

JOHN W. HUBER, United States Attorney (#7226)  
JOHN K. MANGUM, Assistant United States Attorney (#2072)  
185 South State Street, Suite 300  
Salt Lake City, Utah 84111  
Telephone: (801) 524-5682  
Email: john.mangum@usdoj.gov

ERIN HEALY GALLAGHER, *pro hac vice*  
DC Bar No. 985670, erin.healygallagher@usdoj.gov  
CHRISTOPHER R. MORAN, *pro hac vice*  
NY Bar No. 5033832, christopher.r.moran@usdoj.gov  
Trial Attorneys, Tax Division  
U.S. Department of Justice  
P.O. Box 7238  
Ben Franklin Station  
Washington, D.C. 20044  
Telephone: (202) 353-2452

IN THE UNITED STATES DISTRICT COURT FOR THE  
DISTRICT OF UTAH, CENTRAL DIVISION

<p>UNITED STATES OF AMERICA,</p> <p>Plaintiff,</p> <p>vs.</p> <p>RAPOWER-3, LLC, INTERNATIONAL AUTOMATED SYSTEMS, INC., LTB1, LLC, R. GREGORY SHEPARD, NELDON JOHNSON, and ROGER FREEBORN,</p> <p>Defendants.</p>	<p>Civil No. 2:15-cv-00828 DN</p> <p><b>UNITED STATES' STATUS REPORT REGARDING PROTECTIVE ORDER</b></p> <p>Judge David Nuffer Magistrate Judge Brooke C. Wells</p>
---	--

On September 20, 2016, this Court granted the United States' motion for relief from the application of the Standard Protective Order in this case.<sup>1</sup> The order granting such relief also stayed this case "for forty-five days to allow the parties to negotiate a new protective order" and required the parties to file a status report on certain topics within thirty days.<sup>2</sup> The United States filed a status report on October 20.<sup>3</sup> This Court then ordered that the parties submit, on or before November 3, a stipulated protective order or their respective proposed protective orders if they could not agree.<sup>4</sup> Because the parties could not reach agreement on terms for a new protective order in this case, the United States will submit its proposed protective order.

This Court also ordered that the parties submit a status report regarding the pending discovery motions on or before November 3.<sup>5</sup> Specifically, the Court directed the parties to "use their best efforts to resolve these motions and notify the [C]ourt of their resolution."<sup>6</sup>

The parties could not reach agreement on the resolution of the motions. Accordingly, the United States respectfully submits that the pending motions to quash the United States' subpoenas, specifically ECF Docs. 62, 65, 70, 83, 84, and 87, should be denied. As for the United States' motions to compel RaPower-3, LLC, International Automated Systems, Inc., LTB1, LLC, and Neldon Johnson (ECF Docs. 53 & 59, 55-57), the United States respectfully submits that the Court should grant the motions and order that, within 7 days of entry of the new

---

<sup>1</sup> ECF Doc. 92.

<sup>2</sup> *Id.* at 6.

<sup>3</sup> ECF Doc. 102.

<sup>4</sup> ECF Doc. 104.

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

protective order, each party shall fully answer the United States' first set of interrogatories in accordance with Fed. R. Civ. P. 33, without interposing any objection, and sign its answers to the interrogatories under penalty of perjury.

Dated: November 3, 2016

Respectfully submitted,

/s/ Erin Healy Gallagher

ERIN HEALY GALLAGHER

DC Bar No. 985760

Email: erin.healygallagher@usdoj.gov

Telephone: (202) 353-2452

CHRISTOPHER R. MORAN

New York Bar No. 5033832

Email: christopher.r.moran@usdoj.gov

Telephone: (202) 307-0834

Trial Attorneys, Tax Division

U.S. Department of Justice

P.O. Box 7238

Ben Franklin Station

Washington, D.C. 20044

FAX: (202) 514-6770

**ATTORNEYS FOR THE**

**UNITED STATES**

**CERTIFICATE OF SERVICE**

I hereby certify that on November 3, 2016, the foregoing document was electronically filed with the Clerk of the Court through the CM/ECF system, which sent notice of the electronic filing to the following:

Justin D. Heideman  
HEIDEMAN & ASSOCIATES  
2696 North University Avenue, Suite 180  
Provo, Utah 84604  
jheideman@heidlaw.com  
**ATTORNEY FOR RAPOWER-3, LLC,  
INTERNATIONAL AUTOMATED SYSTEMS, INC.,  
LTB1, LLC, and NELDON JOHNSON**

Donald S. Reay  
REAY LAW, PLLC  
donald@reaylaw.com  
**ATTORNEY FOR R. GREGORY SHEPARD  
AND ROGER FREEBORN**

/s/ Erin Healy Gallagher  
ERIN HEALY GALLAGHER  
Trial Attorney