

Exhibit No. \_\_\_\_ (BJC-5T)  
Docket No. UG-11\_\_\_\_  
Witness: Barbara J. Cronise

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of )  
 )  
NORTHWEST NATURAL GAS )  
COMPANY, dba NW Natural, )  
 )  
Revision to Schedule P to include )  
acknowledging the recovery of the cost )  
of gas acquired through Gas Reserves. )

Docket No. UG-11\_\_\_\_

**NORTHWEST NATURAL GAS COMPANY**

**EXHIBIT OF BARBARA J. CRONISE**

**Quantification of Risk Probabilities**

**REDACTED**

July 6, 2011





	***** [Confidential]	
JV Well Experiences Mechanical Failure or Produces No Gas	No impact on NWN. Encana assigns to NWN a 1.2% interest in a currently producing section with many existing wells for every well drilled. NWN has no dry hole or mechanical failure risk.  Also of note, there has never been a well drilled at Jonah that did not produce gas.	Minimal Probability but with no material Impact on NWN
Tax Credits Repealed or Significantly Lowered	[Confidential] ***** ***** ***** ***** [Confidential]	Uncertain probability, but unlikely to eliminate economic benefit of the Transaction compared to other alternatives, and NWN could avoid negative consequences if they developed.
Future Restrictions on Hydraulic Fracturing	Encana fully fractures wells at time of completion. See response to "Tax Credits Repealed or Significantly Lowered".	Minimal to no risk associated with already earned interests; could halt future investment if event occurred.
Drilling Schedule Halted or Delayed	The agreement provides for make- up provisions in the next quarter and the option to terminate if drilling is more than 10 wells behind schedule during a 2 year period.	Uncertain probability; [Confidential] ***** ***** [Confidential]
Abandonment of Wells	[Confidential] ***** ***** [Confidential]	[Confidential] ***** ***** ***** ***** [Confidential]