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June 7, 2004

FILED

JUN 07 2004

**Missouri Public
Service Commission**

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 Lockheed Martin Global Telecommunications Services, Inc.'s Suggestions in Support of its Motion for Protective Order and Alternative Request for Leave to Seek Modifications of the Unanimous Stipulation and Agreement.

Would you please bring this filing to the attention of the appropriate Commission personnel.

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

Very truly yours,

NEWMAN, COMLEY & RUTH P.C.

By:


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MWC:ab

Enclosure

cc: Office of Public Counsel
David Meyer
Winafred Brantl

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

JUN 07 2004

Missouri Public
Service Commission

The Staff of the Missouri Public Service
Commission,)

Complainant,)

Case No. TC-2004-0415

v.)

Lockheed Martin Global
Telecommunications Services, Inc.,)

Respondent.)

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

**LOCKHEED MARTIN GLOBAL TELECOMMUNICATIONS SERVICES, INC.'S
SUGGESTIONS IN SUPPORT OF ITS MOTION FOR PROTECTIVE ORDER
AND ALTERNATIVE REQUEST FOR LEAVE TO SEEK MODIFICATIONS OF
THE UNANIMOUS STIPULATION AND AGREEMENT**

COMES NOW Lockheed Martin Global Telecommunications Services, Inc., Respondent in the leading consolidated case above captioned, (hereinafter "Respondent" or "LMGTS"), by and through its undersigned counsel, and pursuant to the Commission's Order Directing Filing of May 26, 2004, submits the following to the Commission:

Background

Staff and LMGTS have reached a settlement, which includes a payment in lieu of penalty

to the Knob Noster R-VIII School District,¹ a Missouri public school district. The parties filed for Commission approval a Unanimous Stipulation and Settlement Agreement. In conjunction with this filing, LMGTS filed a Motion for Protective Order requesting that the amount of the proposed payment to the school district be protected from public disclosure under 4 CSR 240-2.085.

The Commission granted the motion and entered an Order Establishing a Protective Order on May 11, 2004, finding that that there is a need to protect the confidential information contained in the Unanimous Stipulation and Settlement Agreement and that the request for a protective order is reasonable. On May 17, 2004, pursuant to the terms of the Commission's standard Protective Order, LMGTS filed the proprietary version of the stipulation and agreement in which the protected payment amount was not redacted. On May 26, 2004, the Commission issued its Order Directing Filing requesting that LMGTS further explain why it is entitled to the protective order under 4 CSR 240-2.085(1).

Argument

1. LMGTS has complied with and is qualified under 4 CSR 240-2.085

Pursuant to the terms of 4 CSR 240-2.085(1), any party seeking a protective order shall make such a request by filing a separate pleading which shall state with particularity why the moving party seeks protection, and what harm may occur if the information is made public. The pleading shall also state that none of the information for which a claim of confidentiality is made can be found in any format in any other public document.

LMGTS has satisfied these requirements. Its motion for the protective order stated with particularity why it sought protection and detailed the harm that could arise if the information were made public. Furthermore, LMGTS stated in that motion that the information cannot be

¹ The Unanimous Stipulation and Agreement refers to the Knob Noster R-VII School District but is in error.

found in any public document. So that it is completely clear, LMGTS reasserts that the amount to be paid pursuant to the settlement is a generous sum and, from an accounting perspective represents an extraordinary expenditure. Protection of this amount from public disclosure is critical because if the settlement is publicly known, it may expose the company to unwarranted demands for compensation or damages by persons or entities with questionable claims. Additionally, LMGTS is affiliated with a publicly traded company and the public disclosure of this settlement amount and its explanation by management in a public forum may confuse, rather than fairly inform, investors and others with an interest in the company. LMGTS considers the better course to report this settlement as required by financial regulators and advisors in due course.

LMGTS's intention to settle this controversy at the stipulated sum is unknown to anyone except the Company, its attorneys, and the Staff and its attorneys. The amount LMGTS may pay, upon Commission approval, to settle this matter is known to no one outside that circle.

2. The contingency that proprietary information may ultimately become public information and accessible under Chapter 610, RSMo, does not disqualify it from protection, no matter how temporary, under 4 CSR 240-2.085.

