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May 28, 2010

Dave Danner, 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

Re: 2009 Annual Securities Transaction Report for Dockets UG-001244, UG-011173, UG-030290, UG-061700, UG-070940, UG-090273, and UG-091004.

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.

(1) Schedule of Securities Issued.

Incorporation by Reference:

The Company submitted to the Commission securities issuance reports ("Securities Reports"), including detailed descriptions and terms of the Company's securities issued during 2009, pursuant to orders issued in the following dockets:

- **UG-001244, Employee Stock Purchase Plan (January 29, 2009);**
- **UG-030290, Stock Option Plan (January 29, 2009);**
- **UG-061700, Employee Stock Purchase Plan (January 29, 2009);**
- **UG-090273, Medium-Term Notes (May 29, 2009); and**
- **UG-091004, Medium-Term Notes (July 27, 2009).**

Docket UG-011173, Dividend Reinvestment and Stock Purchase Plan:

During 2009, the Company purchased on the open market an aggregate of 96,624 shares of its Common Stock pursuant to the Dividend Reinvestment and Stock Purchase Plan. Of such shares, 78,755 were sold through reinvestment by participants of their dividends, while the remaining 17,869 shares were sold to

participants who elected to make optional cash payments. Book entries for the 96,624 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' Plan Accounts until such participants request that certificates be issued or that the shares be sold.

The total cost of shares purchased under the Dividend Reinvestment and Stock Purchase Plan in 2009 was \$4,135,898.23. The price for shares purchased on the open market is the average price (including brokerage fees) paid by the Purchasing Representative to obtain them.

<u>Date</u>	<u>Price</u>	<u>Shares Repurchased</u>
<u>Dividend Reinvestment</u>		
2/13/09	\$44.19	18,887
5/15/09	\$41.46	20,266
8/14/09	\$42.70	19,420
11/13/09	\$42.88	20,182
<u>Optional Cash Payments</u>		
1/15/09	\$41.74	925
2/13/09	\$44.19	738
3/13/09	\$39.90	1,048
4/15/09	\$41.89	1,791
5/15/09	\$41.46	1,707
6/15/09	\$44.46	3,156
7/15/09	\$43.13	1,135
8/14/09	\$42.70	921
9/15/09	\$41.45	1,505
10/15/09	\$43.19	2,285
11/13/09	\$42.88	854
12/15/09	\$45.00	1,804
<u>Grand Total</u>		96,624

Docket UG-070940 (Revolving Line of Credit):

No amounts were borrowed under the credit agreement authorized by Docket UG-070940, and no securities were issued under the Docket.

(2) Use of Proceeds from Securities Transactions.

Incorporation by Reference:

The Company included in its Securities Reports a description of the use of proceeds for each of its securities issuances, stating the amounts used for the purposes allowed by Revised Code of Washington 80.08.030 for the following Dockets:

- **UG-001244, Employee Stock Purchase Plan (January 29, 2009);**
- **UG-030290, Stock Option Plan (January 29, 2009);**
- **UG-061700, Employee Stock Purchase Plan (January 29, 2009);**
- **UG-090273, Medium-Term Notes (May 29, 2009); and**
- **UG-091004, Medium-Term Notes (July 27, 2009).**

Docket UG-011173, Dividend Reinvestment and Stock Purchase Plan:

The Company did not receive proceeds from the 96,624 shares sold under the Dividend Reinvestment and Stock Purchase Plan in 2009 because the shares were purchased for the Plan participants on the open market.

Docket UG-070940 (Revolving Line of Credit):

No amounts were borrowed under the credit agreement authorized by Docket UG-070940. As such there were no proceeds used for any purpose arising from securities under this Docket.

(3) Expenses for Securities Transactions.

Incorporation by Reference:

The Company included in its Securities Reports the expenses, if any, incurred for each of its securities transactions in 2009 for the following Dockets:

- **UG-001244, Employee Stock Purchase Plan (January 29, 2009);**
- **UG-030290, Stock Option Plan (January 29, 2009);**
- **UG-061700, Employee Stock Purchase Plan (January 29, 2009);**
- **UG-090273, Medium-Term Notes (May 29, 2009); and**
- **UG-091004, Medium-Term Notes (July 27, 2009).**

Docket UG-011173 (Dividend Reinvestment and Stock Purchase Plan):

The following Table lists the level of expenses for the Dividend Reinvestment and Stock Purchase Plan in 2009:

Printing and engraving expenses	\$5,507.50
Counsel fees—Morgan, Lewis & Bockius LLP	\$28,941.56
Postage	\$7,205.56
Total Expenses	\$41,654.62

Docket UG-070940 (Revolving Line of Credit):

The following Table lists the level of expenses for the Revolving Line of Credit in 2009:

Lender commitment fees	\$101,388.90
Administrative agent fees	\$15,000.00
Total Expenses	\$116,388.90

(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, 2009:

Type of Security	(a) Total Number of Shares Purchased ⁽¹⁾	(b) 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	164,324	\$41.61	0	\$0.00

⁽¹⁾ During the year ended December 31, 2009, 96,624 shares of our common stock were purchased in the open market to meet the requirements of our Dividend Reinvestment and Direct Stock Purchase Plan (DRIP/DSPP). In addition, 67,700 shares of our common stock were purchased in the open market during the year under equity-based programs. During the year ended December 31, 2009, 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 2010.

The following is a schedule of securities maturing in 2010:

4.11% Series B Medium-Term Notes	\$10,000,000
7.45% Series B Medium-Term Notes	\$25,000,000
<u>Total Debt Securities Maturing in 2010</u>	<u>\$35,000,000</u>

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

Sincerely,

/s/ Shawn M. Filippi

Shawn M. Filippi
Associate Counsel