

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>OFFICE OF CONSUMER ADVOCATE, Complainant,</p> <p>vs.</p> <p>CSP TELECOM, INC., Respondent.</p>	<p>DOCKET NO. FCU-06-14</p>
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**ORDER DOCKETING FOR FORMAL PROCEEDING AND
SETTING DEADLINE FOR RESPONSE**

(Issued February 28, 2006)

On January 17, 2006, 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 slamming violation committed by CSP Telecom, Inc. (CSP). Based upon the record assembled in the informal complaint proceeding, the events to date can be summarized as follows:

On December 7, 2005, the Board received a complaint from Kurt and Suzan Pauley of Farragut, Iowa, alleging that their long distance telephone service was switched to CSP without authorization. Attached to the complaint was a copy of a phone bill showing charges totaling \$226.61 from CSP.

Board staff identified the matter as C-05-235 and, on December 8, 2005, forwarded the complaint to CSP for response. CSP responded to the complaint on December 27, 2005. CSP stated that Bernard Argise authorized the change to CSP for long distance service and attached a copy of the recording of the third-party verification.

Board staff noted that the verification recording referenced a telephone number other than the one for the account in question and asked CSP for clarification. CSP stated that the verification was correct, the Pauleys' number may have been linked to the number on the recording due to a keying error, and that it had issued a credit of \$226.61.

On January 3, 2006, Board staff issued a proposed resolution finding that CSP changed the Pauleys' long distance service without proper authorization.

In its January 17, 2006, petition, Consumer Advocate indicates that it supports the proposed resolution but argues it should be augmented with a civil penalty. Consumer Advocate asserts a civil penalty is necessary to deter future violations and because a credit alone will not stop the unlawful practice of slamming. CSP 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 of this matter. The Board will grant Consumer Advocate's petition for proceeding to consider a civil penalty but will delay

establishing a procedural schedule to allow CSP 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 January 17, 2006, is granted. File C-05-235 is docketed for formal proceeding, identified as Docket No. FCU-06-14.

2. CSP Telecom, 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

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Curtis W. Stamp

Dated at Des Moines, Iowa, this 28th day of February, 2006.