

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

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| <p>IN RE:</p> <p>OFFICE OF CONSUMER ADVOCATE,<br/><br/>                    Complainant,</p> <p>vs.</p> <p>INTEGRETEL, INC.<br/><br/>                    Respondent.</p> | <p style="text-align:center">DOCKET NO. FCU-05-55</p> |
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**ORDER DOCKETING FOR FORMAL PROCEEDING AND  
SETTING DEADLINE FOR RESPONSE**

(Issued September 16, 2005)

On August 10, 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 proceeding, the events to date can be summarized as follows:

On June 29, 2005, the Board received a complaint from Shelly Scannell of Bettendorf, Iowa, stating that her phone bill included an unauthorized charge submitted by Integretel. Ms. Scannell denied authorizing the charge and stated that

when she contacted Integretel, she was told the charge was done through the Internet.

Board staff identified the matter as C-05-134 and, pursuant to Board rules, on July 5, 2005, forwarded the complaint to Integretel for response. The Board received a response from Integretel on July 22, 2005, stating it had submitted the disputed charge on behalf of its client, American Premium Warehouse Processing Center, a provider of voice mail service. Integretel stated it had issued a credit of \$29.90 plus tax.

On July 28, 2005, Board staff issued a proposed resolution concluding that cramming had occurred in this case. Staff found Integretel failed to provide any explanation as to how or why the charge was placed on Ms. Scannell's bill. Staff noted that Integretel had issued a credit.

In its August 10, 2005, petition, Consumer Advocate supports the proposed resolution but asserts that it should be augmented with a civil penalty because credits alone will not stop the unlawful practice of cramming. Consumer Advocate asserts that civil penalties are necessary to ensure compliance and deter future violations. Integretel has not responded to Consumer Advocate's petition.

The Board has reviewed the record to date and finds there are reasonable grounds to warrant further investigation into this matter. The Board will grant Consumer Advocate's petition for proceeding to consider a civil penalty. However,

the Board will delay establishing a procedural schedule to allow Integretel an opportunity to respond to 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 August 10, 2005, is granted. File C-05-134 is docketed for formal proceeding, identified as Docket No. FCU-05-55.

2. Integretel, Inc., is directed to file a response to Consumer Advocate's petition within 30 days of the date of this order.

**UTILITIES BOARD**

/s/ John R. Norris

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ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 16<sup>th</sup> day of September, 2005.