BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of) DOCKET UG-090273
Northwest Natural Gas Company,	ORDER 02
Petitioner,)
For an Order Establishing Compliance with the Provisions of RCW 80.08.040, with Respect to its Proposal to issue up to \$300,000,000 of Medium-Term Notes) SUPPLEMENTAL ORDER) ESTABLISHING COMPLIANCE) WITH RCW 80.08.040,) SECURITIES
)

BACKGROUND

- On February 19, 2009, pursuant to RCW 80.01.040, Northwest Natural Gas Company (Northwest or Company) filed with the Washington Utilities and Transportation Commission (Commission) its notice to issue up to \$100,000,000 of new Medium-Term Notes Series B. In that notice, Northwest also requested an order from the Commission affirming its compliance with RCW 80.08.040. On February 27, the Commission issued its order in this docket finding that Northwest's notice and plan to issue the new securities was in compliance with the requirements of the statute.
- On March 6, 2009, Northwest filed with the Commission an amended notice in this docket. Northwest states that it now intends to issue and sell up to \$300,000,000 of Medium-Term Notes Series B. The Company filed this amended notice to facilitate the closing of a new Distribution Agreement related to the sale of up to \$300,000,000 principal amount of Medium-Term Notes under the Company's Universal Shelf Registration.
- According to Northwest's amended notice there are no other material changes with respect to its proposal to increase the amount of medium-term notes it plans to issue and sell. With respect to these items: 1) Northwest will offer and sell the notes under the same terms and conditions as specified stated in the initial notice; 2) it affirms that the increase proceeds it plans to offer and sell will be used consistent with the statutory requirements of RCW 80.08.030; and 3) there are no changes to Northwest's statement regarding the public interest considerations and management's decision to issue these new medium-term notes at this time.

FINDINGS AND CONCLUSIONS

- The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies. RCW 80.01.040, RCW 80.04, RCW 80.08, RCW 80.12, RCW 80.16 and RCW 80.28.
- 4 (2) Northwest is engaged in the business of providing natural gas service within the state of Washington. As a public service company, it is subject to the Commission's jurisdiction.
- The application Northwest filed meets the requirements of *RCW* 80.08 which govern the issuance of securities by public service companies.
- 6 (4) The information Northwest filed in this docket contains: (a) a certification by an authorized officer that the proceeds will be used for one or more purposes allowed by RCW 80.08.030; (b) a description of the proposed issuance, including the terms of financing, and (c) a statement as to why the proposed transaction is in the public interest. See WAC-480-90-242.
- 7 (5) After reviewing the information and notice Northwest filed in Docket UG-090273 on February 19, 2009, and amended on March 6, 2009, the Commission finds that the Company is in compliance with RCW 80.08.040.

ORDER

THE COMMISSION ORDERS:

- 8 (1) Northwest Natural Gas Company is in compliance with the requirements of RCW 80.08.040 with respect to the proposal in its amended notice to issue and sell up to \$300,000,000 of Medium-Term Notes.
- Northwest Natural Gas Company will file a Report of Securities Issued as required by WAC 480-90-262. Northwest Natural Gas Company is also required to file verified copies of any agreement entered into in connection with any

transaction pursuant to this Order. Finally, Northwest Natural Gas Company shall file a verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to this Order.

This Order shall in no way affect the authority of the Commission over rates, services, accounts, valuations, estimates, or determination of costs, or any matters that may come before it. Nor shall anything in this Order be construed as an agreement to any estimate or determination of costs, or any valuation of property claimed or asserted.

The Secretary finding this filing complies with the requirements of RCW 80.08 enters this Order pursuant to WAC 480-07-904(1)(f).

DATED at Olympia, Washington, and effective March 6, 2009.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Chia da-

DAVID W. DANNER, Executive Director and Secretary