

NORTHWEST NATURAL GAS COMPANY
 AFFILIATED INTEREST REPORT
 FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2018

This report is filed with the Washington Utilities and Transportation Commission (WUTC) in compliance with Washington Administrative Code (WAC) 480-90-264.

WAC 480-90-264 (1)

An organization chart of the utility and its affiliated interests and subsidiaries.

See the Organizational Chart 1 of Northwest Natural Gas Company's ("NW Natural" or "NWN") parent company, Northwest Natural Holding Company ("NW Holdings"), attached to this Affiliated Interest Report.¹

WAC 480-90-264 (2)

The name of the affiliated interest or subsidiary participating in the transaction and the total dollar amounts of the transactions.

All service payments with an affiliate are listed below, and a)-g) below apply when the total transactions exceed \$100,000.

(A) Total service payments made by the utility to an affiliate:

Name of Affiliate	Total Service Transactions
NNGFC & KB Pipeline	\$244,250
NWN Gas Storage	\$240,650

(B) Total service payments made by an affiliate to the utility:

Name of Affiliate	Total Service Payments
NNGFC & KB Pipeline	\$ 93,685
NWN Energy	\$ 34,568
NWN Gas Storage	\$1,081,317
Gill Ranch Storage	\$ 250,110
NWN Holdings	\$ 206,377
NWN Water	\$ 71,924

¹ Effective October 1, 2018, NW Natural completed a reorganization into a holding company structure (the "Reorganization") as approved by the WUTC in 2017 in Order 01 in docket UG-170094.

WAC 480-90-264 (2)(a)

**A balance sheet and income statement for such affiliated interest.
[Transactions that equal or exceed \$100,000]**

See NWN's affiliated interest financial statements included as Confidential Exhibit A in this Affiliated Interest Report for all affiliates. Note the financial statements are included for all affiliates and even for transactions that do not exceed \$100,000.

WAC 480-90-264 (2)(b)

A description of the products or services provided to or from the utility and each such affiliated interest or subsidiary. [Transactions that equal or exceed \$100,000]

In addition to the information provided immediately above, see also the discussions under the section entitled WAC 480-90-264(2)(f) below, and the Cost Allocation Manual included as Confidential Exhibit B in this Affiliated Interest Report for more information on the type of affiliated transactions. Note the descriptions are included for all affiliates and for those transactions that do not exceed \$100,000.

WAC 480-90-264 (2)(c)

A description of the pricing basis or costing method, and procedures for allocating costs for such products or services, and the amount and accounts charged during the year. [Transactions that equal or exceed \$100,000]

Refer to the Cost Allocation Manual included as Confidential Exhibit B in this Affiliated Interest Report for further descriptions of the pricing basis or costing method of each affiliated interest or subsidiary with which NWN has transactions. Note the descriptions are included for all affiliates and for those transactions that do not exceed \$100,000.

WAC 480-90-264 (2)(d)

A description of the terms of any loans between the utility and each such affiliated interest or subsidiary and a listing of the year-end loan amounts and maximum loan amounts outstanding during the year. [Transactions that equal or exceed \$100,000]

Short-term loans:

None.

Long-term loans:

None.

WAC 480-90-264 (2)(e)

A description of the terms and total amount of any obligation or liability assumed by the utility for each such affiliated interest or subsidiary. [Transactions that equal or exceed \$100,000]

Description of basis of tax pricing, when applicable:

Prior to the October 1, 2018 reorganization NW Natural would file and pay taxes on a consolidated basis with its subsidiaries. These subsidiaries have income and expenses, which would cause NWN's consolidated tax liability to increase or decrease. Monthly payments would be made to or from NWN to the extent the operations have income or losses. Refer to the table below for total tax sharing transactions that exceed \$100,000 for 2018.

Post October 1, 2018, NW Holdings will file and pay taxes on a consolidated basis with its subsidiaries. For any taxable year, these subsidiaries have income and expenses, which cause NW Holdings' consolidated tax liability to increase or decrease. Monthly payments would be made from NWN and its subsidiaries to or from NW Holdings to the extent the operations have income or losses. Refer to the table below for total tax sharing transactions that exceed \$100,000 for 2018.

Transfer of Obligation (Right) or Liability (Asset) Assumed by the Utility:

The table below lists the total tax sharing transfers when the total of the affiliate's transactions exceeds \$100,000:

Name of Affiliate	Total Tax Sharing Transfers >\$100,000
NWN Gas Reserve	\$ 775,000
Gill Ranch Storage	\$2,740,000

WAC 480-90-264 (2)(f)

A description of the activities of each such affiliated interest or subsidiary with which the utility has transactions. [Transactions that equal or exceed \$100,000]

In addition to the information provided below, see the Cost Allocation Manual included as Confidential Exhibit B in this Affiliated Interest Report for further descriptions of the activities of each affiliated interest or subsidiary with which NWN has transactions.

