

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

November 19, 2010

IN RE:)	
)	
SHOW CAUSE PROCEEDING AGAINST)	DOCKET NO.
EXPRESS CONNECTION, LLC FOR)	10-00194
ALLEGED VIOLATIONS OF T.C.A. 65-4-125(j))	

**ORDER OPENING DOCKET TO INITIATE SHOW CAUSE
PROCEEDING AGAINST EXPRESS CONNECTION, LLC**

This matter came before the Tennessee Regulatory Authority (“Authority” or “TRA”) on its own motion at a regularly scheduled Authority Conference held on September 27, 2010 for consideration of whether to open a docket for the purpose of investigating Express Connection, LLC (“Express Connection” or the “Company”) and initiating a show cause proceeding for alleged violations of Tenn. Code Ann. §§ 65-4-125(j).

Background

On May 19, 2010, the Authority received a Notice of Cancellation from Old Republic Surety Company (“Old Republic”) regarding bond number LLI2092321, issued on behalf of Express Connection with an effective cancellation date of thirty days from the date of the TRA’s receipt of the letter. TRA Staff contacted Roberta Swager, President of Express Connection, by telephone on May 19, 2010 and June 4, 2010, leaving telephone messages explaining that Ms. Swager needed to call Staff concerning the cancellation of Express Connection’s bond. Pursuant to the notice from Old Republic, the bond expired on June 19, 2010.

On June 21, 2010, Ms. Swager returned Staff’s calls and stated that she would be replacing the bond with a Letter of Credit, which would be retroactively effective to the date of

cancellation of the Old Republic bond. On August 3, 2010, when no replacement instrument had been received by the TRA, a certified letter was sent to Roberta Swager advising that a new surety bond or letter of credit should be submitted immediately in order to avoid the Company being placed on the August 23, 2010 Authority Conference for cancellation. The Company received the letter, which was delivered to and signed as received by Arlander Rice at Express Connection, LLC, 3403 Nolensville Road, Nashville, Tennessee 37211. On August 19, 2010, Ms. Swager called TRA Staff and stated that she had a banking relationship with Regions Bank and it was her intention to get a Letter of Credit to replace the bond.

Numerous attempts were made by Staff to resolve Express Connection's failure to comply with Tenn. Code Ann. § 65-4-125(j). Nevertheless, these attempts did not result in Express Connection securing and providing to the TRA a bond or letter of credit in compliance with Tenn. Code Ann. § 65-4-125(j). As a result, Express Connection has been in violation of Tenn. Code Ann. § 65-4-125(j) for three months.

On September 17, 2010, having not received a surety bond or letter of credit from Express Connection, a Notice to Appear was issued in Docket No. 04-00406. The Notice required Express Connection to appear before the TRA during the Authority Conference scheduled for Monday, September 27, 2010 at 1:00 p.m. and show cause why the Authority should not proceed to convene a proceeding to impose civil penalties and sanctions, including but not limited to revocation of Express Connection's Certificate of Public Convenience and Necessity for operating without a bond or irrevocable letter of credit in violation of Tenn. Code. Ann. § 65-4-125(j).

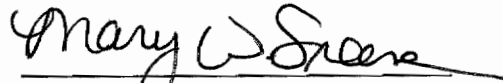
Roberta Swager and Jack Thompson, president and officer for Express Connection, respectively, appeared before the panel at the September 27, 2010 Authority Conference. Ms. Swager stated that when she learned that the surety bond for Express Connection would not be

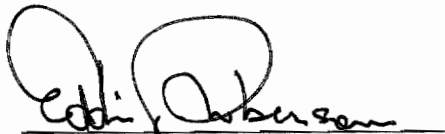
renewed, she contacted Regions Bank to obtain a \$20,000 letter of credit. She did not anticipate having any problem obtaining the letter of credit from Regions Bank. Nevertheless, Ms. Swager was unable to secure a letter of credit and stated that she is continuing in her efforts to obtain a surety bond or letter of credit for Express Connection.

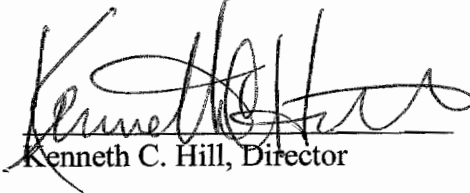
During the September 27, 2010 Authority Conference, the Directors, acting pursuant to Tenn. Code Ann. §§ 65-2-106 and 65-4-125(e), voted unanimously to open a docket for the purpose of further investigation and the initiation of show cause proceedings against Express Connection, LLC for failure to comply with Tenn. Code Ann. §§ 65-4-125(j). Further, the Authority appointed General Counsel or his designee as Pre-Hearing Officer for the purpose of handling preliminary matters and preparing the matter for a hearing.

IT IS THEREFORE ORDERED THAT:

1. A docket be opened for the purpose of further action including the initiation of a show cause proceeding, pursuant to Tenn. Code Ann. § 65-2-106, against Express Connection, LLC; and
2. General Counsel or his designee be appointed as Pre-Hearing Officer for the purpose of handling preliminary matters and preparing the matter for a hearing.


Mary W. Freeman, Chairman


Eddie Roberson, Director


Kenneth C. Hill, Director