

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

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<p>IN RE:</p> <p>OFFICE OF CONSUMER ADVOCATE,</p> <p style="padding-left: 40px;">Complainant,</p> <p style="text-align:center">vs.</p> <p>TELSEVEN, L.L.C.,</p> <p style="padding-left: 40px;">Respondent.</p>	<p>DOCKET NO. FCU-05-52</p>
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**ORDER DOCKETING FOR FORMAL PROCEEDING AND  
SETTING DEADLINE FOR RESPONSE**

(Issued September 13, 2005)

On July 28, 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 Telseven, L.L.C. (Telseven). Based upon the record assembled in the informal complaint proceeding, the events to date can be summarized as follows:

On June 29, 2005, the Board received a complaint from Linda Heady of Ottumwa, Iowa, alleging that a "fraudulent" charge for a directory assistance call was added to her phone bill. Ms. Heady was charged \$7.39 for a one-minute directory

assistance call to Nevada. The charge was submitted by OAN Services, Inc. (OAN), a billing agent, on behalf of Telseven.

Board staff identified the matter as C-05-137 and, pursuant to Board rules, on July 7, 2005, forwarded the complaint to OAN for response. OAN responded on July 13, 2005, indicating that the disputed charge for the directory assistance call was submitted on behalf of Telseven and that a credit of \$7.17 plus tax was issued. It is not clear whether OAN forwarded a copy of the complaint to Telseven, but the Board did not receive a response to the complaint from Telseven.

On July 14, 2005, Board staff issued a proposed resolution finding OAN and Telseven in violation of the Board's rules because neither provided proof that the customer authorized the charge for the directory assistance call.

In its July 28, 2005, petition, Consumer Advocate supports the proposed resolution and asserts that civil penalties are necessary because they will deter future violations and credits alone will not stop the unlawful practice of cramming. Consumer Advocate served Telseven with a copy of the petition, but Telseven has not yet filed a response to the petition with the Board.

The Board has reviewed the record to date and finds there are reasonable grounds for further investigation of this matter. The Board will docket this matter for formal proceeding, but will delay establishing a procedural schedule to allow Telseven 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 July 28, 2005, is granted. File C-05-137 is docketed for formal proceedings, identified as Docket No. FCU-05-52.

2. Telseven, L.L.C., is directed to file a response to Consumer Advocate's petition on or before 30 days from the date of this order.

**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 13<sup>th</sup> day of September, 2005.