Below are the descriptions of general transactions with all affiliated interests including transactions that do not meet the \$100,000 reporting threshold.

NW Natural Holdings

NW Holdings is the parent company of NWN (effective October 1, 2018).

Affiliated transactions between NWN and NW Holdings generally include:

- Direct charges of NWN's payroll and administrative expense for NW Holdings' use of NWN staff;
- Infrequent vendor payments may be made by NWN on behalf of the NW Holdings which are then subsequently direct charged to the NW Holdings and reimbursed to NWN through intercompany billings;
- Insurance may be purchased by NWN on behalf of the consolidated enterprise, and is subsequently charged to the NW Holdings and reimbursed to NWN through intercompany billings; and
- Equity distributions/contributions and dividends between NWN and NW Holdings;
- Payments between NWN and NW Holdings for current tax expense or benefit; and
- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual.

NNG Financial Corporation

NNG Financial Corporation ("NNGFC") owns 100% of the stock of KB Pipeline Company ("KBPC"). Effective October 1, 2018, NNGFC became a wholly-owned subsidiary of NW Holdings. See KBPC activities described below.

Affiliated transactions between NWN and NNGFC generally include:

- Direct charges of NWN's payroll and administrative expense for NNGFC's use of NWN staff;
- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual;
- Vendor payments made by NWN on behalf of NNGFC, which are then subsequently direct charged to NNGFC and reimbursed to NWN through intercompany billings;
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently charged to NWN Energy and reimbursed to NWN through intercompany billings;
- Equity distributions/contributions between NWN and NNGFC (pre-October 1, 2018 only);
- Payments between NWN and NNGFC for NNGFC's current tax expense or benefit (pre-October 1, 2018 only); and
- Payments from NWN to NNGFC for KBPC demand and commodity transportation charges.

KB Pipeline Company

KBPC is a wholly-owned subsidiary of NNGFC. KBPC owns a 10% interest in, and is the former operator of, an interstate natural gas pipeline known as the Kelso-Beaver Pipeline. The pipeline runs between Kelso, Washington and Clatskanie, Oregon, and is regulated by the Federal Energy Regulatory Commission ("FERC"). The other owners of the Kelso-Beaver Pipeline are

Portland General Electric Company (79.5%) and B-R Pipeline Company (10.5%). Each of the co-owners has a separate FERC certificate regarding the ownership and transportation of gas on its share of the pipeline. Pursuant to a memorandum from the Public Utility Commission of Oregon, dated October 15, 1992, KBPC is not required to file a separate affiliated interest report to the OPUC under OAR 860-27-040.

In 1991, FERC issued KBPC a certificate of public convenience and necessity under Part 157 of its regulations to construct, own, and transport gas for NW Natural using its 10% share of the capacity of the Kelso-Beaver Pipeline at FERC-approved rates. See, *Portland General Electric Co.*, 57 FERC ¶ 61,095 (1991), amended, 57 FERC ¶ 61,312 (1991). Currently, KBPC's share of the pipeline is not open access so it may only provide transportation service to NW Natural. NW Natural and KBPC are parties to a gas transportation agreement with respect to such transportation service, whereby the Kelso-Beaver Pipeline is obligated to receive and deliver a specified amount of natural gas from NW Natural in exchange for a demand charge and a volumetric fee.

KBPC has no separate employees of its own. It uses employees shared with NW Natural to accomplish its *de minimis* business functions. In terms of the FERC Standards of Conduct ("SOC") regulations that apply to relationships between transmission providers and their marketing and energy affiliates, since 2008, in Order No. 717, FERC concluded that the revised SOC rules do not apply to non-open access interstate pipelines that are certificated only under Part 157 of FERC's regulations, such as KBPC's share of the Kelso-Beaver Pipeline. Given this, KBPC is not required to comply with the current FERC SOC regulations with respect to its affiliated relationship with NW Natural, and KBPC and NW Natural may continue to share employees as necessary to conduct the business of KBPC.

Effective December 1, 2004, KBPC resigned as operator of the Kelso-Beaver Pipeline. Since that date, certain operator responsibilities were handled under contract by Cascade Natural Gas Corporation ("Cascade"), which is not affiliated with any of the co-owners. Cascade resigned as the operator effective December 31, 2010, and since that time, co-owner Portland General Electric ("PGE") has assumed the operator responsibilities for the pipeline.

