

Shawn M. Filippi
Vice President, Chief Compliance Officer
and Corporate Secretary
Tel: 503.220.2435
Fax: 503.721.2516
Toll Free: 1.800.422.4012
e-mail: shawn.filippi@nwnatural.com



May 31, 2016

Steven King, Secretary and Executive Director
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive S.W.
P. O. Box 47250
Olympia, WA 98504-7250
Attention: Supervisor of Utility Finance

RECEIVED
REGISTRY MANAGEMENT
2016 JUN -6 AM 8:18
STATE OF WASHINGTON
UTILITY AND TRANSPORTATION
COMMISSION

Re: 2015 Annual Securities Transaction Report for Dockets UG-011173,
UG-030290, UG-061700, UG-111521, UG-121968, UG-130150, and
UG-143634

Ladies and Gentlemen:

This filing is submitted in accordance and in compliance with Washington Administrative Code 480-90-262 with respect to Northwest Natural Gas Company's (the "Company") annual securities transaction report.

Docket Under Which No Securities Were Issued.

No securities were issued under the following docket in 2015:

- Docket UG-111521 (Medium Term Notes)**
- Docket UG-121968 (Revolving Line of Credit)**

Correspondingly, there are no proceeds to report. However, expenses were incurred for the line of credit authorized under UG-121968; those expenses are disclosed in Section 3 of this Report.

The medium-term notes authorized under Docket UG-111521 were issued in 2011, and the Company therefore will not file further reports on Docket UG-111521.

As of December 31, 2014, 16,581 shares of common stock remained authorized for issuance with respect to the Company's Dividend Reinvestment and Stock Purchase Plan, as amended, pursuant to UG-011173. All of these shares were issued in 2015, and the Company therefore will not file further reports on Docket UG-011173. The shares authorized for issuance with respect to the Company's Dividend Reinvestment and Stock Purchase Plan are now subject to UG-143634.

Annual Securities Transaction Report For Year Ending December 31, 2015.

(1) Schedule of Securities Issued.

Dockets UG-011173 and UG-143634, Dividend Reinvestment and Stock Purchase Plan:

On October 1, 2014, the Company filed a compliance statement with the Commission under Docket UG-143634 complying with RCW 80.08.040 with respect to the proposed issuance and sale from time-to-time of not more than 400,000 authorized but unissued shares of the Company's Common Stock pursuant to its Dividend Reinvestment and Stock Purchase Plan, as amended ("DRIP/DSPP"). Such shares would be in addition to the remaining 16,581 shares already authorized by the Commission for DRIP/DSPP under Docket UG-011173, for a total of 416,581 shares.

During 2015, the Company issued and sold an aggregate of 97,024 shares of its Common Stock pursuant to DRIP/DSPP. Of such shares, 73,454 were sold through reinvestment by participants of their dividends, while the remaining 23,570 shares were sold to participants who elected to make optional cash payments. Book entries for the 97,024 shares were issued at various times to American Stock Transfer & Trust Company, custodial agent. Such fully paid shares are held by the transfer agent in individual participants' DRIP/DSPP Accounts until such participants request that certificates be issued or that the shares be sold.

<u>Date</u>	<u>Price</u>	<u>Shares Issued</u>
<u>Dividend Reinvestment</u>		
2/13/15	\$47.73	17,458
5/15/15	\$44.41	18,839
8/14/15	\$45.32	18,101
11/13/15	\$46.34	19,056
<u>Optional Cash Payments</u>		
1/15/15	\$49.97	1,559
2/13/15	\$47.73	425
3/13/15	\$45.46	2,766
4/15/15	\$48.12	1,018
5/15/15	\$44.41	2,828
6/15/15	\$42.95	1,304
7/15/15	\$43.82	1,405
8/14/15	\$45.35	1,305
9/15/15	\$43.45	3,487
10/15/15	\$47.12	3,279
11/13/15	\$46.37	2,990
12/15/15	\$48.27	1,204
<u>Grand Total</u>		97,024

Docket UG-030290, Restated Stock Option Plan:

In February 2012, the Board of Directors decided that beginning in 2012, it would grant Restricted Stock Units with a performance threshold under the Company's Long Term Incentive Plan ("LTIP") instead of stock options. Accordingly, the Board of Directors terminated the Restated Stock Option Plan ("SOP") so that no new stock options may be granted under that plan, and obtained shareholder approval to consolidate all equity incentive awards into LTIP. Therefore, no options to purchase shares were granted under the Plan in 2015.

In 2015, the Company issued 62,900 shares of its Common Stock under the SOP pursuant to options that were granted prior to termination of new issuances under the SOP. The weighted average employee purchase price per share was \$39.96, with net proceeds of \$2,513,481.50.

