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June 26, 2000

**VIA FEDERAL EXPRESS**

Mr. Cecil Wright  
Executive Secretary  
Missouri Public Service Commission  
PO Box 360  
Jefferson City, Missouri 65102

FILED<sup>3</sup>

JUN 27 2000

Missouri Public  
Service Commission

Re: U.S. TelePacific Corp. d/b/a TelePacific Communications – <sup>TA</sup>PO-2000-732

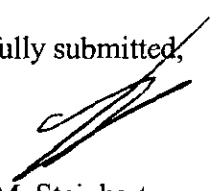
Dear Mr. Wright:

Enclosed please find one original and fourteen (14) copies of U.S. TelePacific Corp. d/b/a TelePacific Communications' supplement to its Application for Certificate of Service Authority to Provide Local Exchange Telecommunications Services Within the State of Missouri, along with a Motion for Protective Order for information that is "highly confidential".

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self-addressed, postage prepaid envelope. If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Please note that this Application is being submitted by myself and Judith A. Rau, Esq., Missouri Counsel, Bar # 24856.

Respectfully submitted,

  
Lance J.M. Steinhart  
GA Bar No. 678222  
Attorney for U.S. TelePacific Corp.  
d/b/a TelePacific Communications

Enclosures

cc: Jane Delahanty  
Ron Bible, Financial Analysis Dept.

U.S. TelePacific Corp. d/b/a TelePacific Communications  
Case No. TO-2000-732  
June 26, 2000  
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The following are the responses to Staff's inquiries regarding U.S. TelePacific Corp. (TelePacific) submitted financial information.

1. The applicant must have a total debt to total capital ratio no greater than 62% and a pretax interest coverage of at least 2.3x.

Response: TelePacific's financial statements for the period ending April 30, 2000 demonstrate a current total debt to total capital ratio of 35.6%. An infusion of funds in the amount of \$129 million received from Investcorp has lowered TelePacific's total debt to total capital ratio. Given the company is in a net loss position, TelePacific's pretax interest coverage does not meet the requirement of at least 2.3x. However, as per the attached balance sheet as of April 30, 2000, TelePacific's \$129 million cash position should substantiate the company's ability to meet its interest payments.

2. The applicant must have a cash balance of four months operating expenses inclusive of interest expense and taxes.

Response: TelePacific's cash position as of April 30, 2000 of \$129 million will cover four months operating expenses inclusive of interest expense and taxes. TelePacific's operating expenses for four months is approximately \$19 million.

Attached hereto as Exhibit A are TelePacific's unaudited financials, filed "Confidential", for the period ended April 30, 2000, filed with a protective order of non-disclosure precluding public disclosure of certain proprietary, confidential information, to be filed in connection with TelePacific's Application. Also included is a proforma balance sheet, income statement, and statement of cash flows with the press release announcing the infusion of Investcorp funding.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the matter of the	)	
Application	)	
of U.S. TelePacific Corp.	)	
d/b/a TelePacific Communications)	)	
for a certificate of	)	
service authority	)	Case No. TO-2000-732
to provide local exchange	)	
telecommunications services	)	

MOTION FOR PROTECTIVE ORDER

U.S. TelePacific Corp. d/b/a TelePacific Communications (hereinafter "Applicant"), by its attorney and pursuant to Chapter 392 of the Missouri Revised Statutes and the Commission's Rules of Practice and Procedure, hereby moves the Missouri Public Service Commission (the "Commission") for a protective order of non-disclosure precluding public disclosure of certain proprietary, confidential information, to be filed in connection with Applicant's Application for a Certificate of Service Authority to provide local exchange telecommunications services within the State of Missouri (the "Application") filed with the Commission on this date. In support of its Motion, Applicant provides the following information:

1. The information that Applicant seeks to protect is the financial information to be submitted as a supplement to its Application (the "Protected Information") as Exhibit A. The Protected Information consists of Financial Statements for U.S. TelePacific Corp. d/b/a TelePacific Communications, a privately held company, which is not subject to public reporting requirements. Exhibit A is attached to the cover letter and

supplemental information to the Application without the Protected Information and is marked with the words "PROPRIETARY INFORMATION" in large letters. A copy of the Protected Information is attached hereto.

2. Applicant respectfully requests that the Protected Information be subject to a protective order of non-disclosure under Commission Rules of Practice and Procedure; that the Protected Information (and any reproduction or copying of any part thereof) be restricted to counsel, and other agents or employees, who have been specifically assigned to this proceeding by the Commission; that the Protected Information be used solely in connection with this proceeding; that the Protected Information used in depositions, prepared testimony or other similar uses will be redacted and submitted under seal; that all Protected Information should be marked "CONFIDENTIAL, SUBJECT TO PROTECTIVE ORDER"; that neither the filing of the Protected Information in this proceeding, nor the furnishing of the Protected Information for review by the General Staff of the Commission ("Staff") shall be considered a waiver of any right to object upon any ground to the use of introduction into evidence during any proceeding of any Protected Information; and that not later than thirty (30) days following the conclusion of this proceeding by issuance of a final, non-appealable order of this Commission, all Protected Information designed as "CONFIDENTIAL, SUBJECT TO PROTECTIVE ORDER" including all copies in whole or in part thereof, should be returned to Applicant.

3. As grounds for this motion, Applicant states:

(a) The Protected Information is not known outside of Applicant.

(b) The Protected Information is not disseminated within Applicant and is known only by those of Applicant's employees who have a legitimate business need to know and act upon the information.

(c) Applicant has maintained and seeks to preserve the confidentiality of the Protected Information through all appropriate means including the maintenance of appropriate security at its offices, and the filing of this motion.

(d) The disclosure of this Protected Information would cause material damage to the competitive and financial position of Applicant in that it would provide Applicant's competitors with sensitive data respecting to Applicant's sales, customer usage, and financing strategies.

(e) By granting Applicant's motion, there will be no damage to any public interest in disclosure. In fact, the public will be best served by non-disclosure of the Protected Information.

WHEREFORE, U.S. Telepacific Corp. d/b/a TelePacific Communications requests that the Commission enter an order granting Applicant's motion for protective order of non-disclosure permitting Applicant and requiring Staff to treat the Protected Information in the manner described herein.

Respectfully submitted,

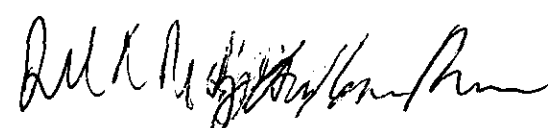
U.S. Telepacific Corp. d/b/a TelePacific Communications

By:

  
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and

  
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Attorneys for Applicant

Dated: 6/26/2000

**EXHIBIT A**

U.S. TelePacific Corp.'s Unaudited Financial Statements for the period ended April 30, 2000