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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **March 31, 2015**

or

[ ] **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: **001-5532-99**

PORTLAND GENERAL ELECTRIC COMPANY

(Exact name of registrant as specified in its charter)

Oregon	**93-0256820**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

121 SW Salmon Street
Portland, Oregon 97204
(503) 464-8000
(Address of principal executive offices, including zip code, and registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [x] Yes [ ] No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). [x] Yes [ ] No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [x]	Accelerated filer [ ]	Non-accelerated filer [ ]	Smaller reporting company [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). [ ] Yes [x] No

Number of shares of common stock outstanding as of April 22, 2015 is 78,344,941 shares.

PORTLAND GENERAL ELECTRIC COMPANY
FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED March 31, 2015

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DEFINITIONS

The following abbreviations and acronyms are used throughout this document:

Abbreviation or Acronym	Definition
AFDC	Allowance for funds used during construction
AUT	Annual Power Cost Update Tariff
Biglow Canyon	Biglow Canyon Wind Farm
Carty	Carty Generating Station natural gas-fired generating plant
Colstrip	Colstrip Units 3 and 4 coal-fired generating plant
CWIP	Construction work-in-progress
EFSA	Equity forward sale agreement
EPA	United States Environmental Protection Agency
ESS	Electricity Service Supplier
FERC	Federal Energy Regulatory Commission
FMBs	First Mortgage Bonds
IRP	Integrated Resource Plan
kV	Kilovolt = one thousand volts of electricity
Moody's	Moody's Investors Service
MW	Megawatts
MWa	Average megawatts
MWh	Megawatt hours
NVPC	Net Variable Power Costs
OPUC	Public Utility Commission of Oregon
PCAM	Power Cost Adjustment Mechanism
PW1	Port Westward Unit 1 natural gas-fired generating plant
PW2	Port Westward Unit 2 natural gas-fired flexible capacity generating plant
S&P	Standard and Poor's Ratings Services
SEC	United States Securities and Exchange Commission
Tucannon River	Tucannon River Wind Farm
Trojan	Trojan nuclear power plant

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
AND COMPREHENSIVE INCOME
(Dollars in millions, except per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2015	**2014**
Revenues, net	$ 473	$ 493
Operating expenses:		
Purchased power and fuel	161	184
Generation, transmission and distribution	62	54
Administrative and other	60	54
Depreciation and amortization	75	75
Taxes other than income taxes	30	28
Total operating expenses	388	395
Income from operations	85	98
Interest expense, net	30	25
Other income (expense):		
Allowance for equity funds used during construction	4	6
Miscellaneous income (expense), net	1	(1)
Other income, net	5	5
Income before income tax expense	60	78
Income tax expense	10	20
Net income and Comprehensive income	$ 50	$ 58
Weighted-average shares outstanding (in thousands):		
Basic	78,271	78,992
Diluted	81,466	80,156
Earnings per share:		
Basic	$ 0.64	$ 0.74
Diluted	$ 0.62	$ 0.73
Dividends declared per common share	$ 0.280	$ 0.275

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)
(Unaudited)

	March 31, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 27	$ 127
Accounts receivable, net	129	149
Unbilled revenues	75	93
Inventories	95	82
Regulatory assets—current	125	133
Other current assets	133	115
Total current assets	**584**	**699**
Electric utility plant, net	5,789	5,679
Regulatory assets—noncurrent	545	494
Nuclear decommissioning trust	90	90
Non-qualified benefit plan trust	34	32
Other noncurrent assets	49	48
Total assets	**$ 7,091**	**$ 7,042**

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS, continued
(Dollars in millions)
(Unaudited)

	March 31, 2015	December 31, 2014
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 137	$ 156
Liabilities from price risk management activities—current	107	106
Current portion of long-term debt	322	375
Accrued expenses and other current liabilities	243	236
Total current liabilities	**809**	**873**
Long-term debt, net of current portion	2,134	2,126
Regulatory liabilities—noncurrent	911	906
Deferred income taxes	636	625
Unfunded status of pension and postretirement plans	239	237
Liabilities from price risk management activities—noncurrent	176	122
Asset retirement obligations	119	116
Non-qualified benefit plan liabilities	106	105
Other noncurrent liabilities	22	21
Total liabilities	**5,152**	**5,131**
Commitments and contingencies (see notes)		
Equity:		
Preferred stock, no par value, 30,000,000 shares authorized; none issued and outstanding as of March 31, 2015 and December 31, 2014	—	—
Common stock, no par value, 160,000,000 shares authorized; 78,344,691 and 78,228,339 shares issued and outstanding as of March 31, 2015 and December 31, 2014, respectively	918	918
Accumulated other comprehensive loss	(7)	(7)
Retained earnings	1,028	1,000
Total equity	**1,939**	**1,911**
Total liabilities and equity	**$ 7,091**	**$ 7,042**

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three Months Ended March 31,	
	2015	**2014**
Cash flows from operating activities:		
Net income	$ 50	$ 58
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	75	75
Increase (decrease) in net liabilities from price risk management activities	53	(19)
Regulatory deferrals—price risk management activities	(53)	19
Deferred income taxes	10	15
Pension and other postretirement benefits	9	8
Allowance for equity funds used during construction	(4)	(6)
Regulatory deferral of settled derivative instruments	2	5
Decoupling mechanism deferrals, net of amortization	(3)	(4)
Other non-cash income and expenses, net	6	7
Changes in working capital:		
Decrease in accounts receivable and unbilled revenues	37	14
(Increase) decrease in inventories	(13)	2
Increase in margin deposits, net	(9)	(8)
Decrease in accounts payable and accrued liabilities	(1)	(6)
Other working capital items, net	(20)	(15)
Cash received to be returned to customers pursuant to the Residential Exchange Program	1	15
Other, net	(6)	(2)
Net cash provided by operating activities	**134**	**158**
Cash flows from investing activities:		
Capital expenditures	(178)	(185)
Sales tax refund received related to Tucannon River Wind Farm	12	—
Sales of nuclear decommissioning trust securities	4	6
Purchases of nuclear decommissioning trust securities	(5)	(6)
Proceeds from sale of property	—	4
Other, net	—	2
Net cash used in investing activities	**(167)**	**(179)**

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS, continued
(In millions)
(Unaudited)

	Three Months Ended March 31,	
	2015	**2014**
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	$ 75	$ —
Payments on long-term debt	(120)	—
Dividends paid	(22)	(22)
Net cash used in financing activities	**(67)**	**(22)**
Decrease in cash and cash equivalents	(100)	(43)
Cash and cash equivalents, beginning of period	127	107
Cash and cash equivalents, end of period	**$ 27**	**$ 64**
Supplemental cash flow information is as follows:		
Cash paid for interest, net of amounts capitalized	$ 14	$ 10
Non-cash investing and financing activities:		
Accrued capital additions	62	69
Accrued dividends payable	22	22

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1: BASIS OF PRESENTATION

Nature of Business

Portland General Electric Company (PGE or the Company) is a single, vertically integrated electric utility engaged in the generation, transmission, distribution, and retail sale of electricity in the state of Oregon. The Company also participates in the wholesale market by purchasing and selling electricity and natural gas in an effort to obtain reasonably-priced power for its retail customers. PGE operates as a single segment, with revenues and costs related to its business activities maintained and analyzed on a total electric operations basis. PGE's corporate headquarters are located in Portland, Oregon and its approximately 4,000 square mile, state-approved service area allocation is located entirely within the state of Oregon, encompassing 52 incorporated cities, of which Portland and Salem are the largest. As of March 31, 2015, PGE served 844,393 retail customers with a service area population of approximately 1.8 million, comprising approximately 46% of the state's population.

Condensed Consolidated Financial Statements

These condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the United States Securities and Exchange Commission (SEC). Certain information and note disclosures normally included in financial statements prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) have been condensed or omitted pursuant to such regulations, although PGE believes that the disclosures provided are adequate to make the interim information presented not misleading.

To conform with the 2015 presentation, PGE has separately presented Decrease in inventories of $2 million from Other working capital items, net in the operating activities section of the condensed consolidated statement of cash flows for the three months ended March 31, 2014.

The financial information included herein for the three months ended March 31, 2015 and 2014 is unaudited; however, such information reflects all adjustments, consisting of normal recurring adjustments, that are, in the opinion of management, necessary for a fair presentation of the condensed consolidated financial position, condensed consolidated statements of income and comprehensive income, and condensed consolidated cash flows of the Company for these interim periods. Certain costs are estimated for the full year and allocated to interim periods based on estimates of operating time expired, benefit received, or activity associated with the interim period; accordingly, such costs may not be reflective of amounts to be recognized for a full year. Due to seasonal fluctuations in electricity sales, as well as the price of wholesale energy and natural gas, interim financial results do not necessarily represent those to be expected for the year. The financial information as of December 31, 2014 is derived from the Company's audited consolidated financial statements and notes thereto for the year ended December 31, 2014, included in Item 8 of PGE's Annual Report on Form 10-K, filed with the SEC on February 13, 2015, which should be read in conjunction with such condensed consolidated financial statements.

Comprehensive Income

PGE had no material components of other comprehensive income to report for the three months ended March 31, 2015 and 2014.

Use of Estimates

The preparation of condensed consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of gain or loss contingencies, as of the date of the financial statements and the reported amounts of revenues and expenses

during the reporting period. Actual results experienced by the Company could differ materially from those estimates.

Recent Accounting Pronouncements

Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09), creates a new Topic 606 and supersedes the revenue recognition requirements in Topic 605, *Revenue Recognition*, and most industry-specific guidance throughout the Industry Topics of the Codification. ASU 2014-09 provides a five-step analysis of transactions to determine when and how revenue is recognized that consists of: i) identify the contract with the customer; ii) identify the performance obligations in the contract; iii) determine the transaction price; iv) allocate the transaction price to the performance obligations; and v) recognize revenue when or as each performance obligation is satisfied. Companies can transition to the requirements of this ASU either retrospectively or as a cumulative-effect adjustment as of the date of adoption, which is January 1, 2017 for the Company, with early adoption prohibited. The impact on the Company's consolidated financial position, consolidated results of operations, or consolidated cash flows of the adoption of ASU 2014-09 is not known at this time.

In April 2015, the Financial Accounting Standards Board issued ASU 2015-03, *Interest—Imputation of Interest (Subtopic 835-30)* (ASU 2015-03), which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The provisions of ASU 2015-03 are effective for fiscal years beginning after December 15, 2015, or January 1, 2016 for PGE, and interim periods within those fiscal years. Early adoption is permitted for financial statements that have not been previously issued. The provisions should be applied on a retrospective basis. Upon transition, an entity is required to comply with the applicable disclosures for a change in an accounting principle, which includes: i) the nature of and reason for the change in accounting principle; ii) the transition method; iii) a description of the prior-period information that has been retrospectively adjusted; and iv) the effect of the change on the financial statement line items. The adoption of the provisions of ASU 2015-03 is not expected to have a material impact on PGE's consolidated financial position, consolidated results of operation, or consolidated cash flows.

NOTE 2: BALANCE SHEET COMPONENTS

Accounts Receivable, Net

Accounts receivable is net of an allowance for uncollectible accounts of $7 million and $6 million as of March 31, 2015 and December 31, 2014, respectively.

The activity in the allowance for uncollectible accounts is as follows (in millions):

	Three Months Ended March 31,	
	2015	2014
Balance as of beginning of period	$ 6	$ 6
Provision, net	2	2
Amounts written off, less recoveries	(1)	(1)
Balance as of end of period	$ 7	$ 7

Inventories

PGE's inventories, which are recorded at average cost, consist primarily of materials and supplies for use in operations, maintenance, and capital activities and fuel for use in generating plants. Fuel inventories include natural

gas, coal, and oil. Periodically, the Company assesses the realizability of inventory for purposes of determining that inventory is recorded at the lower of average cost or market.

Other Current Assets

Other current assets consist of the following (in millions):

	March 31, 2015	December 31, 2014
Prepaid expenses	$ 58	$ 39
Current deferred income tax asset	33	33
Margin deposits	20	11
Accrued sales tax refund related to Tucannon River Wind Farm	11	23
Assets from price risk management activities	7	6
Other	4	3
Other current assets	$ 133	$ 115

Electric Utility Plant, Net

Electric utility plant, net consists of the following (in millions):

	March 31, 2015	December 31, 2014
Electric utility plant	$ 8,251	$ 8,161
Construction work-in-progress	478	417
Total cost	8,729	8,578
Less: accumulated depreciation and amortization	(2,940)	(2,899)
Electric utility plant, net	$ 5,789	$ 5,679

Accumulated depreciation and amortization in the table above includes accumulated amortization related to intangible assets of $200 million and $191 million as of March 31, 2015 and December 31, 2014, respectively. Amortization expense related to intangible assets was $9 million and $6 million for the three months ended March 31, 2015 and 2014, respectively. The Company’s intangible assets primarily consist of computer software development and hydro licensing costs.

PORTLAND GENERAL ELECTRIC COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, continued
(Unaudited)

Regulatory Assets and Liabilities

Regulatory assets and liabilities consist of the following (in millions):

	March 31, 2015		December 31, 2014	
	Current	Noncurrent	Current	Noncurrent
Regulatory assets:				
Price risk management	$ 100	$ 174	$ 100	$ 121
Pension and other postretirement plans	—	242	—	247
Deferred income taxes	—	87	—	86
Debt issuance costs	—	15	—	15
Deferred capital projects	14	—	19	—
Other	11	27	14	25
Total regulatory assets	$ 125	$ 545	$ 133	$ 494
Regulatory liabilities:				
Asset retirement removal costs	$ —	$ 813	$ —	$ 804
Trojan decommissioning activities	22	29	23	34
Asset retirement obligations	—	40	—	39
Other	37	29	37	29
Total regulatory liabilities	$ 59 *	$ 911	$ 60 *	$ 906

* Included in Accrued expenses and other current liabilities in the condensed consolidated balance sheets.

Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following (in millions):

	March 31, 2015	December 31, 2014
Regulatory liabilities—current	$ 59	$ 60
Accrued employee compensation and benefits	39	51
Accrued interest payable	40	26
Accrued dividends payable	22	23
Accrued taxes payable	26	22
Other	57	54
Total accrued expenses and other current liabilities	$ 243	$ 236

Credit Facilities

During the first quarter of 2015, PGE determined that a $500 million aggregate revolving credit facility capacity would be sufficient to meet its liquidity needs and accordingly, in March 2015, reduced its aggregate revolving credit capacity from $700 million to $500 million. As of March 31, 2015, PGE has a $500 million revolving credit facility, which is scheduled to expire in November 2019.

Pursuant to the terms of the agreement, the revolving credit facility may be used for general corporate purposes and as backup for commercial paper borrowings, and also permit the issuance of standby letters of credit. PGE may borrow for one, two, three, or six months at a fixed interest rate established at the time of the borrowing, or at a

variable interest rate for any period up to the then remaining term of the credit facility. The revolving credit facility contains provisions for two, one-year extensions subject to approval by the banks, requires annual fees based on PGE's unsecured credit ratings, and contains customary covenants and default provisions, including a requirement that limits consolidated indebtedness, as defined in the agreement, to 65% of total capitalization. As of March 31, 2015, PGE was in compliance with this covenant with a 55.9% debt-to-total capital ratio.

PGE classifies any borrowings under the revolving credit facility and outstanding commercial paper as Short-term debt on the condensed consolidated balance sheets. As of March 31, 2015, PGE had no borrowings or commercial paper outstanding, $46 million of letters of credit issued, and an aggregate available capacity under the credit facility of $454 million.

In addition, PGE has two $30 million letter of credit facilities, under which the Company can request letters of credit for original terms not to exceed one year. The issuance of such letters of credit are subject to the approval of the issuing institution. As of March 31, 2015, $58 million of letters of credit had been issued under these facilities.

The Company has a commercial paper program under which it may issue commercial paper for terms of up to 270 days, limited to the unused amount of credit under the revolving credit facility.

Pursuant to an order issued by the Federal Energy Regulatory Commission (FERC), the Company is authorized to issue short-term debt up to $900 million through February 6, 2016. The authorization provides that if utility assets financed by unsecured debt are divested, then a proportionate share of the unsecured debt must also be divested.

Long-term Debt

During the first quarter of 2015, PGE had the following long-term debt transactions:

- Issued $75 million of 3.55% Series of First Mortgage Bonds (FMBs) due 2030 in January;
- Repaid $70 million of 3.46% Series FMBs in January; and
- Repaid $50 million of long-term bank loans in March.

On April 22, 2015, PGE agreed with certain institutional investors to issue and sell $70 million of new FMBs under a private placement. The FMBs will have an interest rate of 3.50% and mature in 2035. The transaction is expected to close and fund on May 19, 2015. In addition, on May 21, 2015, the Company will redeem its $67 million of 6.80% Series FMBs, due January 15, 2016.

Pension and Other Postretirement Benefits

Components of net periodic benefit cost are as follows for the three months ended March 31 (in millions):

	Defined Benefit Pension Plan		Other Postretirement Benefits	
	2015	2014	2015	2014
Service cost	$ 4	$ 4	$ 1	$ —
Interest cost	8	9	1	1
Expected return on plan assets	(10)	(10)	—	—
Amortization of net actuarial loss	5	4	—	—
Net periodic benefit cost	$ 7	$ 7	$ 2	$ 1

PORTLAND GENERAL ELECTRIC COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, continued
(Unaudited)

NOTE 3: FAIR VALUE OF FINANCIAL INSTRUMENTS

PGE determines the fair value of financial instruments, both assets and liabilities recognized and not recognized in the Company's condensed consolidated balance sheets, for which it is practicable to estimate fair value as of March 31, 2015 and December 31, 2014, and then classifies these financial assets and liabilities based on a fair value hierarchy. The fair value hierarchy is used to prioritize the inputs to the valuation techniques used to measure fair value. These three levels and application to the Company are discussed below.

Level 1	Quoted prices are available in active markets for identical assets or liabilities as of the reporting date.
Level 2	Pricing inputs include those that are directly or indirectly observable in the marketplace as of the reporting date.
Level 3	Pricing inputs include significant inputs that are unobservable for the asset or liability.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy.

PGE recognizes transfers between levels in the fair value hierarchy as of the end of the reporting period for all its financial instruments. Changes to market liquidity conditions, the availability of observable inputs, or changes in the economic structure of a security marketplace may require transfer of the securities between levels. There were no significant transfers between levels during the three months ended March 31, 2015 and 2014, except those transfers from Level 3 to Level 2 presented in this note.

PORTLAND GENERAL ELECTRIC COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, continued
(Unaudited)

The Company's financial assets and liabilities whose values were recognized at fair value are as follows by level within the fair value hierarchy (in millions):

	As of March 31, 2015			
	Level 1	Level 2	Level 3	Total
Assets:				
Nuclear decommissioning trust: [1]				
Money market funds	$ —	$ 65	$ —	$ 65
Debt securities:				
Domestic government	4	10	—	14
Corporate credit	—	11	—	11
Non-qualified benefit plan trust: [2]				
Equity Securities:				
Domestic	5	1	—	6
International	1	—	—	1
Assets from price risk management activities: [1] [3]				
Electricity	—	5	2	7
Natural gas	—	2	—	2
	$ 10	$ 94	$ 2	$ 106
Liabilities—Liabilities from price risk management activities: [1] [3]				
Electricity	$ —	$ 24	$ 114	$ 138
Natural gas	—	109	36	145
	$ —	$ 133	$ 150	$ 283

(1) Activities are subject to regulation, with certain gains and losses deferred pursuant to regulatory accounting and included in Regulatory assets or Regulatory liabilities as appropriate.
(2) Excludes insurance policies of $27 million, which are recorded at cash surrender value.
(3) For further information, see Note 4, Price Risk Management.

PORTLAND GENERAL ELECTRIC COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, continued
(Unaudited)

	As of December 31, 2014			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets:				
Nuclear decommissioning trust: [1]				
Money market funds	$ —	$ 65	$ —	$ 65
Debt securities:				
Domestic government	7	7	—	14
Corporate credit	—	11	—	11
Non-qualified benefit plan trust: [2]				
Equity securities:				
Domestic	4	1	—	5
International	1	—	—	1
Assets from price risk management activities: [1] [3]				
Electricity	—	4	1	5
Natural gas	—	2	—	2
	$ 12	$ 90	$ 1	$ 103
Liabilities—Liabilities from price risk management activities: [1] [3]				
Electricity	$ —	$ 32	$ 80	$ 112
Natural gas	—	95	21	116
	$ —	$ 127	$ 101	$ 228

(1) Activities are subject to regulation, with certain gains and losses deferred pursuant to regulatory accounting and included in Regulatory assets or Regulatory liabilities as appropriate.
(2) Excludes insurance policies of $26 million, which are recorded at cash surrender value.
(3) For further information, see Note 4, Price Risk Management.

Trust assets held in the Nuclear decommissioning and Non-qualified benefit plan trusts are recorded at fair value in PGE's condensed consolidated balance sheets and invested in securities that are exposed to interest rate, credit and market volatility risks. These assets are classified within Level 1, 2 or 3 based on the following factors:

Money market funds—PGE invests in money market funds that seek to maintain a stable net asset value. These funds invest in high-quality, short-term, diversified money market instruments, short-term treasury bills, federal agency securities, certificates of deposits, and commercial paper. Money market funds are classified as Level 2 in the fair value hierarchy as the securities are traded in active markets of similar securities but are not directly valued using quoted market prices.

Debt securities—PGE invests in highly-liquid United States treasury securities to support the investment objectives of the trusts. These domestic government securities are classified as Level 1 in the fair value hierarchy due to the availability of quoted prices for identical assets in an active market as of the reporting date.

Assets classified as Level 2 in the fair value hierarchy include domestic government debt securities, such as municipal debt, and corporate credit securities. Prices are determined by evaluating pricing data such as broker quotes for similar securities and adjusted for observable differences. Significant inputs used in valuation models generally include benchmark yield and issuer spreads. The external credit rating, coupon rate, and maturity of each security are considered in the valuation as applicable.

Equity securities—Equity mutual fund and common stock securities are primarily classified as Level 1 in the fair value hierarchy due to the availability of quoted prices for identical assets in an active market as of the reporting date. Principal markets for equity prices include published exchanges such as NASDAQ and the New York Stock Exchange. Certain mutual fund assets included in commingled trusts or separately managed accounts are classified as Level 2 in the fair value hierarchy as pricing inputs are directly or indirectly observable in the marketplace.

Assets and liabilities from price risk management activities are recorded at fair value in PGE's condensed consolidated balance sheets and consist of derivative instruments entered into by the Company to manage its exposure to commodity price risk and foreign currency exchange rate risk, and reduce volatility in net variable power costs (NVPC) for the Company's retail customers. For additional information regarding these assets and liabilities, see Note 4, Price Risk Management.

For those assets and liabilities from price risk management activities classified as Level 2, fair value is derived using present value formulas that utilize inputs such as forward commodity prices and interest rates. Substantially all of these inputs are observable in the marketplace throughout the full term of the instrument, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category include commodity forwards, futures and swaps.

Assets and liabilities from price risk management activities classified as Level 3 consist of instruments for which fair value is derived using one or more significant inputs that are not observable for the entire term of the instrument. These instruments consist of longer term commodity forwards, futures and swaps.

PORTLAND GENERAL ELECTRIC COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, continued
(Unaudited)

Quantitative information regarding the significant, unobservable inputs used in the measurement of Level 3 assets and liabilities from price risk management activities is presented below:

Commodity Contracts	Fair Value		Valuation Technique	Significant Unobservable Input	Price per Unit		
	Assets	Liabilities			Low	High	Weighted Average
	(in millions)						
As of March 31, 2015:							
Electricity physical forward	$ —	$ 112	Discounted cash flow	Electricity forward price (per MWh)	$ 10.97	$ 95.47	$ 33.11
Natural gas financial swaps	—	36	Discounted cash flow	Natural gas forward price (per Decatherm)	2.48	4.36	2.94
Electricity financial futures	2	2	Discounted cash flow	Electricity forward price (per MWh)	10.97	34.63	22.82
	$ 2	$ 150					
As of December 31, 2014:							
Electricity physical forward	$ —	$ 77	Discounted cash flow	Electricity forward price (per MWh)	$ 11.97	$ 122.72	$ 37.43
Natural gas financial swaps	—	21	Discounted cash flow	Natural gas forward price (per Decatherm)	2.88	4.86	3.41
Electricity financial futures	1	3	Discounted cash flow	Electricity forward price (per MWh)	11.97	39.26	27.88
	$ 1	$ 101					

The significant unobservable inputs used in the Company's fair value measurement of price risk management assets and liabilities are long-term forward prices for commodity derivatives. For shorter term contracts, the Company employs the mid-point of the market's bid-ask spread and these inputs are derived using observed transactions in active markets, as well as historical experience as a participant in those markets. These price inputs are validated against independent market data aggregated from multiple sources. For certain long term contracts, observable, liquid market transactions are not available for the duration of the delivery period. In such instances, the Company uses internally developed price curves, which derive longer term prices and utilize observable data when available. When not available, regression techniques are used to estimate unobservable future prices. In addition, changes in the fair value measurement of price risk management assets and liabilities are analyzed and reviewed on a monthly basis by the Company. This process includes analytical review of changes in commodity prices as well as procedures to analyze and identify the reasons for the changes over specific reporting periods.

The Company's Level 3 assets and liabilities from price risk management activities are sensitive to market price changes in the respective underlying commodities. The significance of the impact is dependent upon the magnitude of the price change and the Company's position as either the buyer or seller of the contract. Sensitivity of the fair value measurements to changes in the significant unobservable inputs is as follows:

Significant Unobservable Input	Position	Change to Input	Impact on Fair Value Measurement
Market price	Buy	Increase (decrease)	Gain (loss)
Market price	Sell	Increase (decrease)	Loss (gain)

Changes in the fair value of net liabilities from price risk management activities (net of assets from price risk management activities) classified as Level 3 in the fair value hierarchy were as follows (in millions):

	Three Months Ended March 31,	
	2015	2014
Balance as of the beginning of the period	$ 100	$ 139
Net realized and unrealized losses (gains)*	50	(11)
Transfers out of Level 3 to Level 2	(2)	3
Balance as of the end of the period	$ 148	$ 131

* Contains nominal amounts of realized losses. Both realized and unrealized losses (gains) are recorded in Purchased power and fuel expense in the condensed consolidated statements of income of which the unrealized portion is fully offset by the effects of regulatory accounting until settlement of the underlying transactions.

Transfers into Level 3 occur when significant inputs used to value the Company's derivative instruments become less observable, such as a delivery location becoming significantly less liquid. During the three months ended March 31, 2015 and 2014, there were no transfers into Level 3 from Level 2. Transfers out of Level 3 occur when the significant inputs become more observable, such as when the time between the valuation date and the delivery term of a transaction becomes shorter. PGE records transfers in and transfers out of Level 3 at the end of the reporting period for all of its financial instruments. Transfers from Level 2 to Level 1 for the Company's price risk management assets and liabilities do not occur as quoted prices are not available for identical instruments. As such, the Company's assets and liabilities from price risk management activities mature and settle as Level 2 fair value measurements.

Long-term debt is recorded at amortized cost in PGE's condensed consolidated balance sheets. The fair value of the Company's FMBs and Pollution Control Bonds is classified as a Level 2 fair value measurement and is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to PGE for debt of similar remaining maturities. The fair value of PGE's unsecured term bank loans is classified as Level 3 fair value measurement and is estimated based on the terms of the loans and the Company's creditworthiness. These significant unobservable inputs to the Level 3 fair value measurement include the interest rate and the length of the loan. The estimated fair value of the Company's unsecured term bank loans approximates their carrying value.

As of March 31, 2015, the carrying amount of PGE's long-term debt was $2,456 million and its estimated aggregate fair value was $2,929 million, consisting of $2,674 million and $255 million classified as Level 2 and Level 3, respectively, in the fair value hierarchy. As of December 31, 2014, the carrying amount of PGE's long-term debt was $2,501 million and its estimated aggregate fair value was $2,901 million, consisting of $2,596 million and $305 million classified as Level 2 and Level 3, respectively, in the fair value hierarchy.

NOTE 4: PRICE RISK MANAGEMENT

PGE participates in the wholesale marketplace in order to balance its supply of power, which consists of its own generation combined with wholesale market transactions, to meet the needs of its retail customers, manage risk, and administer its existing long-term wholesale contracts. Such activities include fuel and power purchases and sales resulting from economic dispatch decisions for Company-owned generation. As a result, PGE is exposed to commodity price risk and foreign currency exchange rate risk, from which changes in prices and/or rates may affect the Company's financial position, results of operations, or cash flows.

PGE utilizes derivative instruments to manage its exposure to commodity price risk and foreign currency exchange rate risk in order to reduce volatility in NVPC for its retail customers. These derivative instruments may include

forwards, futures, swaps, and option contracts for electricity, natural gas, oil, and foreign currency, which are recorded at fair value on the condensed consolidated balance sheets, with changes in fair value recorded in the condensed consolidated statements of income. In accordance with the ratemaking and cost recovery processes authorized by the OPUC, PGE recognizes a regulatory asset or liability to defer the gains and losses from derivative instruments until settlement of the associated derivative instrument. PGE may designate certain derivative instruments as cash flow hedges or may use derivative instruments as economic hedges. The Company does not engage in trading activities for non-retail purposes.

PGE's Assets and Liabilities from price risk management activities consist of the following (in millions):

	March 31, 2015	December 31, 2014
Current assets:		
Commodity contracts:		
Electricity	$ 5	$ 4
Natural gas	2	2
Total current derivative assets	7 (1)	6 (1)
Noncurrent assets:		
Commodity contracts:		
Electricity	2	1
Total noncurrent derivative assets	2 (2)	1 (2)
Total derivative assets not designated as hedging instruments	$ 9	$ 7
Total derivative assets	$ 9	$ 7
Current liabilities:		
Commodity contracts:		
Electricity	$ 47	$ 54
Natural gas	60	52
Total current derivative liabilities	107	106
Noncurrent liabilities:		
Commodity contracts:		
Electricity	91	58
Natural gas	85	64
Total noncurrent derivative liabilities	176	122
Total derivative liabilities not designated as hedging instruments	$ 283	$ 228
Total derivative liabilities	$ 283	$ 228

(1) Included in Other current assets on the condensed consolidated balance sheets.
(2) Included in Other noncurrent assets on the condensed consolidated balance sheets.

PGE's net volumes related to its Assets and Liabilities from price risk management activities resulting from its derivative transactions, which are expected to deliver or settle through 2035, were as follows (in millions):

	March 31, 2015	December 31, 2014
Commodity contracts:		
Electricity	15 MWh	16 MWh
Natural gas	126 Decatherms	127 Decatherms
Foreign currency	$ 7 Canadian	$ 7 Canadian

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(Unaudited)

PGE has elected to report gross on the condensed consolidated balance sheets the positive and negative exposures resulting from derivative instruments pursuant to agreements that meet the definition of a master netting arrangement. In the case of default on, or termination of, any contract under the master netting arrangements, these agreements provide for the net settlement of all related contractual obligations with a counterparty through a single payment. These types of transactions may include non-derivative instruments, derivatives qualifying for scope exceptions, receivables and payables arising from settled positions, and other forms of non-cash collateral, such as letters of credit, which are excluded from the offsetting table presented below.

Information related to Price risk management liabilities subject to master netting agreements is as follows (in millions):

	Gross Amounts Recognized	Gross Amounts Offset	Net Amounts Presented	Gross Amounts Not Offset in Condensed Consolidated Balance Sheets		Net Amount
				Derivatives	Cash Collateral[1]	
As of March 31, 2015:						
Liabilities:						
Commodity contracts:						
Electricity[2]	$ 91	$ —	$ 91	$ (91)	$ —	$ —
Natural gas[2]	16	—	16	(16)	—	—
	$ 107	$ —	$ 107	$ (107)	$ —	$ —
As of December 31, 2014:						
Liabilities:						
Commodity contracts:						
Electricity[2]	$ 55	$ —	$ 55	$ (55)	$ —	$ —
Natural gas[2]	17	—	17	(17)	—	—
	$ 72	$ —	$ 72	$ (72)	$ —	$ —

(1) As of March 31, 2015 and December 31, 2014, PGE had posted collateral in the amount of $15 million and $11 million, respectively, which consisted entirely of letters of credit.
(2) Included in Liabilities from price risk management activities—current and Liabilities from price risk management activities—noncurrent.

Net realized and unrealized losses (gains) on derivative transactions not designated as hedging instruments are recorded in Purchased power and fuel in the condensed consolidated statements of income and were as follows (in millions):

	Three Months Ended March 31,	
	2015	2014
Commodity contracts:		
Electricity	$ 41	$ 9
Natural Gas	44	(36)

Net unrealized and certain net realized losses (gains) presented in the preceding table are offset within the condensed consolidated statements of income by the effects of regulatory accounting. Of the net losses (gains) recognized in Net income for the three months ended March 31, 2015 and 2014, net losses of $83 million and $12 million, respectively, have been offset.

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(Unaudited)

Assuming no changes in market prices and interest rates, the following table indicates the year in which the net unrealized loss recorded as of March 31, 2015 related to PGE's derivative activities would become realized as a result of the settlement of the underlying derivative instrument (in millions):

	2015	2016	2017	2018	2019	Thereafter	Total
Commodity contracts:							
Electricity	$ 35	$ 22	$ 6	$ 6	$ 6	$ 56	$ 131
Natural gas	43	64	30	6	—	—	143
Net unrealized loss	$ 78	$ 86	$ 36	$ 12	$ 6	$ 56	$ 274

PGE's secured and unsecured debt is currently rated at investment grade by Moody's Investors Service (Moody's) and Standard and Poor's Ratings Services (S&P). Should Moody's and/or S&P reduce their rating on PGE's unsecured debt to below investment grade, the Company could be subject to requests by certain wholesale counterparties to post additional performance assurance collateral, in the form of cash or letters of credit, based on total portfolio positions with each of those counterparties. Certain other counterparties would have the right to terminate their agreements with the Company.

The aggregate fair value of derivative instruments with credit-risk-related contingent features that were in a liability position as of March 31, 2015 was $274 million, for which PGE has posted $62 million in collateral, consisting of $52 million in letters of credit and $10 million in cash. If the credit-risk-related contingent features underlying these agreements were triggered at March 31, 2015, the cash requirement to either post as collateral or settle the instruments immediately would have been $261 million. As of March 31, 2015, PGE had posted an additional $10 million in cash collateral for derivative instruments with no credit-risk related contingent features. Cash collateral for derivative instruments is classified as Margin deposits included in Other current assets on the Company's condensed consolidated balance sheet.

Counterparties representing 10% or more of Assets and Liabilities from price risk management activities were as follows:

	March 31, 2015	December 31, 2014
Assets from price risk management activities:		
Counterparty A	67%	63%
Counterparty B	8	14
	75%	77%
Liabilities from price risk management activities:		
Counterparty C	31%	22%
Counterparty D	9	12
	40%	34%

See Note 3, Fair Value of Financial Instruments, for additional information concerning the determination of fair value for the Company's Assets and Liabilities from price risk management activities.

NOTE 5: EARNINGS PER SHARE

Basic earnings per share is computed based on the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common shares outstanding and the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Potential common shares consist of: i) employee stock purchase plan shares; ii) unvested time-based

and performance-based restricted stock units, along with related dividend equivalent rights; and iii) shares issuable pursuant to an equity forward sale agreement (EFSA). See Note 6, Equity, for additional information on the EFSA and its impact on earnings per share. Unvested performance-based restricted stock units and associated dividend equivalent rights are included in dilutive potential common shares only after the performance criteria have been met. For the three months ended March 31, 2015 and 2014, unvested performance-based restricted stock units and related dividend equivalent rights of approximately 303,000 and 363,000, respectively, were excluded from the dilutive calculation because the performance goals had not been met.