Northwest Energy Corporation

NW Natural wholly owns Northwest Energy Corporation ("NW Energy Corp"), which was formed in 2001 to serve as the holding company for NW Natural and PGE in the event that the proposed acquisition of PGE was completed. However, the acquisition effort was terminated in May 2002, and the corporation remained dormant until 2013. Since 2013, NW Energy Corp has served as the holding company for NWN Gas Reserves LLC.

Affiliated transactions between NW Natural and NW Energy Corp generally include:

- Equity distributions/contributions between NW Natural and NW Energy Corp;
- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual;
- Insurance may be purchased by NWN on behalf of the consolidated enterprise, and is subsequently charged to NWN Energy and reimbursed to NWN through intercompany billings; and
- Payments between NW Natural and NW Energy Corp for NW Energy Corp's current tax expense or benefit.

Northwest Energy Sub Corporation

Northwest Energy Sub Corporation ("NW Energy Sub") was a subsidiary of Northwest Energy Corporation, and was formed in 2001 to be a holding company in the event that the acquisition of PGE was completed. Articles of Dissolution were filed with respect to the Corporation on March 6, 2018.

NWN Gas Reserves LLC

NWN Gas Reserves LLC ("NWN Gas Reserves") is a wholly owned subsidiary of Northwest Energy Corporation and was formed in December 2012. In 2013, NW Natural's working interest in the Jonah gas field was transferred to this entity. The agreements related to the working interest were amended in 2014 to facilitate Encana Oil & Gas (USA) Inc.'s sale of its interest in the Jonah Field to an affiliate of TPG Capital. The agreements related to the working interest were again amended in 2016 to further clarify the terms related to additional well development and capital expenditures.

Affiliated transactions between NW Natural, NW Energy Corp and NWN Gas Reserves generally include:

- Equity distributions/contributions between NW Natural and NW Energy Corp and/or NWN Gas Reserves LLC
- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual;
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently charged to NWN Energy and reimbursed to NWN through intercompany billings; and
- Payments between NW Natural and the NWN Gas Reserves for current tax expense or benefit.

Northwest Biogas, LLC

Effective October 1, 2018, NW Holdings owns a 50% membership interest in Northwest Biogas, LLC ("NW Biogas"). NW Holdings also serves as the Managing Member. The other 50% membership interest is owned by BEF Renewable Incorporated. NW Biogas previously developed and operates a demonstration biodigester located at Three Mile Canyon Farms in Boardman, Oregon. In 2017, NW Biogas began leasing the previously used demonstration biodigester to an unaffiliated third party.

NW Natural Energy, LLC

Effective October 1, 2018, NW Natural Energy, LLC (“NWN Energy”) became a wholly-owned subsidiary of NW Holdings. NWN Energy was formed in 2009 to own NW Natural Gas Storage, LLC (“NWN Gas Storage”) and other non-utility businesses.

Affiliated transactions between NWN and NWN Energy generally include:

- Direct charges for NWN Energy’s use of NWN’s administrative and operating staff;
- Annual allocation of indirect charges pursuant to NW Natural’s Cost Allocation Manual;
- Infrequent vendor payments made by NWN on behalf of NWN Energy, which are then subsequently direct charged to NWN Energy and reimbursed to NWN through intercompany billings;
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently charged to NWN Energy and reimbursed to NWN through intercompany billings;
- Equity distributions/contributions between NWN and NWN Energy (pre-October 1, 2018 only); and
- Payments between NWN and NWN Energy for NWN Energy’s current tax expense or benefit (pre-October 1, 2018 only).

NW Natural Gas Storage, LLC

NWN Energy wholly owns NWN Gas Storage, which was formed in 2009. The entity owns and manages non-utility gas storage interests.

Affiliated transactions between NWN and NWN Gas Storage generally include:

- Direct charges for NWN Gas Storage’s use of NWN’s administrative and operating staff;
- Annual allocation of indirect charges pursuant to NW Natural’s Cost Allocation Manual;
- Infrequent vendor payments made by NWN on behalf of NWN Gas Storage, which are then subsequently direct charged to NWN Gas Storage and reimbursed by NWN Gas Storage’s subsidiary, Gill Ranch Storage, LLC (“GRS”);
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently direct charged to NWN Gas Storage and reimbursed to NWN through intercompany billings;
- Equity investments in NWN Gas Storage via NWN Energy (pre-October 1, 2018 only);
- Distributions from NWN Gas Storage to NWN Energy (pre-October 1, 2018 only); and
- Payments between NWN and NWN Gas Storage for NWN Gas Storage’s current tax expense or benefit (pre-October 1, 2018 only).

