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October 1, 2014

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

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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Re: Compliance Statement for Proposed Issuance and Sale of Additional 400,000 Company Shares for Company's Dividend Reinvestment and Direct Stock Purchase Plan

Ladies and Gentlemen:

Submitted herewith for filing with the Commission is the Statement complying with RCW 80.08.040 with respect to the proposed issuance and sale of not more than an additional 400,000 authorized but unissued shares of the Company's Common Stock pursuant to the terms of its Dividend Reinvestment and Direct Stock Purchase Plan.

If you have any questions regarding this matter or require any additional information, please contact me at 503-220-2435.

Yours Truly,

Shawn M. Filippi

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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In the Matter of the Statement of))
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))
NORTHWEST NATURAL GAS COMPANY))
))
Establishing Compliance With))
RCW 80.08.040 With Respect to the Proposed))
Issuance and Sale of Not to Exceed an))
Additional 400,000 Shares of its Common))
Stock Pursuant to the Dividend Reinvestment))
And Direct Stock Purchase Plan))

DOCKET NO. UG-_____

STATEMENT

Northwest Natural Gas Company ("NW Natural" or the "Company") hereby files this Statement complying with RCW 80.08.040 with respect to the proposed issuance and sale from time-to-time of not more than an additional 400,000 authorized but unissued shares of the Company's Common Stock without par value (the "Common Stock"), pursuant to the terms of its Dividend Reinvestment and Direct Stock Purchase Plan, as amended (the "Plan"). Such shares would be in addition to the remaining 16,581 shares already authorized by the Washington Utilities and Transportation Commission ("Commission") for the Plan, for a total of 416,581 shares.

The following information is furnished in support of this Statement:

- (1) A description of the purposes for which the issuance will be made, including a certification by an officer authorized to do so, that the proceeds from any such financing is for one or more of the purposes allowed by RCW 80.08.030.**

The Company will use the proceeds from the Plan for the

acquisition of property, or the construction, completion, extension or improvement of its facilities, or the improvement or maintenance of its service, or the discharge or refunding of its obligations, or the reimbursement of moneys actually expended from income or from any other moneys in the treasury of the Company not secured by or obtained from the issue of stock or stock certificates or other evidence of interest or ownership, or bonds, notes or other evidence of indebtedness of the Company for any of the aforesaid purposes except maintenance of service, in cases where the Company keeps its accounts and vouchers for such expenditures in such manner as to enable the WUTC to ascertain the amount of money so expended and the purpose for which the expenditure was made. Such purposes are permitted by RCW 80.08.030.

(2) A description of the proposed issuance, including the terms of financing.

The Plan provides investors, including investors who are not current holders of shares of the Company's Common Stock, with a simple and convenient method of purchasing shares, in most cases without payment of any commission or service charge. Any holder of record of the Company's Common Stock is eligible to join the Plan and investors who are not holders of record may participate in the Plan by making a minimum initial investment of \$250. Participants may withdraw from the Plan at any time.

Participants in the Plan may select from the following reinvestment options: (1) Full Dividend Reinvestment, wherein cash dividends on all of their registered shares of Common Stock are automatically reinvested in additional shares at the market price; (2) Partial Dividend Reinvestment, wherein cash dividends received

on a specified portion of shares will be reinvested, and Participants will receive cash dividends on any remaining shares that are not specified for reinvestment; (3) Full Cash Payments, wherein all cash dividends on all of the participant's shares of common stock will be paid to participants by check or through electronic deposit; or (4) Optional Cash Purchases Only, wherein cash dividends on all shares will be paid to participants by check or through electronic deposit. The amount of optional cash payments which may be made by a participant may not exceed \$250,000 per calendar year, unless the Company affirmatively permits a larger investment. Effective January 1, 1994, participants were eligible to deposit all or a portion of their certificates for shares of Common Stock into the Plan for safekeeping.

The price of Common Stock purchased from the Company with reinvested dividends and with optional cash payments is the average of the high and low trading prices for such shares as quoted on the New York Stock Exchange on the trading day preceding the relevant "Investment Date." The price of Common Stock purchased in the open market or through negotiated transactions will be the average price, including brokerage fees, paid by the dealer during the period beginning not more than three trading days prior to the Investment Date and typically ending not more than five trading days after the Investment Date. Investment Dates are the dividend payment dates in February, May, August and November and, for optional cash purchases, the fifteenth day of each other month, or the preceding business day if the fifteenth falls on a weekend or holiday. Shares are purchased as of the Investment Dates. The number of shares purchased depends on the amount of a participant's dividends and optional cash payments and the price of the Common Stock as determined for the relevant

Investment Dates. Each participant's account is credited with that number of shares, including fractional shares computed to three decimal places, equal to each participant's total amount to be invested divided by the purchase price.

American Stock Transfer & Trust Company has been appointed Agent to administer the Plan for the participants and, as such, keeps records, sends statements of account activity to participants, acts as custodian of shares issued and held for the benefit of participants and performs other duties relating to the Plan.

In most cases, NW Natural will pay the fees and expenses to operate the Plan. However, there are some service fees and brokerage commissions which will be charged directly to participants. Participants will incur no broker fees, commissions or other charges for authorized but unissued shares purchased directly from NW Natural. Participants in the Plan will bear the cost of brokerage fees and commissions, any service charges and applicable taxes related to shares purchased or sold on the open market or in privately negotiated transactions.

The total estimated gross proceeds, the estimated expenses, and the net proceeds to the Company from the sale of the Common Stock are as follows:

Estimated Fees and Expenses	Amount	
Total Value of Common Stock Issues	\$17,456,000.00	(1)
Plus premium or less discount	\$0	
Gross proceeds	\$17,456,000.00	
Underwriter's spread or commission	-	
Securities and Exchange Commission registration fee	\$2,172.00	
State mortgage registration tax	-	
State commission fee	-	
Fee for recording indenture	-	
United States document tax	-	
Printing and engraving expenses	\$8,349.83	
Trustee's charges	-	
Accountant's fees	-	
Cost of listing	-	
Miscellaneous expense of issue		
Postage	\$53,051.40	(2)
Miscellaneous Fees	\$1,354.32	(2)
Listing Preparation	\$6,920.00	(2)
Attorney fees	\$19,977.32	(2)
Total Deductions	\$91,824.87	
Net Amount Realized	\$17,364,175.13	

(1) Common stock issued has no par value. Value based upon an estimated average price of \$43.64, which was the closing price per share on September 18, 2014.

(2) Based upon sale of the Common Stock over a four-year period.

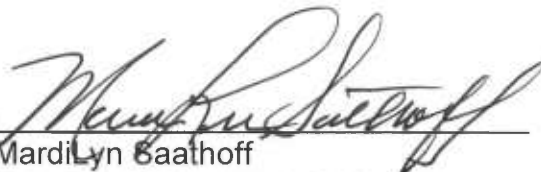
(3) A Statement as to why the transaction is in the public interest.

The Company believes that the facts set forth herein show that the proposed issuance and sale of the Common Stock is for a lawful object within the corporate purposes of the Company and is compatible with the public interest; that said object is necessary or appropriate for or consistent with the proper performance by the Company of service as a public utility; and that the issuance and sale of the Common Stock is reasonably necessary or appropriate for such purpose.

The undersigned hereby states, "I certify (or declare) under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct."

DATED at Portland, Oregon this 1st day of October, 2014.

NORTHWEST NATURAL GAS COMPANY

By 
MardiLyn Baathoff
Vice President, Legal, Risk, and
Compliance and Corporate Secretary