Virginia and the Commission's Securities Act Rules 303 B and 1203 B promulgated under Virginia Code Section 13.1-523:

(1) Transacted business in this Commonwealth as a broker-dealer between January 23, 1987 and August 8, 1988, without being so registered under the Virginia Securities Act;

(2) Transacted business in this Commonwealth as an investment advisor between July 1, 1987 and March 26, 1989, without being so registered under the Virginia Securities Act;

(3) Employed two unregistered agents, George M. Motz and Richard E. McConnell, Jr., from January 23, 1987 to August 8, 1988 and February 13, 1987 to April 27, 1987, respectively;

(4) Employed an unregistered investment advisor representative, George M. Motz, from March 27, 1989 to July 13, 1990;

(5) Failed to exercise diligent supervision over the securities activities of its agents, George M. Motz and Richard E. McConnell, Jr.; and

(6) Failed to exercise diligent supervision over the advisory activities of its investment advisor representative, George M. Motz.

Defendant admits these allegations and admits the Commission's jurisdiction and authority to enter this Order Accepting Offer of Settlement.

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 within twenty-one (21) days of the date of this order, Defendant will send a copy of this Order Accepting Offer of Settlement and Consent to the following Virginia investors; Dr. David B. Orr and Barbara J. Barrett, 1426 Trapline Court, Vienna, Virginia 22180; Frank M. and Joan S. Bernick, 6745 Fern Lane, Annandale, Virginia 22003; Barbara L. Boller, 55 Settlers Road, Newport News, Virginia 23606; John J. and Lynne W. Burns, 8106 Touchstone Terrace, McLean, Virginia 22102; Daniel M. and Martha P. Frakes, 1220 Oak Ridge Avenue, Mclean Virginia, 22101; Bobby L. and Betty B. Goodman, 7408 Walton Lane, Annandale, Virginia 22003; Elizabeth E. Hancock, 301 N. Beauregard Street, Apartment 1407, Alexandria, Virginia 22312; Robert M. and Ann B. Veatch, 1519 Emerson Avenue, Mclean Virginia 22101; John N. Maquire, 10626 Beach Mill Road, Great Falls, Virginia 22066; Mr. Vance Johnson, Institute for Organizational Research & Development, Inc., 1520 Farsta Court, No. 500, Reston, Virginia 22090; David and Elizabeth Pronko, P.E. Systems, 5520 Cherokee Avenue, Alexandria, Virginia 22312;

(2) That evidence of compliance with the provisions of paragraph (1), above, will be filed with the Division by Defendant within seven (7) days from the date the copies of this Order Accepting Offer of Settlement and Consent are sent to the persons stipulated in paragraph (1); that such evidence will be in the form of an affidavit, executed by an appropriate officer of Defendant, which will contain the following information: the date on which the copies of this Order Accepting Offer of Settlement and Consent were sent to the persons stipulated in paragraph (1) and a copy of any correspondence sent with the copies of the Order Accepting Offer of Settlement and Consent sent to the persons stipulated in paragraph (1);

(3) That Defendant will comply with Section 13.1-504 A, B and C of the Virginia Securities Act and Rules 303 B and 1203 B adopted thereunder;

(4) That a penalty in the amount of ten thousand dollars ($10,000) will be paid by Defendant to the Commonwealth on account of the alleged violations of Section 13.1-504 A, B and C of the Virginia Securities Act and the Commission's Securities Act Rules 303 B and 1203 B; and

(5) That the sum of five thousand dollars ($5,000) will be paid to the Commission as reimbursement for the cost of the Division's investigation of this matter.

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) tendered by Defendant contemporaneously with the entry of this order is accepted; and

(4) That the Commission shall retain jurisdiction of this matter for all purposes.

CASE NO. SEC910190
JANUARY 16, 1992

APPLICATION OF
THE METROPOLITAN COMMUNITY CHURCH OF WASHINGTON

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 18, 1991, with exhibits attached thereto, as subsequently amended, of The Metropolitan Community Church of Washington ("MCC"), 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: MCC operates not for private profit but exclusively for religious purposes; MCC intends to offer and sell First Mortgage Bonds, Series 1991-A in an approximate aggregate amount of $900,000 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 MCC 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 NOS. SEC920007, SEC920006, and SEC920005
JANUARY 17, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
OXFORD CAPITAL MANAGEMENT, INC.,
JOHN G. DANZ, JR.,
AND
HARRY W. OLDFIELD, JR.,
Defendants

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendants, Oxford Capital Management, Inc. (Oxford), John G. Danz, Jr., and Harry W. Oldfield, Jr., 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, Oxford transacted business in the Commonwealth as an unregistered investment advisor; (ii) in violation of Virginia Code § 13.1-504C, Oxford employed unregistered investment advisor representatives; (iii) in violation of Virginia Code § 13.1-521A, Oxford violated the terms of the Commission's Order of Settlement dated May 31, 1989, CASE NO. SEC890078; (iv) in violation of Virginia Code § 13.1-504A, John G. Danz, Jr. transacted business in the Commonwealth as an unregistered investment advisor representative; (v) in violation of Virginia Code § 13.1-521A, John G. Danz, Jr. violated the terms of the Commission's Order of Settlement dated May 31, 1989, CASE NO. SEC890076; (vi) in violation of Virginia Code § 13.1-504A, Harry W. Oldfield, Jr. transacted business in the Commonwealth as an unregistered investment advisor representative; and (vii) in violation of Virginia Code § 13.1-521A, Harry W. Oldfield, Jr. violated the terms of the Commission's Order of Settlement dated May 31, 1989, CASE NO. SEC890077. The Defendants neither admit nor deny the 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, the Defendants have offered the following terms and undertakings:

(1) Oxford will comply with the permanent injunction terms of the Commission's Order of Settlement dated May 31, 1989, CASE NO. SEC890078;

(2) Oxford 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 two thousand dollars ($2,000) to defray the costs of this investigation;

(3) John G. Danz, Jr. will comply with the permanent injunction terms of the Commission's Order of Settlement dated May 31, 1989, CASE NO. SEC890076; and,

(4) Harry W. Oldfield, Jr. will comply with the permanent injunction terms of the Commission's Order of Settlement dated May 31, 1989, CASE NO. SEC890077.

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 pursuant to Virginia Code § 13.1-521, Oxford pay to the Commonwealth a penalty in the amount of ten thousand dollars ($10,000) and that pursuant to Virginia Code § 13.1-518, Oxford 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 ten thousand dollars ($10,000) and two thousand dollars ($2,000) tendered by Oxford contemporaneously with the entry of this Order of Settlement are accepted;

(4) That the permanent injunction provisions of the Commission's Orders of Settlement against Oxford, John G. Danz, Jr., and Harry W. Oldfield, Jr., dated May 31, 1989, CASE NOS. SEC890078, SEC890076, and SEC890077, remain in effect;

(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 any application for registration as an Investment Advisor which may be filed under the Virginia Securities Act by Oxford Capital Management, Inc.; and

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

CASE NO. SEC920008
OCTOBER 13, 1992

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 June 8, 1992, the Division of Securities and Retail Franchising of the State Corporation Commission mailed notice to interested persons of proposed rules, rules changes, and forms ("Proposals") designed to implement various provisions of the Securities Act (Va. Code § 13.1-501 et seq.) 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. In addition, the notice and the text of the Proposals were published in "The Virginia Register of Regulations," August 10, 1992, pp. 4233-4241. 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 Proposals should be modified, as follows:

> Rule 505 (Foreign Issuer Exemption): Modify paragraph A to enlarge the exemption for equity securities to include American Depository Receipts representing such securities.
>
> Rule 506 (CBOE Exemption): Rewrite paragraph D.8. so that it conforms to the comparable provisions in the Chicago Board Options Exchange/North American Securities Administrators Association, Inc. Memorandum of Understanding approved by NASAA on May 30, 1991.
>
> Rule 1106 (Series 65 Examination): Modify paragraph B to enlarge the scope of the waiver to expressly include unincorporated investment advisors and rewrite the text of the rule to clarify its provisions, including the limitation on its use to no more than two individuals per investment advisor.

The Commission is further of the opinion and finds that the other Proposals should be adopted as proposed; it is, therefore,

ORDERED that the Proposals, as modified, 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 October 15, 1992.

NOTE: A copy of the Regulation entitled "Article XIV" 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. SEC920009
JANUARY 24, 1992

APPLICATION OF
ATLANTIC SHORES 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 October 14, 1991, with exhibits attached thereto, as subsequently amended, of Atlantic Shores Baptist Church ("Atlantic Shores"), requesting that certain General Revenue Serial Sinking Fund 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: Atlantic Shores operates not for private profit but exclusively for religious, educational, benevolent and charitable purposes; Atlantic Shores intends to offer and sell General Revenue Serial Sinking Fund Bonds in an approximate amount of $950,000.00 on terms and conditions as more fully described in the application; said securities are to be offered and sold only to Atlantic Shores' members by a bond sales committee composed of members of Atlantic Shores 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 Atlantic Shores 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. SEC920010
JANUARY 24, 1992

APPLICATION OF
THE NAVY MARINE COAST GUARD RESIDENCE 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 25, 1991, with exhibits attached thereto, of The Navy Marine Coast Guard Residence 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 Navy Marine Coast Guard Foundation (the "Foundation"), a non-profit District of Columbia corporation formed not for private profit but exclusively for charitable 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 Foundation 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 Foundation's volunteers and employees who solicit on behalf of the Fund.

CASE NO. SEC920014
FEBRUARY 4, 1992

APPLICATION OF
AMENDMENT 1 INCORPORATED

For a Certificate of Exemption pursuant to Section 13.1-514.1.A of the Code of Virginia (1950)

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application, with exhibits attached thereto, of Amendment I Incorporated ("Amendment") dated November 12, 1991, as amended from time to time. Amendment requests the Commission to enter an order exempting from the securities registration requirements of the Securities Act (Title 13.1, Chapter 5, Code of Virginia) pursuant to the provisions of Section 3.1-514.1.A of the Code of Virginia the following securities it proposes to issue: seventy-five thousand (75,000) shares of common stock [Series B] to be sold at $10.00 per share and two hundred and fifty thousand (250,000) shares of common stock [Series B] to be held in reserve to permit conversion

of the existing outstanding shares of Preferred and Common Stock to the new [Series B] common stock. Attached to the application as amended are various documents supporting Amendment's request.

BASED UPON THE INFORMATION submitted, the Commission finds that the seventy-five thousand (75,000) shares of common stock [Series B] and the two hundred and fifty thousand (250,000) shares of common stock [Series B] to be held in reserve (i) are to be offered and sold, through the medium of an offering circular, as part of a community undertaking to attract new business to the community of Leesburg, Virginia; (ii) are sponsored by groups of representative local businessmen; and (iii) are to be sold mainly to persons interested in the development of the community by Joseph B. Phillips, John A. Wallace, Jr., Joe S. Ritenour, John H. Garrett, III, and Clyde C. Lamond, III, none of whom will receive any compensation for offering or selling or converting the securities.

THE COMMISSION, based on the facts asserted by Amendment in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the securities described above be, and they hereby are, exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Virginia Code Section 13.1-514.1.A and shall be made in Virginia only by the above named agents of the issuer, for whom the agent registration requirements are hereby waived.

CASE NO. SEC920016
FEBRUARY 6, 1992

APPLICATION OF
ALABAMA HIGHER EDUCATION LOAN CORPORATION
(A NON-PROFIT ALABAMA 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 Alabama Higher Education Loan Corporation ("AHELC") dated January 17, 1992, as supplemented by letters dated January 24, 1992 and January 31, 1992, 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 Section 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: AHELC is a non-profit corporation organized exclusively for charitable, scientific and educational purposes under the laws of the State of Alabama; AHELC intends to issue Student Loan Revenue Bonds, Series 1992-A in an approximate aggregate amount of $32,185,000 subject to certain terms and conditions as more fully described in the Preliminary Official Statement dated January 24, 1992 and filed as part of the application.

THE COMMISSION, based on the facts asserted by counsel to Smith Barney, Harris Upham & Co. Incorporated, the underwriter, in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the Student Loan Revenue Bonds 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. SEC920017
FEBRUARY 14, 1992

APPLICATION OF
BLACK CREEK 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 February 4, 1992, with exhibits attached thereto, as subsequently amended, of Black Creek Baptist Church ("Black Creek"), requesting that certain 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: Black Creek operates not for private profit but exclusively for religious and charitable purposes; Black Creek intends to offer and sell Deed of Trust 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; and said securities are to be offered and sold by a bond sales committee composed of members of Black Creek who will not be compensated for their sales efforts.

THE COMMISSION, based on the facts asserted by Black Creek 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. SEC920019
FEBRUARY 25, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
COLLEGE PRO PAINTERS (U.S.) LTD.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, College Pro Painters (U.S.) Ltd., pursuant to Virginia Code Section 13.1-567.

As a result of its investigation, the Division alleges that the Defendant, in violation of Virginia Code Section 13.1-560, offered to grant and granted franchises in this Commonwealth without such franchises being registered under the Retail Franchising Act. The Defendant neither admits nor denies these allegations, but admits the Commission's jurisdiction and authority to enter this Order of Settlement.

As an offer to settle all matters arising from the allegations made against it, the Defendant has proposed and agreed to comply with the following terms and undertakings:

1) That in connection with any future offer or grant of a franchise in this Commonwealth, the Defendant will comply with the provisions of the Virginia Retail Franchising Act;

2) That the Defendant will pay the Commonwealth the sum of $4,500.00 as a penalty; and,

3) That the Defendant will pay the Commission the sum of $2,000.00 for reimbursement for the cost 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 the Commission in Virginia Code Section 12.1-15, the Defendant's offer of settlement is accepted;

(2) That in connection with any future offer or grant of a franchise in the Commonwealth, the Defendant shall comply with the provisions of the Virginia Retail Franchising Act;

(3) That the Defendant pay to the Commonwealth a penalty in the amount of $4,500.00 and that the sum of $4,500.00 tendered by the Defendant contemporaneously with the entry of this order be, and it hereby is, accepted;

(4) That the Defendant pay to the Commission the sum of $2,000.00 and that the sum of $2,000.00 tendered by the Defendant contemporaneously with the entry of this order be, and it hereby is, accepted; and

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

CASE NO. SEC920020
MARCH 2, 1992

APPLICATION OF
MONTANA HIGHER EDUCATION STUDENT ASSISTANCE CORPORATION
(A NON-PROFIT MONTANA CORPORATION)

For a Certificate 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, with exhibits attached thereto, of Montana Higher Education Student Assistance Corporation ("M-CORP") dated February 14, 1992, requesting a determination 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).

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: M-CORP is a non-profit corporation organized under the laws of the State of Montana for charitable and educational purposes. M-CORP intends to issue Weekly Adjustable/Fixed Rate Student Loan Revenue Bonds, Series 1992-A in an approximate aggregate amount of twenty-two million three hundred sixty thousand dollars ($22,360,000) and Series 1992-B in an approximate aggregate amount of one hundred three million four hundred thirty-five thousand dollars ($103,435,000) subject to conditions which are more fully described in the Preliminary Prospectus submitted with the written application.

THE COMMISSION, based on the facts asserted by M-CORP in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that the offers and sales of 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 shall be made in Virginia only by broker-dealers registered in this Commonwealth.

CASE NO. SEC920021
JULY 10, 1992

APPLICATION OF
CORNERSTONE 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 June 21, 1992, with exhibits attached thereto, as subsequently amended, of Cornerstone Baptist Church ("Cornerstone"), 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: Cornerstone is a "Virginia church" within the meaning of Code Section 13.1-514.1.B and is organized and operated not for private profit but exclusively for religious purposes; Cornerstone intends to offer and sell First Deed of Trust Bonds in an approximate amount of $300,000.00 on terms and conditions as more fully described in the application; said securities are to be offered and sold by Cornerstone only to its membership, which securities are to be sold only by members of Cornerstone's congregation who are Virginia residents, who will not receive remuneration or compensation directly or indirectly for their sales efforts, and who will make full, fair and effective disclosure to all potential bond purchasers.

THE COMMISSION, based on the facts asserted by Cornerstone in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempt from the securities registration requirements of the Securities Act, and the members of the congregation who offer and sell the securities be, and they hereby are, exempt from the agent registration requirements of said Act.

CASE NO. SEC920022
MARCH 11, 1992

APPLICATION OF
FIRST UNION SECURITIES, INC., ET AL.

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, with exhibit attached, of First Union Securities, Inc. and Alex. Brown & Sons, Incorporated ("Applicants") filed under Va. Code § 13.1-525 by their counsel and upon payment of the requisite fee. The application requests a determination that the securities described below are exempted from the securities registration requirements of the Securities Act pursuant to Va. Code § 13.1-514 A 1. The pertinent information contained in the application is summarized as follows:

Applicants are the proposed underwriters of Certificates of Participation (1991 Sampson County Schools Project) ("Certificates") in the aggregate principal amount of $9,650,000 (subject to change), which represent proportionate and undivided interests in certain payments to be made by the County of Sampson, North Carolina ("County"), under an Installment Financing Contract relating to the financing of the acquisition, construction and equipping of a new elementary school and a new middle school for the County. The Installment Financing Contract will be between First Union Securities, Inc. and the County. The Certificates will be issued in book-entry form only and delivered pursuant to a Trust Agreement between First Union Securities, Inc. and First-Citizens Bank & Trust Company, as Trustee. Pursuant to the Installment Financing Contract, payments payable by the County under the Contract related to the Certificates are to be made directly to the Trustee. These payments will, in turn, be made to the beneficial owners of the Certificates by the Trustee through the Depository Trust Company, an automated clearinghouse for securities transactions, and its participants.

It appears that, technically, First-Citizens Bank & Trust Company, as Trustee, will issue the Certificates; however, in terms of economic reality, the County will be the issuer of the securities. Therefore, the Commission, based on the information submitted by Applicants, is of the opinion and finds that the Certificates are securities "issued . . . by [a] political subdivision of a state . . . of the [United States]," Va. Code § 13.1-514 A 1; accordingly, it is

ORDERED that the securities heretofore described be, and they hereby are, exempted from the securities registration requirements of the Securities Act pursuant to Va. Code § 13.1-514 A 1.

CASE NO. SEC920023
MARCH 18, 1992

APPLICATION OF
FIRST CHICAGO CAPITAL MARKETS, 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 of First Chicago Capital Markets, Inc. ("Applicant") filed under Va. Code § 13.1-525 by its counsel and upon payment of the requisite fee. The application requests a determination that the securities described below are exempted from the securities registration requirements of the Securities Act pursuant to Va. Code § 13.1-514 A 1. The pertinent information contained in the application is summarized as follows:

Applicant is the proposed underwriter of General Obligation Lease Certificates, 1992 Series A [Community College District No. 508] and General Obligation Lease Certificates, 1992 Series B and Series C [Board of Education of the City of Chicago] ("Certificates"), which represent proportionate interests in payments in respect of principal and interest to be made either by Community College District No. 508 or the Board of Education of the City of Chicago, under leases of college or school facilities from the Public Building Commission of Chicago. The District, the Board and the Commission are all political subdivisions of the State of Illinois. Harris Trust and Savings Bank, Chicago, will be the Trustee of each series and will perform primarily ministerial functions, which include issuing and delivering the Certificates to Certificate owners, receiving from the Commission pursuant to an irrevocable assignment and distributing to Certificate owners the lease payments, and, upon direction from the Certificate owners, exercising any remedies available in the event of the District's or the Board's default under the lease agreements.

It appears that, technically, Harris Trust and Savings Bank, as Trustee, will issue the Certificates; however, in terms of economic reality, the District and the Board will be the issuers of the securities. Therefore, the Commission, based on the information submitted by Applicant, is of the opinion and finds that the Certificates are securities "issued . . . by . . . political subdivision[s] of a state . . . of the [United States]," Va. Code § 13.1-514 A 1; accordingly, it is

ORDERED that the securities heretofore described be, and they hereby are, exempted from the securities registration requirements of the Securities Act pursuant to Va. Code § 13.1-514 A 1.

CASE NO. SEC920026
MARCH 20, 1992

APPLICATION OF
BON AIR BAPTIST CHURCH

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, with exhibits attached thereto, as subsequently amended, of Bon Air Baptist Church ("Bon Air Baptist") dated March 2, 1992, requesting a determination that certain 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: Bon Air Baptist is an unincorporated non-profit organization organized and operated under the laws of the Commonwealth of Virginia exclusively for religious and charitable purposes. Bon Air Baptist intends to issue First Mortgage Church Bonds in the aggregate principal amount of one million nine hundred thousand dollars ($1,900,000) subject to conditions which are more fully described in the Prospectus submitted with the written application.

THE COMMISSION, based on the facts asserted by Bon Air Baptist 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 and agents so registered under the Securities Act.

CASE NO. SEC920030
APRIL 1, 1992

APPLICATION OF
EMMANUEL TABERNACLE (ASSEMBLY OF GOD)

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, with exhibits attached thereto, as subsequently amended, of Emmanuel Tabernacle (Assembly of God) ("Emmanuel") dated February 26, 1992, requesting a determination that certain 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: Emmanuel is an unincorporated non-profit organization organized and operated under the laws of the Commonwealth of Virginia exclusively for religious and charitable purposes. Emmanuel intends to issue First Mortgage Church Bonds in the aggregate principal amount of six hundred twenty five thousand ($625,000.00) subject to conditions which are more fully described in the Prospectus submitted with the written application. The securities are to be offered and sold by a bond sales committee composed of members of Emmanuel 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 Emmanuel 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 that the agent registration requirements of the Securities Act be waived for the members of the bond sales committee. The securities shall be offered and sold in Virginia only by broker-dealers and agents so registered under the Securities Act.

CASE NO. SEC920036
MAY 5, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
SCOTT & STRINGFELLOW INVESTMENT CORPORATION,
Defendant

ORDER OF SETTLEMENT

It appearing to the State Corporation Commission of Virginia ("Commission") that the Commission's Division of Securities and Retail Franchising ("Division") instituted an investigation of Scott & Stringfellow Investment Corporation ("Scott & Stringfellow") pursuant to Section 13.1-518 of the Code of Virginia; and,

It further appearing that the Division has alleged that Scott & Stringfellow, in violation of Section 13.1-507 of the Code, offered and sold securities, to wit: shares of Goldera Resources Incorporated, to Virginia investors in 66 transactions from July 31, 1986 through September 9, 1986, while the securities were not registered under the Virginia Securities Act or exempted from registration; and,

It further appearing that Scott & Stringfellow does not admit or deny the Division's allegations, but does admit the Commission's jurisdiction and authority to enter this order, and, in connection with an offer to settle and compromise all matters arising from the allegations, has agreed to pay to the Commonwealth a penalty in the amount of Fifteen Thousand Dollars ($15,000.00) and to pay to the Commission, to reimburse it for the cost of the investigation, the amount of One Thousand Dollars ($1,000.00); and,

It further appearing that the Division has recommended that Scott & Stringfellow's offer of settlement be accepted pursuant to the authority granted the Commission in Virginia Code Section 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That Scott & Stringfellow shall pay to the Commonwealth a penalty in the amount of Fifteen Thousand Dollars ($15,000.00) in settlement of all matters arising out of the aforesaid allegations and that the Commonwealth recover of and from Scott & Stringfellow said amount;

(2) That Scott & Stringfellow shall pay to the Commission to reimburse it for the costs of the investigation the amount of One Thousand Dollars ($1,000.00);

(3) That sum of Sixteen Thousand Dollars ($16,000.00) tendered by Scott & Stringfellow contemporaneously with the entry of this Order is accepted; and,

(4) That all issues raised in this matter concerning the Defendant's alleged violations of the Securities Act of Virginia be, and there hereby are, settled; 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. SEC920038
APRIL 21, 1992

APPLICATION OF
RIDGEVIEW 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, 1992, with exhibits attached thereto, as subsequently amended, of Ridgeview Baptist Church ("Ridgeview"), 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 certain members of Ridgeview be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Ridgeview is an unincorporated Virginia organization operating not for private profit but exclusively for religious, educational and charitable purposes; Ridgeview 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 Ridgeview 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 Ridgeview in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920041
APRIL 16, 1992

APPLICATION OF
MOUNT CARMEL MISSIONARY 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 Mount Carmel Missionary Baptist Church ("MCMBC"), dated February 26, 1992 requesting a determination that certain First Mortgage Serial Sinking Fund 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: MCMBC is organized and operates not for private profit but exclusively for religious, educational, benevolent and charitable purposes; MCMBC intends to offer and sell First Mortgage Serial Sinking Fund Bonds in an approximate amount of $900,000 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 broker-dealer so registered under the Securities Act.

THE COMMISSION, based on the facts asserted by MCMBC 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. SEC920042
APRIL 30, 1992

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 9, 1992, 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 NCP's officers be exempted from the agent registration requirement of said Act.

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 (IRA 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 who will not be compensated for their sales efforts.

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, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the officers of NCP be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920043
APRIL 27, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
EDWIN C. COHN,
Defendant

ORDER GRANTING MOTION TO DISSOLVE PERMANENT INJUNCTION AND IMPOSING PROHIBITIONS

By letter dated February 4, 1992, which will be treated as a motion, the Defendant, Edwin C. Cohn, pro se, requested that the permanent injunction entered against him by the Commission's Order of Settlement dated September 20, 1991, in Case No. SEC910146, be dissolved. In support of his motion, the Defendant states that because of said injunction he is subject to a statutory disqualification as defined in §§ 3(a)39 and 15(b)(4) of the Securities Exchange Act of 1934, and that such disqualification could result in his being prohibited from engaging in the securities business and in adverse consequences to his employing firm. In lieu of the permanent injunction, the Defendant has offered, and agrees to comply with, the following undertakings:

(1) The Defendant will not, directly or indirectly, transact business in or from this Commonwealth as an agent unless he is so registered under the Virginia Securities Act, or exempted therefrom; and

(2) The Defendant will not, directly or indirectly, offer for sale or sell in or from this Commonwealth any security unless the security is registered under the Virginia Securities Act, or exempted therefrom.

The Division of Securities and Retail Franchising does not object to the requested relief being granted.

THE COMMISSION, upon consideration of this matter, is of the opinion and finds that good cause has been shown for granting the motion; accordingly, it is

ORDERED:

(1) That the permanent injunction entered against Edwin C. Cohn by Order of Settlement dated September 20, 1991, be, and it hereby is, dissolved;

(2) That the Defendant shall not, directly or indirectly, transact business in or from the Commonwealth of Virginia as an agent unless he is so registered under the Virginia Securities Act, or exempted therefrom;

(3) That the Defendant shall not, directly or indirectly, offer for sale or sell in or from the Commonwealth of Virginia any security unless the security is registered under the Virginia Securities Act, or exempted therefrom; and

(4) That this matter be dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC920045
MAY 5, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MURRAY JOHNSTONE INTERNATIONAL LIMITED,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, Murray Johnstone International Limited, 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 twelve thousand dollars ($12,000.00), 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 twelve thousand dollars ($12,000.00) and that the Commonwealth recover of and from Defendant said amount;

(4) That Defendant shall pay to the Commission to reimburse it for the costs of the investigation, the sum of two hundred fifty dollars ($250.00);

(5) That the sum of twelve thousand two hundred fifty dollars ($12,250.00) tendered by Defendant contemporaneously with the entry of this order is accepted; and,

(6) That all issues raised in this matter concerning the Defendant's alleged violations of the Securities Act of Virginia be, and there hereby are, settled; 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 by, and it hereby is, dropped from the docket and the papers herein be placed in the file for ended causes.

CASE NO. SEC920046
JUNE 10, 1992

APPLICATION OF
THE MARTHA JEFFERSON EQUITY SECURITIES 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 April 8, 1992, with exhibits attached thereto, of The Martha Jefferson Equity Securities 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 certain individuals who solicit gifts to the Fund be exempted from the agent registration requirements of said Act.

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 ("MJH"), 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 MJH 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 finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Virginia Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and MJH's volunteers and employees who solicit on behalf of the Fund be, and they hereby are, exempted from the agent registration requirement of said Act.

CASE NO. SEC920047
JUNE 10, 1992

APPLICATION OF
THE MARTHA JEFFERSON DEBT SECURITIES 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 April 8, 1992, with exhibits attached thereto, of The Martha Jefferson Debt Securities 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 certain individuals who solicit gifts to the Fund be exempted from the agent registration requirements of said Act.

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 ("MJH"), 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 MJH 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 finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Virginia Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and MJH's volunteers and employees who solicit on behalf of the Fund be, and they hereby are, exempted from the agent registration requirement of said Act.

CASE NO. SEC920050
MAY 11, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
ASHFIELD & COMPANY, INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, Ashfield & Company, 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 seven thousand dollars ($7,000.00), 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 seven thousand dollars ($7,000.00) and that the Commonwealth recover of and from Defendant said amount;

(4) That Defendant shall pay to the Commission to reimburse it for the costs of the investigation, the sum of two hundred fifty dollars ($250.00);

(5) That the sum of seven thousand two hundred fifty dollars ($7,250.00) tendered by Defendant contemporaneously with the entry of this order is accepted; and,

(6) That all issues raised in this matter concerning the Defendant's alleged violations of the Securities Act of Virginia be, and there hereby are, settled; 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. SEC920053
MAY 20, 1992

APPLICATION OF
MOUNT CALVARY PENTECOSTAL HOLINESS 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 22, 1992, with exhibits attached thereto, as subsequently amended, of Mount Calvary Pentecostal Holiness Church ("Mount Calvary"), requesting that certain bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that certain members of Mount Calvary be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Mount Calvary is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Mount Calvary intends to offer and sell First Deed of Trust Serial Sinking Funds Bonds, Series 1992-A, in an approximate aggregate amount of $200,000 on terms and conditions as more fully described in the Offering Circular filed as a part of the application; said securities are to be offered and sold by abond sales committee composed of members of Mount Calvary who will not be compensated for their sales efforts.

THE COMMISSION, based on the facts asserted by Mount Calvary in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920054
MAY 26, 1992

APPLICATION OF
CHRISTIAN CHILDREN'S FUND 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 April 16, 1992, with exhibits attached thereto, of the Christian Children's Fund 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 certain individuals who solicit gifts to the Fund be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: the Fund was established by Christian Children's Fund, Incorporated ("CCF"), a nonstock Virginia corporation formed not for private profit but exclusively for charitable purposes; CCF established the Fund to enable donors to provide future financial support to CCF while reserving the right to current income and realizing present tax benefits; 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 employees of CCF in the usual course of their employment and they 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 finds, and does hereby ADJUDGE AND ORDER that pursuant to the provisions of Virginia Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and CCF's employees who solicit on behalf of the Fund be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920055
MAY 28, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
J.M. HARTWELL & COMPANY, INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, J.M. Hartwell & Company, 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 seven thousand dollars ($7,000.00), 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 seven thousand dollars ($7,000.00) and that the Commonwealth recover of and from Defendant said amount;

(4) That Defendant shall pay to the Commission to reimburse it for the costs of the investigation, the sum of two hundred fifty dollars ($250.00);

(5) That the sum of seven thousand two hundred fifty dollars ($7,250.00) tendered by Defendant contemporaneously with the entry of this order is accepted; and,

(6) That all issues raised in this matter concerning the Defendant's alleged violations of the Securities Act of Virginia be, and there hereby are, settled; 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. SEC920056
MAY 29, 1992

APPLICATION OF
BETHEL TEMPLE ASSEMBLY OF GOD

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, with exhibits attached thereto, as subsequently amended, of Bethel Temple Assembly of God ("Bethel") dated May 8, 1992, requesting a determination that certain 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, following facts, in addition to others not enumerated herein, appear to exist: Bethel is an unincorporated non-profit organization organized and operated under the laws of the Commonwealth of Virginia exclusively for religious and charitable purposes. Bethel intends to issue First Mortgage Church Bonds in the aggregate principal amount of three million five hundred ninety thousand dollars ($3,590,000) subject to conditions which are more fully described in the Prospectus submitted with the written application.

THE COMMISSION, based on the facts asserted by Bethel 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 and agents so registered under the Securities Act.

CASE NO. SEC920057
MAY 29, 1992

APPLICATION OF
VIRGINIA 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 February 6, 1992, with exhibits attached thereto, as subsequently amended, of Virginia Presbyterian Church ("VPC"), 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 certain members of VPC be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: VPC is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; VPC intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $500,000 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 VPC 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 VPC in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities describe above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920064
JULY 29, 1992

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

SETTLEMENT ORDER

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that the Defendant (i) in violation of Virginia Code § 13.1-507, offered for sale and sold unregistered, non-exempt securities, to wit: investment contracts and/or interests in a profit-sharing agreement evidenced by Membership Agreement coupled with proportionate interests in The Money School Club bank account, (ii) in violation of Virginia Code § 13.1-504A, transacted business as an unregistered agent for The Money School Club, and (iii) in violation of Virginia Code § 13.1-502(2), obtained money by means of untrue statements of material facts by advising The Money School Club members, and prospective members, that The Money School Club's funds were deposited in a bank in Europe and that the funds were in Eurodollars, when, in fact, the funds were never deposited in a European bank, but some of the funds were ultimately deposited in a bank(s) located in or near Dalton, Georgia. The Defendant neither admits nor denies the allegations, but admits the Commission's jurisdiction and authority to enter this Settlement Order.

As a proposal to settle all matters arising from the allegations against him, the Defendant has offered and agreed to comply with the following terms and undertakings:

(1) Harry Hone will be permanently enjoined from offering for sale and selling in this Commonwealth, whether indirectly or directly, any security that is not registered under the Virginia Securities Act, unless exempted therefrom;

(2) Harry Hone will be permanently enjoined from transacting business in this Commonwealth as an agent in violation of Virginia Code § 13.1-504A;

(3) Harry Hone will be permanently enjoined from conducting any further business in this Commonwealth that constitutes a violation of Virginia Code § 13.1-502(2);

(4) For a period of five (5) years from the date of this Settlement Order, Harry Hone will not apply for registration in any capacity under the Virginia Securities Act; and,

(5) Harry Hone will submit an affidavit, prior to the entry of this Settlement Order, confirming his representation that he is financially unable to pay a penalty and pay the cost of the Division's investigation; such affidavit will include a detailed explanation as to why funds or other resources are not available now, nor will be in the future, to pay a penalty and the cost of the investigation as described above.

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 Harry Hone fully comply with the aforesaid terms and undertakings of the settlement;

(3) That Harry Hone is permanently enjoined from any further conduct which constitutes a violation of Virginia Code § 13.1-502(2), § 13.1-504A or § 13.1-507;

(4) That for a period of five (5) years from the date of this Settlement Order, Harry Hone shall not apply for registration in any capacity under the Virginia Securities Act;

(5) That the affidavit described above be made part of this Order; and,

(6) That this case is dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC920065
SEPTEMBER 4, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
KENNETH W. MACKOVIC,
Defendant

FINAL ORDER AND JUDGMENT

THIS MATTER, instituted by Rule to Show Cause entered on June 23, 1992, was scheduled for hearing and was heard on September 2, 1992. At the hearing, the Division of Securities and Retail Franchising was represented by its counsel. The Defendant, Kenneth W. Mackovic, filed a written response to the Rule to Show Cause but did not appear in person or by counsel at the hearing.

The Commission, based upon the evidence, is of the opinion and finds:

(1) That an attested copy of the aforesaid Rule to Show Cause was duly served upon the Defendant as required by law;

(2) That the Defendant, having failed to appear at the hearing, is in default;

(3) That during a time period beginning in 1988 the Defendant, acting as an agent of The Great American Dream Company and T.V. Ventures, Inc., offered and sold in this Commonwealth in several transactions certain interests in a telemarketing business and a consumer goods business;

(4) That the agreements by which such interests were offered and sold constitute "investment contracts", as defined in Virginia Code § 13.1-501;

(5) That neither the agreements nor the Defendant has ever been registered under the Virginia Securities Act, Virginia Code §§ 13.1-501 et seq.;

(6) That the aforesaid activities constitute unlawful acts as set forth in Virginia Code §§ 13.1-504A and 13.1-507; and

(7) That the Defendant 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, Kenneth W. Mackovic 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 offering or selling any security in violation of Virginia Code § 13.1-507;

(2) That pursuant to Virginia Code § 13.1-521, Kenneth W. Mackovic be, and he hereby is, penalized in the amount of $30,000 and that the Commonwealth recover of and from the Defendant said amount with interest at 9% per year until paid; 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. SEC920067
JUNE 24, 1992

APPLICATION OF
MIDDLESEX COUNTY FARM BUREAU, INC.
(A NON-STOCK, 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 April 16, 1992, with exhibits attached thereto, of Middlesex County Farm Bureau, Inc. ("Middlesex"), requesting that the securities that Middlesex 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 Middlesex's officers and directors be exempted from the agent registration requirement of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Middlesex is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia to advance and improve 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; Middlesex intends to offer and sell Debenture Bonds maturing on July 1, 2007, bearing interest rate of 6.5% per annum in denominations of five hundred dollars ($500.00) or multiples thereof and in the aggregate amount of eighty thousand dollars ($80,000.00); and said securities are to be offered and sold by Middlesex's officers and directors who will not be compensated for their sales efforts.

THE COMMISSION, based on the facts asserted by Middlesex in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the officers and directors of Middlesex be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920068
JUNE 24, 1992

APPLICATION OF
ADVENTIST HEALTH SYSTEM-WEST, SAN JOAQUIN COMMUNITY HOSPITAL, CASTLE MEMORIAL MEDICAL CENTER, FEATHER RIVER HOSPITAL, GLENDALE ADVENTIST MEDICAL CENTER, HANFORD COMMUNITY HOSPITAL, TILLAMOOK COUNTY GENERAL HOSPITAL, PARADISE VALLEY HOSPITAL, ST. HELENA HOSPITAL AND HEALTH CENTER, SIMI VALLEY HOSPITAL AND HEALTHCARE SERVICES, SONORA COMMUNITY HOSPITAL, TEMPE COMMUNITY HOSPITAL, WALLA WALLA GENERAL HOSPITAL, PORTLAND ADVENTIST MEDICAL CENTER, UKIAH VALLEY MEDICAL CENTER AND WHITE MEMORIAL MEDICAL CENTER
(NOT FOR PROFIT 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 by counsel to the Managing Underwriters, upon written application, with exhibits attached thereto of Adventist Health System-West, San Joaquin Community Hospital, Castle Memorial Medical Center, Feather River Hospital, Glendale Adventist Medical Center, Hanford Community Hospital, Tillamook County General Hospital, Paradise Valley Hospital, St. Helena Hospital and Health Center, Simi Valley Hospital and Healthcare Services, Sonora Community Hospital, Tempe Community Hospital, Walla Walla General Hospital, Portland Adventist Medical Center, Ukiah Valley Medical Center and White Memorial Medical Center ("guarantors"), dated May 15, 1992, requesting a determination that the guarantee of payment of principal interest and premium due on the Hospital Facility Authority of Clackamas County, Oregon Insured Hospital Revenue Refunding Bonds is exempt from the registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5, Section 13.1-514.1.B).

BASED ON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: The guarantors are organized and operated not for private profit but exclusively for religious, benevolent and social purposes. The guarantors intend to offer and sell as a part of the Hospital Facility Authority of Clackamas County, Oregon Insured Hospital Revenue Refunding Bonds, a security, to wit: the guaranteed payment of principal and interest on the bonds described herein pursuant to a Master Indenture of Trust dated December 1, 1982 as supplemented and amended by post date May 15, 1992.

THE COMMISSION, based on the facts asserted by counsel to its Managing Underwriters in the written application and exhibits, is of the opinion and does hereby ADJUDGE AND ORDER that the offer and sale of such security shall be made to Virginia residents by broker-dealers registered in this Commonwealth and the security described above is exempt from the securities registration requirements of the Securities Act pursuant to the provisions of Code Section 13.1-514.1.B.

CASE NO. SEC920069
JUNE 25, 1992

APPLICATION OF
ALABAMA HIGHER EDUCATION LOAN CORPORATION
(A NON-PROFIT ALABAMA CORPORATION)

For an Order of Exemption under 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 Alabama Higher Education Loan Corporation ("A-HELC") dated June 3, 1992, requesting a determination that certain 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: A-HELC is a non-profit corporation organized under the laws of the State of Alabama exclusively for educational and charitable purposes. A-HELC intends to issue Student Loan Revenue Bonds, Series 1992-B in an approximate aggregate amount of thirty-five million dollars ($35,000,000.00) subject to various terms and conditions as are more fully described in the Preliminary Official Statement submitted with the written application.

THE COMMISSION, based on the facts asserted by A-HELC in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempt from the securities registration requirements of the Securities Act.

CASE NO. SEC920070
AUGUST 24, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
INVESTORS SECURITY COMPANY, INC.,
Defendant

ORDER ACCEPTING OFFER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, Investors Security Company, Inc., pursuant to § 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant, a broker-dealer so registered under the Virginia Securities Act, has, in violation of Rules 300, 302B.4, 303E.2, 304D.2 and 304A.2 as promulgated under the Act:

(1) Failed to notify the Commission of a Civil Action filed against Investors Security Company, Inc. which directly or indirectly relates to the registration or sale of securities, or which directly or indirectly relates to the registrant's activities as a broker-dealer or agent, or any other activity in which a breach of trust is alleged (Rule 300).