Gill Ranch Storage, LLC

GRS was formed in 2007. In 2007, GRS entered into a Joint Project Agreement with Pacific Gas & Electric Company (“PG&E”) to develop and own the Gill Ranch underground natural gas storage facility near Fresno, California. Currently, GRS owns 75% undivided ownership interest in this facility and is the sole operator of the facility. PG&E owns 25% undivided ownership interest. Ownership in the facility is structured as tenants in common. GRS owns rights of 75% of the available storage capacity at the facility. GRS’s share is designed to provide 15 Bcf of working gas capacity. The facility began operations in the fourth quarter of 2010.

GRS is subject to California Public Utility Commission (“CPUC”) regulation with respect to the gas storage services it provides, but it has market-based rate authority with respect to the rates for its services offered in the California market. In addition, GRS is subject to regulation by the CPUC for certain activities, including but not limited to the issuance of securities, operation of the facility, certain terms of customer services, systems of accounts, the nature of investments it may make, safety standards, and transactions with affiliated interests. Accounting records and practices of its regulated business conform to the requirements and uniform system of accounts prescribed by its regulatory authority in accordance with U.S. GAAP.

Affiliated transactions between NWN and GRS generally include:

- Direct charges for GRS’s use of NWN’s administrative and operating staff;
- Annual allocation of indirect charges pursuant to NW Natural’s Cost Allocation Manual;
- Vendor payments made by NWN on behalf of GRS and subsequently reimbursed by GRS through intercompany billings;
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently direct charged to GRS and reimbursed to NWN through intercompany billings; and
- Equity investments in GRS from NWN Gas Storage (pre-October 1, 2018 only);
- Distributions from GRS to NWN Gas Storage (pre-October 1, 2018 only); and
- Payments between NWN and GRS for GRS’s current tax expense or benefit (pre-October 1, 2018 only).

Trail West Holdings, LLC (“TWH”)

NWN Energy and TransCanada American Investment Ltd. each own a fifty percent (50%) membership interest in TWH. TWH wholly owns Trail West Pipeline, LLC (TWP), which is developing the cross-Cascades natural gas pipeline. See below for description of TWP.

Affiliated transactions between NWN/NWN Energy and TWH generally include:

- Direct charges for TWH’s use of NWN administrative and operating staff;

- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual; and
- Because accounting is based on the equity method, TWH has no separate set of accounts except for dedicated nominal accounts in other income and expense on NWN Energy's Income Statement, which includes non-billable expenses to TWH. The investment is tracked as "Other Investments" (account 124059).

Trail West Pipeline, LLC ("TWP")

TWP is a wholly-owned subsidiary of TWH, and has been pursuing the development of a proposed FERC-regulated cross-Cascades natural gas pipeline.

Affiliated transactions between NWN and the affiliate would generally include:

- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently charged to TWP and reimbursed to NWN through intercompany billings; and
- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual.

BL Credit Holdings, LLC

BL Credit Holdings, LLC is a wholly-owned subsidiary of TWP.

NW Natural Water Company, LLC

NW Natural Water Company, LLC ("NW Water") is a subsidiary of NW Holdings (effective October 1, 2018), and was formed in December 2017 to be a holding company for one or more water companies.

Affiliated transactions between NWN and the affiliate would generally include:

- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently charged to NW Water and reimbursed to NWN through intercompany billings;
- Direct charges of NWN's payroll and administrative expense for NW Water's use of NWN staff;
- Infrequent vendor payments may be made by NWN on behalf of NW Water, which are then subsequently direct charged to NW Water and reimbursed to NWN through intercompany billings; and
- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual.

NW Natural Water of Oregon, LLC

NW Natural Water of Oregon, LLC is a subsidiary of NW Water and was formed in October 2018 to be a holding company for one or more water companies in Oregon.

Affiliated transactions between NWN and the affiliate would generally include:

- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual;
- Direct charges of NWN's payroll and administrative expense for NW Natural Water of Oregon, LLC's use of NWN staff; and
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently direct charged to NW Natural Water of Oregon, LLC and reimbursed to NWN through intercompany billings.

NW Natural Water of Washington, LLC

NW Natural Water of Washington, LLC is a subsidiary of NW Water and was formed in October 2018 to be a holding company for one or more water companies in Washington.

Affiliated transactions between NWN and the affiliate would generally include:

- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual;
- Direct charges of NWN's payroll and administrative expense for NW Natural Water of Washington, LLC's use of NWN staff; and
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently direct charged to NW Natural Water of Washington, LLC and reimbursed to NWN through intercompany billings.

Cascadia Water, LLC

Cascadia Water, LLC is a subsidiary of NW Water and was formed in April 2018 to hold assets acquired from water utilities in Washington.

Affiliated transactions between NWN and the affiliate would generally include:

- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual;
- Direct charges of NWN's payroll and administrative expense for Cascadia Water, LLC's use of NWN staff; and
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently direct charged to Cascadia Water, LLC and reimbursed to NWN through intercompany billings.