Net income attributable to common shareholders is the same for both the basic and diluted earnings per share computations. The reconciliations of the denominators of the basic and diluted earnings per share computations are as follows (in thousands):

	Three Months Ended March 31,	
	2015	2014
Weighted-average common shares outstanding—basic	78,271	78,992
Dilutive effect of potential common shares	3,195	1,164
Weighted-average common shares outstanding—diluted	81,466	80,156

NOTE 6: EQUITY

The activity in equity during the three months ended March 31, 2015 and 2014 is as follows (dollars in millions):

	Common Stock		Accumulated Other Comprehensive Loss	Retained Earnings
	Shares	Amount		
Balances as of December 31, 2014	78,228,339	$ 918	$ (7)	$ 1,000
Issuances of shares pursuant to equity-based plans	116,352	1	—	—
Stock-based compensation	—	(1)	—	—
Dividends declared	—	—	—	(22)
Net income	—	—	—	50
Balances as of March 31, 2015	78,344,691	$ 918	$ (7)	$ 1,028
Balances as of December 31, 2013	78,085,559	$ 911	$ (5)	$ 913
Issuances of shares pursuant to equity-based plans	96,497	—	—	—
Stock-based compensation	—	1	—	—
Dividends declared	—	—	—	(22)
Net income	—	—	—	58
Balances as of March 31, 2014	78,182,056	$ 912	$ (5)	$ 949

Under the terms of the EFSA, the Company may elect to settle the equity forward transactions by means of: i) physical; ii) cash; or iii) net share settlement, in whole or in part, at any time on or prior to June 11, 2015, except in specified circumstances or events that would require physical settlement. To the extent that the transactions are physically settled, PGE is required to issue and deliver shares of PGE common stock to the forward counterparty at the then applicable forward sale price. The forward sale price was initially determined to be $29.50 per share at the

time the EFSA was entered into (June 2013), and the amount of cash to be received by PGE upon physical settlement of the EFSA is subject to certain adjustments in accordance with the terms of the EFSA.

The EFSA had no initial fair value since it was entered into at the then market price of the common stock. PGE concluded that the EFSA was an equity instrument and that it does not qualify as a derivative because the EFSA was indexed to the Company's stock. PGE anticipates settling the EFSA through physical settlement on or before June 11, 2015.

At March 31, 2015, the Company could have physically settled the EFSA by delivering 10,400,000 shares to the forward counterparty in exchange for cash of $272 million. In addition, at March 31, 2015, the Company could have elected to make a cash settlement by paying approximately $114 million, or a net share settlement by delivering approximately 3,074,000 shares of common stock. To the extent that PGE elects a cash or net share settlement, the Company would receive no additional proceeds.

Prior to settlement, the potentially issuable shares pursuant to the EFSA are reflected in PGE's diluted earnings per share calculations using the treasury stock method. Under this method, the number of shares of PGE's common stock used in calculating diluted earnings per share for a reporting period are increased by the number of shares, if any, that would be issued upon physical settlement of the EFSA less the number of shares that could be purchased by PGE in the market with the proceeds received from issuance (based on the average market price during that reporting period).

NOTE 7: CONTINGENCIES

PGE is subject to legal, regulatory, and environmental proceedings, investigations, and claims that arise from time to time in the ordinary course of its business. Contingencies are evaluated using the best information available at the time the consolidated financial statements are prepared. Legal costs incurred in connection with loss contingencies are expensed as incurred. The Company may seek regulatory recovery of certain costs that are incurred in connection with such matters, although there can be no assurance that such recovery would be granted.

Loss contingencies are accrued, and disclosed if material, when it is probable that an asset has been impaired or a liability incurred as of the financial statement date and the amount of the loss can be reasonably estimated. If a reasonable estimate of probable loss cannot be determined, a range of loss may be established, in which case the minimum amount in the range is accrued, unless some other amount within the range appears to be a better estimate.

A loss contingency will also be disclosed when it is reasonably possible that an asset has been impaired or a liability incurred if the estimate or range of potential loss is material. If a probable or reasonably possible loss cannot be reasonably estimated, then the Company: i) discloses an estimate of such loss or the range of such loss, if the Company is able to determine such an estimate; or ii) discloses that an estimate cannot be made and the reasons.

If an asset has been impaired or a liability incurred after the financial statement date, but prior to the issuance of the financial statements, the loss contingency is disclosed, if material, and the amount of any estimated loss is recorded in the subsequent reporting period.

The Company evaluates, on a quarterly basis, developments in such matters that could affect the amount of any accrual, as well as the likelihood of developments that would make a loss contingency both probable and reasonably estimable. The assessment as to whether a loss is probable or reasonably possible, and as to whether such loss or a range of such loss is estimable, often involves a series of complex judgments about future events. Management is often unable to estimate a reasonably possible loss, or a range of loss, particularly in cases in which: i) the damages sought are indeterminate or the basis for the damages claimed is not clear; ii) the proceedings are in the early stages; iii) discovery is not complete; iv) the matters involve novel or unsettled legal theories; v) there are significant facts

in dispute; vi) there are a large number of parties (including where it is uncertain how liability, if any, will be shared among multiple defendants); or vii) there are a wide range of potential outcomes. In such cases, there is considerable uncertainty regarding the timing or ultimate resolution, including any possible loss, fine, penalty, or business impact.

Trojan Investment Recovery Class Actions

In 1993, PGE closed the Trojan nuclear power plant (Trojan) and sought full recovery of, and a rate of return on, its Trojan costs in a general rate case filing with the OPUC. In 1995, the OPUC issued a general rate order that granted the Company recovery of, and a rate of return on, 87% of its remaining investment in Trojan.

Numerous challenges and appeals were subsequently filed in various state courts on the issue of the OPUC's authority under Oregon law to grant recovery of, and a return on, the Trojan investment. In 2007, following several appeals by various parties, the Oregon Court of Appeals issued an opinion that remanded the matter to the OPUC for reconsideration.

In 2008, the OPUC issued an order (2008 Order) that required PGE to provide refunds of $33 million, including interest, which were completed in 2010. Following appeals, the 2008 Order was upheld by the Oregon Court of Appeals in February 2013 and by the Oregon Supreme Court in October 2014.

In 2003, in two separate legal proceedings, lawsuits were filed in Marion County Circuit Court against PGE on behalf of two classes of electric service customers. The class action lawsuits seek damages totaling $260 million, plus interest, as a result of the Company's inclusion, in prices charged to customers, of a return on its investment in Trojan.

In 2006, the Oregon Supreme Court issued a ruling ordering the abatement of the class action proceedings. The Oregon Supreme Court concluded that the OPUC had primary jurisdiction to determine what, if any, remedy could be offered to PGE customers, through price reductions or refunds, for any amount of return on the Trojan investment that the Company collected in prices.

The Oregon Supreme Court further stated that if the OPUC determined that it can provide a remedy to PGE's customers, then the class action proceedings may become moot in whole or in part. The Oregon Supreme Court added that, if the OPUC determined that it cannot provide a remedy, the court system may have a role to play. The Oregon Supreme Court also ruled that the plaintiffs retain the right to return to the Marion County Circuit Court for disposition of whatever issues remain unresolved from the remanded OPUC proceedings. The Marion County Circuit Court subsequently abated the class actions in response to the ruling of the Oregon Supreme Court.

The October 2014 Oregon Supreme Court decision (referred to above) expressly noted that the plaintiffs in the class action must address any request to lift the abatement with the Marion County Circuit Court. PGE is evaluating how to proceed with respect to the class actions.

PGE believes that the October 2, 2014 Oregon Supreme Court decision has reduced the risk of a loss to the Company in excess of the amounts previously recorded and discussed above. However, because the class actions remain pending, management believes that it is reasonably possible that such a loss to the Company could result. As these matters involve unsettled legal theories and have a broad range of potential outcomes, sufficient information is currently not available to determine the amount of any such loss.

Pacific Northwest Refund Proceeding

In 2001, the FERC called for a hearing to explore whether there may have been unjust and unreasonable charges for spot market sales of electricity in the Pacific Northwest from December 25, 2000 through June 20, 2001 (Pacific Northwest Refund proceeding). During that period, PGE both sold and purchased electricity in the Pacific Northwest. Although the original decision of the FERC terminated the proceeding and denied the claims for refunds, upon appeal of the decision to the U.S. Ninth Circuit Court of Appeals (Ninth Circuit), the Ninth Circuit remanded the case to the FERC to, among other things, address market manipulation evidence in detail and account for the evidence in any future orders regarding the award or denial of refunds in the proceedings.

In response to the Ninth Circuit remand, the FERC issued several procedural orders that established an evidentiary hearing, defined the scope of the hearing, and described the burden of proof that must be met to justify abrogation of the contracts at issue and the imposition of refunds. The orders held that the *Mobile-Sierra* public interest standard governs challenges to the bilateral contracts at issue in this proceeding, and the strong presumption under *Mobile-Sierra* that the rates charged under each contract are just and reasonable would have to be specifically overcome either by: i) a showing that a respondent had violated a contract or tariff and that the violation had a direct connection to the rate charged under the applicable contract; or ii) a showing that the contract rate at issue imposed an excessive burden or seriously harmed the public interest. The FERC also expanded the scope of the hearing to allow parties to pursue refunds for transactions between January 1, 2000 and December 24, 2000 under Section 309 of the Federal Power Act by showing violations of a filed tariff or rate schedule or of a statutory requirement. The FERC directed the presiding judge, if necessary, to determine a refund methodology and to calculate refunds, but held that a market-wide remedy was not appropriate, given the bilateral contract nature of the Pacific Northwest spot markets. Refund claimants filed petitions for appeal of these procedural orders with the Ninth Circuit.

Pursuant to a FERC-ordered settlement process, the Company received notice of two claims and reached agreements to settle both claims for an immaterial amount. The FERC approved both settlements during 2012.

Additionally, the settlement between PGE and certain other parties in the California refund case in Docket No. EL00-95, et seq., approved by the FERC in 2007, resolved all claims between PGE and the California parties named in the settlement, including the California Energy Resource Scheduling division of the California Department of Water Resources (CERS), as to transactions in the Pacific Northwest during the settlement period, January 1, 2000 through June 20, 2001, but did not settle potential claims from other market participants relating to transactions in the Pacific Northwest.

The above-referenced settlements resulted in a release for the Company as a named respondent in the first phase of the remand proceedings, which are limited to initial and direct claims for refunds, but there remains a possibility that additional claims related to this matter could be asserted against the Company in a subsequent phase of the proceeding if refunds are ordered against some or all of the current respondents.

During the first phase of the remand hearing, now completed, two sets of refund proponents, the City of Seattle, Washington (Seattle) and various California parties on behalf of CERS, presented cases alleging that multiple respondents had engaged in unlawful activities and caused severe financial harm that justified the imposition of refunds. After conclusion of the hearing, the presiding Administrative Law Judge issued an Initial Decision on March 28, 2014 finding: i) that Seattle did not carry its *Mobile-Sierra* burden with respect to its refund claims against any of its respondent sellers; and ii) that the California representatives of CERS did not carry their *Mobile-Sierra* burden with respect to one of two CERS' respondents, but that CERS had produced evidence that the remaining CERS respondent had engaged in unlawful activity in the implementation of multiple transactions and bad faith in the formation of as many as 119 contracts. The Administrative Law Judge scheduled a second phase of the hearing to commence after a final FERC decision on the Initial Decision. The Administrative Law Judge

determined that in the second phase the remaining respondent will have an opportunity to produce additional evidence as to why its transactions should be considered legitimate and why refunds should not be ordered. The findings in the Initial Decision are subject to further FERC action. If the FERC requires one or more respondents to make refunds, it is possible that such respondent(s) will attempt to recover similar refunds from their suppliers, including the Company.

Management believes that this matter could result in a loss to the Company in future proceedings. However, management cannot predict whether the FERC will order refunds from any of the current respondents, which contracts would be subject to refunds, the basis on which refunds would be ordered, or how such refunds, if any, would be calculated. Further, management cannot predict whether any current respondents, if ordered to make refunds, will pursue additional refund claims against their suppliers, and, if so, what the basis or amounts of such potential refund claims against the Company would be. Due to these uncertainties, sufficient information is currently not available to determine PGE's liability, if any, or to estimate a range of reasonably possible loss.

EPA Investigation of Portland Harbor

In 1997, an investigation by the United States Environmental Protection Agency (EPA) of a segment of the Willamette River known as Portland Harbor revealed significant contamination of river sediments. The EPA subsequently included Portland Harbor on the National Priority List pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) as a federal Superfund site and listed 69 Potentially Responsible Parties (PRPs). PGE was included among the PRPs as it has historically owned or operated property near the river. In 2008, the EPA requested information from various parties, including PGE, concerning additional properties in or near the original segment of the river under investigation as well as several miles beyond. Subsequently, the EPA has listed additional PRPs, which now number over one hundred.

The Portland Harbor site continues to undergo a remedial investigation (RI) and feasibility study (FS) pursuant to an Administrative Order on Consent (AOC) between the EPA and several PRPs known as the Lower Willamette Group (LWG), which does not include PGE.

In 2012, the LWG submitted a draft FS to the EPA for review and approval. The draft FS, which is being rewritten by the EPA, along with the RI, will provide the framework for the EPA to determine a clean-up remedy for Portland Harbor that will be documented in a Record of Decision, which the EPA is not expected to issue before 2017.

The draft FS evaluates several alternative clean-up approaches, which would take from two to 28 years with costs ranging from $169 million to $1.8 billion, depending on the selected remedial action levels and the choice of remedy. The draft FS does not address responsibility for the costs of clean-up, allocate such costs among PRPs, or define precise boundaries for the clean-up. Responsibility for funding and implementing the EPA's selected clean-up will be determined after the issuance of the Record of Decision.

Management believes that it is reasonably possible that this matter could result in a loss to the Company. However, due to the uncertainties discussed above, sufficient information is currently not available to determine PGE's liability for the cost of any required investigation or remediation of the Portland Harbor site or to estimate a range of potential loss.

DEQ Investigation of Downtown Reach

The Oregon Department of Environmental Quality (DEQ) has executed a memorandum of understanding with the EPA to administer and enforce clean-up activities for portions of the Willamette River that are upriver from the Portland Harbor Superfund site (the Downtown Reach). In 2010, the DEQ issued an order requiring PGE to perform an investigation of certain portions of the Downtown Reach. PGE completed this investigation in 2011 and

entered into a consent order with the DEQ in 2012 to conduct a feasibility study of alternatives for remedial action for the portions of the Downtown Reach that were included within the scope of PGE's investigation.

Following the DEQ's evaluation of a draft feasibility study, PGE submitted a final feasibility study report to the DEQ in September 2014, which describes possible remediation alternatives that range in estimated cost from $3 million to $8 million. Using the Company's best estimate of the probable cost for the remediation effort from the set of alternatives provided in the feasibility study report, PGE has a $3 million reserve for this matter as of March 31, 2015.

The Company also has a regulatory asset of $3 million for future recovery in prices as of March 31, 2015. The final order issued by the OPUC in the 2015 GRC includes revenues to offset the amortization of the regulatory asset over a two year period that began January 1, 2015. The 2016 GRC provides for the possibility of revising the recovery if costs vary from what was estimated.

EPA Regulation of Coal Combustion Residuals

In December 2014, the EPA signed a final rule, which becomes effective six months after its April 17, 2015 publication in the Federal Register, that regulates Coal Combustion Residuals (CCRs) under the Resource Conservation and Recovery Act. Based on a preliminary evaluation, the Company believes the rule will not have a material effect on operations at Boardman, which produce dry CCRs. Disposal of the dry CCRs occurs at an on-site landfill that is currently permitted and regulated by the State of Oregon under requirements similar to the new CCR rule.

The Company believes, however, that this rule will have some effect on operations at Colstrip, which produce wet CCRs. Colstrip utilizes wet scrubbers and a number of settlement ponds that will require upgrading or closure to meet the new regulatory requirements. The extent of the impact to Colstrip remains unclear as the operator of Colstrip has indicated that the financial and operational impact cannot yet be predicted. If PGE were to incur incremental costs as a result of the new rule, the Company would seek recovery in customer prices.

Alleged Violation of Environmental Regulations at Colstrip

In July 2012, PGE received a Notice of Intent to Sue (Notice) for violations of the Clean Air Act (CAA) at Colstrip Steam Electric Station (CSES) from counsel on behalf of the Sierra Club and the Montana Environmental Information Center (MEIC). The Notice was also addressed to the other CSES co-owners, including PPL Montana, LLC, the operator of CSES. PGE has a 20% ownership interest in Units 3 and 4 of CSES. The Notice alleged certain violations of the CAA, including New Source Review, Title V, and opacity requirements, and stated that the Sierra Club and MEIC would: i) request a United States District Court to impose injunctive relief and civil penalties; ii) require a beneficial environmental project in the areas affected by the alleged air pollution; and iii) seek reimbursement of Sierra Club's and MEIC's costs of litigation and attorney's fees.

The Sierra Club and MEIC asserted that the CSES owners violated the Title V air quality operating permit during portions of 2008 and 2009 and that the owners have violated the CAA by failing to timely submit a complete air quality operating permit application to the Montana Department of Environmental Quality (MDEQ). The Sierra Club and MEIC also asserted violations of opacity provisions of the CAA.

On March 6, 2013, the Sierra Club and MEIC sued the CSES co-owners, including PGE, for these and additional alleged violations of various environmental related regulations. The plaintiffs are seeking relief that includes an injunction preventing the co-owners from operating CSES except in accordance with the CAA, the Montana State Implementation Plan, and the plant's federally enforceable air quality permits. In addition, plaintiffs are seeking

civil penalties against the co-owners including $32,500 per day for each violation occurring through January 12, 2009, and $37,500 per day for each violation occurring thereafter.

In May 2013, the defendants filed a motion to dismiss 36 of 39 claims alleged in the complaint. In September 2013, the plaintiffs filed a motion for partial summary judgment regarding the appropriate method of calculating emission increases. Also in September 2013, the plaintiffs filed an amended complaint that withdrew Title V and opacity claims, added claims associated with two 2011 projects, and expanded the scope of certain claims to encompass approximately 40 additional projects. In July 2014, the court denied both the defendants' motion to dismiss and the plaintiffs' motion for partial summary judgment.

On August 27, 2014, the plaintiffs filed a second amended complaint to which the defendants' response was filed on September 26, 2014. The second amended complaint continues to seek injunctive relief, declaratory relief, and civil penalties for alleged violations of the federal Clean Air Act. The plaintiffs state in the second amended complaint that it was filed, in part, to comply with the court's ruling on the defendants' motion to dismiss and plaintiffs' motion for partial summary judgment. Discovery in this matter is ongoing with trial now scheduled for November 2015.

Management believes that it is reasonably possible that this matter could result in a loss to the Company. However, due to the uncertainties concerning this matter, PGE cannot predict the outcome or determine whether it would have a material impact on the Company.

Oregon Tax Court Ruling

On September 17, 2012, the Oregon Tax Court issued a ruling contrary to an Oregon Department of Revenue (DOR) interpretation and a current Oregon administrative rule, regarding the treatment of wholesale electricity sales. The underlying issue was whether electricity should be treated as tangible or intangible property for state income tax apportionment purposes. The DOR appealed the ruling of the Oregon Tax Court to the Oregon Supreme Court.

On March 26, 2015, the Oregon Supreme Court issued a decision that reversed the Oregon Tax Court ruling and held electricity to be tangible property. With such reversal, PGE's potential income tax liability from the 2012 Oregon Tax Court ruling has been eliminated.

Other Matters

PGE is subject to other regulatory, environmental, and legal proceedings, investigations, and claims that arise from time to time in the ordinary course of business, which may result in judgments against the Company. Although management currently believes that resolution of such matters, individually and in the aggregate, will not have a material impact on its financial position, results of operations, or cash flows, these matters are subject to inherent uncertainties, and management's view of these matters may change in the future.

NOTE 8: GUARANTEES

PGE enters into financial agreements and power and natural gas purchase and sale agreements that include indemnification provisions relating to certain claims or liabilities that may arise relating to the transactions contemplated by these agreements. Generally, a maximum obligation is not explicitly stated in the indemnification provisions and, therefore, the overall maximum amount of the obligation under such indemnifications cannot be reasonably estimated. PGE periodically evaluates the likelihood of incurring costs under such indemnities based on the Company's historical experience and the evaluation of the specific indemnities. As of March 31, 2015, management believes the likelihood is remote that PGE would be required to perform under such indemnification provisions or otherwise incur any significant losses with respect to such indemnities. The Company has not recorded any liability on the condensed consolidated balance sheets with respect to these indemnities.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

The information in this report includes statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements that relate to expectations, beliefs, plans, assumptions and objectives concerning future results of operations, business prospects, future loads, the outcome of litigation and regulatory proceedings, future capital expenditures, market conditions, future events or performance, and other matters. Words or phrases such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "projects," "will likely result," "will continue," "should," or similar expressions are intended to identify such forward-looking statements.

Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that could cause actual results or outcomes to differ materially from those expressed. PGE's expectations, beliefs and projections are expressed in good faith and are believed by the Company to have a reasonable basis including, but not limited to, management's examination of historical operating trends and data contained either in internal records or available from third parties, but there can be no assurance that PGE's expectations, beliefs, or projections will be achieved or accomplished.

In addition to any assumptions and other factors and matters referred to specifically in connection with such forward-looking statements, factors that could cause actual results or outcomes for PGE to differ materially from those discussed in forward-looking statements include:

- governmental policies and regulatory audits, investigations and actions, including those of the FERC and OPUC with respect to allowed rates of return, financings, electricity pricing and price structures, acquisition and disposal of facilities and other assets, construction and operation of plant facilities, transmission of electricity, recovery of power costs and capital investments, and current or prospective wholesale and retail competition;
- economic conditions that result in decreased demand for electricity, reduced revenue from sales of excess energy during periods of low wholesale market prices, impaired financial stability of vendors and service providers, and elevated levels of uncollectible customer accounts;
- the outcome of legal and regulatory proceedings and issues including, but not limited to, the matters described in Note 7, Contingencies, in the Notes to the Condensed Consolidated Financial Statements;
- unseasonable or extreme weather and other natural phenomena, which could affect customers' demand for power and PGE's ability and cost to procure adequate power and fuel supplies to serve its customers, and could increase the Company's costs to maintain its generating facilities and transmission and distribution systems;
- operational factors affecting PGE's power generating facilities, including forced outages, hydro and wind conditions, and disruptions of fuel supply, which may cause the Company to incur repair costs, as well as increase power costs for replacement power;
- the failure to complete capital projects on schedule and within budget or the abandonment of capital projects, either of which could result in the Company's inability to recover project costs;
- volatility in wholesale power and natural gas prices, which could require PGE to issue additional letters of credit or post additional cash as collateral with counterparties pursuant to power and natural gas purchase agreements;

- capital market conditions, including availability of capital, volatility of interest rates, reductions in demand for investment-grade commercial paper, as well as changes in PGE's credit ratings, any of which could have an impact on the Company's cost of capital and its ability to access the capital markets to support requirements for working capital, construction of capital projects, and the repayments of maturing debt;
- future laws, regulations, and proceedings that could increase the Company's costs or affect the operations of the Company's thermal generating plants by imposing requirements for additional emissions controls or significant emissions fees or taxes, particularly with respect to coal-fired generating facilities, in order to mitigate carbon dioxide, mercury and other gas emissions;
- changes in wholesale prices for fuels, including natural gas, coal, and oil, and the impact of such changes on the Company's power costs;
- changes in the availability and price of wholesale power;
- changes in residential, commercial, and industrial customer growth, and in demographic patterns, in PGE's service territory;
- the effectiveness of PGE's risk management policies and procedures;
- declines in the fair value of securities held for the defined benefit pension plans and other benefit plans, which could result in increased funding requirements for such plans;
- changes in, and compliance with, environmental laws and policies, including those related to threatened and endangered species, fish, and wildlife;
- the effects of climate change, including changes in the environment that may affect energy costs or consumption, increase the Company's costs, or adversely affect its operations;
- new federal, state, and local laws that could have adverse effects on operating results;
- cyber security attacks, data security breaches, or other malicious acts that cause damage to the Company's generation and transmission facilities or information technology systems, or result in the release of confidential customer and proprietary information;
- employee workforce factors, including potential strikes, work stoppages, transitions in senior management, and the number of employees approaching retirement;
- political, economic, and financial market conditions;
- natural disasters and other risks such as earthquake, flood, drought, lightning, wind, and fire;
- changes in financial or regulatory accounting principles or policies imposed by governing bodies; and
- acts of war or terrorism.

Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by law, PGE undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all such factors nor assess the impact of any such factor on the business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

Overview

Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is intended to provide an understanding of the business environment, results of operations, and financial condition of PGE. MD&A should be read in conjunction with the Company's condensed consolidated financial statements contained in this report, as well as the consolidated financial statements and disclosures in its Annual Report on Form 10-K for the year ended December 31, 2014, and other periodic and current reports filed with the SEC.

Capital Requirements and Financing—Carty Generating Station (Carty) is a 440 MW natural gas-fired baseload resource under construction, which is located in Eastern Oregon adjacent to Boardman. This project is currently on budget at an estimated total cost of $450 million, excluding AFDC, and is expected to be online in the second quarter of 2016. As of March 31, 2015, $341 million, including $21 million of AFDC, is included in construction work-in-process for Carty. The Company filed for recovery of costs related to this project in the 2016 General Rate Case (2016 GRC).

In total, the Company's 2015 capital expenditures are expected to approximate $609 million, which includes an estimated $172 million related to Carty. For additional information regarding estimated capital expenditures, see *"Capital Requirements"* in the Liquidity and Capital Resources section of this Item 2.

PGE expects to fund 2015 estimated capital requirements with a combination of cash from operations, which is expected to range from $420 million to $460 million, and proceeds from the issuances of equity and debt securities. For additional information, see *"Liquidity"* and *"Debt and Equity Financings"* in the Liquidity and Capital Resources section of this Item 2.

General Rate Cases—On January 1, 2015, new customer prices went into effect pursuant to the OPUC order issued on PGE's 2015 General Rate Case (2015 GRC), which was based on a 2015 test year and included forecasted retail energy deliveries assuming average weather conditions. The OPUC authorized a $15 million increase in annual revenues, representing an approximate 1% overall increase in customer prices. The increase included recovery of costs related to the Port Westward Unit 2 natural gas-fired flexible capacity generating plant (PW2) and Tucannon River Wind Farm (Tucannon River). In addition, the order approved a capital structure of 50% debt and 50% equity, a return on equity of 9.68%, a cost of capital of 7.56%, and an average rate base of approximately $3.8 billion.

Pursuant to the 2015 GRC order, a forecast of capital expenditures for PW2 of $323 million and Tucannon River of $525 million was used to set customers prices. However, to the extent that total actual capital expenditures are less than that used to set customer prices, the 2015 revenue requirement impact of any shortfall will be deferred for future refund to customers. In the event that total actual capital expenditures exceed those used to set customer prices, there is no deferral of such incremental capital costs. The Company expects to defer approximately $2 million in 2015 for the revenue requirement to be refunded to customers for the two generation resources, as forecast capital expenditures are expected to be less than the amounts used for setting prices.

On February 12, 2015, PGE filed with the OPUC a 2016 GRC, which is based on a 2016 test year and includes costs related to Carty. The Company’s request, when combined with other supplemental tariff changes, would result in an increase in annual revenues of $66 million. Such change would result in an approximate 3.7% overall increase relative to currently approved prices.

The net increase in annual revenue requirement consists of the following (in millions):

Carty	$	83
Base business cost		39
Supplemental tariff updates*		(56)
Annual revenue requirement, net	$	66

* Includes $26 million related to capital project deferrals expected to be fully recovered in 2015, $17 million of accelerated customer credits related to the settlement of a legal matter concerning costs associated with the operation of the Independent Spent Fuel Storage Installation at Trojan, a $15 million increase in customer credits related to the Residential Exchange Program, and other tariff updates.

PGE is proposing a capital structure of 50% debt and 50% equity, a return on equity of 9.9%, a cost of capital of 7.67%, and a rate base of approximately $4.5 billion.

Regulatory review of the 2016 GRC will continue throughout 2015, with a final order expected to be issued by the OPUC by mid-December 2015. New customer prices are expected to become effective in 2016, with an initial price decrease January 1 and a price increase effective as Carty becomes operational, which is expected in the second quarter of 2016.

The general rate case filings, as well as copies of the orders, direct testimony, exhibits, and stipulations are available on the OPUC website at www.oregon.gov/puc.

Operating Activities—PGE is a vertically integrated electric utility engaged in the generation, transmission, distribution, and retail sale of electricity, as well as the wholesale purchase and sale of electricity and natural gas. The Company generates revenues and cash flows primarily from the sale and distribution of electricity to customers in its service territory.

The impact of seasonal weather conditions on demand for electricity can cause the Company's revenues and income from operations to fluctuate from period to period. PGE is a winter-peaking utility that typically experiences its highest retail energy sales during the winter heating season, although a slightly lower peak occurs in the summer that generally results from air conditioning demand. Price changes and customer usage patterns, which can be affected by the economy, also have an effect on revenues while the availability and price of purchased power and fuel can affect income from operations.

Customers and Demand—The overall 3.5% decline in retail energy deliveries for the first quarter of 2015 compared with the first quarter of 2014 was driven by an 11.2% decrease in residential energy deliveries and partially offset by a 9.3% increase in industrial energy deliveries. The decline in residential energy deliveries was driven by warmer weather during the first quarter of 2015 compared with the first quarter of 2014. Heating degree days, an indication of the extent to which customers are likely to have used electricity for heating, were 22% lower than the first quarter of 2014 and 21% below average. According to the National Oceanic and Atmospheric Administration's climatological rankings, the 3-month period of January through March 2015 was the warmest on record for the State of Oregon.

Higher industrial energy deliveries were driven by increased demand from the high tech and transportation manufacturing sectors, which was partially offset by decreased demand from a paper production customer. Energy efficiency and conservation efforts by retail customers continue to influence total energy deliveries, although the financial impacts to the Company of such efforts are largely mitigated by the decoupling mechanism.

The following table presents the average number of retail customers by customer class, and corresponding energy deliveries, for the periods indicated and includes customers purchasing their energy from Electricity Service Suppliers (ESSs):

	Three Months Ended March 31,				
	2015		2014		
	Average Number of Customers	Retail Energy Deliveries*	Average Number of Customers	Retail Energy Deliveries*	% Increase (Decrease)in Energy Deliveries
Residential	739,531	1,931	733,719	2,174	(11.2)%
Commercial	104,166	1,760	103,684	1,781	(1.2)
Industrial	262	1,094	262	1,001	9.3
Total	843,959	4,785	837,665	4,956	(3.5)

* In thousands of MWh.

Power Operations—To meet the energy needs of its retail customers, the Company utilizes a combination of its own generating resources and wholesale market transactions. Based on numerous factors, including plant availability, customer demand, river flows, wind conditions, and current wholesale prices, PGE makes economic dispatch decisions continuously in an effort to obtain reasonably-priced power for its retail customers. In addition, PGE's thermal generating plants require varying levels of annual maintenance, during which the respective plant is unavailable to provide power. As a result, the amount of power generated and purchased in the wholesale market to meet the Company's retail load requirement can vary from period to period. During the first quarters of 2015 and 2014, availability of the plants PGE operates approximated 98% and 95%, respectively, with the availability of Colstrip Units 3 and 4, in which the Company has a 20% ownership interest but does not operate, approximating 94% and 82%, respectively.

During the first quarter of 2015, the Company's generating plants provided approximately 41% of its retail load requirement, compared with 59% in the first quarter of 2014. The decrease in the proportion of power generated to meet the Company's retail load requirement was largely the result of a greater amount of thermal generation being economically displaced by lower-cost purchased power during the first quarter of 2015 relative to the first quarter of 2014.

Energy expected to be received from PGE-owned hydroelectric plants and under contracts from mid-Columbia hydroelectric projects is projected annually in the Annual Power Cost Update Tariff (AUT). Any excess in such hydro generation from that projected in the AUT normally displaces power from higher cost sources, while any shortfall is normally replaced with power from higher cost sources. Energy received from these hydro resources exceeded projected levels included in the PGE's AUT by 10% for the first quarter of 2015 and approximated projected levels for the first quarter of 2014, and provided 22% and 18% of the Company's retail load requirement for first quarters of 2015 and 2014, respectively. Energy from hydro resources is expected to be below projected levels included in the AUT for 2015.

Energy expected to be received from PGE-owned wind generating resources (Biglow Canyon and Tucannon River) is projected annually in the AUT. Any excess in wind generation from that projected in the AUT normally displaces power from higher cost sources, while any shortfall is normally replaced with power from higher cost sources. Energy received from wind generating resources fell short of that projected in PGE's AUT by 36% for the first quarter of 2015 and 11% for the first quarter of 2014, and provided approximately 6% and 4% of the Company's retail load requirement during the first quarters of 2015 and 2014, respectively.

Pursuant to the Company's power cost adjustment mechanism (PCAM), customer prices can be adjusted to reflect a portion of the difference between each year's forecasted net variable power costs (NVPC) included in customer prices (baseline NVPC) and actual NVPC for the year. NVPC consists of the cost of power purchased and fuel used to generate electricity to meet PGE's retail load requirements, as well as the cost of settled electric and natural gas financial contracts (all classified as Purchased power and fuel expense in the Company's condensed consolidated statements of income) and is net of wholesale revenues, which are classified as Revenues, net in the condensed

consolidated statements of income. To the extent actual NVPC, subject to certain adjustments, is above or below the deadband, the PCAM provides for 90% of the variance to be collected from or refunded to customers, respectively, subject to a regulated earnings test. Pursuant to the regulated earnings test, a refund will occur only to the extent that it results in PGE's actual regulated return on equity (ROE) for that year being no less than 1% above the Company's latest authorized ROE, while a collection will occur only to the extent that it results in PGE's actual regulated ROE for that year being no greater than 1% below the Company's authorized ROE. Any estimated refund to customers pursuant to the PCAM is recorded as a reduction in Revenues in the Company's condensed consolidated statements of income, while any estimated collection from customers is recorded as a reduction in Purchased power and fuel expense. The deadband range is from $15 million below to $30 million above baseline NVPC.

For the first quarter of 2015, actual NVPC was approximately $2 million below baseline NVPC. Based on forecast data, NVPC for the year ending December 31, 2015 is currently estimated to be below baseline NVPC, but within the deadband range. Accordingly, no estimated collection from, or refund to, customers is expected under the PCAM for 2015.

For the first quarter of 2014, actual NVPC was approximately $3 million below baseline NVPC. For the year ended December 31, 2014, actual NVPC was $7 million below baseline NVPC, which is within the established deadband range. Accordingly, no estimated refund to customers was recorded pursuant to PCAM for 2014.

Legal, Regulatory, and Environmental Matters—PGE is a party to certain proceedings, the ultimate outcome of which may have a material impact on the results of operations and cash flows in future reporting periods. Such proceedings include, but are not limited to, the following matters:

- Claims for refunds related to wholesale energy sales during 2000 - 2001 in the Pacific Northwest Refund Proceeding; and
- An investigation of environmental matters regarding Portland Harbor.

For additional information regarding the above and other matters, see Note 7, Contingencies, in the Notes to Condensed Consolidated Financial Statements.

In June 2014, the EPA released a proposed rule, which it calls the "Clean Power Plan." Under the proposed rule, each state would have to reduce the carbon intensity of its power sector on a state-wide basis by an amount specified by the EPA. The proposed rule would establish state-specific goals in terms of pounds of carbon dioxide emitted per MWh of energy produced. The proposed rule is intended to result in a reduction of carbon emissions from existing power plants across all states to approximately 30% below 2005 levels by 2030.

The target amount was determined based on the EPA's view of the options for each state, including: i) making efficiency upgrades at fossil fuel-fired power plants; ii) shifting generation from coal-fired plants to natural gas-fired plants; iii) expanding use of zero- and low-carbon emitting generation (such as renewable energy and nuclear energy); and iv) implementing customer energy efficiency programs. The final goal would need to be met by 2030 and an interim goal for each state would need to be met on average over the 10-year period from 2020 to 2029. Under the proposed rule, states would have flexibility in designing programs to meet their emission reduction targets, including the four approaches noted above and any other measures the states choose to adopt (such as carbon tax and cap-and-trade) that would result in verified emission reductions.

The EPA has indicated that it expects to issue the final rule in the summer of 2015. Under the proposed rule, states would have until June 30, 2016 to submit plans to implement the rule (subject to extension). PGE cannot predict whether the proposed rule will be adopted or, if adopted, how the states in which the Company's generation facilities are located will implement the rule or how the rule may impact the Company's operations. The Company continues to monitor the developments around the proposed rule.