(2) Failed to preserve for a period of not less than three years, the most recent two years of which in an easily accessible place, originals of all communications received and copies of all communications sent by Defendant relating to its business as a broker-dealer (Rule 302B.4).

(3) Failed to periodically inspect each of its business offices to insure that the written procedures are enforced (Rule 303E.2).

(4) Failed to make and keep current a separate file for all complaints by customers and persons acting on behalf of customers (Rule 304D.2).

(5) Failed to make and keep current a record for each customer to whom Defendant, or any of its agents, has made any recommendations to purchase, sell or exchange any security, containing the customer's occupation, marital status, investment objectives, other information concerning the customer's financial situation and needs which the Defendant or the agent considered in making the recommendation, and the signature of the Defendant or agent who made the recommendation to the customer (Rule 304A.2).

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. Defendant will comply with Rules 300, 302B.4, 303E.2, 304D.2 and 304A.2 of the Commission's Rules promulgated under the Virginia Securities Act.

2. The Compliance Director or a qualified designate of Investors Security Company, Inc. will review continuously all account applications, new or updated, and will inspect all of Defendant's branch offices at least annually. For a period of six (6) months from the date of this Order, the Compliance Director or a qualified designate shall be responsible for the following:

   (a) Reviewing all account applications, whether new or updated, for clients residing in the Commonwealth to insure that they are completed and maintained in accordance with the Commission's Securities Act Rules.

   (b) Inspecting a minimum of thirty-five percent (35%) of Defendant's branch offices to insure that Defendant's written procedures are enforced.

   Within fourteen (14) days after the conclusion of the six (6) month period, the Compliance Director or his qualified designate shall submit a written report to the Division which shall include the number of applications reviewed during the period of review, the number in which required information was omitted or inaccurately stated, if any, and a listing of the branch office addresses with their corresponding agent(s) in which those applications were inspected.

3. Pursuant to Virginia Code Section 13.1-521, Defendant will pay a penalty to the Commonwealth in the amount of ten thousand dollars ($10,000.00), which will be tendered contemporaneously with the entry of this order.

4. Pursuant to Virginia Code Section 13.1-518, Defendant will pay to the Commission the sum of one thousand dollars ($1,000.00) 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 § 12.1-15.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, Defendants 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 § 13.1-521, Defendant shall pay a penalty to the Commonwealth in the amount of ten thousand dollars ($10,000.00) and the Commonwealth recover of and from Defendant said amount;

(4) That pursuant to Virginia Code Section 13.1-518, Defendant shall pay to the Commission to reimburse it for the costs of the investigation, the sum of one thousand dollars ($1,000.00);

(5) That the total sum of eleven thousand dollars ($11,000.00) tendered by Defendant contemporaneously with the entry of this order is accepted; and,

(6) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC920073
JULY 16, 1992

APPLICATION OF
KENTWOOD HEIGHTS 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 May 20, 1992, with exhibits attached thereto, as subsequently amended, of Kentwood Heights Baptist Church ("Kentwood"), 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 certain members of Kentwood be exempted from the agent registration requirements of the Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Kentwood is an unincorporated Virginia organization operating not for private profit but exclusively for religious, educational and charitable purposes; Kentwood intends to offer and sell First Deed of Trust Bonds in an approximate amount of $325,000.00 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 Kentwood 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 Kentwood in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempt from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempt from the agent registration requirements of said Act.

CASE NO. SEC920074
JULY 16, 1992

APPLICATION OF
CHIPPENHAM CHURCH OF CHRIST

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 8, 1992, with exhibits attached thereto, as subsequently amended, of Chippenham Church of Christ ("Chippenham"), 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 certain members of Chippenham be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Chippenham is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Chippenham 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 by a bond sales committee composed of members of Chippenham 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 Chippenham in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920075
JULY 16, 1992

APPLICATION OF
TIKVAT ISRAEL MESSIANIC CONGREGATION

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 July 14, 1992, with exhibits attached thereto of Tikvat Israel Messianic Congregation ("Tikvat"), 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 members of Tikvat be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Tikvat is a "Virginia church" within the meaning of Code Section 13.1-514.1.B and is organized and operated not for private profit but exclusively for religious purposes; Tikvat intends to offer and sell First Deed of Trust Bonds in an approximate amount of $250,000.00 on terms and conditions as more fully described in the application; said securities are to be offered and sold by Tikvat only to its membership, which securities are to be sold only by members of Tikvat's congregation who are Virginia residents, who will not receive remuneration or compensation directly or indirectly for their sales efforts, and who will make full, fair and effective disclosure to all potential bond purchasers.

THE COMMISSION, based on the facts asserted by Tikvat in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempt from the securities registration requirements of the Securities Act, and the members of the congregation who offer and sell the securities be, and they hereby are, exempt from the agent registration requirements of said Act.

CASE NO. SEC920078
JULY 22, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
CONSUMERS' BUYLINE, INC.,
Defendant

INTERIM ORDER

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, Consumers' Buyline, Inc., ("CBI") pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that CBI, in violation of Virginia Code §§ 13.1-504B and 13.1-507, offered for sale and sold, by and through unregistered agents, unregistered, non-exempt securities, to wit: investment contracts and/or interests in a program evidenced by membership in Consumers' Buyline, Inc. ("CBI") as defined in CBI's Membership Agreement coupled with status as an Affiliate, as defined in CBI's Affiliate Agreement, which status renders a person potentially eligible to receive commissions upon the sale of Memberships to others. CBI denies the allegations but admits the Commission's jurisdiction and authority to enter this Order.

Pending final resolution of the various factual and legal issues raised by the Division, CBI has voluntarily agreed to comply with the following terms and undertakings:

(1) That from and after the date hereof and until there has been a final disposition of this proceeding, CBI will only allow persons desiring to become members or Affiliates of CBI to become either a member or an Affiliate, but not both; and

(2) That CBI will not offer for sale or sell in Virginia, whether directly or indirectly, securities in violation of Virginia Code §§ 13.1-504B and 13.1-507.

NOW, THEREFORE, IT IS ORDERED:

(1) That, pursuant to the authority granted to the Commission in Virginia Code § 12.1-15, CBI's voluntary agreement is accepted;

(2) That CBI fully comply with the aforesaid terms and undertakings until further order of the Commission; and

(3) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC920080
JULY 21, 1992

APPLICATION OF
VIENNA 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 May 21, 1992, with exhibits attached thereto, as subsequently amended, of Vienna Baptist Church ("Vienna"), requesting that certain General 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 certain members of Vienna be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Vienna is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Vienna intends to offer and sell General Deed of Trust Bonds in an approximate aggregate amount of $1,150,000 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 Vienna 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 Vienna in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NOS. SEC920082 and SEC920083
AUGUST 3, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
WEDCO, INC.
and
WAYNE E. DODD,
Defendants

SETTLEMENT ORDER

The State Corporation Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendants, WEDCO, Inc. ("WEDCO") and Wayne E. Dodd ("Dodd"), 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, WEDCO employed an unregistered agent; (ii) in violation of Virginia Code § 13.1-507, WEDCO and Dodd offered for sale and sold unregistered securities, to wit: investment contracts and WEDCO Common Stock; and (iii) in violation of Virginia Code § 13.1-504A, Dodd transacted business in this Commonwealth as an unregistered agent for WEDCO. The Defendants neither admit nor deny these allegations, but admit the Commission's jurisdiction and authority to enter this Settlement Order.

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) WEDCO, 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;

(2) WEDCO, 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 exempt therefrom; and,

(3) Wayne E. Dodd will be permanently enjoined from any conduct which constitutes a violation of Virginia Code § 13.1-504A or § 13.1-507.

At the request of the Division, WEDCO, Inc. and Wayne E. Dodd submitted a joint affidavit to be made a part of this Settlement Order which confirms their representation that they are financially unable to make full restitution to the Virginia investor or pay a penalty and the costs of the investigation. The affidavit includes a detailed explanation as to why funds or other resources are not available now, nor will be in the future, to make full restitution or pay a penalty and the costs of the investigation.

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 Wayne E. Dodd is permanently enjoined from any further conduct which constitutes a violation of Virginia Code § 13.1-504A or § 13.1-507;

(4) That the affidavit described above be made a part of this Order; and

(5) That this case is dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC920084
AUGUST 17, 1992

APPLICATION OF
MOUNT VERNON PARK ASSOCIATION, INC.
(A NON-STOCK, NON-PROFIT VIRGINIA CORPORATION)

For an Order of Exemption pursuant to § 13.1-514.1.B of the Code of Virginia (1950)

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated June 8, 1992, with exhibits attached thereto, of Mount Vernon Park Association, Inc. ("Mount Vernon"), requesting that the securities that Mount Vernon 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 Mount Vernon's president, Barbara Phillips, be exempted from the agent registration requirement of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Mount Vernon is a non-stock Virginia corporation formed not for private profit to promote a recreational facility which maintains a playground and swimming pool that advances community, fraternal, social and athletic participation; Mount Vernon intends to offer and sell Debt Security Bonds (Certificates of Indebtedness) maturing on June 15, 2002, bearing an interest rate of 8.0% per annum in denominations of two hundred fifty dollars ($250.00) or multiples thereof and in the aggregate amount of one hundred thousand dollars ($100,000.00); and said securities are to be offered and sold by Barbara Phillips who will not be compensated for her sales efforts.

THE COMMISSION, based on the facts asserted by Mount Vernon in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempt from the securities registration requirements of the Securities Act and Barbara Phillips be, and she hereby is, exempt from the agent registration requirements of said Act.

CASE NO. SEC920088
AUGUST 14, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
MICHAEL ALLEN WHELCHEL,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, Michael Allen Whelchel, pursuant to Virginia Code Section 13.1-518. As a result of its investigation, the Division alleges:

(A) That Defendant, in violation of Section 13.1-504 A of the Virginia Securities Act, has transacted business in Virginia as an unregistered Investment Advisor Representative;

(B) That Defendant, in violation of Section 13.1-504 A of the Virginia Securities Act, has transacted business in Virginia as an unregistered Agent;

(C) That Defendant, in violation of Section 13.1-502 (1) of the Virginia Securities Act, employed a scheme or artifice to defraud investment advisory clients in the offer and sale of securities;

(D) That Defendant, in violation of Section 13.1-502 (2) of the Virginia Securities Act, obtained money from investment advisory clients by means of untrue statements or the omission to state a material fact;

(E) That Defendant, in violation of Section 13.1-503 A 2 of the Virginia Securities Act, engaged in a course of business which operated as a fraud or deceit upon investment advisory clients;

(F) That Defendant, in violation of Section 13.1-503 A 4 of the Virginia Securities Act, engaged in dishonest or unethical practices as defined by Rule 1206 B 2 of the Commission's Securities Act Rules by placing orders to purchase or sell securities for the accounts of clients without written authority to do so;

(G) That Defendant, in violation of Section 13.1-503 A 4 of the Virginia Securities Act, engaged in dishonest or unethical practices as defined by Rule 1206 B 6 of the Commission's Securities Act Rules by borrowing money and securities from clients;

(H) That Defendant, in violation of Section 13.1-503 A 4 of the Virginia Securities Act, engaged in dishonest or unethical practices as defined by Rule 1206 B 8 of the Commission's Securities Act Rules by misrepresenting to advisory clients his qualifications; and,

(I) That Defendant, in violation of Section 13.1-503 B of the Virginia Securities Act, in the solicitation of advisory clients omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

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 him, Defendant has offered and agrees to be permanently bound by the following terms and undertakings:

Defendant will not (a) apply to become registered in any capacity under the Virginia Securities Act and (b) engage in or from Virginia (i) in the offer or sale of any security whether registered under or exempted from registration by the Act or (ii) engage in any transaction exempted by 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 this case is dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC920091
AUGUST 17, 1992

APPLICATION OF
ADULT COMMUNITIES TOTAL SERVICES, INC.
(A NOT-FOR-PROFIT PENNSYLVANIA CORPORATION)

For an Order 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, Alex. Brown & Sons, Inc., dated July 23, 1992, as supplemented by letter dated August 11, 1992, requesting a determination that a guaranty to be issued as part of a bond offering by the Montgomery County (Pennsylvania) Higher Education and Health 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: Adult Communities Total Services, Inc. ("ACTS") is a not-for-profit corporation organized under the laws of the Commonwealth of Pennsylvania exclusively for religious, charitable and benevolent purposes; Brittany Pointe Estates, and ACTS Community, Inc. ("Brittany Pointe") is a not-for-profit corporation organized under the laws of the Commonwealth of Pennsylvania to develop, own and operate a continuing care retirement community to be known as Brittany Pointe Estates; ACTS intends to issue as part of the Montgomery County Higher Education and Health Authority Health Center Revenue Bonds (Brittany Pointe Project), Series of 1992, a security, to wit: a guaranty whereby ACTS is guaranteeing all of Brittany Pointe's obligations under a Loan and Security Agreement between Brittany Pointe and the Authority.

THE COMMISSION, based on 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 or sold in Virginia only by broker-dealers which are so registered under the Securities Act, or exempted therefrom.

CASE NO. SEC920094
OCTOBER 6, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
IDS FINANCIAL SERVICES, INC.,
Defendant

ORDER ACCEPTING OFFER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, IDS Financial Services, Inc., pursuant to Section 13.1-518 of the Code of Virginia.

As a result of its investigation, the Division alleges that Defendant, a broker-dealer registered under the Virginia Securities Act ("Act"), in violation of the Commission's Securities Act Rules 303B, 303D.2 and 303D.3 promulgated under Virginia Code Section 13.1-523:

(1) Failed to exercise diligent supervision over the securities activities of Doretha Yvonne Rivers and Keith Emerson Boyer, former registered representatives of IDS, between the period of July 28, 1986 and September 29, 1988 (Rule 303B); and

(2) During the aforesaid period, failed to establish, maintain or to enforce adequate written procedures designed to comply with the duties imposed by Rule 303, Supervision of Agents, pertaining to:

(i) the frequent examination of customer accounts to detect and prevent irregularities (Rule 303D.2); and

(ii) the prompt review and written approval by a designated supervisor of all securities transactions by agents and all correspondence pertaining to all securities transactions by agents (Rule 303D.3).

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) Defendant will pay a penalty to the Commonwealth in the amount of five thousand dollars ($5,000), which will be tendered contemporaneously with the entry of this order.

(2) Defendant will pay to the Commission the sum of twenty five hundred dollars ($2,500) as reimbursement for the costs of the Division's investigation.

(3) Defendant, within sixty (60) days of the date of this Order, will retain a certified public accounting firm to review and evaluate its current written policies, procedures and internal controls with respect to customer address changes, mutual fund redemption/annuity surrender requests, agent delivery of checks, drafts, etc. payable to customers, and to make recommendations, if deemed necessary, for the update and/or improvement of the internal controls and written procedures in these areas to ensure that they fulfill the supervisory obligations required by the Virginia Securities Act and Rules promulgated thereunder.

(4) Defendant, within one hundred eighty (180) days from the date of this Order, will provide to the Commission a copy of the certified public accounting firm's report which sets forth the results of the review and evaluation referred to in paragraph (3), above, and the recommendations, if any, for changes in the procedures covered by the review and evaluation.

(5) Defendant, within sixty (60) days from the date the report is filed with the Commission, will complete a review of the certified public accounting firm's report and will submit to the Commission a written response which (i) describes the results of the review and evaluation of the report and the recommendations, if any, for changes in the procedures covered by the review and evaluation, (ii) describes its response to such findings and recommendations and (iii) states that such procedures and revised procedures as found necessary by the certified public accounting firm will be maintained and enforced.

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 aforementioned terms and undertakings of the settlement;

(3) That pursuant to Virginia Code Section 13.1-521, Defendant shall pay a penalty to the Commonwealth in the amount of five thousand dollars ($5,000) and the Commonwealth recover of and from Defendant said amount;

(4) That pursuant to Virginia Code Section 13.1-518, Defendant shall pay to the Commission to reimburse it for the costs of the investigation, the sum of twenty five hundred dollars ($2,500);

(5) That the total sum of seven thousand five hundred ($7,500) tendered by Defendant contemporaneously with the entry of this order is accepted; and,

(6) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC920095
AUGUST 31, 1992

APPLICATION OF
CHRIST CHAPEL

For an Order of Exemption under § 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 May 6, 1992, with exhibits attached thereto, as subsequently amended, of Christ Chapel, requesting that certain unsecured Notes be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that certain members of Christ Chapel be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Christ Chapel is a "Virginia church" within the meaning of Code Section 13.1-514.1.B and is organized and operated not for private profit but exclusively for religious purposes; Christ Chapel intends to offer and sell unsecured Notes in an approximate amount of $1,000,000.00 on terms and conditions as more fully described in the application; said securities are to be offered and sold by Christ Chapel only to its membership, which securities are to be sold only by members of Christ Chapel's congregation who are Virginia residents, who will not receive remuneration or compensation directly or indirectly for their sales efforts, and who will make full, fair and effective disclosure to all potential note purchasers.

THE COMMISSION, based on the facts asserted by Christ Chapel in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempt from the securities registration requirements of the Securities Act, and the members of the congregation who offer and sell the securities be, and they hereby are, exempt from the agent registration requirements of said Act.

CASE NO. SEC920096
AUGUST 31, 1992

APPLICATION OF
VALLEY CHRISTIAN CENTER OF ROANOKE, VIRGINIA

For an Order of Exemption under § 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 June 30, 1992, with exhibits attached thereto, as subsequently amended, of Valley Christian Center of Roanoke, Virginia ("VCC"), 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 members of VCC be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: VCC is a "Virginia church" within the meaning of Code Section 13.1-514.1.B and is organized and operated not for private profit but exclusively for religious, charitable and educational purposes; VCC intends to offer and sell First Deed of Trust Bonds in an approximate amount of $450,000.00 on terms and conditions as more fully described in the application; said securities are to be offered and sold by VCC only to its membership, which securities are to be sold only by members of VCC's congregation who are Virginia residents, who will not receive remuneration or compensation directly or indirectly for their sales efforts, and who will make full, fair and effective disclosure to all potential bond purchasers.

THE COMMISSION, based on the facts asserted by VCC in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code Section 13.1-514.1.B, the securities described above be, and they hereby are, exempt from the securities registration requirements of the Securities Act, and the members of the congregation who offer and sell the securities be, and they hereby are, exempt from the agent registration requirements of said Act.

CASE NO. SEC920098
SEPTEMBER 10, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
NWQ INVESTMENT MANAGEMENT COMPANY,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of Defendant, NWQ Investment Management Company, 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 seventy eight thousand dollars ($78,000.00), which will be tendered contemporaneously with the entry of this order; and

3. Defendant will pay to the Commission the sum of two thousand dollars ($2,000.00) 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 seventy eight thousand dollars ($78,000.00) and that the Commonwealth recover of and from Defendant said amount;

(4) That Defendant shall pay to the Commission to reimburse it for the costs of the investigation, the sum of two thousand dollars ($2,000.00);

(5) That the sum of eighty thousand dollars ($80,000.00) tendered by Defendant contemporaneously with the entry of this order is accepted; and,

(6) That all issues raised in this matter concerning the Defendant's alleged violations of the Securities Act of Virginia be, and there hereby are, settled; 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 by, and it hereby is, dropped from the docket and the papers herein be placed in the file for ended causes.

CASE NO. SEC920099
SEPTEMBER 4, 1992

APPLICATION OF
GREENBRIER BAPTIST CHURCH

For an Order of Exemption under § 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 14, 1992, with exhibits attached thereto, as subsequently amended, of Greenbrier Baptist Church ("Greenbrier"), 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 certain members of Greenbrier be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Greenbrier is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Greenbrier intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $1,700,000 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 Greenbrier 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 Greenbrier in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920100
SEPTEMBER 4, 1992

APPLICATION OF
FLORIS UNITED METHODIST CHURCH

For an Order of Exemption under § 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 14, 1992, with exhibits attached thereto, as subsequently amended, of Floris United Methodist Church ("Floris"), 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 certain members of Floris be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Floris is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Floris intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $1,300,000 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 Floris 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 Floris in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920101
SEPTEMBER 10, 1992

APPLICATION OF
BEAR, STEARNS & CO. 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 of Bear, Stearns & Co. Inc. ("Applicant") filed under Va. Code § 13.1-525 by its counsel and upon payment of the requisite fee. The application requests a determination that the securities described below are exempted from the securities registration requirements of the Securities Act pursuant to Va. Code § 13.1-514 A 1. The pertinent information contained in the application is summarized as follows:

Applicant is the underwriter in connection with the proposed offer and sale of Participations evidencing proportionate interests in "base installment payments" to be paid by the State of Illinois acting by and through the Department of Central Management Services and certain of its other agencies, boards, commissions and departments ("Participations"). The proceeds from the sale of the Participations are to be used to finance the acquisition and improvement of real estate for use by various agencies, boards, commissions and departments of the State of Illinois. Under the Master Agreement, the State of Illinois is required to make periodic payments of the base installment payments in amounts sufficient to pay, when due, the principal and interest with respect to the Participations. First of America Bank - Springfield, N.A. will be the Fiscal Agent and will perform primarily ministerial functions such as executing, issuing and delivering the Participations and serving as a depository for the base installment payments and paying those amounts to the owners of the Participations.

It appears that, technically, the Fiscal Agent will be the issuer of the Participations; however, in terms of economic reality, it is the State of Illinois that will issue the securities. Therefore, the Commission, based on the information submitted by Applicant, is of the opinion and finds that the Participations are securities "issued . . . by . . . [a] state," Va. Code § 13.1-514 A 1; accordingly, it is

ORDERED that the securities heretofore described be, and they hereby are, exempted from the securities registration requirements of the Securities Act pursuant to Va. Code § 13.1-514 A 1.

CASE NO. SEC920103
SEPTEMBER 17, 1992

APPLICATION OF
CHILDREN'S HOSPITAL MEDICAL CENTER CORPORATION
(A NOT-FOR-PROFIT MASSACHUSETTS CORPORATION)

For an Order of Exemption pursuant to § 13.1-514.1.B of the Code of Virginia (1950)

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated August 27, 1992, with exhibits attached thereto, of Children's Hospital Medical Center Corporation ("CHMCC"), requesting that the securities that CHMCC proposes to issue be exempt 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: CHMCC is a not-for-profit corporation organized under the laws of the Commonwealth of Massachusetts exclusively for educational and benevolent purposes; CHMCC intends to offer and sell as part of the $100,450,000.00 Massachusetts Health and Educational Facilities Authority Revenue Bonds, Children's Hospital Issue, Series E, a guarantee of full and punctual payment on the bonds under terms and conditions as more fully described in the Preliminary Official Statement filed as a part of the application.

THE COMMISSION, based on the facts asserted by CHMCC 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 § 13.1-514.1.B and shall be offered and sold in Virginia only by broker-dealers and agents so registered under the Securities Act.

CASE NO. SEC920104
SEPTEMBER 22, 1992

APPLICATION OF
BETHLEHEM EVANGELICAL LUTHERAN CHURCH

For an Order of Exemption under § 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 July 28, 1992, with exhibits attached thereto, as subsequently amended, of Bethlehem Evangelical Lutheran Church ("Bethlehem"), 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 certain members of Bethlehem be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Bethlehem is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Bethlehem intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $412,000 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 Bethlehem 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 Bethlehem in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920107
SEPTEMBER 28, 1992

ARTMAN FOUNDATION AND ARTMAN
(NOT-FOR-PROFIT PENNSYLVANIA CORPORATIONS)

For an Order of Exemption pursuant to § 13.1-514.1.B of the Code of Virginia (1950)

ORDER OF EXEMPTION

THIS MATTER came on for consideration upon written application dated August 25, 1992, with exhibits attached thereto, of Artman Foundation and Artman ("AF&A"), requesting that the securities that AF&A proposes to issue be exempt 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: AF&A are not-for-profit corporations organized under the laws of the Commonwealth of Pennsylvania exclusively for educational, religious and charitable purposes; AF&A intends to offer and sell as part of the $12,835,000.00 Montgomery County Higher Education and Health Authority (Pennsylvania) Revenue Bonds, Series A of 1992 (Artman Lutheran Home Project), guarantees of full and prompt payment of the principal or redemption price of and interest on the bonds under terms and conditions as more fully described in the Preliminary Official Statement filed as a part of the application.

THE COMMISSION, based on the facts asserted by AF&A 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 § 13.1-514.1.B and shall be offered and sold in Virginia only by broker-dealers and agents so registered under the Securities Act.

CASE NO. SEC920108
OCTOBER 5, 1992

APPLICATION OF
MERCY HOSPITAL OF JANESVILLE, WISCONSIN, INC.
(A NOT-FOR-PROFIT WISCONSIN CORPORATION)

For an Order 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, by counsel to the underwriter, Ziegler Securities, a division of B. C. Ziegler and Company, dated September 15, 1992, requesting a determination that a guaranty to be issued as part of a bond offering by the Wisconsin Health and Educational Facilities 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 § 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Mercy Hospital of Janesville, Wisconsin, Inc. ("Mercy") is a not-for-profit corporation organized under the laws of the State of Wisconsin exclusively for charitable purposes; Mercy intends to issue as part of the Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 1992 (Mercy Hospital of Janesville, Wisconsin, Inc. Project) (the "Series 1992 Bonds"), a security, to wit: a guaranty of the principal, premium and interest on the Series 1992 Bonds as evidenced by an amended and supplemented Master Trust Indenture dated as of May 1, 1990, as further amended and supplemented by a Fourth Supplemental Master Trust Indenture dated as of September 1, 1992.

THE COMMISSION, based on 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 § 13.1-514.1.B and shall be offered or sold in Virginia only by broker-dealers which are so registered under the Securities Act, or exempted therefrom.

CASE NO. SEC920110
OCTOBER 13, 1992

APPLICATION OF
PENDER UNITED METHODIST CHURCH

For an Order of Exemption under § 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 24, 1992, with exhibits attached thereto, as subsequently amended, of Pender United Methodist Church ("Pender"), requesting that certain General 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 certain members of Pender be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Pender is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Pender intends to offer and sell General Deed of Trust 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; said securities are to be offered and sold by a bond sales committee composed of members of Pender 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 Pender in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920112
DECEMBER 11, 1992

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 October 28, 1992, the National Association of Securities Dealers, Inc. ("NASD") mailed notice to interested persons of proposed changes ("Proposals") to Securities Act Rule 504, the rule which establishes the NASDAQ/National Market System Exemption under the Securities Act (Va. Code § 13.1-501 et seq.). The notice included a summary of the Proposals, an invitation to submit written comments in regard to the Proposals, and information about obtaining copies of, as well as requesting a hearing on, the Proposals. In addition, the notice and the text of the Proposals were published in "The Virginia Register of Regulations," Volume 9, Issue 3, November 2, 1992, pp. 383-87. One person filed comments; no one requested an opportunity to be heard.

The Commission, upon consideration of the Proposals, the comments filed and the recommendations of its Division of Securities and Retail Franchising, is of the opinion and finds that the Proposals should be adopted as proposed; it is, therefore,

ORDERED that the Proposals 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 December 15, 1992.

NOTE: A copy of the Regulation entitled "Securities Act Rule 504" 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. SEC920117
NOVEMBER 5, 1992

APPLICATION OF
GIFT OF LIFE CHURCH OF GOD

For an Order of Exemption under § 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 July 6, 1992, with exhibits attached thereto, as subsequently amended, of Gift of Life Church of God ("Gift of 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 certain members of Gift of Life be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Gift of Life is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Gift of Life intends to offer and sell First Deed of Trust Bonds in an approximate aggregate 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 Gift of 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 Gift of Life in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920118
NOVEMBER 6, 1992

APPLICATION OF
GRACE BIBLE CHURCH OF CHESAPEAKE, VIRGINIA

For an Order of Exemption under § 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 2, 1992, with exhibits attached thereto, as subsequently amended, of Grace Bible Church of Chesapeake, Virginia ("Grace Bible Church"), requesting that certain bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that certain members of Grace Bible Church be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Grace Bible Church is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Grace Bible Church intends to offer and sell First Deed of Trust Bonds, Series 1992-A, in an approximate aggregate amount of $125,000 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 Grace Bible Church who will not be compensated for their sales efforts.

THE COMMISSION, based on the facts asserted by Grace Bible Church in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920122
NOVEMBER 16, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
V.
MICHAEL J. KEHL,
Defendant

ORDER ACCEPTING OFFER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, Michael J. Kehl, pursuant to Virginia Code § 13.1-518.

As a result of its investigation, the Division alleges that the Defendant (i) in violation of Virginia Code § 13.1-507, offered for sale and sold unregistered, non-exempt securities, to wit: the common stock of Chesapeake Bay Spice Co., Inc., (ii) in violation of Virginia Code § 13.1-504A, transacted business in the Commonwealth as an unregistered agent for Chesapeake Bay Spice Co., Inc. and (iii) in violation of Virginia Code § 13.1-502(3), engaged in a course of business which operated as a fraud or deceit upon the investors, and purported stockholders of Chesapeake Bay Spice Co., Inc. by having Chesapeake Bay Spice Co., Inc. issue to him, prior to issuing shares to other stockholders, 25,000 shares of Chesapeake Bay Spice Co., Inc. common stock at a time when the corporation was authorized to issue only 25,000 shares of stock. 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 allegation made against him, the Defendant has offered the following terms and undertakings:

(1) Michael J. Kehl will be permanently enjoined from offering for sale or selling in this Commonwealth, whether indirectly or directly, any security in violation of Virginia Code § 13.1-502 or any security that is not registered under the Virginia Securities Act or exempted therefrom;

(2) Michael J. Kehl will be permanently enjoined from transacting business in this Commonwealth as an agent in violation of Virginia Code § 13.1-504A; and

(3) Michael J. Kehl, having represented to the Divison of Securities that he is currently financially unable to pay a penalty of five thousand dollars ($5,000) and to pay the sum of one thousand five hundred dollars ($1,500), to defray the cost of the investigation, with the execution of this Order Accepting Offer of Settlement, will pay such amounts within sixty days (60) from the date of said order.

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 § 13.1-519, Michael J. Kehl is permanently enjoined from violating the provisions of Virginia Code § 13.1-502, § 13.1-504 or § 13.1-507;

(4) That pursuant to Virginia Code § 13.1-521, Michael J. Kehl pay to this Commonwealth a penalty in the amount of five thousand dollars ($5,000) and that pursuant to Virginia Code § 13.1-518, Michael J. Kehl pay to the Commission the sum of one thousand five hundred dollars ($1,500) to defray the cost of the investigation, and that the Commonwealth of Virginia recover of and from the Defendant, said amounts;

(5) That within sixty (60) days from the date of this Order Accepting Offer of Settlement, Michael J. Kehl pay to the Commonwealth the sum of five thousand dollars ($5,000) and pay to the Commission the sum of one thousand five hundred dollars ($1,500); and

(6) That the Commission shall retain jurisdiction in this matter for all purposes.

CASE NO. SEC920124
NOVEMBER 16, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
V.
THE FINANCIAL GROUP OF VIRGINIA, INC.,
Defendant

ORDER OF SETTLEMENT

The Commission's Division of Securities and Retail Franchising has instituted an investigation of the Defendant, The Financial Group of Virginia, Inc. ("FGV"), 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 made against it, the Defendant has offered the following terms and undertakings:

(1) Pursuant to Virginia Code § 13.1-519, FGV will be permanently enjoined from transacting business in this Commonwealth as an Investment Advisor unless so registered under the Virginia Securities Act; provided, however, that the permanent injunction will automatically be vacated if the Defendant becomes registered under the Act as an Investment Advisor within six months from the date of this Order; and

(2) FGV, pursuant to Virginia Code § 13.1-521, will pay to the Commonwealth a penalty in the amount of five thousand dollars ($5,000) and pursuant to Virginia Code § 13.1-818, will pay to the Commission the sum of one thousand two hundred dollars ($1,200) to defray the cost 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, FGV pay to the Commonwealth a penalty in the amount of five thousand dollars ($5,000) and that pursuant to Virginia Code § 13.1-518, FGV pay to the Commission the sum of one thousand two hundred dollars ($1,200) 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 one thousand two hundred dollars ($1,200) tendered by FGV contemporaneously with the entry of this Order of Settlement are accepted; and

(5) That this Order shall not be used or form the sole basis for any other Commission proceeding, whether judicial, quasi-judicial or administrative, including but not limited to any proceeding to deny any application for registration as an Investment Advisor which may be filed under the Virginia Securities Act by The Financial Group of Virginia, Inc.

(6) That any future investigation or proceeding by the Commission for alleged violations of Virginia Code § 13.1-504 shall be with respect to acts and occurrences after the date of this Order of Settlement.

(7) That this matter be dismissed and the papers herein be placed in the file for ended causes.

CASE NO. SEC920126
NOVEMBER 18, 1992

APPLICATION OF
DELAWARE COUNTY AUTHORITY,
UNIVERSITY REVENUE BONDS, SERIES OF 1992
(VILLANOVA UNIVERSITY) (THE "1992 BONDS")
(A NOT-FOR-PROFIT PENNSYLVANIA CORPORATION)

For an Order 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, by counsel, dated August 26, 1992, requesting a determination that a guaranty to be issued as part of a bond offering by the Delaware County 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 § 13.1-514.1.B.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Villanova University ("Villanova") is a not-for-profit corporation organized under the laws of the State of Pennsylvania exclusively for educational purposes; Villanova intends to issue as part of the Delaware County Authority, University Revenue Bonds, Series of 1992 (Villanova University) ("1992 Bonds"), a security, to wit: a guaranty of the principal, premium and interest on the Series 1992 Bonds as evidenced by a Third Supplemental Lease and Third Supplemental Sublease dated as of August 15, 1992.

THE COMMISSION, based on 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 § 13.1-514.1.B and shall be offered or sold in Virginia only by broker-dealers which are so registered under the Securities Act, or exempted therefrom.

CASE NO. SEC920127
NOVEMBER 19, 1992

APPLICATION OF
GRACE BAPTIST CHURCH

For an Order of Exemption under § 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, 1992, with exhibits attached thereto, as subsequently amended, of Grace Baptist Church ("Grace"), 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 certain members of Grace be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Grace is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Grace intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $850,000 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 Grace 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 Grace in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920132
DECEMBER 1, 1992

APPLICATION OF
METROPOLITAN COMMUNITY CHURCH OF RICHMOND

For an Order of Exemption under § 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 6, 1992, with exhibits attached thereto, as subsequently amended, of Metropolitan Community Church of Richmond ("Metropolitan"), requesting that certain bonds be exempted from the securities registration requirements of the Securities Act (Code of Virginia (1950), Title 13.1, Chapter 5) and that certain members of Metropolitan be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Metropolitan is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Metropolitan intends to offer and sell First Deed of Trust Bonds, Series 1992-A and General (Second) Deed of Trust Bonds, Series 1992-B, in an approximate aggregate amount of $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 Metropolitan 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 Metropolitan in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920133
DECEMBER 7, 1992

APPLICATION OF
COMMUNITY TABERNACLE ASSEMBLY OF GOD CHURCH

For an Order of Exemption under § 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 27, 1992, with exhibits attached thereto, as subsequently amended, of Community Tabernacle Assembly of God Church ("Community"), 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 certain members of Community be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Community is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Community intends to offer and sell First Deed of Trust Bonds in an approximate aggregate 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 Community 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 Community in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920134
DECEMBER 21, 1992

APPLICATION OF
COMMUNITY OF FAITH UNITED METHODIST CHURCH

For an Order of Exemption under § 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 3, 1992, with exhibits attached thereto, as subsequently amended, of Community of Faith United Methodist Church ("Community"), 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 certain members of Community be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Community is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Community intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $500,000 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 Community 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 Community in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1-514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond sales committee be, and they hereby are, exempted from the agent registration requirements of said Act.

CASE NO. SEC920136
DECEMBER 30, 1992

APPLICATION OF
NORTHSIDE CHURCH OF CHRIST

For an Order of Exemption under § 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 30, 1992, with exhibits attached thereto, as subsequently amended, of Northside Church of Christ ("Northside"), 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 certain members of Northside be exempted from the agent registration requirements of said Act.

BASED UPON THE INFORMATION submitted, the following facts, in addition to others not enumerated herein, appear to exist: Northside is an unincorporated Virginia organization operating not for private profit but exclusively for religious purposes; Northside intends to offer and sell First Deed of Trust Bonds in an approximate aggregate amount of $320,000 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 committee composed of members of Northside 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 Northside in the written application and exhibits, is of the opinion and finds, and does hereby ADJUDGE AND ORDER that, pursuant to the provisions of Code § 13.1.514.1.B, the securities described above be, and they hereby are, exempted from the securities registration requirements of the Securities Act and the members of the bond committee be, and they hereby are, exempted from the agent registration requirements of said Act.

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 1991 and 1992.