NW Natural Water of Idaho, LLC

NW Natural Water of Idaho, LLC ("NW Water ID") is a subsidiary of NW Water and was formed in October 2018 to be a holding company for one or more water companies in Idaho.

Affiliated transactions between NWN and the affiliate would generally include:

- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual;
- Direct charges of NWN's payroll and administrative expense for NW Water ID's use of NWN staff; and
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently direct charged to NW Water ID and reimbursed to NWN through intercompany billings.

Gem State Water Company, LLC

Gem State Water Company, LLC is a subsidiary of NW Water ID and was formed in December 2018 to hold assets acquired from water utilities in Idaho. As of the date of this filing, no assets have been acquired.

Falls Water Co., Inc.

Falls Water Co., Inc. is a wholly owned subsidiary of NW Water. It is a water utility in Idaho acquired by NW Water through merger on September 12, 2018.

Affiliated transactions between NWN and the affiliate would generally include:

- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual;
- Direct charges of NWN's payroll and administrative expense for Falls Water Co.'s use of NWN staff; and
- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently direct charged to Falls Water Co. and reimbursed to NWN through intercompany billings.

FWC Merger Sub, Inc.

FWC Merger Sub, Inc. was a subsidiary of NW Water, and was formed in December 2017 to be a merger vehicle for the acquisition of an Idaho-based water company. FWC Merger Sub, Inc. was merged with and into Falls Water Co., Inc.

Salmon Valley Water Company

Salmon Valley Water Company is a wholly owned subsidiary of NW Water. It is a water utility in Idaho acquired by NW Water pursuant to a stock purchase agreement in November 2018.

Affiliated transactions between NWN and the affiliate would generally include:

- Annual allocation of indirect charges pursuant to NW Natural's Cost Allocation Manual;
- Direct charges of NWN's payroll and administrative expense for Salmon Valley Water Company's use of NWN staff; and

- Insurance purchased by NWN on behalf of the consolidated enterprise, and is subsequently charged to Salmon Valley Water Company and reimbursed to NWN through intercompany billings.

WAC 480-90-264 (2)(g)

A list of all common officers and directors between the gas utility and each such affiliated interest or subsidiary, along with their titles in each organization. [Transactions that equal or exceed \$100,000]

NORTHWEST NATURAL HOLDING COMPANY²

DIRECTORS

Tod R. Hamachek, Chair	C. Scott Gibson
David H. Anderson	Jane L. Peverett
Timothy P. Boyle	Kenneth Thrasher
Martha L. (“Stormy”) Byorum	Malia H. Wasson
John D. Carter	Charles A. Wilhoite
Mark S. Dodson	

OFFICERS

<u>Names</u>	<u>2018</u>
David H. Anderson	President and Chief Executive Officer
Frank H. Burkhartsmeier	Senior Vice President and Chief Financial Officer
MardiLyn Saathoff	Senior Vice President and General Counsel
Shawn M. Filippi	Vice President, Corporate Secretary and Chief Compliance Officer
Brody J. Wilson	Vice President, Chief Accounting Officer, Controller, and Treasurer

NORTHWEST NATURAL GAS COMPANY³

DIRECTORS

Tod R. Hamachek, Chair	C. Scott Gibson
David H. Anderson	Jane L. Peverett
Timothy P. Boyle	Kenneth Thrasher

² Directors and Officers as of October 1, 2018, when the holding company reorganization became effective. Changes that occurred during 2018 or after October 1, 2018, have been noted. Before October 1, 2018, David H. Anderson was the sole director of NW Holdings and NWN Merger Sub, Inc.

³ Directors and Officers as of December 31, 2018. Changes that occurred during 2018 or after December 31, 2018, have been noted.

Martha L. (“Stormy”) Byorum
John D. Carter
Mark S. Dodson

Malia H. Wasson
Charles A. Wilhoite
Steven E. Wynne

CHANGES IN MEMBERS OF THE BOARD

- Mr. Wilhoite was appointed to the Board of Directors effective August 1, 2018.
- Mr. Wynne was appointed to the Board of Directors effective October 2, 2018.

