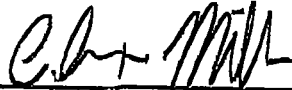


This Stipulation is entered into by each Party on the date entered below such Party's signature.

DATED: May 13, 2004.

NORTHWEST NATURAL
GAS COMPANY

CHRISTINE O. GREGOIRE,
WASHINGTON ATTORNEY GENERAL

By: 
C. Alex Miller
General Manager,
Rates & Regulatory Affairs

By: _____
Gregory J. Trautman
Assistant Attorney General
Counsel for WUTC Staff

Date: 5/13/04

Date: _____

CHRISTINE O. GREGOIRE,
WASHINGTON ATTORNEY GENERAL

NORTHWEST INDUSTRIAL
GAS USERS

By: _____
Robert W. Cromwell, Jr.
Assistant Attorney General
Public Counsel Section
WSBA #24142

By: _____
Edward A. Finklea
Attorney for Northwest
Industrial Gas Users

Date: _____

Date: _____

CITIZENS' UTILITY ALLIANCE

By: _____
Ronald L. Roseman
Attorney for Citizens' Utility Alliance

Date: _____

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Ronald L. Roseman
Attorney for Citizens' Utility Alliance

Date: _____

To: Jennie Brickner	From: Rob Roseman
o. Dept.	Co.
memo #	Phone # 202 324-8762
ext # 503 220 2490	Fax #

Party on the date entered below such Party's

Signature.

DATED: May 13, 2004.

NORTHWEST NATURAL GAS COMPANY

STAFF OF THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

By: C. Alex Miller
General Manager,
Rates & Regulatory Affairs

By: Greg J. Trautman
Assistant Attorney General

Date:

Date:

CHRISTINE O. GREGOIRE,
WASHINGTON ATTORNEY GENERAL

NORTHWEST INDUSTRIAL GAS USERS

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Ronald L. Roseman
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Date: _____

Attachment A - page 1 - NW Natural
 Application of Revenue Requirement to
 Rates on an Equal Percentage of Margin Basis

Table 1

Sch	Custs	Volumes	Block 1 or			Total	Block 1 or			Blk2 Margin	Blk3 Margin	Blk4 Margin	Total Margin	Proposed Equal % Margin	Cust Change Increase	Energy Chg Margin	Prop. Total Margin Increase	Proposed Dollars/Therm	Percent Increase on Margin	
			(a)	(b)	(c)		(d)	(e)	(f)											(g)
1	568	166,351	10,764	110,387	45,201	166,351	\$19,330	\$62,290	\$24,037	\$105,657	\$122,820	\$17,163	\$0	\$17,163	\$0	\$17,163	\$0	\$0	\$0	16.2%
2	18,455	12,470,721	0	7,168,982	5,301,739	12,470,721	\$941,228	\$2,660,481	\$1,713,893	\$5,315,602	\$6,179,047	\$697,348	\$0	\$697,348	\$166,099	\$863,445	\$0	\$0	\$0	16.2%
3	4,001	11,443,188	0	5,191,540	4,571,202	11,443,188	\$504,091	\$1,992,461	\$1,448,340	\$4,407,435	\$5,123,361	\$715,926	\$0	\$715,926	\$0	\$1,448,340	\$0	\$0	\$0	16.2%
4	35	2,904,554	779,802	564,110	947,636	2,904,554	\$212,810	\$155,621	\$220,231	\$723,780	\$841,348	\$117,568	\$0	\$117,568	\$0	\$117,568	\$0	\$0	\$0	16.2%
5	26	59,436	0	27,582	31,854	59,436	\$167	\$8,010	\$6,640	\$14,650	\$17,030	\$2,380	\$0	\$2,380	\$0	\$2,380	\$0	\$0	\$0	16.2%
7	3	923	923	0	0	923	\$396,963	\$464,699	\$481,273	\$1,342,935	\$1,561,077	\$218,141	\$194	\$218,141	\$27	\$218,141	\$27	\$0	\$0	16.2%
8	211	5,606,550	1,222,690	2,011,771	2,372,090	5,606,550	\$0	\$6,578	\$6,578	\$6,578	\$6,578	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	16.2%
10	1	32,424	11,907	20,517	0	32,424	\$75,775	\$37,270	\$74,419	\$241,614	\$280,861	\$39,247	\$7,647	\$39,247	\$1,069	\$1,069	\$0	\$0	\$0	16.2%
11	3	1,062,313	196,082	185,850	388,551	1,062,313	\$1,276,317	\$6,615,009	\$87,685	\$7,981,010	\$9,277,414	\$1,070,818	\$280,861	\$1,070,818	\$225,585	\$1,296,404	\$0	\$0	\$0	16.2%
12	24	21,061,699	0	20,749,063	312,637	21,061,699	\$1,276,317	\$240,071	\$97,685	\$240,071	\$279,067	\$38,996	\$0	\$38,996	\$0	\$38,996	\$0	\$0	\$0	16.2%
13	27	949,872	0	949,872	0	949,872	\$130,727	\$393,085	\$44,294	\$523,812	\$608,897	\$85,086	\$0	\$85,086	\$0	\$85,086	\$0	\$0	\$0	16.2%
14	54	3,873,140	971,172	2,901,968	0	3,873,140	\$73,221	\$76,752	\$44,294	\$315,504	\$366,753	\$51,249	\$366,753	\$51,249	\$51,249	\$51,249	\$0	\$0	\$0	16.2%
15	9	3,206,027	360,000	697,996	484,509	3,206,027	\$91,661	\$81,112	\$47,891	\$328,130	\$381,430	\$53,300	\$381,430	\$53,300	\$53,300	\$53,300	\$0	\$0	\$0	16.2%
16	3	3,692,189	476,469	831,658	606,292	3,692,189	\$867,434	\$372,821	\$372,821	\$372,821	\$372,821	\$0	\$372,821	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
17	4	8,687,434	0	0	0	8,687,434														
18	SC	2																		
19	Total					75,216,821				\$21,919,767	\$25,419,767	\$3,108,316	\$3,500,000	\$3,500,000	\$391,684	\$3,108,316	\$3,500,000	\$3,500,000	\$3,500,000	