VIRGINIA CORPORATIONS

	1991	1992
Certificates of Incorporation issued	16,791	16,936
Corporations voluntarily terminated	883	1,090
Corporations involuntarily terminated	1,215	177
Corporations automatically terminated	12,706	14,501
Reinstatements of terminated corporations	1,548	1,831
Charters amended	2,758	2,801
Active Stock Corporations	114,780	116,659
Active Non-Stock Corporations	20,483	21,285
Total Active Virginia Corporations	135,263	137,944

FOREIGN CORPORATIONS

Certificates of Authority to do business in Virginia issued	3,248	3,346
Voluntary withdrawals from Virginia	331	451
Certificates of Authority automatically revoked	2,022	2,599
Certificates of Authority involuntarily revoked	3	33
Reentry of corporations with surrendered or revoked certificates	310	433
Charters amended	922	978
Active Stock Corporations	24,563	24,961
Active Non-Stock Corporations	1,418	1,478
Total Active Foreign Corporations	25,981	26,439
Total Active (Foreign and Domestic) Corporations	161,244	164,383

LIMITED PARTNERSHIPS

Limited Partnership Certificates filed	1,101	1,288
Limited Partnership Certificates amended	1,610	1,594
Limited Partnership Certificates cancelled	222	328
Total active Limited Partnerships	7,345	8,305

LIMITED LIABILITY COMPANIES

Articles of Organization filed	142	690
Articles of Organization Amended	5	53
Articles of Organization Cancelled	1	9
Total Active Limited Liability Companies	141	833

MOTOR CARRIER DIVISION

BROKERS' LICENSES ISSUED DURING 1992

Name	Location	Certificate Number
Frederick L. Hunter	Madison Heights, Virginia	B-145
Sterling Event Planners of Williamsburg, Inc.	Williamsburg, Virginia	B-144
Betty N. Elliott, t/a Get Away Tours	Nelson, Virginia	B-143
Randall B. Gresham, t/a Gresham's Tours & Travel	Richmond, Virginia	B-141
P.D.Q. II, Inc., t/a Cardinal Touring Associates	Norfolk, Virginia	B-140
Uni-Ameri-Can, Ltd.	Virginia Beach, Virginia	B-139

BTS Brokers, Inc.	Charlottesville, Virginia	B-138

COMMON CARRIERS OF FREIGHT

Certificates of Public Convenience and Necessity issued during 1992

Name	Location	Certificate Number
Huss, Incorporated	Chase City, Virginia	F-1010

COMMON CARRIERS OF PASSENGERS BY MOTOR VEHICLE

Certificates of Public Convenience and Necessity issued during 1992

Name	Location	Certificate Number
National Coach Works, Inc. of Virginia	Fredericksburg, Virginia	P-2595
Charles W. Cumbow, Jr., t/a Roadrunner Chauffeur Service	Bristol, Virginia	P-2594
Melvin K. Fox, d/b/a Urban Transportation of Virginia	Williamsburg, Virginia	P-2593

EXECUTIVE SEDAN CERTIFICATES 1992

Certificates of Public Convenience and Necessity issued during 1991

Name	Location	Certificate Number
Umar Hayat and Azhar Iqbal, t/a Prime Executive Service	Falls Church, Virginia	XS-73
Safeside Services, Ltd.	Falls Church, Virginia	XS-72
Mohamed Ousri	Arlington, Virginia	XS-71
Martin Thomas McLaughlin, Inc.	Arlington, Virginia	XS-70
Leah W. Powell, t/a Dynasty Sedans	Falls Church, Virginia	XS-69
DMV Limousine, Inc.	Centreville, Virginia	XS-68
First Limousine Service of Virginia, Inc.	Alexandria, Virginia	XS-67
Brenda B. Lindsey	Mechanicsville, Virginia	XS-65
Continental Sedan, Inc.	Vienna, Virginia	XS-64
Zulkernain M. Bhatti	Arlington, Virginia	XS-63
Carey Limousine D.C. Inc.	Arlington, Virginia	XS-62
Khalid Bakrim	Arlington, Virginia	XS-61
Michael H. Walta, t/a Luxury Limousine Service	Richmond, Virginia	XS-58
Three G Enterprises, Inc.	Richmond, Virginia	XS-57
Amer R. Jahangiri, t/a Washington Airport Services	Arlington, Virginia	XS-56
Theodore Henry Brown	Arlington, Virginia	XS-55
Rocco J. Deleonardis	Annandale, Virginia	XS-54
Hooshang Omidapanah	Arlington, Virginia	XS-53
Francis T. Brown, t/a Cartier Limousine and Airport Transportation	Roanoke, Virginia	XS-52
Madison Limousine Service, Inc.	Arlington, Virginia	XS-51
Ira C., Inc.	Woodbridge, Virginia	XS-50
James E. Huseby, t/a Corporate Sedan Service	Richmond, Virginia	XS-49
Magdy Ouda	Falls Church, Virginia	XS-48
Charles W. Cumbow, Jr., t/a Roadrunner Chauffeur Service	Bristol, Virginia	XS-47
Steven Cam Arbogast	Broadway, Virginia	XS-45
Jerome Falkenstein	Herndon, Virginia	XS-44
Corporate Car Service, Inc.	Falls Church, Virginia	XS-43
Black and White Cars, Inc.	Norfolk, Virginia	XS-42
A-1 Limousine Service, Inc.	Falls Church, Virginia	XS-41
Checker Cab Company, Inc.	Norfolk, Virginia	XS-40
Gary A. Baker, t/a Landmark Limousine	Arlington, Virginia	XS-39
Executive Limousine Service, Inc.	Winchester, Virginia	XS-38
Executive E.T. Transportation, Inc.	McLean, Virginia	XS-37
Robert Lee Price	Arlington, Virginia	XS-36
Charles L. Coon	Bluemont, Virginia	XS-35
Warren G. Anderson	Centreville, Virginia	XS-34
Executive Car Service, Inc.	Alexandria, Virginia	XS-33
Nasser R. Abu-Rish	Arlington, Virginia	XS-32
Admiral Limousine Transportation Service, Inc.	Alexandria, Virginia	XS-31
Executive Livery, Ltd.	Arlington, Virginia	XS-30
Execucar Luxury Sedan Service	Arlington, Virginia	XS-29
Renaissance Limousine Service, Inc.	Sterling, Virginia	XS-28

HOUSEHOLD GOODS CARRIERS

Certificates of Public Convenience and Necessity issued 1992

Name	Location	Certificate Number
Piedmont Moving Systems, Inc.	Madison, Virginia	HG-476
Crossroads Moving & Storage, Inc.	Woodbridge, Virginia	HG-475
Kidner Transport, Inc.	Sterling, Virginia	HG-474
Sterling Van Lines, Inc.	Sterling, Virginia	HG-473

LIMOUSINES CARRIERS

Certificates of Public Convenience and Necessity issued during 1992

Name	Location	Certificate Number
Protocol Limousine, Inc.	Temple Hills, Maryland	LM-244
Around Town Limousine Service, Inc.	Roanoke, Virginia	LM-243
Steven Cam Arbogast	Broadway, Virginia	LM-242
Marvin Howell, t/a Howell Limousine Service	Arlington, Virginia	LM-241
Baker Funeral Home, Inc., t/a Manassas Limousine Service	Manassas, Virginia	LM-240
Limo Scene, Inc.	Upper Marlboro, Maryland	LM-239
Bancmarc Transportation Incorporated	Richmond, Virginia	LM-238
Samir G. Baramki	Staunton, Virginia	LM-237
Royal Limousine, Inc.	Virginia Beach, Virginia	LM-236
Austin Limousines, Inc.	Woodbridge, Virginia	LM-235
James Sutton	Richmond, Virginia	LM-234
Alberto Reinaldo, t/a After Hours Limousine Service	Arlington, Virginia	LM-233
Adventure Limousine Service, Ltd.	Springfield, Virginia	LM-232
Ground Transportation Specialists, Inc.	Chesapeake, Virginia	LM-231
Blue Ridge Limo, Inc.	Marshall, Virginia	LM-230
Carey Limousine D.C., Inc.	Arlington, Virginia	LM-229
University Limousines, Inc.	Lynchburg, Virginia	LM-228
Neena G. Winn	Dunn Loring, Virginia	LM-227
Golden Touch Limousine Service, Inc.	Alexandria, Virginia	LM-226
James H. Beverly, V, t/a Beverly Hills Limo: 90210	King George, Virginia	LM-225
Phillip T. Powell	Hampton, Virginia	LM-224
P & B Limousines, Incorporated	Manassas, Virginia	LM-223
Elvin M. Hudnall	Richmond, Virginia	LM-222
L P R, Inc.	Virginia Beach, Virginia	LM-221
Michael D. Boswell, d/b/a B T C Limousine, Service	Louisa, Virginia	LM-220
Buffington, Buffington, Buffington, Powell & Buffington, Inc.	Woodbridge, Virginia	LM-219
Stevan Marish, Jr.	Fairfax, Virginia	LM-218
Noel Espina	Springfield, Virginia	LM-217
Corporate Car Service, Inc.	Falls Church, Virginia	LM-216
American Dream Limousine Service, Inc.	Springfield, Virginia	LM-215
Lisa Kathleen Doucette, t/a 'Limousines By Rendezvous'	Colonial Heights, Virginia	LM-214
MAS Services, Inc., t/a Mas Limousine	Virginia Beach, Virginia	LM-213
David W. Clewis, t/a Cerro Gordo Limousine Service	Alexandria, Virginia	LM-212
Reston Limousine and Travel Service, Inc.	Reston, Virginia	LM-211
Vicar Limousine Service, Inc.	Arlington, Virginia	LM-210
Richmond Coach Service, Inc.	Richmond, Virginia	LM-209
Professional Limo Service, Inc.	Waynesboro, Virginia	LM-208
Michael L. Boykin, t/a A Simple Limo	Richmond, Virginia	LM-206
R. Neill Jefferson, t/a Blue Ridge Limousine and Tour Service	Arlington, Virginia	LM-205
Christopher D. Baker	Fairfax, Virginia	LM-204
Wheeling Limousine, Inc.	McLean, Virginia	LM-203
JST Enterprises, Inc.	Midlothian, Virginia	LM-202
Express Carwash of Charlottesville, L.P.	Charlottesville, Virginia	LM-201
Boutros H. Chamoun	Roanoke, Virginia	LM-200
William Bush	Annandale, Virginia	LM-199
Cardinal Limousine & Tour Services, Inc.	Arlington, Virginia	LM-198
Julius William Garrett, Jr.	Halifax, Virginia	LM-197
First Limousine Service of Virginia Inc.	Alexandria, Virginia	LM-196
Charles M. Ricks, Jr., t/a Classic Limousine	Richmond, Virginia	LM-195
Arnell's Limousine Service, Inc.	Hampton, Virginia	LM-194
Sun-Ad Limited	Kilmarnock, Virginia	LM-193
Exclusive Limousine Service, Inc.	Forestville, Maryland	LM-192
Grant's World Class Limousine Service, Inc.	Centreville, Virginia	LM-187

Admiral Limousine Transportation Service, Inc.	Alexandria, Virginia	LM-186
Butler Limousine Service, Inc.	Alexandria, Virginia	LM-184
George H. Trammell, Jr.	Sterling, Virginia	LM-179
Ski Travel Associates of Virginia, Inc., t/a Preferred Limousine	Springfield, Virginia	LM-175
Kelly A. Carlisle, t/a Blue Chip Limousine	Virginia Beach, Virginia	LM-158

PETROLEUM TANK TRUCK CARRIERS

Certificates of Public Convenience and Necessity issued during 1992

Name	Location	Certificate Number
Foster Fuels, Inc.	Brookneal, Virginia	K-139
Puryear Trucking Inc. of VA	Montvale, Virginia	K-138
Atkinson Tank Lines, Inc.	Montvale, Virginia	K-137

SIGHT-SEEING CARRIERS BY MOTOR VEHICLE

Certificates of Public Convenience and Necessity issued during 1992

Name	Location	Certificate Number
Tidewater Touring, Inc.	Suffolk, Virginia	S-56

SIGHT-SEEING AND CHARTER PARTY CARRIERS BY BOAT

Certificates of Public Convenience and Necessity issued during 1992

Name	Location	Certificate Number
Spirit Marine Co.	Norfolk, Virginia	SS-W-45

SPECIAL OR CHARTER PARTY CARRIERS

Certificates of Public Convenience and Necessity issued during 1992

Name	Location	Certificate Number
Tidewater Touring, Inc.	Suffolk, Virginia	B-403
Tidewater Touring, Inc.	Suffolk, Virginia	B-402
Behind The Scenes, Inc.	Charlottesville, Virginia	B-401

COMPARISON OF REVENUES DEPOSITED BY THE CLERK'S OFFICE FOR THE FISCAL YEARS ENDING JUNE 30, 1991 AND JUNE 30, 1992

General Fund	1991	1992	Difference
Security Registration Fee	$10,075.00	$11,125.00	+$1,050.00
Charter Fees	1,131,851.60	1,144,855.60	+13,004.00
Entrance Fees	942,582.40	1,042,217.40	+99,635.00
Filing Fees	705,915.00	709,314.00	+3,399.00
Registered Name	2,356.00	1,829.00	-527.00
Registered Office and Agent	184,580.00	180,160.00	-4,420.00
Service of Process	37,080.00	34,320.00	-2,760.00
Copy & Recording Fees	271,742.99	258,963.52	-12,779.47
Annual Report Publication	2,251.00	2,392.45	+141.45
Uniform Commercial Code Revenues	863,400.00	850,173.72	-13,226.28
TOTAL	$4,151,833.99	$4,235,350.60	+$83,516.70
Special Fund			
Domestic-Foreign	$12,822,516.76	$12,841,419.16	+$18,902.40
Limited Partnership Registration Fee	272,763.35	294,475.00	+21,711.65
Reserved Name - Limited Partnership	26,700.00	36,845.00	+10,145.00
Certificate Limited Partnership	95,560.00	92,310.00	-3,250.00

Application Reg. Foreign L. P.	15,000.00	16,700.00	+1,700.00
Art of Org Dom. LLC	.00	35,501.00	+35,501.00
AJD, CANC, CORR, RAC, Etc. LLC	.00	630.00	+630.00
SCC Bad Check Fee	4,231.13	5,444.50	+1,213.37
Interest on Del. Tax	11.84	1.50	-10.34
Penalty on Non-Pay Taxes by Due Date	382,622.20	349,503.39	-33,118.81
Miscellaneous Revenue	3,780.67	158,817.22	+155,036.55
TOTAL	$13,623,185.95	$13,831,646.77	+$208,460.82
Valuation Fund			
Recovery of Copy & Cert. Fee	$.00	$386.50	+$386.50
Recovery of Prior year Expenses	63.00	70,807.00	+70,744.00
TOTAL	$63.00	$71,193.50	+$71,130.50
Motor Carrier Special Fund			
SCC Bad Chk. Fee	$.00	$15.00	+$15.00
Recovery of Prior Year Expenses	245.00	10.00	-235.00
TOTAL	$245.00	$25.00	-$220.00
Trust & Agency Fund			
Fines Imposed by SCC	$.00	$395,500.00	+$395,500.00
TOTAL	$.00	$395,500.00	+$395,500.00
Federal Funds			
Receipt of Agency Indirect Cost of Grant/Contract Administration	$.00	$40,542.39	+$40,542.39
Gas Pipeline Safety	850.00	189,404.05	+188,554.05
TOTAL	$850.00	$229,946.44	+$229,096.44
GRAND TOTAL	$17,776,177.94	$18,763,662.31	+$987,484.37

COMPARISON OF FEES COLLECTED BY THE BUREAU OF FINANCIAL INSTITUTIONS FOR FISCAL YEARS ENDING JUNE 30, 1991 AND 1992

	1990/91	1991/92
Banks	$5,125,297	$5,392,902
Savings Institutions	522,328	227,496
Consumer Finance Licensees	889,153	863,797
Credit Unions	385,260	421,083
Trust Subsidiaries	52,375	61,969
Industrial Loan Associations	34,535	25,696
Money Order Sellers Licensees	4,800	4,950
Debt Counseling Agency Licensees	3,600	4,200
Mortgage Lenders and Brokers	606,776	610,213
Miscellaneous Collections	17,685	9,827
TOTAL	$7,641,809	$7,622,133

COMPARISON OF FEES AND TAXES COLLECTED BY THE BUREAU OF INSURANCE FOR THE FISCAL YEARS ENDING JUNE 30, 1991 AND JUNE 30, 1992

Kind	1991	1992	Increase or (Decrease)
General Fund			
Gross Premium Taxes of Insurance Companies	$157,676,880.00	$174,768,942.00	($17,092,062.00)
Fraternal Benefit Societies Licenses	580.00	520.00	(60.00)
Hospital, Medical and Surgical Plans & Salesmen's Licenses	28,010.00	61,430.00	33,420.00
Interest on Delinquent Taxes	10,029.00	14,999.00	4,970.00
Penalty on non-payment of taxes by due date	202,834.00	234,270.00	31,436.00

Special Fund			
Company License Application Fee	29,500.00	18,500.00	(11,000.00)
Prepaid Legal Service License Fee	0.00	0.00	0.00
Health Maintenance Organization License Fee	0.00	1,000.00	1,000.00
Automobile Club/Agent Licenses	7,732.00	8,670.00	938.00
Insurance Premium Finance Companies Licenses	14,700.00	13,200.00	(1,500.00)
Agents Appointment Fees	4,798,923.00	4,903,763.00	104,840.00
Surplus Lines Broker Licenses	12,700.00	13,850.00	1,150.00
Agents License Application Fees	221,400.00	224,505.00	3,105.00
Recording, Copying, and Certifying Public Records Fee	8,185.00	20,556.00	12,371.00
Assessments To Insurance Companies for Maintenance of the Bureau of Insurance	7,319,683.00	7,485,088.00	165,405.00
Miscellaneous Revenues	0.00	10,368.00	10,368.00
Recovery of Prior Year Expenses	141,500.00	19,339.00	(122,161.00)
Fire Programs Fund	8,319,703.00	8,226,218.00	(93,485.00)
Licensing P&C Consultants	29,900.00	34,650.00	4,750.00
SCC Bad Check Fee	175.00	50.00	(125.00)
Fines imposed by State Corporation Commission	500,900.00	634,897.00	133,997.00
Private Reveiw Agents	2,500.00	31,000.00	28,500.00
Flood Assessment Fund	86,308.00	72,159.00	(14,149.00)
Heat Assessment Fund	0.00	657,233.00	657,233.00
TOTAL	$179,412,142.00	$197,455,207.00	$18,043,065.00

COMPARISON OF FEES AND TAXES COLLECTED FROM MOTOR VEHICLE CARRIERS FOR THE YEARS ENDING DECEMBER 31, 1991 AND DECEMBER 31, 1992

Kind	1992	1991	Increase or (Decrease)
Motor Fuel Road Tax	$25,023,787.69	$27,778,607.30	-2,754,819.61
Registration Fees	7,185,115.00	7,179,546.60	+5,568.40
TOTAL	$32,208,902.69	$34,958,153.90	-2,749,251.21

COMPARISON OF ASSESSMENT OF PUBLIC SERVICE CORPORATIONS FOR THE YEARS 1991 AND 1992

Class of Company	Value of all Taxable Property Including Rolling 1991	1992	Increase or (Decrease)
Electric Light & Power Corporations	$11,162,349,240.00	$11,947,166,991.00	$784,817,751.00
Gas Corporations	818,403,065.00	758,512,591.00	(59,890,474.00)
Motor Vehicle Carriers (Rolling Stock only)	82,414,048.15	75,385,157.31	(7,028,890.84)
Telecommunications Companies	5,688,264,785.00	6,008,806,813.00	320,542,028.00
Water Corporations	90,186,899.00	96,825,749.00	6,638,850.00
TOTAL	$17,841,618,037.15	$18,886,697,301.31	$1,045,079,264.16

COMPARISON OF ASSESSMENT OF STATE TAXES OF PUBLIC SERVICE CORPORATIONS FOR THE YEARS 1991 AND 1992

Class of Company	The Yearly Francise or License Tax 1991	1992	Increase or (Decrease)
Electric Light & Power Corporations	$80,929,093.60	$84,168,648.87	$3,239,555.27
Gas Corporations	10,769,832.23	10,805,114.75	35,282.52
Water Corporations	587,989.49	637,940.69	49,951.20
TOTAL	$92,286,915.32	$95,611,704.31	$3,324,788.99

COMPARISON OF ASSESSMENT OF ADDITIONAL ANNUAL STATE TAX FOR VALUATION AND RATE MAKING OF CERTAIN CLASSES OF UTILITY COMPANIES FOR THE YEARS 1991 AND 1992

Class of Company	1991	1992	Increase or (Decrease)
Electric Light & Power Corporations	$5,818,913.04	$5,153,263.76	($665,649.28)
Gas Corporations	700,039.09	594,281.29	(105,757.80)
Motor Vehicle Carriers	75,901.58	63,357.52	(12,544.06)
Railroad Companies	869,178.87	587,278.17	(281,900.70)
Telecommunications Companies	2,755,038.08	2,429,411.61	(325,626.47)
Virginia Pilots Association	14,416.56	13,006.21	(1,410.35)
Water Corporations	38,219.33	35,086.76	(3,132.57)
TOTAL	$10,271,706.55	$8,875,685.32	($1,396,021.23)

Railroad Companies assessed at seven-hundredths of one percent and all other companies at eleven-hundredths of one percent.

COMPARATIVE STATEMENT OF ASSESSED VALUES OF PROPERTIES OF PUBLIC SERVICE CORPORATIONS AS ASSESSED BY THE STATE CORPORATION COMMISSION

Cities	1991	1992	Increase or Decrease
Alexandria	$432,853,919	$470,660,665	$37,806,746
Bedford	7,304,290	7,117,921	(186,369)
Bristol	8,364,560	8,454,384	89,824
Buena Vista	7,386,462	7,190,838	(195,624)
Charlottesville	79,627,440	81,630,583	2,003,143
Chesapeake	539,210,706	579,102,887	39,892,181
Clifton Forge	7,290,919	7,358,512	67,593
Colonial Heights	21,060,328	21,882,237	821,909
Covington	15,513,473	16,337,589	824,116
Danville	42,885,490	42,474,453	(411,037)
Emporia	14,885,662	17,838,204	2,952,542
Fairfax	74,065,200	78,268,744	4,203,544
Falls Church	13,647,339	15,797,942	2,150,603
Franklin	7,351,852	8,369,891	1,018,039
Fredericksburg	37,396,121	43,240,575	5,844,454
Galax	9,067,168	10,179,470	1,112,302
Hampton	193,662,491	206,556,260	12,893,769
Harrisonburg	30,348,383	30,491,703	143,320
Hopewell	56,886,488	59,555,978	2,669,490
Lexington	9,828,842	10,005,960	177,118
Lynchburg	124,796,291	127,385,758	2,589,467
Manassas	47,857,310	51,135,157	3,277,847
Manassas Park	6,103,682	7,407,138	1,303,456
Martinsville	20,754,200	21,055,163	300,963
Newport News	249,152,592	271,386,011	22,233,419

Norfolk	395,759,585	402,397,507	6,637,922
Norton	22,919,144	22,752,420	(166,724)
Petersburg	70,463,441	69,743,678	(719,763)
Poquoson	9,162,224	9,032,795	(129,429)
Portsmouth	111,886,079	127,890,145	16,004,066
Radford	12,462,578	15,167,580	2,705,002
Richmond	628,322,158	633,965,200	5,643,042
Roanoke	161,104,396	168,046,349	6,941,953
Salem	21,494,949	20,160,681	(1,334,268)
South Boston	11,175,508	14,274,475	3,098,967
Staunton	42,206,034	42,036,386	(169,648)
Suffolk	93,996,137	96,558,552	2,562,415
Virginia Beach	500,262,421	534,429,027	34,166,606
Waynesboro	28,577,077	28,672,259	95,182
Williamsburg	29,765,808	30,622,727	856,919
Winchester	40,890,910	40,129,774	(761,136)
Total Cities	$4,237,749,657	$4,456,763,578	$219,013,921

COMPARATIVE STATEMENT OF ASSESSED VALUES OF PROPERTIES OF PUBLIC SERVICE CORPORATIONS AS ASSESSED BY THE STATE CORPORATION COMMISSION

Counties	1991	1992	Increase or Decrease
Accomack	$69,800,009	$67,478,049	$(2,321,960)
Albemarle	145,652,129	147,169,838	1,517,709
Alleghany	23,980,244	33,779,103	9,798,859
Amelia	14,749,140	14,044,726	(704,414)
Amherst	44,433,022	46,149,270	1,716,248
Appomattox	18,159,571	19,231,977	1,072,406
Arlington	711,654,366	756,549,039	44,894,673
Augusta	111,731,444	109,209,595	(2,521,849)
Bath	1,449,119,086	1,480,741,813	31,622,727
Bedford	108,730,840	108,466,591	(264,249)
Bland	9,839,830	10,184,805	344,975
Botetourt	63,394,568	61,660,967	(1,733,601)
Brunswick	22,875,529	23,461,470	585,941
Buchanan	46,711,055	41,951,070	(4,759,985)
Buckingham	27,937,769	26,304,736	(1,633,033)
Campbell	100,691,365	102,744,979	2,053,614
Caroline	49,312,997	50,772,447	1,459,450
Carroll	37,739,242	48,739,960	11,000,718
Charles City	18,802,943	22,831,157	4,028,214
Charlotte	20,529,845	21,224,385	694,540
Chesterfield	981,035,178	1,038,088,405	57,053,227
Clarke	19,620,717	18,859,499	(761,218)
Craig	7,791,448	7,244,388	(547,060)
Culpeper	51,343,611	46,304,098	(5,039,513)
Cumberland	19,069,274	19,675,385	606,111
Dickenson	31,122,248	32,687,417	1,565,169
Dinwiddie	39,610,087	55,738,218	16,128,131
Essex	16,523,266	17,202,442	679,176
Fairfax	1,575,646,738	1,756,427,209	180,780,471
Fauquier	101,858,916	101,411,576	(447,340)
Floyd	21,375,404	21,497,266	121,862
Fluvanna	100,744,524	94,837,408	(5,907,116)
Franklin	63,784,761	72,195,926	8,411,165
Frederick	142,255,003	148,282,738	6,027,735
Giles	91,915,721	91,420,529	(495,192)
Glouchester	53,117,006	54,642,701	1,525,695
Goochland	36,485,391	30,264,540	(6,220,851)
Grayson	19,389,587	21,848,185	2,458,598
Greene	31,933,380	14,336,792	(17,596,588)
Greensville	20,667,362	17,189,468	(3,477,894)
Halifax	46,338,677	199,853,442	153,514,765
Hanover	130,526,293	195,465,084	64,938,791
Henrico	522,661,608	550,145,367	27,483,759

Henry	69,465,408	70,218,177	752,769
Highland	12,307,534	12,601,946	294,412
Isle of Wight	67,408,575	65,646,565	(1,762,010)
James City	87,800,548	100,424,781	12,624,233
King George	28,908,660	25,477,961	(3,430,699)
King and Queen	10,227,915	10,136,180	(91,735)
King William	17,461,704	16,975,311	(486,393)
Lancaster	22,972,415	22,618,457	(353,958)
Lee	43,835,734	50,324,592	6,488,858
Loudoun	239,683,070	262,125,023	22,441,953
Louisa	1,603,834,424	1,606,047,084	2,212,660
Lunenburg	16,875,158	19,809,705	2,934,547
Madison	14,975,908	18,560,167	3,584,259
Mathews	11,862,741	11,273,228	(589,513)
Mecklenburg	42,555,597	70,085,271	27,529,674
Middlesex	20,284,101	23,477,693	3,193,592
Montgomery	80,032,676	88,326,902	8,294,226
Nelson	37,957,573	38,837,977	880,404
New Kent	29,704,109	29,762,392	58,283
Northampton	23,155,889	18,284,854	(4,871,035)
Northumberland	13,264,333	13,155,435	(108,898)
Nottoway	23,703,906	23,042,551	(661,355)
Orange	41,492,009	54,138,470	12,646,461
Page	24,726,500	25,645,357	918,857
Patrick	25,732,822	26,690,947	958,125
Pittsylvania	116,129,033	110,563,741	(5,565,292)
Powhatan	30,491,349	31,717,890	1,226,541
Prince Edward	30,981,892	28,378,861	(2,603,031)
Prince George	38,569,797	34,048,282	(4,521,515)
Prince William	713,298,044	744,999,137	31,701,093
Pulaski	58,428,816	72,214,929	13,786,113
Rappahannock	9,907,947	16,875,560	6,967,613
Richmond	31,875,892	33,750,047	1,874,155
Roanoke	120,602,722	127,620,274	7,017,552
Rockbridge	55,840,794	53,815,876	(2,024,918)
Rockingham	86,649,496	85,579,814	(1,069,682)
Russell	148,945,805	151,556,971	2,611,166
Scott	28,042,137	30,051,102	2,008,965
Shenandoah	70,600,581	60,949,280	(9,651,301)
Smyth	48,422,286	59,301,111	10,878,825
Southampton	30,127,661	31,778,572	1,650,911
Spotsylvania	87,353,422	133,265,968	45,912,546
Stafford	87,935,880	104,563,168	16,627,288
Surry	1,134,556,596	1,190,306,075	55,749,479
Sussex	25,313,996	22,297,078	(3,016,918)
Tazewell	54,836,338	57,723,953	2,887,615
Warren	43,557,471	34,195,512	(9,361,959)
Washington	51,302,191	52,456,593	1,154,402
Westmoreland	21,494,713	21,281,181	(213,532)
Wise	61,637,032	61,058,149	(578,883)
Wythe	61,692,218	61,868,759	176,541
York	441,969,720	440,329,597	(1,640,123)
Total Counties	$13,521,454,332	$14,354,548,566	$833,094,234
Total Cities & Counties	$17,759,203,989	$18,811,312,144	$1,052,108,155

COMPARISON OF FEES COLLECTED BY THE DIVISION OF SECURITIES AND RETAIL FRANCHISING FOR THE YEARS ENDING DECEMBER 31, 1991 AND DECEMBER 31, 1992

Kind	1991	1992	Increase or (Decrease)
Securities Act	$3,474,765	$3,950,860	$476,095
Retail Franchising	145,200	193,880	48,680
Trademarks-Service Marks*	15,565	17,240	1,675
Fines	168,000	274,681	106,681
TOTAL	$3,803,530	$4,436,661	$633,131

*Prior to 1991, this figure included fees collected for certification and copy work.

PROCEEDINGS BY DIVISIONS DURING THE YEAR 1992

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 1992.

General Rate Cases	
Electric Companies (Investor Owned)	1
Electric Cooperatives	3
Gas Companies	3
Telephone Companies	0
Water & Sewer Companies	6
Miscellaneous	0
Total General Rate Cases	13
Expedited Rate Cases	
Electric Companies	3
Electric Cooperatives	2
Gas Companies	0
Telephone Companies	0
Water & Sewer Companies	0
Total Expedited Rate Cases	5
Certificate Cases	
Water & Sewer Companies	5
Annual Informational Filings	
Report Only	
Electric Companies	2
Gas Companies	6
Telephone Companies	5
Water & Sewer Companies	0
Report and Rate Decrease	
Electric Companies	1
Total Annual Informational Filings	14
Allocation/Separations Studies	
Electric	0
Gas	0
Telephone	6
Total Allocation/Separations Studies	6
Fuel Audits - Electric Companies	4
Compliance Audits	2
Special Studies	7

During the year 1992 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 Utility Transfers Act Cases:	
Transfer of assets	4
Transfer of securities or control	2
Number of Affiliates Act Cases:	
Service Agreements	13
Lease Agreements	5
Gas Purchases	3
Sale of Property/Service	5
Advances of Funds	2
Total Number of Cases	34

The Commission's Division of Public Utility Accounting consists of the following personnel on December 31, 1992.

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		Principal Public Utility Accountant
5		Senior Public Utility Accountant
1		Public Utility Accountant
6	1	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 1992 ACTIVITIES

Consumer complaints and protests investigated	1,095
Telephone inquiries received	850
Tariff revisions received	324
Tariff sheets filed	3,620
Cases in which staff members prepared testimony or reports	2
Number of staff testimonies or reports prepared	7
Certificates of Convenience and Necessity granted or amended	26
Depreciation studies completed	1
Extended Area Service studies completed or underway	14
Service Surveillance and Results Analysis Provided	
Monthly on:	
Access Lines	3,517,747
Switching Offices	435
Business Offices	17
Repair Centers	6
Visits to:	
Customer premises to resolve customer complaints	17
Company premises to resolve customer complaints	9
Company premises to review service performance	42
Company premises to inspect network reliability	22
Community meetings to resolve service issues	1
Construction Program reviews	5

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 two formal responses to FCC Public Notices.

Participated in federal and state network reliability sessions and action planning.

Responded to questionnaires from NARUC and others with respect to telecommunications matters.

Assisted Commission counsel with respect to formal rate, service or generic matters.

Reviewed construction budgets of major telephone companies for 1993-1996 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 Virginia Department for the Deaf and Hard of Hearing on monitoring of Telecommunications Relay Service in Virginia.

Processed two tariff filings to increase rates pursuant to the small investor-owned telephone utility act and rules.

Staff member participated on a task force with Federal Communications Commission and United States Telephone Association representatives to find ways to simplify the depreciation rate study procedures and prescription process.

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; and
- providing statistical and graphic support for other SCC Divisions.

Summary of Major Activities During 1992

- Presented testimony on capital structure, cost of capital and other financial issues in eight rate cases.
- Presented financial testimony in one fuel factor case and one independent power producer certificate case.
- Completed regular annual financial reviews for nine utilities.
- Analyzed and processed 50 cases for utilities seeking authority to issue securities.
- Provided a financial analysis of a proposed merger of two telephone companies.
- Expanded an existing computer model to calculate the cost of equity for Virginia's investor owned utilities on a quarterly basis.
- Prepared a report for the Commission on the annual financing plans and bond ratings of Virginia's utilities.
- Presented testimony on demand forecast and conservation and load management for two transmission line cases.
- Organized a task force and conducted a review of cost/benefit methodologies for utility demand-side management programs.
- Presented testimony on weather normalization in two gas company rate cases.
- Presented testimony in two electric utility cogeneration rate proceedings.
- Conducted audits of the actually competitive services for 1990 and 1991 for each of the five local telephone companies in the Experimental Plan for Alternative Regulation.
- Established a data base management system to use in analyzing electric utilities' annual planning submissions.
- Developed a forecast of budget items for the Bureau of Insurance.
- Completed a SCC salary regrade study for the Division of Personnel.

DIVISION OF ENERGY REGULATION

Activities for Calendar Year 1992

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 1992 ACTIVITIES

Consumer Complaints, Letters of Protest and Inquires Received	1,991
Tariff Filings Received (including Purchased Gas Adjustments)	186
Tariff Sheets Filed	683
Gas Safety Inspections (Person Days)	321
Electric Fuel Adjustments and Electric Wholesale Power Cost Adjustments Filed	169
Testimony and Reports Filed by Staff	33
Certificates of Public Convenience and Necessity Granted, Transferred or Revised	49
Special Reports	13
Gas Accident Investigations and Incident Reports	11
On-Site Construction Inspections	2

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 holding companies domiciled in Virginia.

During the calendar year, the Bureau of Financial Institutions received, investigated and processed 592 applications for various certificates of authority as shown below:

APPLICATIONS RECEIVED AND/OR ACTED UPON
BY THE BUREAU OF FINANCIAL INSTITUTIONS IN 1992

New Banks	3
Bank Branches	105
Bank Main Office Relocations	6
Bank Branch Office Relocations	6
Bank EFT Facilities	5
Bank Mergers	4
Acquisitions Pursuant to Chapter 13 of Title 6.1	4
Acquisitions Pursuant to Chapter 15 of Title 6.1	4
New Savings Institutions	0
Savings Institution Branches	1
Acquisitions Pursuant to § 6.1-194.87 of the Virginia Code	0
Acquisitions Purusant to § 6.1-194.40 of the Virginia Code	0
Credit Union Mergers	1
Industrial Loan Relocations	1
New Money Order Sellers	1
New Debt Counseling Agency	1
New Consumer Finance Offices	17
Consumer Finance Other Business	48
Consumer Finance Office Relocations	17
New Mortgage Brokers	96
New Mortgage Lenders	26
New Mortgage Lenders and Brokers	18
Acquisitions Pursuant to § 6.1-416.1 of the Virginia Code	5
Mortgage Branches	105
Mortgage Office Relocations	118

At the end of 1992, there were under the supervision of the Bureau 128 banks with 1,244 branches, 34 Virginia bank holding companies, 6 non-Virginia bank holding companies owning Virginia banks, 6 savings institutions with 5 branches, 91 credit unions, 9 industrial loan associations, 38 consumer finance companies with 312 offices operating in Virginia, 19 money order sellers, 7 non-profit debt counseling agencies, 46 mortgage lenders with 335 offices, 245 mortgage brokers with 278 offices, and 143 mortgage lender and brokers with 278 offices.

DIVISION OF INSURANCE REGULATION
ACTIVITIES FOR THE FISCAL YEAR ENDING JUNE 30, 1992

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 1992 ACTIVITIES

New insurance companies licensed to do business in Virginia	27
Insurance company financial statements analyzed	3,704
Financial examinations of insurance companies conducted	25
Property and Casualty insurance rules, rates and form filings received	22,479
Life and Health insurance policy forms and rate filings received	12,918
Property and Casualty insurance complaints received	4,919
Life and Health insurance complaints received	4,656
Market conduct examinations completed by the Life and Health Division	15
Market conduct examinations completed by the Property and Casualty Division	11
Agent qualification examinations given	9,252
Insurance agents and agencies licensed	99,427
Property and Casualty insurance surplus lines affidavits processed	10,013

MOTOR CARRIER DIVISION - AUDITS
CALENDAR YEAR 1992

Regular Motor Fuel Road Tax Accounts Audited	505
Regular Motor Fuel Road Tax Accounts Assessed	317
Total Assessments Paid	$1,044,655.91
Total Court Cases Due to Assessments	22
Total Court Cases Due to Non-compliance	0
Commission Penalties in Court Cases	$13,725.00
Court Cases Due to No Records for Audit	14
Commission Penalties for No Records	$12,200.00
Total Accounts Audited for Refunds	517
Total Amount Refunded	$3,886,306.54
Total Accounts Refunded (Unaudited)	849
Total Amount Refunded	$355,455.58

NOTE: The same motor carrier may be included in both the "Total Accounts Audited for Refunds" category and the "Total Accounts Refunded Unaudited" category.

MOTOR CARRIER DIVISION - ENFORCEMENT
ANNUAL REPORT OF INVESTIGATOR'S ACTIVITIES DURING 1992

Violations Handled through General District Courts	2,517
Fines Assessed by General District Courts	$103,840.00
Costs Assessed by General District Courts	$52,306.00
Reports Written on Commission Rule Violations	
22 Forms	1,332
Cases Processed (M and L)	1,099
Penalties Assessed	$257,619.89
Registration Receipts Issued	2,739
Fees Collected From Issuance of Receipts	$148,059.10
Complaints Investigated	412
Motor Carrier Insurance Expiration, Revocation, Suspension Investigation	7,175
Investigations for Other Divisions	16
Surveys of Holders of Certificates of Public Convenience and Necessity	132
Certificate Applicant Investigations	294
Vehicles Inspected	31,923
Proof of Operations Inspections (ED-40)	12,609
Division of Motor Vehicles License Sold Through Special Agent's Involvement	107
Fees Collected from these Transactions (A portion of these fees went to other IRP jurisdictions.)	$78,848.11
Apprehensions of Operators with Outstanding Commission Judgments (Red List Operators)	148
Monies Collected From Operators with Outstanding Commission Judgments	$83,047.03
Apprehensions of Operators with Outstanding Liquidated Damages	139
Monies Collected From Operators with Outstanding Liquidated Damages	$61,730.32

MOTOR CARRIER DIVISION - OPERATIONS
REGISTRATIONS AND COLLECTIONS 1992

Registrations Freight by Carriers and number of vehicles registered:

FREIGHT CARRIERS		
Contract Carriers Non Bulk (CC)		2,701
Contract Carriers Non Bulk	- vehicles registered	18,119
Contract Carriers Bulk (CB)		6,066
Contract Carriers Bulk	- vehicles registered	9,614
Exempt Carriers Intrastate (E)		741
Exempt Carriers Intrastate	- vehicles registered	2,302
Common Carriers of Freight (F)		25
Common Carriers of Freight	- vehicles registered	3,574
Household Goods Carriers (G)		177
Household Goods Carriers	- vehicles registered	1,569
Petroleum Carriers (K)		72
Petroleum Carriers	- vehicles registered	968
ICC Regulated Interstate Carriers (M)		15,586
ICC Regulated Interstate Carriers	- vehicles registered	469,953
ICC Exempt Carriers (X)		4,125
ICC Exempt Carriers	- vehicles registered	10,912
Private Freight Carriers (V)		18,160
Private Freight Carriers	- vehicles registered	96,723
Rental Permitted Carriers (R)		34
Rental Permitted Carriers	- vehicles registered	732
Virginia Private Leased Carriers (L)		616
Virginia Private Leased Carriers	- vehicles registered	2,795

PASSENGERS CARRIERS

Common Carriers (A)		42
Common Carriers	- vehicles registered	3,148
Charter Party Carriers (P)		118
Charter Party Carriers	- vehicles registered	902
Sight-Seeing Carriers (S)		6
Sight-Seeing Carriers	- vehicles registered	9
Limousine Carriers (B)		179
Limousine Carriers	- vehicles registered	385
Executive Sedan Carriers (N)		67
Executive Sedan Carriers	- vehicles registered	159
Taxi Cab Carriers (T)		2,177
Taxi Cab Carriers	- vehicles registered	3,752
Intrastate Exempt Carriers (I)		21
Intrastate Exempt Carriers	- vehicles registered	144
Employee Haulers (H)		160
Employee Haulers	- vehicles registered	425
ICC Regulated Interstate Carriers (M)		1,847
ICC Regulated Interstate Carriers	-vehicles registered	8,731

TOTALS

Total Vehicles Registered	634,915
Total Registration Fees Collected	$7,185,115.00
Total Motor Fuel Road Taxes Collected	$25,023,787.69
Total Motor Fuel Road Taxes Accounts	46,260

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:

13	qualification applications received
1,584	coordination applications received
14	notification applications received
405	filings for exemption from registration (Reg. D)
1,362	broker-dealer registrations renewed and granted
80	broker-dealer registrations denied, withdrawn and terminated
60,118	agent registrations renewed and granted
11,700	agent registrations denied, withdrawn and terminated
908	investment advisor registrations renewed and granted
20	investment advisor registrations denied, withdrawn and terminated
6,627	investment advisor representative registrations renewed and granted
293	investment advisor representative registrations denied, withdrawn and terminated
83	orders filing and/or canceling surety bonds
46	orders granting exemptions and/or official interpretations

23	orders for subpoena of records by banks, corporations and individuals
8	orders of show cause
68	judgments of compromise and settlement
13	final order and/or judgment

UNDER THE VIRGINIA TRADEMARK AND SERVICE MARK ACT:

476	applications for trademarks and/or service marks approved, renewed or assigned
116	applications for trademarks and/or service marks denied, abandoned or withdrawn

UNDER THE VIRGINIA RETAIL FRANCHISING ACT:

1,236	franchise registration, renewal or post-effective amendment applications received
287	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

	1991	1992
Financing/Subsequent Statements Filed	64,257	68,680
Federal Tax Liens/Subsequent Liens Filed	6,430	5,500
Requests Processed/Certificates Issued	16,114	16,000
Reels of Microfilmed Documents Sold	267	270

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LIST OF CASES ESTABLISHED IN 1992

BFI: BUREAU OF FINANCIAL INSTITUTIONS

BFI920001 Hijjawi, Basel M.
Alleged violation of VA Code § 6.1-416

BFI920002 Consumer's Mortgage Corp.
Alleged violation of VA Code § 6.1-416

BFI920003 GMAC Mortgage Corp. of Pennsylvania
Alleged violation of VA Code § 6.1-416

BFI920004 Crestar Financial Corporation
To acquire 100% of CRFC Virginia Interim Federal Savings Bank

BFI920005 Crestar Bank
To merge into it CRFC Virginia Interim Federal Savings Bank

BFI920006 Public Loan Corporation d/b/a Public Mortgage Co.
To relocate from 5524 Williamson Road to 1301 Towne Square Blvd., Roanoke, VA

BFI920007 City Finance Company d/b/a Public Finance Corp.
To relocate from 5524 Williamson Road to 1301 Towne Square Blvd., Roanoke, VA

BFI920008 Blazer Financial Services Inc.
To open an office at 2600 Memorial Avenue, Lynchburg, VA

BFI920009 Blazer Financial Services Inc.
To conduct consumer finance business at 2600 Memorial Avenue, Lynchburg, VA

BFI920010 Blazer Financial Services Inc.
To conduct consumer finance business at 2600 Memorial Ave., Lynchburg, VA where sales finance business will also be conducted

BFI920011 Blazer Financial Services Inc.
To conduct consumer finance business at 2600 Memorial Ave., Lynchburg, VA where mortgage lending will also be conducted

BFI920012 Blazer Financial Services Inc.
To conduct consumer finance business at 2600 Memorial Ave., Lynchburg, VA where open-ending lending will also be conducted

BFI920013 Blazer Financial Services Inc.
To conduct consumer finance business at 2600 Memorial Ave., Lynchburg, VA where business of automobile club memberships will also be conducted

BFI920014 Blazer Financial Services Inc.
To conduct consumer finance business at 2600 Memorial Ave., Lynchburg, VA where business of property insurance will also be conducted

BFI920015 American Mortgage Services Inc.
To relocate from 2010 Corporate Ridge Drive, McLean, VA to 3865 Plaza Drive, Fairfax, VA

BFI920016 Kersey, Charles
To conduct mortgage brokering at 8022 Langley Drive, Glen Allen, VA

BFI920017 Bassett, David & Eversole, G.
To relocate from 4516 Peppermill Ct. to 4327 Marhalt Place, Dumfries, VA

BFI920018 Homestead Mortgage Inc.
To open an office at 4915 St. Elmo Avenue, Bethesda, MD

BFI920019 American Financial Enterprises
To relocate from 11350 Random Hills Rd., #680 to 11350 Random Hills Road, #200, Fairfax, VA

BFI920020 Charles F. Curry Company
To conduct mortgage lending at 720 Main Street, Kansas City, MO

BFI920021 Lenders Financial Corporation
To open an office at 6116 Executive Blvd., #120, Rockville, MD

BFI920022 United Companies Lending Corp.
To relocate from #20 Koger Center, #225, Norfolk, VA to 5700 Cleveland St., #228, VA Beach, VA

BFI920023 Home Security Mortgage Corp.
To open an office at 1700 Elton Road, #201, Silver Spring, MD

BFI920024 Strickler, Rick
To conduct mortgage brokering at 436 New Zealand Reach, Chesapeake, VA

BFI920025 Parasidis, Steve
To relocate from 4602 Tapestry Dr., Fairfax, VA to 8229 Boone Blvd., #220, Vienna, VA

BFI920026 Performance Mortgage of Coachella
To open an office at 11718 Bowman Green Drive, Reston, VA

BFI920027 Racetrac Petroleum Inc.
To sell money orders pursuant to Chapter 12 of Title 6.1

BFI920028 White, Lynn
To conduct mortgage brokering at 155 Arrowhead Trail, Christiansburg, VA

BFI920029 Home Security Mortgage Corp.
To open an office at 4500 Plank Road, Fredericksburg, VA

BFI920030 Carl I. Brown & Company
To open an office at 8200 Greensboro Drive, #1520, McLean, VA

BFI920031 American Residential Mortgage
To open an office at 11119 North Torrey Pines Road, La Jolla, CA

BFI920032 Weyerhaeuser Mortgage Company
To open an office at 7002 Little River Turnpike, #1, Annandale, VA

BFI920033 Weyerhaeuser Mortgage Company
To relocate from 6303 Little River Tnpk., Alexandria, VA to 12701 Fair Lakes Circle, Fairfax, VA

BFI920034 Williams, Lynn Seals
To relocate from 308 Poplar Alley, Occoquan, VA to 10560 Main Street, #408, Fairfax, VA

BFI920035 United Mortgagee Inc.
To open an office at 7291 Thimble Shoals Blvd., #2 C, Newport News, VA

BFI920036 United Companies Lending Corp.
To relocate from 2112 W. Laburnum Ave. to 8100 Three Chopt Rd., #116, Richmond, VA

BFI920037 Alliance Mortgage Group Inc.
To conduct mortgage brokering at several locations

BFI920038 Infinity Funding Group Inc.
To conduct mortgage brokering at 4483 Forbes Blvd., #A, Lanham, MD

BFI920039 Realty Financial Services Inc.
To relocate from 1136 Pine Hill Road, McLean, VA to 8330 Boone Blvd., Vienna, VA

BFI920040 Fortune Mortgage Banking Co.
To relocate from 416 Hungerford Dr.-315 to 416 Hungerford Dr.-216, Rockville, MD

BFI920041 Waterford Mortgage Corporation
To relocate from 1320 Old Chain Bridge Rd., #300 to Old Chain Bridge Rd., #450, McLean, VA

BFI920042 Coastal Mortgage Corporation
To conduct mortgage brokering at 8 Reservoir Circle, #205, Pikesville, MD

BFI920043 Trust Mortgage Corporation
To conduct mortgage brokering at 7910 Woodmont Avenue, #650, Bethesda, MD

BFI920044 Bowers, Nelms & Fonville Inc.
To relocate from 1700 Huguenot Road, Richmond, VA to 11600 Busy Street, #100, Chesterfield Co., VA

BFI920045 Weir Enterprises Incorporated
To relocate from 201 Fairfax Street, Alexandria, VA to 2 Cardinal Park Drive, Leesburg, VA

BFI920046 EFG Emco Inc.
To open an office at 11320 Random Hills Road, #110, Fairfax, VA

BFI920047 Ryland Mortgage Company
Alleged violation of VA Code § 6.1-416

BFI920048 United Mortgagee, Inc.
Alleged violation of VA Code § 6.1-416

BFI920049 Realassist of Richmond, Inc.
Alleged violation of VA Code § 6.1-416

BFI920050 Thalhimers Credit Union, Inc.
For purchase of assets and assumption of liabilities by VA Credit Union, Inc.