In December 2014, the EPA signed a final rule, which becomes effective six months after its April 17, 2015 publication in the Federal Register, that regulates Coal Combustion Residuals (CCRs) under the Resource

Conservation and Recovery Act. Based on a preliminary evaluation, the Company believes the rule will not have a material effect on operations at Boardman, which produce dry CCRs. Disposal of the dry CCRs occurs at an on-site landfill that is currently permitted and regulated by the State of Oregon under requirements similar to the new CCR rule. The Company believes, however, that this rule will have some effect on operations at Colstrip, which produce wet CCRs. For further information, see *"EPA Regulation of Coal Combustion Residuals"* in Note 7, Contingencies, in the Notes to Condensed Consolidated Financial Statements.

The following discussion highlights certain regulatory items that have impacted the Company's revenues, results of operations, or cash flows for the first quarter of 2015 compared to the first quarter of 2014 or have affected retail customer prices, as authorized by the OPUC. In some cases, the Company has deferred the related expenses or benefits as regulatory assets or liabilities, respectively, for later amortization and inclusion in customer prices, pending OPUC review and authorization.

Power Costs—Pursuant to the AUT process, PGE files annually an estimate of power costs for the following year. As part of its 2015 GRC, PGE included a projected $60 million reduction in power costs in its request for an overall increase in revenues. The power cost portion of the request was moved to a separate docket at the OPUC and was approved and included in the overall $15 million annual revenue increase authorized by the OPUC in the Company's 2015 GRC with new prices beginning January 1, 2015.

Under the PCAM for 2014, NVPC was within the limits of the deadband, thus no potential refund or collection was recorded. The OPUC will review the results of the PCAM for 2014 during the latter half of 2015 with any resulting refund to or collection from customers to occur during 2016.

Renewable Resource Costs—Pursuant to its renewable adjustment clause mechanism (RAC), PGE can recover in customer prices prudently incurred costs of renewable resources that are expected to be placed in service in the current year. The Company may submit a filing to the OPUC by April 1st each year, with prices expected to become effective January 1st of the following year. As part of the RAC, the OPUC has authorized the deferral of eligible costs not yet included in customer prices until the January 1st effective date.

In March 2014, PGE submitted to the OPUC a RAC filing requesting deferral and recovery of the net revenue requirement of Tucannon River in the event that the facility were to come online prior to the inclusion of the project in base rates as proposed in the 2015 GRC. The Company utilized the RAC to record the revenue requirement, which was estimated to be approximately $1 million, for the period from December 15, 2014, when the facility was placed into service, until December 31, 2014. On April 15, 2015, the OPUC issued an order approving the deferral amount to be amortized and collected from customers in prices during the period July 1, 2015 through December 31, 2015.

On April 1, 2015, PGE submitted to the OPUC a RAC filing requesting recovery of deferred revenue requirements related to a Company-owned and/or contracted new renewable energy resource. Concurrent with this filing, PGE also requested authorization to engage in a property sale as part of a sale-leaseback agreement. The Company estimates that overall annual impact to customer prices will result in an approximately $2 million reduction in revenues.

Decoupling—The decoupling mechanism, which the OPUC has authorized through 2016, is intended to provide for recovery of margin lost as a result of a reduction in electricity sales attributable to energy efficiency and conservation efforts by residential and certain commercial customers. The mechanism provides for collection from (or refund to) customers if weather adjusted use per customer is less (or more) than that projected in the Company's most recent approved general rate case.

Accordingly, collection of the estimated $5 million recorded during 2013 is expected to occur during 2015. Refund of the $5 million recorded during 2014, subject to OPUC approval, is expected to occur over a one year period, which will begin January 1, 2016.

For the three months ended March 31, 2015, the Company has recorded an estimated collection of $4 million. Any resulting collection from (or refund to) customers for the 2015 year would begin January 1, 2017.

Capital Deferral—In the 2011 General Rate Case (2011 GRC), the OPUC authorized the Company to defer the costs associated with four capital projects that were not completed at the time the 2011 GRC was approved. In 2012, PGE deferred such costs and recorded a regulatory asset of $16 million for potential future recovery in customer prices with an offsetting credit to Depreciation and amortization expense. The OPUC authorized recovery of the deferred costs over a one-year period beginning January 1, 2014. In 2013, the Company recorded additional deferred costs and interest associated with these projects totaling $19 million, with recovery of such amounts included in customer prices over a one year period beginning January 1, 2015. Beginning January 1, 2014, the costs of these projects were reflected in the Company's rate base.

Boardman Operating Life Adjustment—As part of the 2014 GRC, the incremental depreciation expense that resulted from the shortened Boardman life was rolled into base customer prices, while recovery of the decommissioning costs continue under this separate tariff. During the second quarter of 2014, the OPUC approved the request for recovery of additional decommissioning costs that resulted from the acquisition of the additional 15% interest in Boardman on December 31, 2013, which is expected to result in approximately $3 million additional revenue in 2014. The tariff also provides for annual updates to decommissioning revenue requirements with revised prices to take effect each January 1.

On December 31, 2014, PGE acquired an additional 10% ownership share in Boardman previously held by one of the former co-owners. In September 2014, the Company submitted to the OPUC a request for approval of the annual update of the decommissioning revenue requirements for 2015, which included the additional decommissioning costs related to this incremental 10% ownership. The OPUC authorized the acquisition of the 10% interest in the 2015 GRC order, with recovery of the incremental share of decommissioning costs authorized in the tariff effective January 1, 2015. PGE received authorization from the FERC in November 2014 to consummate the acquisition.

Integrated Resource Plan (IRP)—In December 2014, the OPUC acknowledged PGE's latest IRP (2013 IRP), which outlines the Company's expectations for resource needs and resource portfolio performance over the next 20 years. The 2013 IRP includes an "Action Plan," which covers PGE's proposed actions over the next two to four years (through 2017). Over this period of time, the Company projects energy requirements and energy available through its generating resources and long-term power purchase agreements to be in approximate balance.

The Action Plan includes the following, among other components, between 2014 and 2017:

- Seek renewal, or partial renewal, of expiring power purchase agreements for energy generated from hydroelectric projects, if available and cost-effective for our customers;
- Acquire a total of 114 MWa of energy efficiency through continuation of Energy Trust of Oregon programs, with a target increase of 124 MWa if legislation and regulation allow;

- Acquire an additional 25 MW of demand response and 23 MW of dispatchable standby generation from customers to help manage peak load conditions and other supply contingencies; and
- Perform various research and studies related to load forecast and energy efficiency projections, distributed generation resources within PGE's service territory, the viability of large-scale biomass operations, fuel supply, operational flexibility requirements and analytical tools, cost-benefit analysis of Energy Imbalance Market participation, RPS compliance strategies and potential impacts of compliance with the EPA's proposed Clean Power Plan rules concerning reductions in carbon dioxide emissions from existing fossil fuel-fired power plants in preparation for the next IRP.

The 2013 IRP also incorporates the three new energy and capacity resources, PW2 and Tucannon River, both of which were placed in service in December 2014, and Carty, which is under construction and expected to be placed in service in the second quarter of 2016.

Beyond 2018, PGE may need additional resources in order to meet the 2020 and 2025 RPS requirements and to replace energy from Boardman, which is scheduled to cease coal-fired operations at the end of 2020. Additional post-2018 actions may also be needed to offset expiring power purchase agreements and to back-up variable energy resources, such as wind generation facilities. These actions are expected to be identified in a future IRP. PGE expects to file its next IRP with the OPUC in 2016.

Critical Accounting Policies

PGE's critical accounting policies are outlined in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 2014, filed with the SEC on February 13, 2015.

Results of Operations

The following table contains condensed consolidated statements of income information for the periods presented (dollars in millions):

	Three Months Ended March 31,			
	2015		2014	
Revenues, net	$ 473	100%	$ 493	100 %
Purchased power and fuel	161	34	184	37
Gross margin	312	66	309	63
Other operating expenses:				
Generation, transmission and distribution	62	13	54	11
Administrative and other	60	13	54	11
Depreciation and amortization	75	16	75	15
Taxes other than income taxes	30	6	28	6
Total other operating expenses	227	48	211	43
Income from operations	85	18	98	20
Interest expense*	30	6	25	5
Other income (expense):				
Allowance for equity funds used during construction	4	1	6	1
Miscellaneous income (expense), net	1	—	(1)	—
Other income, net	5	1	5	1
Income before income tax expense	60	13	78	16
Income tax expense	10	2	20	4
Net income	$ 50	11%	$ 58	12 %

* Net of an allowance for borrowed funds used during construction of $3 million and $4 million in the first quarters of 2015 and 2014, respectively.

Net income was $50 million, or $0.62 per diluted share, for the first quarter of 2015, compared with $58 million, or $0.73 per diluted share, for the first quarter of 2014. The decrease in Net income was driven by an 11.2% decrease in residential energy deliveries as demand was lower due to warmer weather during the first quarter of 2015 when compared with the first quarter of 2014. In the first quarter of 2015, actual residential energy deliveries were significantly below amounts forecasted in the 2015 GRC, while the first quarter of 2014 actual residential energy deliveries were slightly below volumes forecasted in the 2014 GRC. As a result, revenues did not fully cover expected increases in operating expenses, thereby decreasing net income in the first quarter of 2015 when compared to the first quarter of 2014. Customer prices through general rate cases are set, in part, based on forecasted energy deliveries using average weather conditions. To the extent actual energy deliveries vary from that used to set customer prices, net income is impacted.

Three Months Ended March 31, 2015 Compared with the Three Months Ended March 31, 2014

Revenues, energy deliveries (presented in MWh), and the average number of retail customers were as follows for the periods presented:

	Three Months Ended March 31,

	2015		2014	
Revenues [1] (dollars in millions):				
Retail:				
Residential	$ 234	49%	$ 257	52%
Commercial	155	33	158	32
Industrial	56	12	52	11
Subtotal	445	94	467	95
Other retail revenues, net	2	1	2	—
Total retail revenues	447	95	469	95
Wholesale revenues	19	4	17	4
Other operating revenues	7	1	7	1
Total revenues	$ 473	100%	$ 493	100%
Energy deliveries [2] (MWh in thousands):				
Retail:				
Residential	1,931	36%	2,174	41%
Commercial	1,760	33	1,781	33
Industrial	1,094	20	1,001	19
Total retail energy deliveries	4,785	89	4,956	93
Wholesale energy deliveries	580	11	381	7
Total energy deliveries	5,365	100%	5,337	100%
Average number of retail customers:				
Residential	739,531	88%	733,719	88%
Commercial	104,166	12	103,684	12
Industrial	262	—	262	—
Total	843,959	100%	837,665	100%

(1) Includes revenues from customers who purchase their energy from the Company and revenues from the delivery of energy to those commercial and industrial customers that purchase their energy from ESSs.
(2) Includes energy sold to retail customers and energy delivered to those commercial and industrial customers that purchased their energy from ESSs.

Total revenues decreased $20 million, or 4%, for the first quarter of 2015 compared with the first quarter of 2014, largely due to the $22 million decrease in Retail revenues resulting from the following:

- A $16 million decrease related to 3.5% lower volumes of energy delivered, with decreases of 11.2% and 1.2% in residential and commercial energy deliveries, respectively, partially offset by an increase of 9.3% in industrial energy deliveries. After adjusting for the effects of weather, total retail energy deliveries were up 4% for the first quarter of 2015 compared with the first quarter of 2014; and
- A $6 million decrease related to various supplemental tariff changes, including the return of $4 million to customers in 2015 of proceeds received in connection with the settlement of a legal matter related to the operation of the Independent Spent Fuel Storage Installation at the Trojan nuclear power plant, which was closed in 1993 (offset in Depreciation and amortization).

Total heating degree-days for the first quarter of 2015 were 22% lower than the first quarter of 2014 and 21% below average. The following table indicates the number of heating degree-days for the first quarters of 2015 and 2014,

along with 15-year averages provided by the National Weather Service, as measured at Portland International Airport:

	Heating Degree-days	
	2015	**2014**
January	662	724
February	437	683
March	382	484
First quarter	1,481	1,891
15-year average for the year-to-date	1,864	1,864

Wholesale revenues result from sales of electricity to utilities and power marketers in conjunction with the Company's efforts to secure reasonably-priced power for its retail customers, manage risk, and administer its current long-term wholesale contracts. Such sales can vary significantly from period to period as a result of economic conditions, power and fuel prices, hydro and wind conditions, and customer demand. The $2 million, or 12%, increase in Wholesale revenues for the first quarter of 2015 compared with the first quarter of 2014 consisted of $9 million related to a 52% increase in wholesale sales volume, partially offset by $7 million related to a 28% decrease in average wholesale price.

Purchased power and fuel expense decreased $23 million, or 13%, for the first quarter of 2015 compared with the first quarter of 2014, and consisted of $20 million related to an 11% decrease in the average variable power cost per MWh, and $3 million related to a 2% decrease in total system load.

The decrease in the average variable power cost to $30.59 per MWh in the first quarter of 2015 from $34.50 per MWh in the first quarter of 2014 was driven by the economic displacement of a greater amount of thermal generation with purchased power during the first quarter of 2015 relative to the comparable period of 2014. The average cost per MWh of purchased power decreased 29% for the first quarter of 2015 compared with the first quarter of 2014. In addition, an increase in energy received from hydro resources combined with an increase from Company's wind generating resources contributed to the decrease in the average variable power cost per MWh.

The sources of energy for PGE's total system load, as well as its retail load requirement, were as follows for the periods presented:

	Three Months Ended March 31,			
	2015		2014	
Sources of energy (MWh in thousands):				
Generation:				
Thermal:				
Coal	484	9%	1,233	23%
Natural gas	670	13	948	18
Total thermal	1,154	22	2,181	41
Hydro	478	9	533	10
Wind	288	6	217	4
Total generation	1,920	37	2,931	55
Purchased power:				
Term	1,500	28	1,220	23
Hydro	530	10	378	7
Wind	57	1	63	1
Spot	1,240	24	747	14
Total purchased power	3,327	63	2,408	45
Total system load	5,247	100%	5,339	100%
Less: wholesale sales	(580)		(381)	
Retail load requirement	4,667		4,958	

Energy received from hydro resources during the first quarter of 2015, from both PGE-owned generating plants and purchased from mid-Columbia projects, increased 11% compared with the same period of 2014, and represented 22% and 18% of the Company's retail load requirement for the first quarters of 2015 and 2014, respectively. Through March, total energy received from hydro resources exceeded projected levels included in the Company's AUT by 10% for 2015 and approximated projected levels for 2014.

Energy received from PGE-owned wind generating resources (Biglow Canyon and Tucannon River) increased 33% in the first quarter of 2015 compared with the same period of 2014. The increase in such energy received is due to the addition of the Tucannon River wind generating resource in December 2014, which was partially offset by a 34% decline in energy received from Biglow Canyon. Energy received from these wind generating resources represented 6% of the Company's retail load requirement for the first quarter of 2015, compared with 4% for the first quarter of 2014. Through March, energy received from wind resources fell short of projected levels included in the AUT by 36% for 2015 and 11% for 2014.

The following table presents the forecast of the April-to-September 2015 runoff (issued April 22, 2015), along with actual for 2014, at particular points of major rivers relevant to PGE's hydro resources (as a percentage of normal, as measured over the 30-year period from 1981 through 2010):

	Runoff as a Percent of Normal *	
Location	**2015 Forecast**	**2014 Actual**
Columbia River at The Dalles, Oregon	78%	108%
Mid-Columbia River at Grand Coulee, Washington	86	110
Clackamas River at Estacada, Oregon	52	97
Deschutes River at Moody, Oregon	86	98

* Volumetric water supply percentages for the Pacific Northwest region are prepared by the Northwest River Forecast Center in conjunction with the Natural Resources Conservation Service and other cooperating agencies.

Actual NVPC, which consists of Purchased power and fuel expense net of Wholesale revenues, decreased $25 million for the first quarter of 2015 compared with the first quarter of 2014. The decrease was largely due to an 11% decline in the average variable power cost per MWh. In addition, a 52% increase in wholesale sales volume, partially offset by a 28% decrease in the average wholesale sales price, contributed to the decrease in NVPC. For the first quarters of 2015 and 2014, actual NVPC was $2 million and $3 million, respectively, below baseline NVPC.

Generation, transmission and distribution expense increased $8 million, or 15%, in the first quarter of 2015 compared with the first quarter of 2014. In 2015, PGE incurred $3 million more operation and maintenance expenses driven by the addition of PW2, Tucannon River, and the incremental 10% ownership interest in Boardman as of December 31, 2014. Information technology expenses were $3 million higher while the timing of the annual planned maintenance outage at Boardman in 2015 combined with the unplanned outage at Colstrip in January 2014, which reduced run time, served to increase expenses $2 million in the first quarter 2015.

Administrative and other expense increased $6 million, or 11%, in the first quarter of 2015 compared with the first quarter of 2014. The increase was due in large part to $3 million higher information technology expenses recorded in 2015 and the receipt of $2 million in injuries and damages settlements in 2014.

Depreciation and amortization expense was comparable in the first quarter of 2015 with the first quarter of 2014. A $6 million higher expense resulting from capital additions was largely offset by $5 million in amortization of deferred regulatory liabilities for the Trojan spent fuel settlement, tax credits, and a gain recorded on the sale of assets. The reduction in expenses resulting from the amortization of the regulatory liabilities is offset by corresponding reductions in revenues.

Taxes other than income taxes expense increased $2 million, or 7%, in the first quarter of 2015 compared with the first quarter of 2014, primarily due to higher property taxes resulting from the addition of Port Westward 2 and Tucannon River.

Interest expense increased $5 million, or 20%, in the first quarter of 2015 compared with the first quarter of 2014, with $4 million related to a 29% increase in the average balance of debt outstanding and $1 million related to lower allowance for borrowed funds used during construction. In December 2014, PW2 and Tucannon River were placed in service resulting in a lower average CWIP balance.

Other income, net was unchanged in the first quarter of 2015 compared with the first quarter of 2014, as a $2 million increase in earnings from the Non-qualified benefit plan trust assets was offset by a decrease in the allowance for equity funds used during construction resulting from the lower average CWIP balance.

Income tax expense was $10 million in the first quarter of 2015 compared with $20 million in the first quarter of 2014, with effective tax rates of 16.7% and 25.6%, respectively. Lower pre-tax income was the primary driver and accounted for $7 million of the decrease in tax expense. The remainder of the decrease in both the income tax expense and the effective tax rate can be attributed to increased production tax credits, partially offset by the impact of lower AFDC equity.

Liquidity and Capital Resources

Capital Requirements

The following table presents PGE's estimated capital expenditures and contractual maturities of long-term debt for 2015 through 2019 (in millions, excluding AFDC):

	2015	2016	2017	2018	2019
Ongoing capital expenditures [1]	$ 415 [2]	$ 329	$ 326	$ 287	$ 280
Carty Generating Station	172	35	—	—	—
Hydro licensing and construction [3]	22	11	3	1	2
Total capital expenditures	$ 609 [4]	$ 375	$ 329	$ 288	$ 282
Long-term debt maturities	$ 375	$ 67	$ 58	$ 75	$ 300

(1) Consists primarily of upgrades to, and replacement of, generation, transmission, and distribution infrastructure, as well as new customer connections. For 2015 through 2018, $102 million relates to the implementation of the Company's new customer information and meter data management systems.
(2) Includes $49 million for the completion of construction of PW2 and Tucannon River.
(3) Relates primarily to modifications to PGE's hydro facilities to enhance fish passage and survival, as required by conditions contained in the operating licenses.
(4) Includes preliminary engineering and removal costs, which are included in other net operating activities in the condensed consolidated statements of cash flows.

For additional information on Carty, see *"Capital Requirements and Financing"* in the Overview section of this Item 2. For a discussion concerning PGE's ability to fund its future capital requirements, see *"Debt and Equity Financings"* in this Item 2.

Liquidity

PGE's access to short-term debt markets, including revolving credit from banks, helps provide necessary liquidity to support the Company's current operating activities, including the purchase of power and fuel. Long-term capital requirements are driven largely by capital expenditures for distribution, transmission, and generation facilities to support both new and existing customers, as well as debt refinancing activities. PGE's liquidity and capital requirements can also be significantly affected by other working capital needs, including margin deposit requirements related to wholesale market activities, which can vary depending upon the Company's forward positions and the corresponding price curves.

The following summarizes PGE's cash flows for the periods presented (in millions):

	Three Months Ended March 31,	
	2015	2014
Cash and cash equivalents, beginning of period	$ 127	$ 107
Net cash provided by (used in):		
Operating activities	134	158
Investing activities	(167)	(179)
Financing activities	(67)	(22)
Decrease in cash and cash equivalents	(100)	(43)
Cash and cash equivalents, end of period	$ 27	$ 64

Cash Flows from Operating Activities—Cash flows from operating activities are generally determined by the amount and timing of cash received from customers and payments made to vendors, as well as the nature and amount of non-cash items, such as depreciation and amortization, deferred income taxes, and pension and other postretirement benefit costs included in net income during a given period. Net cash flows from operating activities for the first quarter of 2015 declined $24 million when compared with the first quarter of 2014. Such decrease was largely due to a decrease in Net income, net of non-cash items, resulting from record warm weather in the first quarter of 2015, which reduced residential energy deliveries by 11.2% when compared to the first quarter of 2014.

An increase in coal inventory at the Company's Boardman plant and a decrease in cash received from the Bonneville Power Administration to be returned to customers pursuant to the Residential Exchange Program, net of a decrease in accounts receivable contributed to the decline in net cash flows from operating activities for the first quarter of 2015 when compared with the first quarter of 2014.

Cash provided by operations includes the recovery in customer prices of non-cash charges for depreciation and amortization. PGE estimates that such charges in 2015 will range from $300 million to $310 million. Combined with other sources, total cash expected to be provided by operations is estimated to range from $420 million to $460 million.

Cash Flows from Investing Activities—Cash flows used in investing activities consist primarily of capital expenditures related to new construction and improvements to PGE's distribution, transmission, and generation facilities. Net cash used in investing activities for the first quarter of 2015 decreased $12 million when compared with the first quarter of 2014. Such decrease was driven by the collection of a sales tax refund in the first quarter of 2015 in the amount of $12 million related to Tucannon River combined with a $7 million decrease in capital expenditures, and partially offset by an increase related to proceeds received for the sale of property in the first quarter of 2014 in the amount of $4 million.

The Company plans approximately $609 million of capital expenditures for 2015, including $172 million related to the construction of Carty. PGE plans to fund the 2015 capital expenditures with cash expected to be generated from operations during 2014, as discussed above, as well as with proceeds received from the issuances of equity and debt securities. For additional information, see *"Capital Requirements"* and *"Debt and Equity Financings"* in the Liquidity and Capital Resources section of this Item 2.

Cash Flows from Financing Activities—Financing activities provide supplemental cash for both day-to-day operations and capital requirements as needed. During the first quarter of 2015, net cash used in financing activities consisted of the repayment of FMBs of $120 million and the payment of dividends of $22 million, partially offset by proceeds received from the issuances of FMBs of $75 million. During the first quarter of 2014, net cash used in financing activities consisted of the payment of dividends of $22 million.

Dividends on Common Stock

While PGE expects to pay regular quarterly dividends on its common stock, the declaration of any dividends is at the discretion of the Company's Board of Directors. The amount of any dividend declaration will depend upon factors that the Board of Directors deems relevant, which may include, among other things, PGE's results of operations and financial condition, future capital expenditures and investments, and applicable regulatory and contractual restrictions.

During the first quarter of 2015, the Board of Directors declared a common stock dividend of $0.28 per common share for a total of $22 million, with payments made on April 15, 2015 to shareholders of record at the close of business on March 25, 2015.

Debt and Equity Financings

PGE's ability to secure sufficient long-term capital at a reasonable cost is determined by its financial performance and outlook, credit ratings, capital expenditure requirements, alternatives available to investors, market conditions, and other factors. Management believes that the availability of its revolving credit facility, the expected ability to issue long-term debt and equity securities, and cash expected to be generated from operations provide sufficient cash flow and liquidity to meet the Company's anticipated capital and operating requirements for the foreseeable future. However, the Company's ability to issue long-term debt and equity could be adversely affected by changes in capital market conditions. For 2015, PGE expects to fund estimated capital expenditures and maturities of long-term debt with cash from operations (which is expected to range from $420 million to $460 million), issuances of debt securities of approximately $400 million and issuances of equity securities under the EFSA of approximately $270 million. The actual timing and amount of such issuances of debt and equity securities will be dependent upon the timing and amount of capital expenditures.

Short-term Debt. PGE has approval from the FERC to issue short-term debt up to a total of $900 million through February 6, 2016. During the first quarter of 2015, the Company determined that a $500 million aggregate revolving credit facility capacity would be sufficient to meet its liquidity needs and accordingly, in March 2015, reduced its aggregate revolving credit capacity from $700 million to $500 million. As of March 31, 2015, PGE has a $500 million revolving credit facility scheduled to expire November 2019. This revolving credit facility supplements operating cash flow and provides a primary source of liquidity. Pursuant to the terms of the agreement, the revolving credit facility may be used for general corporate purposes, backup for commercial paper borrowings, and the issuance of standby letters of credit.

As of March 31, 2015, PGE had no borrowings outstanding under the revolving credit facility, no commercial paper outstanding, $46 million of letters of credit issued, and an aggregate available capacity of $454 million.

The Company has two letter of credit facilities under which it may obtain letters of credit in an aggregate amount not to exceed $60 million. Under these facilities, an additional $58 million of letters of credit was outstanding as of March 31, 2015.

Long-term Debt. During the first quarter of 2015, PGE had the following long-term debt transactions:

- In January, the Company issued $75 million of 3.55% Series FMBs due 2030;
- Repaid $70 million of 3.46% Series FMBs; and
- In March, PGE repaid $50 million of long-term bank loans.

As of March 31, 2015, total long-term debt outstanding was $2,456 million, including current maturities of $322 million.

On April 22, 2015, PGE agreed with certain institutional investors to issue and sell $70 million of new FMBs under a private placement. The FMBs will have an interest rate of 3.50% and mature in 2035. The transaction is expected to close and fund on May 19, 2015. In addition, on May 21, 2015, the Company will redeem its $67 million of 6.80% Series FMBs, due January 15, 2016.

Equity. PGE has an EFSA, whereby a forward counterparty borrowed 11,100,000 shares of the Company's common stock from third parties and such borrowed shares were sold in a registered public offering in 2013. PGE receives proceeds from the sale of the common stock to the extent the EFSA is physically settled. In 2013, the Company issued 700,000 shares pursuant to the EFSA and received net proceeds of $20 million. As of March 31, 2015, the Company could have physically settled the EFSA by delivering 10,400,000 shares of PGE common stock to the forward counterparty in exchange for cash of $272 million. The Company anticipates physical settlement of the EFSA by delivery of newly issued shares on or before June 11, 2015. For additional information on the EFSA, see Note 6, Equity, in the Notes to the Condensed Consolidated Financial Statements.

Capital Structure. PGE's financial objectives include maintaining a common equity ratio (common equity to total consolidated capitalization, including any current debt maturities) of approximately 50% over time. Achievement of this objective helps the Company maintain investment grade debt ratings and facilitates access to long-term capital at favorable interest rates. The Company's common equity ratios were 44.1% and 43.3% as of March 31, 2015 and December 31, 2014, respectively. The Company expects to physically settle the EFSA on or before June 11, 2015, and to reduce long-term debt in conjunction with such settlement. Following these actions, PGE's common equity ratio is expected to approximate 49%.

Credit Ratings and Debt Covenants

PGE's ratings are investment grade by Moody's Investors Service (Moody's) and Standard and Poor's Ratings Services (S&P), with current ratings and outlook as follows:

	Moody's	S&P
First Mortgage Bonds	A1	A-
Issuer rating	A3	BBB
Commercial paper	Prime-2	A-2
Outlook	Stable	Stable

Should Moody's and/or S&P reduce their credit rating on PGE's unsecured debt to below investment grade, the Company could be subject to requests by certain of its wholesale, commodity and related transmission counterparties to post additional performance assurance collateral in connection with its price risk management activities. The performance assurance collateral can be in the form of cash deposits or letters of credit, depending on the terms of the underlying agreements, and are based on the contract terms and commodity prices and can vary from period to period. These cash deposits are classified as Margin deposits, which is included in Other current assets on PGE's condensed consolidated balance sheets, while any letters of credit issued are not reflected on the Company's condensed consolidated balance sheets.

As of March 31, 2015, PGE had posted approximately $72 million of collateral with these counterparties, consisting of $20 million in cash and $52 million in letters of credit. Based on the Company's energy portfolio, estimates of energy market prices, and the level of collateral outstanding as of March 31, 2015, the approximate amount of additional collateral that could be requested upon a single agency downgrade to below investment grade was approximately $111 million, and decreases to approximately $66 million by December 31, 2015 and $28 million by December 31, 2016. The amount of additional collateral that could be requested upon a dual agency downgrade to below investment grade was approximately $231 million at March 31, 2015, and decreases to approximately $129 million by December 31, 2015 and $67 million by December 31, 2016.

PGE's financing arrangements do not contain ratings triggers that would result in the acceleration of required interest and principal payments in the event of a ratings downgrade. However, the cost of borrowing and issuing letters of credit under the credit facility would increase.

The issuance of FMBs requires that PGE meet earnings coverage and security provisions set forth in the Indenture of Mortgage and Deed of Trust securing the FMBs. PGE estimates that on March 31, 2015, under the most restrictive issuance test in the Indenture of Mortgage and Deed of Trust, the Company could have issued up to approximately $826 million of additional FMBs. Any issuances of FMBs would be subject to market conditions and amounts could be further limited by regulatory authorizations or by covenants and tests contained in other financing agreements. PGE also has the ability to release property from the lien of the Indenture of Mortgage and Deed of Trust under certain circumstances, including bond credits, deposits of cash, or certain sales, exchanges or other dispositions of property.

PGE's credit facility contains customary covenants and credit provisions, including a requirement that limits consolidated indebtedness, as defined in the credit agreements, to 65.0% of total capitalization (debt-to-total capital

ratio). As of March 31, 2015, the Company's debt-to-total capital ratio, as calculated under the credit agreement, was 55.9%.

Off-Balance Sheet Arrangements

PGE has an EFSA, which the Company may settle with the issuance of PGE common stock, for cash or net share settlement from time to time, in whole or part, through June 11, 2015. For additional information on the EFSA, see Note 6, Equity, in the Notes to the Condensed Consolidated Financial Statements.

PGE has no other off-balance sheet arrangements other than outstanding letters of credit from time to time that have, or are reasonably likely to have, a material current or future effect on its consolidated financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Contractual Obligations

PGE's contractual obligations for 2015 and beyond are set forth in Part II, Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 2014, filed with the SEC on February 13, 2015. Such obligations have not changed materially as of March 31, 2015, except for interest on long-term debt. During the first quarter of 2015, PGE issued $75 million of 3.55% Series FMBs, due 2030. As a result, future interest on long-term debt increased as follows: $3 million for 2015 through 2019; and $27 million for Thereafter.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

PGE is exposed to various forms of market risk, consisting primarily of fluctuations in commodity prices, foreign currency exchange rates, and interest rates, as well as credit risk. There have been no material changes to market risks affecting the Company from those set forth in Part II, Item 7A of the Company's Annual Report on Form 10-K for the year ended December 31, 2014, filed with the SEC on February 13, 2015.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

PGE's management, under the supervision and with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as required by Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, PGE's Chief Executive Officer and Chief Financial Officer have concluded that, as of March 31, 2015, these disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There were no changes in PGE's internal control over financial reporting that occurred during the period covered by this quarterly report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

For information regarding PGE's legal proceedings, see "Legal Proceedings" set forth in Part I, Item 3 of the Company's Annual Report on Form 10-K for the year ended December 31, 2014, filed with the SEC on February 13, 2015.

Item 1A. Risk Factors.

There have been no material changes to PGE's risk factors set forth in Part I, Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2014, filed with the SEC on February 13, 2015.

Item 6. Exhibits.

Exhibit Number	Description
3.1	Third Amended and Restated Articles of Incorporation of Portland General Electric Company (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed May 9, 2014).
3.2	Tenth Amended and Restated Bylaws of Portland General Electric Company (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed May 9, 2014).
10.1	Amended and Restated Credit Agreement dated March 6, 2015, between Portland General Electric Company, and Wells Fargo Bank, National Association, as Administrative Agent, Bank of America, N.A., Barclays Bank PLC, JPMorgan Chase Bank, N.A., and U.S. Bank National Association.
31.1	Certification of Chief Executive Officer.
31.2	Certification of Chief Financial Officer.
32	Certifications of Chief Executive Officer and Chief Financial Officer.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

Certain instruments defining the rights of holders of other long-term debt of the Company are omitted pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K because the total amount of securities authorized under each such omitted instrument does not exceed 10% of the total consolidated assets of the Company and its subsidiaries. The Company hereby agrees to furnish a copy of any such instrument to the SEC upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PORTLAND GENERAL ELECTRIC COMPANY
(Registrant)

Date: April 27, 2015

By: /s/ James F. Lobdell
James F. Lobdell
Senior Vice President of Finance,
Chief Financial Officer and Treasurer
(duly authorized officer and principal financial officer)

Published CUSIP number: 73651GAP8

AMENDED AND RESTATED CREDIT AGREEMENT DATED AS OF MARCH 6, 2015

AMONG

PORTLAND GENERAL ELECTRIC COMPANY, THE LENDERS,
WELLS FARGO BANK, NATIONAL ASSOCIATION, AS ADMINISTRATIVE AGENT,

BANK OF AMERICA, N.A., BARCLAYS BANK PLC, JPMORGAN CHASE BANK, N.A. AND U.S. BANK NATIONAL ASSOCIATION, AS CO-SYNDICATION AGENTS,

WELLS FARGO SECURITIES, LLC,
MERILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, BARCLAYS BANK PLC,
J.P. MORGAN SECURITIES LLC, AND
U.S. BANK NATIONAL ASSOCIATION,
AS JOINT LEAD ARRANGERS AND JOINT BOOK RUNNERS

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SCHEDULES

EXHIBITS

This **AMENDED AND RESTATED CREDIT AGREEMENT**, dated as of March 6, 2015 (this "Agreement"), is among Portland General Electric Company (the "Borrower"), the Lenders party hereto and Wells Fargo Bank, National Association, as administrative agent for the Lenders.

A. The Borrower, the lenders party thereto (the "Existing Lenders"), and the Agent are parties to that certain Credit Agreement dated as of November 14, 2012. That agreement, as modified, amended or extended to the date hereof is referred to in this Agreement as the "Existing Credit Agreement".

B. Pursuant to the terms of the Existing Credit Agreement, the Existing Lenders extended a revolving credit facility to the Borrower in the amount of $400,000,000.

C. The Borrower has requested that the Existing Credit Agreement be amended and restated in order to: (i) increase the aggregate commitment by $100,000,000 to $500,000,000, with the right to increase the aggregate commitment by an additional $100,000,000 to $600,000,000 pursuant to Section 2.3(a) of this Agreement; (ii) extend the Scheduled Termination Date (as defined in the Existing Credit Agreement) by one year to November 14, 2019; and (iii) make certain other changes to the Existing Credit Agreement. The Lenders are willing to do so, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which hereby are acknowledged, Lenders, Agent, and Borrower agree to amend and restate the Existing Credit Agreement as of the Effective Date (as defined below) as follows:

ARTICLE I DEFINITIONS

As used in this Agreement:

"Adjusted Eurodollar Rate" means, with respect to a Eurodollar Advance for the relevant Interest Period, the quotient of (a) the Eurodollar Base Rate applicable to such Interest Period, divided by (b) one minus the Reserve Requirement (expressed as a decimal) applicable to such Interest Period.

"Advance" means a borrowing hereunder (i) made by the Lenders on the same Borrowing Date, or (ii) converted or continued by the Lenders on the same date of conversion or continuation, consisting, in either case, of the aggregate amount of the several Loans of the same Type and, in the case of Eurodollar Loans, for the same Interest Period.