In its Order Directing Filing, the Commission questions whether LMGTS is entitled to a protective order under 4 CSR 240-2.085 since the payment it proposes to make to a public school district **may** someday be available to the public under Chapter 610, RSMo. It should first be emphasized that LMGTS has not yet made the payment to the public school district identified in the Stipulation. The amount of the payment in lieu of penalty has been held in strict confidence. It cannot be found in any format in any public document. The Commission must remember that the only way this information will enter a public domain is if: 1) the Settlement Agreement is approved by the Commission; and 2) the payment is disclosed by the school district or it is the

subject of a valid request for access by a member of the public. Therefore, for the time being, the amount LMGTS is prepared to pay in settlement qualifies for continued protection under the Commission's protective order.

The Commission's protective order cannot be vacated on the basis of eventualities since that would be contrary to the spirit of the rule itself. The rule is designed to protect information that is not currently accessible to the public; the rule does not disqualify that information from protection if there is any chance that it will someday be publicly known. Vacation of the protective order would also be contrary to the present reality that damage can accrue to LMGTS if the settlement amount is disclosed while the stipulation is still under consideration by the Commission, a stipulation the Commission may never approve.

Assuming that the Settlement Agreement is not approved by the Commission, the school district will receive no payment from LMGTS. Therefore, the open records provisions of Chapter 610, RSMo will never be applicable. However, should the Commission revoke or dissolve the protective order, the public would have ready access to this proprietary information at the Commission. As set forth in LMGTS' Motion for Protective Order and reasserted above, disclosure of this proposed payment amount will only serve to harm LMGTS.

Assuming that the Settlement Agreement is approved by the Commission, the protective order currently in place would serve to shield the payment amount from the public until the payment is made to the school district and unless and until a demand for disclosure of the payment amount is made to the school district in accordance with Chapter 610, RSMo. LMGTS does not dispute that, once the above conditions are satisfied, the payment information may be subject to public disclosure at some point in the future by the school district. However, the contingency that proprietary information may later become public under Chapter 610, RSMo,

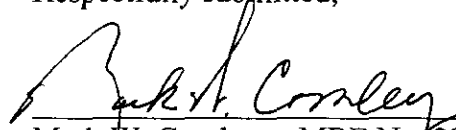
should not place the protection, even if temporary, of 4 CSR 240-2.085 beyond the reach of LMGTS.

3. If the Commission intends to vacate the Protective Order, LMGTS should be granted leave to modify its offer of settlement so that the payment in lieu of penalty is made to a private educational foundation so that confidentiality is maintained.

If the Commission concludes that the stipulation's proposal to make a payment to the Knob Noster R-VIII School District now invalidates the protection from disclosure provided under the current protective order, LMGTS should be allowed leave to propose modifications to its settlement, while the protective order is still in place, so that the recipient of the payment is under no duty to publicly disclose the settlement amount when it is approved by the Commission and received. Such a recipient is the Knob Noster Education Security Trust (KNEST) a private tax exempt foundation established for the support of the Knob Noster R-VIII School District. Leave of this nature would continue the protections sought, and obtained, by LMGTS under 4 CSR 240-2.085, and at the same time, 1) foster the purposes of the payment in lieu of penalty first proposed by the parties; and 2) protects the confidentiality of the settlement amount before this Commission. Keeping the amount of the agreement confidential at this Commission is part of the parties' agreement.

WHEREFORE, Lockheed Martin Global Telecommunications Services, Inc. respectfully requests that the Commission uphold its Order Establishing Protective Order issued on May 11, 2004, or otherwise, grant LMGTS leave to seek a modification to the unanimous stipulation and agreement in the manner described above, and for such other and further relief as deemed just and proper by this Commission.

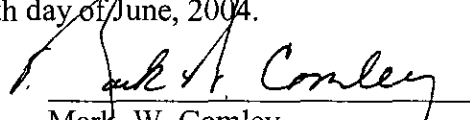
Respectfully submitted,


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ATTORNEYS FOR Lockheed Martin
Global Telecommunications Systems, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, to **david.meyer@psc.mo.gov**, and Office of Public Counsel at **opcservice@ded.state.mo.us**, on this 7th day of June, 2004.


Mark. W. Comley