

ASSIGNMENT, ASSUMPTION AND AMENDMENT TO OPERATING AGREEMENT

This Assignment, Assumption and Amendment to Operating Agreement ("Agreement") is hereby made and entered into as of _____, 2011, by and among the City of Portland, Oregon, the initial pilot program developer (the "City"), Enterprise Cascadia, as the pilot program fund manager and the scale-up lender ("EC"), Clean Energy Works Oregon, Inc., as the statewide scale-up program administrator ("CEWO"), and Portland General Electric Company, as the billing agent ("PGE"). This Agreement modifies that certain Clean Energy Works Portland Pilot Program Operating Agreement by and among the City, EC and PGE dated as of December, 2009, as amended by that certain First Amendment dated July, 2010 and that certain Second Amendment effective as of December 31, 2010 (collectively, as so amended, the "Original Agreement"). The City, EC, CEWO and PGE may hereinafter collectively be referred to as the "Parties." Capitalized terms not otherwise defined in this Agreement shall have the meanings assigned to such terms in the Original Agreement.

BACKGROUND

- A. The Original Agreement governed the development and implementation of an On-Bill Repayment Service for loans issued in the Portland Pilot Program ("Pilot") to PGE's customers to install energy efficiency measures. CEWO was established to delivery a one-stop energy efficiency upgrade service, similar to the Pilot offering, to homeowners throughout Oregon (the "CEWO Program").
- B. CEWO is the subcontractor to the Energy Trust of Oregon ("ETO"), the Public Purpose Fund Administrator of the Energy Efficiency and Sustainable Technology Loan Program ("EEAST") as set forth in Sections 470.500 et seq. of the Oregon Revised Statutes. CEWO is providing project management services by coordinating the delivery of EEAST financing for energy efficiency improvements to Oregon homeowners (the "EEAST Pilot").
- C. The parties desire to continue the On-Bill Repayment Service for loans issued by EC in the EEAST Pilot as part of the CEWO Program to PGE's customers throughout the PGE service territory consistent with the terms set forth in the Original Agreement, as amended by this Agreement.
- D. At the time of the Original Agreement, EC was known as Shorebank Enterprise Cascadia (SBEC). EC, formerly known as SBEC, will continue to have all of the rights and obligations attributable to SBEC set forth in the Original Agreement, except as modified by this Agreement.
- E. EC and CEWO are parties to that certain CEWO Loan Origination Program and Loan Loss Reserve Fund Agreement ("Loan Fund Agreement") dated

effective as of January 1, 2011 pursuant to which EC will originate loans for the CEWO Program.

- F. PGE has filed with the Oregon Public Utility Commission ("OPUC") a tariff ("Tariff") describing the Utility's role in the EEAST Pilot and how billing and credit issues affecting participating customers will be handled. The Tariff was approved by the OPUC on _____ and went into effect _____.

AGREEMENT

1. Assignment and Assumption. City hereby assigns and CEWO hereby assumes all rights and obligations of City in and to the Original Agreement, as modified hereby, from and after the Effective Date. City shall continue to have rights and liabilities associated with the Original Agreement, if any, arising prior to the Effective Date but shall have no rights or liabilities thereunder or hereunder after the Effective Date.
2. References to Pilot. All references in the Original Agreement to "Pilot", "CEWP" and "Clean Energy Works Portland" are hereby replaced with "CEWO Program", "CEWO" and "Clean Energy Works Oregon" respectively.
3. Number of Participants. Section 3.01 of the Original Agreement is hereby deleted in its entirety and replaced with the following language:

"PGE agrees to provide Service for all CEWO program participants who are also PGE customers pursuant to the terms of this Agreement, provided that the CEWO Program loans have closed on or before March 31, 2012."
4. Notices. The notice address for CEWO is as set forth below:

Clean Energy Works Oregon, Inc.
Attention: Derek Smith
3934 NE MLK Jr. Blvd., Suite 204
Portland, Oregon 97212
5. Termination. In addition to the termination provisions set forth in Section 1.04 of the Original Agreement, PGE shall have the right to terminate the Original Agreement as modified by this Agreement upon the date which the EEAST legislation is no longer in effect or the termination of CEWO's authority under EEAST to implement EEAST loans.
6. Counterparts. This Agreement may be signed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.
7. Except as modified by this Agreement, the Original Agreement is affirmed and remains in full force and effect.

Executed by duly authorized representatives of the Parties effective as of the date set forth above.

CITY OF PORTLAND, OREGON

PORTLAND GENERAL ELECTRIC
COMPANY

By: _____

By: _____

Name: Sam Adams

Name: _____

Its: Mayor

Its: _____

APPROVED AS TO FORM:

By: city Attorney's Office

Name: Benjamin Walters

Its: Chief Deputy City Attorney

ENTERPRISE CASCADIA

CLEAN ENERGY WORKS OREGON,
INC.

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____