BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Statement Establishing Compliance of NORTHWEST NATURAL GAS COMPANY Establishing Compliance With RCW 80.08.040 With Respect to a Revolving Line of Credit with a Syndication of Banks and the Borrowing of up to $600,000,000 in Connection therewith Primarily to Back-Up the Company's Commercial Paper Program.	)))))))))))))	DOCKET NO. UG-210808 Report of Fees, Interest Rates and Expenses Incurred

On October 25, 2021, Northwest Natural Gas Company ("NW Natural" or the "Company") filed a statement, complying with RCW 80.08.040, with the Washington Utilities and Transportation Commission (the "Commission") with respect to a Revolving Line of Credit with a Syndication of Banks and the Borrowing of up to $600,000,000 in connection therewith, primarily to back-up the Company's Commercial Paper Program.

On November 3, 2021, the Company executed the Credit Agreement (the "Credit Agreement"), a copy of which is attached as **Exhibit A**, for a revolving line of credit with a syndication of banks, for up to $600,000,000 ("Aggregate Commitment"), with an initial facility commitment in the amount $400,000,000 ("Initial Commitment"), such facility to have an initial term of five years, an accordion feature of up to $200,000,000, and the option to extend the term of the facility for two additional one-year periods (the "Facility").

On November 3, 2021, the Company elected to borrow $1,000,000 under the Credit Agreement using the Swingline Loan option (as defined in the Credit Agreement). On the same day, the Company elected to use the net proceeds from the borrowing to repay in full the $1,000,000 Swingline Loan.

This report is being filed in compliance with WAC 480-90-242(6).

(a) Fees and Expenses.

The estimated fees and expenses in connection with the five-year Facility are as follows:

	Initial Estimated Expenses	Expenses
Commitment Fees (Facility Fees)*	$1,800,000 - $2,200,000	$1,800,000.00 - $2,200,000.00
Administrative Agent Fee	75,000	75,000.00
Upfront Fees**	625,000	633,333.33
Arrangement fee	487,500	487,500.00
Out-of-pocket Legal and Administrative Costs to Agent	100,000	95,717.00
Printing and Engraving Expenses	None	None
Counsel Fees	75,000	49,124.00
Miscellaneous Expenses (e.g. audit and sustainability advisor fees)	67,000	65,000.00
Total fees and expenses	$3,229,500 - $3,629,500	$3,205,674.33- $3,605,674.33

* Commitment fee range includes +/- 1 bps for sustainability-linked pricing

** Upfront fees to be split between existing money (15bps) and new money (17.5bps)

Note: Actual expenses for the Facility under this docket have been estimated using inquiries of service providers, because actual bills for services may not yet been received.

The Company has determined that the fees, interest rates, and expenses associated with the issuance of the Facility was cost-effective and consistent with competitive market prices.

(b) Interest Rates.

The interest rates that would be applicable to the Facility are defined by formula in the Credit Agreement (described below).

Interest rates on any loans outstanding under the lines of credit are tied to credit ratings, which would increase or decrease the cost of borrowing under the lines of credit, if any, when ratings are changed.

The selections or definitions of interest rates are specified as a spread over benchmark interest rates in effect from time to time, such as the prime rate, the Federal Funds Effective Rate, the Overnight Bank Funding Rate or the Adjusted London Interbank Overnight Rate

(LIBOR), each as defined in the Credit Agreement. The Credit Agreement contains provisions that provide a mechanism for the replacement of the LIBOR and the related transition period. The spreads above the benchmark interest rates that are applicable to the Company depend on the level of the Company's credit ratings on unsecured long-term debt as published by Moody's Investors Service, Inc. ("Moody's") and, and as published by Standard & Poor's Rating Services ("S&P"), two nationally recognized credit rating agencies.

The applicable margin and facility fee rate under the Facility is determined according to the below grid by reference to the ratings of S&P and Moody's applicable to the senior, unsecured, non-credit enhanced long-term debt of NW Natural (the "Debt Rating"); provided that (a) if NW Natural's senior, unsecured, non-credit enhanced long-term debt is not rated by S&P, "Debt Rating" for S&P shall mean the rating that is one level below the rating assigned by S&P to NW Natural's senior, secured long-term debt and (b) if NW Natural's senior, unsecured, non-credit enhanced long-term debt is not rated by Moody's, "Debt Rating" for Moody's shall mean the rating that is one level below the rating assigned by Moody's to NW Natural's senior, secured long-term debt.

