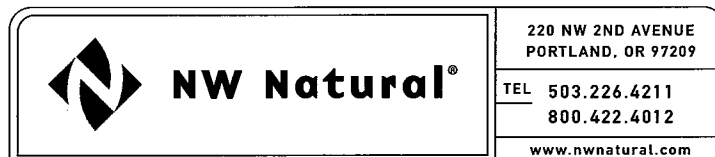


MardiLyn Saathoff
Chief Governance Officer and
Corporate Secretary
Tel: 503.220.2410
Fax: 503.721.2451
Toll Free: 1.800.422.4012
e-mail: mys@nwnatural.com



January 29, 2010

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

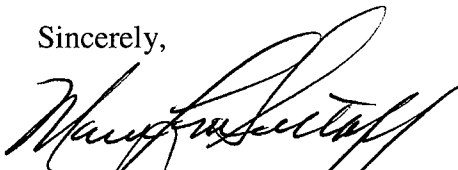
Attention: Supervisor of Utility Finance

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 fourth Report of Security Transactions, for the year ended December 31, 2009.

Sincerely,


MardiLyn Saathoff

MLS:nkb
Encl.

2010 FEB - 1 AM 8:43
STATE OF WASH.
UTIL. AND TRNSP.
COMMISSION
RECEIVED
REGISTRATION MANAGEMENT

Pursuant to the Commission's authorization in this Docket UG-061700, at December 31, 2009, the Company had received from the offerings subscriptions totaling 34,343 shares, cancellations totaling 4,276 shares of such subscribed shares and cash in the amount of \$239,475.25 in full payment for 5,537 of the shares, and had issued certificates or authorized book-entry positions for the 5,537 shares to the respective employee purchasers as follows:

Offering Period	Price	Shares Subscribed			Shares Issued		Balance Subscribed
		Initial	Canceled	Total	Number	Amount	
11/1/08 – 11/30/08 ¹	\$43.25	9,813	4,276	5,537	5,537	239,475.25	0
11/1/09 – 11/30/09	\$35.54	<u>24,530</u>	<u>0</u>	<u>24,530</u>	<u>0</u>	<u>0</u>	<u>24,530</u>
Total		34,343	4,276	30,067	5,537	\$239,475.25	24,530

¹ 3,078 of the 8,615 shares issued under the Plan in 2009 were issued under the authorization of Docket No. UG-001244. The subscriptions and cancellations are prorated between the two Dockets.

REPORT OF SECURITIES AND EXPENSES ISSUED UNDER PLAN, 2009

	Amount
Total Value of Common Stock Issues ¹	\$281,722.56
Plus premium or less discount ²	(42,247.31)
Gross proceed	239,475.25
Underwriter's spread or commission	-
Securities and Exchange Commission registration fee	-
State mortgage registration tax	-
State commission fee	-
Fee for recording indenture	-
United States document tax	-
Printing and engraving expenses ³	11.25
Trustee's charges	-
Counsel fees	-
Accountant's fees	-
Cost of listing	-
Miscellaneous expense of issue (describe large items)	
New York Stock Exchange fee	-
Postage, etc. ²	176.57
Total Deductions	187.81
Net Amount Realized	\$239,287.44

¹ Based on a fair market value of \$50.88, based on the closing price of the shares as reported on the New York Stock Exchange on October 31, 2008.

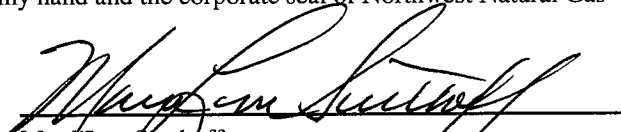
² Employees purchased stock at \$43.25, reflecting a 15% discount off of the fair market value.

³ Expenses under this plan are prorated between the shares allocated to this Docket and the shares allocated to Docket No. UG-061700.

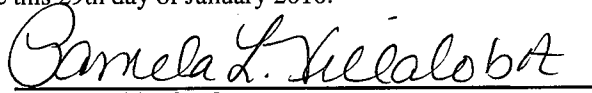
In 2009, the Company issued 5,537 shares of its Common Stock under this Docket. The employee purchase price per share was \$43.25, with gross proceeds of \$239,475.25. There were \$292.22 in expenses associated with the Plan in 2009, of which \$187.81 is allocated to the shares in this Docket. The net proceeds of \$239,287.44 were applied towards the acquisition of property, the construction, completion, extension, or improvement of its facilities, the improvement or maintenance of its service, or the discharge or refunding of its obligations, pursuant to RCW 80.08.030. No securities were retired, refunded, repurchased, or otherwise removed from the utility's capitalization under this Plan in 2009.

IN WITNESS WHEREOF, I have hereunto affixed my hand and the corporate seal of Northwest Natural Gas Company this 29th day of January 2010.

(S E A L)


Mardilyn Saathoff
Chief Governance Officer and Corporate Secretary

Subscribed and sworn to before me this 29th day of January 2010.


Notary Public for Oregon
My Commission Expires Dec 23, 2010