"Affected Lender" is defined in Section 2.17.

"Affiliate" of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person.

"Agent" means Wells Fargo, in its capacity as administrative agent for and contractual representative of the Lenders pursuant to Article X, and not in its individual capacity as a Lender, and any successor Agent appointed pursuant to Article X.

"Aggregate Commitment" means the aggregate of the Commitments of all the Lenders, as changed from time to time pursuant to the terms hereof. The Aggregate Commitment as of the Effective Date is FIVE HUNDRED MILLION DOLLARS ($500,000,000).

"Aggregate Outstanding Credit Exposure" means, at any time, the aggregate of the Outstanding Credit Exposure of all the Lenders.

"Agreement" is defined in the preamble.

"Agreement Accounting Principles" means United States generally accepted accounting principles as in effect from time to time, applied in a manner consistent with that used in preparing the financial statements referred to in Section 5.11.

"Alternate Base Rate" means, for any day, a floating rate of interest per annum equal to the highest of (i) the rate of interest in effect for such day as publicly announced from time to time by Wells Fargo as its "prime rate", (ii) the sum of Federal Funds Effective Rate for such day plus 0.50% per annum and (iii) the sum of (a) the quotient of (x) LIBOR applicable for a one month U.S. dollar deposit on such day (or if such day is not a Business Day, the immediately preceding Business Day) divided by (y) one minus the Reserve Requirement (expressed as a decimal) applicable to a Eurodollar Advance with a one- month Interest Period plus (b) 1.00%. The "prime rate" is a rate set by Wells Fargo based on various factors including Wells Fargo's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above or below such announced rate. Any change in such "prime rate" announced by Wells Fargo shall take place at the opening of business on the day specified in the public announcement of such change. If the Alternate Base Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

"Anti-Terrorism Laws" is defined in Section 5.16.

"Applicable Margin" means, for any day, (i) with respect to the Eurodollar Rate, the percentage rate per annum opposite the heading "Applicable Eurodollar Margin" in the Pricing Schedule which is applicable at such time, (ii) with respect to the Floating Rate, the percentage rate per annum opposite the heading "Applicable ABR Margin" in the Pricing Schedule which is applicable at such time and (iii) with respect to Letter of Credit Fees, the percentage rate per annum opposite the heading "Letter of Credit Fees" in the Pricing Schedule which is applicable at such time.

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Arrangers" means Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Bank PLC, J.P. Morgan Securities LLC and U.S. Bank National Association and their respective successors, in their capacity as joint lead arrangers and joint book runners.

"Assignee Group" means two or more assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

"Article" means an article of this Agreement unless another document is specifically referenced.

"Assignment Agreement" means an Assignment Agreement in the form of Exhibit A.

"Benefit Plan" of any Person, means, at any time, any employee benefit plan (including a Multiemployer Benefit Plan), the funding requirements of which (under Section 302 of ERISA or Section

412 of the Code) are, or at any time within six years immediately preceding the time in question were, in whole or in part, the responsibility of such Person.

"Borrower" is defined in the preamble.

"Borrowing Date" means a date on which an Advance is made hereunder.

"Borrowing Notice" is defined in Section 2.2(c).

"Business Day" means (i) with respect to any borrowing, payment or rate selection of Eurodollar Advances, a day that is also a London Banking Day and (ii) for all other purposes, a day (other than a Saturday or Sunday) on which banks generally are open in California for the conduct of substantially all of their commercial lending activities and interbank wire transfers can be made on the Fedwire system.

"Capitalized Lease" of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

"Capitalized Lease Obligations" of a Person means the amount of the obligations of such Person under Capitalized Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

"Cash Collateralize" means to pledge and deposit with or deliver to the Agent, for the benefit of the Agent or the L/C Issuers and the Lenders, as collateral for L/C Obligations or obligations of Lenders to fund participations in respect thereof, cash or deposit account balances or, if the applicable L/C Issuer benefitting from such collateral shall agree in its sole discretion, other credit support, in each case pursuant to documentation in form and substance satisfactory to (a) the Agent and (b) the applicable L/C Issuer. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Change in Control" means the acquisition by any Person, or two or more Persons acting in concert, of beneficial ownership (within the meaning of Rule 13d3 of the SEC under the Securities Exchange Act of 1934) of 30% or more of the outstanding shares of voting stock of the Borrower.

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Code" means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time.

"Commitment" means, for each Lender, the obligation of such Lender (a) to make Loans to the Borrower and (b) to purchase participations in L/C Obligations and Swing Line Loans, in an aggregate

amount not exceeding the amount set forth on Schedule 2 or as set forth in any Assignment Agreement relating to any assignment that has become effective pursuant to Section 12.3(a), as such amount may be modified from time to time pursuant to the terms hereof.

"Consolidated Indebtedness" means at any time all Indebtedness of the Borrower and its Subsidiaries calculated on a consolidated basis as of such time.

"Conversion/Continuation Notice" is defined in Section 2.2(d).

"Credit Extension" means each of the following: (a) an Advance and (b) an L/C Credit Extension.

"Debt" means any liability that constitutes "debt" or "Debt" under Section 101(11) of the United States Bankruptcy Code or under the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any analogous applicable law, rule or regulation, Governmental Approval, order, writ, injunction or decree of any court or Governmental Authority.

"Default" means an event described in Article VII.

"Defaulting Lender" means, subject to Section 2.21(b), any Lender that, as determined by the Agent, (a) has failed to perform any of its funding obligations hereunder, including in respect of its Loans or participations in respect of Letters of Credit, within three Business Days of the date required to be funded by it hereunder, unless such Lender notifies the Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, (b) has notified the Borrower or the Agent that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder or under other agreements in which it commits to extend credit, (c) has failed, within three Business Days after written request by the Agent, to confirm in writing to the Agent that it will comply with its funding obligations (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any bankruptcy or similar debtor relief law, (ii) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, or (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

"Disclosure Documents" means (i) the Borrower's Annual Report on Form 10-K for the year ended December 31, 2014 and (ii) the Borrower's Current Reports on Form 8-K since the date referred to in clause (i) and prior to the date hereof, in each case filed with the SEC.

"Effective Date" is defined in Section 4.1.

"Environmental Laws" means any and all federal, state, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, injunctions, permits, grants, franchises, licenses, agreements and other governmental restrictions relating to (i) the protection of the environment,

(ii) the effect of the environment on human health, (iii) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land, or (iv) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any rule or regulation issued thereunder.

"ERISA Affiliate" means, with respect to any Person, any other Person, including a Subsidiary or other Affiliate of such first Person, that is a member of any group of organizations within the meaning of Code Sections 414(b), (c), (m) or (o) of which such first Person is a member.

"Eurodollar Advance" means an Advance which bears interest at a Eurodollar Rate requested by the Borrower pursuant to Section 2.2.

"Eurodollar Base Rate" means, with respect to a Eurodollar Advance for the relevant Interest Period, LIBOR quoted two (2) London Banking Days prior to the first day of such Interest Period, applicable to dollar deposits with a maturity equal to such Interest Period. If such rate is not available at such time for any reason, then "LIBOR" for such Interest Period shall be the rate per annum determined by the Agent to be the rate at which deposits in U.S. dollars for delivery on the first day of such Interest Period in same day funds in the approximate amount of the Eurodollar Advance being made, continued or converted by the Agent and with a term equivalent to such Interest Period would be offered by the Agent's London Branch to major banks in the London interbank eurodollar market at their request at approximately 11:00 a.m. (London time) two London Banking Days prior to the commencement of such Interest Period; provided that, if the Eurodollar Base Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

"Eurodollar Loan" means a Loan which bears interest at a Eurodollar Rate requested by the Borrower pursuant to Section 2.2.

"Eurodollar Rate" means, with respect to a Eurodollar Advance for the relevant Interest Period, the sum of (i) Adjusted Eurodollar Rate applicable to such Interest Period, plus (ii) the Applicable Margin.

"Excluded Taxes" means, in the case of each Lender or applicable Lending Installation and the Agent, (A) taxes imposed on its overall net income, and franchise taxes or gross revenue taxes in the nature of net income taxes, including without limitation the Washington Business and Occupation Tax, the Ohio Commercial Activity Tax and other similar taxes, by either (i) any jurisdiction under the laws of which such Lender or the Agent is incorporated or organized or (ii) the jurisdiction in which the Agent's or such Lender's principal executive office or such Lender's applicable Lending Installation is located and (B) any U.S. federal withholding taxes imposed under FATCA.

"Exhibit" refers to an exhibit to this Agreement, unless another document is specifically referenced.

"Existing Credit Agreement" is defined in the preamble.

"Existing Letters of Credit" means the letters of credit identified on Schedule 4.

"Facility" means the credit facility established under this Agreement.

"Facility Fee Rate" means, at any time, the percentage rate per annum opposite the heading "Facility Fee Rate" in the Pricing Schedule which is applicable at such time.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any applicable intergovernmental agreements.

"Federal Funds Effective Rate" means, for any day, an interest rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published for such day (or, if such day is not a Business Day, for the immediately preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations at approximately 11:00 a.m. (New York time) on such day on such transactions received by the Agent from three Federal funds brokers of recognized standing selected by the Agent in its sole discretion.

"Final Termination Date" means the latest Scheduled Termination Date for any Lender (without giving effect to any extension any Lender may elect to agree to pursuant to Section 2.18 unless and until such extension shall have become effective in accordance with the terms of Section 2.18) or any earlier date on which the Aggregate Commitment is reduced to zero or otherwise terminated pursuant to the terms hereof.

"Floating Rate" means, for any day, a rate per annum equal to (i) the Alternate Base Rate for such day, changing when and as the Alternate Base Rate changes plus (ii) the Applicable Margin.

"Floating Rate Advance" means an Advance which, except as otherwise provided in Section 2.9, bears interest at the Floating Rate.

"Fronting Exposure" means, at any time there is a Defaulting Lender, (a) with respect to the applicable L/C Issuer, such Defaulting Lender's Pro Rata Share of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof and (b) with respect to the Swing Line Lender, such Defaulting Lender's Pro Rata Share of the outstanding Swing Line Loans other than Swing Line Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"Governmental Approval" means any authorization, consent, approval, license or exception of, registration or filing with, or report or notice to, any governmental unit.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra- national bodies such as the European Union or the European Central Bank).

"Granting Lender" is defined in Section 12.6.

"Guaranty" of a Person means any agreement, undertaking or arrangement (including, without limitation, any comfort letter, operating agreement, take or pay contract, application for a letter of credit or the obligations of any such Person as general partner of a partnership with respect to the liabilities of the partnership) by which such Person (i) assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, (ii) agrees to maintain the net worth or working capital or other financial condition of any other Person, or (iii) otherwise assures any creditor of such other Person against loss.

"Honor Date" is defined in Section 2.19(c).

"Indebtedness" of a Person means such Person's (i) obligations for borrowed money, (ii) obligations representing the deferred purchase price of Property or services (other than accounts payable arising in the ordinary course of such Person's business payable on terms customary in the trade), (iii) obligations, whether or not assumed, secured by Liens or payable out of the proceeds or production from Property now or hereafter owned or acquired by such Person, (iv) obligations which are evidenced by notes, bankers' acceptances, or other instruments, (v) obligations of such Person to purchase accounts, securities or other Property arising out of or in connection with the sale of the same or substantially similar accounts, securities or Property, (vi) Capitalized Lease Obligations, (vii) any other obligation for borrowed money or other financial accommodation which in accordance with Agreement Accounting Principles would be shown as a liability on the consolidated balance sheet of such Person, (viii) net liabilities under interest rate swap, exchange or cap agreements, obligations or other liabilities with respect to accounts or notes, (ix) sale and leaseback transactions which do not create a liability on the consolidated balance sheet of such Person, (x) other transactions which are the functional equivalent, or take the place, of borrowing but which do not constitute a liability on the consolidated balance sheet of such Person and (xi) Guaranties of Indebtedness; provided that there shall be excluded from this definition (1) (except for the purposes of Section 7.5) Interest Deferral Obligations up to an amount outstanding at any one time equal to 15% of the amount described in clause (a) of the definition of "Total Capitalization," excluding in the calculation thereof for the purposes of this proviso, however, preferred and preference stock, and (2) the agreements listed on Schedule 3 and similar agreements entered into for the operation and maintenance of power plants or the purchase of power or transmission services (provided, for the avoidance of doubt, that this Agreement shall not be deemed to be such an agreement as a result of it being available to support collateral requirements under the Borrower's energy purchase and sale agreements).

"Initial L/C Issuers" means Wells Fargo, JPMorgan Chase Bank, N.A., U.S. Bank National Association, Bank of America, N.A. and Barclays Bank PLC in their capacity as L/C Issuers.

"Interest Deferral Obligations" means obligations and guaranties related thereto, which obligations and guaranties are junior and subordinated in all respects to all amounts owing under the Loan Documents, that contain provisions allowing the obligor to extend the interest payment period from time to time and defer any interest payments (however denominated) due during such extended interest payment period.

"Interest Period" means with respect to a Eurodollar Advance, a period of one, two, three or six months commencing on a Business Day selected by the Borrower pursuant to this Agreement. Such Interest Period shall end on the day which corresponds numerically to such date one, two, three or six months thereafter, provided that if there is no such numerically corresponding day in such next, second, third or sixth succeeding month, such Interest Period shall end on the last Business Day of such next, second, third or sixth succeeding month. If an Interest Period would otherwise end on a day which is not a Business Day, such Interest Period shall end on the next succeeding Business Day, provided that if said

next succeeding Business Day falls in a new calendar month, such Interest Period shall end on the immediately preceding Business Day. Notwithstanding any other provision of this Agreement the Borrower may not select any Interest Period that would extend beyond the Scheduled Termination Date of any Lender.

"ISP" means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

"Issuer Documents" means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by a L/C Issuer and the Borrower (or any Subsidiary) or in favor of such L/C Issuer and relating to such Letter of Credit.

"L/C Advance" means, with respect to each Lender, such Lender's funding of its participation in any L/C Borrowing in accordance with its Pro Rata Share.

"L/C Borrowing" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as an Advance of Loans.

"L/C Commitment" means, (a) with respect to Wells Fargo, in its capacity as an Initial L/C Issuer, its obligation to issue Letters of Credit to the Borrower pursuant to Section 2.19 in an aggregate principal amount at any one time outstanding not to exceed $30,000,000, (b) with respect to JPMorgan Chase Bank, N.A., in its capacity as an Initial L/C Issuer, its obligation to issue Letters of Credit to the Borrower pursuant to Section 2.19 in an aggregate principal amount at any one time outstanding not to exceed $30,000,000, (c) with respect to U.S. Bank National Association, in its capacity as an Initial L/C Issuer, its obligation to issue Letters of Credit to the Borrower pursuant to Section 2.19 in an aggregate principal amount at any one time outstanding not to exceed $30,000,000, (d) with respect to Bank of America, N.A., in its capacity as an Initial L/C Issuer, its obligation to issue Letters of Credit to the Borrower pursuant to Section 2.19 in an aggregate principal amount at any one time outstanding not to exceed $30,000,000 and (e) with respect to Barclays Bank PLC, in its capacity as an Initial L/C Issuer, its obligation to issue Letters of Credit to the Borrower pursuant to Section 2.19 in an aggregate principal amount at any one time outstanding not to exceed $30,000,000, in each case, as such amount may be adjusted from time to time in accordance with this Credit Agreement. Notwithstanding the foregoing, each Initial L/C Issuer may, in its sole discretion, issue Letters of Credit to the Borrower in excess of its L/C Commitment provided that the outstanding amount of all L/C Obligations shall not exceed the Letter of Credit Sublimit.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

"L/C Issuer" means, with respect to a particular Letter of Credit, (a) the applicable Initial L/C Issuer in its capacity as issuer of such Letter of Credit, (b) any other Lender that agrees to issue Letters of Credit hereunder, in each case, in its capacity as an issuer of such Letter of Credit hereunder and/or (c) any successor issuer of Letters of Credit hereunder. The term "L/C Issuer" when used with respect to a Letter of Credit or the L/C Obligations relating to a Letter of Credit shall refer to the L/C Issuer that issued such Letter of Credit.

"L/C Obligations" means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 9.15. For all

purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Lender Funding Obligation" is defined in Section 12.6(a).

"Lenders" means the financial institutions from time to time parties hereto as lenders, together with their respective successors and assigns, and including, as the context requires, the L/C Issuers and/or the Swing Line Lender.

"Lending Installation" means, with respect to a Lender or the Agent, the office, branch, subsidiary or affiliate of such Lender or the Agent listed on Schedule 13.1 or otherwise selected by such Lender or the Agent pursuant to Section 2.15.

"Letter of Credit" means any standby letter of credit issued hereunder and shall include the Existing Letters of Credit.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a letter of credit in the form from time to time in use by the applicable L/C Issuer.

"Letter of Credit Expiration Date" means, as to any L/C Issuer, the day that is thirty days prior to the Scheduled Termination Date of such L/C Issuer in its capacity as a Lender then in effect (or, if such day is not a Business Day, the next preceding Business Day).

"Letter of Credit Fee" has the meaning specified in Section 2.19(h).

"Letter of Credit Sublimit" means an amount equal to the lesser of (a) the Aggregate Commitment and (b) $150,000,000. The Letter of Credit Sublimit is part of, and not in addition to, the Aggregate Commitment.

"LIBOR" means the rate of interest per annum determined on the basis of the rate for deposits in Dollars for a period equal to the applicable Interest Period which appears on Reuters Screen LIBOR01 Page (or any applicable successor page) at approximately 11:00 a.m. (London time) two (2) London Banking Days prior to the first day of the applicable Interest Period. If, for any reason, such rate does not appear on Reuters Screen LIBOR01 Page (or any applicable successor page), then "LIBOR" shall be determined by the Agent to be the arithmetic average of the rate per annum at which deposits in Dollars would be offered by first class banks in the London interbank market to the Agent at approximately 11:00 a.m. (London time) two (2) London Banking Days prior to the first day of the applicable Interest Period for a period equal to such Interest Period. Each calculation by the Agent of LIBOR shall be conclusive and binding for all purposes, absent manifest error. If LIBOR shall be less than zero, LIBOR shall be deemed zero for purposes of this Agreement.

"LIBOR Market Index Rate" means, for any day, the one month rate of interest per annum appearing on Reuters Screen LIBOR01 Page (or any applicable successor page) as the London interbank offered rate for deposits in Dollars at approximately 11:00 A.M. (London time) on such day, or if such day is not a London Banking Day, then the immediately preceding London Banking Day (or if not so reported, then as determined by the Agent from another recognized source or interbank quotation), or another rate as agreed to by the Agent and the Borrower; provided that, if the LIBOR Market Index Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

"Lien" means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, the interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement).

"Loan" means, with respect to a Lender, any loan (including any Swing Line Loan) made by such Lender pursuant to Article II (including, in the case of a loan made pursuant to Section 2.2, any conversion or continuation thereof).

"Loan Documents" means this Agreement, each Note, each Issuer Document and any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.20.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Margin Stock" means margin stock as defined in Regulation U.

"Material Adverse Effect" means a material adverse effect on (i) the business or financial condition of the Borrower and its Subsidiaries taken as a whole, (ii) the ability of the Borrower to perform its obligations under the Loan Documents, or (iii) the validity or enforceability of any of the Loan Documents against the Borrower or the material rights or remedies of the Agent or the Lenders thereunder, it being understood that if the Moody's Rating and/or the S&P Rating (as such terms are defined in the Pricing Schedule) is downgraded to Baa3 or below or BBB- or below, respectively, such downgrade in and of itself shall not constitute a Material Adverse Effect (but shall only constitute a Material Adverse Effect if such downgrade results in a material adverse effect of the type described in clause (i) or (ii) above).

"Material Indebtedness" is defined in Section 7.5.

" Moody' s " means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage" is defined in Section 6.10(v).

"Multiemployer Benefit Plan" means any Benefit Plan that is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Note" is defined in Section 2.11.

"Obligations" means all unpaid principal of and accrued and unpaid interest with respect to any Loan or Letter of Credit, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations of the Borrower to the Lenders or to any Lender, the Agent or any indemnified party arising under the Loan Documents.

"OFAC" means the U.S. Department of the Treasury's Office of Foreign Assets Control.

"Other Agents" is defined in Section 10.15.

"Other Taxes" is defined in Section 3.5(ii).

"Outstanding Credit Exposure" means, as to any Lender at any time, the sum of (a) the aggregate principal amount of its Loans outstanding at such time plus (b) its Pro Rata Share of all L/C Obligations and Swing Line Loans outstanding at such time.

"Participant Register" has the meaning specified in Section 12.2(c).

"Participants" is defined in Section 12.2(a).

"Payment Date" means the last Business Day of each March, June, September and December.

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"Person" means any natural person, corporation, firm, joint venture, partnership, limited liability company, association, enterprise, trust or other entity or organization, or any government or political subdivision or any agency, department or instrumentality thereof.

"Pricing Schedule" means Schedule 1 attached hereto.

"Property" of a Person means any and all property, whether real, personal, tangible, intangible, or mixed, of such Person, or other assets owned or leased by such Person.

"Pro Rata Share" means, with respect to any Lender, the percentage that the amount of such Lender's Commitment is of the Aggregate Commitment (or, if the Commitments have terminated, that such Lender's Outstanding Credit Exposure is of the Aggregate Outstanding Credit Exposure). The Pro Rata Share of a Lender shall be subject to adjustment as provided in Section 2.21.

"Purchaser" means any Person that meets the requirements to be an assignee under Sections 12.3(a)(iii) and (v) (subject to such consents, if any, as may be required under Section 12.3(a)(iii)).

"Regulation D" means Regulation D of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor thereto or other regulation or official interpretation of said Board of Governors relating to reserve requirements applicable to member banks of the Federal Reserve System.

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by banks for the purpose of purchasing or carrying margin stock applicable to member banks of the Federal Reserve System.

"Reportable Event" means a reportable event described in Section 4043 of ERISA.

"Required Lenders" means Lenders in the aggregate having more than 50% of the Aggregate Commitment or, if the Aggregate Commitment has been terminated, Lenders in the aggregate holding more than 50% of the Aggregate Outstanding Credit Exposure; provided, however, that if any Lender shall be a Defaulting Lender at such time then there shall be excluded from the determination of Required Lenders the Commitment (or, if the Aggregate Commitment has been terminated, the Outstanding Credit Exposure) of such Lender at such time.

"Reserve Requirement" means, with respect to an Interest Period, the maximum aggregate reserve requirement (including all basic, supplemental, marginal and other reserves) which is imposed under Regulation D on Eurocurrency liabilities.

"Sanctioned Country" means a country subject to a sanctions program identified on the list maintained by OFAC and available at http://www.treasury.gov/resource- center/sanctions/Programs/Pages/Programs.aspx, or as otherwise published from time to time.

"Sanctioned Person" means (a) a Person named on the list of "Specially Designated Nationals and Blocked Persons" maintained by OFAC available at http://www.treasury.gov/resource- center/sanctions/SDN-List/Pages/default.aspx, or as otherwise published from time to time, (b) a Person named on the lists maintained by the United Nations Security Council available at http://www.un.org/sc/committees/list_compend.shtml, or as otherwise published from time to time, (c) a Person named on the lists maintained by the European Union available at http://eeas.europa.eu/cfsp/sanctions/consol-list_en.htm, or as otherwise published from time to time, (d) a Person named on the lists maintained by Her Majesty's Treasury available at http://www.hm- treasury.gov.uk/fin_sanctions_index.htm, or as otherwise published from time to time, or (e) (i) an agency of the government of a Sanctioned Country, (ii) an organization controlled by a Sanctioned Country, or (iii) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC.

"SEC" means the Securities and Exchange Commission.

"Schedule" refers to a specific schedule to this Agreement, unless another document is specifically referenced.

"Scheduled Termination Date" means, for any Lender, November 14, 2019 or such later date as may be established for such Lender in accordance with Section 2.18.

"Section" means a numbered section of this Agreement, unless another document is specifically referenced.

"Significant Subsidiary" means a "significant subsidiary" (as defined in Regulation S-X of the SEC as in effect on the date of this Agreement) of the Borrower.

"SPV" is defined in Section 12.6.

"Subsidiary" of a Person means (i) any corporation more than 50% of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (ii) any partnership, limited liability company, association, joint venture or similar business organization more than 50% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of the Borrower.

"Substantial Portion" means, with respect to the Property of the Borrower and its Subsidiaries, Property which (i) represents more than 25% of the consolidated assets of the Borrower and its Subsidiaries as would be shown in the consolidated financial statements of the Borrower and its Subsidiaries as at the beginning of the twelve-month period ending with the month in which such determination is made, or (ii) is responsible for more than 25% of the consolidated net sales or of the consolidated net income of the Borrower and its Subsidiaries as reflected in the financial statements referred to in clause (i) above.

"Swing Line Lender" means Wells Fargo in its capacity as swing line lender hereunder or any successor thereto.

"Swing Line Loan" means any swing line loan made by the Swing Line Lender to the Borrower pursuant to Section 2.22, and all such swing line loans collectively as the context requires.

"Swing Line Rate" means, for any date, a rate per annum equal to (i) the LIBOR Market Index Rate for such day plus (ii) the Applicable Margin for the Eurodollar Rate.

"Swing Line Sublimit" means the lesser of (a) $40,000,000 and (b) the Aggregate Commitment.

"Tax-Free Debt" means Debt of the Borrower to a state, territory or possession of the United States or any political subdivision thereof issued in a transaction in which such state, territory, possession or political subdivision issued obligations the interest on which is excludable from gross income pursuant to the provisions of Section 103 of the Code (or similar provisions), as in effect at the time of issuance of such obligations, and debt to a bank issuing a letter of credit with respect to the principal of or interest on such obligations.

"Taxes" means any and all present or future taxes, duties, levies, imposts, charges or withholdings imposed by or payable to any governmental or regulatory authority or agency, and any and all liabilities with respect to the foregoing, but excluding Excluded Taxes and Other Taxes.

"Total Capitalization" means, at any time, the sum of the following for the Borrower and its Subsidiaries, determined on a consolidated basis in accordance with Agreement Accounting Principles (without duplication and excluding minority interests in Subsidiaries):

(a) the amount of capital stock, including preferred and preference stock (less cost of treasury shares), plus any amounts deducted from stockholders' equity as unearned compensation on the Borrower's balance sheet, plus (or minus in the case of a deficit) capital surplus and earned surplus, but including current sinking fund obligations; plus

(b) the aggregate outstanding principal amount of Interest Deferral Obligations excluded by the proviso in the definition of "Indebtedness"; plus

(c) the aggregate outstanding principal amount of all Consolidated Indebtedness.

"Transferee" is defined in Section 12.4.

"Type" means, with respect to any Advance, its nature as a Floating Rate Advance or a Eurodollar Advance.

"Unmatured Default" means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

"Unreimbursed Amount" is defined in Section 2.19(c)(i).

"Wells Fargo" means Wells Fargo Bank, National Association.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II

THE CREDITS

2.1 The Facility.

(a) Description of Facility. The Lenders grant to the Borrower a revolving credit facility pursuant to which, subject to the terms and conditions herein set forth:

(i) each Lender severally agrees to make Loans to the Borrower in accordance with Section 2.2;

(ii) each L/C Issuer agrees to issue Letters of Credit for the account of the Borrower and its Subsidiaries in accordance with Section 2.19;

(iii) the Swing Line Lender shall make Swing Line Loans to the Borrower in accordance with Section 2.22; and

(iv) each Lender severally agrees to participate in (x) the Letters of Credit in accordance with Section 2.19 and (y) the Swing Line Loans in accordance with Section 2.22.

(b) Amount of Facility. In no event may the Aggregate Outstanding Credit Exposure exceed the Aggregate Commitment.

(c) Availability of Facility. Subject to the terms of this Agreement, the Facility is available from the Effective Date to the Final Termination Date, and the Borrower may borrow, repay and reborrow at any time prior to the Final Termination Date; provided that, if not earlier terminated in accordance with the terms hereof, the Commitment of each Lender shall expire on such Lender's Scheduled Termination Date.

(d) Repayment of Facility. The Aggregate Outstanding Credit Exposure and all other unpaid Obligations (to the extent that such Obligations have accrued and the amount thereof has been determined) shall be paid in full by the Borrower on the Final Termination Date; provided that, if not earlier paid in accordance with the terms hereof, all of the Outstanding Credit Exposure of each Lender and all other Obligations owed to such Lender shall be paid on such Lender's Scheduled Termination Date.

2.2 Advances.

(a) Advances. Each Advance hereunder shall consist of Loans made by the several Lenders ratably according to their Pro Rata Share.

(b) Types of Advances. The Advances may be Floating Rate Advances or Eurodollar Advances, or a combination thereof, as selected by the Borrower in accordance with Section 2.2(c).

(c) Method of Selecting Types and Interest Periods for Advances. The Borrower shall select the Type of Advance and, in the case of each Eurodollar Advance, the Interest Period applicable thereto, from time to time. The Borrower shall give the Agent irrevocable notice in

substantially the form of Exhibit E hereto (a "Borrowing Notice") not later than 11:30 a.m. (New York time) on the Borrowing Date of each Floating Rate Advance and each Swing Line Loan and at least three (3) Business Days before the Borrowing Date for each Eurodollar Advance. Each Borrowing Notice shall specify:

(i) the Borrowing Date, which shall be a Business Day, of such Advance, (ii) (ii) the aggregate amount of such Advance,

(iii) the Type of Advance selected,

(iv) in the case of each Eurodollar Advance, the Interest Period applicable thereto; and

(v) whether such Advance is to be a Swing Line Loan.

(d) **Conversion and Continuation of Outstanding Advances**. Floating Rate Advances shall continue as Floating Rate Advances unless and until such Floating Rate Advances are either converted into Eurodollar Advances in accordance with this Section 2.2(d) or are repaid in accordance with Section 2.7. Each Eurodollar Advance shall continue as a Eurodollar Advance until the end of the then applicable Interest Period therefor, at which time such Eurodollar Advance shall be automatically converted into a Floating Rate Advance unless (x) such Eurodollar Advance is or was repaid in accordance with Section 2.7 or (y) the Borrower shall have given the Agent a Conversion/Continuation Notice (as defined below) requesting that, at the end of such Interest Period, such Eurodollar Advance continue as a Eurodollar Advance for the same or another Interest Period. Subject to the terms of Section 2.6, the Borrower may elect from time to time to convert all or any part of a Floating Rate Advance into a Eurodollar Advance. The Borrower shall give the Agent irrevocable notice in substantially the form of Exhibit F hereto (a "Conversion/Continuation Notice") of each conversion of a Floating Rate Advance into a Eurodollar Advance, or continuation of a Eurodollar Advance, not later than 11:30 a.m. (New York time) at least three (3) Business Days prior to the date of the requested conversion or continuation, specifying:

(i) the requested date, which shall be a Business Day, of such conversion or continuation,

(ii) the aggregate amount and Type of the Advance which is to be converted or continued, and

(iii) the amount of such Advance which is to be converted or continued as a Eurodollar Advance and the duration of the Interest Period applicable thereto.

2.3 Increases and Reductions of the Aggregate Commitment.

(a) Increases of the Aggregate Commitment. The Borrower may increase the Aggregate Commitment by up to $100,000,000 in the aggregate in one or more increases, at any time after the Effective Date and prior to the date that is six months prior to the Scheduled Termination Date, upon at least five Business Days' prior written notice to the Agent, subject, however, in any such case, to satisfaction of the following conditions precedent:

(i) the Aggregate Commitment shall not exceed $600,000,000 without the consent of the Required Lenders;

(ii) no Default or Unmatured Default shall have occurred and be continuing on the date on which such increase is to become effective;

(iii) the representations and warranties contained in Article V are true and correct in all material respects as of the date such increase is to become effective, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects on and as of such earlier date.

(iv) such increase shall be in a minimum amount of $10,000,000 and in integral multiples of $5,000,000 in excess thereof;

(v) such requested increase shall only be effective upon receipt by the Agent of (A) additional Commitments in a corresponding amount of such requested increase from either existing Lenders (subject to the consent of the L/C Issuers and the Swing Line Lender) and/or one or more other institutions that qualify as Purchasers (it being understood and agreed that no existing Lender shall be required to provide an additional Commitment) and (B) documentation from each institution providing an additional Commitment evidencing its additional Commitment and its obligations under this Agreement in form and substance acceptable to the Agent;

(vi) the Agent shall have received all documents (including resolutions of the board of directors of the Borrower) it may reasonably request relating to the corporate or other necessary authority for such increase and the validity of such increase in the Aggregate Commitment, and any other matters relevant thereto, all in form and substance reasonably satisfactory to the Agent;

(vii) if any Loans are outstanding at the time of the increase in the Aggregate Commitment, the Borrower shall, if applicable, prepay one or more existing Loans (such prepayment to be subject to Section 3.4) in an amount necessary such that after giving effect to the increase in the Aggregate Commitment, each Lender will hold its Pro Rata Share (based on its Pro Rata Share of the increased Aggregate Commitment) of outstanding Loans;

(viii) the Agent shall have received evidence, in form and substance reasonably satisfactory to the Agent, that the Borrower has obtained the approval of the Public Utility Commission of Oregon to increase in the Aggregate Commitment; and

(ix) approval of the Borrower's Board of Directors to increase the Aggregate Commitment.

(b) Reductions of the Aggregate Commitment.

(i) The Borrower may terminate or permanently reduce the Aggregate Commitment (i) in part ratably among the Lenders in integral multiples of $5,000,000, upon at least five (5) Business Days' written notice to the Agent, which notice shall specify the amount of any such reduction, or (ii) in whole upon at least one (1) Business Days' written notice to the Agent, provided that in either case the amount of the

Aggregate Commitment may not be reduced below the Aggregate Outstanding Credit Exposure. If the Aggregate Commitment is being terminated in whole, all fees accrued with respect to thereto until the effective date of such termination shall be paid on the effective date of such termination and upon receipt of all amounts owed, the Loan Documents shall be terminated.

(ii) The Aggregate Commitment shall be reduced to zero following the occurrence of a Change in Control upon the Borrower's receipt of notice thereof from the Required Lenders (or the Agent with the consent of the Required Lenders).

(iii) On the Scheduled Termination Date for each Lender, the Aggregate Commitment shall be reduced by the amount of the Commitment of such Lender as in effect immediately prior to such date (and the Pro Rata Shares of the Lenders shall be adjusted accordingly).

(iv) For the avoidance of doubt, in the event and on such occasion that (1) Aggregate Outstanding Credit Exposure exceeds the Aggregate Commitment, the Borrower shall concurrently therewith prepay Advances in an aggregate amount equal to such excess; provided, however, that (1) if, after giving effect to any reduction of the Aggregate Commitment, the Letter of Credit Sublimit exceeds the amount of the Aggregate Commitment, the Letter of Credit Sublimit shall be automatically reduced by the amount of such excess, (2) if, after giving effect to any reduction of the Aggregate Commitment, the Swing Line Sublimit exceeds the amount of the Aggregate Commitment, the Swing Line Sublimit shall be automatically reduced by the amount of such excess and (3) in the event that Aggregate Outstanding Credit Exposure exceeds the Aggregate Commitment as a result of a reduction in the Aggregate Commitment pursuant to subsection (b)(ii) above, the Borrower shall not be required to prepay Advances in an aggregate amount equal to such excess unless and until the Borrower shall have received written notice thereof from the Required Lenders (or from the Agent with the consent of the Required Lenders).

2.4 Method of Borrowing. Not later than 1:00 p.m. (New York time) on each Borrowing Date, each Lender shall (or, in the case of an Advance of Swing Line Loans, the Swing Line Lender shall) make available its Loan or Loans in funds immediately available to the Agent at its address specified pursuant to Article XIII. The Agent will make the funds so received from the Lenders available to the Borrower on the day received and in the form received, at the Borrower's account specified by the Borrower to the Agent. Loans to be made for the purpose of refunding Swing Line Loans shall be made by the Lenders as provided in Section 2.22(b).