Pricing Level	**Debt Rating**	**Facility Fee**	**Applicable Margin for ABR Loans**	**Applicable Margin for Term Benchmark Loans / LC Fee Rate**	**All-in Drawn (including Facility and Utilization Fees)**
Level I	$\geq$ AA- / Aa3	7.0 bps	0.0 bps	68.0 bps	75.0 bps
Level II	A+ / A1	8.0 bps	0.0 bps	79.5 bps	87.5 bps
Level III	A / A2	10.0 bps	0.0 bps	90.0 bps	100.0 bps
Level IV	A- / A3	12.5 bps	0.0 bps	100.0 bps	112.5 bps
Level V	BBB+ / Baa1	17.5 bps	7.5 bps	107.5 bps	125.0 bps
Level VI	BBB / Baa2	22.5 bps	27.5 bps	127.5 bps	150.0 bps

For purposes of the foregoing, (i) if only one of S&P and Moody's shall have in effect a Debt Rating, the applicable Pricing Level shall be determined by reference to the available rating; (ii) if neither S&P nor Moody's shall have in effect a Debt Rating, the applicable Pricing Level will be set in accordance with Level VI; (iii) if the ratings established or deemed to have been established by Moody's and S&P for the Debt Rating shall fall within different Pricing Levels, the applicable Pricing Level shall be based on the higher of the two ratings unless the ratings are not in two adjacent Pricing Levels, in which case the applicable Pricing Level shall be determined by reference to the Pricing Level one level below the Pricing Level corresponding to the higher of the two ratings; and (iv) if the Debt Ratings established or deemed to have been established by Moody's and S&P shall be changed, such change shall be effective as of the date on which it is first publicly announced by the applicable rating agency. Each change in Pricing Level shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

The table below summarizes the Company's current debt credit ratings from S&P and Moody's.

	S&P	Moody's
Senior Secured	AA-	A2
Senior Unsecured	n/a	Baa1
Outlook	Stable	Stable

Under the terms of the Credit Agreement, the Company has selected an ABR Rate and a Term Benchmark Rate (both as defined in the Credit Agreement) as required interest rate options. The banks must offer ABR and Term Benchmark Loans if the Company decides to draw down on the credit line. Full terms of the line of credit are set forth in the Credit Agreement.

In recognition of the growing demand for Environmental, Social and Governance ("ESG")-related metrics in bank lending programs, the Credit Agreement includes a modifying pricing mechanism that adjusts pricing based on the Company's performance on identified KPIs relevant to the Company's core business and strategy. The Company selected two quantifiable KPIs, with respect to which annual performance targets and thresholds are set. Performance against these KPIs will be assessed annually. The first KPI is environmentally focused and relates to the Company's carbon savings goal of 30% savings by 2035 associated with NW Natural's operations and the use of NW Natural's product by residential and business sale customers from 2015 emissions levels. The second KPI is safety focused.

Annually the Company will assess its performance against the KPIs, and that performance will be independently verified. Based on the Company's performance against the KPIs, pricing adjustments (increase, decrease, or no adjustment) will be made to the commitment fee and interest rate margins. Adjustments for commitment/facility fees will not exceed an increase or decrease of 1bps, and adjustment for interest rate margins will not exceed an increase or decrease of 4bps, for a total possible annual adjustment of 5bps. Pricing adjustments, if any, reset off of primary pricing annually and are not cumulative. Full terms of the pricing modification mechanism are set forth in the Credit Agreement.

EXHIBITS

Filed with this Report, as part hereof, is the following Exhibit:

Exhibit A Amended and Restated Credit Agreement, dated as of November 3, 2021, among Northwest Natural Gas Company and the lenders party thereto, with JPMorgan Chase Bank, N.A. as administrative agent and Bank of America, N.A., U.S. Bank National Association, and Wells Fargo Bank, National Association, as co-syndication agents.

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IN WITNESS WHEREOF, I certify (or declare) under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct this 30th day of December 2021.

NORTHWEST NATURAL GAS COMPANY

By:________________________________

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