



Rob McKenna
ATTORNEY GENERAL OF WASHINGTON

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September 10, 2008

VIA E-MAIL & FIRST CLASS MAIL

David W. Danner
Executive Director
Washington Utilities & Transportation Commission
1300 S. Evergreen Pk. Dr. S.W.
PO Box 47250
Olympia, WA 98504-7250

Re: Northwest Natural Gas Company 2008 Natural Gas Integrated Resource Plan
Docket No. UG-070619

WUTC v. Northwest Natural Gas Company
Docket No. UG-080546

Dear Mr. Danner:

Public Counsel is writing this letter in response to the email sent Monday, September 8, 2008, regarding discussion of Northwest Natural Gas Company's (NW Natural) proposed Integrated Resource Plan (IRP) (Docket No. UG-070619) set to be held at the Commission's regular Open Meeting on Thursday, September 11, 2008. The email advises that the Commission is planning to review NW Natural's proposed IRP at the Open Meeting, including portions that reference and discuss decoupling and demand-side management (DSM) issues that are intertwined with those pending in NW Natural's general rate case adjudication (Docket No. UG-080546).

Public Counsel has concerns about the manner in which NW Natural simultaneously presented its decoupling and DSM proposals in the two different dockets. However, Public Counsel does not object to discussion of these proposals at the Open Meeting for informational purposes, with the following qualifications.

Because the aforementioned matters are pending in the rate case, and in light of the Commission's rules governing ex parte communications (WAC 480-07-310), Public Counsel believes that the Open Meeting should be on the record, and a transcript should be made and included in the rate case record. All rate case parties should be given notice that discussion of the IRP took place at the Open Meeting and that a transcript is available. All parties should be

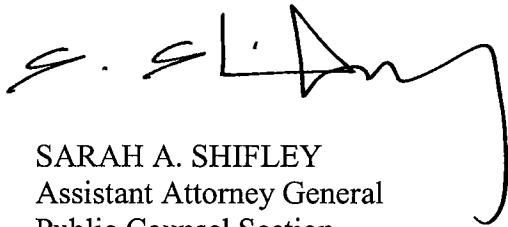
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allowed to respond in the rate case to any factual assertions or arguments made during the Open Meeting.

At tomorrow's Open Meeting, Public Counsel respectfully requests that the Commission limit NW Natural to informational statements about the pendency and general nature of its decoupling and DSM proposals. NW Natural should not be permitted to engage in unsworn factual testimony or policy advocacy regarding the proposals in the IRP presentation setting. NW Natural should be directed to present any further information or advocacy on these issues following tomorrow's Open Meeting on the record in the rate case. Finally, Public Counsel respectfully requests that the Commission indicate on the record at the Open Meeting that the decision on NW Natural's decoupling and DSM proposals will be based on the record in the rate case and that those issues will not be pre-judged in the IRP process.

Thank you for your consideration of these issues.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. A. Shifley', with a long, sweeping horizontal stroke extending to the right.

SARAH A. SHIFLEY
Assistant Attorney General
Public Counsel Section
(206) 464-6595

SAS:kez

cc: Docket No. UG-080546 Service List (e-mail only)
Katherine Barnard, Allen Fiksdal, Tom DeBoer, Liz Klumpp, Teresa Hagins, Karl Karzmar,
and Deb Ross (e-mail only)
The Honorable Adam Torem (e-mail only)
The Honorable Ann Rendahl (e-mail only)