

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>OFFICE OF CONSUMER ADVOCATE,</p> <p style="text-align:center">Complainant,</p> <p style="text-align:center">vs.</p> <p>RIDLEY TELEPHONE COMPANY,</p> <p style="text-align:center">Respondent.</p>	<p style="text-align:center">DOCKET NO. FCU-06-19</p>
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**ORDER DOCKETING FOR FORMAL PROCEEDING AND
SETTING DEADLINE FOR RESPONSE**

(Issued March 7, 2006)

On February 2, 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 cramming violation committed by Ridley Telephone Company (Ridley). Based upon the record assembled in the informal complaint proceeding, the events to date can be summarized as follows:

On December 8, 2005, the Board received a complaint from Brad Honsey of Urbandale, Iowa, that he was receiving unauthorized billing from Ridley. Board staff identified the matter as C-05-236 and, on December 9, 2005, forwarded the complaint to Ridley for response.

The Board received Ridley's response on December 23, 2005. Ridley denied changing the customer's long distance service and denied making unauthorized charges. Ridley stated Mr. Honsey enrolled in a long distance savings plan offered by Ridley by submitting information on-line to establish the account. Ridley stated it sent Mr. Honsey a confirmation e-mail message after he signed up for the service. Ridley also stated it had canceled the account and issued a credit.

On December 28, 2005, Board staff sent Mr. Honsey a letter asking him to review Ridley's response. Mr. Honsey did not respond.

On January 19, 2006, Board staff issued a proposed resolution stating that without Mr. Honsey's response, it could not conclude that the disputed charges were unauthorized. Staff noted that Ridley had issued a credit of \$306.59 to Mr. Honsey's local telephone account.

In its February 2, 2006, petition, Consumer Advocate objects to the proposed resolution, stating that although Ridley listed information allegedly provided by Mr. Honsey, it offered no proof of authorization. Consumer Advocate asserts that a violation was established because Ridley failed to offer proof that the charges were authorized. Consumer Advocate argues civil penalties are necessary to deter future violations and because a credit alone will not stop the unlawful practice.

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 Ridley 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 February 2, 2006, is granted. File C-05-236 is docketed for formal proceeding, identified as Docket No. FCU-06-19.

2. Ridley Telephone Company 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 7th day of March, 2006.