Docket UG-061700, Employee Stock Purchase Plan:

The Company made its sixteenth offering to its employees under the terms and conditions set forth in the Employee Stock Purchase Plan ("ESPP"). During 2015, the Company completed an offering to its employees that was made during the period October 27, 2014 through November 14, 2014 (the "2014 Offering") and made a new offering under the Plan during the period October 26, 2015 through November 13, 2015 (the "2015 Offering"). Certain administrative terms of ESPP were amended in 2003. The 2014 and 2015 offerings were made at a price determined to be 85% (to the next full penny) of the closing price quoted for the Common Stock on the New York Stock Exchange on the business day before the initial date of the offering.

During the 2014 Offering, the Company offered to its employees not to exceed 97,800 shares of its Common Stock, at a price of \$38.90 per share. The Company received subscriptions for 22,646 shares, of which subscriptions for 3,582 shares were cancelled. During the 2015 Offering, the Company offered to its employees not to exceed 78,758 shares of its Common Stock, at a price of \$40.51 per share. As of December 31, 2015, the Company received subscriptions for 20,784 shares, with 58 cancellations. Payroll deductions taken by the Company in payment of the subscribed shares are held on behalf of the employee until the shares are to be purchased on the purchase date in December 2016.

At December 31, 2015, the Company had received from the eight offerings subscriptions totaling 160,668 shares, cancellations totaling 18,344 shares of such subscribed shares and cash in the amount of \$4,667,975.66 in full payment for 121,598 of the shares, and had issued certificates or authorized book-entry positions for the 121,598 shares to the respective employee purchasers as follows:

Offering Period	Price	Shares Subscribed			Shares Issued		Balance Subscribed
		Initial	Canceled	Total	Gross Proceeds		
11/1/08 – 11/30/08 ¹	\$43.25	9,813	4,276	5,537	5,537	\$239,475.25	0
11/1/09 – 11/30/09	\$35.54	24,530	871	23,659	23,659	\$840,840.86	0
11/1/10 – 11/30/10	\$41.90	18,936	3,632	15,304	15,304	\$641,237.60	0
11/1/11 – 11/30/11	\$39.72	19,917	1,760	18,157	18,157	\$721,196.04	0
11/1/12 – 11/30/12	\$39.56	17,851	2,237	15,614	15,614	\$617,689.84	0
10/1/13 – 10/31/13	\$35.69	26,191	1,928	24,263	24,263	\$865,946.47	0
10/27/14 – 11/14/14	\$38.90	22,646	3,582	19,064	19,064	\$741,589.60	0
10/26/15 – 11/13/15	\$40.51	20,784	58	20,726	0	0	20,726
Total		160,668	18,344	142,324	121,598	\$4,667,975.66	20,726

¹ 3,078 of the 8,615 shares issued under the Plan in 2009 were issued under the authorization of Docket No. UG-001244. The subscriptions and cancellations are prorated between the two Dockets.

Docket UG-130150, Long-Term Incentive Plan:

Long-Term Incentive Plan (“LTIP”) shares were granted* and issued in 2015 as shown in the following table:

Purpose	Shares Granted	Shares Vested in 2015	Shares Issued
Performance-Based Awards	43,950 ¹	8,621	6,071 ²
Awards of Common Stock	0	0	0
Restricted Stock Units	37,264	19,003	13,447 ³
Incentive Stock Options	0	0	0
Non-Statutory Stock Options	0	0	0
Total	81,214	27,624	19,518

¹ Assumes market, performance, and service based grants currently outstanding are awarded at the target level. Actual awards may be above or below target.

² Of the 6,071 Performance-Based Award shares issued, 982 shares were deferred.

³ Of the 13,447 Restricted Stock Units shares issued, 3,318 shares were deferred.

All LTIP shares issued in 2015 were issued March 4, 2014 with a fair market value of \$46.57, which is the closing price on March 3, 2014, the date preceding the date of issuance.

- (2) Use of Proceeds from Securities Transactions.

Dockets UG-011173 and UG-143634, Dividend Reinvestment and Stock Purchase Plan:

Beginning on July 15, 2015, the Company began purchasing shares on the open market for purchase under the Plan, with the price for shares purchased on the open market being the average price (including brokerage fees) paid by the Purchasing Representative to obtain them. Of the 97,024 shares sold in 2015,

* LTIP shares that are granted will be issued in whole or in part only upon satisfaction of certain performance criteria associated with the applicable LTIP grant.

46,197 shares were authorized but unissued shares, and 50,827 shares were purchased on the open market after July 15, 2015.

The net proceeds of \$2,091,003.70 were applied towards the acquisition of property, the construction, completion, extension or improvement of the Company's facilities, the improvement or maintenance of the Company's service, or the discharge or lawful refunding of the Company's obligations, pursuant to RCW 80.08.030.