OFFICERS

<u>Names</u>	<u>2018</u>
David H. Anderson	President and Chief Executive Officer
Frank H. Burkhartsmeier	Senior Vice President and Chief Financial Officer
Lea Anne Doolittle	Senior Vice President and Chief Administrative Officer ⁴
MardiLyn Saathoff	Senior Vice President, Regulation and General Counsel
James Downing	Vice President and Chief Information Officer
Shawn M. Filippi	Vice President, Corporate Secretary and Chief Compliance Officer
Kimberly A. Heiting	Senior Vice President, Operations and Chief Marketing Officer
Jon G. Huddleston	Vice President, Engineering and Utility Operations
Thomas J.M. Imeson	Vice President, Public Affairs
Justin Palfreyman	Vice President, Strategy and Business Development
Melinda B. Rogers	Vice President and Chief Human Resources and Diversity Officer
Lori L. Russell	Vice President, Utility Services
Brody J. Wilson	Vice President, Chief Accounting Officer, Controller, and Treasurer

CHANGES IN OFFICERS

⁴ Ms. Doolittle retired as Senior Vice President and Chief Administrative Officer as of December 31, 2018.

- Ms. Heiting was appointed Senior Vice President, Communications and Chief Marketing Officer as of January 1, 2018. Ms. Heiting became Senior Vice President, Operations and Chief Marketing Officer as of March 31, 2018.
- Mr. Huddleston was appointed Vice President, Engineering and Utility Operations effective March 31, 2018.
- Ms. Rogers was appointed Vice President and Chief Human Resources and Diversity Officer as of August 1, 2018.
- Mr. Imeson retired effective March 31, 2019, and Ms. Kathryn M. Williams became Vice President, Public Affairs.

NNG FINANCIAL CORPORATION

Wholly-owned subsidiary of Northwest Natural Holding Company (*effective October 1, 2018*)

Type of operations: Financial

Year Created: 1984

BOARD OF DIRECTORS

David H. Anderson, Chair*

MardiLyn Saathoff*

Frank H. Burkhartsmeier*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

- No changes.

OFFICERS OF THE CORPORATION

David H. Anderson*	President and Chief Executive Officer
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Brody J. Wilson*	Treasurer and Controller
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Shawn M. Filippi*	Corporate Secretary
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Alison M. Pear	Assistant Corporate Secretary
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(*Officer of NWN)

CHANGES IN OFFICERS

- No changes.

KB PIPELINE COMPANY

Wholly-owned subsidiary of NNG Financial Corporation

Type of Operations: Gas Pipeline, Owner

Year Created: 1991

BOARD OF DIRECTORS

David H. Anderson, Chair*
Frank H. Burkhartsmeier*
MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

- No changes.

OFFICERS OF THE COMPANY

David A., Weber	President
Randolph S. Friedman	Vice President
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary
Alison M. Pear	Assistant Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

- David A. Weber was appointed President as of March 31, 2018.

NORTHWEST ENERGY CORPORATION

Wholly-owned subsidiary of Northwest Natural Gas Company
Type of Operations: Non-Operating Holding Company
Year Created: 2001

BOARD OF DIRECTORS

David H. Anderson, Chair*
Frank H. Burkhartsmeier*
MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

- No changes.

OFFICERS OF THE CORPORATION

David H. Anderson*	President and Chief Executive Officer
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary
Alison M. Pear	Assistant Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

- No changes.

NWN GAS RESERVES LLC

Wholly-owned subsidiary of Northwest Energy Corporation
Type of Operations: Natural Gas Reserves Development
Year Created: 2013

MANAGEMENT

Manager-managed
Manager: Board of Directors

BOARD OF DIRECTORS

David H. Anderson*
Frank H. Burkhartsmeyer*
MardiLyn Saathoff*
David A. Weber

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

- David A. Weber was appointed as a director effective March 31, 2018.

OFFICERS OF THE LIMITED LIABILITY COMPANY

David H. Anderson*	President and Chief Executive Officer
Justin B. Palfreyman*	Vice President
David A. Weber	Vice President
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary
Alison M. Pear	Assistant Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

- Justin B. Palfreyman was appointed Vice President as of April 1, 2018.
- David A. Weber was appointed Vice President as of April 1, 2018.

TRAIL WEST HOLDINGS, LLC

50% membership interest owned by NW Natural Energy, LLC
50% membership interest owned by TransCanada American Investment Ltd.
Type of Operations: Gas Pipeline Owner
Year created: 2006

MANAGEMENT

Management is by Management Committee consisting of: Russell Mahan, TransCanada and Justin Palfreyman, NW Natural Energy, LLC.

TRAIL WEST PIPELINE, LLC

Wholly-owned subsidiary of Trail West Holdings, LLC
Type of Operations: Gas Pipeline Owner and Operator
Year Created: 2006

MANAGEMENT

Management is by Management Committee of Trail West Holdings, LLC.

BL CREDIT HOLDINGS, LLC

Wholly-owned subsidiary of Trail West Pipeline, LLC.
Type of Operations: Gas Transportation
Year Created: 2009

MANAGEMENT

BL Credit Holdings, LLC is member-managed.

OFFICERS OF THE LIMITED LIABILITY COMPANY

No officers of NWN are officers of the limited liability company.

