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January 30, 2009

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

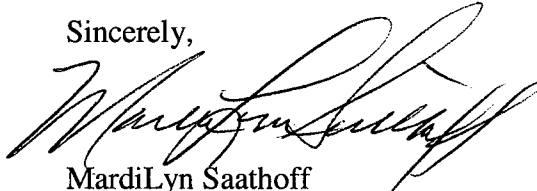
Attention: Supervisor of Utility Finance

Ladies and Gentlemen:

Re: Docket UG-001244

Pursuant to the Commission's Order Establishing Compliance with RCW 80.08.040 in Docket UG-001244, 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 ninth Report of Security Transactions, for the year ended December 31, 2008.

Sincerely,



MardiLyn Saathoff

MLS:kva
Encl.

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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of)	
NORTHWEST NATURAL GAS COMPANY)	Docket UG-001244
for an Order Establishing Compliance with RCW 80.08.040)	Ninth Report of
With Respect to the Proposed Issuance and Sale of)	Security Transactions
up to an Additional 200,000 Shares of its Common Stock)	
Pursuant to the Employee Stock Purchase Plan)	

This Report is filed pursuant to the Commission's Order Establishing Compliance with RCW 80.08.040 in Docket UG-001244 dated August 30, 2000, in which the Commission determined that the Company had complied with the requirements of RCW 80.08.040 in connection with the issuance and sale of up to 200,000 shares of its Common Stock pursuant to the terms of its Employee Stock Purchase Plan, as amended (the Plan). Reference is also made to the Commission's Order in Docket UG-061700, which authorized the issuance of an additional 200,000 shares under the Plan. No shares were issued under Docket UG-061700 in 2008.

As previously reported, the Company made its ninth offering to its employees under the terms and conditions set forth in the Plan. During 2008, the Company completed an offering to its employees that was made during the period November 1, 2007 through November 30, 2007 (the 2007 Offering) and made a new offering under the Plan during the period November 3, 2008 through November 30, 2008 (the 2008 Offering). Certain administrative terms of the Plan were amended in 2003. The 2007 and 2008 offerings were made at a price determined to be 85% (to the next full penny) of the closing price quoted for the Common Stock on the New York Stock Exchange on the business day before the initial date of the offering.

During the 2007 Offering, the Company offered to its employees not to exceed 222,883 shares of its Common Stock, at a price of \$40.95 per share. The Company received subscriptions for 23,213 shares, of which subscriptions for 3,258 shares were cancelled. During the 2008 Offering, the Company offered to its employees not to exceed 203,078 shares of its Common Stock, at a price of \$43.25 per share. The Company received subscriptions for 15,268 shares, of which 149 shares were cancelled as of December 31, 2008. Payroll deductions taken by the Company in payment of the subscribed shares are held on behalf of the employee until the shares are to be purchased on the purchase date in December 2009. The Company held a credit balance at December 31, 2008 of \$0 in its Account 89050 212001, Installments Received on Capital Stock, because the payment period for the shares began on January 1, 2009.

Pursuant to the Commission's authorization in this Docket UF-4172, at December 31, 2008, the Company had received from the nine offerings subscriptions totaling 228,627 shares, cancellations totaling 16,586 shares of such subscribed shares and cash in the amount of \$5,413,441.76 in full payment for 196,922 of the shares, and had issued certificates or authorized book-entry positions for the 196,922 shares to the respective employee purchasers as follows:

<u>Offering Period</u>	<u>Price</u>	<u>Shares Subscribed</u>			<u>Shares Issued</u>		<u>Balance Subscribed</u>
		<u>Initial</u>	<u>Canceled</u>	<u>Total</u>	<u>Number</u>	<u>Amount</u>	
10/2/00 – 10/31/00	\$19.50	562	0	562	562	\$ 10,959.00	0
10/1/01 – 10/31/01	\$19.90	45,553	707	44,846	44,846	892,435.40	0
10/1/02 – 10/31/02	\$24.90	23,508	3,156	20,352	20,352	506,764.80	0
11/3/03 – 12/3/03	\$24.70	31,150	3,609	27,541	27,541	680,262.70	0
11/1/04 – 12/1/04	\$26.90	32,382	1,486	30,896	30,896	831,102.40	0
11/1/05 – 12/1/05	\$29.40	33,688	2,291	31,397	31,397	923,071.80	0
11/1/06 – 11/30/06	\$35.17	23,303	1,930	21,373	21,373	751,688.41	0
11/1/07 – 11/30/07	\$40.95	23,213	3,258	19,955	19,955	817,157.25	0
11/1/08 – 11/30/08	\$43.25	<u>15,268</u>	<u>149</u>	<u>15,119</u>	<u>0</u>	<u>0</u>	<u>15,119</u>
Total		228,627	16,586	212,041	196,922	\$5,413,441.76	15,119

The cash proceeds of \$5,413,441.76 received from the sale of said 196,922 shares of Common Stock authorized in this Docket UF-4172 were applied toward the Company's construction program for the construction, completion, extension or improvement of its facilities (Utility Plant in Service) as will be further detailed in the Company's Annual Report to the Commission for the year 2008 to be filed in due course, as follows:

2000	\$ 10,959.00
2001	892,435.40
2002	506,764.80
2003	680,262.70
2004	831,102.40
2005	923,071.80
2006	751,688.41
2007	<u>817,157.25</u>
Total	\$5,413,441.76

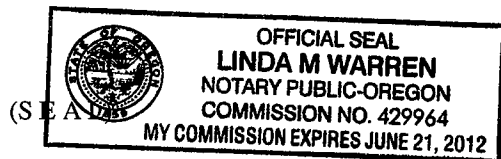
Expenses incurred in connection with the registration of the Common Stock and the issuance and sale of the shares reported herein during the year ended December 31, 2008 and the accumulative total in this Docket were as follows:

	<u>Estimated</u>	Actual Amount <u>2008</u>	Accumulative <u>Total</u>
Total Value of Common Stock Issues ²	\$ 633,332	817,157	\$2,885,209
Plus Premium	<u>3,276,668</u>	<u>0</u>	<u>2,528,233</u>
Gross Proceeds	<u>\$3,910,000</u> ¹	<u>\$817,157</u>	<u>\$5,413,442</u>
Registration Fee			
Securities and Exchange Commission	1,260	-	1,224
Fees of State Regulatory Authorities	None		
Oregon Public Utility Commission		-	-
Washington Utilities and Transportation Commission		-	-
Printing and Engraving Expenses	7,500	200	1,120
Other		-	-
Counsel Fees	15,000		
Thelen Reid & Priest LLP		-	17,626
Stoel Rives LLP		981	22,277
Accountants' Fees	10,000		
PricewaterhouseCoopers LLP		-	-
Miscellaneous Expense	6,240		
Postage, etc.		315	2,008
Other	-	-	-
Total Deductions	<u>40,000</u>	<u>1,496</u>	<u>44,255</u>
Net Amount Realized	<u>\$3,870,000</u>	<u>\$815,661</u>	<u>\$5,369,187</u>

¹ Based on 85 percent of the estimated market value of \$23.00 per share.

² Par value eliminated in May 2006.

IN WITNESS WHEREOF, I have hereunto affixed my hand and the corporate seal of Northwest Natural Gas Company this 30th day of January 2009.



MardiLyn Saathoff
MardiLyn Saathoff
Chief Governance Officer and Corporate Secretary

Subscribed and sworn to before me this 30th day of January 2009.

Linda M. Warren
Notary Public for Oregon
My Commission Expires 6/21/12