EXHIBIT 3

From: Braithwaite, Autumn Sent: Tuesday, November 12, 2013 4:54 PM To: Erika Tedder (<u>etedder@utah.gov</u>) Subject: Response: Ellis-Hall Consultants

Good afternoon Erika,

Ellis-Hall Consultants 60 East South Temple, Suite 500 Salt Lake City, Utah 8411

Ellis-Hall is requesting to execute a power purchase agreement ("PPA") based on indicative pricing provided by the Company in a May 22, 2013 letter. The letter was provided pursuant to Utah Schedule 38. Schedule 38 clearly states that indicative prices are "...merely indicative and are not final and binding. Prices and other terms and conditions are only final and binding to the extent contained in a power purchase agreement executed by both parties and approved by the Commission." As of the date of this filing, the parties have not executed a power purchase agreement.

In the August 16, 2013 Public Service Commission of Utah ("Commission") order in Phase II of Docket No. 12-035-100, the Commission directed the Company to discontinue use of the market proxy pricing method and to provide indicative avoided cost pricing to wind and solar qualifying facility projects based on the partial displacement differential revenue requirement pricing method. Consistent with that order and with Schedule 38, PacifiCorp provided revised indicative pricing to Ellis-Hall on September 5, 2013.

Ellis-Hall is arguing that it should continue to receive pricing based on the market proxy pricing method even though the Commission has directed the Company to discontinue its use.

On September 5, 2013, Energy of Utah LLC ("EOU") filed a petition for review, rehearing and clarification ("Petition") of the Commission's Report and Order issued in Docket No. 12-035-100 on August 16, 2013, the order in which the Commission directed the Company to discontinue use of the market proxy pricing method. In its filing, EOU made the same arguments made by Ellis-Hall in this informal complaint regarding continued use of the market proxy pricing method.

On September 18, 2013, PacifiCorp and the Utah Office of Consumer Services ("Office") filed responses to EOU's Petition. Based on a review of the Petition and the responses filed by PacifiCorp and the Office in that proceeding, the Petition made by EOU was denied by the Commission in a September 23, 2013 order.

Ellis-Hall is making materially the same arguments that were rejected by the Commission in the case of the EOU Petition. Consistent with the Commission order in the EOU Petition and with Schedule 38, the Company cannot agree to enter into a PPA with Ellis-Hall using the outdated pricing from the May 22, 2013 indicative pricing letter.

The Company attaches its response filed in the EOU Petition as additional reference for this informal complaint since the issues raised by Ellis-Hall are materially the same as those raised in the EOU petition.

As stated in the complaint, PacifiCorp and Ellis-Hall have attempted negotiations on a number of occasions over the past several months without success. The most recent meeting was a face-to-face meeting on October 30, 2013.

Please let me know if you have any questions.

Thank you,

Autumn Braithwaite Regulatory Analyst (801) 955-2434

This email has been scanned by the Symantec Email Security.cloud service.

For more information please visit <u>http://www.symanteccloud.com</u>