201 South Main, Suite 2300 Salt Lake City, Utah 84111



July 26, 2012

Ross Rocco Vrba, MBA Principal Energy of Utah LLC 1612 E Bainbridge Road Sandy, UT 84092

## **Re: Response to Indicative Pricing Request**

Dear Ross:

We are in receipt of your request for pricing pursuant to Rocky Mountain Power Utah Schedule 38 ("Schedule 38") for your proposed Long Ridge Wind project in Utah. This letter confirms that we have received all the required information in order for us to provide indicative pricing for your project. We expect pricing to be delivered in the next two to three weeks.

The pricing will be calculated in accordance with Utah Public Service Commission orders in Docket No. 03-035-14. The indicative pricing includes a capacity payment and an energy payment. Certain contract terms and conditions must be met in order to obtain the capacity payment. The indicative pricing will be provided for illustrative purposes in annual on peak ("HLH") and off peak ("LLH") values and as annual 7x24 flat (all hours) values. The pricing will also be provided in monthly HLH and LLH values. Should you choose to move forward with a power purchase agreement, the monthly HLH and LLH values will be used in the power purchase agreement.

Schedule 38 also indicates it is the responsibility of the QF developer to make necessary interconnection arrangements with PacifiCorp Transmission. As noted in Schedule 38, "[t]he Company's obligation to make purchases from a QF is conditioned upon all necessary interconnection arrangements being consummated." The process of making the interconnection arrangements may result in the identification of additional costs (including, but not limited to, potential improvements to the distribution and/or transmission system) or timing considerations to accomplish necessary interconnection upgrades that are the responsibility of the qualifying facility developer.

Once you have received the indicative pricing, you may obtain a final power purchase agreement through full compliance with the procedures for such as detailed in Schedule 38. If you have any questions or require additional information, please feel free to contact me.

Regards,

Paul Clement

Paul Clements Power Marketer, PacifiCorp