

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: 100px;">Complainant,</p> <p style="text-align:center">vs.</p> <p>MAIN STREET TELEPHONE,</p> <p style="padding-left: 100px;">Respondent.</p>	<p style="text-align:center">DOCKET NO. FCU-06-47</p>
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**ORDER DOCKETING FOR FORMAL PROCEEDING AND  
SETTING DEADLINE FOR RESPONSE**

(Issued September 6, 2006)

On July 21, 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 Main Street Telephone (Main Street). Based upon the record assembled in the informal complaint proceeding, the events to date can be summarized as follows:

On June 7, 2006, the Board received a complaint from Mr. Bruce Arnold of St. Anthony, Iowa, that his telephone bill included unauthorized charges totaling \$15.88.

Board staff identified the matter as C-06-138 and, pursuant to Board rules, on June 9, 2006, forwarded the complaint to USBI, the billing agent identified on the telephone bill, for response. The Board received a response from USBI on June 27, 2006, stating that the disputed charges were submitted on behalf of Main Street. USBI stated that Main Street's records show that Mr. Arnold enrolled on the Internet in the "Save4Less Platinum Calling Plan" on May 1, 2006, and that Main Street sent an e-mail message confirming the order on May 2, 2006. USBI also stated that the account had been canceled and a credit had been issued. Attached to the response was the information allegedly submitted on-line by Mr. Arnold to create the account.

On July 12, 2006, Board staff issued a proposed resolution concluding the disputed charges were not authorized and finding Main Street in violation of the Board's rule against cramming. Staff concluded the consumer might not have been aware of what he signed up for on the Internet.

In its July 21, 2006, petition, Consumer Advocate asserts the proposed resolution should be augmented with a civil penalty. Consumer Advocate argues that civil penalties are necessary to secure compliance and deter violations. Main Street 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 Main

Street an opportunity to answer 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 21, 2006, is granted. File C-06-138 is docketed for formal proceeding, identified as Docket No. FCU-06-47.

2. Main Street Telephone 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 6<sup>th</sup> day of September, 2006.