

Page 1

1 IN THE UNITED STATES DISTRICT COURT  
 2 FOR THE DISTRICT OF UTAH, CENTRAL DIVISION  
 3  
 4 UNITED STATES OF AMERICA, )  
 )  
 5 Plaintiff, )  
 vs. ) Case 2:15-cv-00828-DN-EJF  
 6 )  
 RAPOWER-3, LLC, INTERNATIONAL, ) Judge David Nuffer  
 7 AUTOMATED SYSTEMS, INC., LTB1, )  
 LLC, R. GREGORY SHEPARD, )  
 8 NELDON JOHNSON, and ROGER )  
 FREEBORN, )  
 9 )  
 Defendants. )  
 10 \_\_\_\_\_ )  
 11 )  
 12 30(b)(6) DEPOSITION OF LTB1, LLC (NELDON JOHNSON)  
 13 JULY 1, 2017  
 14 SALT LAKE CITY, UTAH  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

Page 3

1 NELDON JOHNSON, WITNESS

2 I N D E X PAGE  
 Examination by Ms. Gallagher 4  
 3 Reporter's Certificate 95  
 Witness Certificate 96  
 4

EXHIBITS MARKED FOR IDENTIFICATION

5 EXHIBIT DESCRIPTION PAGE  
 6 Exhibit 554 Photocopy of a check 48  
 7  
 8 Exhibit 555 Operation and Maintenance Agreement 48  
 9  
 10 Exhibit 556 Ra3 Audit Solar Distillation 80  
 11  
 12 Exhibit 557 Email from Greg Shepard to (blank) 83  
 13 Subject: Ra3 Great Audit Info  
 14 Exhibit 558 Ra3Power correspondence to Lindsay Davis 92  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

**Plaintiff**  
**Exhibit**  
 673

Page 2

1 Deposition of NELDON JOHNSON, produced  
 2 as a witness at the request of Plaintiff,  
 3 taken on July 1, 2017, at 9:10 a.m., at Salt  
 4 Lake Marriott Downtown at City Creek, before  
 5 Amanda Richards, certified shorthand reporter  
 6 in and for the State of Utah, pursuant to  
 7 Notice.  
 8

9 APPEARANCES OF COUNSEL:  
 10 FOR PLAINTIFF:  
 11 Erin Healy Gallagher  
 U.S. Department of Justice  
 12 P.O. Box 7238  
 Ben Franklin Station  
 13 Washington, D.C. 20044  
 202.353.2452  
 14 Erin.healy.gallagher@usdoj.gov  
 15

16 FOR DEFENDANT NELDON JOHNSON:  
 17 Steven Paul  
 Nelson Snuffer Dahle & Poulsen  
 18 10885 South State Street  
 Sandy, Utah 84070  
 19 801.576.1400  
 Denversnuffer@gmail.com  
 20

21 ALSO PRESENT:  
 22 Glenda Johnson  
 23 \*\*\*\*\*  
 24  
 25

Page 4

1 SALT LAKE CITY, SATURDAY, JULY 1, 2017, 9:10 A.M.  
 2 \*\*\*\*\*  
 3 NELDON JOHNSON,  
 4 called as a witness herein, having been first duly sworn,  
 5 was examined and testified as follows:  
 6 MS. GALLAGHER: Good morning. We are on the record in  
 7 the case of United States vs. RaPower3, et al., on July 1st  
 8 at just about 9:10 a.m. My name is Erin Healy Gallagher of  
 9 the United States Department of Justice in the Tax Division  
 10 appearing on behalf of the United States. Erin Hines and  
 11 Chris Mann are also representing the United States, but are  
 12 not here today.  
 13 Mr. Paul, would you like to make your appearance.  
 14 MR. PAUL: Yeah. I'm Steve Paul on behalf of the  
 15 Defendants in this case.  
 16 MS. GALLAGHER: Also not present today is Don Reay who  
 17 represents R. Gregory Shepard and Roger Freeborn.  
 18 This deposition will be governed by the Federal  
 19 Rules of Civil Procedure and the local rules of District of  
 20 Utah. All exhibits today will be taken away by the court  
 21 reporter after four days of deposition. We'll address any  
 22 other stipulation as the need arises.  
 23 EXAMINATION  
 24 BY MS. GALLAGHER:  
 25 Q. All right. Hello again, Mr. Johnson.

<p style="text-align: right;">Page 5</p> <p>1 A. Hi. Thank you.</p> <p>2 Q. Today -- well, first, I'll say I'm handing you</p> <p>3 what's been marked Plaintiff's Exhibit 485. Plaintiff's</p> <p>4 Exhibit 485 is United States Notice of Deposition of</p> <p>5 Defendant LTB1-LLC; correct?</p> <p>6 A. That's correct.</p> <p>7 Q. And, Mr. Johnson, you are appearing as the</p> <p>8 representative of LTB1-LLC today; correct?</p> <p>9 A. Correct.</p> <p>10 Q. If at any time during this -- Mr. Johnson, if I</p> <p>11 ask you a question and you answer from some source other</p> <p>12 than your own personal knowledge, will you let me know?</p> <p>13 A. I will, thank you.</p> <p>14 Q. Thank you. All right. Another couple reminders</p> <p>15 about depositions. My questions and your answers will be</p> <p>16 recorded by the court reporter, so you need to speak loudly</p> <p>17 enough for her to hear you, and answer my questions</p> <p>18 verbally. Will you do that?</p> <p>19 A. I will. I will try. Thank you. And I'll stop</p> <p>20 using the word we.</p> <p>21 Q. Great. And, also, I'm gonna remind you to, and</p> <p>22 I'll do my best, to please wait until I'm finished asking my</p> <p>23 question before you start your answer.</p> <p>24 A. Okay.</p> <p>25 Q. And, as with all the depositions, your</p>	<p style="text-align: right;">Page 7</p> <p>1 time.</p> <p>2 Q. So LTB1-LLC does not currently do anything?</p> <p>3 A. No. It is no longer even an active company.</p> <p>4 Q. Okay. Let's start with when was LTB1-LLC formed?</p> <p>5 A. I'm not sure when it was formed, but it's, yeah,</p> <p>6 it was sometime in around 2006 or 7. Something like that.</p> <p>7 I'm not sure exactly when.</p> <p>8 Q. And when was LTB1-LLC -- was it dissolved?</p> <p>9 A. It was dissolved in 2016, I believe, or 2015, but</p> <p>10 I'm not exactly positive.</p> <p>11 Q. Okay. So during the time of its existence, what,</p> <p>12 if anything, did LTB1-LLC do?</p> <p>13 A. It had no operations or management functions or</p> <p>14 disseminating of any information for any customers directly</p> <p>15 or indirectly.</p> <p>16 Q. So did it do anything?</p> <p>17 A. No.</p> <p>18 Q. Who owned LTB1-LLC?</p> <p>19 A. I'm not sure. It could have been DCL-16A, but I'm</p> <p>20 not sure.</p> <p>21 Q. Do you have any documentation that would show who</p> <p>22 owned LTB1-LLC?</p> <p>23 A. No. But I -- I've been told that you have that</p> <p>24 information.</p> <p>25 Q. Who told you that?</p>
<p style="text-align: right;">Page 6</p> <p>1 participation today is to give full and complete answers.</p> <p>2 Do you understand that obligation?</p> <p>3 A. Yes.</p> <p>4 Q. And if you do not understand a question that I</p> <p>5 ask, will you continue to ask -- let me know that?</p> <p>6 A. Yes.</p> <p>7 Q. And if it happens again, as it has on occasion, if</p> <p>8 you remember additional information that would clarify or</p> <p>9 supplement a previous answer, will you let me know?</p> <p>10 A. Yes.</p> <p>11 Q. Mr. Johnson, is there anything today that would</p> <p>12 prevent you from understanding and answering my questions</p> <p>13 with the full capacity of your recollection?</p> <p>14 A. No.</p> <p>15 Q. Are you taking any medications or drugs of any</p> <p>16 kind that might interfere with your memory?</p> <p>17 A. No.</p> <p>18 Q. Have you had anything alcoholic to drink in the</p> <p>19 last eight hours?</p> <p>20 A. No.</p> <p>21 Q. Are you currently under a doctor's care for any</p> <p>22 illness?</p> <p>23 A. No.</p> <p>24 Q. Mr. Johnson, what does LTB1-LLC, do?</p> <p>25 A. It isn't involved in any operations at the present</p>	<p style="text-align: right;">Page 8</p> <p>1 A. My previous attorney that says they turned over</p> <p>2 all the documents.</p> <p>3 Q. Was that Justin Heideman?</p> <p>4 A. Justin Heideman, yes.</p> <p>5 Q. Do you have any other corporate documentation for</p> <p>6 LTB1-LLC?</p> <p>7 A. No. But if you don't have those, we can -- we can</p> <p>8 certainly get those to you.</p> <p>9 Q. Did LTB-1, LLC, ever have a bank account?</p> <p>10 A. No, it did not.</p> <p>11 Q. During the time of its existence, who was in</p> <p>12 charge of making decisions for LTB1-LLC?</p> <p>13 A. I think Chris Taylor was the manager of LTB1 for</p> <p>14 most of the -- most of its existence.</p> <p>15 Q. Anyone other than Chris Taylor?</p> <p>16 A. I'm not positive whether I was the manager at some</p> <p>17 time of LTB1 or not, but I could have been. And, again, the</p> <p>18 documentation, if you don't have it, we could probably get</p> <p>19 that to you if you need to.</p> <p>20 Q. So do you, Mr. Johnson, recall ever having made</p> <p>21 decisions on behalf of LTB1-LLC?</p> <p>22 A. No. There was no decision to be made other than</p> <p>23 the organization procedures.</p> <p>24 Q. So what, if anything, did you think LTB1</p> <p>25 actually -- let me withdraw that.</p>

Page 9

1 Who decided to create LTB1-LLC?  
 2 A. Neldon Johnson as an individual.  
 3 Q. What inspired you to create LTB1-LLC?  
 4 A. I'm not sure of the rationale behind it, but we  
 5 felt like there should be an independent company that would  
 6 operate and maintain the energy production when it became  
 7 relevant.  
 8 Q. When you say "we," do you mean "I"?  
 9 A. I mean "I." Excuse me. I'm trying to get over  
 10 that. I been cussed out enough for that, so I'm trying to  
 11 improve myself.  
 12 Q. Mr. Johnson, why did you believe it would be a  
 13 good idea to have an independent company to operate and  
 14 maintain did you say energy production?  
 15 A. It was -- it was a personal decision made by the  
 16 information that I could -- that I -- that I would study  
 17 personally the laws involved and the legal responsibilities  
 18 of the different companies, and it looked to me that it  
 19 would be better to -- to make different companies to do  
 20 different operations in order to make it clear and distinct  
 21 who was responsible for everyone involved so there would be  
 22 no question of what the responsibilities were, nor the  
 23 people involved in the operations.  
 24 And it would be clearly discerned who was  
 25 responsible for the operation and maintenance and their

Page 10

1 qualifications so there would be no question that the  
 2 information was not fully disclosed as to who would do what  
 3 in any circumstances. So that was the rationale. Because  
 4 of the way the laws are written, we felt like that in order  
 5 to eliminate a possible overreach in who was responsible by  
 6 putting those companies together, it would make it a clear,  
 7 defining role for each individuals' responsibilities.  
 8 Q. And by "we," do you mean "I"?  
 9 A. I mean "I," yes. Thanks. Excuse me again.  
 10 Q. Did LTB1 ever have any employees?  
 11 A. No, they did not.  
 12 Q. Did LTB1 ever make any money?  
 13 A. No, it did not.  
 14 Q. And I'll ask that a different way. Did anyone  
 15 ever pay any money to LTB1?  
 16 A. No, they did not other than for the legal fees  
 17 required to create the company.  
 18 Q. Okay. Who paid that money in?  
 19 A. Mr. Johnson did.  
 20 Q. So, Mr. Johnson, you paid money for LTB to be  
 21 created -- I'm sorry. You paid money for LTB1 to be created  
 22 as an entity?  
 23 A. I believe that's correct. It's my recollection.  
 24 Q. Do you recall having paid in any other money to  
 25 LTB1?

Page 11

1 A. No, I have not.  
 2 Q. So since 2006 or 2007 when it was created through  
 3 the time that it was dissolved, LTB1 did not have any daily  
 4 operations; correct?  
 5 A. That is correct.  
 6 Q. We talked a bit in the last couple of days about  
 7 another entity called LTB-LLC. Do you remember that?  
 8 A. I believe so, yes.  
 9 Q. What's the difference between LTB1-LLC and  
 10 LTB-LLC?  
 11 A. The only difference would be the name, the  
 12 operations. Or it would be -- it would be the same  
 13 requirements for both companies.  
 14 Q. What does LTB stand for?  
 15 A. Lions, tigers, and bears.  
 16 MR. PAUL: Oh, my.  
 17 THE WITNESS: It was just something that I thought was  
 18 funny.  
 19 MS. GALLAGHER: Thank you for explaining that. Okay.  
 20 THE WITNESS: I just thought it rhymed and I thought  
 21 that's clever. I like that. I needed something to remember  
 22 it. Why the acronym.  
 23 Q. (BY MS. GALLAGHER) So do you recall,  
 24 Mr. Johnson -- I'll withdraw that.  
 25 Did you form or have formed LTB-LLC?

