

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Public Service Commission
Communications Network Billing, Inc.
Ex Parte Cease & Desist**

Case No. PU-06-373

**Public Service Commission
vs. Communications Network Billing, Inc.
Complaint**

Case No. PU-06-378

ORDER

December 29, 2006

Preliminary Statement

On August 25, 2006, the Public Service Commission staff (Staff) filed a Complaint with the Public Service Commission (Commission) alleging that Communications Network Billing, Inc. had been conducting marketing activities to obtain the unauthorized change of telecommunications service providers within the State of North Dakota in violation of N.D.C.C. § 49-21-02.4(2), and that Communications Network Billing, Inc. was in violation of the provisions of N.D.C.C. § 49-03.1-09 for failing to apply to register with the Commission as a telecommunications company as required by that section.

On August 25, 2006, the Commission issued a Cease and Desist Order against Communications Network Billing, Inc. ordering the entity to Cease and Desist all marketing activities involving the unauthorized change of telecommunications service providers within the State of North Dakota. A Notice of Opportunity for Hearing was also issued by the Commission advising Communications Network Billing, Inc. that it had an opportunity to request a hearing on the Cease and Desist Order within fifteen days of the issuance of the Cease and Desist Order.

On August 28, 2006, the Complaint, Cease and Desist Order, and Notice of Opportunity for Hearing were served by certified mail on Communications Network Billing, Inc., 895 Dove Street, 3rd Floor, Newport Beach, California 92660-2941, and on TCS Corporate Services, Inc., 400 East Broadway, Suite 102, Bismarck, North Dakota, the North Dakota registered agent for Communications Network Billing, Inc.

Communications Network Billing, Inc. was advised that it had twenty (20) days to respond to the Complaint, and that in the event it failed to respond to the Complaint an order may be entered against it in default.

Communications Network Billing, Inc. failed to timely file an answer to the Complaint, and failed to request a hearing on the Cease and Desist Order.

On November 22, 2006, the Commission issued a Default Order against Communications Network Billing, Inc. finding Communications Network Billing, Inc. in default for failing to respond to the Complaint. The Commission imposed a monetary penalty in the amount of \$5,000 for violation of N.D.C.C. §49-21-02.4 for conducting marketing activities to obtain the unauthorized change of telecommunications service providers within the State of North Dakota and for violation of N.D.C.C. §49-03.1-09 for failing to apply to register with the Commission as a telecommunications company as required by that section.

On November 25, 2006, Communications Network Billing, Inc. registered with the Commission as a telecommunications company under N.D.C.C. § 49-03.1-09.

On December 13, 2006, the Commission received a letter from Communications Network Billing, Inc. explaining changes it has made in its marketing procedures to eliminate future attempts of deceptive marketing. Communications Network Billing, Inc. enclosed check # 8779 in the amount of \$5,000 in full payment of the penalty assessed by the Commission. Communications Network Billing, Inc. requests that the Commission dismiss the Cease and Desist Order and allow the company to continue business in North Dakota.

We find that Communications Network Billing, Inc. is currently in compliance with the requirements set forth in the Default Order and the laws of the State of North Dakota, and we find that the company's explanation of changes in its marketing procedures to eliminate future attempts of deceptive marketing is satisfactory.

Based on the foregoing, the Commission makes the following:

Order

The Commission orders that the Cease and Desist Order issued August 25, 2006 against Communications Network Billing, Inc. is **REVOKED**.

PUBLIC SERVICE COMMISSION

Susan E. Wefald
Commissioner

Tony Clark
President

Kevin Cramer
Commissioner