Docket UG-030290, Restated Stock Option Plan:

The net proceeds of \$2,513,418.50 were applied towards the acquisition of property, the construction, completion, extension or improvement of the Company's facilities, the improvement or maintenance of the Company's service, or the discharge or lawful refunding of the Company's obligations, pursuant to RCW 80.08.030.

Docket UG-061700, Employee Stock Purchase Plan:

The net proceeds of \$741,589.60 were applied towards the acquisition of property, the construction, completion, extension or improvement of the Company's facilities, the improvement or maintenance of the Company's service, or the discharge or lawful refunding of the Company's obligations, pursuant to RCW 80.08.030.

Docket UG-130150, Long-Term Incentive Plan:

There were no proceeds associated with LTIP in 2015.

(3) Expenses for Securities Transactions.

Dockets UG-011173 and UG-143634, Dividend Reinvestment and Stock Purchase Plan:

The following Table lists the level of expenses for DRIP/DSPP in 2015:

	<u>Amount</u>
Total Value of Common Stock Issues	\$4,451,267.87
Plus premium or less discount	\$0.00 ¹
Less cash cost of open market common stock repurchases	\$2,328,074.52 ²
Gross proceeds	\$2,123,193.35
Underwriter's spread or commission	-
Securities and Exchange Commission registration fee	\$422.84
State mortgage registration tax	-
State commission fee	-

	<u>Amount</u>
Fee for recording indenture	-
United States document tax	-
Printing and engraving expenses	\$7,762.50
Trustee's charges	-
Accountant's fees	-
Cost of listing	-
Miscellaneous expense of issue (describe large items)	
Postage	\$13,235.93
Miscellaneous Fees	\$608.40
Preparation (RR Donnelley)	\$2,108.81
Attorney fees (Morgan Lewis)	\$8,051.17
Total Deductions	\$32,189.65
Net Amount Realized	\$2,091,003.70

¹ Common stock issued had no par value.

² From July through December 2015, shares for the DRIP/DSPP were repurchased in the open market.

Docket UG-030290, Restated Stock Option Plan:

There were no expenses associated with SOP in 2015.

Docket UG-061700, Employee Stock Purchase Plan:

There were no expenses associated with ESPP in 2015.

Docket UG-121968 (Revolving Line of Credit):

The following Table lists the level of expenses for the Revolving Line of Credit authorized in UG-121968 in 2015:

Lender commitment fees.....	\$223,750.00
Administrative agent fees.....	\$15,000.00
Upfront fees	\$0.00
Arrangement fee.....	\$0.00
Out-of-pocket legal and administrative costs to agent.....	\$0.00
Counsel fees	\$16,972.52
Total Expenses	\$255,722.52

Docket UG-130150, Long-Term Incentive Plan:

There were no expenses associated with LTIP in 2015.

(4) Schedule of Securities Retired, Refunded or Repurchased.

The following table provides information about purchases of our equity securities during the year ended December 31, 2015:

Type of Security	(a) Total Number of Shares Purchased ¹	(b) Weighted Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ²	Dollar Value of Shares Repurchased Under the Plans or Programs
Common Stock	69,925	45.754	0	\$0.00

¹ During the year ended December 31, 2015, 69,925 shares of our common stock were purchased in the open market during the year under equity-based programs. During the year ended December 31, 2015, no shares of our common stock were accepted as payment for stock option exercises pursuant to our Restated Stock Option Plan.

² We have a share repurchase program for our common stock under which we purchase shares on the open market or through privately negotiated transactions.

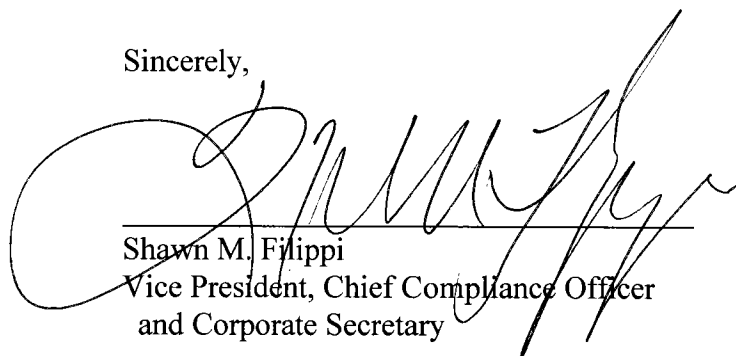
(5) Schedule of Securities Scheduled to Mature in 2016.

The following is a schedule of securities maturing in 2016:

5.15% Series B Medium-Term Notes	\$25,000,000
Total	\$25,000,000

If you have any questions, or need any additional information, please call.

Sincerely,



Shawn M. Filippi
Vice President, Chief Compliance Officer
and Corporate Secretary