

The First Mortgage Bonds were sold through a public offering pursuant to its Distribution Agreement dated as of March 18, 2009, among the Company, BofA Securities, Inc., J.P. Morgan Securities Inc., Wells Fargo Securities, LLC, U.S. Bancorp Investments, Inc., BMO Capital Markets Corp., RBC Capital Markets, LLC, CIBC World Markets Corp., and TD Securities (USA) LLC, as amended by the Company's Notice dated October 3, 2018 (filed as Exhibit E to the Company's Statement Establishing Compliance).

The following statements are filed in compliance with WAC 480-90-242.

		<u>3.60% Series B Secured MTN due 2050</u>
(a)	Principal amount of Medium-Term Notes Sold in this Docket	\$150,000,000
	LESS: Discount	\$598,500
	Agent's Commission	\$1,125,000
	Other Expenses actually and necessarily incurred as detailed in this Report	\$701,272
	Net proceeds to be accounted for	\$147,575,228

Note: Actual expenses for the First Mortgage Bonds sold under this docket have in some instances been estimated using inquiries of service providers, because actual bills for services may not yet have been received.

(b) Disposition of Net Proceeds

The total net proceeds of \$147,575,228 received from the initial sale of First Mortgage Bonds in this Docket were made part of the general treasury funds of the Company and will be used for the acquisition of property, or the construction, completion, extension or improvement of its facilities, or the improvement or maintenance of its service, or the discharge or refunding of its obligations, or the reimbursement of moneys actually expended from income or from any other moneys in the treasury of the Company not secured by or obtained from the issue of stock or stock certificates or other evidence of interest or ownership, or bonds, notes or other evidence of indebtedness of the Company for any of

the aforesaid purposes except maintenance of service. In each case, the Company keeps its accounts and vouchers for such expenditures in such manner as to enable the Commission to ascertain the amount of money so expended and the purpose for which the expenditure was made.

(c) Current Credit Ratings

The Company's current credit ratings for senior secured debt are AA- and A2 from S&P and Moody's respectively.

(d) Statement of Fees and Expenses

The expenses actually and necessarily incurred by the Company in the initial issuance of First Mortgage Bonds and the accumulative total in connection with the issuance and sale in this Docket of its First Mortgage Bonds, were as follows:

First Mortgage Bonds Sold in this Docket	
<u>Item</u>	<u>3.60% Series B Secured MTN due 2050</u>
Principal Amount	\$150,000,000
Less Discount	\$598,500
Gross Proceeds	\$149,401,500
Agent's Commission	\$1,125,000
Securities and Exchange Commission registration fee	\$19,720
State mortgage registration tax	0
New York Stock Exchange fee	0
State Commission fee	0
Fees for recording indenture	0
United States document tax	0
Printing and engraving expenses	\$450
Trustee's or Registrar's fees*	\$2,065
Counsel's fees	\$209,568
Accountants' fees	0
Bond Rating Agency fees	\$265,000
Allocation of other shelf registration expenses	\$204,469
Subtotal	\$1,826,272
Net Amount Realized	\$147,575,228

*Does not include annual fees associated with the on-going trustee services provided in connection with the Company's Medium-Term Note program, regardless of any specific debt securities issuance.

Note: Actual expenses for the First Mortgage Bonds sold under this docket have in some instances been estimated using inquiries of service providers, because actual bills for services may not yet have been received.

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

(e) Documents in Connection with Sale

The Company filed the following with the Securities and Exchange Commission in connection with the sale of the First Mortgage Bonds:

Exhibit A Pricing Supplement No. 2 dated March 26, 2020.

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 29th day of May 2020.

NORTHWEST NATURAL GAS COMPANY



By: _____

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