BFI920051 United Mortgagee Inc.
To open an office 7002-D Little River Turnpike, Annandale, VA

BFI920052 American Federal Corporation
To relocate from 611 Rockville Pike to 416 Hungerford Drive, Rockville, MD

BFI920053 American General Finance Inc.
To relocate from 2007 Main St., Blacksburg, VA to Market Shopping Center, Christiansburg, VA

BFI920054 Bankers Mortgage Inc.
To open an office at 6399 Little River Turnpike, Alexandria, VA

BFI920055 American General Finance
To relocate from 2007 Main St., Blacksburg, VA to Market Place Shopping Center., Christiansburg, VA

BFI920056 Union Bancorp Inc.
To acquire 100% of Union Bank and Trust Company

BFI920057 Beneficial Virginia, Inc.
Alleged violation of the Consumer Finance Act, Chapter 6 of Title 6.1

BFI920058 United Companies Lending Corp.
Alleged violation of VA Code § 6.1-416

BFI920059 Atlantic Investment Corp.
Alleged violation of VA Code § 6.1-416

BFI920060 Beneficial Industrial Loan
To relocate from 7799 Leesburg Pike, #900, Falls Church, VA to 3420 Holland Rd., #107, VA Beach, VA

BFI920061 Krepinevich, Daniel
To relocate from 900 Washington St., Falls Church, VA to 14120 Parke Long Ct., Chantilly, VA

BFI920062 F&M National Corporation
To acquire Farmers and Merchants Bank of Keyser

BFI920063 ICM Mortgage Corporation
Alleged violation of VA Code § 6.1-416

BFI920064 Citizens Mortgage Corporation
To relocate from 7200 Glen Forest Drive to 1503 Santa Rosa Road, Richmond, VA

BFI920065 Directors Mortgage Loan Corp.
To open an office at 1595 Spruce Street, Riverside, CA

BFI920066 Directors Mortgage Loan Corp.
To open an office at 1635 Spruce Street, Riverside, CA

BFI920067 Mortgage Broker Inc., The
To conduct mortgage brokering at 2624 Southern Blvd., #101, VA Beach, VA

BFI920068 Hallmark Bank & Trust Company
To relocate from 7001 K Manchester Blvd. to 7027 A Manchester Blvd., Alexandria, VA

BFI920069 Countrywide Funding Corp.
To open an office at 7501 Leesburg Pike, Falls Church, VA

BFI920070 1st Potomac Mortgage Corp.
To relocate from 11350 Random Hills Road to 4000 Legato Road, #260, Fairfax, VA

BFI920071 First Nationwide Mortgage Corp.
To relocate from 8602 Henrico Avenue to 7814 Carousel Lane, #400 Richmond, VA

BFI920072 Cook & Associates Inc.
To relocate from 102 Woodland Rd., Grafton, VA to 2524 G. W. Memorial Highway., Yorktown, VA

BFI920073 Chesapeake Financial Services
To conduct mortgage brokering at 201 Ridgely Ave., Suite, 200, Annapolis, MD and 6721 N. 19th Rd., Arlington, VA

BFI920074 Centurion Financial Ltd.
To conduct mortgage brokering at several locations

BFI920075 Mortgage Corporation of America, Inc.
To conduct mortgage brokering at 9300 Livington Road, Fort Washington, MD

BFI920076 Northern Virginia Banking Co.
For certificate of authority to begin business as a bank at 107 Free Court, Sterling, VA

BFI920077 Community Bank & Trust Co.
For purchase of assets and assumption of liabilities by Northern VA Banking Company

BFI920078 Equity One Consumer Discount
To conduct consumer finance at 7801 W. Broad St., #9, Henrico County, VA

BFI920079 Equity One Consumer Discount
To conduct consumer finance and sales finance at the same location

BFI920080 Equity One Consumer Discount
To conduct consumer finance business at 7801 W. Broad St., Suite 9, Henrico Co., VA where business of mortgage lending will also be conducted

BFI920081 JHM Mortgage Services Corp.
To conduct mortgage lending at 8300 Greensboro Dr., 9th Floor, McLean, VA

BFI920082 Newport News Shipbuilding
To open a branch at 711 Campbell Dr, Greenville, TN

BFI920083 Newport News Shipbuilding
To open a branch at 20 Glenn Ridge Rd., Arden, NC

BFI920085 Transamerica Financial Services
To conduct consumer finance business at 4016 Raintree Rd., Chesapeake, VA where business of real estate mortgage lending will also be conducted

BFI920086 Transamerica Financial Services
To conduct consumer finance at 4016 Raintree Rd., Chesapeake, VA

BFI920087 Nunn, Roy E.
To relocate from 468 E. Main St. to 1021 Panerama Dr., Abingdon, VA

BFI920088 Pacific Finance Loans
To open an office at 4016 Raintree Rd., Chesapeake, VA

BFI920089 Burke & Herbert Bank & Trust
To open a branch at 1705 Fern St., Alexandria, VA

BFI920090 Hogston, Larry D.
To relocate from 468 East Main Street, Abingdon, VA to RR 3 North Holston, Saltville, VA

BFI920091 Consumer's Mortgage Corp.
To relocate from 2303 W. Meadowview Rd. ,#47 to 5 Centerview Dr., #106, Greensboro, NC

BFI920092 GPT Mortgage Corporation
To conduct mortgage brokering at 1835 University Blvd., #1114, Adelphi, MD

BFI920093 Premier Bank Inc.
To open an EFT at US 52 and 18 and I 77, Max Meadows, Wythe County, VA

BFI920094 First Fidelity Mortgage Corp.
To open an office at 727 East J. Clyde Morris Blvd., Newport News, VA

BFI920095 Schutt, Harold J.
To conduct mortgage brokering at 10560 Main Street, #408, Fairfax, VA

BFI920096 Central Virginia Bank
To establish a branch at 2490 Anderson Highway, Powhatan County, VA

BFI920097 Central Fidelity Bank
To establish a branch at 1206 South Main Street, Blacksburg, Montgomery Co., VA

BFI920098 State Bank of the Alleghenies
To establish a branch at 533 Main Street, Clifton Forge, VA

BFI920099 Regency Bank
To establish a branch at 6201 River Road Shopping Center, Henrico County, VA

BFI920100 First Virginia Bank-Southwest
To establish a branch at 2036 Colonial Avenue, SW, Roanoke, VA

BFI920101 First Virginia Bank-Southwest
To establish a branch at 350 East Main Street, Wytheville, Wythe County, VA

BFI920102 American Industrial Loan Assn.
For review of a ruling of the Bureau of Financial Institutions

BFI920103 Citizens Bank of Virginia
To open a branch at 250 North Glebe Road, Arlington, VA

BFI920104 Weyerhaeuser Mortgage Company
Alleged violation of VA Code § 6.1-416

BFI920105 Mt. Vernon Capital Corporation
To conduct mortgage brokering at 8101 Hinson Farm Road, #214, Alexandria, VA

BFI920106 PMC Mortgage Corporation
To conduct mortgage brokering at 3110 Mt. Vernon Avenue, Alexandria, VA

BFI920107 Ridenour, Kelley, Opstad, Wills, Consagra, Bridges and Hughes
To acquire 100% of The Washington Bank

BFI920108 Signet Bank/Virginia
To open a branch at 1620 Hershberger Road, Roanoke, VA

BFI920109 Consumer Credit Counseling
To open an office at 2501 Washington Avenue, Newport News, VA

BFI920110 Bank of Floyd, The
To open a branch at 4094 Postal Drive, Roanoke County, VA

BFI920111 Bank of Floyd, The
To open a branch at 4248 Electric Road, Roanoke County, VA

BFI920112 Diversified Funding Inc.
To conduct mortgage brokering at 166 Little John Place, Newport News, VA

BFI920113 Mortgage Acceptance Corp.
To open an office at 1801 Robert Fulton Drive, #400, Reston, VA

BFI920114 Wilkinson, William
To conduct mortgage brokering at 6001 Montrose Road, #502, Rockville, MD

BFI920115 Essex Industrial Loan
To relocate from 200 Golden Oak Ct., #202 to 200 Golden Oak Ct., #150, VA Beach, VA

BFI920116 Virginia State Mortgage, Inc.
Alleged violation of VA Code § 6.1-410

BFI920117 IMCO Realty Services Inc.
To conduct mortgage lending at several locations

BFI920118 First Nationwide Mortgage Services
To conduct mortgage brokering at 809 Gleneagles Court, Towson, MD

BFI920119 Mortgage & Equity Funding
To open an office at 5514 Alma Lane, Springfield, VA

BFI920120 Margaretten & Company Inc.
To open an office at 6009 Oxon Hill Road, #214, Oxon Hill, MD

BFI920121 Margaretten & Company Inc.
To open an office at 7601 Ora Glen Drive, #1105, Greenbelt, MD

BFI920122 Margaretten & Company Inc.
To open an office at 30 West Gude Drive, #130, Rockville, MD

BFI920123 Alliance Mortgage Group, Inc.
Alleged violation of VA Code § 6.1-410

BFI920124 Commerce Bank
To relocate branch from 12437 Warwick Blvd. to 1230 Warwick Blvd., Newport News, VA

BFI920125 Eastern Fidelity Mortgage
To relocate from 4502 Starkey Rd., #211 to 6136 Peters Creek Rd., #C, Roanoke, VA

BFI920126 Newport News Savings Bank
To open a branch at 601 Thimble Shoals Blvd., #102, Newport News, VA

BFI920127 Lenders Financial Corp.
To open an office at 900 Bestgate Road, #207, Annapolis, MD

BFI920128 Williams, Lynn Seals
Alleged violation of VA Code § 6.1-416

BFI920129 IMCO Realty Services
To conduct mortgage lending at several locations

BFI920130 North American Mortgage Co.
To conduct mortgage lending at several locations

BFI920131 Lenders Financial Corporation
To open an office at 8251 Greensboro Drive, Suite 650, McLean, VA

BFI920132 Lenders Financial Corporation
To open an office at 8700 Centreville Road, Manassas, VA

BFI920133 First Savings Mortgage Corp.
To open an office at 100 West Washington Street, Middleburg, VA

BFI920134 PHH US Mortgage Corporation
To open an office at the Pentagon Concourse Level, Washington, DC

BFI920135 Mortgage Lending Group Inc.
To relocate from 8609 Lancaster Drive to 6701 Democracy Blvd., Bethesda, MD

BFI920136 Langoc, Pierre Jr.
To conduct mortgage brokering at 24 Quincy Court, Sterling, VA

BFI920137 Virginia State Mortgage Inc.
To conduct mortgage lending at 356 Electric Road, SW, Roanoke, VA

BFI920138 American Consumer Finance Inc.
To conduct consumer finance at 101 South Jefferson Street, #400, Roanoke, VA

BFI920139 Oakwood Acceptance Corporation
To conduct mortgage lending and brokering at 601 South William Street, Henderson, NC

BFI920140 Ace Mortgage Corporation
To open an office at 9653 Highway, #14, Fairfax, VA

BFI920141 Diversified Lending Services
To relocate from 6000 Executive Blvd., #115 to 12230 Rockville Pike, #200, Rockville, MD

BFI920142 Fairfax County Employee's Credit Union
To open a service facility at 12000 Government Center Parkway, Fairfax, VA

BFI920143 Money Store/DC, Inc., The
To open an office at 2235 Staples Mill Road, Richmond, VA

BFI920144 American National Mortgage
To conduct mortgage brokering at 8601 Georgia Avenue, #908, Silver Spring, MD

BFI920145 Emerson Mortgage Company Inc.
To conduct mortgage brokering at 7227 Lee Highway, Falls Church, VA and 200 Main St., Suite 201, Hilton Head Island, SC

BFI920146 Bennett, Arthur G.
Alleged violation of VA Code § 6.1-413

BFI920147 Inscoe, Jennifer L.
To relocate from 7581 Margate Ct., #203 to 7581 Margate Ct., #101, Manassas, VA

BFI920148 Homefirst Mortgage Corporation
To conduct mortgage brokering at 8180 Greensboro Drive, #750, McLean, VA

BFI920149 Lyons, Jonathan B.
To conduct mortgage brokering at 9217 Graceland Place, Fairfax, VA

BFI920150 Private Label Mortgage Services
To conduct mortgage lending and brokering at 8000 Maryland Ave., Suite 1400, Clayton, MO and 100 S. 5th St., Minneapolis, MN

BFI920151 Tri-State Mortgage Inc.
To conduct mortgage brokering at 19620 Charline Manor Road, Olney, MD

BFI920152 Source One Mortgage Services
To open an office at 1950 Old Gallows Road, #101, Vienna, VA

BFI920153 GMAC Mortgage Corporation of Pennsylvania
To open an office at 485 West Milwaukee Avenue, Detroit, MI

BFI920154 GMAC Mortgage Corporation of Pennsylvania
To open an office at 1050 Wilshire Drive, Troy, MI

BFI920155 GMAC Mortgage Corporation of Pennsylvania
To open an office at 2354 Garden Road, Monterey, CA

BFI920156 Thorp Consumer Discount Co.
To relocate from 8507 Midlothian Tnpk. to 8531 Midlothian Tnpk., Midlothian, VA

BFI920157 Aetna Finance Co d/b/a ITT Financial Services
To relocate from 8507 Midlothian Tnpk. to 8531 Midlothian Tnpk., Midlothian, VA

BFI920158 Commonwealth Asset Management
To relocate office from 5339 Main St. to 5283 Main St., Stephens City, VA

BFI920159 Midstate Financial Services
To conduct mortgage brokering at 2504 Raeford Road, Fayetteville, NC

BFI920160 City Federal Funding & Mortgage Corp.
To conduct mortgage brokering at 4515 Willard, #S 1515, Chevy Chase, MD

BFI920161 Realassist of Virginia Inc.
To relocate from 1700 Huguenot Rd., #A, Midlothian, VA to 11600 Busy St., #100, Richmond, VA

BFI920162 United Mortgagee Incorporated
To relocate from 3500 VA Beach Blvd., #312 to 3500 VA Beach Blvd., #203, VA Beach, VA

BFI920163 Crestar Bank
To open a branch at 5922 Richmond Highway, Fairfax, VA

BFI920164 Crestar Bank
To open a branch at 6506 Loisdale Rd., Fairfax, VA

BFI920165 Crestar Bank
To open a branch at 1178 Lee Jackson Memorial Highway, Fairfax, VA

BFI920166 Crestar Bank
To open a branch at 4420 N. Fairfax Dr., Arlington, VA

BFI920167 First Equitable Mortgage Corp.
To conduct mortgage lending at 4600 A Pinecrest Office Park, Alexandria, VA

BFI920168 Lenders Financial Corp.
To open an office at 8153 Richmond Highway, #203, Alexandria, VA

BFI920169 United Mortgage Inc.
To relocate from 1919 Huguenot Rd., #201A to 1919 Huguenot Rd., #300, Richmond, VA

BFI920170 Virginia State Mortgage, Inc.
Alleged violation of VA Code § 6.1-410

BFI920171 Metro-Area Mortgage Corp.
To conduct mortgage brokering at 1335 Rockville Pike, #255, Rockville, MD

BFI920172 Maryland Financial Resources
To conduct mortgage brokering at 744 Dulaney Valley Road, Towson, MD

BFI920173 First Bancorp Inc.
To acquire the voting shares of First Bank and Trust Company

BFI920174 First Nationwide Mortgage Corp. of Virginia
Alleged violation of VA Code § 6.1-416

BFI920175 First Virginia Bank
To open a branch at 6401 B Shiplett Blvd., Burke, Fairfax County, VA

BFI920176 Harrell, C. Lydon Jr.
To conduct mortgage brokering at 1302 Westover Avenue, Norfolk, VA

BFI920177 Madison Mortgage Corporation
To conduct mortgage brokering at 210 Sycamore Square Drive, Midlothian, VA

BFI920178 Kerins Associates Inc.
To conduct mortgage brokering at 13821 Mills Avenue, Silver Spring, MD

BFI920179 Dominion Credit Union Inc.
To open a branch at Innsbrooks Technical Center, 5000 Dominion Blvd., Glen Allen, VA

BFI920180 Colonial Mortgage Corporation
To conduct mortgage brokering at 8529 Crestview Drive, Fairfax, VA

BFI920181 Equity One of Virginia
To open an office at 7801 West Broad Street, #9, Richmond, VA

BFI920182 Equity One of Virginia
To open an office at 505 South Independence Blvd., #106, VA Beach, VA

BFI920183 Equity One of Virginia
To open an office at 3303 North Main Street, #D, Danville, VA

BFI920184 Signal Credit Corporation
To conduct consumer finance business at 9034 Mathis Avenue, Manassas, VA

BFI920186 Signal Credit Corporation
To conduct consumer finance business at various locations where business of open-end lending will also be conducted

BFI920187 Signal Credit Corporation
To conduct consumer finance at 316 Constitution Drive, VA Beach, VA

BFI920188 Signal Credit Corporation
To conduct consumer finance business at various locations where business of real estate mortgage lending will also be conducted

BFI920189 Signal Credit Corporation
To conduct consumer finance business at various locations where business of sales finance will also be conducted

BFI920190 Signal Credit Corporation
To conduct consumer finance business at various locations where property insurance will also be sold

BFI920191 Signal Finance Mortgage Co.
To conduct mortgage lending business at 9034 Mathis Ave., Manassas, VA and 316 Constitution Dr., VA Beach, VA

BFI920192 Home Trust Mortgage Corp.
To conduct mortgage brokering at 6159 Ridgemont Drive, Centreville, VA

BFI920193 IMCO Realty Services Inc.
To open office at 4343 Plank Road, Fredericksburg, VA

BFI920194 IMCO Realty Services Ltd.
To open office at 4343 Plank Road, Fredericksburg, VA

BFI920195 North American Mortgage Co.
To open office at 4343 Plank Road, Fredericksburg, VA

BFI920196 Empire National Mortgage
To conduct mortgage brokering at several locations

BFI920197 Commercial Credit Plan Inc.
To conduct mortgage lending at several locations

BFI920198 First Virginia Bank
To relocate from 6172 Arlington Blvd. to 6120 Arlington Blvd., Falls Church, VA

BFI920199 A-Cap Business Services Ltd.
To conduct mortgage brokering at several locations

BFI920200 Lemaster, S. Maxine
To conduct mortgage brokering at 8851 Woodlawn Way, Springfield, VA

BFI920201 PHH US Mortgage Corporation
To open an office at 909 N. Washington St., Alexandria, VA

BFI920202 PHH US Mortgage Corporation
To open an office at 10621-A Braddock Rd., Fairfax, VA

BFI920203 Homestead Mortgage Inc.
To relocate office from 8028 Ritchie Highway, Suite 207, Pasadena, MD to 1120 Benfield Blvd., Suite A, Millersville, MD

BFI920204 Loan America Financial Corp.
To relocate from 11300 Rockville Pike, Suite 606 to to 6120 Executive Blvd., Suite 300E, Rockville, MD

BFI920205 Transamerica Financial Services
To conduct consumer finance business at 100 Riverside Parkway, Stafford County, VA

BFI920206 Transamerica Financial Service Inc.
To conduct consumer finance and mortgage lending at the same location

BFI920207 Peoples Bank Inc.
To open a branch at 100 North Fork Boulevard, Duffield, Scott County, VA

BFI920208 Peoples Bank Inc.
To open a branch at 2000 North Main Street, Pound, Wise County, VA

BFI920209 Liberty American Mortgage Co.
To conduct mortgage lending at 2019 Cunningham Dr., #103, Hampton VA

BFI920210 Equity Capital Mortgage Inc.
To conduct mortgage brokering at 8229 Boone Blvd., #220, Vienna, VA

BFI920211 North American Mortgage Co.
To open an office at 1300 Dutton Ave., #C, Santa Rosa, CA

BFI920212 Imcon Realty Services Inc.
To open an office at 1300 Dutton Ave., #C, Santa Rosa, CA

BFI920213 Hamilton Financial Group Inc.
To relocate from 7619 Arnet Lane to 4853 Cordell Ave., #7A, Bethesda, MD

BFI920214 Hayes, Robert
To relocate from 11843-B Canon Blvd. to 11843-C Canon Blvd., Newport News, VA

BFI920215 Pacific Finance Loans d/b/a Transamerica Credit Corp.
To open an office at 100 Riverside Parkway, Fredericksburg, VA

BFI920216 IMCO Realty Services, Ltd.
To open an office at 1300 Dutton Ave., #C, Santa Rosa, CA

BFI920217 Southside Finance Company Inc.
To conduct consumer finance business at 302 S. Main St., Blackstone, VA

BFI920218 Virginia Mortgage Funding Corp.
To open an office at 11350 Random Hills Rd., #800, Fairfax, VA

BFI920219 Mortgage Solutions, Inc.
Alleged violation of various provisions of Chapter 16 of Title 6.1

BFI920220 Continental Mortgage Corp.
To relocate from 5107 Leesburg Pike ,#2501 A, Falls Church, VA to 4216 Evergreen Lane, Annandale, VA

BFI920221 United Companies Lending Corp.
To relocate from 3035 Peters Creek Road, Roanoke, VA to 5115 Bernard Drive, Roanoke, VA

BFI920222 Mun, Brian Kyong-Ho
To conduct mortgage brokering at 7010 Little River Turnpike, Suite 140, Annandale, VA and 2182 Wolftrap Court, Vienna, VA

BFI920223 Metropolitan Leasing Corp.
Alleged violation of VA Code § 6.1-418

BFI920224 Gardner, David
Alleged violation of VA Code § 6.1-418

BFI920225 SFC Mortgage Group of Virginia, Inc.
Alleged violation of VA Code § 6.1-418

BFI920226 Hilliard, Nanette H.
Alleged violation of VA Code § 6.1-418

BFI920227 Mortgage Consulting Services Inc.
Alleged violation of VA Code § 6.1-418

BFI920228 Yegen Equity Loan Corp.
Alleged violation of VA Code § 6.1-418

BFI920229 Weyerhaeuser Mortgage Company
To relocate from 1340 Treat Blvd., Walnut Creek, CA to 1800 Sutter St., #790, Concord, CA

BFI920230 First Home Mortgage Corp.
To conduct mortgage lending and brokering at several locations

BFI920231 Commerce Bank
To open an EFT at Maryview Medical Center, 3636 High St., Portsmouth, VA

BFI920232 American General Finance Inc.
To relocate from 505 South Washington Highway to 125 Junction Drive, Ashland, VA

BFI920233 United Mortgage Corporation
To conduct mortgage brokering at 6541 Bay Tree, Falls Church, VA

BFI920234 Atlantic Mortgage Corporation
To relocate from 10400 Connecticut Ave., Suite 400, Kensington, MD to 8701 Georgia Ave., Suite 500, Silver Spring, MD

BFI920235 Crestar Bank
To open branch at 1900 Emmett Street, Charlottesville, VA

BFI920236 Congressional Funding Inc.
To relocate from 3833 Farragut Avenue to 3829 Farragut Avenue, Kensington, MD

BFI920237 Ex Parte: Regulation
Adoption of revised regulation governing non-profit debt counseling agencies pursuant to VA Code § 6.1-363.1

BFI920238 American General Finance
To relocate from 505-F S. Washington Highway to 125 Junction Dr., Ashland, VA

BFI920239 First Greensboro Home Equity
To relocate from 1500 Pinecroft Rd., 100 to 1500 Pinecroft Rd., 200, Greensboro, NC

BFI920240 Julian, Jon t/a Mortgage Funding of Virginia
To relocate from 1301 Platoon Dr., Spotsylvania, VA to 2217 Princess Anne St., Fredericksburg, VA

BFI920241 Vaden, David t/a Mortgage Aid
To relocate from 4314 Puddledock Rd., Prince George, VA to 3111 Holly Ave., Colonial Heights, VA

BFI920242 Congressional Funding Inc.
To open an office at 77 South Washington Street, #205, Rockville, MD

BFI920243 First Virginia Bank
To open an EFT at George Mason University Patriot Center, Fairfax County, VA

BFI920244 Signet Bank/Virginia
To open a branch at 11 South 12th Street, Richmond, VA

BFI920245 State Bank of the Alleghenies
To relocate from 533 Main Street to 1633 Main Street, Clifton Forge, VA

BFI920246 Tran South Financial Corp.
To conduct consumer finance business at 2125 Smith Ave., #202, Chesapeake, VA

BFI920247 Liberty Funding Corporation
To relocate from 12705 Kingsbury Ct. to 1308 Devils Reach Rd., Woodbridge, VA

BFI920248 Miners Exchange Bank
To open a branch at Ridgeview Shopping Center, Wise Street, St. Paul, VA

BFI920249 Central Fidelity Bank
To open a branch at 211-15 Providence Road, Chesapeake, VA

BFI920250 Ford Consumer Finance Co. Inc.
To open an office at 250 Carpenter Freeway, Irving, Texas

BFI920251 United Mortgagee Inc.
To relocate from 7002D Little River Turnpike, Annandale, VA to 3981 Chain Bridge Rd., Fairfax, VA

BFI920252 Financial Mortgage Inc.
To relocate from 6701 Democracy Blvd., Bethesda, MD to 6187 Executive Blvd., Rockville, MD

BFI920253 Household Realty Corporation
To relocate from 5939 Midlothian Turnpike, Richmond, VA to 10801 Hull St., Midlothian, VA

BFI920254 Mortgage Broker Inc., The
To open an office at 4713 Tulip Drive, VA Beach, VA

BFI920255 Cochran, Gary T.
To conduct mortgage brokering at Route 1, RR 634, Hardy, VA

BFI920256 Business & Financial Services
To relocate from 9610 Pennsylvania Ave., Upper Marlboro, MD to 4710 auth Place, #770, Camp Springs, MD

BFI920257 Directors Mortgage Loan Corp.
To open an office at #17 The Koger Center, #101, Norfolk, VA

BFI920258 Naccash-Sites, Mary
To open an office at 1420 N. Street, #T-1, Washington, DC

BFI920259 Richmarr Mortgage Corporation
To relocate from 1595 Springhill Rd., Vienna, VA to 8260 Greensboro Dr., #1575, McLean, VA

BFI920260 Mortgage One Financial Centers
To relocate from 10306 Eaton Place, #201 to 10300 Eaton Place, #101, Fairfax, VA

BFI920261 Consumer Credit Counseling
To open an office at 506 Cumberland Street, Bristol, VA

BFI920262 Loan America Financial Corporation
Alleged violation of VA Code § 6.1-416

BFI920263 Homestead Mortgage, Inc. d/b/a Homestead Mortgage Inc. of Virginia
Alleged violation of VA Code § 6.1-416

BFI920264 Commercial Credit Corporation
To relocate from 7678-E Richmond Highway to 8794-R Sacramento Dr., Alexandria, VA

BFI920265 Bank of Rockbridge
To open a branch at 537 East Nelson Street, Lexington, VA

BFI920266 Commercial Credit Loans Inc.
To relocate from 7678-E Richmond Highway to 8794-R Sacramento Dr., Fairfax County, VA

BFI920267 Bank of Hampton Roads, The
To merge into it Coastal Virginia Bank

BFI920268 Ex Parte: Interest and loan ceiling
Maximum rates of interest and loan ceiling permitted on loans made under VA Consumer Finance Act

BFI920269 Valley Finance Service
Petition for refund of fee erroneously assessed and collected by Bureau of Financial Institutions

BFI920270 Bancorp Mortgage Corporation
To conduct mortgage brokering at 198 Poplar Grove Drive, Warrenton, VA

BFI920271 McLean Mortgage Services Inc.
To open an office at 10500 Miller Road, Oakton, VA

BFI920272 Abbott Mortgage Service Inc.
To relocate from 1420 Springhill Rd., #300 to 1420 Springhill Rd., #150, McLean, VA

BFI920273 Mortgage Lending Corporation
To conduct mortgage brokering at several locations

BFI920274 Dynamics Financial Inc.
To relocate from 6849 Old Dominion Dr., 224 to 6849 Old Dominion Dr., 220, McLean, VA

BFI920275 Crosstate Mortgage/Investments
To open an office at 2927 Ivy Road, Charlottesville, VA

BFI920276 Atlantic Mortgage Corporation
Alleged violation of VA Code § 6.1-416

BFI920277 Commericial Credit Corporation
To relocate from 245 Commonwealth Blvd. to Rt. 2 Holiday Shopping Center, #d 2, Martinsville, VA

BFI920278 Transouth Mortgage Corp.
To open an office at 2125 Smith Avenue, #202, Chesapeake, VA

BFI920279 Chrysler First Financial Services
To relocate from 401 Eastern Shore Dr. 2 B, Salisbury, MD to 1460 Ritchie Highway, Arnold, MD

BFI920280 American Finance & Investment
To conduct mortgage brokering at 3613 Chain Bridge Road, Fairfax, VA

BFI920281 Bank of Clarke County
To open a branch at 625 Apple Blossom Drive, Winchester, VA

BFI920282 Nugent Mortgage Corporation
To relocate from 2111 Wilson Blvd., Arlington, VA to 7984 Old Georgetown Road, #7C, Bethesda, MD

BFI920283 Tidewater First Financial
To open an office at 5752 Church and Blvd., #8, Portsmouth, VA

BFI920284 United Mortgagee Inc.
To relocate from 1919 Huguenot Road, #300 to 1919 Huguenot Road, #301, Richmond, VA

BFI920285 AVCO Mortgage Acceptance Inc.
To relocate from 9927 Hull Street Road, Richmond, VA to 11021 Hull Street, Midlothian, VA

BFI920286 Money Store/DC, The
To relocate from 2235 Staples Mill Road, #200 to 2727 Enterprise Parkway, #101, Richmond, VA

BFI920287 Farmers Bank of Appomattox
To establish a bank at 18 Main St., Appomattox, VA

BFI920288 Douglas & Edelman Mortgage
To conduct mortgage brokering at 12450 Fair Lakes Circle, #200, Fairfax, VA

BFI920289 Lindley Mortgage Corporation
To conduct mortgage lending at 12120 Sunset Hills Road, #150, Reston, VA

BFI920290 Atlantic Mortgage Funding Inc.
To conduct mortgage brokering at 6324 Drill Field Court, Centreville, VA

BFI920291 SC Funding Corporation
To conduct mortgage lending and brokering at 4 Park Plaza, #1200, Irvine, CA

BFI920293 Central Fidelity Bank
To open a branch at 5610 Brook Road, Richmond, VA

BFI920294 Central Fidelity Bank
To open a branch at 1001 Sycamore Square Drive, Chesterfield County, VA

BFI920295 Central Fidelity Bank
To open a branch at 6541 Centralia Road, Chesterfield County, VA

BFI920296 Central Fidelity Bank
To open a branch at 900 Parham Road, Hanover County, VA

BFI920297 Central Fidelity Bank
To open a branch at 5284 Providence Rd., VA Beach, VA

BFI920298 Central Fidelity Bank
To open a branch at One Manhattan Square, Hampton, VA

BFI920299 Central Fidelity Bank
To open a branch at 2000 Colonial Ave., Norfolk, VA

BFI920300 Central Fidelity Bank
To open a branch at 8433 Timberlake Road, Lynchburg, VA

BFI920301 Central Fidelity Bank
To open a branch at 310 E Main St., Charlottesville, VA

BFI920302 Central Fidelity Bank
To open a branch at 3225 High St., Portsmouth, VA

BFI920303 Central Fidelity Bank
To open a branch at 600 Crawford St., Portsmouth, VA

BFI920304 Central Fidelity Bank
To open a branch at 2120 Langhorne Road, Lynchburg, VA

BFI920305 Central Fidelity Bank
To open a branch at 4119 Boonsboro Road, Lynchburg, VA

BFI920306 Central Fidelity Bank
To open a branch at 460 West, Prince Edward County, VA

BFI920307 Central Fidelity Bank
To open a branch at 117 Market St., Suffolk, VA

BFI920308 Central Fidelity Bank
To open a branch at 5340 George Washington Memorial Highway, York County, VA

BFI920309 Central Fidelity Bank
To open a branch at 1265 Seminole Trail, Albemarle County, VA

BFI920311 Central Fidelity Bank
To open a branch at 1100 Dam Neck Road, VA Beach, VA

BFI920312 Central Fidelity Bank
To open a branch at 7012 Marlowe Rd., Richmond, VA

BFI920313 Central Fidelity Bank
To open a branch at 1589 Bridge Road, Suffolk, VA

BFI920315 Central Fidelity Bank
To open a branch at 3664 Virginia Beach Blvd., VA Beach, VA

BFI920316 Central Fidelity Bank
To open a branch at 1115 First Colonial, VA Beach, VA

BFI920317 Central Fidelity Bank
To open a branch at 426 Weems, Winchester, VA

BFI920318 Central Fidelity Bank
To open a branch at 510 N. Main St., Franklin, VA

BFI920319 Central Fidelity Bank
To open a branch at 1009 E. Main St., Richmond, VA

BFI920320 Central Fidelity Bank
To open a branch at 6511 Woodlake Village Parkway, Chesterfield, VA

BFI920321 Central Fidelity Bank
To open a branch at 6618 Mechanicsville Turnpike, Hanover County, VA

BFI920322 Central Fidelity Bank
To open a branch at 1650 Willow Lawn, Henrico County, VA

BFI920324 Central Fidelity Bank
To open a branch at 8001 W. Broad St., Henrico County, VA

BFI920325 Central Fidelity Bank
To open a branch at 7119 Hull St. Road, Chesterfield County, VA

BFI920326 Central Fidelity Bank
To open a branch at 5816 Grove Ave., Richmond, VA

BFI920327 Central Fidelity Bank
To open a branch at 1390 Gaskins Road, Henrico County, VA

BFI920329 Central Fidelity Bank
To open a branch at 4901 Millridge Parkway, East, Chesterfield County, VA

BFI920330 Central Fidelity Bank
To open a branch at 3405 Plank Rd., Spotsylvania County, VA

BFI920331 Central Fidelity Bank
To open a branch at 600 Main St., Richmond, VA

BFI920333 Central Fidelity Bank
To open a branch at 10700 Midlothian Turnpike, Chesterfield County, VA

BFI920334 Central Fidelity Bank
To open a branch at 2033 Ivy Road, Charlottesville, VA

BFI920335 Central Fidelity Bank
To open a branch at Mason and Gay Streets, Harrisonburg, VA

BFI920336 Central Fidelity Bank
To open a branch at 1028 N. Battlefield Blvd., Chesapeake, VA

BFI920337 Central Fidelity Bank
To open a branch at Rt. 133 East and State Rt. 974, Rockingham County, VA

BFI920338 Central Fidelity Bank
To open a branch at 9026 Forest Hill Ave., Richmond, VA

BFI920339 Central Fidelity Bank
To open a branch at 9801 W. Broad St., Henrico County, VA

BFI920340 Central Fidelity Bank
To open a branch at 5711 Mechanicsville Turnpike, Hanover County, VA

BFI920341 Central Fidelity Bank
To open a branch at 3426 W. Cary St., Richmond, VA

BFI920342 Central Fidelity Bank
To open a branch at 101 S. Washington Highway, Hanover County, VA

BFI920343 Central Fidelity Bank
To open a branch at 130 Church Ave., SW, Roanoke, VA

BFI920344 Central Fidelity Bank
To open a branch at 4390 S. Laburnum Ave., Henrico County, VA