2.5 Facility Fee. The Borrower agrees to pay to the Agent for the account of each Lender a facility fee at a per annum rate equal to the Facility Fee Rate on the average daily amount of such Lender's Commitment (whether used or unused) from the date hereof to and including such Lender's Scheduled Termination Date (and, if any Loans from such Lender or L/C Obligations of such Lender remain outstanding after such Lender's Scheduled Termination Date, thereafter on the unpaid amount of such Lender's Outstanding Credit Exposure), payable on each Payment Date and on such Lender's Scheduled Termination Date (and thereafter, if applicable, on demand), subject to adjustment as provided in Section 2.21

2.6 Minimum Amount of Each Advance. Each Advance (other than an Advance of Swing Line Loans) shall be in the minimum amount of $5,000,000 (or a higher integral multiple of $1,000,000), provided that any Floating Rate Advance may be in the amount of the unused Aggregate Commitment.

Each Advance of Swing Line Loans shall be in the minimum amount of $500,000 (or a higher integral multiple of $100,000). The Borrower shall not request a Eurodollar Advance if, after giving effect to the requested Eurodollar Advance, more than ten (10) separate Eurodollar Advances would be outstanding.

2.7 Optional Principal Payments. The Borrower may from time to time pay, without penalty or premium, (i) all outstanding Floating Rate Advances, or, in a minimum aggregate amount of
$5,000,000 or any higher integral multiple of $1,000,000, any portion of the outstanding Floating Rate
Advances and (ii) all outstanding Swing Line Loans, or, in a minimum aggregate amount of $500,000 or any higher integral multiple of $100,000, any portion of the outstanding Swing Line Loans, in each case, upon prior notice to the Agent not later than 11:30 a.m. (New York time) on the date of payment (which shall be a Business Day). The Borrower may from time to time pay, subject to the payment of any funding indemnification amounts required by Section 3.4 but without penalty or premium, all outstanding Eurodollar Advances or, in a minimum aggregate amount of $5,000,000 or any higher integral multiple of
$1,000,000, any portion of the outstanding Eurodollar Advances upon prior notice to the Agent not later than 1:00 p.m. (New York time) three (3) Business Days prior to the date of payment (which shall be a
Business Day).

2.8 Changes in Interest Rate, etc. Each Floating Rate Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Advance is made or is converted from a Eurodollar Advance into a Floating Rate Advance pursuant to Section 2.2(d) to but excluding the date it becomes due, is prepaid or is converted into a Eurodollar Advance pursuant to Section 2.2(d), at a rate per annum equal to the Floating Rate for such day. Changes in the rate of interest on that portion of any Advance maintained as a Floating Rate Advance will take effect simultaneously with each change in the Alternate Base Rate. Each Eurodollar Advance shall bear interest on the outstanding principal amount thereof from and including the first day of the Interest Period applicable thereto to (but not including) the last day of such Interest Period or, with respect to any principal amount prepaid pursuant to Section 2.7, the date of such prepayment, at the interest rate determined as applicable to such Eurodollar Advance. Each Swing Line Loan shall bear interest on the outstanding principal amount thereof, for each day from and including date such Advance is made to but excluding the date it becomes due or is prepaid, at a rate per annum equal to the Swing Line Rate for such day. Changes in the rate of interest on that portion of any Advance maintained as a Swing Line Loan will take effect simultaneously with each change in the LIBOR Market Index Rate.

2.9 Rates Applicable After Default. Notwithstanding anything to the contrary contained in Section 2.2(c) or Section 2.2(d), during the continuance of a Default or Unmatured Default the Required Lenders may, at their option, by notice to the Borrower (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 8.2 requiring unanimous consent of the Lenders to changes in interest rates), declare that no Advance may be made as, converted into or continued as a Eurodollar Advance. During the continuance of any such Default, the Required Lenders may, at their option, by notice to the Borrower (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 8.2 requiring unanimous consent of the Lenders to changes in interest rates), declare that (i) each Eurodollar Advance shall bear interest for the remainder of the applicable Interest Period at the rate otherwise applicable to such Interest Period plus 2% per annum, (ii) each Floating Rate Advance (and any Eurodollar Advance which is not paid at the end of the applicable Interest Period) shall bear interest at a rate per annum equal to the Floating Rate plus 2% per annum, (iii) each Swing Line Loan shall bear interest a rate per annum equal to the Swing Line Rate plus 2% per annum and (iv) Letter of Credit Fees shall be equal to the Applicable Margin for Letter of Credit Fees plus 2% per annum, provided that, during the continuance of a Default under Section 7.6 or
7.7, the interest rates set forth in clauses (i) and (ii) above and the increase in Letter of Credit Fees set forth in clause (iii) above shall be applicable to all applicable Credit Extensions without any election or action on the part of the Agent or any Lender.

2.10 Method of Payment. Except as otherwise provided herein, all payments of the Obligations shall be made, without setoff, deduction, or counterclaim, in immediately available funds to the Agent at the Agent's address specified pursuant to Article XIII, or at any other Lending Installation of the Agent specified in writing by 1:00 p.m. (New York time) on the Business Day prior to the date when due by the Agent to the Borrower. Each payment delivered to the Agent for the account of any Lender shall be delivered promptly by the Agent to such Lender in the same type of funds that the Agent received at its address specified pursuant to Article XIII or at any Lending Installation specified in a notice received by the Agent from such Lender. Each payment delivered to the Agent on account of the principal of or interest on the Swing Line Loans or of any fee, commission or other amounts payable to the Swing Line Lender shall be made in like manner, but for the account of the Swing Line Lender.

2.11 Evidence of Indebtedness; Recordkeeping.

(i) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(ii) Upon the request of any Lender, the Loans made by such Lender also may be evidenced by a promissory note in favor of each Lender, substantially in the form of Exhibit D (a "Note"). In such event, the Borrower shall prepare, execute and deliver to such Lender a Note payable to the order of such Lender.

(iii) The Agent shall also maintain accounts in which it will record (a) the amount of each Credit Extension made hereunder, and if applicable, the Type thereof and the Interest Period with respect thereto, (b) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (c) the amount of any sum received by the Agent hereunder from the Borrower and each Lender's share thereof.

(iv) The entries set forth in the accounts maintained pursuant to paragraphs (i) and (iii) above, in the absence of manifest error, shall be *prima facie* evidence of the existence and amounts of the Obligations therein recorded and outstanding hereunder; provided that the failure of the Agent or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Obligations in accordance with their terms.

2.12 Telephonic Notices. The Borrower hereby authorizes the Lenders and the Agent to extend, convert or continue Advances, effect selections of Types of Advances and to transfer funds based on telephonic notices made by any person or persons the Agent or any Lender in good faith believes to be acting on behalf of the Borrower, it being understood that the foregoing authorization is specifically intended to allow Borrowing Notices and Conversion/Continuation Notices to be given telephonically. The Borrower agrees to deliver promptly to the Agent a written confirmation (signed by an authorized representative of the Borrower) of each telephonic notice, if such confirmation is requested by the Agent or any Lender. If the written confirmation differs in any material respect from the action taken by the Agent and the Lenders, the records of the Agent and the Lenders shall govern absent manifest error.

2.13 Interest Payment Dates; Interest and Fee Basis. Interest accrued on each Floating Rate Advance shall be payable on each Payment Date, on any date on which such Floating Rate Advance is prepaid, whether due to acceleration or otherwise, and at maturity. Interest accrued on that portion of the outstanding principal amount of any Floating Rate Advance converted into a Eurodollar Advance on a day other than a Payment Date shall be payable on the date of conversion. Interest accrued on each

Swing Line Loan shall be payable on each Payment Date, on any date on which such Swing Line Loan is prepaid, whether due to acceleration or otherwise, and at maturity. Interest accrued on each Eurodollar Advance shall be payable on the last day of its applicable Interest Period, on any date on which such Eurodollar Advance is prepaid, whether by acceleration or otherwise, and at maturity. Interest accrued on each Eurodollar Advance having an Interest Period longer than three months shall also be payable on the last day of each three-month interval during such Interest Period. Interest on Floating Rate Advances shall be calculated for actual days elapsed on the basis of a 365-day year or, when appropriate, a 366-day year. All other interest and all fees shall be calculated for actual days elapsed on the basis of a 360-day year. Interest shall be payable for the day an Advance is made but not for the day of any payment on the amount paid if payment is received prior to noon (New York time) at the place of payment. If any payment of principal of or interest on an Advance shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest in connection with such payment.

2.14 Notification of Advances, Interest Rates, Prepayments and Commitment Reductions. Promptly after receipt thereof, the Agent will notify each Lender of the contents of each Aggregate Commitment reduction notice, Borrowing Notice, Conversion/Continuation Notice and repayment notice received by it hereunder; provided, however, that the failure of the Agent to provide such notice to the Lenders shall not affect the validity or binding nature of such notice delivered to the Agent by the Borrower. The Agent will notify each Lender of the interest rate applicable to each Eurodollar Advance promptly upon determination of such interest rate and will give each Lender prompt notice of each change in the Alternate Base Rate.

2.15 Lending Installations. Each Lender may book its Loans at any Lending Installation selected by such Lender and may change its Lending Installation from time to time. All terms of this Agreement shall apply to any such Lending Installation. Each Lender may, by written notice to the Agent and the Borrower in accordance with Article XIII, designate replacement or additional Lending Installations through which Loans will be made by it and for whose account Loan payments are to be made.

2.16 Non-Receipt of Funds by the Agent. Unless the Borrower or a Lender, as the case may be, notifies the Agent prior to the date on which it is scheduled to make payment to the Agent of (i) in the case of a Lender, the proceeds of a Loan or (ii) in the case of the Borrower, a payment of principal, interest or fees to the Agent for the account of the Lenders, that it does not intend to make such payment, the Agent may assume that such payment has been made. The Agent may, but shall not be obligated to, make the amount of such payment available to the intended recipient in reliance upon such assumption. If such Lender or the Borrower, as the case may be, has not in fact made such payment to the Agent, the recipient of such payment shall, on demand by the Agent, repay to the Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date such amount was so made available by the Agent until the date the Agent recovers such amount at a rate per annum equal to (x) in the case of payment by a Lender, the Federal Funds Effective Rate for such day for the first three (3) days and, thereafter, the interest rate applicable to the relevant Loan or (y) in the case of payment by the Borrower, the interest rate applicable to the relevant Loan.

2.17 Replacement of Lender. If (a) the Borrower is required pursuant to Section 3.1, 3.2 or 3.5 to make any additional payment to any Lender or if any Lender's obligation to make or continue, or to convert Floating Rate Advances into, Eurodollar Advances is suspended pursuant to Section 3.3, (b) any Lender becomes a Defaulting Lender or (c) any Lender shall have a Scheduled Termination Date that is earlier than the then-effective Final Termination Date (any Lender so affected as described in subclauses (a), (b) or (c), an "Affected Lender"), the Borrower may (but only, in the case of clause (a), if such amounts continue to be charged or such suspension is still effective) elect to replace such Affected Lender

as a Lender party to this Agreement, provided that no Default or Unmatured Default shall have occurred and be continuing at the time of such replacement, and provided further that, concurrently with such replacement, (i) another bank or other entity which is reasonably satisfactory to the Borrower, the Agent and the L/C Issuers shall agree, as of such date, to purchase for cash the Credit Extensions due to the Affected Lender pursuant to an Assignment Agreement substantially in the form of Exhibit A and to become a Lender for all purposes under this Agreement and to assume all obligations of the Affected Lender to be terminated as of such date and to comply with the requirements of Section 12.3 applicable to assignments, and (ii) the Borrower shall pay to such Affected Lender in same day funds on the day of such replacement (A) all interest, fees and other amounts then accrued but unpaid to such Affected Lender by the Borrower hereunder to and including the date of termination, including, without limitation, any payments due to such Affected Lender under Sections 3.1, 3.2 and 3.5, and (B) an amount, if any, equal to the payment which would have been due to such Lender on the day of such replacement under Section 3.4 had the Loans and L/C Obligations of such Affected Lender been prepaid on such date rather than sold to the replacement Lender.

2.18 Extension of Final Termination Date. At any time after the Effective Date, the Borrower may, up to two times during the term of this Agreement, request a one-year extension of each Lender's Scheduled Termination Date by submitting a request for an extension to the Agent (an "Extension Request") no more than ninety (90) days, but not less than sixty (60) days, prior to any anniversary of the Effective Date commencing with the first anniversary thereof (the "Extension Date"). Any Extension Request shall specify the date (which must be at least thirty (30) days after the Extension Request is delivered to the Agent but no later than thirty (30) days prior to the Extension Date) as of which the Lenders must respond to such Extension Request (the "Response Date"). Promptly upon receipt of an Extension Request, the Agent shall notify each Lender of the contents thereof. Each Lender shall, not later than the Response Date for any Extension Request, deliver a written response to the Agent approving or rejecting such Extension Request (and any Lender that fails to deliver such a response by the Response Date shall be deemed to have rejected such Extension Request). If (i) Lenders that collectively have a Pro Rata Share of more than 50% approve an Extension Request (which approval shall be at the sole discretion of each Lender) and (ii) all of the Aggregate Outstanding Credit Exposure shall have been paid in full on the Extension Date, then the then-effective Final Termination Date, and the Scheduled Termination Date for each such approving Lender, shall be extended to the date that is one year after the then-effective Final Termination Date or, if such date is not a Business Day, to the next preceding Business Day (but the then-effective Scheduled Termination Date for each other Lender shall remain unchanged). The Agent shall promptly (and in any event not later than twenty-five (25) days prior to the Extension Date for each of the Lenders) notify the Borrower, in writing, of the Lenders' elections pursuant to this Section 2.18. If Lenders that collectively have a Pro Rata Share of 50% or more reject an Extension Request, then the Final Termination Date, and the Scheduled Termination Date of each Lender, shall remain unchanged. The Borrower may elect to replace any declining Lender under this Section 2.18 pursuant to the terms of Section 2.17. Prior to the effectiveness of any Extension Request under this Section 2.18, the Agent shall have received evidence, in form and substance reasonably satisfactory to the Agent, that the Borrower has obtained the approval of the Borrower's board of directors in connection with such Extension Request.

2.19 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) each L/C Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section 2.19, (1) from time to time on any Business Day during the period from the Effective Date until the Letter of Credit Expiration Date, to issue Letters of Credit in U.S. dollars for the account of the Borrower or any

of its Subsidiaries, and to amend or extend Letters of Credit previously issued by it, in accordance with subsection (b) below, and (2) to honor drawings under the Letters of Credit; and (B) the Lenders severally agree to participate in Letters of Credit issued for the account of the Borrower or its Subsidiaries and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (w) the Aggregate Outstanding Credit Exposure shall not exceed the Aggregate Commitment, (x) the aggregate outstanding amount of the Loans of any Lender, plus such Lender's Pro Rata Share of the outstanding amount of all L/C Obligations, plus such Lender's Pro Rata Share of the outstanding amount of all Swing Line Loans, shall not exceed such Lender's Commitment, (y) the outstanding amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit and (z) the aggregate principal amount of outstanding L/C Obligations of any Initial L/C Issuer shall not exceed such Initial L/C Issuer's L/C Commitment unless otherwise agreed by such Initial L/C Issuer. Each request by the Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed. All Existing Letters of Credit shall be deemed to have been issued pursuant hereto, and from and after the Effective Date shall be subject to and governed by the terms and conditions hereof.

(ii) No L/C Issuer shall issue any Letter of Credit if:

(A) subject to Section 2.19(b)(iii), the expiry date of such requested Letter of Credit would occur more than twelve months after the date of issuance or last extension of such Letter of Credit, unless the Lenders (other than Defaulting Lenders) holding a majority of the Commitments have approved such expiry date; or

(B) the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless all the Lenders that have Commitments have approved such expiry date.

(iii) No L/C Issuer shall be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such L/C Issuer from issuing such Letter of Credit, or any law applicable to such L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such L/C Issuer shall prohibit, or request that such L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on the Effective Date, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Effective Date and which such L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of such L/C Issuer applicable to borrowers generally;

(C) except as otherwise agreed by the Agent and such L/C Issuer, such Letter of Credit is in an initial stated amount less than $500,000;

(D) such Letter of Credit is to be denominated in a currency other than U.S. dollars;

(E) such Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder; or

(F) any Lender is at that time a Defaulting Lender, unless such L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to such L/C Issuer (in its sole discretion) with the Borrower or such Lender to eliminate such L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.21(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which such L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion.

(iv) No L/C Issuer shall amend any Letter of Credit if such L/C Issuer would not be permitted at such time to issue the Letter of Credit in its amended form under the terms hereof.

(v) No L/C Issuer shall be under any obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue the Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of the Letter of Credit does not accept the proposed amendment to the Letter of Credit.

(vi) Each L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and such L/C Issuer shall have all of the benefits and immunities (A) provided to the Agent in Article X with respect to any acts taken or omissions suffered by such L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Agent" as used in Article X included such L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to such L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Borrower delivered to the applicable L/C Issuer (with a copy to the Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Borrower. Such Letter of Credit Application may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by the applicable L/C Issuer, by personal delivery or by any other means acceptable to such L/C Issuer. Such Letter of Credit Application must be received by the applicable L/C Issuer and the Agent not later than 11:00 a.m. (New York time) at least five Business Days (or such later date and time as the Agent and such L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the applicable L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be

presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as such L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the applicable L/C Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as such L/C Issuer may require. Additionally, the Borrower shall furnish to the applicable L/C Issuer and the Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as such L/C Issuer or the Agent may require.

(ii) Promptly after receipt of any Letter of Credit Application, the applicable L/C Issuer will confirm with the Agent (by telephone or in writing) that the Agent has received a copy of such Letter of Credit Application from the Borrower and, if not, such L/C Issuer will provide the Agent with a copy thereof. Unless the applicable L/C Issuer has received written notice from any Lender, the Agent or any Loan Party, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article V shall not be satisfied, then, subject to the terms and conditions hereof, such L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the Borrower or the applicable Subsidiary or enter into the applicable amendment, as the case may be, in each case in accordance with such L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the applicable L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Pro Rata Share times the amount of such Letter of Credit.

(iii) If the Borrower so requests in any applicable Letter of Credit Application, the applicable L/C Issuer may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit such L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non- Extension Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the applicable L/C Issuer, the Borrower shall not be required to make a specific request to such L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the applicable L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however, that such L/C Issuer shall not permit any such extension if (A) such L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.19(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1) from the Agent that the Required Lenders have elected not to permit such extension or (2) from the Agent, any Lender or the Borrower that one or more of the applicable conditions specified in Section 4.2 is not then satisfied, and in each case directing such L/C Issuer not to permit such extension.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the applicable L/C

Issuer will also deliver to the Borrower and the Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of drawing under such Letter of Credit, the applicable L/C Issuer shall notify the Borrower and the Agent thereof. Not later than 11:00 a.m. (New York time) on the date of any payment by the applicable L/C Issuer under a Letter of Credit (each such date, an "Honor Date"), the Borrower shall reimburse such L/C Issuer through the Agent in an amount equal to the amount of such drawing. If the Borrower fails to so reimburse the applicable L/C Issuer by such time, the Agent shall promptly notify each Lender of the Honor Date, the amount of the unreimbursed drawing (the "Unreimbursed Amount"), and the amount of such Lender's Pro Rata Share thereof. In such event, the Borrower shall be deemed to have requested an Advance of Loans that are Floating Rate Advances to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.6 for the principal amount of Floating Rate Advances, but subject to the conditions set forth in Section 4.2 (other than the delivery of a Loan Notice) and provided that, after giving effect to such Advance, the Aggregate Outstanding Credit Exposure shall not exceed the Aggregate Commitment. Any notice given by the applicable L/C Issuer or the Agent pursuant to this Section 2.19(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Lender shall upon any notice pursuant to Section 2.19(c)(i) make funds available (and the Agent may apply Cash Collateral provided for this purpose) for the account of the applicable L/C Issuer at the Agent's Lending Installation in an amount equal to its Pro Rata Share of the Unreimbursed Amount not later than 1:00 p.m. (New York time)on the Business Day specified in such notice by the Agent, whereupon, subject to the provisions of Section 2.19(c)(iii), each Lender that so makes funds available shall be deemed to have made a Floating Rate Advance to the Borrower in such amount. The Agent shall remit the funds so received to the applicable L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by an Advance of Loans that are Floating Rate Advances because the conditions set forth in Section 4.2 cannot be satisfied or for any other reason, the Borrower shall be deemed to have incurred from the applicable L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the rate provided in Section 2.9. In such event, each Lender's payment to the Agent for the account of the applicable L/C Issuer pursuant to Section 2.19(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.19.

(iv) Until each Lender funds its Loans or L/C Advance pursuant to this Section 2.19(c) to reimburse the applicable L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Pro Rata Share of such amount shall be solely for the account of such L/C Issuer.

(v) Each Lender's obligation to make Loans or L/C Advances to reimburse the applicable L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.19(c), shall be absolute and unconditional and shall not be affected by any circumstance,

including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against such L/C Issuer, the Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Loans pursuant to this Section 2.19(c) is subject to the conditions set forth in Section 4.2 (other than delivery by the Borrower of a Borrowing Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Borrower to reimburse the applicable L/C Issuer for the amount of any payment made by such L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Lender fails to make available to the Agent for the account of the applicable L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.19(c) by the time specified in Section 2.19(c)(ii), then, without limiting the other provisions of this Agreement, such L/C Issuer shall be entitled to recover from such Lender (acting through the Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such L/C Issuer at a rate per annum equal to the greater of the Federal Funds Effective Rate and a rate determined by such L/C Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by such L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Loan included in the relevant Advance or L/C Advance in respect of the relevant L/C Borrowing, as the case may be. A certificate of the applicable L/C Issuer submitted to any Lender (through the Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after the applicable L/C Issuer has made a payment under any Letter of Credit and has received from any Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.19(c), if the Agent receives for the account of such L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Borrower or otherwise, including proceeds of cash collateral applied thereto by the Agent), the Agent will distribute to such Lender its Pro Rata Share thereof in the same funds as those received by the Agent.

(ii) If any payment received by the Agent for the account of the applicable L/C Issuer pursuant to Section 2.19(c)(i) is required to be returned under any of the circumstances (including pursuant to any settlement entered into by such L/C Issuer in its discretion), each Lender shall pay to the Agent for the account of such L/C Issuer its Pro Rata Share thereof on demand of the Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the Federal Funds Effective Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of the Borrower to reimburse the applicable L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that any Loan Party or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), such L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by such L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by such L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any bankruptcy or similar debtor relief law; or

(v) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Loan Party or any Subsidiary.

The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will immediately notify the applicable L/C Issuer. The Borrower shall be conclusively deemed to have waived any such claim against the applicable L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, the applicable L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by such Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuers, the Agent, any of their respective affiliates, directors, officers, trustees or employees, nor any correspondent, participant or assignee of the L/C Issuers shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct (such gross negligence or willful misconduct as determined in a final, nonappealable judgment by a court of competent jurisdiction); or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the L/C Issuers, the Agent, any of their respective affiliates, directors, officers, trustees or employees, nor any correspondent, participant or assignee of the L/C Issuers shall be liable or responsible for any of the matters described in clauses (i) through (v) of Section 2.19(e); provided,

however, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against a L/C Issuer, and a L/C Issuer may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves were caused by such L/C Issuer's willful misconduct or gross negligence (as determined in a final, nonappealable judgment by a court of competent jurisdiction) or such L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the L/C Issuers may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and no L/C Issuer shall be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason. A L/C Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("SWIFT") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

(g) Applicability of ISP. Unless otherwise expressly agreed by the applicable L/C Issuer and the Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), the rules of the ISP shall apply to each Letter of Credit.

(h) Letter of Credit Fees. The Borrower shall pay to the Agent for the account of each Lender in accordance with its Pro Rata Share a Letter of Credit fee (the "Letter of Credit Fee") for each Letter of Credit equal to the Applicable Margin times the daily amount available to be drawn under such Letter of Credit; provided, however, any Letter of Credit Fees otherwise payable for the account of a Defaulting Lender with respect to any Letter of Credit as to which such Defaulting Lender has not provided Cash Collateral satisfactory to the applicable L/C Issuer pursuant to this Section 2.19 shall be payable, to the maximum extent permitted by applicable law, to the other Lenders in accordance with the upward adjustments in their respective Pro Rata Shares allocable to such Letter of Credit pursuant to Section 2.21(a)(iv), with the balance of such fee, if any, payable to the applicable L/C Issuer for its own account. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 9.15. Letter of Credit Fees shall be (i) due and payable on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand and (ii) computed on a quarterly basis in arrears. If there is any change in the Applicable Margin during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Margin separately for each period during such quarter that such Applicable Margin was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Lenders, while any Default exists, all Letter of Credit Fees shall accrue at the rate set forth in Section 2.9 for Letter of Credit Fees.

(i) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. The Borrower shall pay directly to the applicable L/C Issuer for its own account a fronting fee with respect to each Letter of Credit, at the rate per annum agreed by the Borrower and the applicable L/C Issuer in writing, computed on the daily amount available to be drawn under such Letter of Credit and on a quarterly basis in arrears. Such fronting fee shall be due and payable on the tenth Business Day after the end of each March, June, September and December in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 9.15. In addition, the Borrower

shall pay directly to the applicable L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of such L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse the applicable L/C Issuer hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such Subsidiaries.

2.20 Cash Collateral.

(a) Certain Credit Support Events. Upon the request of the Agent or any L/C Issuer (i) if such L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (ii) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, the Borrower shall, in each case, immediately Cash Collateralize the then outstanding amount of all L/C Obligations. At any time that there shall exist a Defaulting Lender, immediately upon the request of the Agent or any L/C Issuer, the Borrower shall deliver to the Agent Cash Collateral in an amount sufficient to cover all Fronting Exposure (after giving effect to Section 2.21(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts at Wells Fargo. The Borrower, and to the extent provided by any Lender, such Lender, hereby grants to (and subjects to the control of) the Agent, for the benefit of the Agent, the L/C Issuers and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.20(c). If at any time the Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Agent as herein provided, or that the total amount of such Cash Collateral is less than the applicable Fronting Exposure and other obligations secured thereby, the Borrower or the relevant Defaulting Lender will, promptly upon demand by the Agent, pay or provide to the Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.20 or Sections 2.7, 2.19, 2.21 or 8.1 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 12.3(a)) or (ii) the Agent's good faith determination that there exists excess Cash Collateral; provided,

however, (x) that Cash Collateral furnished by or on behalf of the Borrower shall not be released during the continuance of a Unmatured Default or Default (and following application as provided in this Section 2.20 may be otherwise applied in accordance with this Agreement), and (y) the Person providing Cash Collateral and the applicable L/C Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.21 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. That Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 8.2.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 8.1 or otherwise, and including any amounts made available to the Agent by that Defaulting Lender pursuant to Section 11.1), shall be applied at such time or times as may be determined by the Agent as follows: first, to the payment of any amounts owing by that Defaulting Lender to the Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to any L/C Issuer or Swing Line Lender hereunder; third, if so determined by the Agent or requested by any L/C Issuer, to be held as Cash Collateral for future funding obligations of that Defaulting Lender of any participation in any Letter of Credit; fourth, as the Borrower may request (so long as no Default or Unmatured Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; fifth, if so determined by the Agent and the Borrower, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; sixth, to the payment of any amounts owing to the Lenders, the L/C Issuers or the Swing Line Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, any L/C Issuer or the Swing Line Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Unmatured Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and eighth, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Loans or L/C Borrowings were made at a time when the conditions set forth in Section 4.2 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Borrowings owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Borrowings owed to, that Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.21(a)(ii) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. That Defaulting Lender (x) shall not be entitled to receive any facility fee pursuant to Section 2.5 for any period during which that Lender is a Defaulting

Lender except to the extent allocable to the sum of (1) the outstanding amount of the Loans funded by it and (2) its Pro Rata Share of the stated amount of Letters of Credit and Swing Line Loans for which it has provided Cash Collateral pursuant to Section 2.7, Section 2.19, Section 2.20, or Section 2.21(a)(ii), as applicable (and the Borrower shall (A) be required to pay to each L/C Issuer the amount of such fee allocable to its Fronting Exposure arising from that Defaulting Lender and (B) not be required to pay the remaining amount of such fee that otherwise would have been required to have been paid to that Defaulting Lender) and (y) shall be limited in its right to receive Letter of Credit Fees as provided in Section 2.19(h).

(iv) Reallocation of Pro Rata Shares to Reduce Fronting Exposure. During any period in which there is a Defaulting Lender, for purposes of computing the amount of the obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit pursuant to Section 2.19 or Swing Line Loans pursuant to Section 2.22, the "Pro Rata Share" of each non-Defaulting Lender shall be computed without giving effect to the Commitment of that Defaulting Lender; provided, that, (i) each such reallocation shall be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, no Unmatured Default or Default exists; and (ii) the aggregate obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit and Swing Line Loans shall not exceed the positive difference, if any, of (1) the Commitment of that non-Defaulting Lender minus (2) the aggregate outstanding amount of the Loans of that Lender.

(b) Cash Collateral, Repayment of Swing Line Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under applicable law, (x) first, prepay Swing Line Loans in an amount equal to the Swing Line Lenders' Fronting Exposure and (y) second, Cash Collateralize the L/C Issuers' Fronting Exposure in accordance with the procedures set forth in Section 2.20.

(c) Defaulting Lender Cure. If the Borrower, the Agent, the Swing Line Lender and the L/C Issuers agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swing Line Loans to be held on a pro rata basis by the Lenders in accordance with their Pro Rata Shares (without giving effect to Section 2.21(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.22 Swing Line Loans.

(a) Availability. Subject to the terms and conditions of this Agreement, the Swing Line Lender shall, unless (x) any Lender is at such time a Defaulting Lender hereunder and (y) the Swing Line Lender has not entered into arrangements satisfactory to it to eliminate its Fronting Exposure with respect to such Defaulting Lender, in which case the Swing Line Lender may in its sole discretion, make Swing Line Loans to the Borrower from time to time from the Effective Date through, but not including, the Scheduled Maturity Date; provided that after giving effect to any amount requested, (i) the Aggregate Outstanding Credit Exposure shall not exceed the Aggregate Commitment, (ii) the aggregate outstanding

amount of the Loans of any Lender, plus such Lender's Pro Rata Share of the outstanding amount of all L/C Obligations, plus such Lender's Pro Rata Share of the outstanding amount of all Swing Line Loans, shall not exceed such Lender's Commitment and (iii) the aggregate principal amount of all outstanding Swing Line Loans (after giving effect to any amount requested), shall not exceed the Swing Line Sublimit.

(b) Refunding.

(i) Swing Line Loans shall be refunded by the Lenders on demand by the Swing Line Lender. Such refundings shall be made by the Lenders in accordance with their respective Pro Rata Shares and shall thereafter be reflected as Loans of the Lenders on the books and records of the Agent. Each Lender shall fund its respective Pro Rata Share of Loans as required to repay Swing Line Loans outstanding to the Swing Line Lender upon demand by the Swing Line Lender but in no event later than 1:00 p.m. on the next succeeding Business Day after such demand is made. No Lender's obligation to fund its respective Pro Rata Share of a Swing Line Loan shall be affected by any other Lender's failure to fund its Pro Rata Share of a Swing Line Loan, nor shall any Lender's Pro Rata Share be increased as a result of any such failure of any other Lender to fund its Pro Rata Share of a Swing Line Loan.

(ii) The Borrower shall pay to the Swing Line Lender on demand the amount of such Swing Line Loans to the extent amounts received from the Lenders are not sufficient to repay in full the outstanding Swing Line Loans requested or required to be refunded. In addition, the Borrower hereby authorizes the Agent to charge any account maintained by the Borrower with the Swing Line Lender (up to the amount available therein) in order to immediately pay the Swing Line Lender the amount of such Swing Line Loans to the extent amounts received from the Lenders are not sufficient to repay in full the outstanding Swing Line Loans requested or required to be refunded. If any portion of any such amount paid to the Swing Line Lender shall be recovered by or on behalf of the Borrower from the Swing Line Lender in bankruptcy or otherwise, the loss of the amount so recovered shall be ratably shared among all the Lenders in accordance with their respective Pro Rata Shares (unless the amounts so recovered by or on behalf of the Borrower pertain to a Swing Line Loan extended after the occurrence and during the continuance of a Default of which the Agent has received notice in the manner required pursuant to Section 13.1 and which such Default has not been waived by the Required Lenders or the Lenders, as applicable).

(iii) Each Lender acknowledges and agrees that its obligation to refund Swing Line Loans in accordance with the terms of this Section is absolute and unconditional and shall not be affected by any circumstance whatsoever, including, without limitation, non-satisfaction of the conditions set forth in Article IV. Further, each Lender agrees and acknowledges that if prior to the refunding of any outstanding Swing Line Loans pursuant to this Section, one of the events described in Section 7.6 or 7.7 shall have occurred, each Lender will, on the date the applicable Loan would have been made, purchase an undivided participating interest in the Swing Line Loan to be refunded in an amount equal to its Pro Rata Share of the aggregate amount of such Swing Line Loan. Each Lender will, by the time the applicable Loan would have been due to be made under clause (i) above, transfer to the Swing Line Lender, in immediately available funds, the amount of its participation and upon receipt thereof the Swing Line Lender will deliver to such Lender a certificate evidencing such participation dated the date of receipt of such funds and for such amount. No funding of participations shall relieve or otherwise impair the obligations of the Borrower to repay Swing Line Loans together with interest thereon. Whenever, at any time after the Swing Line Lender has received from any Lender such Lender's participating interest in a Swing Line Loan, the Swing Line Lender receives any payment on account thereof, the Swing

Line Lender will distribute to such Lender its participating interest in such amount (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's participating interest was outstanding and funded).

(c) Repayment of Swing Line Loans. If outstanding Swing Line Loans have not been refinanced with Loans pursuant to Section 2.22(b) hereof, Swing Line Loans shall be due and payable within fourteen (14) days following the making of such Swing Line Loan.

(d) Defaulting Lenders. Notwithstanding anything to the contrary contained in this Agreement, this Section 2.22 shall be subject to the terms and conditions of Section 2.20 and Section 2.21.

ARTICLE III

YIELD PROTECTION; TAXES

3.1 Yield Protection. If, on or after the date of this Agreement, any Change in Law:

(i) subjects the Agent, any Lender or any applicable Lending Installation to any Taxes, or changes the basis of taxation of payments (other than in each case with respect to Excluded Taxes) to any Lender in respect of its Eurodollar Loans or

(ii) imposes or increases or deems applicable any reserve, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender or any applicable Lending Installation (other than reserves and assessments taken into account in determining the interest rate applicable to Eurodollar Advances), or

(iii) imposes any other condition the result of which is to increase the cost to any Lender or any applicable Lending Installation of making, funding or maintaining its Eurodollar Loans or reduces any amount receivable by any Lender or any applicable Lending Installation in connection with its Eurodollar Loans, or requires any Lender or any applicable Lending Installation to make any payment calculated by reference to the amount of Eurodollar Loans or interest received by it, by an amount deemed material by such Lender,

and the result of any of the foregoing is to increase the cost to the Agent, such Lender or applicable Lending Installation, as the case may be, of making, continuing, converting into or maintaining its Eurodollar Loans, Commitment or to reduce the return received by such Lender or applicable Lending Installation in connection with such Eurodollar Loans or Commitment, then, within fifteen (15) days of demand by such Lender, the Borrower shall pay such Lender such additional amount or amounts as will compensate such Lender for such increased cost or reduction in amount received.

3.2 Changes in Capital Adequacy Regulations. If a Lender determines that the amount of capital required or expected to be maintained by such Lender, any Lending Installation of such Lender or any corporation controlling such Lender is increased as a result of a Change in Law, then, within fifteen (15) days of demand by such Lender, the Borrower shall pay such Lender the amount necessary to compensate for any shortfall in the rate of return on the portion of such increased capital which such Lender determines is attributable to this Agreement, its Outstanding Credit Exposure or its Commitment to make Loans (after taking into account such Lender's policies as to capital adequacy).

3.3 Availability of Types of Advances. If (x) any Lender determines that maintenance of its Eurodollar Loans at a suitable Lending Installation would violate any applicable law, rule, regulation, or directive, whether or not having the force of law, or if (y) the Required Lenders determine that (i) deposits of a type and maturity appropriate to match fund Eurodollar Advances are not available or (ii) the interest rate applicable to Eurodollar Advances does not accurately reflect the cost of making or maintaining Eurodollar Advances, then the Agent shall suspend the availability of Eurodollar Advances and require any affected Eurodollar Advances to be repaid or converted to Floating Rate Advances, subject to the payment of any funding indemnification amounts required by Section 3.4.