Page 12

1 A. I did, yes.  
 2 Q. And what was your intention when you formed LTB?  
 3 What did you anticipate it would do?  
 4 A. I anticipated the same as for LTB1; that it would  
 5 disseminate a particular operation for maybe a particular  
 6 need to operate a different power plant. We have properties  
 7 in Texas and in California and various places in Utah, and I  
 8 believe in some places various other entities that we are  
 9 looking to operate, and we probably would want separate  
 10 operations in those areas.  
 11 Q. So was your goal for LTB-LLC, to have an  
 12 independent company to operate and maintain energy  
 13 production?  
 14 A. That is correct.  
 15 Q. Do you recall when you formed LTB-LLC?  
 16 A. I do not recall the date when that was formed.  
 17 Q. Would it -- was it before or after you formed LTB?  
 18 A. It was -- I think it was before LTB1, to be quite  
 19 honest. But, there again, I don't have a permanent  
 20 recollection.  
 21 Q. Is LTB-LLC, still in existence?  
 22 A. I don't believe it is. I think it's also  
 23 dissolved.  
 24 Q. Why is LTB dissolved?  
 25 A. I believe it was because the -- the place where it

Page 13	Page 15
<p>1 was organized the laws had changed and it was requiring more                  2 legal expenses to maintain its viability.                  3 Q. And was that in Nevada?                  4 A. I believe it was, yes.                  5 Q. Same question for LTB1. Why is LTB1 dissolved?                  6 A. For the same reason.                  7 Q. Okay. Have you formed any other company to                  8 operate and maintain energy production?                  9 A. Yes. I believe it's LTB-O&amp;M.                  10 Q. Is that LTB-O&amp;M?                  11 A. O&amp;M, yes. Capital O and capital M, LLC.                  12 Q. Is LTB-O&amp;M intended to be an independent company                  13 to operate and maintain energy production?                  14 A. Yes, it is.                  15 Q. Was it formed for any other purpose?                  16 A. No, it was not.                  17 Q. And you formed or had formed LTB-O&amp;M?                  18 A. I did, yes.                  19 Q. And that's organized under the laws of Utah?                  20 A. That is correct.                  21 Q. Have you formed any other companies to operate and                  22 maintain energy production?                  23 A. I do not believe I have.                  24 Q. Has LTB1 -- well, first, I'll ask this -- no.                  25 Withdrawn.</p>	<p>1 or to organize the company, there hasn't been any other                  2 funds made available to LTB, LTB1, or LTB O&amp;M.                  3 Q. And, Mr. Johnson, did you pay the fees to maintain                  4 LTB's legal status?                  5 A. I believe that's true, but it may have been money                  6 from another company, but I do believe it was my personal                  7 funds that -- that paid for those.                  8 Q. Other than money paid into LTB-LLC, in order to                  9 maintain its legal status, has there ever been any other                  10 money paid into LTB-LLC?                  11 A. No, there has not.                  12 Q. What, if any, relationship does LTB1-LLC have with                  13 LTB-LLC?                  14 A. There is no relationships at all.                  15 Q. For LTB-O&amp;M, and that's an ampersand; right?                  16 A. Yes.                  17 Q. Right. In between the O and the M?                  18 A. That's correct, yes.                  19 Q. Do you recall about when LTB-O&amp;M was formed?                  20 A. I believe it was late 2016, but, there again, it's                  21 not a positive position.                  22 Q. Who is it that owns LTB-O&amp;M?                  23 A. I believe it's DCL-16A, but I -- there again, I                  24 will get you the documents if you need to have those.                  25 Q. Who is the manager for LTB-O&amp;M?</p>
Page 14	Page 16
<p>1 Who was the manager for LTB?                  2 A. There I'm not positive, but I think it was Chris                  3 Taylor. But, there again, I'm not positive.                  4 Q. Has it been anyone else?                  5 A. It could have been. I may have changed it to                  6 indicate that I would act as the manager of LTB and LTB1.                  7 Q. Has LTB-LLC, had any employees?                  8 A. It has not.                  9 Q. Has LTB-LLC, ever had a bank account?                  10 A. No, it has not.                  11 Q. Has LTB-LLC, ever done anything?                  12 A. It has not.                  13 Q. Do you know who owned LTB-LLC?                  14 A. I do not, but I believe it could be DCL-16A.                  15 Q. Do you have any corporate documents for LTB-LLC?                  16 A. I -- I -- I would hope that they would have given                  17 them to you, but if you don't have those, I'm -- Dave Nelson                  18 would have those and I'd be happy to give those to you.                  19 Q. Okay. Mr. Johnson, what, if any, decisions have                  20 you made on behalf of LTB-LLC?                  21 A. Other than the organization, there hasn't been any                  22 decisions that were required to be made for either of the                  23 companies.                  24 Q. Has anyone ever paid money into LTB-LLC?                  25 A. Other than money required to keep it active or --</p>	<p>1 A. That would be Mr. Johnson, Neldon Johnson.                  2 Q. Has anyone else ever been the manager for LTB-LLC?                  3 A. No, there has not been any other managers.                  4 Q. Does LTB-O&amp;M have any employees?                  5 A. No, it does not.                  6 Q. Does LTB-O&amp;M have a bank account?                  7 A. No, it does not.                  8 Q. Is anyone other than you authorized to make                  9 decisions on behalf of LTB-O&amp;M?                  10 A. No.                  11 Q. Is anyone other than you authorized -- well, I'll                  12 withdraw that.                  13 During LTB-LLC's, existence, was anyone other than                  14 you and Chris Taylor authorized to make decisions on behalf                  15 of LTB?                  16 A. No, there was none.                  17 Q. For LTB1-LLC, other than you and Chris Taylor, was                  18 anyone authorized to make decisions on behalf of LTB1-LLC?                  19 A. No, there was not.                  20 Q. Has anyone ever paid money into LTB-O&amp;M?                  21 A. No, there was -- no, other than the legal                  22 requirements, but no.                  23 Q. So then my understanding is money was paid into                  24 LTB-O&amp;M in order to form the company; correct?                  25 A. That's correct.</p>

Page 17

1 Q. And you paid that money?  
 2 A. I believe that's true.  
 3 Q. Has anyone other than you paid any money into  
 4 LTB-O&M?  
 5 A. No. No, there has not been.  
 6 Q. What, if any, relationship does LTB-O&M have with  
 7 LTB-LLC?  
 8 A. There is no relationship.  
 9 Q. What, if any, relationship does LTB-O&M have with  
 10 LTB1-LLC?  
 11 A. There is no relationship.  
 12 Q. Do any of the LTB entities that we've talked about  
 13 today had a business -- had or have -- let me just start  
 14 that again. We'll just walk through it.  
 15 For LTB-LLC, did it ever have a relationship with  
 16 International Automated Systems?  
 17 A. No, it did not.  
 18 Q. For LTB1-LLC, did it ever have a relationship with  
 19 IAS?  
 20 A. No, it didn't.  
 21 Q. For LTB-O&M, does it have any relationship with  
 22 IAS?  
 23 A. No, it does not.  
 24 Q. Are there any contracts between IAS and any of the  
 25 LTB entities?

Page 18

1 A. No, there is not.  
 2 Q. Has LTB-LLC ever paid any person as an independent  
 3 contractor?  
 4 A. No, they have not.  
 5 Q. Did LTB1-LLC pay any person as an independent  
 6 contractor?  
 7 A. No, they have not.  
 8 Q. Has LTB O&M paid any person as a contractor?  
 9 A. No, they have not.  
 10 Q. What, if any, relationship did LTB-LLC have with  
 11 RaPower3?  
 12 A. There is -- there's no relationship between the  
 13 two companies.  
 14 Q. What, if any, relationship did LTB1-LLC have with  
 15 RaPower3?  
 16 A. There is no relationship.  
 17 Q. What, if any, relationship does LTB-O&M have with  
 18 RaPower3?  
 19 A. There is no relationship.  
 20 Q. What, if any, relationship do the LTB entities  
 21 have with Cobblestone Center?  
 22 A. There is no relationships.  
 23 Q. What, if any, relationship did the LTB entities  
 24 have with Exxon Energy?  
 25 A. There is no relationships.

Page 19

1 Q. And what, if any, relationship did the LTB  
 2 entities have with Solco1?  
 3 A. There is no relationship.  
 4 Q. What, if any, relationship do the LTB entities  
 5 have with Gregory Shepard?  
 6 A. There is no relationship with Greg Shepard.  
 7 Q. What, if any, relationship do the LTB entities  
 8 have with Roger Freeborn?  
 9 A. There is no relationship.  
 10 Q. What, if anything, does Mrs. Glenda Johnson do for  
 11 any of the LTB entities?  
 12 A. There is no relationship with Glenda Johnson in  
 13 any of the LTB companies.  
 14 Q. So she doesn't do anything for them?  
 15 A. There is no -- she doesn't do anything.  
 16 Q. Mr. Johnson, you mentioned Chris Taylor a couple  
 17 of times with respect to the LTB entities. When was Chris  
 18 Taylor involved with any LTB entity?  
 19 A. I'm not sure. It'd probably be from the exception  
 20 til he left the employment of International Automated  
 21 Systems.  
 22 Q. When did he leave employment?  
 23 A. I'm not positive, but I thought it was right  
 24 around 2010 or 2011. There may have been a different  
 25 period.

Page 20

1 Q. When was Chris Taylor hired -- well, let me ask  
 2 you this: You talked about Chris Taylor in relationship to  
 3 a couple of the entities --  
 4 A. That's correct.  
 5 Q. -- here, so when did you first meet Chris Taylor?  
 6 A. In the 19 -- early 1990s.  
 7 Q. How did you meet Mr. Taylor?  
 8 A. He -- he applied for a position with the company  
 9 and I hired him.  
 10 Q. What position was that?  
 11 A. International Automated Systems as just an -- at  
 12 the time he was just a -- he worked in one of my grocery  
 13 stores as just a laborer, you know, something like that.  
 14 Q. So he applied to IAS to work in a grocery store?  
 15 A. Right. We had -- we had several entities that  
 16 I've owned and operated and --  
 17 Q. What --  
 18 A. -- and I hired him there to help with some of the  
 19 operations.  
 20 Q. That's my next question. What was Mr. Taylor's  
 21 first job with IAS?  
 22 A. Stocking shelves. He was quite young at the time,  
 23 so.  
 24 Q. Did you say he was stocking shelves?  
 25 A. Yeah. He was shocking shelves probably.

Page 21	<p>1 Q. Do you remember how old he was at this time?</p> <p>2 A. He was in his early 20s, I believe, but I'm not</p> <p>3 positive.</p> <p>4 Q. At the time you hired Mr. Taylor, what, if any,</p> <p>5 formal education had he had?</p> <p>6 A. He hadn't any beyond -- there was -- excuse me.</p> <p>7 There wasn't any formal education beyond high school.</p> <p>8 Q. What was Mr. Taylor's next job for you or one of</p> <p>9 your entities?</p> <p>10 A. I think I began to train him and teach him how to</p> <p>11 program, and so he was a -- it would be more like a paid,</p> <p>12 what do you call them, apprentice.</p> <p>13 Q. When you say you began training him, do you mean</p> <p>14 you began training him in how to program?</p> <p>15 A. That's correct.</p> <p>16 Q. And what do you mean when you say how to program?</p> <p>17 A. I was teaching him how to use the various</p> <p>18 programming languages that were available at the time such</p> <p>19 as Pascal, C++, C#, various -- the various programming</p> <p>20 languages that were available at that time.</p> <p>21 Q. So you mean computer programming?</p> <p>22 A. Computer programming. Excuse me. Yes.</p> <p>23 Q. About when did you start training Mr. Taylor in</p> <p>24 computer programming?</p> <p>25 A. I'm not exactly positive, but I'd seen it in</p>	Page 23	<p>1 Q. Did he do any other work while, for you or one of</p> <p>2 your entities, while he was training in computer</p> <p>3 programming?</p> <p>4 A. He may have done odds and ends, but nothing of a</p> <p>5 particular assignment.</p> <p>6 Q. Okay. So then you said he became an excellent</p> <p>7 programmer and he worked with you on developing technology</p> <p>8 based on tasks that you assigned him; correct?</p> <p>9 A. That is correct, yes.</p> <p>10 Q. About how long did he do that?</p> <p>11 A. For the next -- until he quit, whenever --</p> <p>12 whenever he did that in 2010 or '11 when he left the</p> <p>13 company.</p> <p>14 Q. From the time he finished the training program to</p> <p>15 the time that he quit, did Mr. Taylor do any other work for</p> <p>16 you or any of your entities besides programming computer</p> <p>17 programs?</p> <p>18 A. There may have been odds and ends, but nothing of</p> <p>19 substantial difference.</p> <p>20 Q. By the time Mr. Taylor quit in or around 2010, had</p> <p>21 he completed any formal education?</p> <p>22 A. No. Not that I know of. If he did, he didn't --</p> <p>23 I wasn't aware of it.</p> <p>24 Q. By the time Mr. Taylor quit in 2010, to your</p> <p>25 knowledge, did he have any other job experience other than</p>
Page 22	<p>1 the -- in the mid to late 1990s.</p> <p>2 Q. How did Mr. Taylor's job -- I'm sorry. Let me</p> <p>3 withdraw that.</p> <p>4 While you were training him in what you called a</p> <p>5 paid apprenticeship, was he making money from IAS?</p> <p>6 A. That is correct.</p> <p>7 Q. How did Mr. Taylor's job evolve from there?</p> <p>8 A. That's where we -- he became, I think, a excellent</p> <p>9 programmer. He was involved in several of the programming</p> <p>10 of various positions and inventions that I was involved</p> <p>11 with, and technologies that we were developing, and he</p> <p>12 helped with some of the programming assignments that I gave</p> <p>13 him.</p> <p>14 Q. And, actually, let's go back to when you were</p> <p>15 training him on computer programming. While you were</p> <p>16 training him on computer programming, was Mr. Taylor</p> <p>17 performing any other job tasks for you or IAS?</p> <p>18 A. He was -- he was performing other work when he was</p> <p>19 not involved in the training program such as stocking</p> <p>20 shelves or -- or helping in the management of one of my</p> <p>21 grocery stores.</p> <p>22 Q. Okay. But while he was learning computer</p> <p>23 programming, otherwise, he was engaged in helping you at the</p> <p>24 grocery store?</p> <p>25 A. That is correct, yes.</p>	Page 24	<p>1 what you described that he's done for you?</p> <p>2 A. No. He had none. Other than I put him in some</p> <p>3 kind of a management role, I believe in one of my -- in the</p> <p>4 later -- in his later years, in one of the grocery stores.</p> <p>5 So had some management responsibilities.</p> <p>6 Q. What, if any, experience did Mr. Taylor have with</p> <p>7 solar energy technology?</p> <p>8 A. He may have had a little bit of experience working</p> <p>9 with me in some areas of the solar energy, but it wasn't his</p> <p>10 primary responsibilities.</p> <p>11 Q. Do you recall at all what areas of the solar</p> <p>12 technology he might have been exposed to?</p> <p>13 A. There would have -- it would have been minor</p> <p>14 things when I asked for some help on a particular item, but</p> <p>15 it wasn't a permanent position that he would operate in on a</p> <p>16 normal day.</p> <p>17 Q. Did his work with respect to the solar energy</p> <p>18 technology relate to computer programming?</p> <p>19 A. Some, but most of it would have been in other</p> <p>20 entities rather than the solar. And I was involved in a</p> <p>21 great deal of technology at the time, and so he would have</p> <p>22 been primarily in other areas of the company.</p> <p>23 Q. What sorts of other technologies did Mr. Taylor</p> <p>24 mostly work on?</p> <p>25 A. Well, we -- we worked -- we developed the front</p>

