

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: OFFICE OF CONSUMER ADVOCATE, Complainant, vs. eCHURCH NETWORK, Respondent.	DOCKET NO. FCU-03-56
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**ORDER DOCKETING FOR FORMAL PROCEEDING
AND REQUIRING RESPONSE**

(Issued January 20, 2004)

On December 18, 2003, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed with the Utilities Board (Board) a request for a formal complaint proceeding to impose civil penalties pursuant to Iowa Code § 476.103 (2003), asking that the Board review the proposed resolution issued in C-03-237, relating to eChurch Network (eChurch), and consider the possibility of assessing a civil penalty pursuant to Iowa Code § 476.103(4)"a." Based upon the record assembled in the informal complaint proceedings (which is a part of the record in this proceeding pursuant to 199 IAC 6.7), it appears the events to date can be summarized as follows:

On October 21, 2003, Mr. Edward Shimkat of Shimkat Motor Co. filed a written complaint with the Board against ILD Teleservices, Inc. (ILD), alleging that ILD

placed unauthorized charges for Internet services on Mr. Shimkat's business telephone bill. Board staff identified the matter as C-03-237 and, pursuant to Board rules, on October 23, 2003, forwarded the complaint to ILD for response.

ILD responded on November 13, 2003, stating that it is the billing agent for several long distance carriers. ILD also stated that eChurch was the carrier that initiated the changes to Mr. Shimkat's business account. As a result of ILD's response, Board staff forwarded Mr. Shimkat's complaint to e-Church on November 14, 2003.

eChurch responded to the complaint on November 20, 2003, stating that its records showed that the services billed to Mr. Shimkat's account were authorized by Ms. Kathy Oswald. eChurch further stated that it closed Mr. Shimkat's account and stopped all future billing to the account. eChurch also provided access to the third-party verification recording.

On December 5, 2003, Board staff issued a proposed resolution describing these events and finding that Ms. Oswald may have been uncertain as to the services she was authorizing. The proposed resolution directed eChurch to fully credit all charges on Mr. Shimkat's account and to close Mr. Shimkat's account. No party other than the Consumer Advocate has challenged the staff's proposed resolution.

In its December 18, 2003, petition, Consumer Advocate asserts that the proposed resolution is not supported by the facts of the underlying complaint and overlooks the possibility that the third-party verification recording was fabricated. Consumer Advocate requests that the Board docket this complaint for a formal

proceeding and impose civil penalties on eChurch. eChurch has not responded to the Consumer Advocate's petition.

The Board has reviewed the record to date and finds that there is sufficient information to warrant further investigation in this matter. The Board will delay establishing a procedural schedule until March 8, 2003, and allow eChurch an opportunity to respond to the allegations raised in Consumer Advocate's petition.

IT IS THEREFORE ORDERED:

1. The "Petition for Proceeding to Impose Civil Penalty" filed by the Consumer Advocate Division of the Department of Justice on December 18, 2003, identified as Docket No. FCU-03-56, is granted and docketed for formal proceedings.
2. eChurch Network is requested to file a response to the petition filed by Consumer Advocate on December 18, 2003, on or before March 8, 2004.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 20th day of January, 2004.