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May 10, 2004

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Missouri Public Service Commission

MAY 1 0 2004

The Honorable Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102-0360

Re: The Staff of the Missouri Public Service Commission v. Lockheed Martin Global Telecommunications Services, Inc. Case No. TC-2004-0415

Dear Judge Roberts:

Enclosed for filing in the referenced matter please find the original and five copies of a Second Motion for Extension of Time to Respond to Staff's Motion for Summary Determination; Motion for Protective Order; and Unanimous Stipulation and Settlement Agreement.

Please contact me if you have any questions regarding this matter. Thank you.

Very truly yours,

NEWMAN, COMLEY & RUTH P.C.

By:

Mark W. Comlev comleym@ncrpc.com

MWC:ab Enclosure

cc: Office of Public Counsel David Meyer Winafred Brantl

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

The Staff of the Missouri Public Service Commission,))
Complainant,) Case No. TC-2004-0415
v. Lockheed Martin Global Telecommunications Services, Inc.,) MAY 1 0 2004
Respondent.) Missouri Public) Bervige Commission)
In the Matter of Lockheed Martin Global Telecommunications Services, Inc.'s 2002 Annual Report to the Commission as an Interexchange Telecommunications Carrier,) Case No. XE-2004-0488))

UNANIMOUS STIPULATION AND SETTLEMENT AGREEMENT

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and Lockheed Martin Global Telecommunications Services, Inc. (LMGTS or Company) and stipulate and agree as follows in settlement of the above consolidated cases:

1. Staff and LMGTS desire to settle the Complaint in this proceeding filed by Staff against LMGTS on February 18, 2004 by entering into this Stipulation and Settlement Agreement. This Agreement will provide a School District within the State of Missouri, identified in a subsequent paragraph herein, additional financial support for its general operations; will eliminate the need for evidentiary hearings; and will provide a reasonable and just solution and remedy to resolve the Complaint.

2. By entering this Agreement, LMGTS admits to no liability of any sort for any of the facts and circumstances pleaded in the complaint and does not admit to any violations of the rules of the Public Service Commission or applicable state laws. Rather, the Company has agreed to each and every term and provision of this Agreement a) as a compromise to avoid expense and to terminate all controversy concerning the complaint; and b) in consideration of the Staff's agreements, including its agreements to dismiss the Complaint and not to bring any complaint or similar proceeding against the Company based upon the facts and circumstances serving as the basis of the complaint.

3. Within 15 days after a Commission order approving this stipulation and settlement agreement, LMGTS shall make a one time contribution in lieu of penalty in the sum of X and no/100 Dollars $(\$x.00)^{1}$ to the Knob Noster R-VII School District in Johnson County, Missouri.

4. Upon proof of LMGTS' payment in lieu of penalty pursuant to the approved terms of this Stipulation and Settlement Agreement, Staff shall file a voluntary dismissal of the complaint. Staff further covenants that the dismissal of the complaint shall be deemed "with prejudice" for all purposes.

5. The Commission shall grant LMGTS' *Motion For Leave To File Annual Report Out Of Time* which was filed on March 24, 2004.

6. Within ten days after the dismissal of the complaint, LMGTS shall voluntarily surrender its certificate of service authority to provide telecommunications services in Missouri. Staff agrees not to oppose the surrender of the certificate.

¹ This sum is the subject of a Motion for Protective Order filed separately and simultaneously with this Stipulation.

7. Neither party to this stipulation shall call a press conference, issue any press release or media alert, in any form, regarding the complaint, or the terms, benefits or purported reasons for this settlement and its approval by the Commission. If it approves this Stipulation and Agreement, then by its approval, the Commission also agrees to abide by the restrictions of this paragraph.

8. Any term or provision the parties have deemed confidential shall not be disclosed to the public unless pursuant to valid legal process or a valid request for access or disclosure of records under the provisions of Chapter 610, RSMo 2000 or other applicable statute governing access to public records.

9. This Stipulation and Settlement Agreement has resulted from extensive negotiations among the signatories and the terms hereof are interdependent. In the event the Commission does not adopt this Stipulation and Settlement Agreement in total, then this Stipulation and Settlement Agreement shall be void and no signatory shall be bound by any of the agreements or provisions hereof. The Stipulations herein are specific to the resolution of this proceeding and are made without prejudice to the rights of the signatories to take other positions in other proceedings.

10. In the event the Commission accepts the specific terms of this Stipulation and Settlement Agreement, the parties and participants waive, with respect to the issues resolved herein: their respective rights pursuant to Section 536.080.1, RSMo., to present testimony, to cross-examine witnesses, and to present oral argument or written briefs; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2 RSMo.; and their respective rights to seek rehearing pursuant to Section 386.500 RSMo.; and to seek judicial review pursuant to Section 386.510, RSMo. The parties agree to cooperate with the Staff and with each other in presenting this Stipulation and Settlement Agreement for approval to the Commission and shall take no action, direct or indirect, in opposition to the request for approval of the Stipulation and Settlement

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Agreement.

11. The Staff shall file suggestions or a memorandum in support of this Stipulation and Settlement Agreement by no later than Monday, May 17, 2004, and the other parties shall have the right to file responsive suggestions or prepared testimony. All responsive suggestions, prepared testimony, or memorandum shall be subject to the terms of any agreement between the parties to restrict disclosure of information or any Protective Order that may be entered in this case.

12. The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation and Settlement Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, provide the other parties and participants with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from the Staff. Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure by agreement of the parties or pursuant to any Protective Order issued in this case.

WHEREFORE, the signatories respectfully request the Commission to issue its Order approving the terms of this Stipulation and Settlement Agreement.

Respectfully submitted,

Mark W. Comley #28847 Newman, Comley & Ruth, P.C. 601 Monroe Street, Suite 301 Jefferson City, Missouri 65102 (573) 634-2266 (573) 636-3306 (fax)

ATTORNEYS FOR Lockheed Martin Global Telecommunications Systems, Inc.

DANA K. JOYCE General Counsel

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/AMITHY David A. Meyer

Associate General Counsel Missouri Bar No. 46620

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