Page 25	Page 27
<p>1 end system and there would be ongoing programming that was                  2 used in keeping that program, you know, if there was errors                  3 or problems to be solved. And so I wrote the program in                  4 early 19 -- in 1980, I guess, or '79. But there were                  5 ongoing things to make the program kept current on -- on                  6 what its responsibilities were.                  7 Q. When you say the front end system, what do you                  8 mean?                  9 A. The automatic front end system used in Wal-Marts                  10 and K -- whatever grocery stores where you automatically                  11 check yourself through are my pins, and so we were involved                  12 heavily in much of the programming and that -- developed                  13 that -- that system.                  14 Q. So that system is what took up most of                  15 Mr. Taylor's time during the time he worked for you?                  16 A. Well, that and then we were working on a way to                  17 automate the -- we were automating restaurants and the way                  18 to order and the way to create a more automated restaurant                  19 system, and we did a prototype of that in an area, and he                  20 was involved in that as well.                  21 Q. Aside from the two technologies you mentioned, the                  22 grocery stores and the restaurants, what, if anything else,                  23 took up most of Mr. Taylor's time when he worked for you?                  24 A. Well, we were involved in several other patents of                  25 communication and developing other patents such as</p>	<p>1 Q. Did Mr. Taylor work on the computer program that                  2 we heard about yesterday in particular that RaPower3 uses to                  3 track the solar lenses?                  4 A. He worked on the first model and -- and -- but                  5 since then we've -- since then I've changed the entire                  6 program. But the first model that we used, he did a lot of                  7 the programming on that.                  8 Q. When was the first model created?                  9 A. Not exactly positive, but I think it was right                  10 around 2007, 9, 8, 9. Something in that neighborhood.                  11 Q. Before 2010?                  12 A. I believe so, yes.                  13 Q. Mr. Johnson, why was Chris Taylor the original                  14 manager for any of the LTB entities?                  15 A. Probably mostly because of his loyalty and his                  16 ability to critically think in areas that would require                  17 those particular skills, especially in being able to manage                  18 people. He seemed to be very well adapted to people skills                  19 and the ability to -- to relate information to other people                  20 in a way that they would comprehend what was needed. And he                  21 could then communicate with other people that they needed to                  22 work in other areas that he wasn't trained in, but still                  23 could manage the operation.                  24 Q. Had Mr. Taylor ever operated and maintained energy                  25 production?</p>
Page 26	Page 28
<p>1 developing new pennies on new computers as well as we were                  2 the -- we were -- we received the patents on the                  3 fingerprint, automatic fingerprint technology where a                  4 computer system would automatically read your fingerprint                  5 and identify it and then create a number from that which                  6 would fit on the credit cards.                  7 We also did facial recognitions with that program.                  8 We were the first one to introduce facial recognitions. We                  9 were also involved in developing a new banking system and                  10 where the transactions are secure on every transaction or it                  11 becomes an independent transaction which is non-repeatable                  12 and that it can't be used once that transaction has been                  13 used to facilitate in making transactions wireless so that                  14 when -- when the transaction went over the airways, it was                  15 unusable.                  16 If someone picks that transaction up, it cannot be                  17 disseminated or reused in any fashion, and so it makes                  18 wireless transactions protected. There's another patent                  19 that we have on that as well that's been issued now.                  20 Q. So if you could give me an idea imagining                  21 Mr. Taylor's work for IAS as a big pie --                  22 A. Right.                  23 Q. -- what percentage of the pie had to do with the                  24 solar energy technology?                  25 A. Less than 10 percent.</p>	<p>1 A. No, he had not. No.                  2 Q. Why did IAS and Mr. Taylor part company?                  3 A. I trained him too well, I believe, and he got a                  4 better job and he'd get paid more than I would pay him.                  5 Q. Where did he go?                  6 A. I don't know where he went, but I know that he                  7 told me that he -- that he got a better position with --                  8 with more money and he felt like that it would be an                  9 improvement for his -- improving his portfolio in leaving my                  10 company and going with another company and in relationships                  11 to his ability to create a better portfolio and move up, so.                  12 But we -- I think we parted on good terms.                  13 Q. Are you still in contact with him at all?                  14 A. I've talked to him at parties and different things                  15 where we've communicated, and we seem friendly. I hope he                  16 appreciates the work that I -- that we gave, the                  17 opportunities, and I'm happy for him that we were able to                  18 improve his life. He -- and I think we did. I think his                  19 life was improved because of our association.                  20 Q. I'm handing you what's previously been marked                  21 Plaintiff's Exhibit 508, and I just want to take a look                  22 there at Manager/Member where it says Chris Taylor. It also                  23 says BS Computer Science. Do you see that (indicating)?                  24 A. Where at? Right there. Okay. Yeah, okay. This                  25 isn't something I wrote or I'm even aware of, but I do not</p>

Page 29

1 believe that he had -- he may have now or he did get one. I  
 2 am not sure. But as far as I know, he didn't ever graduate  
 3 from a college.  
 4 Q. Okay.  
 5 A. But I don't know how my relationship in teaching  
 6 him or whether or not he got a school that gave credits for  
 7 work that -- you know how you can get credits for just  
 8 working at a particular organization? Some schools offer  
 9 that. But whether that's true or not, I have no way of  
 10 knowing.  
 11 Q. So to your knowledge, though, Mr. Taylor never got  
 12 an undergraduate degree?  
 13 A. Not that I'm aware of, no.  
 14 Q. What, if any, experience did Mr. Taylor have with  
 15 interconnecting to the electrical grid?  
 16 A. As far as I know, there wasn't any knowledge that  
 17 he had in making those kinds of decisions.  
 18 Q. And what, if any, experience did Mr. Taylor have  
 19 with respect to what would be needed for a power purchase  
 20 agreement?  
 21 A. That -- that I do not know. I don't know what  
 22 kind of education you would have to have to develop a power  
 23 purchase agreement. I don't believe there's a  
 24 knowledge-based qualifications or a license required for  
 25 that.

Page 30

1 MS. GALLAGHER: Could you read back my last question,  
 2 please (to the reporter).  
 3 (The record was read as follows:  
 4 "Q And what, if any, experience did  
 5 Mr. Taylor have with respect to what would be  
 6 needed for a power purchase agreement?")  
 7 THE WITNESS: And I can't answer that because I don't  
 8 know what the requirements would be for that.  
 9 Q. (BY MS. GALLAGHER) Sir, what, if any, experience,  
 10 to your knowledge, did Mr. Taylor have with negotiating a  
 11 power purchase agreement?  
 12 A. There again, I'm not -- to negotiate it is a term  
 13 used for people in business to develop relationships.  
 14 Q. Sir, I'm not asking --  
 15 A. And I'm not -- and I'm not positive how those  
 16 would relate to a power purchase agreement.  
 17 Q. I'm asking about whether you know if Mr. Taylor  
 18 had any experience negotiating a power purchase agreement.  
 19 A. And I said I don't know because I don't know if  
 20 there's qualifications that he's had that would help him  
 21 negotiate a particular power purchase agreement. There --  
 22 as far as I know, there isn't any other than visiting with  
 23 people and getting them to say yes, I agree to this is -- is  
 24 the only -- is the only experience I've ever had in  
 25 developing a power purchase agreement.

Page 31

1 Q. Okay. So --  
 2 A. There hasn't been any technical knowledge required  
 3 to do that.  
 4 Q. I understand the -- I understand that.  
 5 A. Okay.  
 6 Q. And I'm asking about to your knowledge, has Chris  
 7 Taylor ever actually negotiated a power purchase agreement?  
 8 A. No, he hasn't done that. No. This -- can I make  
 9 an observation?  
 10 MR. PAUL: You should wait for a question.  
 11 THE WITNESS: Can I -- I just want to relate to a  
 12 question about this profile that you've -- you've handed me.  
 13 Q. (BY MS. GALLAGHER) Do you need to supplement or  
 14 change any answer you've given so far?  
 15 A. Well, I just want a clarification of what you  
 16 consider a marketing contractor and coordinator for grid  
 17 interconnections as it relates to Chris Taylor. Are you --  
 18 are you placing those two people together?  
 19 Q. Sir, I have no idea about this document. Your  
 20 former attorneys produced this to us, so --  
 21 A. Right. But all I'm saying is, in your mind, would  
 22 the way you read this, in your mind, did you put the plant  
 23 manager and the marketing contractor together because I --  
 24 I -- I don't read it that way. But if you have, I would  
 25 like to clarify that I do not believe these two people would

Page 32

1 be the same individuals (indicating).  
 2 Q. Okay.  
 3 A. Okay? That's all I'm saying.  
 4 MR. PAUL: Are you including 508 as an exhibit to the  
 5 deposition?  
 6 MS. GALLAGHER: Yes. Go off the record for a second.  
 7 (Discussion held off the record.)  
 8 Q. (BY MS. GALLAGHER) So, Mr. Johnson, we've talked  
 9 about Cobblestone Center's business purpose, and I'm just  
 10 trying to understand how, if at all, any of the LTB entities  
 11 relate to that, so I'm gonna ask you some questions. Let me  
 12 know if I'm wrong.  
 13 Is the idea that Cobblestone Center would build  
 14 towers and install lenses and then once the lenses are  
 15 installed, an LTB entity would then operate and maintain the  
 16 lenses?  
 17 A. That is correct.  
 18 Q. Is that arrangement in writing anywhere?  
 19 A. There is no relationship between LTBs, or any of  
 20 the LTB names, associated with the Cobblestone. Cobblestone  
 21 does not have the authority to designate who will operate or  
 22 maintain the operation. They only have a position where  
 23 they perform certain duties that are relegated to them by  
 24 Mr. Johnson himself.  
 25 MS. GALLAGHER: Could you read back my question (to the

<p style="text-align: right;">Page 33</p> <p>1 reporter).</p> <p>2 (The record was read as follows:</p> <p>3 "Q So, Mr. Johnson, we've talked about</p> <p>4 Cobblestone Center's business purpose, and I'm</p> <p>5 just trying to understand how, if at all, any of</p> <p>6 the LTB entities relate to that, so I'm gonna ask</p> <p>7 you some questions. Let me know if I'm wrong. Is</p> <p>8 the idea that Cobblestone Center would build</p> <p>9 towers and install lenses and then once the lenses</p> <p>10 are installed, an LTB entity would then operate</p> <p>11 and maintain the lenses?")</p> <p>12 MS. GALLAGHER: And so I think the answer to that was</p> <p>13 yes, and then the next question.</p> <p>14 THE REPORTER: Oh, sorry.</p> <p>15 MS. GALLAGHER: That's okay.</p> <p>16 THE REPORTER: I went too far.</p> <p>17 (The record was read as follows:</p> <p>18 "Q Is that arrangement in writing</p> <p>19 anywhere?")</p> <p>20 THE WITNESS: No. But the two questions are not</p> <p>21 related in the fact that you would imply that Cobblestone</p> <p>22 had some legal right given to them to designate then who</p> <p>23 would, in fact, operate those towers. And they do not have</p> <p>24 that right or obligation.</p> <p>25 Q. (BY MS. GALLAGHER) Who has that right?</p>	<p style="text-align: right;">Page 35</p> <p>1 Q. You just testified that other companies have been</p> <p>2 interested in being the operation and maintenance company</p> <p>3 for the lenses; is that right?</p> <p>4 A. I may have misspoke. Other people would like to</p> <p>5 form companies together with other people. The companies at</p> <p>6 this time I don't believe are in operation.</p> <p>7 Q. Oh, okay. So individuals have expressed interest</p> <p>8 in creating companies that would perform the operation and</p> <p>9 maintenance for the lenses; is that right?</p> <p>10 A. That is correct.</p> <p>11 Q. Who are those people?</p> <p>12 A. I don't know who they are. There's just been a</p> <p>13 number of people that have brought their people. One of the</p> <p>14 people that I was trying to think of his name of who</p> <p>15 operated the companies, and it was performed in the</p> <p>16 construction of power plants, one of those being in Hawaii,</p> <p>17 involved in the management and organization, performing the</p> <p>18 operations of putting a power plant into operation and</p> <p>19 operating it until it was turned over to the power company.</p> <p>20 Q. About how many times have different people</p> <p>21 approached you with this interest?</p> <p>22 A. Probably hundreds with the qualifications that --</p> <p>23 that they presented for me. One -- one was an individual</p> <p>24 from Pennsylvania who wrote a book on -- on the technologies</p> <p>25 and of regular turbines, fan-type steam coal fire turbines,</p>
<p style="text-align: right;">Page 34</p> <p>1 A. Neldon Johnson.</p> <p>2 Q. So you, Mr. Johnson, have the right to identify</p> <p>3 the company that will operate and maintain the lenses once</p> <p>4 they are installed?</p> <p>5 A. That is -- that is my recollection as to the way</p> <p>6 the companies operate.</p> <p>7 Q. Is it your intention, Mr. Johnson, for LTB-O&amp;M to</p> <p>8 be the entity designated to operate and maintain lenses once</p> <p>9 they were installed on the current construction site?</p> <p>10 A. Yes. Up to this point, as long as things do not</p> <p>11 change or there isn't a better option available to us, then</p> <p>12 we will then proceed with the -- with the program that LTB</p> <p>13 would then be the operating company of those entities.</p> <p>14 Q. And you mean LTB-O&amp;M?</p> <p>15 A. Yes, I do. LTB-O&amp;M.</p> <p>16 Q. Do you have any other companies under</p> <p>17 consideration to be the operation and maintenance companies?</p> <p>18 A. There have been a number of groups of people that</p> <p>19 would like to -- to operate and maintain the power plant.</p> <p>20 They have given us some information about the companies. I</p> <p>21 do not recollect who, but there has been a number of</p> <p>22 entities that have had experience in that area. My brother,</p> <p>23 Elwin Johnson, is a electrical engineer that was operated --</p> <p>24 or was involved in the operation of a company, a power</p> <p>25 company called Albuquerque Power in New Mexico.</p>	<p style="text-align: right;">Page 36</p> <p>1 their limitations and the problems that exist to try -- they</p> <p>2 were trying to, at this time, utilize the heat off of the</p> <p>3 power plant in Pennsylvania to, I believe it was</p> <p>4 Pennsylvania, to operate a greenhouse on the heat that came</p> <p>5 off for the cooling process, but the problem was is the heat</p> <p>6 was -- was a lower design and it interfered with the</p> <p>7 operation.</p> <p>8 And this man wrote the technical book on why it</p> <p>9 couldn't be used for that purpose and what -- what would be</p> <p>10 the cause and how much energy and efficiency it would create</p> <p>11 in the operation of the power plant under those conditions.</p> <p>12 Q. Do you have any documents reflecting these people</p> <p>13 who have approached you to --</p> <p>14 A. I have on that one. That one there I have. In</p> <p>15 fact, he -- he was the one who wanted to operate a power</p> <p>16 plant in Hawaii utilizing the geothermal energy systems in</p> <p>17 Hawaii. And I think there was a contract developed back in</p> <p>18 the early -- before the solar -- back in the early 2000s,</p> <p>19 and he died, so before it could be implemented, and so it</p> <p>20 wasn't -- it didn't go through.</p> <p>21 Q. Okay. So if that gentleman and you were having</p> <p>22 discussions in the early 2000s, do you have any records of</p> <p>23 any other person since the early 2000s who has approached</p> <p>24 you with interest in doing operations and maintenance for</p> <p>25 lenses?</p>