BFI920345 Crestar Bank
To merge into it CRFC Virginia Interim Federal Savings Association

BFI920346 Crestar Financial Corporation
To acquire 100% of CRFC Virginia Interim Federal Savings Association

BFI920347 Citizens Bank & Trust Company
To establish a branch at Route 460 West, Farmville, Prince Edward County, VA

BFI920348 First Virginia Bank-Piedmont
To establish a branch at 2120 Langhorne Road, Lynchburg, VA

BFI920349 First Virginia Bank-Southside
To establish a branch at Route 460, West Farmville, Prince Edward County, VA

BFI920350 First Virginia Bank-Planters
To establish a branch at corner of Mason and Gay Sts., Harrisonburg, VA

BFI920351 First Virginia Bank-Shenandoah
To establish a branch at 426 Weems Lane, Winchester, VA

BFI920352 Commerce Bank
To establish a branch at 5340 George Washington Memorial Highway, Grafton, York County, VA

BFI920353 Commerce Bank
To establish a branch at 117 Market Street, Suffolk, VA

BFI920354 Commerce Bank
To establish a branch at 2000 Colonial Avenue, Norfolk, VA

BFI920355 Greater Potomac Mortgage Co.
To relocate from 774-C Walker Road to 746 Walker Road, #4, Great Falls, VA

BFI920356 Signet Bank/Virginia
To establish a branch at 9026 Forest Hill Avenue, Chesterfield County, VA

BFI920357 Signet Bank/Virginia
To establish a branch at 6511 Woodlake Village Parkway, Chesterfield County, VA

BFI920358 Signet Bank/Virginia
To establish a branch at 10700 Midlothian Turnpike, Chesterfield County, VA

BFI920359 Signet Bank/Virginia
To establish a branch at 3426 West Cary Street, Richmond, VA

BFI920360 Signet Bank/Virginia
To establish a branch at 5711 Mechanicsville Turnpike, Hanover County, VA

BFI920361 Signet Bank/Virginia
To establish a branch at 7012 Marlow Road, Richmond, VA

BFI920362 First Nationwide Mortgage
To conduct mortgage lending at 809 Gleneagles Court, Towson, MD

BFI920363 Bank of McKenney
To open an EFT at 5420 Boydton Plank Road, Dinwiddie County, VA

BFI920364 Southern Equity Mortgage Corp.
To conduct mortgage lending at 4337 Cox Road, Glen Allen, VA

BFI920365 AVCO Financial Services of Madison
To relocate from 9927 Hull Street Road to 11021 Hull Street Road, Chesterfield County, VA

BFI920366 First Town Mortgage Corp.
To relocate from 12733 Directors Loop, Woodbridge, VA to 11350 Random Hill Rd., #120, Fairfax, VA

BFI920367 Community Lending Corporation
To conduct mortgage brokering at 6128 Baltimore Avenue, #102, Riverdale, MD

BFI920368 Bankers First Mortgage Co Inc.
To conduct mortgage lending at 9505 Reistertown Rd., #200-202 North, Owings Mill, MD

BFI920369 Bank of Southside Virginia
To establish a branch at 510 North Main Street, Franklin, VA

BFI920370 F&M Bank-Central Virginia
To establish a branch at 310 East Main Street, Charlottesville, VA

BFI920371 F&M Bank-Central Virginia
To establish a branch at 2033 Ivy Road, Charlottesville, VA

BFI920372 RBO Funding Inc.
To establish mortgage office at 9100 Church Street, Suite 103, Manassas, VA

BFI920373 Southern Equity Mortgage Corp.
To relocate office from 4337 Cox Rd. to 4439 Cox Rd., Glen Allen, VA

BFI920374 Peninsula Trust Bank
To open a branch at 1031 Richmond Road, Williamsburg, VA

BFI920375 Commerce Bank of Virginia
To open a branch at 901 East Byrd Street, #740, Richmond, VA

BFI920376 Benchmark Mortgage Inc.
To conduct mortgage brokering at 6207 Old Keene Mill Court, Springfield, VA

BFI920377 Business & Financial Services Inc.
Alleged violation of VA Code § 6.1-420

BFI920379 Somerset Financial Services Inc.
Alleged violation of VA Code § 6.1-420

BFI920380 Basel M.
Alleged violation of VA Code § 6.1-420

BFI920381 Lance, Louis E. d/b/a Better Financial Services
Alleged violation of VA Code § 6.1-420

BFI920382 May, John E., Jr. t/a Central Mortgage & Investment Co.
Alleged violation of VA Code § 6.1-420

BFI920383 Mortgage Resources, Inc.
Alleged violation of VA Code § 6.1-420

BFI920384 Virginia Financial Consultants Inc.
Alleged violation of VA Code § 6.1-420

BFI920385 Sterling Mortgage Corporation
To relocate from 1904 Byrd Ave., #124 to 1508 Willow Lawn Dr., #210, Richmond, VA

BFI920386 Virginia State Mortgage Inc.
To relocate from 3566 Electric Rd. to 3959 Electric Rd., Roanoke, VA

BFI920387 Southside Bank
To relocate from Park Place Supermarket to 291 Virginia St., Urbanna, Middlesex County, VA

BFI920388 Williams, Larry
To conduct mortgage brokering at 12119 Indian Creek Court, Beltsville, MD

BFI920389 EFG Emco Inc.
To relocate from 11320 Random Hills Rd., Fairfax, VA to 7500 Diplomat Dr., Manassas, VA

BFI920390 Kenwood Associates Inc.
To conduct mortgage lending and brokering at 10000 Falls Road, #106, Potomac, MD

BFI920391 American Homestead Mortgage
To conduct mortgage lending at 281 Main Street, Rancocas, NJ

BFI920392 First Fidelity Mortgage Corp.
To open an office at 213 McLaws Circle, Building 2, Suite 2 A, Williamsburg, VA

BFI920393 Chrysler First Financial Services Corp.
To conduct consumer finance business at several locations where sales finance and open-lending will also be conducted

BFI920394 Chrysler First Financial Services Corp.
To conduct consumer finance business and open-end lending at the same location

BFI920395 American General Finance of America
To relocate from 118 E. Main St. to 401 E. Main St., Charlottesville, VA

BFI920396 Developers Mortgage Corp.
To relocate from 700 S. Washington St., Alexandria, VA to 8381 Old Courthouse Road, Vienna, VA

BFI920397 Lenders Financial Corporation
To open a branch at 7275 Glen Forest Drive, #202, Richmond, VA

BFI920398 Lenders Financial Corporation
To open a branch at 2102 Corporate Ridge Road, McLean, VA

BFI920399 Piedmont Finance Service
For refund of fee paid to Bureau of Financial Institutions

BFI920400 Modern Mortgage Incorporated
To relocate from 5613 Leesburg Pike, #5 to 5613 Leesburg Pike, #1, Falls Church, VA

BFI920401 American General Finance
To relocate from 118 E. Main St. to 401 E. Main St., Charlottesville, VA

BFI920402 Bethesda-Chevy Chase Mortgage
To conduct mortgage brokering at 5550 Friendship Blvd., Chevy Chase, MD

BFI920403 Johng, Terri
To conduct mortgage brokering at 7010 Little River Turnpike, #140, Annandale, VA

BFI920404 Hunter, Walden T., Jr., t/a Mortgage and Financial Co.
To open an office at 3212 Cutshaw Ave., Suite 204, Richmond VA

BFI920405 Mortgage Investment Corp
To relocate from 8302D Old Courthouse Rd. to 8290B Old Courthouse Rd., Vienna, VA

BFI920406 Batten, Barbara L.
To establish a mortgage office at 8332 Richmond Highway, Suite 201, Alexandria, VA

BFI920407 University of Virginia Employees Credit Union
To merge into it Charlottesville City Employees Federal Credit Union

BFI920408 Consumer Credit Counseling Service
To open an office at 128 N. Main St., Culpeper, VA

BFI920409 Mortgage Solutions, Inc.
To relocate from 5701 Democracy Blvd. to 4300 Montgomery Ave., #305, Bethesda, MD

BFI920410 North American Mortgage Co.
To relocate from 1951 Kidwell Dr. to 1945 Old Gallows Rd., #500, Vienna, VA

BFI920411 Equity One Consumer Discount
To conduct consumer finance business and sell personal property insurance at the same location

BFI920412 Equity One Consumer Discount
To conduct consumer finance business and sell involuntary unemployment insurance at the same location

BFI920413 Citizens Bank of Virginia
To open a branch at 1025 Herndon Parkway, Herndon, VA

BFI920414 Mortgage & Equity Funding
To open an office at 532 N. Washington St., Alexandria, VA

BFI920416 White, Thomas D.
To acquire Realty Mortgage Group Inc.

BFI920417 Realty Mortgage Group Inc.
To relocate from 8401 Patterson Ave., Suite 206 to 9201 Forest Hill Ave., Suite 101, Richmond, VA

BFI920418 AVCO Financial Services of Madison Heights Inc.
To relocate from 2114 Angus Rd., Suite 101 to 2114 Angus Rd., Suite 102, Charlottesville, VA

BFI920419 Guild Mortgage Company
To relocate mortgage office from 3959 Pender Dr., #109 to 4000 Legato Rd., Fairfax, VA

BFI920420 Associates Financial Services
To open office at 9034 Mathis Avenue, Manassas, VA

BFI920421 Associates Financial Services Company of Virginia Inc.
To open office at 316 Constitution Drive, VA Beach, VA

BFI920422 Associates Financial Services Company of Virginia Inc.
To conduct mortgage lending in certain offices

BFI920423 Associates Financial Services Company of Virginia Inc.
To conduct sales finance business in certain offices

BFI920424 Associates Financial Services Company of Virginia Inc.
To conduct business of revolving loans in certain offices

BFI920425 Associates Financial Services Company of Virginia Inc.
To conduct business of personal property insurance in certain offices

BFI920426 Prudential Real Estate Financial Services
To establish a mortgage office at 470 C Governor Ritchie Highway, Severna Park, MD

BFI920427 Fidelity Mortgage Services Inc.
To conduct business as a mortgage broker at 451 Hungerford Drive, Suite 202, Rockville, MD

BFI920428 Metfund Mortgage Corporation
To conduct business as a mortgage broker at 2109-B Bermudez Court, Vienna, VA

BFI920429 Traditional Mortgage Corp. of Virginia
To conduct business as a mortgage lender at 2187 Northlake Blvd., Suite 106, Tucker, GA

BFI920430 Southeast Mortgage Banking
To conduct mortgage brokering at 5441 VA Beach Blvd., VA beach, VA

BFI920431 First Advantage Mortgage Corp.
To conduct mortgage lending at several locations

BFI920432 Commonwealth Asset Management
To relocate from 5283 Main St., Stephens City, VA to 1015 Berryville Ave., #1, Winchester, VA

BFI920433 EFG EMCO t/a First Discount
To relocate from 200 Golden Oak Ct., #300 to 200 Golden Oak Ct., #150, VA Beach, VA

BFI920434 Samson Universal Mortgage Corp.
To relocate from 2944 Hunter Mill Rd., Suite 201, Oakton, VA to 11911 Freedom Dr., Reston, VA

BFI920435 RFI Inc.
To acquire 25% or more of Developers Mortgage Corporation

BFI920436 Associates Financial Services of America Inc.
To open an office at 316 Constitution Drive, VA Beach, VA

BFI920437 Associates Financial Services of America Inc.
To open an office at 9034 Mathis Avenue, Manassas, VA

BFI920438 Realassist of Virginia Inc.
To establish a mortgage branch at 316 Office Square Lane, VA Beach, VA

BFI920439 Washington Bank, The
To merge into it The George Washington National Bank

BFI920440 GMAC Mortgage Corporation of Virginia
To establish a mortgage office at 14724 Ventura Boulevard, Sherman Oaks, CA

BFI920441 Crescent Mortgage Corporation
To establish a mortgage office at 2800 Buford Road, Richmond, VA

BFI920442 Capital Mortgage Company
To establish a mortgage office at Suite 102a, 6500 Arlington Blvd., Falls Church, VA

BFI920443 Correspondents Mortgage Corp.
To conduct business as a mortgage broker at 610 Pasteur Drive, Suite 201, Greensboro, NC

BFI920444 Consumer Credit Counseling Service of Greater Washington Inc.
To open an office at 2971 Valley Ave., Suite 2, Winchester, VA

BFI920445 American General Finance
To relocate office from 4074 Crockett St., Henrico County, VA to 6647 Mechanicsville Turnpike, Hanover County, VA

BFI920446 Equity One Mortgage Co.
To conduct business as a mortgage broker at 12329 Sir James Ct., Richmond, VA

BFI920447 American General Finance Inc.
To relocate from 4074 Crockett St., Richmond, VA to 6647 Mechanicsville Turnpike, Mechanicsville, VA

BFI920448 Principal Residential Mortgage
To conduct business as a mortgage lender at 711 High Street, Des Moines, IA

BFI920449 AVCO Mortgage & Acceptance
To relocate from 2114 Angus Rd., #101 to 2114 Angus Rd., #102, Charlottesville, VA

BFI920450 Abbot Mortgage Service, Inc.
Alleged violation of VA Code § 6.1-416

BFI920451 Crescent Mortgage Corporation
To establish a mortgage office at 13601 Genito Road, Midlothian, VA

BFI920453 Washingtonian Mortgage Inc.
To conduct business as a mortgage broker in several locations

BFI920454 First Virginia Bank
To establish a bank branch at 13360 Franklin Farm Road, Herndon, Fairfax County, VA

BFI920455 Eastern Financial Services Inc.
To conduct mortgage brokering business at 8585 Baltimore National Pike, Ellicott City, MD

BFI920456 Harrison C. Moore Inc.
To conduct business of mortgage brokering at 3401 Poplar Creek Lane, Williamsburg, VA and Mt. Pocono Professional Center, 4 Fork St., Pocono, PA

BFI920457 Far East Financial Company
To relocate from 7979 Old Georgetown Rd., Bethesda, MD to 10400 Connecticut Ave., Kensington, MD

BFI920458 Southside Bank
To establish a bank branch at 202 North Main Street, Bowling Green, VA

BFI920459 Intra-Coastal Mortgage Co.
To relocate from 6701 Democracy Blvd., #300, Bethesda, MD to 10220 River Rd., #300, Potomac, MD

BFI920460 Park, Jessica & David
To conduct business as a mortgage broker at 7002 Little River Turnpike, Suite J, Annandale, VA

BFI920461 Federal Mortgage Company
To relocate from 7004-G Little River Turnpike, Annandale, VA to 8605 Westwood Center Dr., Vienna, VA

BFI920462 American Independent Mortgage
To conduct business as mortgage lender and broker in certain offices

BFI920463 Norwest Financial Virginia Inc.
To relocate from 3554 Electric Road, SW to 3524 Electric Road, SW, Roanoke, VA

BFI920464 Takoma Financial Services Inc.
To conduct business as a mortgage broker at 408 Mississippi Avenue, Takoma Park MD

BFI920465 Greenbrier Finance Co. t/a Greenbrier Mortgage Corp.
To relocate from 6330 Newtown Rd., Suite 525 to 6330 Newtown Rd., Suite 325, Norfolk, VA

BFI920466 Eagle Capital Mortgage Ltd.
To conduct business as a mortgage lender at 4245 N. Central Expressway, Suite 100, Dallas, TX

BFI920467 Security Pacific Financial Service
To relocate from 870 N. Military Highway, #201 to 870 N. Military Highway, #101, Norfolk, VA

BFI920468 Security Pacific Financial
To relocate from 30 E. Main St. to 245 N. Franklin St., Montgomery County, VA

BFI920469 Realassist of Virginia Inc.
To relocate from Pembroke Two, #228, 287 Independence Blvd. to Pembroke Four, #291 Independence Blvd., VA Beach, VA

BFI920470 Commercial Credit Loans Inc.
To relocate from 245 Commonwealth Blvd., Martinsville, VA to Rt. 2 Holiday Shopping Center, Henry County, VA

BFI920471 Lenders Financial Corporation
Alleged violation of VA Code § 6.1-416

BFI920472 Chrysler First Financial Services Corporation of America
Alleged violation of VA Code § 6.1-267

BFI920473 Blazer Financial Services Inc.
To relocate from 3833 C S. Crater Rd., Petersburg, VA to 798 Southpark Blvd., Colonial Heights, VA

BFI920474 Virginia Mortgage Services Inc.
To conduct business as a mortgage lender at 2801 Boulevard, Suite C, Colonial Heights, VA

BFI920475 Wheeler, Joseph
To relocate from 736 Courthouse Rd., Stafford, VA to 6402 Medallion Dr., Fredericksburg, VA

BFI920476 Blazer Mortgage Services Inc.
To relocate from 3833 C S. Crater Rd., Petersburg, VA to 798 Southpark Blvd., Colonial Heights, VA

BFI920477 EFG EMCO, Inc. t/a First Discount Mortgage
Alleged violation of VA Code § 6.1-416

BFI920478 American General Finance Inc.
To relocate from 12769 Jefferson Ave. to 459 Oriana Rd., Newport Crossing, Newport News, VA

BFI920479 First Savings Mortgage Corp.
To relocate from 2010 Corporate Ridge Road, #460 to 1945 Old Gallows Road, Vienna, VA

BFI920480 Consumer Credit Counseling
To establish an office at 717 Independence Boulevard, VA Beach, VA

BFI920481 Reinhardt, Eileen
To open an office at 201 East Cary Street, Richmond, VA

BFI920482 Reinhardt, Eileen
To open an office at Hamilton Centre, Suite 302, 3384 Highway, 301, Waldorf, MD

BFI920483 Contimortgage Corporation
To open an office at One Lakeside Commons, 990 Hammond Dr., Suite 1010, Atlanta, GA

BFI920484 First Bank & Trust Co., The
To open a branch at U.S. Rt. 11 1/4 mile West of the intersection of I-81 and U.S. Rt. 58, Abingdon, VA

BFI920485 Household Realty Corporation
To relocate from 13932 Jefferson Davis Highway, Woodbridge, VA to 2020 Daniel Stuart Square, Woodbridge, VA

BFI920486 Mason Bank, The
To establish a branch at 1801 Reston Avenue, Fairfax County, VA

BFI920487 George Mason Bank, The
To establish a branch at 7787 Leesburg Pike, Fairfax County, VA

BFI920488 Choice Mortgage Corporation
To conduct business as a mortgage broker at 469 Fortress Way, Occoquan, VA

BFI920489 Washington Bank, The
Order closing bank in accordance with VA Code § 6.1-100

BFI920490 Eubank, John
To relocate from 10615 Judicial Drive, #603 to 10300 Eaton Place, #180, Fairfax, VA

BFI920491 Christ Anthony C.
To conduct business as a mortgage broker at 5514 Alma Lane, Suite 400, Springfield, VA

BFI920492 Ryland Mortgage Company
To relocate from 1700 Bayberry Court to 7202 Glen Forest Drive, Richmond, VA

BFI920493 Consumer Credit Counseling
To open an office at 12801 Darby Court, Suite 202, Woodbridge, VA

BFI920494 American Mortgage Bankers
To conduct business as a mortgage broker at 3 Bethesda Metro Center, Suite 720, Bethesda, MD

BFI920495 Liberty Mortgage Corporation
To conduct business as a mortgage lender and broker at 6427 Old Branch Avenue, Camp Springs, MD

BFI920496 Phoenix Financial Corp of Virginia
To open an office at 3451 Brandon Avenue, Suite 23, Roanoke, VA

BFI920497 Security Pacific Financial
To relocate from 760 Lynnhaven Parkway to 3101 VA Beach Blvd., VA Beach, VA

BFI920498 Moser, Neil F.
To relocate from 1820 Discovery St., Suite 310, Reston, VA to 1207 Fenwick Dr., Lynchburg, VA

BFI920499 Feinberg, Mark M.
To conduct business as a mortgage lender and broker at 9776 Gayton Road, Richmond, VA

BFI920500 Guild Mortgage Co. d/b/a Guild Financial Express Company
To open a mortgage office at 3247 Mission Village Drive, San Diego, CA

BFI920501 Guild Mortgage Co. d/b/a Guild Financial Express Company
To open a mortgage office at 7855 Walker Drive, Greenbelt, MD

BFI920502 Crismont Mortgage Corporation
To relocate from 8391 Old Courthouse Rd., Suite 205 to 8229 Boone Blvd., Suite 770, Vienna, VA

BFI920503 Ramsay Mortgage Co. Inc.
To relocate from 835 Herbert Springs Rd. to 5904 Richmond Highway, Suite 406, Alexandria, VA

BFI920504 Fitzgerald, William B.
To conduct business as a mortgage broker at 16031 Comprint Circle, Gaithersburg, MD

BFI920505 Liberty Financial Services
To relocate from 1401 Rockville Pike, #430 to 1401 Rockville Pike, #520, Rockville, MD

BFI920506 Fairland Mortgage Company Inc.
To open an office at 11094 A Lee Highway, Suite 104, Fairfax, VA

BFI920507 Foster Mortgage Corporation
To conduct business as a mortgage lender at 6000 Western Place, Forth Worth, TX

BFI920508 Norwest Financial Virginia
To conduct consumer business at 10835 W. Broad St., Glen Allen, VA where open-end credit business will also be conducted

BFI920509 Norwest Financial Virginia
To conduct consumer business at 10835 W. Broad St., Glen Allen, VA where business loans will also be conducted

BFI920510 Norwest Financial Virginia
To conduct consumer finance office at 10835 W. Broad St., Glen Allen, VA

BFI920511 Norwest Financial Virginia
To conduct consumer finance business at 10835 W. Broad St., Glen Allen, VA where sales finance business will also be conducted

BFI920512 Norwest Financial Virginia
To conduct consumer finance business at 10835 W. Broad St., Glen Allen, VA where mortgage lending business will also be conducted

BFI920513 Patriot Mortgage Services Inc.
To open an office at 4041 University Drive, Suite 200, Fairfax, VA

BFI920514 Transamerica Financial Services
To relocate from 7799 Leesburg Pike, Suite 100 to 1650 Tysons Blvd., Suite 580, Fairfax, VA

BFI920515 Snider, Winston G.
To acquire 100% of The Mortgage Broker Inc.

BFI920516 Virginia Mortgage Services, Inc.
Alleged violation of VA Code § 6.1-416

BFI920517 Intra-Coastal Mortgage Co, Inc.
Alleged violation of VA Code § 6.1-416

BFI920518 First Virginia Bank
To relocate from 1469 Jefferson Davis Highway to 2113 Crystal Plaza Arcade, Arlington, VA

BFI920519 Hansen Financial Services
To conduct business as a mortgage broker at 1311 Hamilton Street, Allentown, PA

BFI920520 Associated Financial Group
To conduct business as a mortgage lender and broker at 5250 Calledon Drive, VA Beach, VA

BFI920521 First Virginia Bank-Colonial
To opean a branch at Harbour Pointe Village, Out Parcel 3, Rt. 360, Chesterfield County, VA

BFI920522 Mortgage Credit Corporation
To open a mortgage office at 501 Westwood Office Park, Fredericksburg, VA

BFI920523 Federal Home Equity Inc.
To relocate from 4602 North Dark Avenue, Chevy Chase, MD to 7819 Norfolk Avenue, Bethesda, MD

BFI920524 Bank of Buchanan
To open a branch at Railroad Street, Eagle Rock, Botetourt County, VA

BFI920525 Real Properties Inc.
To conduct business as a mortgage broker at 3503 Forester Road, Roanoke, VA

BFI920526 Julian, Jon
To relocate from 2217 Princess Anne St., 202A to 2217 Princess Anne St., 103B, Fredericksburg, VA

BFI920527 Chesapeake Financial Services
To open an office at 5410 Heritage Hills Circle, Fredericksburg, VA

BFI920528 Hulfish Mortgage Company
To relocate from 113 South Alfred Street to 112 North Alfred Street, Alexandria, VA

BFI920529 Mortgage Credit Corporation
To open an office at 10305 Memory Lane, #202, Chesterfield County, VA

BFI920530 First Atlantic Mortgage Corp.
To relocate from 7110 Forest Avenue, #208 to 7110 Forest Avenue, #106, Richmond, VA

BFI920531 Mulroney & Associates Inc.
To conduct business as a mortgage broker at 9426 Talisman Drive, Suite 100, Vienna, VA

BFI920532 Citizens Mortgage Corporation
To relocate from 1503 Santa Rosa Road, #107 to 1606 Santa Rosa Road, #225, Richmond, VA

BFI920533 First Equitable Mortgage Corp.
To relocate from 600 A Pinecrest Office Park Dr., Alexandria, VA to 7611 Little River Turnpike, Annandale, VA

BFI920534 Fairfax Mortgage Investments
To relocate from 3951 University Dr. to 10560 Main St., Suite 100, Fairfax, VA

BFI920535 Pacific Finance Loans d/b/a Transamerica Credit Corp.
To relocate from 7700 Leesburg Pike, #100, Falls Church, VA to 1650 Tyson Blvd., #580, McLean, VA

BFI920536 Evergreen Financial Group
To conduct business as a mortgage broker at 8702-8 Pellington Place, Richmond, VA

BFI920537 American General Finance Inc.
To relocate from 12769 Jefferson Ave. to 459 Oriana Rd., Newport Crossing, Newport News, VA

BFI920538 Commercial Credit Corporation
To open an office at 7838 Central Avenue, Landover, MD

BFI920539 Commercial Credit Corporation
To open an office at Route 301 South, Suite B, Waldorf, MD

BFI920540 Commercial Credit Corporation
To open an office at Charles Street and Maple Avenue, Laplata, MD

BFI920541 Lee, Steve Seungbai
To conduct business as a mortgage broker at 8206 Leesburg Pike, Suite 201, Vienna, VA

BFI920542 Home Credit Corporation
To conduct business as a mortgage lender and broker at 244 Weybosset Street, Providence, RI

BFI920544 McLean Funding Group Inc.
To conduct business as a mortgage broker at 6845 Elm Street, Suite 306, McLean, VA

BFI920545 Chrysler First Financial Services Corporation
Alleged violation of VA Code § 6.1-416

BFI920546 Ford Consumer Finance Inc.
To open a mortgage office at 105 Decker Drive, Irving, TX

BFI920547 Far East Financial Company
To open a mortgage office at 4600 D Pinecrest Office Park Dr., Alexandria, VA

BFI920548 Equity One Consumer Discount Company, Inc.
Alleged violation of VA Code § 6.1-267

BFI920549 Peninsula Family Service Inc.
To open a debt counseling office at 312 Waller Mill Road, Williamsburg, VA

BFI920550 Community Development Group
To conduct business as a mortgage broker at 307 Yoakum Parkway, Suite 1410, Alexandria, VA

BFI920551 Executive Lending Services Inc.
To conduct business as a mortgage broker at 4201 University Drive, Suite 202, Fairfax, VA

BFI920552 Citizens Bank of Virginia
To establish a branch at 3829 South George Mason Drive, Fairfax County, VA

BFI920553 Weyerhaeuser Mortgage Co.
To relocate from 2809 South Lynnhaven Rd., #320 to 440 Viking Dr., #200, VA Beach, VA

BFI920554 Transouth Financial Corp.
To open a consumer finance office at 10422 Midlothian Turnpike, Chesterfield County, VA

BFI920555 Transouth Mortgage Corp.
To establish an office at 10422 Midlothian Turnpike, Richmond, VA

BFI920556 First Virginia Bank - Colonial
To establish an EFT at 11500 Midlothian Turnpike, Chesterfield County, VA

BFI920557 Mortgage Acceptance Corp.
To open a branch at 4637 Kensington Avenue, Richmond, VA

BFI920558 Sears Mortgage Corporation
To relocate from 2500 Lake Cook Rd., Riverwoods, IL to 440 N. Fairfax Dr., Vernon Hills, IL

BFI920559 Business Advisory Systems Inc.
To relocate from 202 N. Loudoun St., #303 to 20 S Cameron St., 2nd Floor, Winchester, VA

BFI920560 Mortgage Central Inc.
To open an office at 6521 Arlington Boulevard, Suite 206, Falls Church, VA

BFI920561 1st Potomac Mortgage Corp.
To open an office at 4000 Legato Road, Suite 260, Fairfax, VA

BFI920562 Preferred Mortgage Group Inc.
To open a branch at 1760 Reston Parkway, Suite 111, Reston, VA

BFI920563 National Finance Corporation
To open an office at 1745 Route 9, Clifton Park, New York, NY

BFI920564 RBO Funding Inc.
To open a branch at 7027 Evergreen Court, Annandale, VA

BFI920565 Household Realty Corp. d/b/a Household Realty Corp.-Virginia
To open a branch at 961 Weigel Drive, Elmhurst, VA

BFI920566 Mortgage & Equity Funding Corp.
To open a branch at 1300 Chain Bridge Road, Suite 200, McLean, VA

BFI920567 Bikowski, Anthony C.
To acquire 50% of 1st Potomac Mortgage Corporation

BFI920568 Crestar Bank
To open a branch at 900 North Taylor Street, Arlington County, VA

BFI920569 Roche, Michael B.
To acquire 50% of 1st Potomac Mortgage Corporation

BFI920570 Diamond Mortgage Exchange Inc.
To open an office at 2603 Tack Lane, Reston, VA

BFI920571 Transouth Financial Corp.
To conduct consumer finance business where business of personal property insurance will also be conducted

BFI920572 Transouth Financial Corp.
To conduct consumer finance business where business of floor plan lending will also be conducted

BFI920573 Transouth Financial Corp.
To conduct consumer finance business where business of mortgage lending will also be conducted

BFI920574 Transouth Financial Corp.
To conduct consumer finance business where business of open-end lending will also be conducted

BFI920575 Signet Bank/Virginia
To open a branch at 6511 Woodlake Parkway, Midlothian, VA

BFI920576 Transouth Financial Corp.
To conduct consumer finance business where business of sales finance will also be conducted

BFI920577 Liberty Mortgage Corporation d/b/a Liberty National Mortgage Corp.
Alleged violation of Chapter 16 of Title 6.1

BFI920578 Crescent Mortgage Corp., The
Alleged violation of VA Code § 6.1-416

BFI920579 Wheeler, Joseph
Alleged violation of VA Code § 6.1-416

BFI920580 American Mortgage Services Inc.
To open a branch at 16211 Sheffield Drive, Dumfries, VA

BFI920581 Tidewater First Financial Group Inc.
To open a branch at 206 A Temple Avenue, Colonial Heights, VA

BFI920582 Hatcher, Phil L.
To relocate from 3310 Craggy Oak Court, Williamsburg, VA to 7617 Cypress Dr., Lanexa, VA

BFI920583 Tidewater First Financial Group Inc.
To open a branch at 4490 Holland Office Park Building, VA Beach, VA

BFI920584 Commercial Credit Corporation
To relocate from 1511 Davis Ford Rd., Suite 2 to 1511 Davis Ford Rd., Suite 6, Woodbridge, VA

BFI920585 Commercial Credit Loans Inc.
To relocate from 1511 Davis Ford Rd., Suite 2 to 1511 Davis Ford Rd., Suite 6, Woodbridge, VA

BFI920586 Far East Financial Company Inc.
Alleged violation of VA Code § 6.1-416

BFI920587 Lenders Financial Corp.
To establish a branch at 485 South Independence Blvd., VA Beach, VA

BFI920588 Performance Mortgage of Coachella Valley
To relocate from 9658 Baltimore Ave., #205 to 9658 Baltimore Ave., #102, College Park, MD

BFI920589 Consolidated Mortgage & Financial Services Corp.
To establish mortgage office at 1901 North Harrison Avenue, Cary, NC

BFI920590 Lemaster, S. Maxine
To relocate from 8851 Woodlawn Way, Springfield, VA to 8628 Centreville Rd., #201, Manassas, VA

BFI920591 Diversified Financial Enterprises Inc.
To open a mortgage office at 18503 Boysenberry Drive, Suite 131, Gaithersburg, MD

BFI920592 Residential Home Funding Corp.
To establish a mortgage lender and broker office at several locations

BFI920593 First Union Corporation
To acquire Dominion Corporation

BFI920594 Lenders Financial Corp.
To establish an office at 8201 Greensboro Drive, Suite 708, McLean, VA

BFI920595 Hijjawi, Basel
To relocate from 1733 King St., #300 to 1700 Diagonal Rd., #530, Alexandria, VA

BFI920596 NationsCredit Financial Services Corp. of Virginia
To conduct consumer finance business where business of property insurance will also be conducted

BFI920597 NationsCredit Financial Services Corp. of Virginia
To conduct consumer finance business where business of sales finance will also be conducted

BFI920598 NationsCredit Financial Services Corp. of Virginia
To conduct consumer finance business where business of open-end lending will also be conducted

BFI920599 NationsCredit Financial Services Corp. of Virginia
To conduct consumer finance business where business of mortgage lending will also be conducted

BFI920600 Mortgage Advantage Corporation
To establish a mortgage broker's office at 10560 Main Street, Suite 214, Fairfax, VA

BFI920601 NationsCredit Financial Services Corp. of Virginia
To open a consumer finance office at 3959 Electric Road, SW, Roanoke, VA

BFI920602 NationsCredit Financial Services Corp. of Virginia
To open a consumer finance office at 8109 Staples Mill Road, Henrico County, VA

BFI920603 NationsCredit Financial Services Corp. of Virginia
To open a consumer finance office at 9840 Midlothian Turnpike, Suite R, Chesterfield County, VA

BFI920604 NationsCredit Financial Services Corp. of Virginia
To open a consumer finance office at 3300 Tyre Neck Road, Suite L, Portsmouth, VA

BFI920605 NationsCredit Financial Services Corp. of Virginia
To open a consumer finance office at 5505 Robin Hood Road, Suite J, Norfolk, VA

BFI920606 NationsCredit Financial Services Corp. of Virginia
To open a consumer finance office at 2101 Executive Drive, Hampton, VA

BFI920607 NationsCredit Financial Services Corp. of Virginia
To open a consumer finance office at 1147 Jefferson Davis Highway, Fredericksburg, VA

BFI920608 NationsCredit Financial Services Corp. of Virginia
To open a consumer finance office at 3042 C Berkmar Drive, Albemarle County, VA

BFI920609 NationsCredit Financial Services Corp. of Virginia
To open a consumer finance office at 12500 Fair Lakes Circle, Suite 250, Fairfax County, VA

BFI920610 Ryland Mortgage Company
To establish a mortgage branch at 3102 Golansky Blvd., Suite 202, Woodbridge, VA

BFI920611 Schutt, Harold J.
To relocate from 10560 Main Street, Fairfax, VA to 12718 Directors Loop, Woodbridge, VA

BFI920612 Colonial Mortgage Corporation
To establish a mortgage lender office at 3055 Prosperity Ave., Suite 225, Fairfax, VA

BFI920613 Lamorte, John J.
To establish a mortgage broker office at 4500 Daly Drive, Suite 200, Chantilly, VA

BFI920614 TMC Mortgage Company LP
To establish a mortgage lender and broker office at 1430 Springhill Road, McLean, VA

BFI920615 America's Funding Group Inc.
To establish a mortgage broker office at 1370 Piccard Drive, Suite 250, Rockville, MD

BFI920616 Carl I. Brown & Company
To establish a mortgage branch office at 5758 Churchland Blvd., Portsmouth, VA

BFI920617 Summit Mortgage Company
For failure to maintain a bond in continuing effect as required by VA Code § 6.1-413

BFI920618 Sailors & Merchants Bank and Trust
Order closing bank in accordance with VA Code § 6.1-100
BFI920619 First Union Corporation
To acquire 100% of the voting stock of First Union Bank of Virginia
BFI920620 First Union Bank of Virginia
To establish a bank branch at 2960 Chain Bridge Road, Oakton, VA
BFI920621 First Union Bank of Virginia
To commence banking business at 133 Maple Avenue, Vienna, VA
BFI920622 Paradigm Mortgage Services Inc.
To establish a mortgage broker office at 1010 Wayne Ave., #555 Silver Spring, MD
BFI920623 American Financial Group
To establish a mortgage broker office at several locations
BFI920624 Bank of Hampton Roads
To establish a bank branch at 1100 Dam Neck Road, VA Beach, VA
BFI920625 Anchor Capital Corporation
To establish a mortgage broker office at 1001 N. Highland St., Arlington, VA
BFI920626 Bank of Clarke County
To open an EFT facility at the intersection of Rts. 340 and 17/50, Boyce, Clarke County, VA
BFI920627 National Mortgage Investments
To establish a mortgage lender and broker office at 1815 N. Expressway, Suite J, Griffin, GA
BFI920628 Morgan Home Funding Corp.
To establish a mortgage broker office at 9426 Stewartown Rd., Montgomery Village, MD
BFI920629 Alter, Cheryl L.
To establish a mortgage broker office at 6804 Hopewell Avenue, springfield, VA
BFI920630 Carl I. Brown and Company
To relocate mortgage office from 4739 Belleview to 612 W. 47th St., Kansas City, MO
BFI920631 Homearnings Inc.
To establish a mortgage broker office at several locations
BFI920632 Weyerhaeuser Mortgage Company
Alleged violation of VA Code § 6.1-416
BFI920633 Sears Mortgage Corporation
Alleged violation of VA Code § 6.1-416

CLK: CLERK'S OFFICE

CLK920004 Stromberg-Carlson Corporation
Foreign max case stimulus
CLK920028 Central Virginia Internist Inc.
For involuntary dissolution and termination of corporate existence
CLK920065 Election of Chairman
Pursuant to VA Code § 12.1-7
CLK920216 Suburban Homebuilders of Virginia Inc.
For order of involuntary dissolution
CLK920372 Shakey's Incorporated
Foreign max case stimulus
CLK920376 David B. Redmond, Inc.
Involuntary dissolution pursuant to VA Code § 13.1-749
CLK920399 Southern Elevator Company
Foreign max case stimulus
CLK920400 Raychem Corporation
Foreign max case stimulus
CLK920426 Newell Industrial Corporation
Foreign max case stimulus
CLK920427 Moto Photo, Inc.
Foreign max case stimulus
CLK920428 Crestar Bank & Virginia Electric & Power Co.
Petition for declaratory judgment
CLK920429 NEC America, Inc.
Foreign max case stimulus
CLK920430 Hexalon Real Estate, Inc.
Foreign max case stimulus
CLK920431 MIG Realty Advisors, Inc.
Foreign max case stimulus
CLK920432 Shaw-Walker Company, The
Foreign max case stimulus
CLK920433 Futrex Inc.
Foreign max case stimulus
CLK920434 Advance, Incorporated of Virginia
Foreign max case stimulus
CLK920435 Republic Building Supply, Inc.
For certificate of merger to be rescinded

INS: BUREAU OF INSURANCE

INS920001 S.K.R. Udypa, M.D.
Alleged violation of VA Code § 38.2-1040

INS920003 Ex Parte: Supplemental report form
Adoption of supplemental report form pursuant to VA Code § 38.2-1905.2.B

INS920004 Inter-American Insurance Co. of Illinois
To eliminate impairment and restore surplus to minimum amount required by law

INS920005 Jarrell, John M.
Alleged violation of VA Code § 38.2-1813

INS920006 Federal Contract Employees Health & Welfare Service Industry Trust
Alleged violation of Sections 6.A and 6.B.8 of Regulation 31

INS920007 Federal Contract Employees Health & Welfare Fund, Inc.
Alleged violation of Sections 6.A & 6.B.8 of Regulation 31

INS920008 Winkler, William Douglas & ITE Professional Group Corporation
Alleged violation of VA Code §§ 38.2-1813, 38.2-502.1, et al.

INS920009 Pennsylvania National Mutual
Alleged violation of VA Code §§ 38.2-231, 38.2-304, et al.

INS920010 Adkins, Thomas Eggleston et al.
Alleged violation of VA Code § 38.2-1805.A

INS920011 Barbarise, Joseph J. et al.
Alleged violation of VA Code § 38.2-1805.A

INS920012 F.R. Acquisition Corporation
For approval of acquisition of control of Front Royal Insurance Company

INS920013 Stewart Title Guaranty Insurance
Alleged violation of VA Code §§ 38.2-1822, 38.2-1833, et al.

INS920014 Coleman, Donald L.
For license to transact business as a life and health insurance agent in the Commonwealth

INS920015 Norwest Mortgage, Inc.
Alleged violation of VA Code §§ 38.2-1822, 38.2-1812 and 38.2-513

INS920016 Dominion Bankshares Mortgage Corp.
Alleged violation of VA Code §§ 38.2-1822, 38.2-1812, et al.

INS920017 James Madison Mortgage Company
Alleged violation of VA Code §§ 38.2-1822, 38.2-1812, et al.

INS920018 GMAC Mortgage Corporation
Alleged violation of VA Code §§ 38.2-1822, 38.2-1812, et.al.

