

[Service Date October 22, 2008]

October 22, 2008

**NOTICE SUSPENDING PROCEDURAL SCHEDULE,
ESTABLISHING DATE FOR SETTLEMENT HEARING,
AND CONFIRMING DATE FOR PUBLIC COMMENT HEARING
(Settlement Hearing Set for November 12, 2008, at 2:30 p.m., in Olympia)
(Public Comment Hearing Set for November 13, 2008, at 6:00 p.m., in Vancouver)**

RE: *WUTC v. NW Natural Gas Company – General Rate Case*
Docket UG-080546

TO ALL PARTIES:

On March 28, 2008, Northwest Natural Gas Company (NW Natural or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-6, designed to affect a general rate increase for natural gas service. NW Natural based its filing on an historical twelve-month period ending September 30, 2007, adjusted for known and measurable changes. The Commission suspended the filing by order dated April 3, 2008.

On October 20, 2008, all parties to this proceeding, (*i.e.*, NW Natural, Commission Staff,¹ Public Counsel Section of the Office of the Attorney General, Northwest Industrial Gas Users, The Energy Project, and the NW Energy Coalition (collectively, “Parties”)) filed a Full Settlement Stipulation memorializing the terms which they agree the Commission should approve and adopt to resolve all issues in this docket. The Parties request Commission action prior to January 1, 2009, the proposed effective date for rates if the Commission approves and adopts the settlement agreement.

¹ In formal proceedings, such as this, the Commission’s regulatory staff functions as an independent party with the same rights, privileges, and responsibilities as other parties to the proceeding. There is an “*ex parte* wall” separating the Commissioners, the presiding Administrative Law Judge, and the Commissioners’ policy and accounting advisors from all parties, including regulatory staff. *RCW 34.05.455*.

Pursuant to informal discussions between the parties and the presiding Administrative Law Judge, the Commission determines it should suspend the current procedural schedule, conduct a settlement hearing in Olympia, Washington on Wednesday, November 12, 2008, beginning at 2:30 p.m., and conduct its previously noticed public comment hearing in Vancouver on the following day, Thursday, November 13, 2008, at 6:00 p.m. The Commission will continue to accept written comments through December 1, 2008.

THE COMMISSION GIVES NOTICE THAT it suspends the current procedural schedule in this proceeding.

THE COMMISSION GIVES FURTHER NOTICE THAT it will conduct a settlement hearing in this proceeding in Olympia on Wednesday, November 12, 2008, at 2:30 p.m., in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.

THE COMMISSION CONFIRMS THAT it will conduct a public comment hearing on Thursday, November 13, 2008, from 6:00 p.m. to 7:30 p.m., in the Electric Center of the Clark Public Utilities, 1200 Fort Vancouver Way, Vancouver, Washington. The Commission will begin taking comments regarding the Parties' proposed settlement from members of the public at 6:00 p.m. and ending no later than 7:30 p.m.

Sincerely,

ADAM E. TOREM
Administrative Law Judge