Page 37

1 MR. PAUL: I'm gonna object to foundation. I just  
 2 thought I should say something during the course of the  
 3 deposition. You can answer.  
 4 THE WITNESS: You took me right away, completely  
 5 blanked my own mind up.  
 6 I don't recall any. There probably is in the  
 7 human resource files of International Automated Systems,  
 8 some forms that people had formed -- filled out to -- to --  
 9 to make me aware of their qualifications and their  
 10 intentions of being involved in the company, but I -- but  
 11 personally I do not know.  
 12 Q. (BY MS. GALLAGHER) Other than HR forms, are there  
 13 any other records reflecting the people who may have  
 14 approached you with interest to do operation and  
 15 maintenance?  
 16 A. I'm not sure. There's a person that operated the  
 17 largest, let's see, the largest contraction company in the  
 18 world. I'm trying to think of the names. The man who was  
 19 over that lives in Alpine, Utah, at the time now and has  
 20 approached me several times to -- to get either this company  
 21 involved in the construction and maintenance and operations  
 22 of the power plants.  
 23 He was the one who was over the -- creating the  
 24 cities in Saudi Arabia from scratch, putting all the  
 25 infrastructure, building all the infrastructures out from

Page 38

1 scratch to build cities, huge cities where they didn't --  
 2 none existed in the early, I don't know the dates. But he  
 3 did have communication.  
 4 He now -- he is also the -- the man that was over  
 5 the operations of this contracting company who built the  
 6 tunnels under the -- in England between Great Britain and  
 7 France, and he --  
 8 Q. But you say --  
 9 A. And his qualifications then he wanted to -- and  
 10 the offer is still there that they would like to then become  
 11 involved with the operation and maintenance of the -- the  
 12 power plants.  
 13 Q. Do you have a written offer?  
 14 A. I don't know if I have a written offer, but we  
 15 just went out to lunch here just another -- just about a few  
 16 months ago to reaffirm the relationships.  
 17 Q. If you have a written offer from anyone who is  
 18 interested in doing operation and maintenance for the  
 19 lenses, will you produce it to the United States?  
 20 A. I will, yes. If I can locate those, I will. I  
 21 don't believe there is. I think it was too early in the  
 22 stages to actually get that involved in the negotiation.  
 23 It's more of keeping involved in the relationships that  
 24 we've had.  
 25 Q. To your knowledge, Mr. Johnson, has any owner of a

Page 39

1 lens ever contracted with Cobblestone Center?  
 2 A. No, they have not.  
 3 Q. To your knowledge, Mr. Johnson, has any owner of a  
 4 lens authorized Cobblestone Center to install that lens?  
 5 A. No, they have not. No.  
 6 Q. I'm handing you what's been marked Plaintiff's  
 7 Exhibit 537.  
 8 That is in your stack, Mr. Paul.  
 9 MR. PAUL: Thank you.  
 10 THE WITNESS: Okay.  
 11 Q. (BY MS. GALLAGHER) We looked at this draft  
 12 operation and maintenance agreement earlier in the week. Do  
 13 you remember that?  
 14 A. Yes, I do.  
 15 Q. Okay. And do you recall when you would have  
 16 commissioned this contract to be drafted?  
 17 A. I do not.  
 18 Q. Do you remember which attorney might have drafted  
 19 it?  
 20 A. I do believe it would have been Dave Nelson, but I  
 21 am not positive over that issue.  
 22 Q. If it wasn't Mr. Nelson, do you have any idea of  
 23 which other attorney it might have been?  
 24 A. It may have been an attorney in Nevada, but I'm  
 25 not positive, and I do not have the name.

Page 40

1 Q. Why do you think it might have been an attorney in  
 2 Nevada?  
 3 A. Because it was a Nevada company that we were  
 4 putting together and it would be more -- it may have been  
 5 necessary to have a local attorney to complete the  
 6 transaction with Nevada.  
 7 Q. Do you recall having retained an attorney in  
 8 Nevada to take care of LTB-LLC?  
 9 A. I have a vague recollection of the transaction,  
 10 but because there's nothing that's ever been accomplished,  
 11 I've never -- I've never kept that on my mind.  
 12 Q. So is there anyone that you can think of, other  
 13 than Dave Nelson or an attorney in Nevada, who might have  
 14 drafted this operation and maintenance agreement?  
 15 A. I do not know of any other people, no. I know  
 16 that I didn't, so.  
 17 Q. And I believe you testified that the handwriting  
 18 on Plaintiff's Exhibit 537 is not yours.  
 19 A. No. I do not believe so. It doesn't look like  
 20 writing that I would be familiar with, actually.  
 21 Q. Okay. And you -- and so you don't recognize the  
 22 handwriting on this document?  
 23 A. No, I do not.  
 24 MS. GALLAGHER: Can we go off the record for a second.  
 25 (Discussion held off the record.)

<p style="text-align: right;">Page 41</p> <p>1 Q. (BY MS. GALLAGHER) Okay. I'm handing you, sir, 2 what's been marked Plaintiff's Exhibit 92. 3 MR. PAUL: Do you have one for me? 4 MS. GALLAGHER: Oh, sorry. I do. 5 MR. PAUL: Thank you. 6 (Document handed to Mr. Paul.) 7 Q. (BY MS. GALLAGHER) And here, Mr. Johnson, we see 8 on the page marked Rowbotham_R-1179 -- 9 A. Where is this at again? 10 Q. The page marked 1179. 11 A. Oh, okay. 12 Q. I'm looking at paragraph 17 at the top of that 13 page. 14 A. Okay. 15 Q. That the lessee of the lenses may sublease the 16 alternative energy system to LTB-LLC. Is that what you see 17 there? 18 A. (Peruses document.) 19 That is correct, yes. 20 Q. And I'm actually gonna show you what is marked as, 21 Steven, if you could check your stuff for this too, 22 Plaintiff's Exhibit 462. 23 A. Okay. 24 Q. Plaintiff's Exhibit 462 is an equipment lease 25 agreement; correct?</p>	<p style="text-align: right;">Page 43</p> <p>1 Q. Has LTB-LLC, ever taken any action pursuant to 2 this sublease agreement? 3 A. No, it has not. 4 Q. Why not? 5 A. I'm not sure why not, but it hasn't. 6 Q. Okay. 7 We'll take five, please. Off the record. 8 (Fifteen-minute recess taken.) 9 Q. (BY MS. GALLAGHER) We're back on the record after 10 a short break. Mr. Johnson, did you talk to anyone about 11 the facts of the case during the break? 12 A. I did not, no. 13 Q. And are there any answers that you've given so far 14 today that you wish to change or clarify? 15 A. I -- I don't have any, no. 16 Q. I'd like to direct your attention back to 17 Plaintiff's Exhibit 462 and 464. 18 A. Okay. Okay. 19 Q. Mr. Johnson, who, to your knowledge, provided 20 these contracts to Mr. Shepard? 21 A. Well, this one probably has my signature on it, so 22 I would assume that that would be me. 23 Q. And you're looking at Plaintiff's 462? 24 A. Yes, 462. Yes, uh-huh. This one would have 25 been -- it looks like Chris Taylor, so.</p>
<p style="text-align: right;">Page 42</p> <p>1 A. That's correct. 2 Q. And that's between International Automated Systems 3 and Greg Shepard; correct? 4 A. That's correct. 5 Q. And your signature is made there on behalf of IAS 6 on the last page of 462? 7 A. That's correct. 8 MS. GALLAGHER: And you have that, Mr. Paul? 9 MR. PAUL: I do. 10 Q. (BY MS. GALLAGHER) Then would you please take a 11 look at what's been marked 464, which is an equipment 12 sublease agreement. 13 A. (Witness complies.) 14 Okay. 15 Q. Would you take a look at the signature block, 16 please, for that sublease agreement. 17 A. On the back page? On page 00736? 18 Q. Yes. 19 A. Yes. Okay. 20 Q. Was this signature on behalf of LTB-LLC? 21 A. Looks like Chris Taylor. 22 Q. And, actually, if you flip back to the front page, 23 the equipment sublease agreement is between R. Gregory 24 Shepard and LTB-LLC; correct? 25 A. That's correct.</p>	<p style="text-align: right;">Page 44</p> <p>1 Q. And that's Plaintiff's 464? 2 A. That's 464, uh-huh. 3 Q. Did you explain to Mr. Shepard LTB's role in -- in 4 this system at the time that he signed these agreements? 5 A. I'm not positive about that. It's been a long 6 time ago. 7 Q. If -- well, if anyone explained LTB's role, who 8 would it have been? 9 A. Well, this one may have been Chris Taylor's, but 10 this one here would have been mine, but I'm not positive 11 on -- on what you're asking me and whether I -- I gave it to 12 him or whether I explained anything to him. I probably 13 would not have explained anything to him about the contract 14 other than passing this contract to him. But any legal 15 information that he would have gained from, he would not 16 have gained that information from me. 17 Q. Okay. Well, I'll ask this a different way. Is 18 there any time when you discussed LTB-LLC with Mr. Shepard? 19 A. Not specifically on a contract itself. It may 20 have been a general conversation about a contract. 21 Q. Well, all I'm asking, sir, is whether you talked 22 to him about LTB at all. 23 A. I would have talked to him on a general nature of 24 the company, but not on any legal knowledge that he could 25 rely upon other than what is in the contract itself or he</p>

Page 45

1 would have contacted with an attorney to tell him what that  
 2 contract was about.  
 3 Q. Okay. So the general information that you gave to  
 4 Mr. Shepard, do you remember the first time you gave  
 5 Mr. Shepard general information about LTB-LLC?  
 6 A. We probably had a lot of discussions on various  
 7 aspects of the company and their relationships on a general  
 8 nature, but never in a -- never with the idea of entering  
 9 into an agreement or performing any type of agreement other  
 10 than what he thought about the agreement on a -- of a -- of  
 11 a knowledge base that he was capable of understanding, but  
 12 never convincing him or trying to convince him from a point  
 13 of view that I had a technical background in the areas that  
 14 this would be required, nor did I ever introduce myself as a  
 15 lawyer or an attorney or of any other nature, but what I --  
 16 what I have disseminated out as far as my educational  
 17 background and experience has been.  
 18 MS. GALLAGHER: Could you read my question to the  
 19 reporter).  
 20 (The record was read as follows:  
 21 "Q So the general information that you gave  
 22 to Mr. Shepard, do you remember the first time you  
 23 gave Mr. Shepard general information about  
 24 LTB-LLC?")  
 25 THE WITNESS: I do not know that.

Page 46

1 Q. (BY MS. GALLAGHER) Okay. You don't know. Would  
 2 it have been before or after 2010?  
 3 A. It looks like it would have been before 2005 or  
 4 right around that area.  
 5 Q. And why do you think that?  
 6 A. Because there's a date on the contract of the 28th  
 7 of December 2005.  
 8 Q. Okay. So what's the nature of the information  
 9 that you would have given Greg Shepard?  
 10 A. We would have talked as friends on the way to --  
 11 the best way to develop the company. I may have discussed  
 12 certain elements of the company and -- and the way that I  
 13 would have structured the company and why I would have  
 14 structured the companies in the way that I did.  
 15 Q. So did you share with Mr. Shepard that your idea  
 16 was that LTB-LLC was to operate and maintain solar lenses  
 17 once installed?  
 18 A. I believe I may have mentioned something like that  
 19 to him so that he would have some input back to me on what  
 20 he thought that, from his experience, that I could draw on,  
 21 then I could facilitate visiting with my attorney and  
 22 developing some ideas together with my attorneys and  
 23 "outsource" resources that were available to me at the time  
 24 to look at what would be required in a contract.  
 25 Q. So with respect to the general business purpose of

Page 47

1 LTB-LLC, is there anyone other than you that Mr. Shepard  
 2 might have gotten that information from?  
 3 A. Well, there are probably a group of people that I  
 4 may have talked to that may have shared information with  
 5 him. I wouldn't know about it.  
 6 Q. Who did you share information with about LTB-LLC?  
 7 A. Well, there was a number of people that I talked  
 8 to. When I go about doing something, I try to get a wide  
 9 variety of people's information and thinking on any  
 10 particular subject that I'm looking to get myself involved  
 11 with. So I would have -- I would have utilized people that  
 12 had, basically, business experience, and Greg Shepard was  
 13 one. And Roger Hamblin had a great deal of business  
 14 experience as well. Along with my -- my two sons and -- and  
 15 maybe Roger -- Monte Hamilton.  
 16 Oh, there were a number of people that I would  
 17 have had looked at to see their -- their dissenting views  
 18 and their views that would have been concurrent with each  
 19 other and ones that may have been concurrent with mine.  
 20 Q. When you say your two sons, do you mean Randy and  
 21 LeGrand Johnson?  
 22 A. Yes, I do. Yes.  
 23 Q. Did you ever talk to Roger Freeborn about the  
 24 purpose of LTB-LLC?  
 25 A. No. I have never. He was never somebody that I

Page 48

1 would have a personal relationship with.  
 2 MS. GALLAGHER: Could you please mark this as the next  
 3 exhibit (indicating).  
 4 (Exhibit 554 marked.)  
 5 Q. (BY MS. GALLAGHER) Handing you, Mr. Johnson,  
 6 what's been marked Plaintiff's Exhibit 554. It's Bates  
 7 marked Ra3-1476 through 1494. And my only question for you,  
 8 sir, is on the second page of the exhibit. The second page  
 9 of the exhibit appears to be a letter from LTB-LLC. Do you  
 10 see that?  
 11 A. The equipment sublease agreement?  
 12 Q. It's double sided.  
 13 A. Oh, I see. All right.  
 14 Q. So I'm looking at the page that's marked 1477.  
 15 A. Okay.  
 16 Q. Does this page appear to be a letter from LTB-LLC?  
 17 A. Yes, it is.  
 18 Q. Do you recognize, generally, the letterhead for  
 19 LTB-LLC?  
 20 A. No, I do not, but it probably is.  
 21 Q. To your knowledge, has LTB-LLC ever had  
 22 letterhead?  
 23 A. No. This was the first time probably.  
 24 (Exhibit 555 marked.)  
 25 Q. (BY MS. GALLAGHER) Handing you, sir, what's been