3.4 Funding Indemnification. If any payment of a Eurodollar Advance occurs on a date which is not the last day of the applicable Interest Period, whether because of acceleration, prepayment or otherwise, or a Eurodollar Advance is not made, continued or prepaid, or a Floating Rate Advance is not converted into a Eurodollar Advance, on the date specified by the Borrower for any reason other than default by the Lenders, the Borrower will indemnify each Lender for any loss or cost incurred by it resulting therefrom, including, without limitation, any loss or cost in liquidating or employing deposits acquired to fund or maintain such Eurodollar Advance.

3.5 Taxes.

(i) All payments by the Borrower to or for the account of any Lender or the Agent hereunder shall be made free and clear of and without deduction for any and all Taxes, except to the extent such Lender is entitled to an exemption from or reduction of withholding tax with respect to payments under this Agreement but fails to properly and timely complete and execute documentation as provided in Section 3.5(iv) or Section 3.5(vi), as the case may be. Subject to each Lender's and the Agent's compliance with Section 3.5(iv) and Section 3.5(vi), if the Borrower or the Agent shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to any Lender or the Agent, (a) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 3.5) such Lender or the Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (b) the Borrower or the Agent, as applicable, shall make such deductions, (c) the Borrower or the Agent, as applicable, shall pay the full amount deducted to the relevant authority in accordance with applicable law and (d) the Borrower shall furnish to the Agent the original copy of a receipt evidencing payment thereof within thirty (30) days after such payment is made.

(ii) In addition, the Borrower hereby agrees to pay any present or future stamp or documentary taxes and any other excise (but excluding Excluded Taxes) or property taxes, charges or similar levies which arise from any payment made hereunder or from the execution or delivery of, or otherwise with respect to, this Agreement ("Other Taxes").

(iii) Except as otherwise provided herein, the Borrower hereby agrees to indemnify the Agent and each Lender for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed on amounts payable under this Section 3.5) paid by the Agent or such Lender and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto; provided that the Borrower shall not be required to indemnify the Agent or any Lender for interest, penalties or associated expenses described in the foregoing if such liability is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the party seeking indemnification. Payments due under this indemnification shall be made within thirty (30) days of the date the Agent or such Lender makes demand therefor pursuant to Section 3.6.

(iv) Each Lender that is not incorporated under the laws of the United States of America or a state thereof (each a "Non-U.S. Lender") agrees that it will, not less than ten (10) Business Days after the date of this Agreement (or, if later, ten (10) Business Days after such Lender shall become a Lender pursuant to Section 12.3), deliver to each of the Borrower and the Agent two duly completed copies of United States Internal Revenue Service Form W-8BEN or W-8ECI, certifying in either case that such Lender is entitled to receive payments under this Agreement without deduction or withholding of any United States federal income taxes and is entitled to an exemption from United States backup withholding tax. Each Non-U.S. Lender further undertakes to deliver to each of the Borrower and the Agent (x) renewals or additional copies of such form (or any successor form) on or before the date that such form expires or becomes obsolete, and (y) after the occurrence of any event requiring a change in the most recent forms so delivered by it, such additional forms or amendments thereto as may be reasonably requested by the Borrower or the Agent. All forms or amendments described in the preceding sentence shall certify that such Lender is entitled to receive payments under this Agreement without deduction or withholding of any United States federal income taxes, *unless* an event (including without limitation any change in treaty, law or regulation) has occurred prior to the date on which any such delivery would otherwise be required which renders all such forms inapplicable or which would prevent such Lender from duly completing and delivering any such form or amendment with respect to it and such Lender advises the Borrower and the Agent that it is not capable of receiving payments without any deduction or withholding of United States federal income tax.

(v) For any period during which a Non-U.S. Lender has failed to provide the Borrower with an appropriate form pursuant to clause (iv), above (unless such failure is due to a change in treaty, law or regulation, or any change in the interpretation or administration thereof by any Governmental Authority, occurring subsequent to the date on which a form originally was required to be provided), such Non-U.S. Lender shall not be entitled to indemnification under this Section 3.5 with respect to Taxes imposed by the United States; provided that, should a Non-U.S. Lender which is otherwise exempt from or subject to a reduced rate of withholding tax become subject to Taxes because of its failure to deliver a form required under clause (iv), above, the Borrower shall take such steps as such Non-U.S. Lender shall reasonably request to assist such Non-U.S. Lender to recover such Taxes.

(vi) Any Lender that is entitled to an exemption from or reduction of withholding tax, including backup withholding, with respect to payments under this Agreement pursuant to the law of any relevant jurisdiction or any treaty shall deliver to the Borrower (with a copy to the Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate. In the event such Lender has failed timely to provide the Borrower (with a copy to the Agent) with such properly completed and executed documentation, such Lender shall not be entitled to indemnification under this Section 3.5 with respect to Taxes withheld to the extent such Taxes would have been reduced or exempt from withholding had such properly completed and executed documentation been timely provided to the Borrower (with a copy to the Agent).

(vii) If the U.S. Internal Revenue Service or any other Governmental Authority of the United States or any other country or any political subdivision thereof asserts a claim that the Agent did not properly withhold tax from amounts paid to or for the account of any Lender (because the appropriate form was not delivered or properly completed, because such Lender failed to notify the Agent of a change in circumstances which rendered its exemption from

withholding ineffective, or for any other reason), such Lender shall indemnify the Agent fully for all amounts paid, directly or indirectly, by the Agent as tax, withholding therefor, or otherwise, including penalties and interest, and including taxes imposed by any jurisdiction on amounts payable to the Agent under this subsection, together with all costs and expenses related thereto (including attorneys fees and time charges of attorneys for the Agent, which attorneys may be employees of the Agent); provided that no Lender shall be required to indemnify the Agent for any of the foregoing to the extent the failure of the Agent to withhold tax from amounts paid to or for the account of any Lender is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Agent. In addition, each Lender shall severally indemnify the Agent for any taxes attributable to such Lender's failure to comply with the provisions of Section 12.2(c) relating to the maintenance of a Participant Register that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. The obligations of the Lenders under this Section 3.5(vii) shall survive the payment of the Obligations and termination of this Agreement.

(viii) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or
1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the
Borrower or the Agent such documentation prescribed by applicable law (including as prescribed
by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply
with their obligations under FATCA and to determine that such Lender has complied with such
Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this paragraph (viii), "FATCA" shall include any amendments made to FATCA after the date of this Agreement. For purposes of determining withholding Taxes imposed under FATCA, from and after the Effective Date, the Borrower and the Agent shall treat (and the Lenders hereby authorize the Agent to treat) the Loans as not qualifying as a "grandfathered obligation" within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

3.6 Lender Statements; Survival of Indemnity. To the extent reasonably possible, each Lender shall designate an alternate Lending Installation with respect to its Eurodollar Loans to reduce any liability of the Borrower to such Lender under Sections 3.1, 3.2 and 3.5 or to avoid the unavailability of Eurodollar Advances under Section 3.3, so long as such designation is not, in the judgment of such Lender, disadvantageous to such Lender. Each Lender shall notify the Borrower of any amounts due under Section 3.1, 3.2, 3.4 or 3.5 as soon as reasonably practicable and, thereafter, deliver a written statement of such Lender to the Borrower (with a copy to the Agent) as to the amount due, if any, under such Section(s). Such written statement shall set forth in reasonable detail the calculations upon which such Lender determined such amount and shall be final, conclusive and binding on the Borrower in the absence of manifest error. Determination of amounts payable under such Sections in connection with a Eurodollar Loan shall be calculated as though each Lender funded its Eurodollar Loan through the purchase of a deposit of the type and maturity corresponding to the deposit used as a reference in determining the Eurodollar Rate applicable to such Loan, whether in fact that is the case or not. Unless otherwise provided herein, the amount specified in the written statement of any Lender shall be payable on demand after receipt by the Borrower of such written statement. The obligations of the Borrower under Sections 3.1, 3.2, 3.4 and 3.5 shall survive payment of the Obligations and termination of this Agreement.

ARTICLE IV

CONDITIONS PRECEDENT

4.1 Effectiveness. This Agreement shall become effective (the "Effective Date") as of the date hereof upon satisfaction of the following conditions precedent:

(a) Receipt by the Agent of counterparts of this Agreement executed by the Borrower, the Lenders and the Agent.

(b) Receipt by the Agent of:

(i) Copies of the articles or certificate of incorporation of the Borrower, together with all amendments, and a certificate of existence, certified by the appropriate governmental officer in its jurisdiction of incorporation.

(ii) Copies, certified by the Secretary or Assistant Secretary of the Borrower, of its bylaws and of its Board of Directors' resolutions authorizing the execution of the Loan Documents by the Borrower.

(iii) An incumbency certificate, executed by the Secretary or Assistant Secretary of the Borrower, which shall identify by name and title and bear the signatures of the officers of the Borrower authorized to sign this Agreement and the other Loan Documents, upon which certificate the Agent and the Lenders shall be entitled to rely until informed of any change in writing by the Borrower.

(iv) A certificate, signed by the chief financial officer or the controller of the Borrower, stating, as of the Effective Date, that (A) no Default or Unmatured Default has occurred and is continuing, (B) the Borrower is in compliance with Section 6.11 and setting forth in reasonable detail and calculation of the ratio set forth therein, determined as of December 31, 2014, and (C) the representations and warranties contained in Article V are true and correct.

(v) A written opinion of counsel to the Borrower, substantially in the form of Exhibit B.

(vi) Evidence, in form and substance satisfactory to the Agent, that the Borrower has obtained all governmental approvals, if any, necessary for it to enter into the Loan Documents, including, without limitation, the approval of the Public Utility Commission of Oregon.

(vii) A Note executed by the Borrower in favor of each Lender that has requested an Note pursuant to Section 2.11.

(viii) Evidence, in form and substance satisfactory to the Agent, that all outstanding amounts under that certain Credit Agreement, dated as of December 8, 2011, among the Borrower, the lenders party thereto and Bank of America, N.A., as administrative agent shall have been repaid and all commitments thereunder terminated.

(ix) Such other documents as any Lender or its counsel may have reasonably requested.

(c) The Agent shall have received all fees and other amounts due and payable by the Borrower hereunder on or prior to the Effective Date, including, to the extent invoiced, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder.

Without limiting the generality of the provisions of Section 10.4, for purposes of determining compliance with the conditions specified in this Section 4.1, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

4.2 Each Credit Extension. The Lenders shall not be required to make any Credit Extension unless on the applicable date of such Credit Extension:

(i) No Default or Unmatured Default exists or will result after giving effect to such Credit Extension.

(ii) The representations and warranties contained in Article V (other than Section 5.10) are true and correct in all material respects as of the date of such Credit Extension except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects on and as of such earlier date.

Each request for a Credit Extension shall constitute a representation and warranty by the Borrower that the conditions contained in Sections 4.2(i) and (ii) have been satisfied.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lenders as follows:

5.1 Corporate Existence. Each of the Borrower and its Significant Subsidiaries: (a) is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation; (b) has all requisite corporate power, and has all material governmental licenses, authorizations, consents and approvals necessary to own its Property and carry on its business as now being conducted; and (c) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify would have a Material Adverse Effect.

5.2 Litigation and Contingent Obligations. To the Borrower's knowledge, there are not, in any court or before any arbitrator of any kind or before or by any governmental body, any actions, suits or proceedings pending or threatened in writing (a) against or affecting (except as disclosed in the Disclosure Documents or on Schedule 5.2) the Borrower or any Significant Subsidiary or any of their respective businesses or properties except actions, suits or proceedings that there is no material likelihood would, singly or in the aggregate, have a Material Adverse Effect or which seeks to prevent, enjoin or delay the making of any Credit Extension or (b) affecting in an adverse manner the binding nature, validity or enforceability of any Loan Document as an obligation of the Borrower involving the Borrower or any Significant Subsidiary or any of their respective businesses or properties or, to the Borrower's knowledge, otherwise.

5.3 No Breach. None of the execution and delivery of this Agreement, any other Loan Document, the consummation of the transactions herein or therein contemplated or compliance with the terms and provisions hereof or thereof will (a) contravene the terms of the Articles of Incorporation or Bylaws of the Borrower, (b) except for any increase in the Aggregate Commitment pursuant to Section 2.3(a) and any extension of the Scheduled Termination Date pursuant to Section 2.18, conflict with or result in a breach of, or require any consent under, any applicable law, rule or regulation, or any order, writ, injunction or decree of any Governmental Authority, or any agreement or instrument to which the Borrower or any of its Significant Subsidiaries is a party or by which it is bound or to which it is subject, or (c) constitute a default under any agreement or instrument to which the Borrower or any of its Significant Subsidiaries is a party or by which it is bound or to which it is subject, or result in the creation or imposition of any Lien upon any of the revenues or assets of the Borrower or any of its Significant Subsidiaries pursuant to the terms of any such agreement or instrument.

5.4 Corporate Action. Except for any increase in the Aggregate Commitment pursuant to Section 2.3(a) and any extension of the Scheduled Termination Date pursuant to Section 2.18, the Borrower has all necessary corporate power and authority to execute, deliver and perform its obligations under this Agreement and the other Loan Documents; the execution, delivery and performance by the Borrower of this Agreement and the other Loan Documents have been duly authorized by all necessary corporate action on its part; and this Agreement has been duly and validly executed and delivered by the Borrower and constitutes its legal, valid and binding obligation, enforceable against the Borrower in accordance with its terms, except as may be limited by applicable bankruptcy laws or similar laws of general applicability affecting creditors' rights.

5.5 Approvals. Except for any increase in the Aggregate Commitment pursuant to Section 2.3(a) and any extension of the Scheduled Termination Date pursuant to Section 2.18, the Borrower has obtained all Governmental Approvals from, and has made or will timely make all filings and registrations with any federal, state or local governmental or regulatory authority or agency that has authority over the Borrower or any of its Significant Subsidiaries, that are necessary for the execution, delivery or performance by the Borrower of this Agreement and each other Loan Document or for the validity or enforceability hereof or thereof, and such Governmental Approvals, filings and registrations are and shall continue to be in full force and effect (it being understood that the Borrower may be required to make customary filings with the SEC and other governmental or regulatory authorities or agencies disclosing the existence and/or material terms of this Agreement, but failure to make any such filing shall not affect the validity or enforceability hereof or of any other Loan Document).

5.6 Use of Loans. Neither the Borrower nor any of its Significant Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying Margin Stock, as defined in Regulation U, and no part of the proceeds of any Loan hereunder will be used to buy or carry any Margin Stock. No part of the proceeds of any Loan hereunder will be used to acquire stock of any corporation the board of directors of which has publicly stated its opposition to such acquisition or fails to endorse such acquisition.

5.7 ERISA. Except as disclosed in the Disclosure Documents, the Borrower and its Significant Subsidiaries and, to the knowledge of the Borrower, the other ERISA Affiliates have fulfilled their respective obligations under the minimum funding standards of ERISA and the Code with respect to each Benefit Plan of the Borrower or any ERISA Affiliate; the Benefit Plans of the Borrower and its Significant Subsidiaries and, to the knowledge of the Borrower, of the other ERISA Affiliates are in compliance in all material respects with the presently applicable provisions of ERISA and the Code or any non-compliance is not reasonably expected to result in a Material Adverse Effect; and the Borrower

and its Significant Subsidiaries and, to the knowledge of the Borrower, the other ERISA Affiliates have not incurred any liability to the PBGC (other than liability for premium payments which are paid when due) or to such Benefit Plan which, individually or in the aggregate, exceeds $10,000,000. Without limiting the generality of the foregoing, except as disclosed in the Disclosure Documents, the Borrower has not received notice with respect to any of the foregoing events with respect to any ERISA Affiliate or such Benefit Plan.

5.8 Taxes. United States Federal income tax returns of the Borrower and its Significant Subsidiaries have been examined and closed through the period ended December 31, 2010. The Borrower and its Significant Subsidiaries have filed all United States Federal and state income tax returns which are required to be filed by them and have paid all taxes due pursuant to such returns or pursuant to any assessment received by the Borrower or any of its Significant Subsidiaries, except such taxes, if any, as are being contested in good faith and by proper proceedings or the non-payment of which, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. The charges, accruals and reserves on the books of the Borrower and its Significant Subsidiaries in respect of taxes and other governmental charges are, in the opinion of the Borrower, adequate.

5.9 Subsidiaries. Schedule 5.9 contains an accurate list of all Subsidiaries of the Borrower as of the Effective Date, setting forth their respective jurisdictions of organization, the percentage of their respective capital stock or other ownership interests owned by the Borrower or other Subsidiaries and identifying which Subsidiaries are Significant Subsidiaries. All of the issued and outstanding shares of capital stock or other ownership interests of such Subsidiaries have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and nonassessable.

5.10 No Material Adverse Change. Since December 31, 2014, there has been no change in the business or financial condition of the Borrower and its Significant Subsidiaries from that reflected in the Borrower's Annual Report on Form 10-K for the year ended December 31, 2014, which would reasonably be expected to have a Material Adverse Effect.

5.11 Financial Statements. The Borrower has furnished the Disclosure Documents to the Lenders prior to the date hereof. The financial statements contained in the Disclosure Documents and all financial statements furnished pursuant to Section 6.9(i) or (ii) fairly present in all material respects, in accordance with Agreement Accounting Principles, the consolidated financial position of the Borrower and its Subsidiaries as at their respective dates and the consolidated results of operations, retained earnings and, as applicable, changes in financial position or cash flows of the Borrower and its Subsidiaries for the respective periods to which such statements relate.

5.12 No Material Misstatements. None of the following contained, contains or will contain as of the date thereof any material misstatement of fact or omitted, omits or will omit as of the date thereof to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were, are or will be made, not misleading:

(i) the Disclosure Documents (excluding any exhibits referred to in any such Disclosure Documents); or

(ii) any report delivered to the Agent or any Lender pursuant to Section 6.9(i) or (ii) (excluding exhibits referred to in any such report).

To the best knowledge of the Borrower, no other written information delivered to the Agent or any Lender pursuant to Section 6.9 contained, contains or will contain as of the date thereof any material misstatement of fact.

5.13 Properties. As of the date of this Agreement, the Borrower has good right or title to all of its Properties to the extent reflected in the Disclosure Documents, except for minor restrictions, reservations and defects which do not in any substantial way interfere with the Borrower's ability to conduct its business as now conducted and except for such assets as have been disposed of since December 31, 2014 in transactions of the types described in Sections 6.13(a), (b) and (c), and all such Properties are free and clear of any Liens, except as permitted by Section 6.10.

5.14 Environmental Matters. Except as described in the Disclosure Documents, to the best of Borrower's knowledge, no event has occurred and no condition exists related to Environmental Laws which would reasonably be expected to have a Material Adverse Effect. Except as otherwise described in the Disclosure Documents, neither the Borrower nor any Subsidiary has received any notice from a federal or state governmental agency to the effect that its operations are not in material compliance with any of the requirements of applicable Environmental Laws or are the subject of any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which noncompliance or remedial action would reasonably be expected to have a Material Adverse Effect.

5.15 Investment Company Act. Neither the Borrower nor any Subsidiary is an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

5.16 Anti-Terrorism; Anti-Money Laundering. Except as set forth on Schedule 5.16, neither the Borrower nor any of its Subsidiaries or, to their knowledge, any of their respective directors, officers, employees and agents (i) is an "enemy" or an "ally of the enemy" within the meaning of Section 2 of the Trading with the Enemy Act of the United States (50 U.S.C. App. §§ 1 et seq.), (ii) is in violation of (A) the Trading with the Enemy Act, (B) any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V) or any enabling legislation or executive order relating thereto or (C) the PATRIOT Act (collectively, the "Anti-Terrorism Laws") or (iii) is a Sanctioned Person. No part of the proceeds of any Loan hereunder will be unlawfully used directly or indirectly to fund any operations in, finance any investments or activities in or make any payments to, a Sanctioned Person or a Sanctioned Country, or in any other manner that will result in any violation by any Person (including any Lender, any Arranger or the Agent) of any Anti-Terrorism Laws.

ARTICLE VI COVENANTS

So long as any Lender has any Commitment hereunder or any Obligations are outstanding, the Borrower shall, unless the Required Lenders otherwise consent in writing:

6.1 Preservation of Existence and Business. Preserve and maintain, and cause each Significant Subsidiary to preserve and maintain, its corporate existence and all of its material rights, privileges, licenses and franchises, except as permitted by Section 6.12, and carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted.

6.2 Preservation of Property. Maintain, and cause each Significant Subsidiary to maintain, all of its Property used or useful in its business in good working order and condition, ordinary wear and tear excepted (it being understood that this covenant relates only to the good working order and condition of such Property and shall not be construed as a covenant of the Borrower not to dispose of any such Property by sale, lease, transfer or otherwise or to discontinue operation thereof if the Borrower reasonably determines that such discontinuation is necessary).

6.3 Payment of Taxes. Pay, and cause each Significant Subsidiary to pay, promptly when due all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any of its Property, before the same shall become in default; provided that neither the Borrower nor any Significant Subsidiary shall be required to pay any such tax, assessment, charge or levy (i) in an amount in excess of the amount shown on any related tax return (the Borrower having a reasonable basis for the position reflected therein) or (ii) that is being contested in good faith by appropriate proceedings and with respect to which the Borrower has set aside on its books, in accordance with Agreement Accounting Principles, adequate reserves, or (iii) so long as such tax, assessment, charge or levy, if sustained, would not have a Material Adverse Effect.

6.4 Compliance with Applicable Laws and Contracts. Comply, and cause each Significant Subsidiary to comply, with the requirements of all applicable laws, rules or regulations, Governmental Approvals, and orders, writs, injunctions or decrees of any court or Governmental Authority, including, without limitation, Environmental Laws, if failure to comply with such requirements would have a Material Adverse Effect or an adverse effect on the binding nature, validity or enforceability of any Loan Document as an obligation of the Borrower.

6.5 Preservation of Loan Document Enforceability. Take all reasonable actions (including obtaining and maintaining in full force and effect consents and Governmental Approvals), and cause each Significant Subsidiary to take all reasonable actions, that are required so that its obligations under the Loan Documents will at all times be legal, valid and binding and enforceable against it in accordance with their respective terms.

6.6 Insurance. Maintain, and cause each Significant Subsidiary to maintain, with responsible insurance companies, or through the Borrower's program of self-insurance, insurance coverage against at least such risks and in at least such amounts as is customarily maintained by similar businesses, or as may be required by any applicable law, rule or regulation, any Governmental Approval, or any order, writ, injunction or decree of any court or Governmental Authority.

6.7 Use of Proceeds. Use, directly or indirectly, the proceeds of the Loans for general corporate purposes of the Borrower (in compliance with all applicable legal and regulatory requirements), including, without limitation, to provide back-up liquidity for the short-term Indebtedness of the Borrower, to support commercial paper, to refinance existing Indebtedness of the Borrower, and to support collateral requirements under the Borrower's energy purchase and sale agreements.

6.8 Visits, Inspections and Discussions. Permit, and cause each Significant Subsidiary to permit, representatives of the Agent or of any Lender with a Commitment of at least $5,000,000 (provided, however, that Lenders with a Commitment of less than $5,000,000 shall be permitted to exercise rights under this Section 6.8 if such right is exercised jointly with the Agent or a Lender with a Commitment of at least $5,000,000), and subject in all cases to such Lender being bound by the confidentiality provisions of Section 9.11, during normal business hours and upon reasonable prior written notice to the Borrower:

(i) if no Default or Unmatured Default shall exist and be continuing, to visit the principal office of the Borrower, to discuss its business and affairs with its officers and independent certified accountants (provided that the Borrower shall be permitted to attend any such discussions with such accountants), and to visit its material Property, all to the extent reasonably requested by the Agent or such Lender; provided that such visits and discussions shall in no event occur more frequently than once during any calendar year; provided, further that the Borrower reserves the right to restrict access to any of its generating facilities in accordance with reasonably adopted procedures relating to safety and security, and to the extent reasonably requested to maintain normal operations of the Borrower; and provided, further, that, Sections 9.6 and 10.8 hereof notwithstanding, the costs and expenses incurred by any Lender or the Agent or their agents or representatives in connection with any such visits or discussions shall be solely for the account of such Lender or the Agent, as applicable; and

(ii) if a Default or Unmatured Default shall exist and be continuing, to visit and inspect its Property, to examine, copy and make extracts from its books and records, and to discuss its business and affairs with its officers and independent certified accountants, all to the extent reasonably requested by such Lender or the Agent, as often as may be reasonably requested; provided that the Borrower reserves the right to restrict access to any of its generating facilities in accordance with reasonably adopted procedures relating to safety and security, and to the extent reasonably requested to maintain normal operations of the Borrower.

6.9 Information to Be Furnished. Furnish to the Agent and, if requested by any Lender, furnish to such Lender:

(i) Form 10-Q; Quarterly Financial Statements. Promptly after filing and in any event within sixty (60) days after the close of each of the first three quarterly accounting periods in each fiscal year of the Borrower, a copy of the Quarterly Report on Form 10-Q (or any successor form) for the Borrower for such quarter.

(ii) Form 10-K; Year-End Financial Statements; Acc ount ant s' Cer ti fi cat es . Promptly after filing and in any event within ninety (90) days after the end of each fiscal year of the Borrower, the Annual Report on Form 10-K (or any successor form) for the Borrower for such year.

(iii) Of f ice r' s Cert if icat e as t o Cal cul at i ons . At the time that financial statements are furnished pursuant to Section 6.9(i) or (ii), a certificate of the Chief Financial Officer, the Treasurer, an Assistant Treasurer or any other financial officer of the Borrower substantially in the form of Exhibit C.

(iv) Requested Information. From time to time, such other information regarding the business, affairs, insurance or financial condition of the Borrower or any of its Subsidiaries (including, without limitation, any Benefit Plan and any reports of other information required to be filed under ERISA) as any Lender or the Agent may reasonably request.

(v) Notice of Defaults, Material Adverse Changes and Other Matters. Promptly upon (and in any event within three (3) Business Days after) becoming aware thereof, notice of:

(a) any Default or Unmatured Default, and

(b) any circumstance that has resulted in a Material Adverse Effect or an adverse effect on the binding nature, validity or enforceability of any Loan Document as an obligation of the Borrower.

The Borrower may furnish information, documents and other materials that it is obligated to furnish to the Agent and the Lenders pursuant to the Loan Documents, including all items described above in this Section 6.9 and all other notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any communication that (i) relates to a request for a new, or the conversion or continuation of an existing, Loan, (ii) relates to the payment of any amount due under this Agreement prior to the scheduled date therefor or any reduction of the Commitments, (iii) provides notice of any Default or Unmatured Default or (iv) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement or any Loan hereunder (any non-excluded communication described above, a "Communication"), electronically (including by posting such documents, or providing a link thereto, on the Borrower's Internet website). Notwithstanding the foregoing, the Borrower agrees that, to the extent requested by the Agent or any Lender, it will continue to provide "hard copies" of Communications to the Agent or such Lender.

The Borrower further agrees that the Agent may make Communications available to the Lenders by posting such Communications on IntraLinks or a substantially similar secure electronic delivery system (the "Platform").

THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE". THE AGENT DOES NOT WARRANT THE ACCURACY OR COMPLETENESS OF ANY COMMUNICATION OR THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIMS LIABILITY FOR ERRORS OR OMISSIONS IN ANY COMMUNICATION. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE AGENT IN CONNECTION WITH ANY COMMUNICATION OR THE PLATFORM. IN NO EVENT SHALL THE AGENT HAVE ANY LIABILITY TO THE BORROWER, ANY LENDER OR ANY OTHER PERSON FOR DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF THE BORROWER'S OR THE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET, EXCEPT TO THE EXTENT SUCH DAMAGES ARE FOUND IN A FINAL NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED FROM SUCH PERSON'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. WITHOUT LIMITING THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL THE AGENT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF THE PLATFORM OR THE BORROWER'S OR THE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET.

Each Lender agrees that notice to it (as provided in the next sentence) specifying that a Communication has been posted to the Platform shall constitute effective delivery of such Communication to such Lender for purposes of the Loan Documents. Each Lender agrees (i) to notify the Agent from time to time of the e-mail address to which the foregoing notice may be sent and (ii) that such notice may be sent to such e- mail address. For the avoidance of doubt, the failure of the Agent to provide notice to the Lenders as explicitly required by this Agreement shall not affect the validity or binding nature of a related notice delivered to the Agent by the Borrower; provided, that the Borrower shall remain obligated to provide notice directly to the Agent and/or Lenders when and as required by this Agreement.

6.10 Liens. Not, and not permit any Significant Subsidiary to, suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, except this Section 6.10 shall not apply to:

(i) Liens for taxes, assessments or charges imposed on the Borrower or any Subsidiary or any of their property by any Governmental Authority not yet due or which are being contested in good faith by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the Borrower or any of its Subsidiaries, as the case may be, in accordance with Agreement Accounting Principles;

(ii) Liens imposed by law, such as carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens incurred in the ordinary course of business and securing obligations that are not yet due or that are being contested in good faith by appropriate proceedings, and Liens arising out of judgments or awards which secure payment of legal obligations that would not constitute a Default under Section 7.9;

(iii) pledges or deposits in connection with worker's compensation, unemployment insurance and other social security laws, or to secure the performance of bids, tenders contracts (other than for borrowed money), leases, statutory obligations, surety or appeal bonds, or indemnity, performance or other similar bonds, in the ordinary course of business;

(iv) easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business and encumbrances consisting of zoning restrictions, easements, licenses, restrictions on the use of property or minor imperfections in title thereto which, in the aggregate, are not material in amount, and which do not in any case materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(v) the Lien of the Indenture of Mortgage and Deed of Trust dated July 1, 1945, as supplemented and in effect from time to time, from the Borrower to Wells Fargo (the "Mortgage");

(vi) Permitted Encumbrances (as defined in Section 1.11 of the Mortgage);

(vii) Liens securing the payment of Tax-Free Debt, provided that each such Lien shall extend only to the property, and proceeds thereof, being financed by the Tax-Free Debt secured thereby;

(viii) Liens on or over the whole or any part of the assets of the Borrower as security for any indebtedness owing by the Borrower to any Subsidiary whose primary function is that of acting as a financing Subsidiary of the Borrower and consisting of one or more loans made to the Borrower by such Subsidiary and repayable on the same date as a loan or other indebtedness incurred by such Subsidiary; provided that the aggregate principal amount of the indebtedness secured by all such Liens shall not exceed the aggregate principal amount of all such indebtedness incurred by such Subsidiary; and provided further that the aggregate principal amount of the indebtedness secured by all such Liens shall not exceed $100,000,000;

(ix) Liens over all or any part of the assets of the Borrower or any Subsidiary constituting a specific construction project or generating plant as security for any indebtedness incurred for the purpose of financing all or such part, as the case may be, of such construction project or generating plant, and Liens and charges incidental to such construction;

(x) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, grant, license or permit, or by any provision of law, to purchase or recapture or designate a purchaser of any property;

(xi) Liens on property or assets of any Subsidiary in favor of the Borrower;

(xii) Liens with respect to which cash in the amount of such Liens has been deposited with the Agent;

(xiii) Liens on or over specific assets hereafter acquired which are created or assumed contemporaneously with, or within 120 days after, such acquisition, for the sole purpose of financing or refinancing the acquisition of such assets (including without limitation Liens to secure obligations to make deferred payments, earn-out payments or royalty payments where such obligations are incurred in connection with the acquisition of such assets);

(xiv) Liens on conservation investment assets as security for obligations incurred in financing or refinancing bondable conservation investments in accordance with Oregon Revised Statutes Section 757.400-450;

(xv) Liens on cash collateral deposited by the Borrower with counterparties in the ordinary course of the Borrower's purchase and sale of electric energy, coal, oil and natural gas; and

(xvi) Liens, in addition to those listed in clauses (i) through (xv) above, incurred in the ordinary course of the Borrower's business on collateral with a market value that in the aggregate does not exceed $50,000,000.

6.11 Indebtedness to Capitalization Ratio. Not permit the aggregate outstanding principal amount of all Consolidated Indebtedness to exceed 65% of Total Capitalization as of the end of any fiscal quarter.

6.12 Merger or Consolidation. Not merge with or into or consolidate with or into any other corporation or entity, unless (i) immediately after giving effect thereto, no event shall occur and be continuing that would constitute a Default or Unmatured Default, (ii) the surviving or resulting person, as the case may be, if not the Borrower, assumes by operation of law or agrees in writing to pay and perform all of the obligations of the Borrower hereunder, (iii) the surviving or resulting person, as the case may be, qualifies or is qualified to do business in the State of Oregon, and (iv) the consolidated net worth (as determined in accordance with Agreement Accounting Principles) of the surviving or resulting Person, as the case may be, would be at least equal to the consolidated net worth of the Borrower immediately prior to such merger or consolidation.

6.13 Disposition of Assets. Not sell, lease, assign, transfer or otherwise dispose of any Property or any interest therein, except that this Section 6.13 shall not apply to (a) any disposition of any Property or any interest therein in the ordinary course of business, (b) any disposition of obsolete or retired Property not used or useful in its business, (c) any disposition of any Property or any interest therein (i) for cash or cash equivalent or (ii) in exchange for utility plant, equipment or other utility assets, other than notes or other obligations, in each case equal to the fair market value (as determined in good faith by the Board of Directors of the Borrower) of such Property or interest therein, and provided that such disposition does not constitute a disposition of all or substantially all of the Property of the Borrower and (d) any disposition of any Property or any interest therein in exchange for notes or other obligations

substantially equal to the fair market value (as determined in good faith by the Board of Directors of the Borrower) of such asset or interest therein, provided that the aggregate amount of notes or other obligations received after the date hereof from any one obligor in one transaction or a series of transactions shall not exceed 15% of the net asset value of the Borrower.

ARTICLE VII DEFAULTS

The occurrence of any one or more of the following events shall constitute a Default:

7.1 Any representation or warranty made or deemed made by the Borrower or any of its Subsidiaries to the Lenders or the Agent under or in connection with this Agreement, any Loan, or any certificate or information delivered in connection with this Agreement or any other Loan Document shall be materially false on the date as of which made.

7.2 Nonpayment of principal of any Loan or any L/C Obligation when due, or nonpayment of interest upon any Loan, L/C Obligation or of any facility fee or other Obligation under any of the Loan Documents within five (5) days after the same becomes due.

7.3 The breach by the Borrower of any of the terms or provisions of Sections 6.1 (with respect to the Borrower), 6.7, 6.9(v)(a), 6.10, 6.11, 6.12, or 6.13.

7.4 The breach by the Borrower (other than a breach which constitutes a Default under another Section of this Article VII) of any of the terms or provisions of this Agreement which is not remedied within thirty (30) days after written notice from the Agent or any Lender.

7.5 (a) To the extent not waived, or if applicable, cured, (i) the failure of the Borrower or any Subsidiary to pay when due any Indebtedness aggregating in excess of $10,000,000 ("Material Indebtedness"); (ii) the default by the Borrower or any Significant Subsidiary in the performance (beyond the applicable grace period with respect thereto, if any) of any term, provision or condition contained in any agreement under which any such Material Indebtedness was created or is governed, or any other event shall occur or condition exist, the effect of which default or event is to cause, or to permit the holder or holders of such Material Indebtedness to cause, such Material Indebtedness to become due prior to its stated maturity; or (iii) any Material Indebtedness of the Borrower or any Significant Subsidiary shall be declared to be due and payable or required to be prepaid or repurchased (other than by a regularly scheduled payment) prior to the stated maturity thereof; or (b) the Borrower or any of its Significant Subsidiaries shall not pay, or shall admit in writing its inability to pay, its debts generally as they become due.

7.6 The Borrower or any Significant Subsidiary shall (i) have an order for relief entered with respect to it under the Federal bankruptcy laws as now or hereafter in effect, (ii) make an assignment for the benefit of creditors, (iii) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any Substantial Portion of its Property, (iv) institute any proceeding seeking an order for relief under the Federal bankruptcy laws as now or hereafter in effect or seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (v) take any corporate or

partnership action to authorize or effect any of the foregoing actions set forth in this Section 7.6 or (vi) fail to contest in good faith any appointment or proceeding described in Section 7.7.

