

Norfolk group seeks removal of utility tax

By RICHARD C. BAYER

NORFOLK — An organization which has accused Virginia Electric & Power Co. of "high-rate robbery" today began a drive to have Norfolk's utility tax removed and to require "impartial" hearings before Vepco can stop service for non-payment.

The Center for United Labor Action said it will circulate petitions throughout Norfolk calling on the City Council to lift the tax on Vepco's gas and electricity.

The group also wants the council to enact legislation requiring a hearing before Vepco can stop service to a consumer.

Thomas Gardner, a spokesman for the Center for United Labor Action, appeared before the State Corporation Commission Monday to complain about what he considers oppressive utility charges.

Gardner told the SCC, which regulates utility rates in Virginia, that in some Norfolk neighborhoods up to one-quarter of the residents have had their Vepco service cut off.

The tax on Vepco electricity and gas brought \$9,688,708.80 into the Norfolk treasury in 1974.

The council recently reduced the commercial utilities tax, which had been 25 per cent of a business's total bill.

The commercial tax is now 25 per cent of the first \$50 and 15 per cent thereafter.

The council took no action on the residential gas and power tax. For homes with individual meters it is 25 per cent of

the first \$15 with a maximum of \$3.75.

For apartments that have master meters, the city tax is 25 per cent of the total bill.

The Center for United Labor Action said that volunteers had canvassed several Norfolk neighborhoods to ask about Vepco service.

A Ledger-Star canvass Monday of one of these neighborhoods, a large apartment complex at Lafayette Shores, failed to uncover the 25 per cent cutoff rate that center workers said they found.

Three of 20 residents-chosen randomly along Winder Drive and Norway Place said Vepco service had been cut off within the past year. This is a 15 per cent rate.

One, Arthur Lundy of 1551 Winder Drive, still was without gas or electricity after some 35 days.

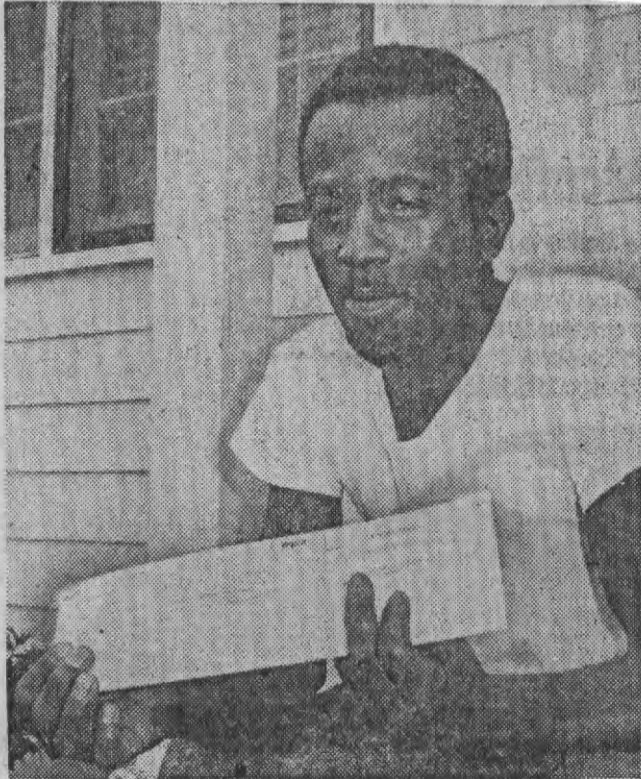
Lundy, a bachelor truck driver, said he was taking many of his meals at his mother's home.

Lundy owes Vepco \$76.51. However, he said he was told by the company he would have to pay \$116 to have service resumed.

The additional charge, a spokesman for the company said, included a deposit based on the highest two-month bill paid during the previous year. There is also a hookup charge of \$5 for electricity and the same for gas.

"These people aren't playing," Lundy said about the power company. "And I'm not playing. I wouldn't even think about paying."

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Staff photo by Jim Walker

"They aren't playing"

Lundy and unpaid Veeco bill

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A spokesman for Veeco in Norfolk said the company does not keep records of the cutoff rate.

"We know there's been an increase," he said, "but we can quantify it."

The company spokesman added that Veeco has "bent over backwards" to continue service

to customers with delinquent bills and that it considers both intent and ability to pay.

The Center for United Labor describes itself as "an association of working men and women devoted to the improvement of working conditions and the advancement of all workers of all races and nationalities in the struggle against U.S. corporations."