Page 49

1 marked Plaintiff's Exhibit 555. For the record, Bates No.  
 2 Shepard\_Greg-3643 through 3656. Take a look, please, at  
 3 Plaintiff's Exhibit 555 and let me know when you are done.  
 4 A. (Witness complies.)  
 5 Okay.  
 6 Q. All right. This document is an operation and  
 7 maintenance agreement; right?  
 8 A. It looks like that is the case, uh-huh.  
 9 Q. And this is between LTB-LLC and Greg Shepard;  
 10 correct?  
 11 A. I believe it is.  
 12 Q. It's on RaPower3 letterhead. Do you see that?  
 13 A. It is, uh-huh.  
 14 Q. And your digital signature appears on the last  
 15 page of this exhibit; correct?  
 16 A. (Peruses document.)  
 17 Oh. Sorry. Okay. Yes, it does. Uh-huh.  
 18 Q. Okay. Do you recall, Mr. Johnson, whether -- I'll  
 19 withdraw that.  
 20 To your knowledge, sir, who provided the text for  
 21 the operation and maintenance agreement?  
 22 A. I don't -- I don't know what you mean.  
 23 Q. Do you know who wrote this contract?  
 24 A. No. It probably would have been one of my  
 25 attorneys, Dave or someone else, but I -- but I don't know

Page 50

1 exactly, no.  
 2 Q. If an agreement is going to bind LTB-LLC, it would  
 3 have to come from LTB-LLC; correct?  
 4 A. Yes. Yes, I believe you're right.  
 5 Q. To your knowledge, has the operation and  
 6 maintenance agreement changed since 2008?  
 7 A. It could have. I don't know.  
 8 Q. You don't know --  
 9 A. No. There may have been some changes, but I'm --  
 10 I don't recall what they would be, but I assume there may  
 11 have been.  
 12 Q. But no big change jumps out at you; right?  
 13 A. No. I probably haven't read it in a long time, so  
 14 I wouldn't even know.  
 15 Q. Okay. I'd like to take a look, please, at the  
 16 page that is marked 3644.  
 17 A. Okay.  
 18 Q. Under Article 2, Operator Scope of Work --  
 19 A. Okay.  
 20 Q. -- do you see that section?  
 21 A. I do.  
 22 Q. All right. Section 2.1 is called Appointment and  
 23 it says "The Owner appoints the Operator and the Operator  
 24 accepts the appointment to perform the following services  
 25 subject to and in accordance with the provision of this

Page 51

1 Agreement (collectively, the "Work")."  
 2 Did I read that correctly?  
 3 A. That's correct.  
 4 Q. And paragraph 2.1.1 says "Routine O&M Services;"  
 5 correct?  
 6 A. Correct.  
 7 Q. Paragraph 2.1 says "Additional Services and;"  
 8 correct?  
 9 A. Correct.  
 10 Q. Paragraph 2.1.3 says "Transition Services;"  
 11 correct?  
 12 A. That's correct, uh-huh.  
 13 Q. Mr. Johnson, what are routine O&M services that we  
 14 see in paragraph 2.1.1?  
 15 A. It would be the daily -- daily to date of  
 16 operations and maintenance on the power plant.  
 17 Q. Does LTB have anything in writing identifying  
 18 routine O&M services?  
 19 A. I don't believe anything beyond the scope of what  
 20 this contract is. If it's not included in the contract, it  
 21 doesn't have any legal binding. Even if it had some,  
 22 there's no -- there's no addendum. They would have -- they  
 23 would have had to put an addendum reference in that spot and  
 24 then a -- some kind of a signature relationship with the  
 25 individual accepting that addendum to this -- to the

Page 52

1 contract.  
 2 MS. GALLAGHER: Would you read back my question, please  
 3 (to the reporter).  
 4 (The record was read as follows:  
 5 "Q Does LTB have anything in writing  
 6 identifying routine O&M services.")  
 7 THE WITNESS: No, it does not. Not in conjunction with  
 8 this contract.  
 9 MS. GALLAGHER: Object to responsiveness after "No, it  
 10 does not."  
 11 THE WITNESS: Well, it wouldn't be a complete -- then  
 12 you have to -- you would have to let me have another --  
 13 another shot at that information.  
 14 Q. (BY MS. GALLAGHER) Well, sir, the answer is yes or  
 15 no. Does --  
 16 Could you read back the question (to the  
 17 reporter).  
 18 (The question was read as follows:  
 19 "Q Does LTB have anything in writing  
 20 identifying routine O&M services.")  
 21 THE WITNESS: Okay.  
 22 Q. (BY MS. GALLAGHER) Yes or no, sir?  
 23 A. I want you to define the question.  
 24 Q. No. Yes or no?  
 25 A. You have to read -- I don't understand the

Page 53	Page 55
<p>1 question.</p> <p>2 MS. GALLAGHER: Please read back the question again (to</p> <p>3 the reporter).</p> <p>4 (The pending question was read.)</p> <p>5 THE WITNESS: The question is ambiguous as far as the</p> <p>6 relationships that we're looking for.</p> <p>7 MS. GALLAGHER: Object to the responsiveness --</p> <p>8 THE WITNESS: And I did -- I did not understand --</p> <p>9 MS. GALLAGHER: -- of the answer.</p> <p>10 THE WITNESS: I don't understand the question.</p> <p>11 Q. (BY MS. GALLAGHER) What we're gonna do is you're</p> <p>12 gonna answer the question and then I will give you the</p> <p>13 opportunity to explain your answer; okay?</p> <p>14 A. No. I want -- I want you to define what you mean</p> <p>15 by the other writings and relationships. Are there other</p> <p>16 information that is given out for general information or is</p> <p>17 there writings that we -- that we would put as an addendum,</p> <p>18 a legal binding addendum to this contract? There's</p> <p>19 two different --</p> <p>20 Q. Sir, I think you're reading -- you're reading more</p> <p>21 into my questions than what it's asking.</p> <p>22 A. Well, I don't think so.</p> <p>23 Q. No, Mr. Johnson. Please listen.</p> <p>24 A. Well, that's my -- that's my understanding of the</p> <p>25 question.</p>	<p>1 A. That's correct.</p> <p>2 Q. Thank you.</p> <p>3 A. Thank you. I'm in trouble again.</p> <p>4 Q. Does LTB1-LLC have anything in writing that</p> <p>5 defines routine O&amp;M services?</p> <p>6 A. No, it does not, that I know of.</p> <p>7 Q. Does LTB-O&amp;M, LLC, have anything in writing that</p> <p>8 defines routine O&amp;M services?</p> <p>9 A. Not to my recollection.</p> <p>10 Q. Okay.</p> <p>11 Let's go off the record for a second, please.</p> <p>12 (Discussion held off the record.)</p> <p>13 Q. (BY MS. GALLAGHER) All right. Mr. Johnson, during</p> <p>14 our brief break you had the opportunity to review</p> <p>15 Plaintiff's Exhibit 555. Is there anywhere that you see in</p> <p>16 this exhibit where routine O&amp;M services are defined?</p> <p>17 A. Yes. I think where it says the owner shall comply</p> <p>18 in all material respects with the applicable laws in</p> <p>19 connection with the performance of this agreement.</p> <p>20 Q. Can you tell me what page you're on, please.</p> <p>21 A. It's 3647.</p> <p>22 Q. Which paragraph?</p> <p>23 A. It's 3.4.</p> <p>24 Q. Okay. Is there any other place in this contract</p> <p>25 where routine O&amp;M services are identified or described?</p>
Page 54	Page 56
<p>1 Q. Please listen.</p> <p>2 A. I'm trying to.</p> <p>3 Q. I literally mean anything in writing. Any written</p> <p>4 document that identifies routine O&amp;M services.</p> <p>5 A. I'm --</p> <p>6 Q. And the reason I want a yes or no answer to that</p> <p>7 is that if the answer is yes, I will ask you what those</p> <p>8 writings are and you will have the opportunity to explain.</p> <p>9 And if the answer is no, that's fine. And if the answer is</p> <p>10 I don't know, that's also fine.</p> <p>11 A. Okay. In that -- in that context --</p> <p>12 MR. PAUL: Well, let her ask the question so we get a</p> <p>13 clean record.</p> <p>14 THE WITNESS: Oh. Sorry.</p> <p>15 MS. GALLAGHER: Would you please read back my question</p> <p>16 (to the reporter).</p> <p>17 (The record was read as follows:</p> <p>18 "Q Does LTB have anything in writing</p> <p>19 identifying routine O&amp;M services.")</p> <p>20 THE WITNESS: I'm not familiar with anything that</p> <p>21 wouldn't be in this contract.</p> <p>22 Q. (BY MS. GALLAGHER) Okay. So other than</p> <p>23 information that appears in Plaintiff's Exhibit 555, you</p> <p>24 don't know whether LTB has anything in writing that defines</p> <p>25 routine O&amp;M services?</p>	<p>1 A. It indicates at the safety operating guidelines of</p> <p>2 Article 4. Health and environmental safety standards,</p> <p>3 compensations and payment, Article 5.</p> <p>4 Q. Okay. Hang on one second, sir. So you believe</p> <p>5 that Article 4 identifies routine O&amp;M services?</p> <p>6 A. Correct.</p> <p>7 Q. What's the -- what's the next spot?</p> <p>8 A. Compensation and Payment, Owner's Alternative</p> <p>9 Energy Systems and Production.</p> <p>10 Q. So you mean paragraph 5.1?</p> <p>11 A. 5.1. Limitations to Liability, 6.2, scope of</p> <p>12 identification.</p> <p>13 Q. I'm sorry. Was that Scope of Indemnification?</p> <p>14 A. Yes.</p> <p>15 Q. 6.1?</p> <p>16 A. 6.1. 5.4, Lease of Structural Components, 5.3</p> <p>17 Late Payment, 5.2 Rental Payments. 6.3 is insurers. 6.4</p> <p>18 has to do with gross negligence. 6.5 indicates the</p> <p>19 obligations to survivors, survivors of either party. The</p> <p>20 insurance required by the operator -- of the operator would</p> <p>21 be Workman's Compensation Insurance, comprehension liability</p> <p>22 coverage.</p> <p>23 In the -- in the event of how -- if there's a</p> <p>24 dispute on how these terms are mutually enforced or</p> <p>25 understood, it requires to go to a Force Majeure.</p>

Page 57	<p>1 Q. Sir, where are you?                  2 A. 8.1.                  3 Q. Okay. Let's just go with letting me know which                  4 paragraphs and the titles of those paragraphs right now.                  5 A. 8.2, Notice of Cooperation, that the parties shall                  6 be obligated on certain terms of cooperation.                  7 Q. Okay. Next.                  8 A. 9.1, terms of the agreement. 9.2, Termination by                  9 the Owner. 9.3, Termination by the Operator. "This                  10 Agreement may be terminated at any time."                  11 Q. Sir, just the -- just the paragraph number and the                  12 title, please.                  13 A. Okay. 9.4, the transition between operation --                  14 operators. Arbitration, 11.1. Representations of                  15 warranties by the owner, 12.1. Representative warranties by                  16 the operator, 12.2. The representation by the owner                  17 requires certain things to take place in order for the --                  18 the contract to be consummated.                  19 Q. Where are you looking, sir?                  20 A. 12.2.                  21 Q. Okay. You've already identified that one.                  22 A. That is where it identifies the requirement for                  23 certain things to be taken care of before this contract                  24 becomes binding.                  25 Q. Okay. And my question to you was --</p>	Page 59	<p>1 in that 2.1.2.                  2 Q. Has any owner of a lens ever requested additional                  3 services from LTB-LLC?                  4 A. No. There hasn't been any other addendums offer                  5 to the contracts at this time.                  6 Q. Has the owner of any lens ever requested                  7 additional services from LTB1-LLC?                  8 A. No, they have not.                  9 Q. Has the owner of any lens ever requested any                  10 additional services from LTB-O&amp;M?                  11 A. No, they have not.                  12 Q. Have any of the LTB entities ever engaged in                  13 additional services?                  14 A. No, they have not.                  15 Q. All right. Let's take a look, please, at                  16 paragraph 2.1.3 which says Transition Services. Do you see                  17 that?                  18 A. It is.                  19 Q. What are transition services?                  20 A. It would be the services in -- in response to any                  21 services that were not a additional part of the contract                  22 that they -- that either party would like to add to the                  23 contract other than what is designed in the contract.                  24 Q. And where, if at all, is the term transition                  25 services defined in Plaintiff's Exhibit 555?</p>
Page 58	<p>1 Could you read back the question (to the                  2 reporter).                  3 (The record was read as follows:                  4 "Q Is there any other place in this                  5 contract where routine O&amp;M services are identified                  6 or described?")                  7 MS. GALLAGHER: Other than what you just listed off.                  8 THE WITNESS: I do not believe that there is anything                  9 else associated with this contract that's been identified.                  10 Q. (BY MS. GALLAGHER) Have any of the LTB entities                  11 ever engaged in routine O&amp;M services?                  12 A. No, they have not.                  13 Q. Paragraph 2.1.2 identifies additional services.                  14 Do you see that?                  15 A. I do. It does.                  16 Q. What does additional services mean?                  17 A. It means that if there would be additional                  18 services that would want -- that they would want to be                  19 included in the contract, they would have to stipulate those                  20 by addendum at this point.                  21 Q. And who is "they," if "they" wanted something in                  22 the contract?                  23 A. Either -- either party. If either party wanted to                  24 reduce their obligation in some manner or expand their                  25 responsibilities in some manner, it would have to be listed</p>	Page 60	<p>1 A. I think it is in . . .                  2 (Peruses document.)                  3 I believe it's 3.1, and I believe that's where --                  4 where the normal procedure is for the transition, if there                  5 was, and that would then -- that would -- that would                  6 activate the contract.                  7 Q. Other than paragraph 3.1 of this contract, does                  8 LTB-LLC have anything in writing defining transition                  9 services?                  10 A. Not that -- not that I'm aware of.                  11 Q. Other than paragraph 3.1 of this contract, does                  12 LTB1-LLC have anything in writing defining transition                  13 services?                  14 A. Not that I'm aware of.                  15 Q. Other than paragraph 3.1 of this contract, does                  16 LTB-O&amp;M have anything in writing defining transition                  17 services?                  18 A. Not that I'm aware of.                  19 Q. Have any of these LTB entities ever engaged in                  20 transition services?                  21 A. Not that I'm aware of, no.                  22 Q. If you take a look, please, at paragraph 2.3.                  23 A. (Witness complies.)                  24 Q. The paragraph itself actually starts on the                  25 following page, which is 3645.</p>

