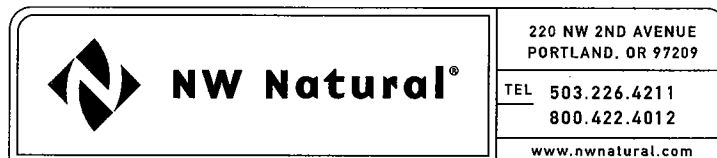


C. J. Rue
Secretary
Telephone: (503)220-2411
Facsimile: (503)220-2584
Email: cjr@nwnatural.com



January 30, 2007

Carole J. Washburn, Executive Secretary
Washington Utilities and
Transportation Commission
1300 S. Evergreen Park Drive, S.W.
P. O. Box 47250
Olympia, WA 98504-7250

Attention: Supervisor of Utility Finance

Ladies and Gentlemen:

Re: Docket UG-061700

Pursuant to the Commission's Order Establishing Compliance with RCW 80.08.040 in Docket UG-061700, in connection with the issuance and sale of the Company's Common Stock to its employees under the Employee Stock Purchase Plan, we enclose herewith the first Report of Security Transactions, for the year ended December 31, 2006.

Sincerely,



C. J. Rue

CJR:lmw
Encl.

RECEIVED
RECORDS MANAGEMENT
07 FEB - 1 AM 8:03
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

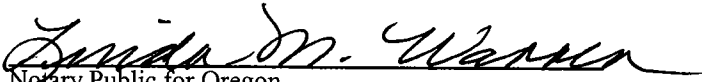
IN WITNESS WHEREOF, I have hereunto affixed my hand and the corporate seal of Northwest Natural Gas Company this 30th day of January 2007.

(S E A L)



C. J. Rue
Secretary of Northwest Natural Gas Company

Subscribed and sworn to before me this 30th day of January 2007.



Linda M. Warren
Notary Public for Oregon
My Commission Expires 6/21/08