INS920019 John Hancock Property
Alleged violation of VA Code § 38.2-610.A

INS920020 Homebuyers Warranty Corp. VI
For approval of acquisition of control of a domestic insurer pursuant to VA Code § 38.2-1323

INS920021 Heron, MD, Alicia
Alleged violation of VA Code § 38.2-5020

INS920022 Harris MD, William W. Jr.
Alleged violation of VA Code § 38.2-5020

INS920023 Guarnizo MD, Carlos
Alleged violation of VA Code § 38.2-5020

INS920024 Gondos MD, Zolton
Alleged violation of VA Code § 38.2-5020

INS920025 Gianchandani, MD, Deepa P.
Alleged violation of VA Code § 38.2-5020

INS920026 Fanous, MD, Hafez N.
Alleged violation of VA Code § 38.2-5020

INS920027 Dalton, MD, Randall E.
Alleged violation of VA Code § 38.2-5020

INS920028 Crisp, MD, Ronald J.
Alleged violation of VA Code § 38.2-5020

INS920029 Collins, MD, Michael F.
Alleged violation of VA Code § 38.2-5020

INS920030 Castaneda, MD, Alberto J.
Alleged violation of VA Code § 38.2-5020

INS920031 Burke, MD, Patrick M.
Alleged violation of VA Code § 38.2-5020

INS920032 Barbour, MD, Galen L.
Alleged violation of VA Code § 38.2-5020

INS920033 Banner, MD, Robert L.
Alleged violation of VA Code § 38.2-5020

INS920034 Ballo, MD, Joseph M.
Alleged violation of VA Code § 38.2-5020

INS920035 Armstrong, MD, Lorraine J.
Alleged violation of VA Code § 38.2-5020

INS920036 Moayery, MD, Massoum
Alleged violation of VA Code § 38.2-5020

INS920037 Meredith, MD, George M.
Alleged violation of VA Code § 38.2-5020

INS920038 McCloud Jr., MD, Willard L.
Alleged violation of VA Code § 38.2-5020

INS920039 Liberman, MD, Joseph
Alleged violation of VA Code § 38.2-5020

INS920040 Khuri, MD, Emile I.
Alleged violation of VA Code § 38.2-5020

INS920041 Jones III, MD, Harold D.
Alleged violation of VA Code § 38.2-5020

INS920042 Jimenez, MD, Jesus G.
Alleged violation of VA Code § 38.2-5020

INS920043 Perry, MD, David J.
Alleged violation of VA Code § 38.2-5020

INS920044 Perini, MD, Clinton J.
Alleged violation of VA Code § 38.2-5020

INS920045 Palumbo, MD, Patrick W.
Alleged violation of VA Code § 38.2-5020

INS920046 Nuni, MD, Joe A.
Alleged violation of VA Code § 38.2-5020

INS920047 Nolan, MD, Mark W.
Alleged violation of VA Code § 38.2-5020

INS920048 Neptune, MD, Alfred C.
Alleged violation of VA Code § 38.2-5020

INS920049 Musapatike, MD, Josphat S.
Alleged violation of VA Code § 38.2-5020

INS920050 Zamzam, MD, Salih M.
Alleged violation of VA Code § 38.2-5020

INS920051 Yoon, MD, Insook
Alleged violation of VA Code § 38.2-5020

INS920052 Walkes, MD, Desmar
Alleged violation of VA Code § 38.2-5020

INS920053 Trimarchi, MD, Albert J.
Alleged violation of VA Code § 38.2-5020

INS920054 Thompson, MD, David E.
Alleged violation of VA Code § 38.2-5020

INS920055 Starr, MD, Karen L.
Alleged violation of VA Code § 38.2-5020

INS920056 Sibley, MD, Anthony F.
Alleged violation of VA Code § 38.2-5020

INS920057 Shepard, MD, William A.
Alleged violation of VA Code § 38.2-5020

INS920058 Rodrigue, MD, Randolph L.
Alleged violation of VA Code § 38.2-5020

INS920059 Zurich Insurance Company et al.
Alleged violation of VA Code §§ 38.2-231, 38.2-304, et al.

INS920060 Progressive Casualty Insurance Co. and Progressive Specialty Insurance Co.
Alleged violation of VA Code §§ 38.2-1905 et al.

INS920061 Morris, Melvin Wade
Alleged violation of VA Code § 38.2-512

INS920062 Shenandoah Life Insurance Co.
Alleged violation of VA Code §§ 38.2-316.C, 38.2-502.1, et al.

INS920063 Mayo, William L. and Willis Corroon Inspace Corp.
Alleged violation of VA Code §§ 38.2-1822, et al.

INS920064 Johnson, Robert T.
Alleged violation of VA Code § 38.2-1822

INS920065 Fidelity & Casualty Co. of New York
Alleged violation of subsection 4:6 of Rules Governing Insurance Premium Finance Companies

INS920066 Barbarise, Joseph John, et al.
Alleged violation of VA Code § 38.2-1805.A

INS920067 Adkins, Thomas Eggleston, et al.
Alleged violation of VA Code § 38.2-1805.A

INS920068 Peoples Security Life Insurance Co.
Alleged violation of VA Code § 38.2-1805.A

INS920069 George Passmore Inc.
Alleged violation of VA Code § 38.2-1813

INS920070 Grandi, Edward F.
Alleged violation of VA Code § 38.2-1822.A

INS920071 Optimum Choice, Inc.
Alleged violation of Section 7(I) of Rules Governing Health Maintenance Organizations

INS920072 Westminster-Canterbury of Hampton Roads, Inc.
Alleged violation of VA Code § 38.2-4904

INS920073 Fernandez, William Jr.
Alleged violation of VA Code § 38.2-1813

INS920074 Life Insurance Company of Virginia
Alleged violation of VA Code §§ 38.2-316, 38.2-502.1, et al.

INS920075 Wilson, Gary Wayne
Alleged violation of Title 18, Section 1954

INS920076 Ex Parte: Rules
Adoption of Rules Governing Accelerated Benefits Provisions

INS920077 Ex Parte: Rules
Adopting revised Rules Governing Variable Life Insurance

INS920079 Northwestern National Insurance Co. of Milwaukee, Wisconsin
For suspension of company's license pursuant to VA Code § 38.2-1040

INS920080 Augst, Mason
Alleged violation of VA Code §§ 38.2-1813, 38.2-1804, et al.

INS920081 Mutual Fire Insurance Corp. of Surry, Sussex and Southampton
For approval to distribute remaining assets of the corporation pursuant to VA Code § 38.2-216

INS920082 Insurance Co. of North America
Alleged violation of subsection 4.6 of Rules Governing Insurance Premium Finance Companies

INS920083 Jelani, Thabit E.
Alleged violation of VA Code § 38.2-1813

INS920084 Markel American Insurance Co.
For exemption pursuant to VA Code § 38.2-1328

INS920085 Simon, Edward D.
For review of Deputy Receiver's determination of appeal

INS920086 Simon, Edward D., et al.
For review of Deputy Receiver's determination of appeal

INS920087 United American Insurance Co.
Alleged violation of Regulation No. 7

INS920088 Bain, Ronald Lee
Alleged violation of VA Code § 38.2-512 Regulation No. 7

INS920089 Villanueva, Joseph
Alleged violation of VA Code §§ 38.2-512 and 38.2-1822.A

INS920090 Castle, Elaine R.
Alleged violation of VA Code § 38.2-512 Regulation No. 7

INS920091 Virginia State Firemen's Association
For an appeal to review Order No. 10378

INS920092 Risk & Asset Managers Inc.
Alleged violation of VA Code § 38.2-1813

INS920093 Pompey, Lonnie
Alleged violation of VA Code §§ 38.2-512 and 38.2-1822.A

INS920094 Realsafe Corp. of Virginia
Alleged violation of VA Code § 38.2-1040

INS920095 Zurich Insurance Company
Alleged violation of VA Code §§ 38.2-1833.A, 38.2-1812.A, et al.

INS920096 American Motorists Insurance Co.
Alleged violation of VA Code §§ 38.2-317, 38.2-1812.A, et al.

INS920097 MD-Individual Practice Association
Alleged violation of VA Code §§ 38.2-316.A, 38.2-316.B, et al.

INS920098 Yorktowne Premium Finance Co.
Alleged violation of Section 6.1 of Rules Governing Insurance Premium Finance Companies

INS920099 Pinnacle Premium Budget Plan
Alleged violation of Section 6.1 of Rules Governing Insurance Premium Finance Companies

INS920100 Ocasco Budget Inc.
Alleged violation of Section 6.1 of Rules Governing Insurance Premium Finance Companies

INS920101 United Physicians Insurance Risk Retention Group
Alleged violation of VA Code § 38.2-5103(8B)

INS920102 American Bankers Insurance Co. of Florida
Alleged violation of VA Code §§ 38.2-317, et al.

INS920103 Ex Parte: Refunds
Refunding overpayments of premium license tax on direct gross premium income of surplus lines brokers for taxable year 1991

INS920104 Tippett-Morris, Patti
Alleged violation of VA Code §§ 38.2-512, 38.2-1822, et al.

INS920105 Zana, Claudia
Alleged violation of VA Code §§ 38.2-512 and 38.2-1822

INS920106 Marshall, Taylor and Marshall Insurance Agency, Inc.
Alleged violation of VA Code §§ 38.2-512, 38.2-1822, et al.

INS920107 American Bankers Insurance Co. of Florida
Alleged violation of VA Code § 38.2-1906.A

INS920108 Prince George Mutual Fire Insurance Co.
For approval to distribute remaining assets of corporation pursuant to VA Code § 38.2-216

INS920109 Johnson, Clyde Jr.
Alleged violation of VA Code § 38.2-1813

INS920110 HOW Insurance Company
Alleged violation of VA Code § 38.2-1329

INS920111 Augusta Mutual Insurance Co.
Alleged violation of VA Code § 38.2-2517

INS920112 Ex Parte: Rules
Adopting revised Rules Governing Minimum Standards for Medicare Supplement Policies

INS920113 Virginia Association of Service Cos.
To set aside Bureau of Insurance Administrative Letter 1992-7

INS920114 Atkins, Carol J.
Alleged violation of VA Code §§ 38.2-1822, 38.2-1812, et al.

INS920115 Hester, Jeffrey M.
Alleged violation of VA Code § 38.2-1802

INS920116 Holley, Robert W.
Alleged violation of VA Code § 38.2-1802

INS920117 Lamb, Charles J.
Alleged violation of VA Code § 38.2-1802

INS920118 Hodges, Terry L.
Alleged violation of VA Code § 38.2-1802

INS920119 Mangus, Frank J. Jr.
Alleged violation of VA Code § 38.2-1802

INS920120 Neal, Jeffrey C.
Alleged violation of VA Code § 38.2-1802

INS920121 Warner, Michael D.
Alleged violation of VA Code § 38.2-1802

INS920122 Blue Cross/Blue Shield of Virginia
Alleged violation of VA Code § 38.2-502.1

INS920123 Erie Insurance Exchange
For review of a decision by the Bureau of Insurance

INS920124 Levy, John Joseph
Alleged violation of VA Code § 38.2-1802

INS920125 American Trucking Associations Inc.
For consent order to amend self-insured health care benefit plan

INS920126 Quickrete & Affiliated Medical Benefits Trust
Alleged violation of Title 38.2 of the Code of Virginia

INS920127 Ex Parte: Delegating authority
For delegation of certain authority to Commissioner of Insurance

INS920128 Civil Service Employees Insurance
Alleged violation of VA Code § 38.2-1300

INS920129 American Psychmanagement
Alleged violation of VA Code § 38.2-1300

INS920130 Randmark Inc.
Alleged violation of VA Code § 38.2-1300

INS920131 Shenandoah Life Insurance Co.
Alleged violation of VA Code §§ 38.2-502.1, 38.2-510, et al.

INS920132 Webb, Gordon R.
Alleged violation of VA Code §§ 38.2-1813 and 38.2-2015

INS920133 HMO Virginia Inc.
Alleged violation of VA Code §§ 38.2-502.1, et al.

INS920134 Healthkeepers of Virginia Inc.
Alleged violation of VA Code §§ 38.2-502.1, et al.

INS920135 Hilb, Rogal & Hamilton Agency of Dayton, Inc.
Alleged violation of VA Code § 38.2-1802

INS920136 Clark, Myrvin K. & Catherine A. and Insurall, Inc.
Alleged violation of VA Code § 38.2-1813

INS920137 Robinson, Dana Lynn
Alleged violation of VA Code § 38.2-1813

INS920138 Cumis Insurance Society, Inc.
Alleged violation of VA Code § 38.2-1906

INS920139 Pennsylvania General Insurance Company
Alleged violation of VA Code § 38.2-1906

INS920140 General Acciddent Insuranc Co. of America
Alleged violation of VA Code § 38.2-1906

INS920141 National American Insurance Company
Alleged violation of VA Code § 38.2-1906

INS920143 First Liberty Insurance Corp.
Alleged violation of VA Code § 38.2-1906

INS920144 Liberty Mutual Fire Insurance Company
Alleged violation of VA Code § 38.2-1906

INS920145 American Security Insurance Company
Alleged violation of VA Code § 38.2-1906

INS920146 International Insurance Co.
Alleged violation of VA Code § 38.2-1833.A

INS920147 Hamersley, Kenneth Will
Alleged violation of VA Code § 38.2-508 and Regulation 23 of Rules Governing Life Insurance and Annuity Marketing Practices

INS920148 Jones, Billy J.
Alleged violation of VA Code § 38.2-105.A

INS920149 Front Royal Insurance Co.
Alleged violation of VA Code § 38.2-1331

INS920150 Lineberry, Leo Harden
Alleged violation of VA Code §§ 38.2-1813 and 38.2-512

INS920151 Virginia General Insurance Inc.
Alleged violation of VA Code §§ 38.2-310 and 38.2-1822

INS920153 Vargas, Carlos A. & Sylvia and Latin American Insurance Agency
Alleged violation of VA Code §§ 38.2-1822, et al.

INS920154 Guaranty National Insurance Co.
Alleged violation of VA Code §§ 38.2-310, 38.2-1822, et al.

INS920156 Agal-Baluyot MD, Virginia D.
Alleged violation of VA Code § 38.2-5020

INS920157 Albuerne, MD, Humberto M.
Alleged violation of VA Code § 38.2-5020

INS920158 Alfonso, MD, Gabriel A.
Alleged violation of VA Code § 38.2-5020

INS920159 Amberman, MD, George H.
Alleged violation of VA Code § 38.2-5020

INS920160 Banks, MD, Marshall D.
Alleged violation of VA Code § 38.2-5020

INS920161 Brown, MD, Gerald L.
Alleged violation of VA Code § 38.2-5020

INS920162 Bruchalski, MD, John T.
Alleged violation of VA Code § 38.2-5020

INS920163 Cafiero, MD, Louis
Alleged violation of VA Code § 38.2-5020

INS920164 Carter, MD, Russell H.
Alleged violation of VA Code § 38.2-5020

INS920165 Cho, MD, Young H.
Alleged violation of VA Code § 38.2-5020

INS920166 Coleman, MD, Brian E.
Alleged violation of VA Code § 38.2-5020

INS920167 Corse, MD, Kenneth J.
Alleged violation of VA Code § 38.2-5020

INS920168 Dalton, MD, Randall E.
Alleged violation of VA Code § 38.2-5020

INS920169 Dorman, MD, John D.
Alleged violation of VA Code § 38.2-5020

INS920170 Egan, MD, James H.
Alleged violation of VA Code § 38.2-5020

INS920171 Ewell, MD, Cleve W.
Alleged violation of VA Code § 38.2-5020

INS920172 Franklin, MD, William A.
Alleged violation of VA Code § 38.2-5020

INS920173 Galdos, MD, Manuel
Alleged violation of VA Code § 38.2-5020

INS920174 Green, MD, Melvin G.
Alleged violation of VA Code § 38.2-5020

INS920175 Gullattee, MD, Alyce M.
Alleged violation of VA Code § 38.2-5020

INS920176 Gurley, MD, Albertje M.
Alleged violation of VA Code § 38.2-5020

INS920177 Gurley, MD, Dwight E.
Alleged violation of VA Code § 38.2-5020

INS920178 Guzelian, MD, Philip S.
Alleged violation of VA Code § 38.2-5020

INS920179 Harris, MD, William W.
Alleged violation of VA Code § 38.2-5020

INS920180 Heron, MD, Alicia G.
Alleged violation of VA Code § 38.2-5020

INS920181 Hodjati, MD, Hassan
Alleged violation of VA Code § 38.2-5020

INS920182 Hughes, MD, John D.
Alleged violation of VA Code § 38.2-5020

INS920183 Jennings, MD, Bryon L.
Alleged violation of VA Code § 38.2-5020

INS920184 Jimenez, MD, Jesus G.
Alleged violation of VA Code § 38.2-5020

INS920185 Johnson, MD, Tommy
Alleged violation of VA Code § 38.2-5020
INS920186 Lassen, MD, Thorbjorn J.
Alleged violation of VA Code § 38.2-5020
INS920187 Little, MD, John W.
Alleged violation of VA Code § 38.2-5020
INS920188 Lumpkin, MD, Martha R.
Alleged violation of VA Code § 38.2-5020
INS920189 Lustig, MD, David M.
Alleged violation of VA Code § 38.2-5020
INS920190 Malanoski, MD, Michael P.
Alleged violation of VA Code § 38.2-5020
INS920191 Marshall, MD, John T.
Alleged violation of VA Code § 38.2-5020
INS920192 McCloud, MD, Willard L.
Alleged violation of VA Code § 38.2-5020
INS920193 McLanahan, MD, Sandra M.
Alleged violation of VA Code § 38.2-5020
INS920194 Merritt, MD, Carolyn C.
Alleged violation of VA Code § 38.2-5020
INS920195 Mesbahi, MD, Kavoos N.
Alleged violation of VA Code § 38.2-5020
INS920196 Napoleon, MD, Jay L.
Alleged violation of VA Code § 38.2-5020
INS920197 Olson, MD, Jeffrey J.
Alleged violation of VA Code § 38.2-5020
INS920198 Orr, MD, Robert A.
Alleged violation of VA Code § 38.2-5020
INS920199 Page, MD, Catherine M.
Alleged violation of VA Code § 38.2-5020
INS920200 Panizales, MD, Elma
Alleged violation of VA Code § 38.2-5020
INS920201 Patel, MD, Dilip B.
Alleged violation of VA Code § 38.2-5020
INS920202 Petkash, MD, David G.
Alleged violation of VA Code § 38.2-5020
INS920203 Pocius, MD, Vernon E.
Alleged violation of VA Code § 38.2-5020
INS920204 Quick, MD, Cedric A.
Alleged violation of VA Code § 38.2-5020
INS920205 Roundtree, MD, Silverrene P.
Alleged violation of VA Code § 38.2-5020
INS920206 Samtani, MD, Raj B.
Alleged violation of VA Code § 38.2-5020
INS920207 Scharf, MD, Charles S.
Alleged violation of VA Code § 38.2-5020
INS920208 Scharf, MD, Mary H.
Alleged violation of VA Code § 38.2-5020
INS920209 Scott, MD, Morgan E.
Alleged violation of VA Code § 38.2-5020
INS920210 Shapiro, MD, Alan D.
Alleged violation of VA Code § 38.2-5020
INS920211 Snead, MD, Russell N.
Alleged violation of VA Code § 38.2-5020
INS920212 Srulevich, MD, Salomon
Alleged violation of VA Code § 38.2-5020
INS920213 Sukumar, MD, Venkataraman
Alleged violation of VA Code § 38.2-5020
INS920214 Tarakji, MD, Nael M.
Alleged violation of VA Code § 38.2-5020
INS920215 Thanadar, MD, A. M.A. Raschid
Alleged violation of VA Code § 38.2-5020
INS920216 Thomas, MD, Robert M.
Alleged violation of VA Code § 38.2-5020
INS920217 Tucker, MD, Billy J.
Alleged violation of VA Code § 38.2-5020
INS920218 Urueta, MD, Enrique
Alleged violation of VA Code § 38.2-5020
INS920219 Velena, MD, Samson
Alleged violation of VA Code § 38.2-5020
INS920220 Welt, MD, Murray B.
Alleged violation of VA Code § 38.2-5020

INS920221 Wilkinson, MD, James W.
Alleged violation of VA Code § 38.2-5020

INS920222 Williams, MD, Della C.
Alleged violation of VA Code § 38.2-5020

INS920223 Winther, MD, Brigit
Alleged violation of VA Code § 38.2-5020

INS920224 Yuen, MD, Yee S.
Alleged violation of VA Code § 38.2-5020

INS920225 Zaki-Mohamed, MD, Mohamed S.
Alleged violation of VA Code § 38.2-5020

INS920226 Colonial Life & Accident Insurance Co.
Alleged violation of VA Code § 38.2-1822

INS920227 Old American Insurance Company
Alleged violation of VA Code § 38.2-502.1

INS920228 Jewell, Charles W.
Alleged violation of VA Code § 38.2-1813

INS920229 Balboa Insurance Agency Inc.
Alleged violation of VA Code §§ 38.2-1822 and 38.2-1812

INS920230 Frontier Insurance Company
Alleged violation of VA Code § 38.2-1906

INS920232 IHA Management Trust of Alabama, d/b/a Compacare, Inc.
Order to take notice

INS920233 Monumental Life Insurance Co.
Alleged violation of VA Code § 38.2-610

INS920234 Parsons, Charles W. & Bill Parson Insurance Agency
Alleged violation of VA Code §§ 38.2-1813, 38.2-1822, et al.

INS920235 MD-Individual Practice Association Inc. & Optimum Choice, Inc.
For a consent order

INS920236 Lawyers Title Insurance Corp.
For investigation regarding possible violations of VA Code § 38.2-513(a) and for order permanently enjoining such violations

INS920237 Marsh & McLennan Incorporated
Alleged violation of VA Code § 38.2-1802

INS920238 Fidelity Security Life Insurance
Alleged violation of VA Code § 38.2-502.1

INS920239 Travelers Indemnity Co.
Alleged violation of VA Code § 38.2-1905

INS920240 Universal Life Insurance Co., et al.
Alleged violation of VA Code § 38.2-1805.A

INS920241 Ex Parte: Determination
Determination of competition as an effective regulator of rates pursuant to VA Code § 38.2-1905.1.E

INS920242 Fidelity Union Life Insurance
Alleged violation of Section VII of Rules Governing Life Insurance Replacements

INS920243 Harleysville Mutual Insurance
Alleged violation of VA Code § 38.2-1906

INS920245 Chiropractic Consultants, Inc.
Alleged violation of VA Code § 38.2-5301

INS920246 Great American Insurance Co.
Alleged violation of VA Code § 38.2-1833

INS920247 Phelps, Stephen M.
Alleged violation of VA Code §§ 38.2-502.1, 38.2-512 and 38.2-1804

INS920248 Lunsford, Gary R.
Alleged violation of VA Code §§ 38.2-301.A and 38.2-512

INS920250 Insurance Intermediaries Inc.
Alleged violation of VA Code § 38.2-4806

INS920251 Group Hospitalization and Medical Services, Inc.
Alleged violation of VA Code § 38.2-1038

INS920252 Contractor's Bonding & Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920253 Atlantic Casualty & Fire Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920254 Melone, William Randolph
Alleged violation of VA Code §§ 38.2-502.1, 38.2-512, et al.

INS920255 Hunter, Frank William
Alleged violation of VA Code §§ 38.2-512, 38.2-1809 et al.

INS920257 Anh Minh Duong Tran
Alleged violation of VA Code §§ 38.2-502 and 38.2-503

INS920258 Cosby, George H., III
For rule to show cause

INS920259 Urbine, Kevin M.
Alleged violation of VA Code § 38.2-1802

INS920260 Urbine, Robert
For a cease and desist order for alleged fraudulent activities

INS920261 Atlantic Aviation & Marine Inc.
Alleged violation of VA Code § 38.2-1802

INS920262 Pacific Star & Marine Assurance Company, Ltd.
For a cease and desist order for alleged fraudulent activities

INS920263 Avalon Insurance Company, Ltd.
For a cease and desist order for alleged fraudulent activities

INS920264 Unified Assurance & Casualty Company, Inc.
For a cease and desist order for alleged fraudulent activities

INS920265 Ex Parte: Virginia Birth-Related Neurological Injury Compensation Fund
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INS920267 Aegis Security Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920268 All American Insurance Co.
Alleged violation of various sections of the Code of Virginia

INS920269 American Centennial Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920270 American Fidelity Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920271 American Reliable Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920272 American Southern Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920273 Automobile Club Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920274 BCS Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920275 Blue Ridge Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920276 Capital Enterprise Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920277 Central Mutual Insurance Co.
Alleged violation of various sections of the Code of Virginia

INS920278 Cimarron Insurance Company Inc.
Alleged violation of VA Code § 38.2-1905.2

INS920279 City Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920280 Colonia Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920281 Credit General Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920282 Electric Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920283 Electric Mutual Liability Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920284 Employers Reinsurance Corp.
Alleged violation of VA Code § 38.2-1905.2

INS920285 First American Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920286 Fortress Insurance Co. of America
Alleged violation of VA Code § 38.2-1905.2

INS920287 General Electric Guaranty Insurance Corp.
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INS920288 Home Indemnity Company, The
Alleged violation of VA Code § 38.2-1905.2

INS920289 Home Insurance Company, The
Alleged violation of VA Code § 38.2-1905.2

INS920290 Home Insurance Company of Indiana, The
Alleged violation of VA Code § 38.2-1905.2

INS920291 Insurance Co. of Florida
Alleged violation of various sections of the Code of Virginia

INS920292 Insurance Co. of Illinois
Alleged violation of VA Code § 38.2-1905.2

INS920293 Intercargo Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920295 International Business & Mercantile Reassurance Co.
Alleged violation of various sections of the Code of Virginia

INS920296 Jefferson-Pilot Fire & Casualty Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920297 Jefferson-Pilot Property Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920298 Lititz Mutual Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920299 Lincoln National Health & Casualty Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920300 Marine Indemnity Insurance Company of America
Alleged violation of VA Code § 38.2-1905.2

INS920301 Mid-Atlantic Medical Insurance Co.
Alleged violation of various sections of the Code of Virginia

INS920302 Midwestern Indemnity Co., The
Alleged violation of VA Code § 38.2-1905.2

INS920303 Minnehoma Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920304 Minnesota Mutual Fire & Casualty
Alleged violation of various sections of the Code of Virginia

INS920305 Folksamerica National Reinsurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920306 National Chiropractic Mutual Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920307 National Farmers Union Property & Casualty Co.
Alleged violation of VA Code § 38.2-1905.2

INS920308 National Farmers Union Standard Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920309 New York Marine & General Insurance
Alleged violation of VA Code § 38.2-1905.2

INS920310 Nichido Fire & Marine Insurance Co.
Alleged violation of various sections of the Code of Virginia

INS920311 Nippon Fire & Marine Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920312 North American Specialty Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920313 Northern Insurance Co. of New York
Alleged violation of various sections of the Code of Virginia

INS920314 Omaha Property & Casualty Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920315 Pinnacle Property & Casualty Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920316 Preferred Mutual Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920317 Public Service Mutual Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920318 Regal Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920319 Republic Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920320 Shelby Insurance Co., The
Alleged violation of VA Code § 38.2-1905.2

INS920321 Southern Fire & Casualty Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920322 Southern Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920323 Star Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920324 State Volunteer Mutual Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920325 Sun Insurance Company of New York
Alleged violation of VA Code § 38.2-1905.2

INS920326 Toyota Motor Insurance Co.
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INS920327 USF Reinsurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920328 Vanguard Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920329 Vanliner Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920330 Vasa North Atlantic Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920331 Western Diversified Casualty Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920332 Windsor Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920333 Worldwide Underwriters Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920334 Alexander Hamilton Insurance Co. of America
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INS920335 Milner Group Security Benefit Associates Inc.
Notice of appeal and petition for review of Deputy Receiver's Determination of Appeal

INS920336 Bandoroff, Benjamin
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INS920337 Financial Planning Associates, Inc.
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INS920338 Sibbring, Donald A.
Petition for review of Deputy Receiver's Determination of Appeal

INS920339 Richard B.Twogood Insurance Services
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INS920340 Gary S. Dworkin, et al.
For review of Deputy Receiver's Determination of Appeal

INS920341 A & S Agency
Petition for review of Deputy Receiver's Determination of Appeal

INS920342 A & S Agency
Petition for review of Deputy Receiver's Determination of Appeal

INS920343 Anglo-American General Agents
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INS920344 Dinn, David M.
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INS920345 U.S.A Associates, Limited
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INS920346 Underwriters Brokerage Services
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INS920347 Anderson-Burk, Inc.
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INS920348 Diversified Brokerage Services Inc.
Petition for review of Deputy Receiver's Determination of Appeal

INS920349 Benefit Brokerage, Inc.
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INS920350 Tom Bridgers Agency, Inc.
For review of Deputy Receiver's Determination of Appeal

INS920351 Jerry L. Thomas & Co., et al.
Petition for review of Deputy Receiver's Determination of Appeal

INS920352 Zimmer, Kendall P.
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Alleged violatin of VA Code §§ 38.2-503 and 38.2-512

INS920354 State Auto Property & Casualty Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920355 State Auto Mutual Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920356 Victoria Fire & Casualty Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920357 Acstar Insurance Company
Alleged violation of VA Code § 38.2-1905.2

INS920358 Great Pacific Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920359 Law, Terry T.
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INS920360 Affirmative Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920361 Insura Property & Casualty Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920362 GW & Associates, Inc.
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INS920363 Oglesby, Ernest & Ermgard
Alleged violation of VA Code § 38.2-1822.A

INS920364 Westminster Presbyterian Retirement Community Inc.
Alleged violation of VA Code § 38.2-4904

INS920365 Stratford House, Inc.
Alleged violation of VA Code § 38.2-4904

INS920366 Phoenix Assurance Company of New York
Alleged violation of VA Code § 38.2-1905.2

INS920367 Feldman, Lee
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Refunding overpayments of premium license tax on direct gross premium income of insurance companies for taxable year 1991 pursuant to VA Code § 58.1-2506.B

INS920369 Ex Parte: Refunds
Refunding overpayments of the Help Eliminate Automobile Theft (HEAT) Fund assessment based on direct gross premium income of insurance companies for the assessable year 1991

INS920370 Ex Parte: Refunds
Refunding overpayments of the assessment for maintenance of Bureau of Insurance on direct gross premium income of insurance companies for 1992 pursuant to VA Code § 38.2-410.B

INS920371 Ex Parte: Refunds
Refunding overpayments of Fire Funds Program assessment based on direct gross premium income of insurance companies for assessable year 1991 pursuant to VA Code § 38.2-403

INS920372 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 1991 pursuant to VA Code § 38.2-403

INS920373 Christian Brotherhood Newsletter
Alleged violation of VA Code Title 38.2

INS920374 Columbia Mutual Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920375 Matlack Systems, Inc.
For allegedly providing health care services in Virginia without appropriate authority

INS920377 Ex Parte: Rules
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INS920378 Action Staffing, Inc.
For allegedly operating an unauthorized insurance entity in Virginia

INS920379 Stonewall Insurance Co., et al.
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INS920381 Augusta Mutual Insurance Co. & Bedford Mutual Insurance Co.
For approval of plan of merger pursuant to VA Code §§ 38.2-216 and 38.2-1018

INS920382 All America Insurance Company
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INS920383 Central Mutual Insurance Co.
Alleged violation of VA Code § 38.2-1905.2

INS920384 American Financial Security Life Insurance Co.
To eliminate impairment and restore surplus to minimum amount required by law

INS920385 Virginia Birth-Related Neurological Injury Compensation Program
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INS920386 Witcher, Reginald L.
Alleged violation of VA Code §§ 38.2-512, 38.2-1822, et al.

INS920387 Hanover Insurance Co., et al.
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INS920389 Lane, Stewart A.
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INS920390 Ex Parte: Assessment
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INS920394 Metro Insurance Agency, Inc.
Alleged violation of VA Code §§ 38.2-1813 and 38.2-2015

INS920395 Sturdivant Life Insurance Co.
Alleged violation of Section 8.C of Rules Governing Life Insurance and Credit Accident and Sickness Insurance

INS920396 Southern Title Insurance Corp.
Alleged violation of VA Code §§ 38.2-1330.C and 38.2-4607

INS920397 Shackleford, John C.
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INS920398 Sedgwick James of Washington
Alleged violation of VA Code § 38.2-1802

INS920399 Deering & Associates, Inc.
Alleged violation of VA Code § 38.2-4806

INS920400 Hart, Emery G., Jr.
Alleged violation of VA Code § 38.2-1805.A

INS920401 Spina, Concetto L.
Alleged violation of VA Code § 38.2-1805.A

INS920404 Gajewski, Joseph W.
Alleged violation of VA Code § 38.2-1805.A

INS920405 Monumental Life Insurance Co.
Alleged violation of VA Code § 38.2-1805.A

INS920406 Insurance Company of Florida
To eliminate impairment and restore surplus to minimum amount required by law

INS920407 First Colony Life Insurance Co.
Alleged violation of VA Code §§ 38.2-316.B, 38.2-316.C, and 38.2-502.1

INS920408 First Virginia Life Insurance
Alleged violation of VA Code §§ 38.2-502.1, 38.2-510.A.5, 38.2-511, et al.

INS920409 Pioneer Life Insurance Company of Illinois
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INS920410 Professional Evaulation Services, P.C.
Alleged violation of VA Code § 38.2-5301

INS920411 Jefferson-Pilot Fire/Casualty Co., Jefferson-Pilot Property Insurance Co. & Southern Fire & Casualty. Co.
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INS920412 North American Life & Casualty Co.
Alleged violation of VA Code §§ 38.2-502.1, 38.2-510, and 38.2-3412.B

INS920413 Philadelphia Reinsurance Corp.
To eliminate impairment and restore surplus to minimum amount required by law

INS920414 North American Life and Casualty Company
Alleged violation of VA Code §§ 38.2-502.1., 38.2-510, et al.

INS920415 Mundy, Joseph W.
Alleged violation of VA Code §§ 38.2-509, 38.2-512 and 38.2-610

INS920416 MCA Insurance Company
Alleged violation of VA Code § 38.2-1040

INS920417 Old Colony Life Insurance Co.
Alleged violation of VA Code § 38.2-1040

INS920418 Whitmore, William T. Jr.
Alleged violation of VA Code § 38.2-512

INS920419 Group Hospitalization and Medical Services, Inc.
Alleged violation of VA Code § 38.2-1038

INS920420 Andrews, Lorenzo
Alleged violation of VA Code § 38.2-1813

INS920421 Durham, Michael
Alleged violation of VA Code § 38.2-1813

INS920422 Grant, Lloyd J.
Alleged violation of VA Code § 38.2-512

INS920423 Atkins, Kenneth M.
Alleged violation of VA Code § 38.2-504

INS920424 Rawson, William H.
Alleged violation of VA Code §§ 38.2-1822 and 38.2-1812

INS920425 General Accident Insurance Co. of America, et al.
Alleged violation of VA Code §§ 38.2-231, 38.2-304 et al.

INS920426 Mangus, Frank J., Jr.
Alleged violation of VA Code § 38.2-1802

INS920427 Zinner, Edward M.
Alleged violation of VA Code § 38.2-1802

INS920428 Niagara Fire Insurance Company
Alleged violation of VA Code § 38.2-1906

INS920429 Continental Insurance Co., The
Alleged violation of VA Code § 38.2-1906

INS920430 Fidelity & Casualty Co. of New York
Alleged violation of VA Code § 38.2-1906

INS920431 Kansas City Fire & Marine Insurance
Alleged violation of VA Code § 38.2-1906

INS920432 Firemen's Insurance Co. of Newark, New Jersey
Alleged violation of VA Code § 38.2-1906

INS920433 United Pacific Insurance Co.
Alleged violation of VA Code § 38.2-1906

INS920434 Boston Old Colony Insurance Co.
Alleged violation of VA Code § 38.2-1906

INS920436 Buckeye Union Insurance Co., The
Alleged violation of VA Code § 38.2-1906

INS920437 Glen Falls Insurance Co., The
Alleged violation of VA Code § 38.2-1906

INS920438 Travelers Insurance Company
Alleged violation of VA Code § 38.2-3115

INS920439 Gibson, Charles B.
Alleged violation of VA Code § 38.2-1802

INS920440 Healthplus, Inc.
Alleged violation of VA Code §§ 38.2-316, 38.2-502.1, et al.

INS920441 North American Reassurance Co.
Petition for review of Deputy Receiver's determination on NARE's appeal

INS920442 John Hancock Mutual Life Insurance Co.
Alleged violation of Regulation No. 7

INS920444 G.T. Shorter & Associates, Inc.
For investigation to verify that certain parties are currently insured and do in fact exist

INS920445 Whitley, Edwin C.
Alleged violation of VA Code § 38.2-1838

INS920446 Robinson, James L.
Alleged violation of VA Code § 38.2-512

INS920447 Segura, Guido A.
Alleged violation of VA Code § 38.2-1826

INS920448 G. F. Hoch Company, The
Alleged violation of VA Code § 38.2-1802

INS920449 Cigna Healthplan Inc.
Alleged violation of VA Code §§ 38.2-502.1, et al.

MCA: MOTOR CARRIER DIVISION - AUDITS

MCA920001 Miller Transfer & Rigging Co.
Alleged violation of VA Code § 58.1-2700
MCA920002 Ghee, Albert A.
Alleged violation of VA Code §§ 58.1-2700, et. al.
MCA920003 Don Youngblood Trucking Co. Inc.
Alleged violation of VA Code § 58.1-2700
MCA920004 David Beneux Produce & Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920005 Lattavo Brothers, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920006 Case Enterprises, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920007 Associated Materials, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920008 Lenox, Inc. t/a Lenox Merchandising Division
Alleged violation of VA Code § 58.1-2700
MCA920010 Midcoastal Carriers, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920011 New Deal Delivery Service
Alleged violation of VA Code § 58.1-2700
MCA920012 Mendehall Acquisition Corp. t/a Bearden Trucking Co.
Alleged violation of VA Code § 58.1-2700
MCA920014 Carroll Moving & Transfer
Alleged violation of VA Code § 58.1-2700
MCA920015 Convaire International, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920016 Burns Motor Freight, Inc.
Alleged violation of VA Code § 58.1-2704
MCA920017 Long, Everette E.
Alleged violation of VA Code § 58.1-2700
MCA920018 R.R. McDaniel Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920019 Sundance Transport, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920020 McDaniel, Raymond R.
Alleged violation of VA Code § 58.1-2700
MCA920021 Sundance Enterprise, Inc.
Alleged violation of VA Code §§ 56-331 and 58.1-2708
MCA920022 Cook Transports, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920023 Bunch Trucking Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA920024 Atlantic Power Wagons, Ltd.
Alleged violation of VA Code § 58.1-2700
MCA920025 Champion Freight Services Inc.
Alleged violation of VA Code § 58.1-2700
MCA920026 Mullecker Trucking Co., Inc. t/a Mullecker Trucking/ T/G Express
Alleged violation of VA Code §§ 56-331 and 58.1-2708
MCA920027 A.C. Johnson Trucking Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA920028 Long Haul Express, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920029 Advanced Building Systems, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920030 L & M Express Company., Inc.
Alleged violation of VA Code §§ 58.1-2700, et al.
MCA920031 Shelton Trucking Service
Alleged violation of VA Code § 58.1-2700
MCA920032 Roadway Package System, Inc.
Petition for refund of motor fuel road taxes
MCA920033 Mitchell, James E. t/a Mitchell's Trucking
Alleged violation of VA Code § 58.1-2700
MCA920034 Sport Craft, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920035 1st Class Transport Services Inc.
Alleged violation of VA Code §§ 58.1-2700 et al.