Page 61

1 A. 2.3, yes. Okay.  
 2 Q. The first sentence of that paragraph is "The  
 3 Operator will perform the Work in accordance with the  
 4 standards of a reasonable and prudent operator in the state  
 5 wherein the Installation Site is located and in compliance  
 6 with the Safety and Operating Guidelines ("Guidelines")  
 7 provided by RaPower to Operator, except to the extent that a  
 8 reasonable and prudent operator would be unable, or would be  
 9 hindered in its ability, to perform such obligations."  
 10 Did I read that correctly?  
 11 A. Uh-huh. That is correct, yes.  
 12 Q. Where can I find the Safety and Operating  
 13 Guidelines provided by RaPower?  
 14 A. I don't believe that RaPower has ever provided  
 15 those documents to anybody, but this statement does not --  
 16 does not bind RaPower to this contract. RaPower is not a  
 17 signature and is not required to provide this information  
 18 from a legal -- without a -- without a contract from RaPower  
 19 to the operating company. So, evidently, this -- this is --  
 20 there is -- there is a misrepresentation as to the power of  
 21 the relationship between RaPower and the operator and needs  
 22 to be corrected.  
 23 MS. GALLAGHER: Could you read back my question, please  
 24 (to the reporter).  
 25 (The record was read as follows:

Page 62

1 "Q Where can I find the Safety and  
 2 Operating Guidelines provided by RaPower?")  
 3 MS. GALLAGHER: I just -- it's okay.  
 4 THE WITNESS: RaPower doesn't do that.  
 5 MS. GALLAGHER: I just wanted to know what the question  
 6 was.  
 7 Q. (BY MS. GALLAGHER) Okay. So has -- does RaPower  
 8 have Safety and Operating Guidelines?  
 9 A. RaPower is not involved in the operation or  
 10 maintenance of the product. Neither does it guarantee or  
 11 warrant to the customer that it would do any -- facilitating  
 12 any operation and maintenance of the -- of the operation of  
 13 the performance of their product.  
 14 Q. Object to the responsiveness of the answer.  
 15 Mr. Johnson, I'm asking for a yes or a no.  
 16 A. Okay.  
 17 MS. GALLAGHER: Please repeat the question (to the  
 18 reporter).  
 19 (The record was read as follows:  
 20 "Q Okay. So has -- does RaPower have  
 21 Safety and Operating Guidelines?")  
 22 THE WITNESS: It does not.  
 23 Q. (BY MS. GALLAGHER) Does any entity or person have  
 24 these Safety and Operating Guidelines?  
 25 A. At this time they do not.

Page 63

1 Q. Why not?  
 2 A. There hasn't been a need to have them. When --  
 3 when there is a need, there's a constant update on the  
 4 requirements of safety guidelines that are released on a  
 5 yearly basis from the OSHA and other government agencies.  
 6 It would be impossible to -- to have those in a contract  
 7 basis and would have to be on an individual basis and would  
 8 have to be updated constantly from the regulatory agencies  
 9 involved in the -- in maintaining and oversight overseeing  
 10 the legal responsibility of the company to maintain those  
 11 documents.  
 12 Q. So, Mr. Johnson, there has not been a need to  
 13 draft Safety and Operating Guidelines to date; is that  
 14 correct?  
 15 A. And that is correct. And they would -- they would  
 16 be conditional on -- on each contract depending upon the day  
 17 and the regulatory agency's information on the date that  
 18 they were given responsibility to operate and maintain the  
 19 power plant.  
 20 Q. Object to responsiveness after "that is correct."  
 21 A. Sorry.  
 22 Q. Let's take a look, please, at -- actually,  
 23 withdraw that.  
 24 Mr. Johnson, are there any written safety  
 25 guidelines at all for any of the projects that your entities

Page 64

1 are undertaking?  
 2 A. Not until they are totally consummated by the  
 3 contract in receiving any -- anyone's particular energy  
 4 producing equipment.  
 5 Q. Once again, sir, I'm asking for a yes or no, so  
 6 please listen to the questions. She's gonna read it back.  
 7 A. Sorry.  
 8 Q. And say yes or no.  
 9 (The record was read as follows:  
 10 "Q Mr. Johnson, are there any written  
 11 safety guidelines at all for any of the projects  
 12 that your entities are undertaking?")  
 13 THE WITNESS: Not as it relates to LT -- the entity  
 14 that I'm representing today; right?  
 15 MS. GALLAGHER: Sir, that's not my question. Please  
 16 listen to the question --  
 17 THE WITNESS: Well, I can only --  
 18 MS. GALLAGHER: -- and answer the question.  
 19 THE WITNESS: I can only state what's -- what's  
 20 available to LTB. LTB would not know what's in any other  
 21 company's operating and maintenance and safety. All it  
 22 would -- all it would understand is what it has as an  
 23 individual company. Now, is that what you're asking?  
 24 MS. GALLAGHER: Can we go off the record for a moment.  
 25 (Discussion held off the record.)

Page 65	Page 67
<p>1 MS. GALLAGHER: Please read back (to the reporter).                  2 (The record was read as follows:                  3 "Q Mr. Johnson, are there any written                  4 safety guidelines at all for any of the projects                  5 that your entities are undertaking?")                  6 THE WITNESS: Yes.                  7 Q. (BY MS. GALLAGHER) Where are those safety                  8 guidelines?                  9 A. For the -- for the company of International                  10 Automated Systems they are located at the headquarters of                  11 International Automated Systems.                  12 Q. What's the address of that headquarters?                  13 A. I think right now it's 2730 West 4000 South,                  14 Oasis, Utah.                  15 Q. Okay.                  16 A. If you're talking about the RaPower3, those safety                  17 guidelines are at the headquarters of RaPower3.                  18 Q. Which is where?                  19 A. Which is 2730 West 4000 South, Oasis, Utah. If                  20 you're talking about the company called Cobblestone Center,                  21 LLC, they are located at the headquarters of Cobblestone                  22 Center, LLC.                  23 Q. Which is where?                  24 A. Which is at 2730 West 4000 South. If you're                  25 talking about the companies LTB1, they -- they are no longer</p>	<p>1 that that's what he was referring to when he took me out.                  2 Q. And what did your attorney talk to you about?                  3 A. He just told me that what was meant by the                  4 operating guidelines, safety operating guidelines, what he                  5 felt they would be what you're referring to.                  6 Q. And what did he tell you he thought they were?                  7 A. He was saying that if you have -- what do you use                  8 to train your people when they come to work on the various                  9 types of equipment they might be involved with. What we                  10 have is a training package from some computer, I guess,                  11 safety company that represents that they qualify for OSHA's                  12 requirements on all of the different types of equipment and                  13 safety regulations, including what happens in a fire and                  14 what happens if you -- and how to -- how to maintain safety.                  15 That is a shared component. Every employee that                  16 works for us, it takes one full day for them to go through                  17 the entire safety program. And then there are training --                  18 separate training mechanisms for forklifts. And to get the                  19 right training for cranes, they have a -- we have a training                  20 program for cranes, for backhoes, and for whatever equipment                  21 that we might be using at the time. And we have all of that                  22 available to all -- all the companies that operate within in                  23 that area, so -- so there you go. That's what that is. And                  24 it's been validated by OSHA twice.                  25 Q. Are there any such instructional or safety</p>
Page 66	Page 68
<p>1 in existence. If you're talking about LTB, they are no                  2 longer in existence. If you're talking about LTB1 or                  3 LTB-O&amp;M, those are at -- are -- there's not a headquarters                  4 at this time for -- for LTB-O&amp;M.                  5 Q. So if --                  6 A. So they do not have any operation or                  7 maintenance -- safety maintenance contract -- or information                  8 at this time.                  9 Q. All right.                  10 MR. PAUL: Could we take a quick break?                  11 MS. GALLAGHER: We can go off the record.                  12 (Sixty-four minute recess taken.)                  13 Q. (BY MS. GALLAGHER) Mr. Johnson, we're back after a                  14 lunch break. Did you talk to anybody about the facts of                  15 this case on the lunch break?                  16 A. I did.                  17 Q. What did you talk about?                  18 A. He told me the definition of a safety and                  19 operating guidelines.                  20 Q. And when you say he, you're talking about --                  21 A. I'm talking about my attorney, Steven Paul.                  22 Q. And you're looking at your attorney's notes when                  23 you are talking about --                  24 A. Well, I just -- I couldn't remember the exact word                  25 he used, so I just wanted to make sure that you understood</p>	<p>1 guidelines specifically for the solar energy technology                  2 that's at issue in this case?                  3 A. Yes, there is.                  4 Q. What do you have for that?                  5 A. Well, it's how to be safe in -- in installing                  6 and -- and being careful around the products and what --                  7 what to do in -- where there's electric generator being                  8 produced and what to do and -- and how to be safe and how to                  9 do the lockout tags and all the safety requirements that go                  10 with covering all of your electrical wiring and how to                  11 protect that from -- and being safe and make sure you have                  12 the proper grounding and the proper safeguards on all the                  13 grounding. We have all of that. All the safety, you know,                  14 the circuit breakers that are designed for monitoring the                  15 grounds on all the equipment.                  16 Q. Okay. So, Mr. Johnson, if you have something that                  17 is referred to in this contract as Safety and Operating                  18 Guidelines, will you produce it to the United States?                  19 A. Sure. We'll just copy it off and have you get a                  20 copy of it.                  21 Q. Great. Did you talk with anyone else about any                  22 other facts related to this case?                  23 A. No, we didn't.                  24 Q. Are there any other answers to my --                  25 A. We talked about Tesla.</p>

Page 69	Page 71
<p>1 Q. Are there any other answers to my questions that                  2 you would like to supplement or clarify?                  3 A. No. That's fine. That's just -- that's just what                  4 he went over. And I wasn't positive on exactly what it                  5 meant, so I'm glad he took the time to do that.                  6 Q. And we're still looking at Plaintiff's Exhibit                  7 2 -- no. Sorry. We're still looking at Plaintiff's Exhibit                  8 555.                  9 A. Okay.                  10 Q. Please take a look at paragraph 2.5, Governmental                  11 Approvals.                  12 A. Okay.                  13 Q. Has LTB ever obtained any government approvals                  14 identified in paragraph 2.5?                  15 A. No, they haven't.                  16 Q. Has LTB1 ever obtained any governmental approvals                  17 identified in paragraph 2.5?                  18 A. No, they haven't.                  19 Q. Has LTB-O&amp;M ever obtained any governmental                  20 approvals identified in paragraph 2.5?                  21 A. No, they haven't.                  22 Q. Okay. Let's take a look at Article 5, please,                  23 which is on the page ending in 3647. That's where it                  24 starts.                  25 A. Okay.</p>	<p>1 A. No, they have not.                  2 Q. Has LTB1 received any revenue from the use or sale                  3 of electric power?                  4 A. No, they have not.                  5 Q. Has LTB-O&amp;M received any revenue from the use or                  6 sale of thermal energy?                  7 A. No, they have not.                  8 Q. Has LTB-O&amp;M received any revenue from the use or                  9 sale of electric power?                  10 A. No, they have not. Did I answer all of them?                  11 Q. We're good.                  12 A. Okay. Good.                  13 Q. Take a look, please, at paragraph 5.2 which is                  14 called Rental Payment. Do you see that?                  15 A. Yeah, I do.                  16 Q. Please read that quietly to yourself.                  17 A. Okay. I'm done.                  18 Q. All right. The first sentence of paragraph 5.2                  19 says "Once the Owner's Alternative Energy Systems are                  20 installed and producing revenue, then at the end of each                  21 quarter a rental payment will be due and owing from Operator                  22 to Owner."                  23 Did I read that correctly?                  24 A. That's correct.                  25 Q. Has LTB-LLC ever made a rental payment to any</p>
Page 70	Page 72
<p>1 Q. So Article 5 is entitled Compensation and Payment;                  2 correct?                  3 A. Okay.                  4 Q. Paragraph 5.1 is called Owner's Alternative Energy                  5 System or Systems Production. Do you see that?                  6 A. Yes, I do.                  7 Q. Would you go ahead and please read the paragraph                  8 under 5.1 quietly to yourself.                  9 A. Okay.                  10 Q. Let me know when you're done.                  11 A. I'm done. Okay.                  12 Q. The last clause of that paragraph says "Operator                  13 shall be entitled to receive all revenue from the use or                  14 sale of thermal energy or electric power generating using                  15 the Alternative Energy Systems." Did I read that correctly?                  16 A. Uh-huh.                  17 Q. "Yes?"                  18 A. Yes.                  19 Q. Has LTB received any revenue from the use or sale                  20 of thermal energy?                  21 A. No, they have not.                  22 Q. Has LTB received any revenue from electric power?                  23 A. No, they have not.                  24 Q. Has LTB1 received any revenue from the use or sale                  25 of thermal energy?</p>	<p>1 owner?                  2 A. No, they have not.                  3 Q. Has LTB1-LLC ever made a rental payment to any                  4 owner?                  5 A. No.                  6 Q. Has LTB-O&amp;M ever made a rental payment to any                  7 owner?                  8 A. No.                  9 Q. Does LTB-O&amp;M have any plans for how it would track                  10 which lens belongs to which owner?                  11 A. LTB doesn't have any programs whatsoever at this                  12 point in time to do any kind of tracking or any kind of                  13 monitoring of anybody's units in particular, but that                  14 isn't -- but that's not valuable. It doesn't make -- it                  15 doesn't make any sense, according to the contract, to do                  16 that.                  17 MS. GALLAGHER: Would you read back my question, please                  18 (to the reporter).                  19 (The record was read as follows:                  20 "Q Does LTB-O&amp;M have any plans for how it                  21 would track which lens belongs to which owner?")                  22 THE WITNESS: I'm sorry. No. The answer's, I think,                  23 no.                  24 MS. GALLAGHER: Let's go ahead and read back the                  25 question --</p>

