

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>OFFICE OF CONSUMER ADVOCATE, Complainant,</p> <p>vs.</p> <p>INTEGRETEL, INC., Respondent.</p>	<p>DOCKET NO. FCU-05-18</p>
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**ORDER DOCKETING FOR FORMAL PROCEEDING AND
SETTING DEADLINE FOR RESPONSE**

(Issued April 29, 2005)

On March 21, 2005, pursuant to Iowa Code §§ 476.3 and 476.103, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed with the Utilities Board (Board) a petition for a proceeding to consider a civil penalty for an alleged cramming violation committed by Integretel, Inc. (Integretel). Based upon the record assembled in the informal complaint proceedings, the events to date can be summarized as follows:

On January 28, 2005, the Board received a complaint from Ms. Donni Mitchell of Fort Dodge, Iowa, disputing a charge of \$39.95 on her local phone bill for a service identified as "sting Mo Fee." The charge was submitted on behalf of Integretel. Ms. Mitchell stated that she did not authorize the charge.

Board staff identified the matter as C-05-18 and, pursuant to Board rules, on January 31, 2005, forwarded the complaint to Integretel for response within ten days.

Integretel filed its response with the Board on February 14, 2005, stating that it provides billing and collection services for the telecommunications industry, including billing for long distance, operator, fax, calling card, and Internet services. Integretel stated the disputed charge was billed on behalf of its client, Galacy.com. Integretel noted that it had issued a credit and canceled the account. Integretel did not submit proof the charge was authorized.

On March 8, 2005, Board staff issued a proposed resolution finding Integretel in violation of the Board's cramming rules because it did not have Ms. Mitchell's authorization to bill for the disputed charges.

In its March 21, 2005, petition, Consumer Advocate asserts the proposed resolution should be augmented with a civil penalty, arguing civil penalties are necessary to deter future violations and that credits alone will not stop the unlawful practice of cramming. Integretel has not responded to Consumer Advocate's petition.

The Board has reviewed the record to date and finds there is sufficient information to warrant further investigation into this matter. The Board will docket this matter for formal proceeding but will delay establishing a procedural schedule to allow Integretel an opportunity to respond to the allegations raised in Consumer Advocate's petition.

IT IS THEREFORE ORDERED:

1. The "Petition for Proceeding to Consider Civil Penalty" filed by the Consumer Advocate Division of the Department of Justice on March 21, 2005, is granted. File C-05-18 is docketed for formal proceedings, identified as Docket No. FCU-05-18.

2. Integretel, Inc., is directed to file a response to Consumer Advocate's petition on or before May 27, 2005.

UTILITIES BOARD

/s/ John R. Norris

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 29th day of April, 2005.