NW NATURAL ENERGY, LLC

Wholly-owned subsidiary of Northwest Natural Holding Company (*effective October 1, 2018*)
Type of Operations: Holding Company
Year Created: 2009

MANAGEMENT

NW Natural Energy, LLC is manager-managed
Manager: Board of Directors

BOARD OF DIRECTORS

David H. Anderson*
Frank H. Burkhartsmeyer*
MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

- Lea Anne Doolittle resigned as director effective as of December 31, 2018.

OFFICERS OF THE LIMITED LIABILITY COMPANY

David H. Anderson*	President and Chief Executive Officer
Justin Palfreyman*	Vice President
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary
Alison M. Pear	Assistant Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

- No changes.

NW NATURAL GAS STORAGE, LLC

Wholly-owned subsidiary of NW Natural Energy, LLC

Type of Operations: Natural Gas Storage Development and Holding Company

Year Created: 2009

MANAGEMENT

NW Natural Gas Storage, LLC is manager-managed

Manager: Board of Directors

BOARD OF DIRECTORS

David H. Anderson*
Frank H. Burkhartsmeyer*
MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

- Lea Anne Doolittle resigned as director effective as of December 31, 2018.

OFFICERS OF THE LIMITED LIABILITY COMPANY

David A. Weber	President and Chief Executive Officer
Justin Palfreyman*	Vice President
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary
Alison M. Pear	Assistant Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

- No changes.

GILL RANCH STORAGE, LLC

Wholly-owned subsidiary of NW Natural Gas Storage, LLC

Type of Operations: Natural Gas Storage

Year Created: 2007

MANAGEMENT

Gill Ranch Storage, LLC is manager-managed

Manager: Board of Directors

BOARD OF DIRECTORS

David H. Anderson*

Frank H. Burkhartsmeyer*

MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

- Lea Anne Doolittle resigned as director effective as of December 31, 2018.

OFFICERS OF THE LIMITED LIABILITY COMPANY

David A. Weber President and Chief Executive Officer

Justin Palfreyman* Vice President

Brody J. Wilson* Treasurer and Controller

Shawn M. Filippi* Corporate Secretary

Alison M. Pear Assistant Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

- No changes.

NW NATURAL WATER COMPANY, LLC

Wholly-owned subsidiary of Northwest Natural Holding Company

Type of Operations: Non-Operating Holding Company

Year Created: 2017

BOARD OF DIRECTORS

David H. Anderson, Chair*

Frank H. Burkhartsmeyer*

MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

- Lea Anne Doolittle was appointed to the Board of Directors on April 30, 2018, and resigned effective as of December 31, 2018.

OFFICERS OF THE CORPORATION

Justin Palfreyman*	President and Chief Executive Officer
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary
Alison M. Pear	Assistant Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

- Effective May 1, 2018, Mr. Palfreyman replaced Mr. Anderson as President and Chief Executive Officer.
- Effective May 1, 2018, Ms. Pear was added as Assistant Corporate Secretary.

NW NATURAL WATER OF OREGON, LLC

Wholly-owned subsidiary of Northwest Natural Water Company, LLC

Type of Operations: Water Company

Year Created: 2018

BOARD OF DIRECTORS

David H. Anderson, Chair*

Frank H. Burkhartsmeier*

MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

No changes.

OFFICERS OF THE CORPORATION

Justin B. Palfreyman*	President
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

No changes.

NW NATURAL WATER OF WASHINGTON, LLC

Wholly-owned subsidiary of Northwest Natural Water Company, LLC

Type of Operations: Water Company

Year Created: 2018 (Washington)

BOARD OF DIRECTORS

David H. Anderson, Chair*

Frank H. Burkhartsmeier*

MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

No changes.

OFFICERS OF THE CORPORATION

Justin B. Palfreyman* President

Brody J. Wilson* Treasurer and Controller

Shawn M. Filippi* Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

No changes.

CASCADIA WATER, LLC

Wholly-owned subsidiary of Northwest Natural Water Company, LLC

Type of Operations: Water Company

Year Created: 2018 (Washington)

BOARD OF DIRECTORS

David H. Anderson, Chair*

Frank H. Burkhartsmeier*

MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

No changes.

OFFICERS OF THE CORPORATION

Justin B. Palfreyman* President

Brody J. Wilson* Treasurer and Controller

Shawn M. Filippi*
Alison M. Pear
(*Officer of NWN)

Corporate Secretary
Assistant Corporate Secretary

CHANGES IN OFFICERS

- Effective June 1, 2018, Mr. Palfreyman replaced David H. Anderson as President.
- Effective June 1, 2018, Ms. Pear was added as Assistant Corporate Secretary.