Page 73	Page 75
<p>1 THE WITNESS: All right.</p> <p>2 MS. GALLAGHER: -- and please give the answer.</p> <p>3 THE WITNESS: All right.</p> <p>4 (The record was read as follows:</p> <p>5 "Q Does LTB-O&amp;M have any plans for how it</p> <p>6 would track which lens belongs to which owner?")</p> <p>7 THE WITNESS: Yeah, and the answer would be not at this</p> <p>8 time.</p> <p>9 Q. (BY MS. GALLAGHER) Has LTB-LLC ever tracked which</p> <p>10 lens belongs to which owner?</p> <p>11 A. No, they have not.</p> <p>12 Q. Has LTB1 ever tracked which lens belongs to which</p> <p>13 owner?</p> <p>14 A. No, they have not.</p> <p>15 Q. Has LTB ever made a payment to any owner for using</p> <p>16 a lens for advertising purposes?</p> <p>17 A. No, they have not.</p> <p>18 MS. GALLAGHER: Could you read back my question (to the</p> <p>19 reporter).</p> <p>20 (The record was read as follows:</p> <p>21 "Q Has LTB ever made a payment to any owner</p> <p>22 for using a lens for advertising purposes?")</p> <p>23 Q. (BY MS. GALLAGHER) Okay. Has LTB1 ever made a</p> <p>24 payment for using any lens for advertising purposes?</p> <p>25 A. No, they have not.</p>	<p>1 Q. Paragraph 7.1.</p> <p>2 A. Okay.</p> <p>3 Q. Entitled Insurance Required of the Operator. Do</p> <p>4 you see that?</p> <p>5 A. I do.</p> <p>6 Q. Has LTB-LLC ever obtained the insurance identified</p> <p>7 in paragraph 7.1?</p> <p>8 A. No.</p> <p>9 Q. Has LTB1 ever obtained the insurance identified in</p> <p>10 paragraph 7.1?</p> <p>11 A. No.</p> <p>12 Q. Has LTB-O&amp;M ever obtained the insurance identified</p> <p>13 in 7.1?</p> <p>14 A. No.</p> <p>15 Q. Has any person who has purchased a lens ever</p> <p>16 contacted LTB-LLC?</p> <p>17 A. No.</p> <p>18 Q. Has any person who has purchased a lens ever</p> <p>19 contacted LTB1-LLC?</p> <p>20 A. No.</p> <p>21 Q. Has any person who has purchased a lens ever</p> <p>22 contacted LTB-O&amp;M?</p> <p>23 A. No. Well, excuse me. Other than, perhaps, Greg</p> <p>24 Shepard. Shepard might have hired someone.</p> <p>25 Q. Do you know whether it was any one particular LTB</p>
Page 74	Page 76
<p>1 Q. Has LTB-O&amp;M ever made any payment for using a lens</p> <p>2 for advertising purposes?</p> <p>3 A. No, they have not.</p> <p>4 Q. Has LTB ever made a payment for the use of any</p> <p>5 lens in research and development?</p> <p>6 A. No, they have not.</p> <p>7 Q. Has LTB1 ever made any payment for the use of a</p> <p>8 lens in research and development?</p> <p>9 A. No, they have not.</p> <p>10 Q. Has LTB-O&amp;M ever made a payment for the use of any</p> <p>11 lens in research and development?</p> <p>12 A. No, they have not.</p> <p>13 Q. Has LTB made any payment for the use of a lens to</p> <p>14 generate heat?</p> <p>15 A. No, they have not.</p> <p>16 Q. Has LTB1 ever made any payment for the use of a</p> <p>17 lens to generate heat?</p> <p>18 A. No, they have not.</p> <p>19 Q. Has LTB O&amp;M ever made any payment for the use of a</p> <p>20 lens to generate heat?</p> <p>21 A. No, they have not.</p> <p>22 Q. Please take a look at the page marked 3650,</p> <p>23 paragraph 7.1.</p> <p>24 A. (Witness complies.)</p> <p>25 Okay. What paragraph?</p>	<p>1 entity that Mr. Shepard may have contacted?</p> <p>2 A. He should have contacted all of them. I don't</p> <p>3 know.</p> <p>4 Q. Do you recall what Mr. Shepard reached out for?</p> <p>5 A. I don't. I don't recall, but he probably had</p> <p>6 talked to those people.</p> <p>7 Q. Who are those people?</p> <p>8 A. I mean just myself, you know, about LTB or</p> <p>9 whatever.</p> <p>10 Q. Did he ask you questions about LTB?</p> <p>11 A. I suppose he might have done. I'm not sure what</p> <p>12 the questions were. I don't recall the conversation. But</p> <p>13 I'm sure that the conversation would have existed. If you</p> <p>14 go talk to him, he would -- he's probably got a better</p> <p>15 memory than I do, but I don't know.</p> <p>16 Q. Okay. But to your recollection, you've had</p> <p>17 conversations with Greg Shepard about one or more of the LTB</p> <p>18 entities?</p> <p>19 A. That's correct.</p> <p>20 Q. Okay. Did Mr. Shepard ever ask about LTB-LLC's,</p> <p>21 experience with operating and maintaining solar energy</p> <p>22 equipment?</p> <p>23 A. No. Not that I know of.</p> <p>24 Q. Has any other customer asked LTB about its</p> <p>25 experience operating and maintaining solar equipment?</p>

Page 77	Page 79
<p>1 A. Not that I know of.</p> <p>2 Q. Did Mr. Shepard ever ask about LTB1's experience</p> <p>3 operating and maintaining solar energy equipment?</p> <p>4 A. Not that I know of.</p> <p>5 Q. Has any other customer contacted LTB1 about its</p> <p>6 experience operating and maintaining solar lenses?</p> <p>7 A. Not that I'm aware of.</p> <p>8 Q. Did Mr. Shepard ever contact LTB-O&amp;M about its</p> <p>9 experience operating and maintaining solar energy equipment?</p> <p>10 A. Not that I'm aware of.</p> <p>11 Q. Has any other customer contacted LTB-O&amp;M with</p> <p>12 respect to its experience operating and maintaining solar</p> <p>13 lenses?</p> <p>14 A. Not that I'm aware of.</p> <p>15 Q. To your knowledge, Mr. Johnson, has Mr. Shepard</p> <p>16 ever signed any operation and maintenance agreements?</p> <p>17 A. Yes, he has, and I think -- I think the one you</p> <p>18 showed me.</p> <p>19 Q. Let me ask a different question. Has Mr. Shepard</p> <p>20 ever signed an operation and maintenance agreement on behalf</p> <p>21 of any LTB entity?</p> <p>22 A. Okay. I'm a little confused on your question.</p> <p>23 I'm not sure what you mean.</p> <p>24 Q. My question is does Mr. Shepard have the authority</p> <p>25 to sign an operation and maintenance agreement --</p>	<p>1 Q. Have you three always been the owners of Solco1?</p> <p>2 A. I'm not positive about that.</p> <p>3 Q. If there have been other owners of Solco1, who</p> <p>4 might they have been?</p> <p>5 A. Roger Hamblin possibly.</p> <p>6 MR. PAUL: Are you saying Silco1 or Solco?</p> <p>7 MS. GALLAGHER: S-o-l-c-o.</p> <p>8 THE WITNESS: And a 1. Just the number 1.</p> <p>9 But as far as I know, that's the only person that</p> <p>10 may have had any ownership in Solco1, but I don't believe he</p> <p>11 has any at the present time.</p> <p>12 Q. (BY MS. GALLAGHER) Do you recall when Mr. Hamblin</p> <p>13 may have had some ownership in Solco1?</p> <p>14 A. It probably would have been around -- I don't know</p> <p>15 exactly when it would have been. 2010, possibly, but I'm</p> <p>16 not sure on that.</p> <p>17 Q. Only in 2010 or did it span some years?</p> <p>18 A. It would have been just between 2010 and 2012. It</p> <p>19 wouldn't have been beyond that.</p> <p>20 Q. During 2010 to 2012, was Mr. Hamblin the only</p> <p>21 owner of Solco1?</p> <p>22 A. No. They still would have been owned by LeGrand</p> <p>23 Johnson and Randell Johnson. Most of the ownership is in</p> <p>24 their hands. Roger would have never owned more than 10</p> <p>25 percent.</p>
Page 78	Page 80
<p>1 A. Oh, no.</p> <p>2 Q. Let me -- I'll finish the question.</p> <p>3 A. Oh. Sorry.</p> <p>4 Q. Does Mr. Shepard have the authority to sign an</p> <p>5 operation and maintenance agreement on behalf of any LTB</p> <p>6 entity?</p> <p>7 A. No, he does not.</p> <p>8 Q. To your knowledge, has he ever done that?</p> <p>9 A. Not to my knowledge, no.</p> <p>10 Q. Has anyone ever notified any LTB entity of a</p> <p>11 breach of contract?</p> <p>12 A. Not that I'm aware of.</p> <p>13 Q. Does any LTB entity have any obligations</p> <p>14 outstanding under any operation and maintenance agreement</p> <p>15 that's entered to date?</p> <p>16 A. Not that I'm aware of.</p> <p>17 Q. Would anyone else know, other than you, if there</p> <p>18 were such an obligation?</p> <p>19 A. I'm not sure. I -- I don't know how they would</p> <p>20 know if I didn't know, but it's a possibility that someone</p> <p>21 might know. But I don't have any way of knowing that.</p> <p>22 Q. And, Mr. Johnson, who -- who is it that owns</p> <p>23 Solco1?</p> <p>24 A. Oh. It's myself and my two children, LeGrand and</p> <p>25 Randell, I believe, Johnson.</p>	<p>1 Q. At the time when LeGrand Johnson, Randell Johnson,</p> <p>2 and Roger Hamblin may have been the owners of Solco1, were</p> <p>3 you also an owner of Solco1?</p> <p>4 A. I don't believe so.</p> <p>5 Q. Okay. Other than you, LeGrand Johnson, Randell</p> <p>6 Johnson and Roger Hamblin, to your recollection, are there</p> <p>7 any other owners of Solco1 at any time?</p> <p>8 A. Not to my recollection. I'm not even sure of</p> <p>9 those owners, but if there is, that's who they would be.</p> <p>10 (Exhibit 556 marked.)</p> <p>11 Q. (BY MS. GALLAGHER) Okay. Please take a look at</p> <p>12 Plaintiff's 556.</p> <p>13 A. Okay.</p> <p>14 Q. Which was Bates marked Jameson 22989.</p> <p>15 Oh. Sorry.</p> <p>16 (Document handed to Mr. Paul.)</p> <p>17 MR. PAUL: Thank you.</p> <p>18 MS. GALLAGHER: Sorry.</p> <p>19 Q. (BY MS. GALLAGHER) This email appears to be from</p> <p>20 Greg Shepard. Do you see that?</p> <p>21 A. Yes, I do.</p> <p>22 Q. Dated November 26, 2013; right?</p> <p>23 A. That is correct.</p> <p>24 Q. Okay. Take a look, please, at the second sentence</p> <p>25 of this email which says "LTB-LLC, the RaPower3 Operating</p>

<p style="text-align: right;">Page 81</p> <p>1 company, is considering using the solar lenses they are  2 renting from RaPower3 Team Members to provide heat to  3 distill water in massive amounts to relieve drought  4 conditions and to provide water for greenhouses."  5 Do you have any idea where Mr. Shepard might have  6 gotten this information?  7 A. No. But he could have been talking to other  8 people about doing this and asking me if I would consider,  9 you know, operating the system for that purpose. But I have  10 never been approached personally by anyone suggesting this  11 type of an operation.  12 Q. So it sounds like Mr. Shepard talked to you about  13 this kind of idea.  14 A. Not that I remember. I -- I just would have -- if  15 he would have -- if he would have been consulting me, I  16 doubt very much he would have put it in an email. I don't  17 know. But I don't remember ever seeing this or having  18 really talked about it at all.  19 Q. So --  20 A. He may have done, but I just don't recall it.  21 Q. I just want to understand a little bit about what  22 you just said. So is it your belief that if Mr. Shepard put  23 this in an email, he probably had talked to you about it?  24 A. If he would have talked to me about it, I would  25 have told him that didn't make any sense.</p>	<p style="text-align: right;">Page 83</p> <p>1 you would not be interested in.  2 Q. Can you do it in 30 seconds?  3 A. Okay. Yes. The turbine makes clean water at a  4 much higher rate than this does. We use two processes, what  5 they call vapor compression and the turbine itself where I  6 utilize almost 90 percent of the energy for the purpose of  7 making water and for the purpose of making electricity which  8 makes a lot more economic sense, where the turbine would do  9 the -- more efficient than the system you would have to buy  10 in replacement turbine. It'll be more expensive.  11 Q. I see. Okay. So then what Mr. Shepard is  12 describing in this email --  13 A. Foolish operation. No, I'm just kidding  14 (laughing). I'm sorry. I just couldn't resist that.  15 Q. So what Mr. Shepard is describing in this email is  16 a different system than how you would use your turbine to  17 produce clean water?  18 A. That's correct, yeah. I would -- I would have  19 first smiled and then I will bite my tongue.  20 (Exhibit 557 marked.)  21 Q. (BY MS. GALLAGHER) So take a look, please, at  22 Plaintiff's Exhibit 557 Bates marked Greg_P&amp;R-1251. The  23 first paragraph under "See attached photo" says -- well,  24 I'll just read the whole thing. This is an email from Greg  25 Shepard; correct?</p>
<p style="text-align: right;">Page 82</p> <p>1 Q. Uh-huh.  2 A. Not because it wouldn't do that, but because it  3 wasn't -- wouldn't be economically feasible to make money in  4 doing that. And do you want me to tell you why or do you --  5 is that all you want to know?  6 Q. That's good for right now.  7 A. Okay.  8 Q. So then in or around November 2013, was LTB  9 considering using the solar lenses in this manner?  10 A. No, and I just explained why it wouldn't. To me  11 it wouldn't -- there would be to -- a system like this would  12 not provide water at a price that you could, in my  13 estimation, would make this profitable. Of course, it's not  14 profitable making electricity either, so I guess it doesn't  15 matter. I don't know.  16 But I wouldn't have never done it because -- do  17 you want the full answer or not? I mean, I really don't  18 care (laughing).  19 Q. Well, my question to you, Mr. Johnson, is if  20 Mr. Shepard had brought this idea to you, would you have  21 shared with him that it was not something that you would be  22 interested in doing?  23 A. Yes. And if you want the explanation I would have  24 gave him, I'll give it to you. But if you're not  25 interested, I'm not going to bore you with something that</p>	<p style="text-align: right;">Page 84</p> <p>1 A. I've never seen this before, but yeah. I can see,  2 yeah.  3 Q. And this is sent on or about November 25th, 2013;  4 yes?  5 A. Yes, uh-huh.  6 Q. And the email starts "See attached photo.  7 Five-acre Frito Lay Concentrated Solar Plant that produces  8 heat, but not electricity for their business. LTB-LLC, the  9 RaPower3 Operating company, is considering using the solar  10 lenses they are renting from RaPower3 Team Members to  11 provide heat and water for crop production and the  12 greenhouses."  13 Did I read that -- those sentence correctly?  14 A. Yes, you did.  15 Q. In or around November 2013, was LTB considering  16 using the lenses to provide heat to greenhouses?  17 A. Well, let me explain. I should have explained  18 this before, and I just didn't think about it. The people  19 who buy the lenses can take their lenses and do whatever  20 they choose with them. I don't have control over that. If  21 they were to come and say I want to do this, then I could  22 accommodate them in providing a means for them to do it, but  23 I would -- I would have suggested that it probably wouldn't  24 be the most beneficial way of using that heat. But they are  25 entitled by the contract, they can, if they choose to, do</p>