7.7 Without the application, approval or consent of the Borrower or the applicable Significant Subsidiary, a receiver, trustee, examiner, liquidator or similar official shall be appointed for the Borrower or such Significant Subsidiary or any Substantial Portion of its Property, or a proceeding described in Section 7.6(iv) shall be instituted against the Borrower or such Significant Subsidiary and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of thirty (30) consecutive days.

7.8 Any court, government or governmental agency shall condemn, seize or otherwise appropriate, or take custody or control of, all or any portion of Property of the Borrower and its Significant Subsidiaries which, when taken together with all other Property of the Borrower and its Significant Subsidiaries so condemned, seized, appropriated, or taken custody or control of, during the twelve-month period ending with the month in which any such action occurs, constitutes a Substantial Portion.

7.9 The Borrower or any Significant Subsidiary shall fail within sixty (60) days to pay, bond or otherwise discharge in accordance with its terms one or more (i) judgments or orders for the payment of money in excess of $10,000,000 (or the equivalent thereof in currencies other than U.S. dollars) in the aggregate, or (ii) nonmonetary judgments or orders which, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect, which judgment(s), in any such case, is/are not stayed on appeal or otherwise being appropriately contested in good faith.

7.10 Except as disclosed in the Disclosure Documents, the Borrower or any ERISA Affiliate incurs any liability to the PBGC (other than liability for premium payments which are paid when due) or a Benefit Plan pursuant to Title IV of ERISA or the Borrower or any ERISA Affiliate incurs any withdrawal liability pursuant to Title IV of ERISA with respect to a Benefit Plan or Multiemployer Benefit Plan (determined as of the date of notice of such withdrawal liability) in excess of $10,000,000.

ARTICLE VIII

ACCELERATION, WAIVERS, AMENDMENTS AND REMEDIES

8.1 Acceleration. If any Default described in Section 7.6 or 7.7 occurs with respect to the Borrower, the Commitment of each Lender hereunder shall automatically terminate, the Obligations shall immediately become due and payable and the Borrower shall automatically be required to Cash Collateralize the L/C Obligations, in each case without further act of the Agent or any Lender and without any election or action on the part of the Agent or any Lender. If any other Default occurs, the Required Lenders (or the Agent with the consent of the Required Lenders) may (i) terminate or suspend the Aggregate Commitment, (ii) declare the Obligations to be due and payable or (iii) require that the Borrower Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof), or all of the foregoing, whereupon such Aggregate Commitment shall be immediately terminated or suspended and/or the Obligations shall become immediately due and payable, without presentment, demand, protest or notice of any kind, all of which the Borrower hereby expressly waives.

8.2 Amendments. Subject to the provisions of this Article VIII, the Required Lenders (or the Agent with the consent in writing of the Required Lenders) and the Borrower may enter into agreements supplemental hereto for the purpose of adding or modifying any provisions to the Loan Documents or changing in any manner the rights of the Lenders or the Borrower hereunder or waiving

any Default hereunder or other provisions hereof; provided that no such supplemental agreement shall, without the consent of all of the Lenders affected thereby:

(i) Extend the final maturity of any Loan to a date after the Scheduled Termination Date of any affected Lender, or forgive all or any portion of the principal amount thereof, or reduce the rate or extend the time of payment of interest or fees thereon.

(ii) Reduce the percentage specified in the definition of Required Lenders.

(iii) Extend the Final Termination Date (except as provided in Section 2.18), increase the amount of the Commitment of any Lender hereunder or permit the Borrower to assign its rights under this Agreement.

(iv) Amend this Section 8.2.

(v) Amend Section 11.2.

No amendment of any provision of this Agreement relating to the Agent shall be effective without the written consent of the Agent. No amendment, waiver or consent shall affect the rights or duties of the L/C Issuers under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by them without the written consent of the L/C Issuers. No amendment, waiver or consent shall affect the rights or duties of the Swing Line Lender under this Agreement without the written consent of the Swing Line Lender. The Agent may waive payment of any fee required under Section 12.3(a)(iv) without obtaining the consent of any other party to this Agreement.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender.

8.3 Preservation of Rights. No delay or omission of the Lenders or the Agent to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Default or an acquiescence therein, and the making of a Credit Extension notwithstanding the existence of a Default or the inability of the Borrower to satisfy the conditions precedent to such Credit Extension shall not constitute any waiver or acquiescence. Any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by the Lenders required pursuant to Section 8.2, and then only to the extent in such writing specifically set forth. All remedies contained in the Loan Documents or by law afforded shall be cumulative and all shall be available to the Agent and the Lenders until the Obligations have been paid in full.

ARTICLE IX

GENERAL PROVISIONS

9.1 Survival of Representations. All representations and warranties of the Borrower contained in this Agreement shall survive the making of the Credit Extensions herein contemplated.

9.2 Governmental Regulation. Anything contained in this Agreement to the contrary notwithstanding, no Lender shall be obligated to extend credit to the Borrower in violation of any limitation or prohibition provided by any applicable statute or regulation.

9.3 Headings. Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

9.4 Entire Agreement; Amendment and Restatement.

(a) The Loan Documents embody the entire agreement and understanding among the Borrower, the Agent and the Lenders and supersede all prior agreements and understandings among the Borrower, the Agent and the Lenders relating to the subject matter thereof (including the indemnity, confidentiality, advisory and fiduciary provisions in that certain commitment letter dated as of October 2, 2012 among the Borrower, Wells Fargo and Wells Fargo Securities, LLC and that certain commitment letter dated as of January 27, 2015 among the Borrower, Wells Fargo and Wells Fargo Securities, LLC), other than documentation of the fees described in Sections 2.5 and 10.13.

(b) Each party hereto hereby agrees that, at such time as this Agreement shall have become effective pursuant to the terms of Article IV, (i) the Existing Credit Agreement automatically shall be deemed amended, superseded and restated in its entirety by this Agreement and (ii) the Commitments under the Existing Credit Agreement and as defined therein automatically shall be replaced with the Commitments hereunder as set forth on Schedule 2. The promissory notes executed and delivered by the Borrower under the Existing Credit Agreement are hereby cancelled and shall be deemed replaced with the Notes issued hereunder. This Agreement is not a novation of the Existing Credit Agreement. The Commitments and outstanding Loans of the lenders party to the Existing Credit Agreement that are not Lenders under this Agreement (collectively, the "Exiting Lenders") under the Existing Credit Agreement are hereby terminated simultaneously with the effectiveness of this Agreement. After giving effect to this Agreement, the Exiting Lenders shall no longer have any Commitments or outstanding Loans. Concurrently with the effectiveness of this Agreement, each Exiting Lender shall receive payment in full for all outstanding Obligations owing to it under the Existing Credit Agreement.

9.5 Several Obligations; Benefits of this Agreement. The respective obligations of the Lenders hereunder are several and not joint and no Lender shall be the partner or agent of any other (except to the extent to which the Agent is authorized to act as such). The failure of any Lender to perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. This Agreement shall not be construed so as to confer any right or benefit upon any Person other than the parties to this Agreement and their respective successors and assigns, provided that the parties hereto expressly agree that each Arranger shall enjoy the benefits of the provisions of Sections 9.6,
9.10 and 10.11 to the extent specifically set forth therein and shall have the right to enforce such provisions on its own behalf and in its own name to the same extent as if it were a party to this
Agreement.

9.6 Expenses; Indemnification.

(i) The Borrower shall reimburse the Agent and Wells Fargo Securities, LLC for all reasonable costs, internal charges and out of pocket expenses of a single external counsel paid or incurred by the Agent or Wells Fargo Securities, LLC in connection with the preparation, negotiation, execution, delivery, syndication, review, amendment, modification, and administration of the Loan Documents. The Borrower also agrees to reimburse the Agent, the Arrangers, the Swing Line Lender, the L/C Issuers and the Lenders for all reasonable costs, internal charges and out of pocket expenses (including the attorneys' fees of external counsel) paid or incurred by the Agent, any Arranger, the Swing Line Lender, any L/C Issuer or any Lender in connection with the collection and enforcement of the Loan Documents.

(ii) The Borrower hereby further agrees to indemnify the Agent, each Arranger, each L/C Issuer, the Swing Line Lender, each Lender, their respective affiliates, and each of their directors, officers, advisors, trustees and employees against all losses, claims, damages, penalties, judgments, liabilities and reasonable expenses (including, without limitation, all reasonable expenses of litigation or preparation therefor whether or not the Agent, any Arranger, any L/C Issuer, the Swing Line Lender any Lender or any affiliate is a party thereto and whether or not such investigation, litigation or proceeding is brought by the Borrower, the Borrower's equity holders or creditors or any other party) which any of them may pay or incur arising out of or relating to this Agreement, the other Loan Documents, the transactions contemplated hereby or the application of the proceeds of any Credit Extension hereunder except to the extent that they are determined in a final non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the party seeking indemnification. The obligations of the Borrower under this Section 9.6 shall survive the termination of this Agreement.

9.7 Numbers of Documents. All statements, notices, closing documents, and requests hereunder shall be furnished to the Agent with sufficient counterparts so that the Agent may furnish one to each of the Lenders.

9.8 Accounting. Except as provided to the contrary herein, all accounting terms used herein shall be interpreted and all accounting determinations hereunder shall be made in accordance with Agreement Accounting Principles. If at any time any change in the Agreement Accounting Principles would affect the computation of the financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in the Agreement Accounting Principles (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with the Agreement Accounting Principles prior to such change therein and (ii) the Borrower shall provide to the Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in the Agreement Accounting Principles.

9.9 Severability of Provisions. Any provision in any Loan Document that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable. Without limiting the foregoing provisions of this Section
9.9, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting
Lenders shall be limited by bankruptcy or other similar debtor relief laws, as determined in good faith by

the Agent or the L/C Issuers, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

9.10 Nonliability of Lenders. The relationship between the Borrower on the one hand and the Lenders, the Arrangers and the Agent on the other hand shall be solely that of borrower and lender. None of the Agent, any Arranger or any Lender shall have any fiduciary responsibilities to the Borrower. None of the Agent, any Arranger or any Lender undertakes any responsibility to the Borrower to review or inform the Borrower of any matter in connection with any phase of the Borrower's business or operations. The Borrower agrees that none of the Agent, any Arranger or any Lender shall have liability to the Borrower for losses suffered by the Borrower in connection with, arising out of, or in any way related to, the transactions contemplated and the relationship established by the Loan Documents, or any act, omission or event occurring in connection therewith, except to the extent determined in a final non- appealable judgment by a court of competent jurisdiction. Neither the Agent, any Arranger or any Lender nor the Borrower shall have any liability with respect to, and the Borrower (with respect to the Agent, each Arranger and each Lender) and the Agent, each Arranger and each Lender (with respect to the Borrower) hereby waives, releases and agrees not to sue for any special, indirect or consequential damages suffered by any such party in connection with, arising out of, or in any way related to the Loan Documents or the transactions contemplated thereby; provided, that this sentence shall in no way diminish the Borrower's obligations under Section 9.6 to indemnify the Agent, each Arranger, each L/C Issuer, the Swing Line Lender, each Lender, their respective affiliates, and each of their directors, officers, advisors, trustees and employees for any special, indirect or consequential damages awarded to an unaffiliated third party.

9.11 Confidentiality. The Agent, each Arranger and each Lender agrees to hold any confidential information which it may receive from the Borrower pursuant to this Agreement in confidence, except for disclosure (i) to its Affiliates and to other Lenders and their respective Affiliates, (ii) to legal counsel, accountants, and other professional advisors to such Lender or to a Transferee, (iii) to regulatory officials, (iv) to any Person as requested pursuant to or as required by law, regulation, or legal process, (v) to any Person in connection with any legal proceeding to which such Agent, Arranger or Lender is a party, (vi) to such Lender's direct or indirect contractual counterparties in swap agreements or to legal counsel, accountants and other professional advisors to such counterparties, (vii) permitted by Section 12.4, (viii) to rating agencies if required by such agencies in connection with a rating relating to the Advances hereunder, and (ix) to the extent required in connection with the exercise of any remedy or any enforcement of this Agreement by such Lender or the Agent; provided that, in the case of clauses (i), (ii), (vi) and (vii), the recipient of such information shall be advised that the information is confidential and shall agree to be bound by the confidentiality obligations of this Section 9.11; and provided further, that in the case of clauses (i) and (ii), the recipient needs to know such information in connection with such Lender's, such Arranger's, the Agent's or applicable Transferee's, as applicable, exercise of rights and performance of obligations under this Agreement.

Any Person required to maintain the confidentiality of confidential information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such confidential information as such Person would accord to its own confidential information.

Each of the Agent and the Lenders acknowledges that (a) the confidential information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable law, including United States federal and state securities laws.

9.12 Nonreliance. Each Lender hereby represents that it is not relying on or looking to any Margin Stock for the repayment of the Credit Extension provided for herein.

9.13 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Agent and the Arrangers are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Agent, the Arrangers and the Lenders, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Agent, each Arranger and each Lender each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Agent, any Arranger nor any Lender has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Agent, the Arrangers, the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Agent, any Arranger nor any Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Agent, any Arranger and any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

9.14 USA PATRIOT ACT NOTIFICATION. The following notification is provided to the Borrower pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

> IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for the Borrower: When the Borrower opens an account, if the Borrower is an individual, the Agent and the Lenders will ask for the Borrower's name, residential address, tax identification number, date of birth, and other information that will allow the Agent and the Lenders to identify the Borrower, and, if the Borrower is not an individual, the Agent and the Lenders will ask for the Borrower's name, tax identification number, business address, and other information that will allow the Agent and the Lenders to identify the Borrower. The Agent and the Lenders may also ask, if the Borrower is an individual, to see the Borrower's driver's license or other identifying documents, and, if the Borrower is not an individual, to see the Borrower's legal organizational documents or other identifying documents.

9.15 Letter of Credit Amounts.

Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

ARTICLE X

THE AGENT

10.1 Appointment; Nature of Relationship. Wells Fargo is hereby appointed by each of the Lenders as its contractual representative (herein referred to as the "Agent") hereunder and under each other Loan Document, and each of the Lenders irrevocably authorizes the Agent to act as the contractual representative of such Lender with the rights and duties expressly set forth herein and in the other Loan Documents. The Agent agrees to act as such contractual representative upon the express conditions contained in this Article X. Notwithstanding the use of the defined term "Agent," it is expressly understood and agreed that the Agent shall not have any fiduciary responsibilities to any Lender by reason of this Agreement or any other Loan Document and that the Agent is merely acting as the contractual representative of the Lenders with only those duties as are expressly set forth in this Agreement and the other Loan Documents. In its capacity as the Lenders' contractual representative, the Agent (i) does not hereby assume any fiduciary duties to any of the Lenders, (ii) is a "representative" of the Lenders within the meaning of Section 9-102(a)(72) of the Uniform Commercial Code and (iii) is acting as an independent contractor, the rights and duties of which are limited to those expressly set forth in this Agreement and the other Loan Documents. Each of the Lenders hereby agrees to assert no claim against the Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Lender hereby waives.

10.2 Powers. The Agent shall have and may exercise such powers under the Loan Documents as are specifically delegated to the Agent by the terms of each thereof, together with such powers as are reasonably incidental thereto. The Agent shall have no implied duties to the Lenders, or any obligation to the Lenders to take any action thereunder except any action specifically provided by the Loan Documents to be taken by the Agent.

10.3 General Immunity. Neither the Agent nor any of its directors, officers, agents or employees, in each case acting in its capacity as Agent and not as Lender, shall be liable to the Borrower, the Lenders or any Lender for any action taken or omitted to be taken by it or them hereunder or under any other Loan Document or in connection herewith or therewith except for its or their breach of the Agent's obligations hereunder or thereunder or to the extent such action or inaction is determined in a final non-appealable judgment by a court of competent jurisdiction to have arisen from the gross negligence or willful misconduct of such Person.

10.4 Responsibility for Loans, Recitals, etc. Neither the Agent nor any of its directors, officers, agents or employees shall be responsible for or have any duty to ascertain, inquire into, or verify (a) any statement, warranty or representation made in connection with any Loan Document or any borrowing hereunder; (b) the performance or observance of any of the covenants or agreements of any obligor under any Loan Document, including, without limitation, any agreement by an obligor to furnish information directly to each Lender; (c) the satisfaction of any condition specified in Article IV, except receipt of items required to be delivered solely to the Agent; (d) the existence or possible existence of any Default or Unmatured Default; or (e) the validity, enforceability, effectiveness, sufficiency or genuineness of any Loan Document or any other instrument or writing furnished in connection therewith. The Agent shall have no duty to disclose to the Lenders information that is not required to be furnished by the Borrower to the Agent at such time, but is voluntarily furnished by the Borrower to the Agent (either in its capacity as Agent or in its individual capacity).

10.5 Action on Instructions of Lenders. The Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder and under any other Loan Document in accordance with written instructions signed by the Required Lenders (or, when expressly required hereunder, all of the Lenders), and such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders. The Lenders hereby acknowledge that the Agent shall be under no duty to take any discretionary action permitted to be taken by it pursuant to the provisions of this Agreement or any other Loan Document unless it shall be requested in writing to do so by the Required Lenders. The Agent shall be fully justified in failing or refusing to take any action hereunder and under any other Loan Document unless it shall first be indemnified to its satisfaction by the Lenders pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action.

10.6 Employment of Agents and Counsel. The Agent may execute any of its duties as Agent hereunder and under any other Loan Document by or through employees, agents, and attorneys in fact and shall not be answerable to the Lenders, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys in fact selected by it with reasonable care. The Agent shall be entitled to advice of counsel concerning the contractual arrangement between the Agent and the Lenders and all matters pertaining to the Agent's duties hereunder and under any other Loan Document.

10.7 Reliance on Documents; Counsel. The Agent shall be entitled to rely upon any notice, consent, certificate, affidavit, letter, telegram, statement, paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, and, in respect to legal matters, upon the opinion of counsel selected by the Agent, which counsel may be employees of the Agent.

10.8 Agent 's Reim bursem ent and Indem nif ication. To the extent that the Borrower has not otherwise indemnified the Agent pursuant to Section 9.6(ii), each Lender severally agrees to reimburse and indemnify the Agent ratably in proportion to their respective Commitments (or, if the Commitments have been terminated, in proportion to their Commitments immediately prior to such termination) (i) for any amounts not reimbursed by the Borrower for which the Agent is entitled to reimbursement by the Borrower under the Loan Documents, (ii) for any other expenses incurred by the Agent on behalf of the Lenders, in connection with the preparation, execution, delivery, administration and enforcement of the Loan Documents (including, without limitation, for any expenses incurred by the Agent in connection with any dispute between the Agent and any Lender or between two or more of the Lenders) and (iii) for any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of the Loan Documents or any other document delivered in connection therewith or the transactions contemplated thereby (including, without limitation, for any such amounts incurred by or asserted against the Agent in connection with any dispute between the Agent and any Lender or between two or more of the Lenders), or the enforcement of any of the terms of the Loan Documents or of any such other documents, provided that (i) no Lender shall be liable for any of the foregoing to the extent any of the foregoing is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Agent and (ii) any indemnification required pursuant to Section 3.5(vii) shall, notwithstanding the provisions of this Section 10.8, be paid by the relevant Lender in accordance with the provisions thereof. The obligations of the Lenders under this Section 10.8 shall survive payment of the Obligations and termination of this Agreement.

10.9 Notice of Default. The Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Unmatured Default hereunder unless the Agent has received written notice from a Lender or the Borrower referring to this Agreement describing such Default or Unmatured Default

and stating that such notice is a "notice of default". In the event that the Agent receives such a notice, the Agent shall give prompt notice thereof to the Lenders and, in the case of a "notice of default" received from a Lender, to the Borrower.

10.10 Rights as a Lender. Notwithstanding anything to the contrary in this Article X, in the event the Agent is a Lender, the Agent shall have the same rights, powers, and obligations hereunder and under any other Loan Document with respect to its Commitment and its Loans as any Lender and may exercise such rights and powers, and shall comply with such obligations, as though it were not the Agent, and the term "Lender" or "Lenders" shall, at any time when the Agent is a Lender, unless the context otherwise indicates, include the Agent in its individual capacity. The Agent and its Affiliates may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Agreement or any other Loan Document, with the Borrower or any of its Subsidiaries in which the Borrower or such Subsidiary is not restricted hereby from engaging with any other Person. The Agent in its individual capacity is not obligated to remain a Lender.

10.11 Lender Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon the Agent, any Arranger or any other Lender and based on the financial statements prepared by the Borrower and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and the other Loan Documents. Each Lender also acknowledges that it will, independently and without reliance upon the Agent, any Arranger or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement and the other Loan Documents.

10.12 Successor Agent. The Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower, such resignation to be effective upon the appointment of a successor Agent or, if no successor Agent has been appointed, forty-five (45) days after the retiring Agent gives notice of its intention to resign. The Agent may be removed at any time with or without cause by written notice received by the Agent from the Required Lenders, such removal to be effective on the date specified by the Required Lenders. Upon any such resignation or removal, the Required Lenders shall have the right to appoint with the Borrower's written consent, not to be unreasonably withheld or delayed, on behalf of the Borrower and the Lenders, a successor Agent. If no successor Agent shall have been so appointed by the Required Lenders within thirty (30) days after the resigning Agent's giving notice of its intention to resign, then the resigning Agent may appoint with the Borrower's written consent, not to be unreasonably withheld or delayed, on behalf of the Borrower and the Lenders, a successor Agent. Notwithstanding the previous sentence, the Agent may at any time without the consent of any Lender and with the consent of the Borrower, not to be unreasonably withheld or delayed, appoint any of its Affiliates which is a commercial bank as a successor Agent hereunder. If the Agent has resigned or been removed and no successor Agent has been appointed, the Lenders may perform all the duties of the Agent hereunder and the Borrower shall make all payments in respect of the Obligations to the applicable Lender and for all other purposes shall deal directly with the Lenders. No successor Agent shall be deemed to be appointed hereunder until such successor Agent has accepted the appointment. Any such successor Agent shall be a commercial bank having capital and retained earnings of at least $100,000,000. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the resigning or removed Agent. Upon the effectiveness of the resignation or removal of the Agent, the resigning or removed Agent shall be discharged from its duties and obligations hereunder and under the Loan Documents. After the effectiveness of the resignation or removal of an Agent, the provisions of this Article X shall continue in effect for the benefit of such Agent in respect of any actions taken or omitted to be taken by it while it was acting as the Agent hereunder and under the other Loan Documents. In the event that there is a successor to the Agent by merger, or the Agent assigns its duties and obligations to an Affiliate pursuant

to this Section 10.12, then the term "prime rate" as used in this Agreement shall mean the prime rate, base rate or other analogous rate of the new Agent.

Any resignation by or removal of Wells Fargo as Agent pursuant to this Section shall also constitute its resignation or removal as a L/C Issuer and Swing Line Lender. Upon the acceptance of a successor's appointment as Agent hereunder, (i) such successor shall succeed to and become vested with all of the rights, powers, privileges, obligations and duties of the retiring L/C Issuer and Swing Line Lender, (ii) the retiring L/C Issuer and Swing Line Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (iii) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of the retiring L/C Issuer with respect to such Letters of Credit.

10.13 Agent and Arranger Fees. The Borrower agrees to pay to the Agent and the Arrangers, for their own respective accounts, the fees agreed to by the Borrower, the Agent and the Arrangers, including, without limitation, the administrative agency fee and letter of credit fronting fee agreed to pursuant to the letter agreement dated October 2, 2012, among the Borrower, the Agent and Wells Fargo Securities, LLC and the fees agreed to pursuant to the letter agreement dated January 27, 2015 among the Borrower, the Agent and Wells Fargo Securities, LLC.

10.14 Delegation to Affiliates. The Borrower and the Lenders agree that the Agent may delegate any of its duties under this Agreement to any of its Affiliates. Any such Affiliate (and such Affiliate's directors, officers, agents and employees) which performs duties in connection with this Agreement shall be entitled to the same benefits of the indemnification, waiver and other protective provisions to which the Agent is entitled under Articles IX and X.

10.15 Other Agents. The Lenders identified on the signature pages of this Agreement or otherwise herein, or in any amendment hereof or other document related hereto, as being the "Syndication Agent" or a "Co-Documentation Agent" (collectively, the "Other Agents"), shall have no rights, powers, obligations, liabilities, responsibilities or duties under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, the Other Agents and the Arrangers shall not have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on the Other Agents or the Arrangers in deciding to enter into this Agreement or in taking or refraining from taking any action hereunder or pursuant hereto.

ARTICLE XI

SETOFF; RATABLE PAYMENTS

11.1 Setoff. In addition to, and without limitation of, any rights of the Lenders under applicable law, if a Default occurs, any and all deposits (including all account balances, whether provisional or final and whether or not collected or available) and any other Indebtedness at any time owing by any Lender or any Affiliate of any Lender to or for the credit or account of the Borrower may be offset and applied toward the payment of the Obligations owing to such Lender, whether or not the Obligations, or any part thereof, shall then be due, provided each Lender agrees, solely for the benefit of the other Lenders and not for the benefit of the Borrower, that it shall not exercise any right provided for in this Section 11.1 without the prior consent of the Required Lenders; provided, further, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Agent for further application in accordance with the provisions of Section 2.21 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and

deemed held in trust for the benefit of the Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

11.2 Ratable Payments. If any Lender, whether by setoff or otherwise, has payment made to it upon its Outstanding Credit Exposure (other than payments received pursuant to Section 2.20, 3.1, 3.2, 3.4 or 3.5) in a greater proportion than that received by any other Lender, such Lender agrees, promptly upon demand, to purchase a portion of the Aggregate Outstanding Credit Exposure held by the other Lenders so that after such purchase each Lender will hold its Pro Rata Share of the Aggregate Outstanding Credit Exposure. If any Lender, whether in connection with setoff or amounts which might be subject to setoff or otherwise, receives collateral or other protection for its Obligations or such amounts which may be subject to setoff, such Lender agrees, promptly upon demand, to take such action necessary such that all Lenders share in the benefits of such collateral ratably in proportion to their respective Pro Rata Shares. In case any such payment is disturbed by legal process, or otherwise, appropriate further adjustments shall be made.

ARTICLE XII

BENEFIT OF AGREEMENT; ASSIGNMENTS; PARTICIPATIONS

12.1 Successors and Assigns. The terms and provisions of the Loan Documents shall be binding upon and inure to the benefit of the Borrower and the Lenders and their respective successors and assigns, except that (i) the Borrower shall not have the right to assign its rights or obligations under the Loan Documents and (ii) any assignment by any Lender must be made in compliance with Section 12.3. The parties to this Agreement acknowledge that clause (ii) of this Section 12.1 relates only to absolute assignments and does not prohibit assignments creating security interests, including, without limitation, any pledge or assignment by any Lender of all or any portion of its rights under this Agreement to a Federal Reserve Bank; provided that no such pledge or assignment creating a security interest shall release the transferor Lender from its obligations hereunder unless and until the parties thereto have complied with the provisions of Section 12.3. The Agent may treat the Person which made any Loan or which holds any Note as the owner thereof for all purposes hereof unless and until such Person complies with Section 12.3; provided that the Agent may in its discretion (but shall not be required to) follow instructions from the Person which made any Loan to direct payments relating to such Loan to another Person. Any assignee of the rights to any Loan agrees by acceptance of such assignment to be bound by all the terms and provisions of the Loan Documents. Any request, authority or consent of any Person, who at the time of making such request or giving such authority or consent is the owner of the rights to any Loan, shall be conclusive and binding on any subsequent holder or assignee of the rights to such Loan.

12.2 Participations.

(a) **Permitted Participants; Effect**. Any Lender may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more banks or other entities ("Participants") participating interests in any Outstanding Credit Exposure of such Lender, any Commitment of such Lender or any other interest of such Lender under the Loan Documents. In the event of any such sale by a Lender of participating interests to a Participant, such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, such Lender shall remain the owner of its Outstanding Credit Exposure for all purposes under the Loan Documents, all amounts payable by the Borrower under this Agreement shall be determined as if

such Lender had not sold such participating interests, and the Borrower and the Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under the Loan Documents.

(b) **Voting Rights**. Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of the Loan Documents other than any amendment, modification or waiver with respect to any Credit Extension or Commitment in which such Participant has an interest which forgives principal, interest or fees or reduces the interest rate or fees payable with respect to any such Loan, L/C Obligation or Commitment, extends the Scheduled Termination Date, postpones any date fixed for any regularly scheduled payment of principal of, or interest or fees on, any such Credit Extension or Commitment.

(c) **Participant Register**. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

12.3 Assignments.

(a) **Assignments by Lenders**. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations and Swing Line Loans) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) **Minimum Amounts**.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the related Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (a)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment Agreement with respect to such assignment is delivered to the Agent or, if "Trade Date" is specified in the Assignment Agreement, as of the Trade Date, shall not be less than $5,000,000

unless each of the Agent and, so long as no Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single assignee (or to an assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) **Proportionate Amounts**. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's Loans and Commitments, and rights and obligations with respect thereto, assigned.

(iii) **Required Consents**. No consent shall be required for any assignment except to the extent required by subsection (a)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) a Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Agent within five (5) Business Days after having received notice thereof;

(B) the consent of the Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of any Commitment if such assignment is to a Person that is not a Lender with a Commitment, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C) the consent of the L/C Issuers and the Swing Line Lender (such consent not to be unreasonably withheld or delayed) shall be required for any assignment.

(iv) **Assignment and Assumption**. The parties to each assignment shall execute and deliver to the Agent an Assignment Agreement, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it shall not be a Lender, shall deliver to the Agent an administrative questionnaire in a form acceptable to the Agent.

(v) **No Assignment to Certain Persons**. No such assignment shall be made to (A) the Borrower or any of the Borrower's Affiliates or Subsidiaries, (B) any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), or (C) a natural person.

(vi) **Certain Additional Payments**. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be

outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swing Line Loans in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Agent pursuant to subsection (b) of this Section, from and after the effective date specified in each Assignment Agreement, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment Agreement, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment Agreement, be released from its obligations under this Agreement (and, in the case of an Assignment Agreement covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Article III and Section 9.6 with respect to facts and circumstances occurring prior to the effective date of such assignment). Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.2 (other than a purported assignment to a natural Person or the Borrower or any of the Borrower's Subsidiaries or Affiliates, which shall be null and void).

(b) **Register**. The Agent, acting solely for this purpose as an agent of the Borrower (and such agency being solely for tax purposes), shall maintain at the Agent's office a copy of each Assignment Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrower, the Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. In addition, the Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register shall be available for inspection by the Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(c) **Resignation as L/C Issuer or Swing Line Lender after Assignment**. Notwithstanding anything to the contrary contained herein, if at any time an L/C Issuer or the Swing Line Lender assigns all of its Commitment and Loans pursuant to subsection (a) above, such L/C Issuer or Swing Line Lender, as applicable, may, (i) upon thirty days' notice to the Borrower and the Lenders, resign as L/C Issuer and/or (ii) upon thirty days' notice to the Borrower, resign as Swing Line Lender. In the event of any such resignation as L/C Issuer or Swing Line Lender, the Borrower shall be entitled to appoint from among the Lenders a successor

L/C Issuer or Swing Line Lender hereunder; provided, however, that no failure by the Borrower to appoint any such successor shall affect the resignation of such L/C Issuer or Swing Line Lender, as the case may be. If an L/C Issuer resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of such L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Floating Rate Advances or fund risk participations). If the Swing Line Lender resigns as Swing Line Lender, it shall retain all the rights of the Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Floating Rate Advances or fund risk participations. Upon the appointment of a successor L/C Issuer and/or Swing Line Lender, (1) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as the case may be, and (2) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the resigning L/C Issuer to effectively assume the obligations of the resigning L/C Issuer with respect to such Letters of Credit.

12.4 Dissemination of Information. The Borrower authorizes each Lender to disclose to any Participant or Purchaser or any other Person acquiring an interest in the Loan Documents by operation of law (each a "Transferee") and any prospective Transferee any and all information in such Lender's possession concerning the creditworthiness of the Borrower and its Subsidiaries, including without limitation any information contained in any Annual Report on Form 10-K or any Quarterly Report on Form 10-Q; provided that each Transferee and prospective Transferee agrees to be bound by Section 9.11 of this Agreement.

12.5 Tax Treatment. If any interest in any Loan Document is transferred to any Transferee which is organized under the laws of any jurisdiction other than the United States or any State thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 3.5(iv) and Section 3.5(vi), as applicable.

12.6 Designation of SPVs.

(a) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle (an "SPV", identified as such in writing from time to time by such Granting Lender to the Agent and the Borrower) the option to fund all or any part of any Advance or fee or expense reimbursement or other obligation (each, a "Lender Funding Obligation") that such Granting Lender would otherwise be obligated to fund pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPV to fund any Lender Funding Obligation, (ii) if an SPV elects not to exercise such option or otherwise fails to fund all or any part of any such Lender Funding Obligation, the Granting Lender shall be obligated to fund such Lender Funding Obligation pursuant to the terms hereof, (iii) no SPV shall exercise any voting rights pursuant to Section 8.2 (such voting rights to be exercised instead by such Granting Lender) and (iv) with respect to notices, payments and other matters hereunder, the Borrower, the Agent and the Lenders shall not be obligated to deal with an SPV, but may limit their communications and other dealings relevant to such SPV to the applicable Granting Lender. The funding of any Lender Funding Obligation by an SPV hereunder shall utilize the Commitment of the Granting Lender to the same extent that, and as if, such Lender Funding Obligation were funded by such Granting Lender.

(b) As to any Lender Funding Obligations or portion thereof made by it, each SPV shall have all the rights that its applicable Granting Lender making such Lender Funding

Obligations or portion thereof would have had under this Agreement; provided that each SPV shall have granted to its Granting Lender an irrevocable power of attorney to deliver and receive all communications and notices under this Agreement (and any related documents) and to exercise on such SPV's behalf, all of such SPV's voting rights under this Agreement. No additional Note shall be required to evidence the Lender Funding Obligations or portion thereof made by an SPV; and the related Granting Lender shall be deemed to hold its Note as agent for such SPV to the extent of the Lender Funding Obligations or portion thereof funded by such SPV. In addition, any payments for the account of any SPV shall be paid to its Granting Lender as agent for such SPV.

(c) Each party hereto hereby agrees that no SPV shall be liable for any indemnity or payment under this Agreement for which a Lender would otherwise be liable for so long as, and to the extent, the Granting Lender provides such indemnity or makes such payment. In furtherance of the foregoing, each party hereto hereby agrees (which agreements shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPV, it will not institute against, or join any other person in instituting against, such SPV any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof.

(d) In addition, notwithstanding anything to the contrary contained in this Agreement, any SPV may (i) at any time and without paying any processing fee therefor, assign or participate all or a portion of its interest in any Lender Funding Obligations to the Granting Lender or to any financial institutions providing liquidity and/or credit support to or for the account of such SPV to support the funding or maintenance of Lender Funding Obligations and (ii) disclose on a confidential basis any non-public information relating to its Lender Funding Obligations to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancements to such SPV. This Section 12.6 may not be amended without the written consent of any Granting Lender affected thereby.

ARTICLE XIII NOTICES

13.1 Notices.

(a) Except as otherwise permitted by Section 2.12 with respect to borrowing notices, all notices, requests and other communications to any party hereunder shall be in writing (including electronic transmission, facsimile transmission or similar writing) and shall be given to such party at its address or facsimile number set forth on Schedule 13.1 or at such other address or facsimile number as such party may hereafter specify for the purpose by notice to the Agent and the Borrower in accordance with the provisions of this Section 13.1. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when transmitted to the facsimile number specified in this Section and confirmation of receipt is received, (ii) if given by mail, 72 hours after such communication is deposited in the mails with first class postage prepaid, addressed as aforesaid, (iii) if given by any other means, when delivered at the address specified in this Section or (iv) if given by electronic transmission, as provided in Section 13.1(b); provided that notices to the Agent under Article II shall not be effective until received.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and internet or intranet websites) pursuant to procedures approved by the Agent or as otherwise determined by the Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Agent that it is incapable of receiving notices under such Article by electronic communication. The Agent or the Borrower may, in its respective discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it or as it otherwise determines, provided that such determination or approval may be limited to particular notices or communications. Unless the Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

13.2 Change of Address. The Borrower, the Agent and any Lender may each change the address for service of notice upon it by a notice in writing to the other parties hereto.

