

# Memorandum

To: Commissioners Christmann, Haugen-Hoffart and Fedorchak

From: Victor Schock, Director of Public Utilities

VS

Date: February 7, 2023

Re: Northwest Communications Cooperative, Bright Sound Communications, Inc.,  
Complaint, Case No. PU-22-393

On October 20, 2022, the Commission received an informal complaint from Jeremy Becker with Northwest Communications Cooperative. The complaint alleges a violation by Bright Sound Communications, Inc. (BSCI) of North Dakota Century Code (NDCC) Section 49-21-02.4 by material misrepresentation on sales calls. On October 24, 2022, the Commission received an informal complaint from Karen Feickert with Feickert Drilling Co alleging a similar violation by BSCI.

On November 23, 2022, Commission Advocacy Staff (Staff) filed a Motion for Cease and Desist Order with the Commission asking the Commission to issue a Cease and Desist against BSCI. This Motion was served upon BSCI on December 1, 2022.

On December 15, 2022, BSCI filed a response to the Motion stating that it had been using an outsourced marketing firm, who was responsible for the misrepresentations. It further stated that they no longer employ the alleged marketing firm and will not utilize them in the future.

On January 17, 2023, Staff sent an information request to BSCI requesting a listing of all BSCI customers in North Dakota by customer/service type. Pursuant to North Dakota Administrative Code Section 69-02-05-12, interrogatories must be responded to within business days unless otherwise agreed to between the parties. As of the date of this memorandum, Staff has received no response from BSCI on the interrogatory.

On February 6, 2023, Staff contacted a customer of Reservation Telephone Cooperative (RTC) based upon a discuss Staff had with RTC concerning continued misrepresentations by BSCI. In the discussion with the RTC customer, it was made clear that the customer had no intention of changing its service from RTC to BSCI. In fact, the customer stated that they had no spoke to anyone from BSCI regarding their phone service, they had simply started receiving bills from BSCI for no apparent reason.

Based on its investigation, Staff believes that the behavior of BSCI has not only continued but progressed to the point that they are not only in violation of NDCC Section 49-21-02.4 by misrepresentation on sales calls, but in fact are now using fraudulent and deceptive practices with the intent that North Dakota consumers blindly pay fictitious bills.

Staff requests a reconsideration of its original Motion for Cease and Desist, penalties, and all other action the Commission feels is warranted given the egregious nature of the actions by BSCI.