Page 85

1 whatever they choose to do with their lenses.  
 2 So I apologize for not making that clear. But  
 3 they weren't -- they didn't approach me with this concept,  
 4 if that's what you were asking.  
 5 MS. GALLAGHER: Could you read back my question, please  
 6 (to the reporter).  
 7 (The record was read as follows:  
 8 "Q In or around November 2013, was LTB  
 9 considering using the lens to provide heat to  
 10 greenhouses?")  
 11 THE WITNESS: The answer would be no.  
 12 Q. (BY MS. GALLAGHER) Did you ever tell Mr. Shepard  
 13 that LTB was considering using solar lenses to provide heat  
 14 to greenhouses?  
 15 A. I did not. No. Wait a minute. Now, let me  
 16 explain this; okay? The turbine itself, okay, after the --  
 17 after the heat has -- or the water has produced the turbine  
 18 to create electricity, there is -- there is still about a  
 19 200 degree, approximately, heat that needs to be recondensed  
 20 to make it come back to water. In that frame I have  
 21 indicated that that heat could be used as an additional  
 22 resource to heat a building after it's produced electricity.  
 23 After it's cleaned the water, actually.  
 24 After you put salt water through the system, the  
 25 turbine has then removed all of the particles that would

Page 86

1 contaminate the water and, in the cooling process of that  
 2 water, that heat could be used for other processes such as  
 3 heating domestic water, heating domestic houses, heating  
 4 greenhouses or -- or french fries or potato chips or  
 5 whatever. Onions, whatever you want to use it for. But it  
 6 would be after the use of it producing power.  
 7 MS. GALLAGHER: Would you read back my question, please  
 8 (to the reporter).  
 9 (The record was read as follows:  
 10 "Q Did you ever tell Mr. Shepard that LTB  
 11 was considering using solar lenses to provide heat  
 12 to greenhouses?")  
 13 MS. GALLAGHER: So I'm gonna object to the  
 14 responsiveness of the answer after "No, I did not."  
 15 THE WITNESS: Okay. I don't know how to answer that  
 16 without making it confusing.  
 17 MS. GALLAGHER: There's no -- there's no question  
 18 pending.  
 19 THE WITNESS: Oh. I'm sorry.  
 20 Q. (BY MS. GALLAGHER) Mr. Johnson, did you ever tell  
 21 Mr. Shepard that LTB was paying rental payments to any  
 22 person?  
 23 A. No.  
 24 Q. Did you ever tell Mr. Shepard that LTB1 was making  
 25 rental payments to any person?

Page 87

1 A. No.  
 2 Q. Have you ever told Mr. Shepard that LTB-O&M is  
 3 making rental payments to any person?  
 4 A. No.  
 5 Q. Has he ever asked you?  
 6 A. No.  
 7 Q. Have you ever talked about why any LTB entity may  
 8 not have made rental payments to any person?  
 9 A. No.  
 10 Q. You -- I believe you said earlier that the  
 11 purchaser of a lens is entitled to do whatever that person  
 12 wants with the lens.  
 13 A. That's correct.  
 14 Q. To your knowledge, has anyone ever purchased a  
 15 lens -- I'll withdraw that.  
 16 To your knowledge, has anyone ever purchased a  
 17 lens and then come to pick up that lens?  
 18 A. There may have been one, but there wouldn't -- it  
 19 wouldn't have been a normal thing to do. But there may have  
 20 been one or two that did that.  
 21 Q. So less than five people?  
 22 A. Oh, yes. I would -- I would assume it would be  
 23 less than that, if they had even that many, but I don't  
 24 know. But there may have been, but I don't know who they  
 25 would be or if they did or not.

Page 88

1 Q. You don't remember their names?  
 2 A. I don't even remember if they did. I was just  
 3 saying it was a possibility that someone did, but I don't  
 4 know.  
 5 Q. So it may not have happened at all?  
 6 A. Correct. I just don't know.  
 7 Q. Has LTB ever made a payment for the use of any  
 8 lens simply to generate heat?  
 9 A. No, they have not.  
 10 Q. Has LTB1 ever made a payment for the use of a lens  
 11 to generate heat?  
 12 A. No, they have not.  
 13 Q. Has LTB-O&M ever made any payment for the use of a  
 14 lens to generate heat?  
 15 A. No, they have not. Just heat by themselves;  
 16 right? Not making electricity; right? Well, LTB hasn't  
 17 done that, so never mind. Pardon me.  
 18 Q. I'm showing you what's previously been marked  
 19 Plaintiff's Exhibit 341. Please take a look at that email,  
 20 read it, and let me know when you're done. For the record,  
 21 341 is Bates marked Greg\_P&R-1787.  
 22 A. (Peruses document.)  
 23 Okay.  
 24 Q. I'd like to draw your attention, please, to the  
 25 paragraph that starts Rental Payments. Do you see that

Page 89	Page 91
<p>1 paragraph?</p> <p>2 A. Right.</p> <p>3 Q. It says "Fabulous news. You purchased your lens</p> <p>4 from RaPower3. Then you rented them from LTB-LLC. Then</p> <p>5 LTB-LLC found a place to use them. IAS wanted to use them</p> <p>6 for their R&amp;D program. IAS has used them since 2010."</p> <p>7 Did I read that correctly?</p> <p>8 A. Yes.</p> <p>9 Q. Has LTB used any lenses for IAS's R&amp;D program?</p> <p>10 A. If you're asking me if I understand this</p> <p>11 statement, I do not. I don't know what he's referring to.</p> <p>12 But I've already said that LTB has not made any payment at</p> <p>13 all, but this -- these don't make -- to me I don't even know</p> <p>14 what he's talking about here, so I don't understand what</p> <p>15 he'd even be doing.</p> <p>16 Q. Okay. So you don't know what Mr. Shepard is</p> <p>17 talking about in the paragraph that is headed Rental</p> <p>18 Payments?</p> <p>19 A. No. The contracts speak for themselves.</p> <p>20 Q. The next paragraph says "Therefore, your rental</p> <p>21 payments began to accrue back then. Let's say you purchased</p> <p>22 10 lenses in 2010 or earlier. I'm 99.5 percent sure you</p> <p>23 will start receiving rental payments this year, so at \$150</p> <p>24 per lens per year you'd get \$750 for 2010, \$750 also for</p> <p>25 2011, 2012, 2013, and possibly 2014. That would add up to</p>	<p>1 produce clean drinking water?</p> <p>2 A. No, they have not.</p> <p>3 Q. Has LTB-LLC ever produced any electricity?</p> <p>4 A. No, they have not.</p> <p>5 Q. Has LTB1-LLC ever produced any electricity?</p> <p>6 A. No, they have not.</p> <p>7 Q. Has LTB-O&amp;M ever produced any electricity?</p> <p>8 A. No, they have not.</p> <p>9 Q. Showing you, sir, what's been marked Plaintiff's</p> <p>10 Exhibit 121.</p> <p>11 And you should have a copy of this one (to</p> <p>12 Mr. Paul).</p> <p>13 Please take a look back through Plaintiff's</p> <p>14 Exhibit 121 --</p> <p>15 A. Okay.</p> <p>16 Q. -- and let me know when you're done.</p> <p>17 A. I'm done.</p> <p>18 Q. This is an operation maintenance agreement that</p> <p>19 says, in the first paragraph, it is between LTB-LLC and</p> <p>20 Preston Olsen. Do you see that?</p> <p>21 A. I do.</p> <p>22 Q. This operation and maintenance agreement is in a</p> <p>23 little bit of a different format than the 2008 operation and</p> <p>24 maintenance agreement that we looked at earlier today, but</p> <p>25 do you recognize Plaintiff's Exhibit 121 as, generally, the</p>
Page 90	Page 92
<p>1 \$3,750 this year."</p> <p>2 Did I read that correctly?</p> <p>3 A. Correct.</p> <p>4 Q. Do you have any idea what Mr. Shepard's talking</p> <p>5 about here?</p> <p>6 A. I do not.</p> <p>7 Q. Did you authorize him to make this statement about</p> <p>8 past rental payments accruing starting in 2010?</p> <p>9 A. I've never had this conversation with him at all.</p> <p>10 I do not know what it is. The contracts, again, speak for</p> <p>11 themselves.</p> <p>12 Q. Have you ever had any intention to pay rental</p> <p>13 payments retroactively?</p> <p>14 A. No, I do not.</p> <p>15 Q. If the owner of the lens demanded retroactive</p> <p>16 rental payments from any entity that you're in charge of,</p> <p>17 what would you do?</p> <p>18 A. I just refer them to the contract.</p> <p>19 Q. Has LTB-LLC ever negotiated any contract for the</p> <p>20 production of clean drinking water?</p> <p>21 A. No, they have not.</p> <p>22 Q. Has LTB1-LLC ever negotiated any contract to</p> <p>23 produce clean drinking water?</p> <p>24 A. No.</p> <p>25 Q. Has LTB-O&amp;M ever negotiated any contract to</p>	<p>1 operation and maintenance agreement in effect in or around</p> <p>2 2016?</p> <p>3 A. Right.</p> <p>4 Q. "Yes?"</p> <p>5 A. Yes, I do.</p> <p>6 Q. Okay.</p> <p>7 (Exhibit 558 marked.)</p> <p>8 Q. (BY MS. GALLAGHER) Please take a look at</p> <p>9 Plaintiff's Exhibit 558 and let me know when you're done.</p> <p>10 A. I'm done.</p> <p>11 Q. Bates number is Jameson 5174. Do you recognize</p> <p>12 Plaintiff's Exhibit 558?</p> <p>13 A. Yes, I do.</p> <p>14 Q. What is it?</p> <p>15 A. It's a placed-in-service letter.</p> <p>16 Q. And you've signed the letter; correct?</p> <p>17 A. Correct. Yes, I did.</p> <p>18 Q. On behalf of RaPower3?</p> <p>19 A. Yes, I did.</p> <p>20 Q. Okay. Let's take a look at the second sentence --</p> <p>21 A. Okay.</p> <p>22 Q. -- of this letter which says "LTB-LLC has utilized</p> <p>23 solar energy from your panels for the purpose of assisting</p> <p>24 IAS in research and development for both agricultural and</p> <p>25 municipal solar thermal waste heat reclamation and multiple</p>

Page 93

1 non-serial array concentrated photovoltaic receiver  
 2 circuitry" --  
 3 A. Correct.  
 4 Q. -- "among other applications such as refinement of  
 5 gearless dual-axis hydraulic tracking mechanisms" --  
 6 A. That's correct.  
 7 Q. -- "and quick-release panel stabilizers and  
 8 connections, which qualify as commercial use of solar  
 9 energy."  
 10 Did I read that correctly?  
 11 A. That's correct.  
 12 Q. How, if at all, did LTB do this, what's described  
 13 here?  
 14 A. LTB didn't do it.  
 15 Q. Any idea why it says LTB did it?  
 16 A. I don't know, but it's a mistake. It would have  
 17 been IAS, not LTB. LTB wouldn't have been involved in the  
 18 research and development.  
 19 Q. RaPower3 provided placed-in-service letters to  
 20 owners of lenses; correct?  
 21 A. Correct. But this is a mistake, and I'll correct  
 22 the mistake, but it's not -- it's not accurate.  
 23 Q. Mr. Johnson, are there any answers to my questions  
 24 today that you would like to update or correct?  
 25 A. No. We're fine. We're good.

Page 94

1 Q. All right.  
 2 We would like the witness to read and sign at this  
 3 time. I have no further questions.  
 4 MR. PAUL: I don't have any questions either. Thank  
 5 you.  
 6 (The proceedings ended at 1:34 p.m.)  
 7 \* \* \* \* \*  
 8  
 9  
 10  
 11  
 12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

Page 95

1 STATE OF UTAH )  
 ) ss.  
 2 COUNTY OF SALT LAKE )  
 3 REPORTER'S CERTIFICATE  
 4 I, Amanda Richards, certified shorthand reporter  
 5 for the State of Utah, certify:  
 6 That the deposition of the witness herein was  
 7 taken before me at the time and place herein set forth, at  
 8 which time the witness was by me duly sworn to testify the  
 9 truth; that the testimony of the witness and all objections  
 10 made and all proceedings had of record at the time of the  
 11 examination were reported stenographically by me and were  
 12 thereafter transcribed into typewritten form by me.  
 13 That the foregoing transcript, as transcribed by  
 14 me, is a full, true and correct record of my stenographic  
 15 notes so taken; that review of the transcript by the witness  
 16 was requested pursuant to Rule 30(e) of the Rules of Civil  
 17 Procedure.  
 18 I further certify that I am neither counsel for  
 19 nor related to any party to said action, nor in anywise  
 20 interested in the outcome thereof.  
 21 IN WITNESS WHEREOF, I have subscribed my name  
 22 below this 13th day of July 2017.  
 23  
 24 \_\_\_\_\_  
 Amanda Richards, CSR  
 25

Page 96

1 WITNESS CERTIFICATE  
 2  
 3 I, NELDON JOHNSON, hereby declare under the  
 4 penalties of perjury of the laws of the United States of  
 5 America and the laws of the State of Utah that the foregoing  
 6 is true and correct.  
 7 DATED \_\_\_\_\_, 20\_\_\_\_.  
 8  
 9  
 10  
 11 \_\_\_\_\_  
 NELDON JOHNSON  
 12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25