

Energy Loan Program

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Food for Lane County



Gary Marcus has a long history with SELP. His Falls Creek hydroelectric project was one of our first back in the 1980s. Now he returns with a solar electric generation project installed at the non-profit Food for Lane County in Eugene. With a mission to address hunger and food security in Lane County, they create access to food for children, seniors, persons with disabilities, the working poor and unemployed. Mr. Marcus will retain ownership of the solar array during the payback period, and when the \$500,000 SELP loan is paid off, the project and associated energy income to will be donated the charity. Food for Lane Co. can choose at that time whether to continue to collect income or to net-meter the project to defray electric usage on site. The system will be rated at 85.54 kW and generate about 92,639 kWh of clean energy annually.



Energy Loan Program



Annual Update

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Oregon Department of Energy

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Dear Borrower:

The year 2010 continued on the same financial rollercoaster that Oregon experienced in '08 and '09. These uncertain economic times make investment in energy efficiency and renewable resources even more important. The Energy Loan Program (SELP) continues to see development of renewable resources driven by fixed interest rates and favorable incentives. We have a bond sale planned for March to raise funds to provide funding for energy saving projects such as the upgrade of energy systems throughout the Oregon University System campuses and renewable projects such as the PaTu Wind Farm in Sherman County. We anticipate continued good rates in 2011 and opportunities to help fund some good projects.

SELP reviewed 34 applications totaling more than \$220 million this past year. You can read about a few of these projects in the following pages. Other highlights included the replacement of the HVAC system for Astoria Middle School in Tillamook County, using their public purpose funds to cover the loan payments. Roth's family of grocery stores received a Feed-in tariff award from PGE and installed a 100kW solar electric system at their Salem warehouse.

2010 saw the beginning of the EEAST (Energy Efficiency and Sustainable Technology) program mandated by the 2009 House Bill 2626. SELP welcomed Dan Weldon to manage the program with pilot projects designed to install energy efficiency projects for Oregon's homeowners that they repay through their utility bill.

The Department revamped our website recently, we invite you to peruse through and give us feedback. It's your first stop to find lots of useful information on energy, tax credits and other current topics.

In October, long time Loan Officer Hal Simms retired. Hal worked within SELP for the better part of 18 years. Adam Morgan was promoted to Hal's position after serving three years as our loan assistant. Adam will be sure to take good care of Hal's clients.

Thank you for your support of our program. Feel free to call us with any questions.

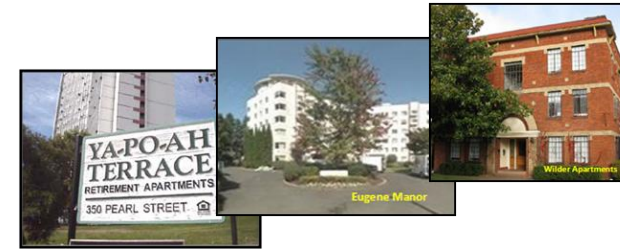
EasyStreet Online Services, Inc.



Established in 1995, EasyStreet Online Services, Inc. offers a wide selection of data center-based and Internet-access solutions and has maintained a continuous connection to the Internet since 1997. EasyStreet's data center expansion project incorporates green technology to reduce operating expenses and conserve power. Measures include: more efficient transformers, more efficient UPS (uninterruptible power supply), and a significantly more efficient cooling system. This project is projected to have energy savings of approximately 2,319,648 kWh. SELP is providing \$4.5 million in loan funds for this project.



Eugene Water and Electric Board



Eugene Water and Electric Board (EWEB) has begun the process of shutting down its steam utility due to rising costs, a decreasing customer base and an inefficient distribution system. EWEB still delivers steam for heat and hot water to about 60 downtown Eugene buildings. In 2008 EWEB adopted a policy which mandates that the transition from steam will be completed in a manner that is socially, environmentally and financially responsible. To that end, EWEB conducted engineering studies of all steam customer facilities to identify new cost effective heating systems. SELP is working with EWEB and their customer base to help that process be as seamless and painless as possible. So far, SELP has made loans totaling \$430,000 for four of EWEB's customers' transition from steam. By the June 2012 deadline, SELP expect to provide up to \$2 million more in loans for Eugene steam disconnect projects.