MCA920036 J & J Transport Co.
Alleged violation of VA Code § 58.1-2704
MCA920037 Marco Transportation Co.
Alleged violation of VA Code § 58.1-2700
MCA920038 Nationwide Homes, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920039 Continental Express, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920040 Union Carbide Chemicals & Plastics Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA920041 United Newspaper Delivery Service-Jalt Corp.
Alleged violation of VA Code § 58.1-2700
MCA920042 Bill Brockett Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920043 Crewe Transfer, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920044 Rich Transport, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920045 John, Lee D.
For refund of motor fuel road taxes
MCA920047 Beamon & Lassier, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920048 Action Vans, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920050 Midlantic Express, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920051 Spurgeon Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920053 Omni Logistics Company
Alleged violation of VA Code § 58.1-2700
MCA920054 Manufacturers Distributing Corp.
Alleged violation of VA Code § 58.1-2700
MCA920055 R-W Service System, Inc.
Alleged violation of VA Code § 58.1-2700 et al.
MCA920056 Barkley, Tex Otis t/a Tex Trucking
Alleged violation of VA Code § 58.1-2700
MCA920057 Fruehauf Corp.
Alleged violation of VA Code § 58.1-2700
MCA920058 Gerth & Gerth Enterprises Ltd.
Alleged violation of VA Code § 58.1-2708
MCA920059 Sundance Transport, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920061 Truckadyne, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920062 Allfreight Lines, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920063 Equity Transportation Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA920064 Aero Liquid Transit, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920065 Foreway Transportation, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920066 Warren, David L.
Alleged violation of VA Code § 58.1-2700
MCA920067 Baker Knapp & Tubbs, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920068 Gainey Transportation Services
Alleged violation of VA Code § 58.1-2700
MCA920069 F.J. Boutell Driveway Co., Inc.
Alleged violation of VA Code § 58.1-2704
MCA920070 Complete Auto Transit, Inc.
Alleged violation of VA Code § 58.1-2704
MCA920071 M & G Convoy, Inc.
Alleged violation of VA Code § 58.1-2704
MCA920072 Fleet Carrier Corporation
Alleged violation of VA Code § 58.1-2704
MCA920073 Wisconsin Express Lines, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920074 P & D Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920075 L. U. Carriers, Inc.
Alleged violation of VA Code § 58.1-2700

MCA920076 Southeast Express, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920077 Native American Trucking Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA920078 Southern Freightways
Alleged violation of VA Code § 58.1-2700
MCA920079 Ratliff Trucking Corp., Inc.
Alleged violation of VA Code § 58.1-2700
MCA920080 Douglas & Lomason Co.
Alleged violation of VA Code § 58.1-2700
MCA920081 Holtrachem, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920082 Universal Am-Can Ltd.
Alleged violation of VA Code § 58.1-2704
MCA920083 H P Leasing, Inc.
Alleged violation of VA Code § 58.1-2700, et al.
MCA920084 Commercial Carriers, Inc.
Alleged violation of VA Code § 58.1-2704
MCA920085 Virginia-Carolina Freight Lines, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920086 Brown, Leroy t/a L&B Oil Delivery
Alleged violation of VA Code § 58.1-2700., et al.
MCA920087 Triple R Trucking Company, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920088 Seaboard Express, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920089 Liquid Carbonic Carbon Dioxide Corp.
Alleged violation of VA Code § 58.1-2700
MCA920090 Millbrook Distributors, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920091 Forward Express Trucking, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920092 Fleet Carrier Corporation
Alleged violation of VA Code § 58.1-2700
MCA920093 M & G Convoy, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920094 F.J. Boutell Driveway Co., Inc.
Alleged violation of VA Code § 58.1-2700
MCA920095 Complete Auto Transit, Inc.
Alleged violation of VA Code § 58.1-2700
MCA920096 Bildar, Inc.
Alleged violation of VA Code § 58.1-2708
MCA920097 Allen Freight Lines, Inc.
Alleged violation of VA Code § 58.1-2700

MCE: MOTOR CARRIER DIVISION - ENFORCEMENT

MCE911006 Chantilly Supply Corp.
Alleged violation of VA Code § 56-288
MCE911072 Spartan Express, Inc.
Alleged violation of VA Code § 56-289
MCE920001 Ex Parte: Name change
For change of title from Investigator to Special Agent
MCE920002 R&P Industries, Inc.
Alleged violation of VA Code § 56-304.1
MCE920003 American Truck Lines, Inc.
Alleged violation of VA Code § 56-304.11
MCE920004 Bengal Transit, Inc.
Alleged violation of VA Code § 56-304.11
MCE920032 McDonald, Miles Warren
Alleged violation of VA Code § 56-304.1
MCE920033 Hague, Cheryl L.
Alleged violation of VA Code § 56-304.1
MCE920034 Goodman, Robert M.
Alleged violation of Lease Rule 3A
MCE920036 Johnson, Milton J. Jr. t/a B & M Towing
Alleged violation of VA Code § 56-288
MCE920037 Cowan Transportation, Inc.
Alleged violation of VA Code § 56-304.11
MCE920038 Gresham, Randall t/a Gresham's Tours & Travel
Alleged violation of VA Code § 56-292

MCE920044 Banks, Bruce M.
Alleged violation of VA Code § 56-304
MCE920045 Fran's, Inc.
Alleged violation of VA Code § 56-304.11
MCE920046 Williams, Debi L. t/a Lady Blue Trucking
Alleged violation of VA Code § 56-288
MCE920047 Xhaferi, Imer t/a John's Trucking
Alleged violation of VA Code § 56-304
MCE920048 Al-Amin Transportation, Inc.
Alleged violation of VA Code § 56-304.11
MCE920049 Banks, Bruce M.
Alleged violation of VA Code § 56-304
MCE920050 Banks, Bruce M.
Alleged violation of VA Code § 56-304
MCE920051 Banks, Bruce M.
Alleged violation of VA Code § 56-304
MCE920052 Banks, Bruce M.
Alleged violation of VA Code § 56-304
MCE920071 Cowan Transportation, Inc.
Alleged violation of VA Code § 56-304.1
MCE920072 Cowan Transportation, Inc.
Alleged violation of VA Code § 56-304.1
MCE920073 Cowan Transportation, Inc.
Alleged violation of VA Code § 56-304.1
MCE920074 Cowan Transportation, Inc.
Alleged violation of VA Code § 56-304.1
MCE920075 Prince George Service Corp.
Alleged violation of VA Code §§ 56-338.106 and 56-338.111
MCE920089 Mastinger Enterprises, Inc.
Alleged violation of VA Code § 56-304.11
MCE920090 Carrier Express, Inc.
Alleged violation of VA Code § 56-304.11
MCE920091 Taylor, Al Burnis
Alleged violation of VA Code § 56-304.11
MCE920092 Taylor, Al Burnis
Alleged violation of VA Code § 56-304.11
MCE920093 Johnson, Clarence A.
Alleged violation of VA Code § 56-304.11
MCE920094 David Beneux Produce & Trucking Inc.
Alleged violation of VA Code § 56-304.11
MCE920095 Eastern Flat Bed Systems, Inc.
Alleged violation of VA Code § 56-304.11
MCE920096 Woolard, Willie Clinton t/a W.C. Woolard Trucking
Alleged violation of VA Code § 56-304.11
MCE920097 Woolard, Willie Clinton t/a W.C. Woolard Trucking
Alleged violation of VA Code § 56-304.11
MCE920098 Woolard, Willie Clinton t/a W.C. Woolard Trucking
Alleged violation of VA Code § 56-304.11
MCE920111 Cowan Transportation, Inc.
Alleged violation of VA Code § 56-304.11
MCE920112 Cowan Transportation, Inc.
Alleged violation of VA Code § 56-304.11
MCE920113 EE Operating Corporation t/a West Contract Services of Pennsylvania
Alleged violation of VA Code § 56-304.1
MCE920119 Bengal Transit, Inc.
Alleged violation of VA Code § 56-304.1
MCE920132 Metric Constructors, Inc.
Alleged violation of Lease Rule 3-A
MCE920133 Bridge Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE920134 Whorley, Gene W.
Alleged violation of VA Code § 56-304
MCE920135 Paul Garnsey & Son, Inc.
Alleged violation of VA Code § 56-304.1
MCE920136 Murrow Enterprises, Inc.
Alleged violation of VA Code § 56-304.11
MCE920137 Raven Division, Inc.
Alleged violation of VA Code § 56-304.11
MCE920170 Sinnco Carriers, Inc.
Alleged violation of VA Code § 56-304.11
MCE920177 Eddie's Bus Service, Inc.
Alleged violation of Charter Party Rules 11 and 19

MCE920178 Wex Enterprises, Inc.
Alleged violation of VA Code § 56-304.11
MCE920179 D.C. Van Lines Moving Co., Inc.
Alleged violation of VA Code § 56-288
MCE920183 Bridge Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE920184 Custom Trailer, Inc.
Alleged violation of VA Code § 56-304.2
MCE920202 Carey Limousine DC, Inc.
Alleged violation of VA Code §§ 56-338.106 and 56-338.111
MCE920203 Cook's Moving Service, Inc.
Alleged violation of VA Code § 56-338.8
MCE920204 Khan, Asghan t/a Ace Movers
Alleged violation of VA Code § 56-288
MCE920205 Myles Paving & Construction Company, Inc.
Alleged violation of VA Code § 56-304.1
MCE920219 Crawford, Charles J.
Alleged violation of VA Code § 56-304
MCE920220 Harris Transportation Services
Alleged violation of VA Code § 56-304.11
MCE920221 Chesapeake Carriers, Inc.
Alleged violation of VA Code § 56-304.11
MCE920227 C & L Trucking & Transportation, Co. t/a C&L Trucking
Alleged violation of VA Code § 56-304.11
MCE920242 Traditions Trucking, Inc.
Alleged violation of VA Code § 56-304.1
MCE920243 William N. Mason, Inc.
Alleged violation of VA Code § 56-304.11
MCE920244 Stone Container Corp.
Alleged violation of VA Code § 56-304.2
MCE920249 R & E Hauling Co., Inc.
Alleged violation of VA Code § 56-289
MCE920250 Kings Towing, Inc.
Alleged violation of VA Code § 56-288
MCE920251 Passenger Express, Inc.
Alleged violation of VA Code § 56-338.52
MCE920252 Executive Sedan Express, Inc.
Alleged violation of VA Code § 56-338.111
MCE920253 Bancroft Dairy, Inc.
Alleged violation of VA Code § 56-304.2
MCE920254 Washington Sedan Services, Inc. t/a Washington Car & Driver
Alleged violation of VA Code § 56-338.111:1
MCE920255 Rush, James Alan
Alleged violation of VA Code § 56-304.11
MCE920273 American Truck Lines, Inc.
Alleged violation of VA Code § 56-304.11
MCE920274 L & D Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE920285 B.W. Projects, Inc.
Alleged violation of VA Code § 56-304.2
MCE920286 Bob Crumpler's Denbigh Nissan Ltd.
Alleged violation of VA Code § 56-304
MCE920287 S & D Trucking Company, Inc.
Alleged violation of VA Code § 56-304.11
MCE920288 Craig, Clarence Robert III
Alleged violation of VA Code § 56-304
MCE920289 F.A. Taylor & Son, Inc.
Alleged violation of Lease Rule 3-B
MCE920302 Native American Trucking Co. Inc.
Alleged violation of VA Code § 56-304.11
MCE920303 R & E Hauling Company, Inc.
Alleged violation of VA Code § 56-289
MCE920304 McKesson Service Merchandising Co.
Alleged violation of VA Code § 56-304
MCE920305 Jackson, Jennifer L. & Jones, Madeline R.
Alleged violation of VA Code § 56-304
MCE920306 Sam Miran, Inc.
Alleged violation of VA Code § 56-304.2
MCE920307 Native American Trucking Co. Inc.
Alleged violation of VA Code § 56-304.11
MCE920308 Showell Farms, Inc.
Alleged violation of VA Code § 56-304.11

MCE920319 Wilmington Tank Lines, Inc.
Alleged violation of VA Code § 56-304.11

MCE920320 Spartan Express Inc
Alleged violation of VA Code § 56-289

MCE920324 Banks Trucking Company, Inc.
Alleged violation of VA Code § 56-304.11

MCE920325 Bicentennial Transport, Inc.
Alleged violation of VA Code § 56-304.11

MCE920326 Bicentennial Transport, Inc.
Alleged violation of VA Code § 56-304.11

MCE920327 Bicentennial Transport, Inc.
Alleged violation of VA Code § 56-304.11

MCE920328 T & J Transport, Inc.
Alleged violation of VA Code § 56-304

MCE920344 New Era Trucking, Inc.
Alleged violation of VA Code § 56-304.11

MCE920345 CMC, Inc.
Alleged violation of VA Code § 56-304

MCE920346 Wrenn, James Howard t/a Wrenn's Special Care
Alleged violation of VA Code § 56-304.11

MCE920347 Harold, Clement C. t/a Harold Hauling
Alleged violation of VA Code § 56-304.11

MCE920348 R & E Hauling Co., Inc.
Alleged violation of VA Code § 56-289

MCE920373 Sanchez, Mario
Alleged violation of VA Code § 56-288

MCE920385 L & D Transport, Inc.
Alleged violation of VA Code § 56-304.11

MCE920386 S & D Trucking Co., Inc.
Alleged violation of VA Code § 56-304.11

MCE920391 Independent Roll-Offs Services Inc.
Alleged violation of VA Code § 56-304.11

MCE920399 Reston Moving, Inc.
Alleged violation of VA Code § 56-288

MCE920400 Parham Construction Company
Alleged violation of Lease Rule 3-A

MCE920401 Almar Corporation
Alleged violation of VA Code § 56-304.11

MCE920402 Top Hat Limo's, Inc. t/a Above & Beyond Limo
Alleged violation of VA Code § 56-278

MCE920403 Eastern Industrial Services Inc.
Alleged violation of VA Code § 56-304.2

MCE920417 Cox, Russell James, Jr. t/a U-niq Service
Alleged violation of VA Code § 56-304.11

MCE920418 Williams Transport, Inc.
Alleged violation of VA Code § 56-304.11

MCE920433 Mountain Productions, Inc.
Alleged violation of VA Code § 56-304.2

MCE920434 Murrow Enterprises, Inc.
Alleged violation of VA Code § 56-304.11

MCE920440 Eybers, John Michael t/a AAA American Moving & Storage
Alleged violation of VA Code § 56-338.8

MCE920441 Warren, David L.
Alleged violation of VA Code §§ 56-304, 46.2-600 and 46.2-711

MCE920462 Passenger Express, Inc.
Alleged violation of VA Code § 56-338.52

MCE920463 Native American Trucking Co. Inc.
Alleged violation of VA Code § 56-304.11

MCE920464 Dunkum, Kim O. t/a Kim Dunkum Trucking
Alleged violation of VA Code § 56-288

MCE920470 Harkless Construction, Inc.
Alleged violation of VA Code § 56-304.1

MCE920471 Alexander, Richard Craig
Alleged violation of VA Code § 56-304

MCE920472 G.M. Gannon Co., Inc.
Alleged violation of VA Code § 56-304

MCE920490 Holton's Logging, Inc.
Alleged violation of VA Code § 56-304

MCE920491 Dick Enterprises, Inc.
Alleged violation of VA Code § 56-304

MCE920492 Southern Trans Waste Industries, Inc.
Alleged violation of VA Code § 56-304.1

MCE920493 Talco Transfer, Inc.
Alleged violation of VA Code § 56-304.11
MCE920494 CER Enterprises, Inc.
Alleged violation of VA Code § 56-304.11
MCE920495 Snead, Junius A.
Alleged violation of VA Code § 56-304.11
MCE920496 Great Society Movers, Inc.
Alleged violation of VA Code § 56-288
MCE920497 S R S Transport, Inc.
Alleged violation of VA Code § 56-288
MCE920505 Hamilton, Theodore
Alleged violation of VA Code § 56-338.111
MCE920506 Coast Counties Express, Inc.
Alleged violation of VA Code § 56-304.11
MCE920507 American Truck Lines, Inc.
Alleged violation of VA Code § 56-304.11
MCE920508 R & E Hauling Company, Inc.
Alleged violation of VA Code § 56-289
MCE920509 E & E Auto Sales, Inc.
Alleged violation of VA Code § 56-338.111
MCE920515 Dominion Limousines, Ltd.
Alleged violation of VA Code § 56-338.111
MCE920516 White & D.W. Limousines, Inc.
Alleged violation of VA Code § 56-338.111
MCE920517 Hadjichristoudou, Christoudlou t/a Captain of Pentagon Limousine
Alleged violation of VA Code § 56-304.11
MCE920518 Liverman, Quintin Leroy t/a Quinton Liverman Trucking
Alleged violation of VA Code § 56-304.11
MCE920519 Ploch, Michael Joseph t/a Ploch Hay Co.
Alleged violation of VA Code § 56-304.11
MCE920520 Sea Freight Trucking Services Inc.
Alleged violation of VA Code § 56-304.1
MCE920521 Ingram, R.L. Jr. t/a Ingram Auto Parts
Alleged violation of Lease Rule 3-A
MCE920524 Flaherty, Andrew B.
Alleged violation of VA Code § 56-338.111
MCE920525 Grant, Darryl B.
Alleged violation of VA Code § 56-338.111
MCE920526 A 1st Class Limousine, Inc.
Alleged violation of VA Code § 56-304.11
MCE920527 Fleetmaster Express, Inc.
Alleged violation of VA Code § 56-304.1
MCE920528 Stuart, Karyn E. t/a Richmond City Cab
Alleged violation of VA Code § 56-304
MCE920529 Nooney's Bus Line, Inc.
Alleged violation of Lease Rule 23
MCE920535 Bechara, Daneil
Alleged violation of VA Code § 56-338.111
MCE920536 Reston Limousine & Travel Service, Inc.
Alleged violation of VA Code § 56-338.111
MCE920537 Exclusive Limo Service, Inc.
Alleged violation of VA Code § 56-338.111
MCE920548 Brown, James F., Jr., Mrs.
Alleged violation of VA Code § 56-338.111
MCE920549 Rutrough, Darel t/a Motorcoach Co-op
Alleged violation of VA Code § 56-338.52
MCE920550 Carting, Cali
Alleged violation of VA Code § 56-304.2
MCE920551 Auto East Warehouse, Inc.
Alleged violation of Lease Rule 3-A
MCE920552 Molchan, Michael R. t/a BAM Contracting & MRM & Son Trucking
Alleged violation of VA Code § 56-304.1
MCE920553 Diplomat Limousine & Livery Service, Inc.
Alleged violation of VA Code § 56-304.11
MCE920559 QST Express, Inc.
Alleged violation of VA Code § 56-304.11
MCE920561 Malki, Hanna I.
Alleged violation of VA Code § 56-338.111
MCE920563 Starrs Transp. Inc.
Alleged violation of VA Code § 56-304.11
MCE920564 Tann, Elmer C. t/a E.T. Trucking
Alleged violation of VA Code § 56-304.11

MCE920565 N W Hayman Trucking, Inc.
Alleged violation of VA Code § 56-304.11

MCE920566 Hoke, Mitchiner Eugene, Jr. t/a Mitchiner Enterprises
Alleged violation of VA Code § 56-304.11

MCE920572 Pepsi-Cola Bottling Co. of Central Virginia
Alleged violation of Lease Rule 3-A

MCE920573 Carlisle, Kelley A. t/a Blue Chip Limo
Alleged violation of VA Code § 56-338.111

MCE920574 Zoll, Terry E. & Fumarola, Michael T.
Alleged violation of VA Code § 56-338.111

MCE920575 Native American Trucking Co, Inc.
Alleged violation of VA Code § 56-304.11

MCE920576 Ahmadi, Bashir A.
Alleged violation of VA Code § 56-338.111

MCE920597 Pre-Mix Industries, Inc. t/a PMI Trucking Co.
Alleged violation of VA Code § 56-304.1

MCE920621 Ahmed, Zabiullah t/a Columbus Cab 1485
Alleged violation of VA Code § 56-338.11

MCE920622 AAL, Inc.
Alleged violation of VA Code § 56-338.111

MCE920631 Atlantic Disposall, Inc.
Alleged violation of Lease Rule 3-A

MCE920632 Wray, Walter H. t/a Nuckey's Limo Service
Alleged violation of VA Code § 56-338.111

MCE920635 Diplomat Limousine & Livery Service, Inc.
Alleged violation of VA Code § 56-304

MCE920636 First Class Presidential Limousine Service, Inc.
Alleged violation of VA Code § 56-304

MCE920637 Reinforced Earth Company, The
Alleged violation of VA Code § 56-304.2

MCE920654 Skyline Express, Inc.
Alleged violation of VA Code § 56-304

MCE920655 American Builders & Contractors Supply Corp.
Alleged violation of Lease Rule 3-A

MCE920659 Marquis Limousine, Inc.
Alleged violation of VA Code § 56-338.111

MCE920660 A-Grand Limousine Service
Alleged violation of VA Code § 56-338.111

MCE920661 Limo Scene, Inc.
Alleged violation of VA Code § 56-338.111

MCE920662 A Paima International Transport Co., Inc.
Alleged violation of VA Code § 56-304

MCE920663 Exclusive Limousine Service Inc.
Alleged violation of VA Code § 56-338.111

MCE920665 Barrios, Oscar Ernesto t/a Barrios Trucking
Alleged violation of VA Code § 56-304.11

MCE920670 Herbert, Donald t/a Ultimate Limo Service
Alleged violation of VA Code § 56-338.111

MCE920671 Blue Magic Refrigerated Trans Inc.
Alleged violation of VA Code § 56-304.11

MCE920672 Escort Limousine Service, Inc.
Alleged violation of VA Code § 56-338.111

MCE920685 Consolidated Investment Properties, Inc.
Alleged violation of VA Code § 56-338.111

MCE920686 Rivers Trucking, Inc.
Alleged violation of VA Code § 56-304.11

MCE920700 A-1 Trucking Corp, Inc.
Alleged violation of VA Code § 56-304

MCE920701 Adventure Limousine Services Ltd.
Alleged violation of VA Code § 56-338.111

MCE920702 Rainbow Transport, Inc.
Alleged violation of VA Code § 56-304.11

MCE920703 Big Time Limos, Inc.
Alleged violation of VA Code § 56-338.111

MCE920704 Culpeper Central Transport Services
Alleged violation VA Code § 56-304

MCE920715 Little, Carroll., Jr.
Alleged violation of VA Code § 56-304

MCE920716 Native American Trucking Co. Inc.
Alleged violation of VA Code § 56-304.11

MCE920717 Vourdousis & Sons Transp. Inc.
Alleged violation of VA Code § 56-304.11

MCE920718 Vondran, Juan Kevin t/a Kevin Vondran & Co.
Alleged violation of VA Code § 56-304.11
MCE920719 Herring, Mason B. t/a Cavalier Wrecker Service
Alleged violation of VA Code § 56-304.11
MCE920720 Tri Star Freight Systems, Inc.
Alleged violation of VA Code § 56-304.11
MCE920739 Raven Division, Inc.
Alleged violation of VA Code § 56-304.11
MCE920740 Express Freight Systems, Inc.
Alleged violation of VA Code § 56-304.11
MCE920741 Moore, John Forest t/a Seafood Transfer
Alleged violation of VA Code § 56-338.8
MCE920742 Jordan, Joe C. t/a Jordan Boat Haulers
Alleged violation of VA Code § 56-304.1
MCE920743 Lend Lease Trucks, Inc.
Alleged violation of VA Code § 56-304.11
MCE920755 Callaway, Greg Lee
Alleged violation of VA Code § 56-288
MCE920756 Timed Delivery Service, Inc.
Alleged violation of VA Code § 56-304.11
MCE920757 B&P 24 Hour Moving Company
Alleged violation of VA Code § 56-338.8
MCE920758 K & C Trucking Company
Alleged violation of VA Code § 46.2-660
MCE920767 A&P Transportation Co, Inc.
Alleged violation of VA Code § 56-304.11
MCE920768 Mister Mec Corp.
Alleged violation of VA Code § 56-304.11
MCE920769 Military Dist. of VA, Inc.
Alleged violation of VA Code § 56-304.2
MCE920770 Sip Line Trucking Corp.
Alleged violation of VA Code § 56-304.11
MCE920771 P & E Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE920772 Trism Specialized Carriers Inc.
Alleged violation of VA Code § 56-304.11
MCE920773 Benjamin Trucking
Alleged violation of VA Code § 56-304.11
MCE920774 A&P Transportation Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE920775 Sodan, Inc. t/a Automotive Discount Outlet
Alleged violation of VA Code § 56-288
MCE920776 Mystic Island Transport, Inc.
Alleged violation of VA Code §§ 46.2-600, 46.2-711, and 56-304
MCE920790 Hassan, Wali Abdullah t/a ATW Limousine Service
Alleged violation of VA Code § 56-278
MCE920791 Sunset Transport, Inc.
Alleged violation of VA Code § 56-288
MCE920793 Ryan, Charles F. Jr. t/a Hopkins Towing
Alleged violation of VA Code § 56-288
MCE920794 Rutrough, Darell
Alleged violation of VA Code § 56-338.52
MCE920813 Visconti, Carol
Alleged violation of VA Code § 56-304.2
MCE920814 Doughtie's Foods, Inc.
Alleged violation of Lease Rule 3-A
MCE920815 Williams Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE920816 R & E Hauling Company, Inc.
Alleged violation of VA Code § 56-278
MCE920817 R & E Hauling Company, Inc.
Alleged violation of VA Code § 56-289
MCE920818 District Moving & Storage, Inc.
Alleged violation of VA Code § 56-288
MCE920819 District Moving & Storage, Inc.
Alleged violation of VA Code § 56-288
MCE920820 TFX Incorporated
Alleged violation of VA Code § 56-304.11
MCE920821 Virginian Power Transport Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE920822 Russin Lumber Corp.
Alleged violation of VA Code § 56-304.2

MCE920836 A Truck & Trailer Sales & Service Corp.
Alleged violation of VA Code § 56-304.11
MCE920837 Virginian Power Transport Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE920872 McLane Southeast, Inc.
Alleged violation of VA Code § 56-304.2
MCE920873 Carreiro, Armando t/a Southwest Transit Systems, Inc.
Alleged violation of VA Code § 56-304.11
MCE920874 TFX, Incorporated
Alleged violation of VA Code § 56-304.11
MCE920875 Sundance Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE920876 Shaw Industries, Inc.
Alleged violation of VA Code § 56-304.2
MCE920892 Willow Spring Towing & Recovery, Inc.
Alleged violation of VA Code § 56-288
MCE920893 Trent, Jerry Lee
Alleged violation of VA Code § 56-288
MCE920894 Capitol Carbonic Corp.
Alleged violation of VA Code § 56-304.2
MCE920895 Markham Associates
Alleged violation of VA Code § 56-304.11
MCE920896 Owings Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE920897 Vest, Carl Jennings
Alleged violation of VA Code § 56-304
MCE920916 Al's Towing & Storage Co., Inc.
Alleged violation of VA Code § 56-288
MCE920917 Crawford, Charles J.
Alleged violation of VA Code § 56-304.11
MCE920918 Virginian Power Transport Company, Inc.
Alleged violation of VA Code § 56-304.11
MCE920919 Sip Line Trucking Corp.
Alleged violation of VA Code § 56-304.11
MCE920950 Quality Transport Services Inc.
Alleged violation of VA Code § 56-304
MCE920951 Shanahan's Express, Inc.
Alleged violation of VA Code § 56-304
MCE920952 Trussway, Inc.
Alleged violation of VA Code § 56-304.2
MCE920953 Monhollon, John Pylant t/a Monhollon Moving
Alleged violation of VA Code § 56-338.8
MCE920954 Hood, Thyrl D.
Alleged violation of VA Code § 56-288
MCE920955 Hoffman, Lemuel R.
Alleged violation of VA Code § 56-288
MCE920956 Hill, John B. t/a Hill's Enterprises
Alleged violation of VA Code §§ 46.2-600, 46.2-711, et al.
MCE920957 Indian River Sports Travel Inc.
Alleged violation of VA Code § 56-292
MCE920975 Willow Spring Towing & Recovery, Inc.
Alleged violation of VA Code § 56-288
MCE920976 Taylor, Al Burnis
Alleged violation of VA Code § 56-288
MCE920977 Automatic Rolls of VA, Inc.
Alleged violation of VA Code § 56-304
MCE920978 Simmons, Randall t/a Middleton Transportation
Alleged violation of VA Code § 56-304
MCE920979 R.E.H. Trucking Company
Alleged violation of VA Code § 56-304
MCE920980 Blowe, Luke W. t/a L&L Hauling
Alleged violation of VA Code § 56-304
MCE920981 American Xpress, Inc.
Alleged violation of VA Code § 56-304.11
MCE920982 Pierce Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE920983 Silvereagle Transport, Inc.
Alleged violation of VA Code § 56-304.11
MCE920984 Transport Rene Dandurand, Inc.
Alleged violation of VA Code § 56-304.11
MCE920985 Hershey Creamery Co. of Virginia Inc.
Alleged violation of VA Code § 56-304

MCE920986 Cox, Thomas E., Sr. t/a Cox's Auto Shop
Alleged violation of VA Code § 56-304
MCE920987 May, Leroy t/a L M Trucking
Alleged violation of VA Code § 56-304
MCE921011 Native American Trucking Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE921012 Lester Auto Sales, Inc. t/a Lester Auto Parts
Alleged violation of VA Code § 56-304
MCE921013 DC Express, Inc. t/a Document Courier Express
Alleged violation of VA Code § 56-288
MCE921014 Transport Damaco International Ltee.
Alleged violation of VA Code § 56-304.11
MCE921032 Coley, Alfred, Sr. t/a Yorktown Cab Co.
Alleged violation of VA Code § 56-304
MCE921033 New Era Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE921034 Smith, Thomas J., Jr. t/a East Coast Auto Marine Transport
Alleged violation of VA Code § 56-304.11
MCE921035 A&P Transportation Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE921042 Midway Trucking
Alleged violation of VA Code § 56-304.11
MCE921043 Strange Truck Line, Inc.
Alleged violation of VA Code § 56-304.11
MCE921044 Delaware Valley Fish Co., Inc.
Alleged violation of VA Code § 56-304.11
MCE921045 J.A.D. Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE921073 Bounds, P. Lee & Gary G. t/a Bounds Hauling
Alleged violation of VA Code § 56-304
MCE921074 World Wide Racing Fuels, Inc.
Alleged violation of VA Code § 56-304
MCE921075 Vandy Farms, Inc.
Alleged violation of VA Code § 56-304
MCE921076 Mount Vernon Travel, Inc.
Alleged violation of VA Code § 56-292
MCE921077 T & S Bus Service, Inc.
Alleged violation of VA Code § 56-338.52
MCE921078 Atlantic Coach, Inc.
Alleged violation of VA Code § 56-338.52
MCE921079 Lee Brothers Trucking, Inc.
Alleged violation of VA Code § 56-304.11
MCE921080 Elite Express, Inc.
Alleged violation of VA Code § 56-304.11
MCE921093 C W Trucking Company
Alleged violation of VA Code § 56-304.1
MCE921094 Suburban Truck Brokers, Inc.
Alleged violation of VA Code § 65-304.1
MCE921095 Locust Grove Enterprises, Inc.
Alleged violation of VA Code § 56-304.11
MCE921096 Smith Transfer Company, Inc.
Alleged violation of VA Code § 56-304.11
MCE921097 Lily Transport Lines, Inc.
Alleged violation of VA Code § 56-304.11
MCE921098 Don Holland & Associates, Inc.
Alleged violation of VA Code § 56-304.11
MCE921099 Ploch, Michael Joseph t/a Ploch Hay Co.
Alleged violation of VA Code § 56-304.11

MCO: MOTOR CARRIER DIVISION - OPERATIONS

MCO920230 122563 Canada Inc.
For failure to replace bad check and remit penalty
MCO920324 Biltrite Transportation, Inc.
For failure to replace check and remit $25 penalty
MCO920388 Wooden, James Earl
For failure to replace bad check
MCO920435 American Truck Lines, Inc.
For failure to replace check and $25 penalty

MCS: MOTOR CARRIER DIVISION - RATES AND TARIFFS

MCS910071 Adventure Limousine Service Ltd.
For certificate as a limousine carrier

MCS910164 Purolator Courier Corp. of Virginia
For cancellation of certificate Nos. RPC-1 and F-957

MCS910180 Boykin, Michael L. t/a A Simple Limo
For certificate as a limousine carrier

MCS910181 Huss, Incorporated
For certificate as a common carrier of property by motor vehicle

MCS910182 Fox, Melvin K. d/b/a Urban Transportation of Virginia
For certificate as a common carrier of passengers over irregular routes

MCS910183 Richards Tours, Inc.
Alleged violation of VA Code § 56-300

MCS910184 Fowler, Wendell W. t/a F & S Executive Sedan Service
For cancellation of certificate No. LM-9

MCS920001 Airport Taxi Service, Inc.
For cancellation of broker's license No. B-118

MCS920002 Ground Transportation Specialists Inc.
For certificate as a limousine carrier

MCS920003 Chesapeake & Northern Trans. Corp., Transferor and Gold Star Tours, Inc., Transferee
To transfer certificate as special or charter party carrier by motor vehicle No. B-215

MCS920004 Special Interest Leasing Co.
For certificate as an executive sedan carrier

MCS920005 Price, Robert Lee
For certificate as an executive sedan carrier

MCS920006 Wheeling Limousine, Inc.
For certificate as a limousine carrier

MCS920007 New River Cruise Company
For certificate as a sight-seeing and special or charter party carrier by boat

MCS920008 Baker, Gary A. d/b/a Landmark Limousine
For certificate as an executive sedan carrier

MCS920009 Gresham's Tours & Travel
For license to broker transportation of passengers by motor vehicle

MCS920010 Hanover Tour & Travel
To amend license No. B-125

MCS920011 JST Enterprises Inc. t/a Thomas Transportation Services
For certificate as a limousine carrier

MCS920012 Executive Limousine Service Inc.
For certificate as an executive sedan carrier

MCS920013 Hines, Frank Jr.
For cancellation of certificate No. LM-54

MCS920014 Sundance Enterprises, Inc.
Alleged violation of VA Code §§ 58.1-2700 et al.

MCS920015 Metts, Marshall Anthony d/b/a Metts Sports Tours
For failure to comply with Commission orders

MCS920016 Westfield's International Conference Center
For failure to comply with Commission orders

MCS920017 Myles, Inc. t/a Myles: Operation Prison Gap
For failure to comply with Commission orders

MCS920018 Harris, Shirley J. t/a S.J. Harris Hauling Co.
For failure to comply with Commission orders

MCS920019 Yorktown Victory Cruises, Inc.
For certificate as sight-seeing and special or charter party carrier by boat

MCS920020 Contemporary Travel Ltd.
For license to broker transportation of passengers by motor vehicle

MCS920021 Sterling Van Lines, Inc.
For failure to comply with Commission orders

MCS920022 Falkenstein, Jerome
For certificate as an executive sedan carrier

MCS920023 Winter Hawk Tours, Inc.
For certificate as an executive sedan carrier

MCS920024 Brown, Francis T. t/a Cartier Limousine & Airport Transportation
For certificate as an executive sedan carrier

MCS920025 Moore, Robert E. t/a Bay Point Associates
For certificate as a limousine carrier

MCS920026 Rappahannock Motor Lines, Inc.
For certificate as a common carrier of property by motor vehicle

MCS920027 Cumbow, Charles W., Jr. t/a Roadrunner Chauffeur Service
For certificate as a common carrier of passengers

MCS920028 Cumbow, Charles W., Jr. t/a Roadrunner Chauffeur Service
For certificate as an executive sedan carrier

MCS920029 Huseby, James E. t/a Corporate Sedan Service
For certificate as an executive sedan carrier
MCS920030 Alvin & Lydia Gurley Transp. Inc.
For certificate as a common carrier of passengers by motor vehicle over irregular routes
MCS920031 American Dream Limousine Service, Inc.
For certificate as a limousine carrier
MCS920032 Carlisle, Kelley A. t/a Blue Chip Limousine
For certificate as a limousine carrier
MCS920033 Clewis, David W. d/b/a Cerro Gordo Limousine Service
For certificate as a limousine carrier
MCS920034 Deleonardis, Rocco J.
For certificate as an executive sedan carrier
MCS920035 Walta, Michael H. t/a Luxury Limousine Service
For certificate as an executive sedan carrier
MCS920036 Tidewater Touring, Inc.
For certificate as a sight-seeing carrier by motor vehicle
MCS920037 Tidewater Touring, Inc.
For certificate as a special or charter party carrier by motor vehicle
MCS920038 Corporate Car Service, Inc.
For certificate as a limousine carrier
MCS920039 Arbogast, Steven Cam
For certificate as an executive sedan carrier
MCS920040 Lipscomb, George S., Jr.
For certificate as an executive sedan carrier
MCS920041 Harbor Tours, Inc.
Alleged violation of VA Code § 56-300
MCS920042 Commonwealth Limousine USA Inc.
Alleged violation of VA Code § 56-300
MCS920043 Beverly, James H., V. t/a Beverly Hills Limo: 90210
For certificate as a limousine carrier
MCS920044 National Tour Services, Ltd. t/a Red Carpet Limousine Service
For certificate as a limousine carrier
MCS920045 Foster Fuels, Inc.
For certificate as a petroleum tank truck carrrier
MCS920046 Bakrim, Khalid
For certificate as an executive sedan carrier
MCS920047 Alouance, Khalid
For certificate as an executive sedan carrier
MCS920048 Winn, Neena G.
For certificate as a limousine carrier
MCS920049 Huss, Incorporated
For cancellation of certificate No. F-916
MCS920050 Jahangiri, Amer R. t/a Washington Airport Services
For certificate as an executive sedan carrier
MCS920051 Doucette, Lisa Kathleen t/a 'Limousines by Rendezvous'
For certificate as a limousine carrier
MCS920052 Madison Limousine Service Inc.
For certificate as an executive sedan carrier
MCS920053 MAS Services, Inc. t/a Fortune 500 Limo
To transfer certificate as a limousine carrier No. LM-161
MCS920054 Mom, Rithy
For certificate as an executive sedan carrier
MCS920055 Elliott, Betty Newton t/a Get Away Tours
For license to broker transportation of passengers by motor vehicle
MCS920056 Camble, Joseph S. t/a Accent Limousine Service
For cancellation of certificate No. LM-1
MCS920057 Jensen, Robert W., Rappahannock Preservation Society
For cancellation of certificate No. SS-W-30
MCS920058 Sutton, James
For certificate as a limousine carrier
MCS920059 Elite Limousine Service, Inc.
For certificate as an executive sedan carrier
MCS920060 Ira C., Inc.
For certificate as an executive sedan carrier
MCS920061 P&B Limousines, Inc.
For certificate as a limousine carrier
MCS920062 Rowe Marine, Inc.
Alleged violation of VA Code § 56-300
MCS920063 Jones, Arthur E. t/a Art Jones Travel Service
Alleged violation of VA Code § 56-300
MCS920064 Martens, Linwood A. t/a Rainbow Charter
For certificate as a sight-seeing and special or charter party carrier by boat

MCS920065 Nancy Anne Charters Inc.
For certificate as a sight-seeing and special or charter party carrier by boat

MCS920066 Powell, Phillip T.
For certificate as a limousine carrier

MCS920067 Hudnall, Elvin M.
For certificate as a limousine carrier

MCS920068 L P R, Inc.
For certificate as a limousine carrier

MCS920069 Steelman, Jean B. & J. David
For certificate as a limousine carrier

MCS920070 Sterling Event Planners of Williamsburg, Inc.
For license to broker transportation of passengers by motor vehicle

MCS920071 Atkinson Tank Lines, Inc., Transferor and Puryear Trucking, Inc. of Virginia, Transferee
To transfer a portion of certificate as a petroleum tank truck carrier No. K-137

MCS920072 First Limousine Service of Virginia Inc.
For certificate as a limousine carrier

MCS920073 First Limousine Service of Virginia Inc.
For certificate as an executive sedan carrier

MCS920074 Crossroads Moving & Storage Inc.
For certificate as a household goods carrier

MCS920075 Hassan, Wali A. t/a ATW Limo Service
For cancellation of certificate

MCS920076 Jett Enterprises, Inc.
For license to broker transportation of passengers by motor vehicles

MCS920077 Reinaldo, Alberto t/a After Hours Limousine Service
For certificate as a limousine carrier

MCS920078 Three G Enterprises, Inc.
For certificate as an executive sedan carrier

MCS920079 Jones, Arthur E. t/a Art Jones Travel Service
To transfer broker's license No. B-58

MCS920080 Protocol Limousine, Inc.
For certificate as a limousine carrier

MCS920081 Todd Marine Enterprises, Inc.
For certificate as a sight-seeing and special or charter party carrier by boat

MCS920082 Jefferson Limousine Services Inc.
For suspension of limousine certificate No. LM-4

MCS920083 Commonwealth Oil Co., Inc., Transferor and Foster Fuels, Inc., Transferee
To transfer certificate as a petroleum tank truck carrier No. K-7

MCS920084 Rowe, Harry t/a Rowe Marine, Inc.
For suspension of certificate No. SS-W-39

MCS920085 Capital Limousine, Inc.
For cancellation of certificate granting limousine authority

MCS920086 Buffington, Buffington, Buffington, Powell & Buffington, Inc.
For certificate as a limousine carrier

MCS920087 Buffington, Buffington, Buffington, Powell & Buffington, Inc.
For certificate as an executive sedan carrier

MCS920088 Limo Express, Inc.
For certificate as a limousine carrier

MCS920089 Bhatti, Zulkernain M.
For certificate as an executive sedan carrier

MCS920090 Continental Sedan, Inc.
For certificate as an executive sedan carrier

MCS920091 Limo Scene, Inc.
For certificate as a limousine carrier

MCS920092 Vangelder, Steven G. & Maria t/a Ace Limo
To transfer certificate No. LM-138

MCS920094 Access Limousine Service
For certificate as a limousine carrier

MCS920095 Espina, Noel & Villareal, Eduardo A.
To transfer certificate No. LM-157

MCS920096 Golden Touch Limousine Service Inc.
For certificate as a limousine carrier

MCS920097 Virginia Beach Tours, Inc.
For license to broker transportation of passengers by motor vehicle

MCS920098 City of Hopewell, The
For certificate as a sight-seeing and special or charter party carrier by boat

