

## AMENDMENT NO. 1 TO GRANT AGREEMENT

This Amendment No. 1 to Grant Agreement (“Amendment”) is between Energy Trust of Oregon, Inc., an Oregon nonprofit corporation (the “Energy Trust”), and the Public Utility Commission of Oregon, a state agency created by the State of Oregon under ORS 756.014 (the “PUC”), and is effective March 31, 2003.

### RECITALS

WHEREAS, on December 19, 2002 the Energy Trust changed its fiscal year from the year ending September 30 to the calendar year; and

WHEREAS, the Energy Trust and the PUC desire to amend that certain Grant Agreement effective March 1, 2002 between the Energy Trust and the PUC (the “Grant Agreement”) to make certain provisions thereof consistent with the Energy Trust’s new fiscal year.

NOW, THEREFORE, in consideration of the foregoing premises, the terms and conditions hereof and other good and valuable consideration, the parties hereto agree as follows:

### AGREEMENT

1. Recital C of the Grant Agreement is hereby amended to read in its entirety as follows:
  - C. The Energy Trust has been formed, as a tax-exempt nonprofit corporation, to act as the nongovernmental entity described under subsection (3)(d) of the Statute, to direct the expenditure of funds for new cost-effective local energy conservation, new market transformation efforts, and the above-market costs of new renewable energy resources (the “Statutory Purposes”). The Energy Trust operated on a fiscal year ending September 30 until September 30, 2002. Effective January 1, 2003, the Energy Trust transitioned to a calendar year budget.
2. Sections 3(a)(i), (ii) and (iii) of the Grant Agreement, Strategic Plan, Budget and Annual Report, are hereby amended to read in their entirety as follows:
  - i. Strategic Plan. Not later than the Effective Date, the Energy Trust’s board of directors will have approved an interim strategic plan for expenditure of the Funds to accomplish the Statutory Purposes and provided a copy to the PUC. Not later than one year after the Effective Date, the Energy Trust will publish a final strategic plan that clearly describes its mission, the goals it seeks to accomplish, and programmatic and organizational strategies it intends to employ. In addition, the Energy Trust will regularly provide a two-year action plan that describes specific actions the Energy Trust will pursue to accomplish its strategic plan. The first such action plan, covering the period March 1,

2002, through September 30, 2003, will be provided to the PUC not later than March 1, 2002. After initial publication of the final strategic plan, the strategic plan will be revised at least once every five years. The action plan will be revised annually in conjunction with the approved annual calendar year budget. The Energy Trust will actively seek public and PUC comment before finalizing and publishing any such strategic or action plans.

- ii. Budget. The Energy Trust will develop an annual calendar year budget and provide the PUC with an initial draft thereof on or before November 15 of each year and a final budget, approved by the Energy Trust's board of directors, on or before December 31 of each year. Notwithstanding the preceding, a draft of the initial budget, for the fiscal year ending September 30, 2002, will be due on or before February 1, 2002, and a final initial budget, approved by the Energy Trust's board of directors, will be due on or before March 1, 2002. The budget will include projected revenues to be received under this Agreement, other revenues to be received, and describe proposed expenditures in such manner as may be requested by the PUC. The budget will also contain information that may permit the reader to evaluate the Energy Trust's total administrative costs and whether such costs may be considered reasonable, and (except for the budget for the calendar year ending December 31, 2003) provide a comparison of actual revenues and expenditures received through the first three full quarters and an estimation of projected expenditure for the remaining fourth quarter of the current year, as compared to the current year's budget. For the calendar year ending December 31, 2003, the Energy Trust will provide the PUC with detailed information comparing its budgeted to actual expenditures on a quarterly basis. Such quarterly reports will be due not later than 45 days after the end of each calendar quarter. After December 31, 2003, the parties will evaluate whether such quarterly reporting should continue to be required.
- iii. Annual Report. On or before April 15 of each year, the Energy Trust will provide the PUC with an annual report for the prior calendar year, which will include:

(A) Financial Statements for the most recently completed calendar year, prepared according to generally accepted accounting principles uniformly applied, which have been audited by an outside independent certified public accountant. (The October 1 to December 31, 2002, transition period to a calendar year budget will be audited in conjunction with the audit for the 2003 calendar year.) The Financial Statements will contain information that will permit the reader to evaluate the Energy Trust's total administrative costs and whether such costs may be considered reasonable, and will account for conservation and renewable resource expenditures separately for each service area from which the Funds were collected (the "Service Area(s)").

(B) A list of the Energy Trust's then acting board of directors, including biographies, and the Energy Trust's current board development guidelines.

(C) A roster of the then acting members of the Energy Trust's Conservation and Renewable Resources Advisory Councils and a summary of such councils' activities during the previous calendar year.

(D) Summaries of program accomplishments directed at achieving the strategic and action plans, including specific information concerning energy savings, renewable resource projects, and other measurable outcomes. Such summaries will include a section that compares strategic goals to actual outcomes achieved, measured by ongoing program evaluation activities. The report will also contain information and descriptions of conservation programs (reported by sector and Service Area), renewable energy resource programs (reported by program, specific resource, and Service Area), public education campaigns, and pilot and demonstration projects.

(E) A description of any changes to the Energy Trust's strategic or action plans since the previous annual report.

(F) A description of how the Energy Trust strives to make its decisions in open forums.

3. Section 5(f) of the Grant Agreement, Year of Utilization, is hereby amended to read in its entirety as follows:

f. Year of Utilization. A majority of the Funds expended for conservation will be spent or committed in the calendar year in which the Funds are received.

4. Except as amended hereby, all terms and conditions of the Grant Agreement remain in full force and effect.

5. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.

**ENERGY TRUST OF OREGON, INC.  
OREGON**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**PUBLIC UTILITY COMMISSION OF**

By: \_\_\_\_\_  
Mr. Rick Willis  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Approved for legal sufficiency by the  
Attorney General in accordance with  
ORS 291.047

By: \_\_\_\_\_  
David Elott  
Title: Assistant Attorney General  
Date: \_\_\_\_\_