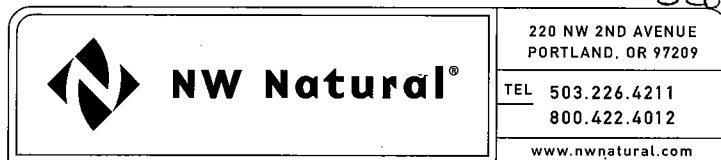


**Grant M. Yoshihara**  
Vice President of Utility Operations  
(503) 226-4211 Ext. 2374  
FAX (503) 220-2584  
[gmy@nwnatural.com](mailto:gmy@nwnatural.com)



**CERTIFIED MAIL**

February 13, 2007

Mr. Alan E. Rathbun  
Pipeline Safety Director  
Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive SW  
P. O. Box 47250  
Olympia, Washington 98504-7250

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Subject: Response to Washington Utilities and Transportation Commission Decision Letter,  
Dated January 25, 2007  
2006 Standard Natural Gas Inspection - Clark County District, Docket PG-060208

Dear Mr. Rathbun:

Northwest Natural Gas Company ("NW Natural" or the "Company") has reviewed the decision letter from the Washington Utilities and Transportation Commission ("WUTC") dated January 25, 2007, regarding the Standard Natural Gas Inspection of the Company's Clark County District from May 1, 2006, through May 12, 2006 (the "Decision Letter"). The Company agrees to enter into an agreement to close the docket. NW Natural expects that the terms of the agreement will resolve all of the probable violations, areas of concern, mapping issues, and additional conditions listed in the Decision Letter.

Once we reach agreement on the wording of the conditions, we understand that a proposed order will be drafted. We further understand that the WUTC must approve any agreement between WUTC staff ("Staff") and NW Natural which may be done as a consent item at an open public meeting. The Company looks forward to working with Staff to draft and clarify the terms of the agreement. Elisa M. Larson, Associate Counsel, and Bruce L. Paskett, Manager Code Compliance, have been designated to work with Staff representatives to draft the agreement. Ms. Larson may be reached at (503) 220-2354 should you have any questions.

NW Natural is committed to complying with all federal and state pipeline safety regulations, and to ensuring the safe and reliable delivery of natural gas to our customers and the communities that we serve. The Company is also committed to continuing to enhance our relationship with Staff in order to achieve our common pipeline safety objectives in the state of Washington.

Sincerely,

Grant M. Yoshihara  
Vice President of Utility Operations

cc: Bruce L. Paskett