MCS920099 American Limousine Service Inc.
For cancellation of certificate No. LM-38

MCS920100 Robinson, Christopher t/a Fantasy Limousine Service
For cancellation of certificate No. LM-31

MCS920101 Zoll, Terry E. & Fumarola, Michael
For certificate as a limousine carrier

MCS920102 Austin Limousines, Inc.
For certificate as a limousine carrier

MCS920103 Tidewater Touring, Inc.
For certificate as a special or charter party carrier by motor vehicle

MCS920104 Griffin Transportation Company
For cancellation of certificate No. A-44

MCS920105 Roadway Package System, Inc.
For certificate as a restricted parcel carrier by motor vehicle

MCS920106 Lindsey, Brenda B.
For certificate as an executive sedan carrier

MCS920108 Hunter, Frederick L.
For license to broker transportation of passengers by motor vehicle

MCS920109 Blue Ridge Limo, Inc.
For certificate as a limousine carrier

MCS920111 Carey Limousine D.C., Inc.
For certificate as a limousine carrier

MCS920112 Carey Limousine D.C., Inc.
For certificate as an executive sedan carrier

MCS920113 Ousri, Mohamed
For certificate as an executive sedan carrier

MCS920114 Classic Limousine Service Inc.
For cancellation of certificate No. LM-28

MCS920115 DMV Limousine, Inc.
For certificate as an executive sedan carrier

MCS920116 Grant's World Class Limousine Service
For certificate as a limousine carrier

MCS920117 R.K. Tisinger Trucking, Inc.
For certificate as a petroluem tank truck carrier

MCS920118 Moyer & Sons, Inc. Moving & Storage
For certificate as a household goods carrier

MCS920119 Martin Thomas McLaughlin, Inc.
For certificate as an executive sedan carrier

MCS920120 Powell, Leah W. t/a Dynasty Sedans
For certificate as an executive sedan carrier

MCS920121 Tidewater Commercial Deliveries, Inc.
For cancellation of certificate No. RPC-4

MCS920122 Summakie, Thomas
For certificate as an executive sedan carrier

MCS920125 McCauley Bros., Inc., A Virginia Corp.
For certificate as a household goods carrier

MCS920126 Royal Limousine, Inc.
For certificate as a limousine carrier

MCS920127 Hansen, Wilfred O., Sr. t/a Cherry Blossom Limo Inc.
For cancellation of certificate No. LM-34

MCS920128 Club Limo, Inc.
For cancellation of certificate No. LM-85

MCS920129 Bancmarc Transportation, Inc.
For certificate as a limousine carrier

MCS920130 Baramki, Samir G.
For certificate as a limousine carrier

MCS920131 Hatten, Phyllis L. & Roland t/a Enchante Limousine Service
For cancellation of certificate authorizing license as a limousine carrier

MCS920132 Limelight Limousines, Inc.
To amend certificate as a limousine carrier No. LM-160

MCS920133 Yellow Coach Lines, Inc.
For cancellation of certificate No. A-16

MCS920135 Mirzaiee, Davood
For certificate as a limousine carrier

MCS920136 Rutrough, Darell
For certificate as a special or charter party carrier by motor vehicle

MCS920137 Land Yachts, L.C.
For certificate as a limousine carrier

MCS920138 Hatten, Phyllis L. & Roland t/a Enchante Limousine Service
For cancellation of certificate authorizing license as a limousine carrier

MCS920139 Hadjichristoudoulou, C.
For cancellation of certificate No. LM-127

MCS920140 Safeside Services Ltd.
For certificate as an executive sedan carrier

MCS920141 Arbogast, Stevan Cam
For certificate as a limousine carrier

MCS920142 Regency Moving & Storage Co., Inc.
For certificate as a household goods carrier

MCS920143 Courtesy Motor Coach, Inc.
For certificate as a sight-seeing carrier of passengers

MCS920144 Hampton Roads Limousine Association
Request to re-open case

MCS920145 Delmonico Limousine Service Inc.
For cancellation of certificate authorizing license as a limousine carrier

MCS920146 Baker, Christopher D.
For certificate as an executive sedan carrier

MCS920147 Recreational Concepts, Inc.
For certificate as a sight-seeing and special or charter party carrier by boat

MCS920148 Nooney Bus Line, Inc.
For authority to discontinue intrastate regular route common carrier passenger service

MCS920149 Dominion Coach Company t/a Virginia Overland Bus Lines
For authority to discontinue intrastate regular route common carrier passenger service

MCS920150 National Coach Works, Inc. of Virginia
For certificate as a common carrier of passengers by motor vehicle

MCS920151 Fun Limousine
For cancellation of certificate No. LM-133

MCS920152 Howell, Marvin t/a Howell Limousine Service
For certificate as a limousine carrier

MCS920153 Black & White Cars, Inc.
For cancellation of certificate

MCS920154 Marish, Steven Jr.
For certificate as a limousine carrier

MCS920155 Transportation Services, Inc.
Alleged violation of VA Code § 58.1-2700

MCS920156 D.F. Whitlow
For cancellation of certificate No. B-378

MCS920157 Shenandoah Limousine Service Inc.
For cancellation of certificate No. B-368

MCS920158 Hayat, Umar & Iqbal Azhar
For certificate as as executive sedan carrier

MCS920159 Byways Travel Agency, Inc. & Great Atlantic Travel & Tour, Inc.
To transfer license to broker transportation of passengers by motor vehicle No. B-19

MCS920160 Sterling Van Lines, Inc.
Alleged violations of Rules Governing Control and Operation of Household Goods Carriers by Motor Vehicle

MCS920161 United Management Corp. t/a Passenger Express
For certificate as a special or charter party carrier by motor vehicle

MCS920162 NBA Corporation
For certificate as a common carrier of passengers by motor vehicle over irregular routes

MCS920163 Mac's Moving & Storage, Inc.
To transfer certificate as a household goods carrier No. HG-422

MCS920164 El-Hamalawy, Sayed A. t/a Salem Limo Service
For certificate as an executive sedan carrier

MCS920165 Hallmark Moving & Storage, Inc.
Alleged violation of VA Code § 56-300

MCS920166 Bennett Tours
For cancellation of certificate for failure to have a bond on file

MCS920167 Holt, Klate & Gracey, Martin t/a Klate Holt Company
For cancellation of certificate No. B-284 as a special or charter party carrier

MCS920168 Home Run of Virginia, Inc.
Alleged violation of VA Code § 56-300

MCS920169 Boswell, Michael D. d/b/a BTC Limousine Service
For certificate as a limousine carrier

MCS920170 Image Limousine Services
For certificate as a limousine carrier

MCS920171 Piedmont Movers, Inc., Transferor and Piedmont Moving Systems, Inc., Transferee
To transfer certificate as a household goods carrier No. HG-468

MCS920172 Eddie's Bus Service, Inc.
For certificate as a common carrier of passengers by motor vehicle

MCS920173 Field, Jeffrey M.
For certificate as a limousine carrier

MCS920174 Aytes, Aarow Harvey
For certificate as a limousine carrier

MCS920175 Belman, Elsie Slyman
For cancellation of certificate No. B-301

MCS920176 Hasaballa, Nasser Nemr d/b/a Alpha Executive Sedan
For certificate as an executive sedan carrier

MCS920177 Dulles Airport Loudoun Taxi and Limousine, Inc.
For certificate as a limousine carrier

MCS920178 Kehyari, Gholam Ali t/a Springfield Burke Passenger Service
For suspension of certificate No. XS-3

MCS920179 Kirk, Anthony W.
For certificate as a limousine carrier

MCS920180 Promenade Limousine Service Ltd.
For certificate as a limousine carrier

MCS920181 9 Fingers Transportation, Inc.
For license to broker the transportation of passengers by motor vehicle

MCS920182 Northern Virginia Moving & Storage Co.
For cancellation of certificate No. HG-397

MCS920183 JST Enterprises, Inc. t/a Thomas Transportation Services
For cancellation of certificate No. LM-202

MCS920184 A-American Royal Limousine Service, Inc.
For certificate as a limousine carrier

MCS920185 Greater Roanoke Transit Co.
For cancellation of certificate No. B-270

MCS920186 Spencer Transport, Inc.
For cancellation of certificate for failure to have insurance on file

MCS920187 Airlines Transport Company Inc., Transferor and Groome Transportation, Inc., Transferee
For cancellation of certificates Nos. P-1969 and P-2242

MCS920188 Home Run of Virginia, Inc.
For cancellation of license No. B-114

MCS920189 Richardson, Bruce-Raphael t/a Image Limousine Service
For certificate as a limousine carrier

MCS920190 Execucar Luxury Sedan Service Inc.
For cancellation of certificate No. XS-29

MCS920191 Sparks Limo Service
For certificate as a limousine carrier

MCS920192 Indian River Sports Travel Inc.
For license to broker the transportation of passengers by motor vehicle

MCS920193 Dulles Taxi, Sedan & Limo, Co.
For certificate as an executive sedan carrier

MCS920194 Starving Students, Inc.
To amend certain certificate as household goods carrier No. HG-437

MCS920195 Elite Limousine Service, Inc.
Alleged violation of VA Code § 56-300

MCS920196 Hume, Gaye M.
For cancellation of certificate No. B-107

MCS920197 Shaffer, Anthony t/a Shaffer Sedan Service
For certificate as a limousine carrier

MCS920198 Myles Executive Sedan Services Inc.
For certificate as an executive sedan carrier

MCS920199 Garrison, James t/a James Limousine Transportation
For certificate as a limousine carrier

MCS920200 Fumarola, Michael T. & Blocher, George L.
For certificate as a limousine carrier

MCS920201 1-Mill Unlimited, Inc. d/b/a Esquire Limousines
For certificate as a limousine carrier

MCS920202 Beach Travel Service, Inc.
For cancellation of permit No. B-9

MCS920203 Mae, Edward Lee
For cancellation of certificate No. B-53

MCS920204 Blue Diamond Lines, Inc.
For cancellation of certificate No. B-351

MCS920205 Mediport, Inc.
For cancellation of certificate No. B-316

MCS920206 Beach Limousine Services, Inc.
For cancellation of certificate No. B-367

MCS920207 Chesapeake & Northern Transportation Corp., Transferor and Hampton Roads Coaches, Inc., Transferee
To transfer certificate as special or charter party carrier by motor vehicle

MCS920208 D & B Bus, Inc.
For certificate as a common carrier of passengers over regular routes

MCS920209 Davis, William t/a Tri-Bill Limousine Service
For cancellation of certificate No. LM-110

MCS920210 George E. Gray Jr. & Co.
For certificate as a common carrier of passengers over irregular routes

MCS920211 Jahangiri, Amer t/a Washington Airport Services
For suspension certificate No. XS-56

MCS920212 American World Tours, Inc.
Alleged violation of VA Code § 56-300

PST: DIVISION OF PUBLIC SERVICE TAXATION

PST920001 Columbia Gas Transmission Corp.
For correction of assessments and refund of taxes for 1991

PST920002 MCI Telecommunications Corp.
Petition for declaratory judgment - tax year 1988

PST920003 Shawnee Land Utilities Co., Inc.
For failure to file annual tax report

PST920004 Lake Holiday Estates Utility Company
For failure to file annual tax report

PST920005 T-L Water Co.
For failure to file annual tax report

PUA: DIVISION OF PUBLIC UTILITY ACCOUNTING

PUA910034 United Cities Gas Company
For approval of revised storage agreements

PUA920001 GTE South, Inc.
For authority to enter into contract with an affiliate

PUA920002 GTE South, Inc.
For approval of extension of time in filing required reports

PUA920003 United Inter-Mountain Telephone Co.
For authority to loan or advance funds to parent, United Telecommunications

PUA920004 Virginia Electric & Power Co.
For authority to provide certain services to Dominion Capital, Inc. and to participate in America's Utility Fund Investment Services Program

PUA920005 C&P Telephone Company of Virginia
For authority to enter into agreement with affiliate

PUA920006 United Cities Gas Company
For approval of lease agreement with affiliate

PUA920007 Southwestern Virginia Gas Co.
For authority to lease computer equipment from an affiliate

PUA920008 GTE South & Contel of Virginia Inc.
For authority to enter into contract with an affiliate

PUA920009 Southwestern Virginia Gas Co. & Midway Bottled Gas Co., Inc.
For approval of certain propane gas purchases

PUA920010 Virginia Electric & Power Company
For authority to transfer utility assets

PUA920012 Southwestern Virginia Gas Company
For approval of propane purchases from Midway Bottled Gas Co. Inc.

PUA920013 Virginia Electric & Power Co.
For authority to transfer utility assets

PUA920014 Potomac Edison Company
For approval to enter into a lease agreement with affiliates

PUA920015 Potomac Edison Company, The
For authority to enter into deed/indenture with affiliates

PUA920016 C&P Telephone Company
For authority to purchase equipment from an affiliate

PUA920017 United Cities Gas Company
For authority to enter into lease agreement with affiliate

PUA920018 Virginia Electric & Power Co.
For authority to acquire utility securities

PUA920019 Virginia Electric & Power Co.
For authority to acquire a computer software package from, and enter into a license with, affiliate, Tech Resources, Inc.

PUA920020 Central Telephone Co. of Virginia
For approval of affiliate agreement

PUA920021 C&P Telephone Co. of Virginia
For approval to continue a lease agreement with Bell Atlantic Properties

PUA920022 Virginia Natural Gas, Inc. & CNG Transmission Corp.
For authority to inter into intercompany agreements

PUA920023 Kentucky Utilities Company
For authority to purchase real property and improvements from an affiliate

PUA920024 C&P Telephone Co. of Virginia
For authority to enter into sublease with an affiliate

PUA920025 Centel Corporation & Sprint Corp.
For authority to effect a merger

PUA920026 Appalachian Power Company
For consent to and approval of modification of existing inter-company agreement

PUA920027 Central Telephone Company of Virginia
For approval of affiliate agreements with Centel Cellular Co. of Virginia

PUA920028 Potomac Edison Company
For consent to and approval of modification No. 7

PUA920029 C&P Telephone Company of Virginia
For authority to provide certain unregulated telephone services to "NSI"
PUA920031 Virginia Electric & Power Co.
For authority to sell public service corporation property
PUA920032 Central Telephone of Virginia, et al.
For approval of affiliate agreements
PUA920033 United Telephone-Southeast Inc.
For authority to loan or advance funds to parent, Sprint Corp.
PUA920034 GTE South Incorporated
For authority to borrow funds from an affiliate

PUC: DIVISION OF COMMUNICATIONS

PUC920001 GTE South, Inc.
To regrade multi-party lines to single party service
PUC920002 Clifton Forge-Waynesboro Telephone Co.
To review issues regarding interconnection with a cellular mobile radio communication
PUC920003 U.S. Sprint Communications Co. of Virginia
To amend certificate to reflect new corporate name
PUC920004 Virginia Cellular Limited Partnership
For certificate to provide cellular mobile radio communications in Virginia Rural Service Area 11
PUC920005 GTE South, Incorporated
To shift the community of Yards from its Pocahontas Exchange to its Bluefield Exchange
PUC920006 Virginia Cellular Limited Partnership
For certificate to provide cellular mobile radio communications in Virginia Rural Service Area 8
PUC920008 GTE South, Incorporated
For extension of time to file annual informational filing
PUC920009 Virginia Cellular Limited
To amend certificate for new cell site expanding rural service area 12
PUC920010 Contel of Virginia
For extension of time to file annual informational filing
PUC920012 Central Telephone Co. of Virginia
For extension of time to file 1991 AIF
PUC920013 Virginia Cellular Limited Partnership
To amend certificates for addition of two new cell sites expanding rural service area 12 and Richmond cellular geographic service area
PUC920014 C&P Telephone Company of Virginia
For authorization to file 1991 and future AIFs by 6-30 of each year
PUC920016 Centel Cellular Co. of Virginia
To reissue certificate in the name of Centel Cellular Company of Virginia
PUC920017 Southwest Virginia Cellular Telephone, Inc.
To amend certificate within Virginia rural service area 2
PUC920018 United Telephone-Southeast
For an extension of filing (AIF) date for 1991 test year through 6-30-92
PUC920020 Contel Cellular of Richmond Inc.
To amend certificate for addition of cell site and to expand rural service
PUC920021 Virginia Cellular Limited Partnership
To amend certificate for addition of 2 new cell sites and to expand rural service area
PUC920022 Central Telephone of Virginia, Inc.
For authority to provide extended area calling from Schuyler Exchange to Scottsville and Charlottesville
PUC920023 Central Telephone Company of Virginia
To eliminate improved mobile telephone service in Martinsville
PUC920024 Virginia Cellular Limited Partnership
To amend certificate for addition of new cell site
PUC920025 Virginia Cellular Limited Partnership
To amend certificate for addition of new cell site in Virginia rural service area 11
PUC920026 C&P Telephone Company of Virginia
To change tariff regulations governing termination of complex network wiring in business buildings or campuses constructed prior to 5/1/86
PUC920027 Virginia Cellular Limited Partnership
To amend certificate for relocation of cell site in Virginia rural service area 9
PUC920028 Paging Network of Virginia Inc.
For certificate to provide radio common carrier service throughout the Commonwealth
PUC920029 Ex Parte: Experimental plan
Evaluating the experimental plan for alternative regulation of Virginia telephone companies
PUC920030 Century Roanoke Cellular Corp.
To amend certificate for modifications expanding its cellular geographic service area
PUC920031 RCTC Wholesale Company
To amend certificate to reflect change in partnership name
PUC920032 K. J. Paging, Inc.
For certificate to provide radio common carrier services throughout the Commonwealth
PUC920034 Southwest Virginia Cellular Telephone, Inc.
To amend certificate to reflect corporate name change

PUC920035 Tri-Cities Cellular Telephone Co.
To amend certificate for new cell site expanding its cellular geographic service area
PUC920036 Contel Cellular, Inc.
To amend certificate for new cell site expanding its cellular geographic service area
PUC920037 Virginia Cellular Limited Partnership
To amend certificate for new cell site expanding its cellular geographic service area
PUC920038 JMW, Inc.
To amend certificate for new cell site expanding its cellular geographic service area
PUC920039 Radio Call Company of Virginia, Inc.
For approval of acquisition of assets of radio common carrier
PUC920040 Central Telephone Co. of Virginia
For authority to provide extended area calling
PUC920041 Tri-Cities Cellular Telephone Co.
To amend certificate to reflect corporate restructuring
PUC920042 Southern Highlands Communications, Inc.
For certificate to provide radio common carrier services in Virginia
PUC920043 Virginia Metrotel, Inc.
For certificate to provide intrastate interexchange telecommunications services
PUC920044 Contel Cellular, Inc.
For authority to add Powhatan cell site in Richmond, VA MSA CGSA

PUE: DIVISION OF ENERGY REGULATION

PUE910079 Virginia Electric & Power Co.
For approval of revisions to Schedule 27 and other changes associated with outdoor lighting
PUE910081 Patowmack Power Partners, L.P.
For approval of expenditures for new generation facilities pursuant to VA Code § 56-234.3 and for a certificate
PUE920001 Commonwealth Public Service Corporation, Inc.
For extension of 90 days to file AIF for year ended 9-30-91
PUE920002 Washington Gas Light Company
For authorization to file 1992 rate filing on 7-1-92
PUE920003 Ex Parte: Rule
Consideration of a Rule Governing Accounting for Post-retirement Benefits Other than Pensions
PUE920004 Shenandoah Valley Electric Cooperative
To amend its certificate authorizing operation of facilities in Rockingham County
PUE920005 Northern Neck Electric Cooperative
For a general increase in rates
PUE920007 Virginia Natural Gas, Inc.
For waiver of the rate case rules
PUE920008 Virginia Electric & Power Co.
For extension of time for filing 1991 AIF
PUE920009 Rappahannock Electric Cooperative & Bear Island Paper Co.
For approval of security for Schedule LP-2
PUE920010 Craig-Botetourt Electric Cooperative
To revise rates in accordance with Rules for Expedited Rate Increases
PUE920011 Virginia Electric & Power Co.
To amend its certificate authorizing operation of transmission lines and facilities in Loudoun County
PUE920012 Virginia Electric & Power Co.
For approval of revisions to line extension polict and miscellaneous rates and charges
PUE920014 Virginia Natural Gas, Inc.
For waiver of gas pipeline safety requirement
PUE920015 Berry, Bruce M., et al. v. Virginia Suburban Water Co.
For review of rate increase pursuant to VA Code § 56-265.13:6
PUE920016 Smith Mountain Water Company
To revise its tariff
PUE920017 Roanoke Gas Company
For a general increase in rates
PUE920018 Kentucky Utilities Company
To revise its fuel factor and cogeneration tariff pursuant to VA Code § 56-249.6 and PURPA § 210
PUE920019 E.S.C. Gas Company
Alleged violation of VA Code §§ 13.1-620 et al.
PUE920021 United Cities Gas Company
For extension of time to file AIF
PUE920022 Delmarva Power & Light Co.
For approval to implement Energy for Tomorrow Program, Rider "EFT"
PUE920023 Old Dominion Electric Cooperative
For certificate authorizing operation of transmission lines and facilities in Halifax County
PUE920024 Virginia Electric & Power Co.
To amend its certificate authorizing operation of transmission lines and facilities in Charles City and New Kent Counties
PUE920025 Southwestern Virginia Gas Co.
For extension of time for filing Company's AIF

PUE920027 Kentucky Utilities Company d/b/a Old Dominion Power Co.
Annual informational filing - 1991

PUE920028 Virginia Electric & Power Co.
For order of settlement

PUE920029 Potomac Edison Company
Annual informational filing - 1991

PUE920030 Appalachian Power Company
Annual informational filing - 1991

PUE920031 Virginia Natural Gas, Inc.
For a general increase in rates

PUE920033 Indian Field Water Supply
For request to abandon a water system which serves more than ten customers

PUE920034 Virginia Gas Company
To furnish gas service pursuant to VA Code § 56-265.4:5

PUE920035 Rappahannock Electric Cooperative
For certificate authorizing operation of lines and facilities in Albemarle County

PUE920036 Delmarva Power & Light Company
To revise its fuel factor pursuant to VA Code § 56-249.6

PUE920037 Commonwealth Gas Services, Inc.
For a general increase in rates

PUE920038 Rappahannock Electric Cooperative
For a general increase in rates

PUE920039 Po River Water & Sewer Co.
For review of rate increase pursuant to VA Code § 56-265.13:6

PUE920040 Delmarva Power & Light Co.
For an expedited increase in rates

PUE920041 Virginia Electric & Power Co.
For a general increase in rates

PUE920042 Virginia American Water Co.
For a general increase in rates

PUE920043 Virginia Electric & Power Co.
To amend its certificate authorizing operation of transmission lines and facilities in Halifax County

PUE920044 Delmarva Power & Light Company
To revise its cogeneration tariff pursuant to PURPA § 210

PUE920046 Virginia Electric & Power Co.
To amend certificate authorizing operation of transmission lines and facilities in Louisa County

PUE920047 Mecklenburg Electric Cooperative
For a general increase in rates

PUE920048 Virginia Electric & Power Co.
For revision of fuel factor pursuant to VA Code § 56-249.6 to recover fuel costs and cost of purchased power

PUE920049 Shenandoah Gas Company
Annual informational filing

PUE920050 Virginia Electric & Power Co.
For approval of heat pump customer assistance program as a pilot program

PUE920051 BARC Electric Cooperative
For an expedited increase in electric rates

PUE920053 Commonwealth Gas Services Inc.
For offer of settlement (1992 violations)

PUE920054 Commonwealth Gas Services Inc.
For offer of settlement

PUE920055 Virginia Water & Sewer Company
For certificate to provide water and sewer services

PUE920058 Virginia Electric & Power Co.
To amend its certificates authorizing transmission lines and facilities in named counties

PUE920060 Virginia Electric & Power Co.
For review of Schedule 19 - 1992/1993 charges and payments to cogenerators and small power produceres

PUE920062 Washington Gas Light Company
For certification of utility facilities and amendment of certificate pursuant to VA Code §§ 56-265.2 and 56-265.3

PUE920063 New River Water Company
For certificate to supply water service to all areas as prescribed

PUE920064 Virginia Natural Gas, Inc.
For alleged violation of various sections of 49 C.F.R. Parts 192 and 199

PUE920065 Washington Gas Light Co.
Alleged violation of 49 C.F.R. Parts 192 and 199

PUE920066 Commonwealth Public Service Corp.
Alleged violation of 49 C.F.R. Part 192

PUE920067 Ex Parte: Investigation
Investigation into the promulgation of standards and regulations for energy allocation equipment

PUE920069 Commonwealth Utilities, Inc.
For certificate to supply water service in Culpeper County

PUE920071 Central Virginia Electric Cooperative
For revision of certain rate schedules pursuant to VA Code § 56-40

PUE920072 Appalachian Power Company
For approval of experimental demand side management programs and residential rate experiment
PUE920073 Potomac Edison Company
For revision of its fuel factor pursuant to VA Code § 56-249.6
PUE920075 Heritage Homes of Virginia Inc.
For certificate of public convenience and necessity
PUE920077 Potomac Edison Company, The
To revise its fuel factor and cogeneration tariff pursuant to VA Code § 56-249.6 and PURPA § 210
PUE920078 Virginia-American Water Co.
Petition for declaratory judgment
PUE920079 Commonwealth Public Service Corp.
For authority to suspend its actual cost adjustment for interruptible service
PUE920080 Captain's Cove Utility Company Inc.
For certificate to provide water and sewerage service
PUE920081 Appalachian Power Company
For a general increase in rates
PUE920082 Smith Mountain Water Company
For a general increase in rates

PUF: DIVISION OF ECONOMICS AND FINANCE

PUF920002 Mecklenburg Electric Cooperative
For authority to convert fixed rate loans to variable rate loans
PUF920003 Virginia Electric & Power Co.
For authority to issue first and refunding mortgage bonds
PUF920004 A&N Electric Cooperative, et al.
For authority to support financing of Clover Project by ODEC
PUF920005 United Cities Gas Company
For authority to issue common stock under its employee stock purchase plan
PUF920006 Kentucky Utilities Company
For authority to issue long-term securities
PUF920007 Potomac Edison Company
For authority to issue securities
PUF920008 United Cities Gas Company
For authority to issue additional share of common stock under dividend reinvestment and stock purchase plan
PUF920009 United Cities Gas Company
For authority to issue additional shares of common stock and first mortgage bonds
PUF920010 Rappahannock Electric Cooperative
For authority to convert fixed rate loans to variable rate loans
PUF920011 Potomac Edison Company
For authority to issue $6.6 million in solid waste disposal notes
PUF920012 Washington Gas Light Company
For authorization to issue debt securities, preferred stock and common stock pursuant to VA Code § 56-60
PUF920013 Delmarva Power & Light Co.
For authority to borrow proceeds from tax exempt refunding bonds and to issue debt securities, preferred stock and common stock
PUF920014 A & N Electric Cooperative
For authority to convert fixed rate loans to variable rate loans
PUF920015 Community Electric Cooperative
For authority to convert fixed rate loans to variable rate loans
PUF920016 Rappahannock Electric Cooperative
For authority to issue notes to "REA" and "NRUCFC"
PUF920017 Potomac Edison Company
For authority to issue not more than $45,000,000 of additional first mortgage bonds
PUF920018 C&P Telephone Company of Virginia
For authority to issue debt securities
PUF920019 Appalachian Power Company
For authority to enter into transactions relationg to issuance of pollution control revenue bonds
PUF920020 Virginia Natural Gas
For authorization of short-term financing for period 7/1/92 through 6/30/97
PUF920021 Prince George Electric Cooperative
For authority to convert fixed rate loans to variable rate loans
PUF920022 Potomac Edison Company
For authority to issue common and/or preferred stock
PUF920023 Central Virginia Electric Cooperative
For authority to convert a fixed rate loan to a variable rate loan
PUF920024 Southside Electric Cooperative
For authority to convert fixed rate loans to variable rate loans
PUF920025 Kentucky Utilities Company
For authority to issue bonds
PUF920026 GTE South, Incorporated
For authority to issue long-term debt securities

PUF920027 A&N Electric Cooperative
For authority to borrow up to $4,500,000 in short-term debt
PUF920028 Washington Gas Light Co.
For authority to issue short-term debt and sell commercial paper to affiliates
PUF920029 Washington Gas Light Co.
For authority to make and receive interest-bearing cash advances on open account
PUF920030 Virginia Electric & Power Co.
For authority to issue preferred stock
PUF920031 United Telephone-Southeast Inc.
For authority to issue first mortgage bonds
PUF920032 Shenandoah Valley Electric Cooperative
For authority to issue notes to REA and CFC
PUF920033 Virginia Electric & Power Co.
For authority to issue and sell money market preferred stock
PUF920034 Virginia-American Water Co.
For authority to issue common stock to affiliate and long-term debt to institutional investor
PUF920035 Appalachian Power Company
For authority to issue debt securities
PUF920036 Community Electric Coop.
For authority to convert two fixed rate loans to variable rate loans
PUF920037 Central Virginia Electric Cooperative
For authority to borrow long-term funds
PUF920038 Craig-Botetourt Electric Cooperative
For authority to borrow long-term funds
PUF920039 Virginia Electric & Power Co.
For authority to issue debt securities
PUF920040 Virginia Electric & Power Co.
For authority to issue debt securities
PUF920041 Prince George Electric Cooperative
For authority to borrow long-term funds
PUF920042 Potomac Edison Company, The
For authority to issue not more than $52.4 million of solid waste disposal notes
PUF920043 United Cities Gas Company
For authority to issue long term-debt
PUF920044 Virginia Electric & Power Co.
For authority to sell common stock
PUF920045 Virginia-American Water Co.
For authority to issue short-term debt
PUF920046 United Cities Gas Company
For authority to incur short-term indebtedness
PUF920047 Southside Electric Cooperative
For authority to borrow up to $10,000,000 in short-term debt
PUF920048 Commonwealth Gas Services Inc. and Columbia Gas System, Inc.
For approval of intercompany financing for 1993
PUF920049 Potomac Edison Company, The
For authority to issue and sell additional first mortgage bonds
PUF920050 GTE South, Incorporated
For authority to borrow funds from affiliate - GTE Corporation

RRR: DIVISION OF RAILROAD REGULATION

RRR920001 CSX Transportation Inc.
For authority to move its agency at Charlottesville, VA and non-agency stations under its jurisdiction to Richmond, VA
RRR920002 CSX Transportation, Inc.
For authority to move agency at Doswell, VA to Richmond, VA transportation service center
RRR920003 Norfolk & Western Railway Co.
For authority to transfer agency at Waynesboro, VA
RRR920004 Norfolk Southern Railway Company
For authority to abolish mobile agency Route SOU VA-7
RRR920005 CSX Transportation, Inc.
For authority to relocate manned agency at Williamsburg, VA to Richmond, VA
RRR920006 Norfolk Southern Railway Co.
For authority to close Charlottesville, VA agency and place it under jurisdiction of Manassas, VA agency

SEC: DIVISION OF SECURITIES AND RETAIL FRANCHISING

SEC920001 Financial Services Advisory Inc.
For offer of compromise and settlement
SEC920002 Investment Counsel Company of the Southeast
For offer of compromise and settlement
SEC920003 Philadelphia Investment Management Co.
For offer of compromise and settlement

SEC920004 Estabrook Capital Management Inc.
For offer of compromise and settlement
SEC920005 Oldfield, Harry Waldron Jr.
For offer of compromise and settlement
SEC920006 Danz, John Gordon Jr.
For offer of compromise and settlement
SEC920007 Oxford Capital Management
For offer of compromise and settlement
SEC920008 Ex Parte: Rules
Promulgation of rules pursuant to VA Code § 13.1-523 (Securities Act)
SEC920009 Atlantic Shores Baptist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC920010 Navy Marine Coast Guard Residence Foundation Pooled Income Fund
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC920011 Gallagher, Daniel K. b/b/a Gallagher-Noffsinger Associates
For offer of compromise and settlement
SEC920013 Bunch, Richard E.
For offer of compromise and settlement
SEC920014 Amendment 1 Incorporated
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC920015 Gunter, Alec C.
Petition for cancellation of a trademark registration
SEC920016 Alabama Higher Education Loan Corp.
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC920017 Black Creek Baptist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC920018 Macshane Capital Management Inc.
For offer of compromise and settlement
SEC920019 College Pro Painters (U.S.) Ltd.
For offer of compromise and settlement
SEC920020 Montana Higher Education Student Assistance Corp.
For certificate of exemption pursuant VA Code § 13.1-514.1.B
SEC920021 Cornerstone Baptist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC920022 First Union Securities, Inc., et al.
For an official interpretation pursuant to VA Code § 13.1-525
SEC920023 First Chicago Capital Markets Inc.
For an official interpretation pursuant to VA Code § 13.1-525
SEC920024 First Wilshire Securities Management, Inc.
For offer of compromise and settlement
SEC920025 First Miami Securities, Inc.
For offer of compromise and settlement
SEC920026 Bon Air Baptist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC920027 Hill Murrin Securities, Inc.
For offer of compromise and settlement
SEC920028 Reich & Company, Inc.
For offer of compromise and settlement
SEC920029 First Wall Street Corp.
For offer of compromise and settlement
SEC920030 Emmanuel Tabernacle Assembly
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC920031 Bryan, George W.
For offer of compromise and settlement
SEC920032 College Planning Services
For offer of compromise and settlement
SEC920033 Williams, Robert Kent
For offer of compromise and settlement
SEC920035 Morgan Schiff and Company, Inc.
For offer of compromise and settlement
SEC920036 Scott & Stringfellow Investment Corp.
For offer of compromise and settlement
SEC920037 Prudential Securities Inc.
For offer of compromise and settlement
SEC920038 Ridgeview Baptist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B
SEC920039 Capital Financial Consultants Inc.
For offer of compromise and settlement
SEC920040 Triple Check Financial Services, Inc.
For offer of compromise and settlement
SEC920041 Mount Carmel Missionary Baptist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920042 National Covenant Properties
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920043 Cohn, Edwin C.
For motion to dissolve permanent injunction and imposing prohibition

SEC920044 Toth Financial Advisory Corp.
For offer of compromise and settlement

SEC920045 Murray Johnstone International Limited
For offer of compromise and settlement

SEC920046 Martha Jefferson Equity Securities Pooled Income Fund, The
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920047 Martha Jefferson Debt Securities Pooled Income Fund, The
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920048 Realty Capital Securities Inc.
For offer of compromise and settlement

SEC920049 Sirach Capital Management, Inc.
For offer of compromise and settlment

SEC920050 Ashfield & Company, Inc.
For offer of compromise and settlement

SEC920051 Investment Management Associates, Inc.
For offer of compromise and settlement

SEC920052 West Financial Planners, Inc.
For offer of compromise and settlement

SEC920053 Mount Calvary Pentecostal Holiness Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920054 Christian Children's Fund Pooled Income Fund
For order of exemption pursuant to VA Code §13.1-514.1.B

SEC920055 J.M. Hartwell & Company, Inc.
For offer of compromise and settlement

SEC920056 Bethel Temple Assembly of God
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920057 Virginia Presbyterian Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920058 McKinnon & Company, Inc.
For offer of compromise and settlement

SEC920059 UsLife Equity Sales Corp.
For offer of compromise and settlement

SEC920060 Colorado National Brokerage Inc.
For offer of compromise and settlement

SEC920061 Pepera, William B.
For offer of compromise and settlement

SEC920062 Texakoma Financial, Inc.
For offer of compromise and settlement

SEC920063 Nori Hennion Walsh, Inc.
For offer of compromise and settlement

SEC920064 Hone, Harry
For offer of compromise and settlement

SEC920065 Mackovic, Kenneth W.
Alleged violation of VA Code §§ 13.1-504 and 13.1-507

SEC920066 Ridinger, James
Alleged violation of VA Code §§ 13.1-504 and 13.1-507

SEC920067 Middlesex County Farm Bureau Inc.
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920068 Adventist Health System-West et al.
For certificate of exemption pursuant to VA Code § 13.1-514.1.B

SEC920069 Alabama Higher Education Loan Corp.
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920070 Investors Security Co., Inc.
For offer of compromise and settlement

SEC920071 Anvil Securities Corp.
For offer of compromise and settlement

SEC920072 Davis Mendel & Regenstein, Inc.
For offer of compromise and settlement

SEC920073 Security Church Finance, Inc.
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920074 Chippenham Church of Christ
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920075 Tikuat Israel Messianic Congregation
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920076 Lasalle St. Securities, Inc.
For offer of compromise and settlement

SEC920077 First Investors Corporation
Alleged violation of VA Code § 13.1-502 and Virginia Securities Act Rules 305 A.3

SEC920078 Consumers' Buyline, Inc.
Alleged violation of VA Code §§ 13.1-504B and 13.1-507

SEC920079 PSI Securities Corporation
For offer of compromise and settlement

SEC920080 Vienna Baptist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920081 Baird, Patrick & Company, Inc.
For offer of compromise and settlement

SEC920082 Wedco, Inc.
For offer of compromise and settlement

SEC920083 Dodd, Wayne E.
For offer of compromise and settlement

SEC920084 Mount Vernon Park Association
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920085 Linc Securities Corporation
For offer of compromise and settlement

SEC920086 Bernard Herold & Co.
For order of compromise and settlement

SEC920087 Alex. Brown & Sons, Inc.
For offer of compromise and settlement

SEC920088 Whelchel, Michael Allen
For offer of compromise and settlement

SEC920089 Kanawha Capital Management Inc.
For offer of compromise and settlement

SEC920090 McKinnon, William J., Jr.
For offer of compromise and settlement

SEC920091 Adult Communities Total Services Inc.
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920092 Kidder, Peabody & Co., Inc.
For offer of compromise and settlement

SEC920093 Capital Strategies Limited
For offer of compromise and settlement

SEC920094 IDS Financial Services Inc.
For offer of compromise and settlement

SEC920095 Christ Chapel
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920096 Valley Christian Center of Roanoke, VA
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920097 Perritt Investments, Inc.
For offer of compromise and settlement

SEC920098 NWQ Investment Management Company
For offer of compromise and settlement

SEC920099 Greenbrier Baptist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920100 Floris United Methodist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920101 Bear, Stearns & Co., Inc.
For official interpretation pursuant to VA Code § 13.1-525

SEC920103 Children's Hospital Medical Center Corp.
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920104 Bethlehem Evangelical Lutheran Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920105 Tamaron Investments
For offer of compromise and settlement

SEC920106 Calvert Securities Corp.
For offer of compromise and settlement

SEC920107 Artman Foundation and Artman
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920108 Mercy Hosiptal of Janesville Wisconsin, Inc.
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920109 Willis Investment Management Company
For offer of compromise and settlement

SEC920110 Pender United Methodist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920111 National Securities Corp.
For offer of compromise and settlement

SEC920112 Ex Parte: Rules
Promulgation of rules pursuant to VA Code § 13.1-523

SEC920113 CPI Financial Services, Inc.
For offer of compromise and settlement

SEC920114 Parliament Hill Capital, Corp.
Alleged violation of VA Code § 13.1-518.1

SEC920115 Ashton Capital, Inc.
Alleged violation of VA Code § 13.1-518.1

SEC920116 Cullum & Sandow Securities, Inc.
Alleged violation of VA Code § 13.1-518.1

SEC920117 Gift of Life Church of God
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920118 Grace Bible Church of Chesapeake, VA
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920119 Security Research Associates Inc.
For offer of compromise and settlement

SEC920120 Ridgewood Securities Corp.
For offer of compromise and settlement

SEC920121 Cruttenden and Company
For offer of compromise and settlement

SEC920122 Kehl, Michael J.
For offer of compromise and settlement

SEC920123 Triumph Securities Corporation
For offer of compromise and settlement

SEC920124 Financial Group of Virginia, Inc., The
For offer of compromise and settlement

SEC920125 Whitehall Securities, Inc.
For offer of compromise and settlement

SEC920126 Delaware County Authority University Revenue Bonds, Series of 1992 (Villanova University) (the "1992 Bonds")
For certificate of exemption pursuant to VA Code § 13.1-514.1.B

SEC920127 Grace Baptist Church
For certificate of exemption pursuant to VA Code § 13.1-514.1.B

SEC920128 Pacific Inland Securities Corp.
For offer of compromise and settlement

SEC920129 American Family Marketing International, Ltd.
Alleged violation of VA Code §§ 13.1-504 and 13.1-507

SEC920130 Richards, William D.
Alleged violation of VA Code §§ 13.1-504 and 13.1-507

SEC920131 Goetcheus, James R.
Alleged violation of VA Code §§ 13.1-504 and 13.1-507

SEC920132 Metropolitan Community Church of Richmond
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920133 Community Tabernacle Assembly of God Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920134 Community of Faith United Methodist Church
For order of exemption pursuant to VA Code § 13.1-514.1.B

SEC920135 Strategic Investment Partners
For official interpretation pursuant to VA Code § 13.1-525

SEC920136 Northside Church of Christ
For order of exemption pursuant to VA Code § 13.1-514.1.B