



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
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July 5, 2019

RE: *In the Matter of Northwest Natural Gas Company's Application for Approval of Corporate Reorganization to Create a Holding Company,*
Docket UG-170094

TO ALL PARTIES:

On December 28, 2017, the Washington Utilities and Transportation Commission (Commission) entered its final order, Order 01 Approving Application Subject to Conditions (Order 01) in docket UG-170094. On March 13, 2018, Order 01 was amended to incorporate a list of commitments with which Northwest Natural Gas Company (NWN-U or Company) must comply. This list included Commitment 30, which states:

For the first five calendar years after reorganization, HoldCo and NWN-U will report on how the company complied with each of the commitments listed herein no later than June 15 of each year. This report will require an officer attestation of compliance with the commitments. If any of the commitments are not being met, the report shall include proposed corrective measures relative to the specific commitments, subject to Commission revision and appropriate remedy as determined by the Commission.

The list also included Commitment 40, which states:

Within 90 days after HoldCo acquires or creates a new subsidiary entity, HoldCo shall file with the Commission a statement that provides the name of the subsidiary, the total value of its assets, the nature of the subsidiary's business and whether it will do business with NW Natural.

The list also included Commitment 4, which states, in part:

NWN-U agrees to provide notice and, if requested, consult with Commission Staff in the event that S&P or Moody's downgrades NWN-U's secured credit rating for any reason.

On April 30, 2019, NWN-U filed its required annual report and officer attestation.

On March 15, 2019, HoldCo formed a new subsidiary, and on May 28, 2019, NWN-U, on behalf of HoldCo, submitted a Statement of New Subsidiary.

On May 17, 2019, Moody's downgraded NWN-U's credit rating. On May 31, 2019, NW Natural notified the Commission of Moody's downgrading and filed a copy of Moody's press release in this docket.

On June 27 and 28, 2019, Commission staff (Staff) filed three letters informing the Commission that Staff had reviewed the filings and found that they comply with Commitments 4, 30, and 40.

The Commission accepts the report and attestation filed on April 30, 2019, the statement filed on May 28, 2019, and the press release filed on May 31, 2019, as in compliance with the terms of Order 01.

MARK L. JOHNSON
Executive Director and Secretary