

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

<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>eCHURCH NETWORK,</p> <p style="padding-left: 40px;">Respondent.</p>	<p style="text-align:center">DOCKET NO. FCU-06-38</p>
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**ORDER DOCKETING FOR FORMAL PROCEEDING AND  
SETTING DEADLINE FOR RESPONSE**

(Issued July 7, 2006)

On April 24, 2006, pursuant to Iowa Code §§ 476.3 and 476.103, the Consumer Advocate Division of the Iowa 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 eChurch Network (eChurch). Based upon the record assembled in the informal complaint proceeding, the events to date can be summarized as follows:

On March 7, 2006, the Board received a complaint from Gerry Hupfeld of the Amana Colonies Golf Club in Amana, Iowa, that telephone bills for the golf club included unauthorized charges submitted on behalf of eChurch. Mr. Hupfeld explained that he contacted the company twice to dispute the charges and the

company provided no documentation, contract, or any information explaining the charges.

Board staff identified the matter as C-06-60 and, pursuant to Board rules, on March 23, 2006, forwarded the complaint to eChurch for response. The Board received a response from eChurch on March 28, 2006, stating that the customer's acceptance of its service was verified and explaining how to obtain a copy of the verification recording. eChurch stated it canceled the account as of March 27, 2006, and issued a credit of \$74.85 plus taxes.

On March 30, 2006, staff forwarded a copy of the verification recording to Mr. Hupfeld for his response. The Board received Mr. Hupfeld's response on April 10, 2006. Mr. Hupfeld stated the recorded conversation between one of his employees and another person was fraudulent and was pieced together using a computer-generated voice and the employee's answers to different questions than those heard on the recording.

On April 13, 2006, Board staff issued a proposed resolution concluding that the disputed charges were not authorized and finding eChurch in violation of the Board's rule against cramming.

In its April 24, 2006, petition, Consumer Advocate asserts the proposed resolution should be augmented with a civil penalty. Consumer Advocate argues that civil penalties are necessary because they will deter future violations and credits

alone will not stop the unlawful practice of cramming. eChurch has not responded to Consumer Advocate's petition.

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 eChurch 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 April 24, 2006, is granted. File C-06-60 is docketed for formal proceeding, identified as Docket No. FCU-06-38.
2. eChurch Network 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/ Curtis W. Stamp

Dated at Des Moines, Iowa, this 7<sup>th</sup> day of July, 2006.