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December 11, 2002

Carole J. Washburn
Washington Utilities and
Transportation Commission
1300 So. Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: First Supplemental Application in Docket No. 020986 (Issuance and Sale of up to \$40,000,000 of Medium-Term Notes, Series B, from NW Natural's Shelf Registration for an additional \$150,000,000 principal amount of Medium-Term Notes, Series B)

Dear Ms. Washburn:

Transmitted herewith for filing with the Commission are an original and one conformed copy of the First Supplemental Application of Northwest Natural Gas Company requesting an Order of the Commission Establishing Compliance with RCW 80.08.040 and WAC 480-146-290 with respect to the Company's proposed issuance and sale of up to \$40,000,000 principal amount of its Medium-Term Notes, Series B.

Based on the Commission's "Interpretive Statement Regarding Filing Requirements Prior to Issuance of Securities," issued in Docket No. A-020334, the Company hereby withdraws the request in its Application in this docket filed on July 31, 2002, for an Order Establishing Compliance with respect to its entire \$150,000,000 shelf registration. NW Natural is not withdrawing the Application itself, which provides background information about its proposed offerings of debt securities under the shelf registration. The First Supplemental Application filed herein, and additional supplemental applications we will file in the future in this docket with respect to the Company's plans for financings using the shelf registration, will incorporate the background information in the Application by reference but will augment that information with reasonably detailed information about the Company's more specific financing plans as they are developed during approximately the next two years.

Submitted herewith are a hard copy and diskette containing a draft recommended order of the Commission for use in connection with the processing of the application. Also enclosed for the file in this docket are two copies of NW Natural's Registration Statement on Form S-3 for the \$150,000,000 in Secured and Unsecured Notes, as filed and effective with the Securities and Exchange Commission.

Please forward to me 10 certified copies of the Order of the Commission in this
Docket.

If you have any questions regarding this matter, please call me at (503) 220-2411.

Very truly yours,

C.J. Rue

CJR:lmw
Encl.

Cc w/Encl.: M. S. Dodson, Esq.
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