NW NATURAL WATER OF IDAHO, LLC

Wholly-owned subsidiary of Northwest Natural Water Company, LLC
Type of Operations: Water Company
Year Created: 2018 (Idaho)

BOARD OF DIRECTORS

David H. Anderson, Chair*
Frank H. Burkhartsmeier*
MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

No changes.

OFFICERS OF THE CORPORATION

Justin B. Palfreyman* President
Brody J. Wilson* Treasurer and Controller
Shawn M. Filippi* Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

No changes.

GEM STATE WATER COMPANY, LLC

Wholly-owned subsidiary of Northwest Natural Water of Idaho, LLC
Type of Operations: Water Company
Year Created: 2018 (Idaho)

BOARD OF DIRECTORS

David H. Anderson, Chair*
Frank H. Burkhartsmeier*

MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

No changes.

OFFICERS OF THE CORPORATION

Justin B. Palfreyman*	President
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

No changes.

FALLS WATER CO., INC.

Wholly-owned subsidiary of Northwest Natural Water Company, LLC

Type of Operations: Water Company

Year Acquired: 2018 (Idaho); acquired by merger with FWC Merger Sub, Inc. on September 12, 2018

BOARD OF DIRECTORS⁵

David H. Anderson, Chair*
Frank H. Burkhartsmeyer*
MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

No changes after September 12, 2018, effective date of merger.

OFFICERS OF THE CORPORATION

Justin B. Palfreyman*	President
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

All officers appointed as of November 30, 2018.

⁵ Board of Directors effective as September 12, 2018, upon completion of the merger.

FWC MERGER SUB, INC.

Wholly-owned subsidiary of NW Natural Water Company, LLC
Type of Operations: Non-Operating Merger Sub Corporation
Year Created: 2017 (Idaho); MERGED INTO FALLS WATER CO., INC.
EFFECTIVE September 12, 2018

BOARD OF DIRECTORS

David H. Anderson, Chair*
Frank H. Burkhartsmeier*
MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

No changes; merged into Falls Water Co., Inc. effective September 12, 2018.

OFFICERS OF THE CORPORATION

David H. Anderson*	President and Chief Executive Officer
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

No changes; merged into Falls Water Co., Inc. effective September 12, 2018.

SALMON VALLEY WATER COMPANY

Wholly-owned subsidiary of Northwest Natural Water Company, LLC
Type of Operations: Water Company
Year Acquired: 2018; Acquired through purchase of outstanding stock effective
November 2, 2018.

BOARD OF DIRECTORS

David H. Anderson, Chair*
Frank H. Burkhartsmeier*
MardiLyn Saathoff*

(*Officer of NWN)

CHANGES IN MEMBERS OF THE BOARD

- All members of the Board of Directors as of December 31, 2018 were appointed effective as of December 1, 2018.

OFFICERS OF THE CORPORATION

Justin B. Palfreyman*	President
Brody J. Wilson*	Treasurer and Controller
Shawn M. Filippi*	Corporate Secretary

(*Officer of NWN)

CHANGES IN OFFICERS

- All officers as of December 31, 2018 were appointed effective as of December 1, 2018.

NORTHWEST BIOGAS, LLC

50% membership interest owned by Northwest Natural Holding Company
50% membership interest owned by BEF Renewable Incorporated
Type of Operations: Biodigester Owner
Year Created: 2008

Northwest Biogas, LLC is member-managed
Managing Member: Northwest Natural Holding Company

MANAGEMENT

Northwest Biogas, LLC is member-managed
Managing Member: Northwest Natural Holding Company

OFFICERS OF THE LIMITED LIABILITY COMPANY

Angus Duncan**	President
Barbara Summers	Vice President
Felicia Phillips**	Treasurer and Controller

** Not employees of NWN or its affiliates.

CHANGES IN OFFICERS

- Felicia Phillips was appointed Treasurer and Controller effective as of September 30, 2018.

Additional information included

Additional information incorporated into this 2018 affiliated interested report include the following:

- Confidential Exhibit A provides financial statements as discussed in response to WAC 480-90-264 (2)(a) above.
- Confidential Exhibit B provides the Cost Allocation Manual discussed in several items above.

- Exhibit C provides the report on compliance and officer attestation in compliance with Stipulating Condition No. 30 of Order 01 in docket UG-170094.

Please note that there have been no changes to the enclosed Cost Allocation Manual (Confidential Exhibit B) since NW Natural's filing of this same document with the Company's Master Services Agreement in compliance with Stipulating Condition No. 25e on December 28, 2018, in docket UG-170094. Please see Chart 1 in this Affiliated Interest Report for an updated organization chart.

CHART 1
(As of December 6, 2018, and as in effect on December 31,
2018)

