

Decision 99-10-048 October 21, 1999

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the operations, practices, and conduct of Coral Communications, Inc. (Coral) and Michael Tinari, President of Coral; William Gallo, Senior Vice President of Coral; Devon Porcella, Vice President of Sales and Operations of Coral; Neal Deleo, Vice President Finance and MIS of Coral to determine whether the corporation or its principals have operated within California without having a certificate to operate from the Commission and whether they have charged California subscribers for telecommunications services the subscribers never authorized.

Investigation 98-08-004
(Filed August 6, 1998)

INTERIM OPINION

Summary

This decision orders, pursuant to Pub. Util. Code § 2889.9(f), all California billing telephone companies to cease to provide billing and collection services for International Telemedia Associates (ITA) and Calling Card Plus, Inc. (CCPI).

Background

In Decision (D.) 99-08-017, we ordered the billing agents known to have provided bill aggregation services to Coral Communications (Coral); namely, Telephone Billing Services, dba LD Billing Company (TBS), ITA, Accutel Communications, Inc. (Accutel), CCPI, and OAN Services, Inc. (OAN), to (1) submit a full accounting of their transactions with Coral and (2) deposit with the Commission the difference between the amount collected and any amount refunded to consumers. The decision set specific dates for the accountings and

deposit, and was served on ITA's California agent for service of process, its main offices, and CCPI's main office.

On September 14, 1999, the Commission's Telecommunications Division filed a compliance notice which stated that one such accounting, by OAN, had been filed; that Accutel had received an extension of time; that TBS had received a partial extension; and that the Commission records contained no filings from CCPI and ITA.

Discussion

By their evident failure to respond to D.99-08-017, ITA and CCPI are in direct violation of a Commission order. The statute authorizes the Commission to order California billing telephone companies¹ to cease providing billing service to these firms. Safeguarding the rights of consumers requires that California billing telephone companies be prohibited from providing billing services to ITA and CCPI.

Comments on Draft Decision

Pursuant to Pub. Util. Code § 311(g), the Administrative Law Judge's draft decision was served on the parties and comments on the draft decision invited. No party submitted comments.

Findings of Fact

1. ITA and CCPI were ordered to submit accountings of their transactions with Coral and to deposit with the Commission the difference between the amount so collected and any amount refunded to consumers.

¹ A billing telephone company is one that provides billing services to third parties, including affiliates. See Pub. Util. Code § 2889.9.

2. ITA and CCPI have neither submitted their respective accountings nor deposited any funds with the Commission.

3. Safeguarding the rights of consumers requires that California billing telephone companies be prohibited from providing billing services to ITA and CCPI.

Conclusion of Law

Pub. Util. Code § 2889.9(f) authorizes the Commission to order California billing telephone companies to cease providing billing service to firms which fail to respond to a request for information from the Commission or its staff.

INTERIM ORDER

Therefore, **IT IS ORDERED** that:

1. All California telephone companies which provide billing and collections services to third parties, including affiliates, are prohibited from providing any such services, directly or indirectly, to Calling Card Plus, Inc. and International Telemedia Associates.

2. This decision shall be served on all incumbent local exchange carriers, all competitive local carriers, and all interexchange carriers.

This order is effective today.

Dated October 21, 1999, at San Francisco, California.

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
JOEL Z. HYATT
CARL W. WOOD
Commissioners