ARTICLE XIV COUNTERPARTS

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed counterpart hereof or a signature page hereto by facsimile or other secure electronic format shall be effective as delivery of an original executed counterpart.

ARTICLE XV

CHOICE OF LAW; CONSENT TO JURISDICTION

15.1 CHOICE OF LAW. THE LOAN DOCUMENTS (OTHER THAN THOSE CONTAINING A CONTRARY EXPRESS CHOICE OF LAW PROVISION) SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

15.2 CONSENT TO JURISDICTION. THE BORROWER HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND THE BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN

SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY THE BORROWER AGAINST THE AGENT OR ANY LENDER OR ANY AFFILIATE OF THE AGENT OR ANY LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN NEW YORK, NEW YORK.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

PORTLAND GENERAL ELECTRIC COMPANY

By: /s/ James F. Lobdell
Name: James F. Lobdell
Title: Senior Vice President - Finance,
Chief Financial Officer and Treasurer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

By: /s/ Yann Blindert
Name: Yann Blindert
Title: Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender and L/C Issuer

By: /s/ Yann Blindert
Name: Yann Blindert
Title: Director

JPMORGAN CHASE BANK, N.A., as a Lender and L/C Issuer

By: /s/ Helen D. Davis
Name: Helen D. Davis
Title: Authorized Officer

U.S. BANK NATIONAL ASSOCIATION, as a Lender and L/C Issuer

By: /s/ Raymond Palmer
Name: Raymond Palmer
Title: Senior Vice President

BANK OF AMERICA, N.A., as a Lender and L/C Issuer

By: /s/ Daryl K. Hogge
Name: Daryl K. Hogge
Title: Senior Vice President

BARCLAYS BANK PLC, as a Lender and L/C Issuer

By: /s/ Alicia Borys
Name: Alicia Borys
Title: Vice President

BANK OF THE WEST, as a Lender

By: /s/ Brett German
Name: Brett German
Title: Director

COBANK, ACB, as a Lender

By: /s/ Josh Batchelder
Name: Josh Batchelder
Title: Vice President

THE NORTHERN TRUST COMPANY, as a Lender

By: /s/ Fiyaz Khan
Name: Fiyaz Khan
Title: Vice President

SCHEDULE 1

PRICING SCHEDULE

PRICING	LEVEL I STATUS > A-/A3	LEVEL II STATUS BBB+/BAA1	LEVEL III STATUS BBB/BAA2	LEVEL IV STATUS BBB-/BAA3	LEVEL V STATUS < BA1 /BB+ OR UNRATED
Applicable Eurodollar Margin	*1.000%*	*1.075%*	*1.275%*	*1.475%*	*1.650%*
Applicable ABR Margin	*0.000%*	*0.075%*	*0.275%*	*0.475%*	*0.650%*
Facility Fee Rate	*0.125%*	*0.175%*	*0.225%*	*0.275%*	*0.350%*
Letter of Credit Fee	*1.000%*	*1.075%*	*1.275%*	*1.475%*	*1.650%*

The Applicable Margin, Facility Fee Rate and Letter of Credit Fee shall be determined in accordance with the foregoing table based on the Borrower's Status as determined from its then-current Moody's and S&P Ratings. The credit rating in effect on any date for the purposes of this Schedule is that in effect at the close of business on such date. If at any time the Borrower has no Moody's Rating or no S&P Rating, Level V Status shall exist. For purposes of the foregoing (and subject to the last paragraph of this Pricing Schedule), the following terms have the respective meanings set forth below:

"Level I Status" exists at any date if, on such date, the Borrower's Moody's Rating is A3 or better *or* the Borrower's S&P Rating is A- or better.

"Level II Status" exists at any date if, on such date, (i) the Borrower has not qualified for Level I Status and (ii) the Borrower's Moody's Rating is Baa1 or better *or* the Borrower's S&P Rating is BBB+ or better.

"Level III Status" exists at any date if, on such date, (i) the Borrower has not qualified for Level I Status or Level II Status and (ii) the Borrower's Moody's Rating is Baa2 or better *or* the Borrower's S&P Rating is BBB or better.

"Level IV Status" exists at any date if, on such date, (i) the Borrower has not qualified for Level I Status, Level II Status or Level III Status and (ii) the Borrower's Moody's Rating is Baa3 or better *or* the Borrower's S&P Rating is BBB- or better.

"Level V Status" exists at any date if, on such date, the Borrower has not qualified for Level I Status, Level II Status, Level III Status or Level IV Status.

"Moody's Rating" means, at any time, the rating issued by Moody's Investors Service, Inc. ("Moody' s") and then in effect with respect to the Borrower's senior unsecured long-term debt securities without third-party credit enhancement; provided that if at any time such rating is not published by Moody's, "Moody's Rating" shall mean the Borrower's long term issuer rating issued by Moody's and then in effect.

"S&P Rating" means, at any time, the rating issued by Standard & Poor's Financial Services LLC ("S&P"), a subsidiary of The McGraw-Hill Companies, Inc. and then in effect with respect to the Borrower's senior unsecured long-term debt securities without third-party credit enhancement; provided that if at any time such rating is not published by S&P, "S&P Rating" shall mean the Borrower's long term issuer rating issued by S&P and then in effect.

"Status" means Level I Status, Level II Status, Level III Status, Level IV or Level V Status.

If the Borrower is split-rated and the ratings differential is one level, the higher rating will apply. If the Borrower is split-rated and the ratings differential is two levels or more, the rating immediately below the higher rating will apply.

SCHEDULE 2

COMMITMENTS

Lender	Revolving Commitment
Wells Fargo Bank, National Association	$83,800,000.00
Bank of America, N.A.	$83,800,000.00
Barclays Bank PLC	$83,800,000.00
JPMorgan Chase Bank, National Association	$83,800,000.00
U.S. Bank National Association	$83,800,000.00
Bank of the West	$27,000,000.00
CoBank, ACB	$27,000,000.00
The Northern Trust Company	$27,000,000.00
TOTAL	$500,000,000.00

SCHEDULE 3

INDEBTEDNESS EXCEPTIONS

Ownership and Operating Agreement, COLSTRIP UNITS #3 & #4, dated May 6, 1981, between The Montana Power Company, Puget Sound Power and Light Company, The Washington Water Power Company, Portland General Electric Company and Pacific Power & Light Company, and the successors to any thereof, as amended and supplemented.

Power Sales Agreement, dated as of April 12, 1979, executed by City of Portland, Oregon and Portland General Electric Company, as amended and supplemented.

Power Sales Contract Executed by Public Utility District No. 1 of Douglas County, Washington and Portland General Electric Company, made and entered into as of September 18, 1963, as amended and supplemented.

Power Sales Contract, made and entered into as of November 14, 1957, by and between Public Utility District No. 1 of Chelan County, Washington and Portland General Electric Company, as amended and supplemented.

Wanapum Power Sales Contract Executed by Public Utility District No. 2 of Grant County, Washington and Portland General Electric Company, entered into as of June 22, 1959, as amended and supplemented.

Power Sales Contract Executed by Public Utility District No. 2 of Grant County, Washington and

Portland General Electric Company, entered into as of May 21, 1956, as amended and supplemented. Performance Guaranty by and between

ODOT and PGE dated as of August 6, 2008.

Guaranty by and among SunWay 1, LLC, Firstar Development LLC, and PGE dated as of September 2, 2008.

Guaranty by and among SunWay 2, LLC, U.S. Bancorp Community Development Corporation and PGE dated as of October 2, 2008.

SunWay 3, LLC Operating Agreement, by and between Firstar Development, LLC and PGE dated as of February 25, 2010.
Guaranty by and among SunWay 3, LLC, Firstar Development, LLC and PGE dated February 25, 2010. Construction Loan Guaranty by PGE in favor Wells Fargo Bank, National Association dated February 25, 2010.

The Lease for the Willamette Center (now World Trade Center), dated September 11, 1978, between 121 SW Salmon Street Corporation, Tenant, and IEH Portland LLC (transferee of American Real Estate Holdings LP), and the Sublease, dated September 11, 1978, from Tenant to the Company.

Obligations set forth in Section 12 of that certain PGE-Lessee Agreement by and between PGE and Fale- Safe Incorporated, dated as of December 30, 1985 and in Section 10 (ix) of that certain Participation Agreement, dated December 30, 1985 among J. Henry Schroder Bank & Trust Company, as Owner Trustee, The Chase Manhattan Bank (National Association), as Indenture Trustee, General Electric Credit Corporation, certain Loan Participants, Fale-Safe Inc., and PGE.

Master Lease Agreement between Banc of America Leasing and Capital, LLC and PGE dated as of July 29, 2011 and Schedules to such Master Lease Agreement as executed from time to time.

Lease agreements with financial institutions or their affiliates relating to the acquisition and installation of solar equipment.

SCHEDULE 4

Existing Letters of Credit

L/C Number	L/C Issuer	Expiry Date	Letter of Credit Amount	Beneficiary
US SLCPDXB04772	U.S. Bank National Association	3/31/15	$7,300,000.00	Barclays Bank PLC
US SLCPDXBO4656	U.S. Bank National Association	3/15/15	$2,400,000.00	Morgan Stanley Capital
US SCLPDXC01979	U.S. Bank National Association	6/30/15	$1.00	Natural Gas Exchange
US SLCPPDX05508	U.S. Bank National Association	3/31/15	$10,195,000.00	Transalta Energy
US-SLCPPDX06486	U.S. Bank National Association	3/31/15	$14,090,000.00	Canadian Imperial BA
US-SLCPPDX06512	U.S. Bank National Association	3/31/15	$5,400,000.00	Bank of Montreal
US-SCLPPDX06523	U.S. Bank National Association	3/31/15	$550,000.00	Iberdrola Renewables

SCHEDULE 5.2

LITIGATION

None.

SCHEDULE 5.9

SUBSIDIARIES

Subsidiary	**Jurisdictions**	**Owned By**	**Percent Ownership**	**Significant Subsidiary (Yes/No)**
Salmon Springs Hospitality Group, Inc.	Oregon	PGE	100 percent	No
121 SW Salmon Street Corporation	Oregon	PGE	100 percent	No
World Trade Center Northwest Corporation	Oregon	121 SW Salmon Street Corporation	100 percent	No

SCHEDULE 5.16

ANTI-TERRORISM; ANTI-MONEY LAUNDERING

BNP Paribas SA, with whom the Borrower engages in commercial transactions, has entered into settlements with federal and state regulators regarding apparent violations of the foreign assets control regulations of the United States Treasury Department and other legal requirements occurring prior to the Closing Date.

SCHEDULE 13.1

NOTICE ADDRESSES

Borrower:

PORTLAND GENERAL ELECTRIC COMPANY One World Trade Center
121 S.W. Salmon
Portland, Oregon 97204
Attention: Treasurer's Office
Tel: (503) 464-7085
Fax: (503) 464-2236

Agent:

Administrative Agent' s Office and Notices for L/C Issuer and Swing Line Lender

Wells Fargo Bank, N.A.
1525 W.WT Harris Blvd. Mail Code: D 1109-019
Charlotte, NC 28262
Attention: Shawn Horton
Telephone: 704.590.2727
Telecopier: 704.715.0017
Electronic Mail: Shawn.Horton@WellsFargo.com

Account No. (for Dollars): 01104331628807
Ref: Portland General Electric Company
Attn: Financial Cash Controls
ABA# 121000248

Other Notices as Administrative Agent:

Wells Fargo Bank, N.A.
1525 W.WT Harris Blvd. Mail Code: D 1109-019
Charlotte, NC 28262
Attention: Lisa White
Telephone: 704.590.2778
Telecopier: 704.715.0017
Electronic Mail: Lisa.A.White1@wellsfargo.com

Lenders:

JPMorgan Chase Bank, N.A.
10 S. Dearborn, IL 1-0090, 9th Floor
Chicago, IL 6063
Attention: Helen Davis
Telephone: 312.732.1759
Telecopier: 312.732.1762
Electronic Mail: Helen.d.davis@jpmorgan.com

U.S. Bank National Association
101 S. Capitol Boulevard
Boise, Idaho 83702
Attention: Holland Williams
Tel: (208) 383-7565
Fax: (208) 383-7489
Electronic Mail: hollandhuffman.williams@usbank.com

Bank of America, N.A.
121 SW Morrison St., Suite 1700
Portland, OR 97204
Tel: 503.795.6469
Fax: 312.453.5325
Attn: Daryl.k.hogge@baml.com and Melissa.d.hudson@baml.com (for credit notices).
Attn: Ruby.nandwani@bankofamerica.com and Madhvi.swami@bankofamerica.com (borrowing notices)

Barclays Bank PLC
745 Seventh Avenue, 27th Floor
New York, NY 10019
Tel: 212 526-0787
Fax: 212 526-5115
Attn: May Huang / Assistant Vice President / Bank Debt Management
Email: may.huang@barclays.com

Bank of the West
222 SW Columbia Street, Suite 1200
Portland OR 97201
T 503.223.6971
F 503.227.3423
Attn: Brett German, Director
Email: brett.german@bankofthewest.com

CoBank, ACB
Power, Energy & Utilities
5500 S. Quebec Street
Greenwood Village, CO 80111
Attention: Josh Batchelder
Telephone: (303) 740-4120
Email: JBatchelder@cobank.com

Operations Contact (Draws/Repayments/Funding Matters) Attention: Kelly Gibbs
Telephone: (303) 740-4352
Fax: (303) 740-4021
Email: agencybank@cobank.com

The Northern Trust Company
50 S. LaSalle St., M-27
Chicago, IL 60603
Telephone: 312.444.4791
Fax: 312.557.1425
Attn: Fiyaz Khan
Email: Fak1@ntrs.com

EXHIBIT A

FORM OF ASSIGNMENT AGREEMENT

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between **[***Insert name of Assignor***]** (the "Assignor") and **[***Insert name of Assignee***]** (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto in the amounts and equal to the percentage interests identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including without limitation any letters of credit, guarantees, and swing line loans included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned to the Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as, the "Assigned Interest"). Each such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1.	Assignor:	_____ Assignor [is] [is not] a Defaulting Lender.
2.	Assignee:	_____ [and is an Affiliate/Approved Fund of [*identify Lender*]]
3.	Borrower:	Portland General Electric Company
4.	Agent:	Wells Fargo Bank, National Association, as the administrative agent under the Credit Agreement
5.	Credit Agreement:	The Amended and Restated Credit Agreement dated as of March 6, 2015 among the Borrower, the Lenders parties thereto and the Agent

6. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/ Outstanding Credit Exposure for all Lenders*	Amount of Commitment/ Loans Assigned*	Percentage Assigned of Commitment/ Outstanding Credit Exposure[1]	CUSIP Number
	$	$	%	
	$	$	%	
	$	$	%	

[7. Trade Date: _____][2]

Effective Date: _____ , 20 [TO BE INSERTED BY AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____
Title:

[Consented to and][3] Accepted:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as
Agent

By _____
Title:

[1] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

[2] To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

[3] To be added only if the consent of the Agent is required by the terms of the Credit Agreement.

[Consented to:**]**[4]

[PORTLAND GENERAL ELECTRIC COMPANY**]**

By _____
Title:

[Consented to:**]**[5]

[WELLS FARGO BANK, N.A., as L/C Issuer and Swing Line Lender

By _____
Title:

JPMORGAN CHASE BANK, N.A., as L/C Issuer

By _____
Title:

U.S. BANK NATIONAL ASSOCIATION, as L/C Issuer

By _____
Title:

BANK OF AMERICA, N.A., as L/C Issuer

By _____
Title:

BARCLAYS BANK PLC, as L/C Issuer]
By _____
Title:

[4] To be added only if the consent of the Borrower and/or other parties is required by the terms of the Credit Agreement.
[5] To be added only if the consent of the L/C Issuers or Swing Line Lender, as applicable, is required by the terms of the Credit Agreement.

ANNEX 1

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1. Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is **[not]** a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an assignee under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 6.9 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, (vi) it has independently and without reliance on the Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interests, and (vii) if it is a Non-U.S. Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for

amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, the Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to the Assignee.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy or other secure electronic format shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

EXHIBIT B

FORM OF OPINION OF BORROWER'S COUNSEL

March 6, 2015

To the Lenders and the Agent referred to below:

Re: Portland General Electric Company
Amended and Restated Credit Agreement dated as of March 6, 2015

We have acted as special counsel for Portland General Electric Company, an Oregon corporation (the "Borrower"), in connection with the $500 million revolving credit facility established pursuant to that certain Amended and Restated Credit Agreement dated as of March 6, 2015 (the "Agreement"), among the Borrower, Wells Fargo Bank, National Association, as Administrative Agent (the "Agent"), and the financial institutions identified on Schedule 2 thereto as Lenders (the "Lenders").

This opinion is being furnished to you at the request of the Borrower pursuant to Section 4.1(v) of the Agreement. Unless the context indicates otherwise, capitalized terms used in this opinion have the meanings attributed to them in the Agreement.

In rendering this opinion, we have assumed the genuineness of all signatures, the authenticity of all documents provided to us as originals, and the conformity to authentic original documents of all documents provided to us as certified, conformed, or photostatic copies. As to questions of fact material to the following opinions, we have relied upon certificates and other documentation of officers of the Borrower and of public officials. Whenever our opinion is based on factual matters that are "to our knowledge," or words of similar impact, it means conscious awareness of facts or other information by the Primary Lawyer Group. The Primary Lawyer Group consists of David Copley Forman and Andrea R. Schmidt.

This opinion is subject to the qualifications listed on Annex A.

Based upon the foregoing, and subject to the assumptions, qualifications, limitations and exceptions set forth herein, we are of the opinion that:

1. The Borrower is a corporation duly incorporated and validly existing under the laws of the State of Oregon. The Borrower is duly qualified to do business in each of the following jurisdictions: Oregon, Washington and Montana.

2. The execution and delivery by the Borrower of the Agreement and the Notes (together, the "Loan Documents") and the performance of its obligations thereunder are within the Borrower's corporate power, have been duly authorized by all necessary corporate action on the part of Borrower, and will not (i) violate the Borrower's articles of incorporation or bylaws; or (ii) breach or cause a default under any provision of any indenture, instrument or agreement listed on Annex B to this opinion.

3. The Agreement, assuming its due authorization, execution, and delivery by the Agent and the Lenders, and the Notes that have been requested to be delivered by the Lenders pursuant to Section 2.11(ii) of the Agreement, each constitute the legal, valid and binding obligation of the Borrower, enforceable in accordance with their terms.

4. The execution and delivery by the Borrower of the Agreement and the Notes that have been requested to be delivered by the Lenders pursuant to Section 2.11(ii) of the Agreement, and the performance of its obligations thereunder, will not violate (a) any law, rule or regulation applicable to the Borrower under the laws of the State of Oregon or generally applicable to borrowers under the laws of the United States or (b) any order, writ, judgment, injunction, decree or award known by us to be binding on the Borrower under the State of Oregon.

5. Except as disclosed in (i) the Borrower's Annual Report on Form 10-K for the year ended December 31, 2014; and (ii) the Borrower's Current Reports on Form 8-K since the date of the Annual Report referred to in clause (i) and prior to the date hereof, in each case filed with the Securities and Exchange Commission, and Schedule 5.2 to the Agreement, there is, to our knowledge, no litigation, arbitration, governmental investigation, proceeding or inquiry pending or threatened against the Borrower that either questions the validity of the Agreement and the Notes, or the transactions contemplated thereby, or that would reasonably be expected to have a Material Adverse Effect.

6. The Borrower is not subject to regulation under the Investment Company Act of 1940, as amended.

7. No order, consent, approval or authorization of or by any Governmental Authority of the State of Oregon, which has not been obtained by the Borrower, is required to be obtained by the Borrower solely in connection with the execution and delivery of the Agreement and the Notes, except for (a) any of the foregoing that are not due as of the date of this opinion or (b) customary filings with the SEC and other Governmental Authorities disclosing the existence and/or material terms of the Agreement.

We call to your attention that as of the date of this opinion, (a) the Borrower has not received corporate approval or the approval of the Public Utility Commission of Oregon with respect to an increase in the Aggregate Commitment pursuant to Section 2.3(a) of the Agreement; and (b) the Borrower has not received corporate approval with respect to an extension of the Final Termination Date pursuant to Section 2.18 of the Agreement.

Furthermore, we call to your attention that the consent of the Federal Energy Regulatory Commission dated February 3, 2014, Docket No. ES14-10-000, expires on February 6, 2016. If the consent is not renewed, then at the time of such expiry, the Borrower will not be permitted to borrow funds under the Agreement if such funds must be repaid in, or shall only be outstanding for, 364 days or less.

The opinions herein expressed are limited to matters governed by the laws of the State of Oregon and United States laws generally applicable to borrowers, in each case as they exist at the date hereof, and we express no opinion as to the laws of any other jurisdiction. We have assumed for purposes of our opinion rendered in paragraph (3) that the relevant substantive laws of the State of New York are substantially identical to those of the State of Oregon.

This letter represents our opinion as of the date it bears. We do not assume any obligation to provide you with any subsequent opinion or advice by reason of any change subsequent to the date of this letter in any fact or in any law covered by any of our opinions, or for any other reason, even though such change may affect a legal analysis, conclusion or opinion in this letter.

This opinion is delivered solely for the benefit of the persons to whom it is addressed and is not to be relied upon by any other person, and this opinion is not to be used, circulated, quoted, or otherwise referred to in connection with any transactions other than those contemplated by the Agreement. However, you may deliver a copy of this opinion to a subsequent Transferee and such subsequent Transferee may rely on this opinion as if it were addressed and had been delivered to it on the date of this opinion, unless statements in this opinion would be affected by the status of any such subsequent Transferee. In addition, copies of this opinion may be delivered to, but not relied upon by, any appropriate Governmental Authority, regulatory authority or other person, in each case as required by law.

Very truly yours,

Reviewed by: DCF/KWR

cc: Cheryl A. Chevis

ANNEX A Qualifications

1. Bankruptcy and Insolvency Exception. Our opinions are subject to the effect of bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws affecting the rights and remedies of creditors generally. This exception includes:

(a) the federal Bankruptcy Code and thus includes, among other things, matters of turn-over, automatic stay, avoiding powers, fraudulent transfer, preference, discharge, conversion of a non- recourse obligation into a recourse claim, limitations on *ipso facto* and anti-assignment clauses, and the coverage of pre-petition security agreements applicable to property acquired after a petition is filed;

(b) laws and judicial decisions relating to or affecting the rights of the FDIC as insurer, regulator, conservator or receiver of banks, the accounts of which are insured by the FDIC;

(c) all other federal and state bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement and assignment for the benefit of creditors laws that affect the rights and remedies of creditors generally (not just creditors of specific types of debtors);

(d) all other federal bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement and assignment for the benefit of creditors laws that have reference to or affect generally only creditors of specific types of debtors, and state laws of like character affecting generally only creditors of financial institutions and insurance companies;

(e) state fraudulent transfer and conveyance laws; and

(f) judicially developed doctrines relevant to any of the preceding laws, such as substantive consolidation of entities.

2. Equitable Principles Limitation. Our opinions are subject to the effect of general principles of equity, whether applied by a court of law or equity, including without limitation, principles:

(a) governing the availability of specific performance, injunctive relief or other equitable remedies;

(b) affording equitable defenses (*e.g.*, waiver, laches and estoppel) against a party seeking enforcement;

(c) requiring good faith and fair dealing in the performance and enforcement of a contract by the party seeking its enforcement;

(d) requiring reasonableness in the performance and enforcement of an agreement by the party seeking enforcement;

(e) requiring consideration of the materiality of the consequences of the breach to the party seeking enforcement;

(f) requiring consideration of the impracticability or impossibility of performance at the time of attempted enforcement; and

(g) affording defenses based on the unconscionability of the enforcing party's conduct after the parties have entered into the contract.

3. Other Common Qualifications. Our opinions are subject to the effect of generally applicable rules of law that:

(a) limit or affect the enforcement of provisions of a contract that purport to require waiver of the obligations of good faith, fair dealing, diligence or reasonableness;

(b) provide that forum selection and choice of law clauses in contracts are not necessarily binding on the court(s) in the forum selected;

(c) limit the availability of a remedy under certain circumstances where another remedy has been elected;

(d) limit the enforceability of provisions releasing, exculpating or exempting a party from, or requiring indemnification of a party for, liability for its own action or inaction, to the extent the action or inaction involves negligence, recklessness, willful misconduct or unlawful conduct;

(e) may, where less than all of a contract may be unenforceable, limit the enforceability of the balance of the contract to circumstances in which the unenforceable portion is not an essential part of the agreed exchange;

(f)govern and afford judicial discretion regarding the determination of damages and entitlement to attorney fees through all appeals and other costs; and

(g) may permit a party who has materially failed to render or offer performance required by a contract to cure that failure, unless: (i) permitting a cure would unreasonably hinder the aggrieved party from making substitute arrangements for performance; or (ii) it was important in the circumstances to the aggrieved party that performance occur by the date stated in the contract.

Our opinions are subject to the following other qualifications:

(a) Notwithstanding any provision in the Loan Documents to the effect that the Loan Documents reflect the entire understanding of the parties with respect to the matters described therein, a court may consider extrinsic evidence of the circumstances surrounding the entering into of the Loan Documents to ascertain the intent of the parties in using the language employed in the Loan Documents, regardless of whether or not the meaning of the language used in the Loan Documents is plain and unambiguous on its face, and may determine that additional or supplementary terms can be incorporated into the Loan Documents.

(b) We express no opinion as to the validity, binding effect or enforceability of any provision pertaining to cumulative remedies.

(c) A court may not treat as conclusive those certificates and determinations that the Loan Documents state are to be so treated.

(d) A provision in the Loan Documents that purports to restrict, or has the effect of restricting, access to a court may not be enforceable.

(e) A provision in the Loan Documents that purports to waive any statutory rights may not be enforceable.

(f)The effectiveness of a provision that purports to relieve a person from a liability or duty otherwise owed may be limited by law, and a provision requiring indemnification or reimbursement may not be enforced by a court to the extent that it relates to the failure of such person to have satisfied or performed such liability or duty.

(g) The failure to exercise or the delay in exercising a right of action or remedy under the Loan Documents may act as a bar to the enforcement at any time thereafter, or the waiver of, such rights.

(h) We express no opinion regarding the enforceability of any provision in the Loan Documents to the effect that modifications, amendments or waivers of or with respect to the Loan Documents that are not in writing will be ineffective.

4. Oregon Law Exceptions. We wish to emphasize specifically that we express no opinion as to the enforceability of any of the following that may appear in the Loan Documents:

(a) provisions that permit a lender to collect a late charge, increased interest rate after default or maturity, or a prepayment premium to the extent they constitute a penalty rather than liquidated damages;

(b) provisions for payment or reimbursement of costs and expenses or indemnification for claims, losses, or liabilities (including, without limitation, attorney fees through all appeals) in excess of statutory limits;

(c) provisions for attorney fees;

(d) provisions for charging interest on interest;

(e) provisions purporting to apply the Oregon statute of frauds to oral loan commitments not entitled to the protection of ORS 41.580; and

(f)provisions that give a lender the right to purchase insurance on behalf of an obligor except to the extent that any such provision complies with the requirements of ORS 746.201.

ANNEX B

1. Credit Agreement dated May 7, 2014, among Portland General Electric Company, Wells Fargo Bank, National Association, as Administrative Agent, JPMorgan Chase Bank, N.A. and U.S. Bank National Association, as Co-Syndication Agents, Wells Fargo Securities, LLC, as Sole Lead Arranger and Sole Book Runner and a group of lenders.

2. Portland General Electric Company Indenture of Mortgage and Deed of Trust dated July 1, 1945, as supplemented

EXHIBIT C

FORM OF COMPLIANCE CERTIFICATE

To: The Lenders parties to the Amended and Restated Credit Agreement Described Below

This Compliance Certificate is furnished pursuant to that certain Amended and Restated Credit Agreement dated as of March 6, 2015 (as amended, modified, renewed or extended from time to time, the "Agreement") among Portland General Electric Company, an Oregon corporation (the "Borrower"), the lenders party thereto and Wells Fargo Bank, National Association, as Agent for the Lenders. Unless otherwise defined herein, capitalized terms used in this Compliance Certificate have the meanings ascribed thereto in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected [Chief Financial Officer][Treasurer][Assistant Treasurer] of the Borrower;

2. I have reviewed the terms of the Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower and its Subsidiaries during the accounting period covered by the attached financial statements;

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes a Default or Unmatured Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below; and

4. Schedule I attached hereto sets forth financial data and computations evidencing the Borrower's compliance with certain covenants of the Agreement, all of which data and computations are true, complete and correct.

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in Schedule I hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this day of , .

PORTLAND GENERAL ELECTRIC COMPANY

By: _____

Print Name: _____

Title: _____

SCHEDULE I TO COMPLIANCE CERTIFICATE

Compliance as of ____,__ with

Provisions of Section 6.11 of the Agreement

Indebtedness to Capitalization Ratio

1. aggregate outstanding principal amount of all Consolidated Indebtedness: $ _____

2. Total Capitalization

(a) the amount of capital stock, including preferred and preference stock (less cost of treasury shares), plus any amounts deducted from stockholders' equity as unearned compensation on the Borrower's balance sheet, plus (or minus in the case of a deficit) capital surplus and earned surplus, but including current sinking fund obligations: $ _____

(b) the aggregate outstanding principal amount of Interest Deferral Obligations excluded by the provision in the definition of "Indebtedness": $ _____

(c) the aggregate outstanding principal amount of all Consolidated Indebtedness: $ _____

(d) Total Capitalization: $ _____

[2.(a) + 2.(b) + 2.(c)]

3. Indebtedness to Capitalization Ratio _____ %

[1. / 2.(d)]

Maximum permitted: 65%

EXHIBIT D

FORM OF NOTE

[Date**]**

PORTLAND GENERAL ELECTRIC COMPANY, an Oregon corporation (the "Borrower"), promises to pay _____ (the "Lender") the aggregate unpaid principal amount of all Loans made by the Lender to the Borrower pursuant to Article II of the Agreement (as hereinafter defined), in immediately available funds to Wells Fargo Bank, National Association, as Agent, together with interest on the unpaid principal amount hereof at the rates and on the dates set forth in the Agreement. The Borrower shall pay the principal of and accrued and unpaid interest on each Loan on the Lender's Scheduled Termination Date.

The Lender shall, and is hereby authorized to, record on the schedule attached hereto, or to otherwise record in accordance with its usual practice, the date and amount of each Loan and the date and amount of each principal payment hereunder.

This Note is one of the Notes issued pursuant to, and is entitled to the benefits of, the Amended and Restated Credit Agreement dated as of March 6, 2015 (which, as it may be amended or modified and in effect from time to time, is herein called the "Agreement"), among the Borrower, the lenders party thereto, including the Lender, and Wells Fargo Bank, National Association, as Agent, to which Agreement reference is hereby made for a statement of the terms and conditions governing this Note, including the terms and conditions under which this Note may be prepaid or its maturity date accelerated. Capitalized terms used herein and not otherwise defined herein are used with the meanings attributed to them in the Agreement.

PORTLAND GENERAL ELECTRIC COMPANY

By: _____
Name: _____
Title: _____

SCHEDULE OF LOANS AND PAYMENTS OF PRINCIPAL
TO

NOTE OF ,
DATED ,

Date	Principal Amount of Loan	Maturity of Interest Period	Principal Amount Paid	Unpaid Balance

EXHIBIT E

FORM OF BORROWING NOTICE

, 20__

VIA HAND DELIVERY OR FACSIMILE

Wells Fargo Bank, National Association, as Agent
1525 W.WT Harris Blvd. Mail Code: D 1109-019
Charlotte, NC 28262
Attention: Lisa White

Ladies and Gentlemen:

Reference is made to the Amended and Restated Credit Agreement, dated March 6, 2015 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Portland General Electric Company, an Oregon corporation (the "Borrower"), the financial institutions from time to time parties thereto as Lenders and Wells Fargo Bank, National Association, as administrative agent (the "Agent"). Capitalized terms used herein which are not defined herein are used as defined in the Credit Agreement.

(i) Pursuant to Section 2.2(c) of the Credit Agreement, the Borrower hereby requests an Advance in an aggregate principal amount of $____on ____, 20__ (the Borrowing Date, which is a Business Day), as follows:

Type of Advance (Eurodollar or Floating Rate Advance)	**Amount**	**Initial Interest Period for Eurodollar Advances**	**Advance is to be a Swing Line Loan**
	$	**____ months**	**Yes/No**

(ii) The location and account to which funds are to be disbursed are as follows:

Portland General Electric Company
Account # Amount: ____

(iii) The Borrower hereby certifies that, on the date hereof and on the Borrowing Date set forth above, no Default or Unmatured Default exists or will result after giving effect to such Advance.

(iv) The Borrower hereby certifies that on the date hereof and on the Borrowing Date set forth above, the representations and warranties contained in Article V of the Credit Agreement (other than Section 5.10 of the Credit Agreement) are or shall be true and correct in all material respects as of the date of the requested Advance except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty was true and correct in all material respects on and as of such earlier date.

[remainder of page intentionally left blank**]**

IN WITNESS WHEREOF, the Borrower has duly executed this Borrowing Notice as of the date and year first written above.

Very truly yours,

PORTLAND GENERAL ELECTRIC COMPANY

By: _____

Name: _____

Title: _____

EXHIBIT F

FORM OF CONVERSION/CONTINUATION NOTICE

_____, 20 _____

VIA HAND DELIVERY OR FACSIMILE

Wells Fargo Bank, National Association, as Agent
1525 W.WT Harris Blvd. Mail Code: D 1109-019
Charlotte, NC 28262
Attention: Lisa White

Ladies and Gentlemen:

Reference is made to the Amended and Restated Credit Agreement, dated March 6, 2015 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among Portland General Electric Company, an Oregon corporation (the "Borrower"), the financial institutions from time to time parties thereto as Lenders and Wells Fargo Bank, National Association, as administrative agent (the "Agent"). Capitalized terms used herein which are not defined herein are used as defined in the Credit Agreement.

Pursuant to Section 2.2(d) of the Credit Agreement, the Borrower hereby requests that following Advance convert to or continue as a new Advance, as set forth below:

(a) [effective on ____, 20 __, to continue $____ in principal amount of a presently outstanding Eurodollar Advance having an Interest Period that expires on ____, 200_ to a new Eurodollar Advance that has an Interest Period of __months;]

(b) [effective on ____, 20 __, to convert $____ in principal amount of a presently outstanding Eurodollar Advance having an Interest Period that expires on ____, 200_, to a new Floating Rate Advance;]

(c) [effective on ____, 20 __, to convert $____in principal amount of a presently outstanding Floating Rate Advance to a new Eurodollar Advance having an Interest Period of __ months.]

[remainder of page intentionally left blank**]**

IN WITNESS WHEREOF, the Borrower has duly executed this Conversion/Continuation Notice as of the date and year first written above.

PORTLAND GENERAL ELECTRIC COMPANY

By: _____

Name: _____

Title: _____

Exhibit 31.1

CERTIFICATION

I, James J. Piro, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Portland General Electric Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the period presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 27, 2015 By: /s/ James J. Piro

James J. Piro

President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, James F. Lobdell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Portland General Electric Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the period presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 27, 2015

By: /s/ James F. Lobdell

James F. Lobdell

Senior Vice President of Finance,
Chief Financial Officer and Treasurer

Exhibit 32

CERTIFICATIONS PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

We, James J. Piro, President and Chief Executive Officer, and James F. Lobdell, Senior Vice President of Finance, Chief Financial Officer and Treasurer, of Portland General Electric Company (the "Company"), hereby certify that the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015, as filed with the Securities and Exchange Commission on April 28, 2015 pursuant to Section 13(a) of the Securities Exchange Act of 1934 (the "Report"), fully complies with the requirements of that section.

We further certify that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ James J. Piro	/s/ James F. Lobdell
James J. Piro	James F. Lobdell
President and Chief Executive Officer	*Senior Vice President of Finance, Chief Financial Officer and Treasurer*
Date: April 27, 2015	Date: April 27, 2015