

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

_____)	
In the Matter of the Application of)	
)	
NORTHWEST NATURAL GAS COMPANY)	DOCKET UG _____
)	
for an Order Establishing Compliance with)	
RCW 80.08.040 With Respect to the Proposed)	ORDER ESTABLISHING
Issuance and Sale of up to an Additional)	COMPLIANCE
200,000 Shares of its Common Stock Through)	
the Employee Stock Purchase Plan)	
_____)	

BACKGROUND

On November __, 2006, Northwest Natural Gas Company (Northwest or Company), filed an application with the Commission under the provisions of RCW 80.08.040 for an order establishing compliance with the requirements of that statute in connection with the Company's proposed offering, issuance and sale, of up to an additional 200,000 authorized but unissued shares of its Common Stock (Common Stock), through Northwest's Employee Stock Purchase Plan.

RCW 80.08.040 requires the Company to file certain information with the Commission and authorizes the Company, at its option, to request the Commission to enter an order that the Company has complied with the requirements of RCW 80.08.040. The Company has filed the information required by RCW 80.08.040 and has requested that the Commission confirm that the Company has complied with the requirements of RCW 80.08.040.

FINDINGS

THE COMMISSION FINDS:

1. Northwest Natural Gas Company, an Oregon corporation, is a public service company subject to the jurisdiction of this Commission under the provisions of chapter 80.08 RCW.
2. As to form, the application and information filed herein meet the requirements of chapter 80.08 RCW and the rules and regulations of the Commission adopted pursuant thereto.
3. The Company's application in this Docket contains: (a) a description of the purpose for which the issuance is made and a certification by an officer that the proceeds

from such financing are for one or more of the purposes allowed by chapter 80.08 RCW; (b) a description of the proposed issuance, including the terms of financing; and (c) a statement as to why the proposed transaction is in the public interest.

4. An order consistent with the above findings should be entered.

ORDER

THE COMMISSION ORDERS:

1. Northwest Natural Gas Company has complied with the requirements of RCW 80.08.040.
2. Northwest Natural Gas Company shall file, as soon as available:
 - The Report of Securities Issued required by 18 CFR 34.10 Chapter 80.
 - Verified copies of any agreement entered into in connection with any transaction pursuant to this order.
3. This order shall in no way affect the authority of this Commission over rates, service, accounts, valuations, estimates or determination of costs, or any matters whatsoever that may come before it, nor shall anything herein be construed as an acquiescence in any estimate or determination of costs, or any valuation of property claimed or asserted.

DATED at Olympia, Washington, and effective this _____ day of _____ 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Secretary