

The First Mortgage Bonds were sold through a public offering pursuant to its Distribution Agreement dated as of March 18, 2009, among the Company, Banc of America Securities LLC, UBS Securities LLC, J.P. Morgan Securities, Wells Fargo Securities LLC, and Piper Jaffray & Co., as amended by the Company's Notice dated November 8, 2016 (filed as Exhibit F to the Company's application).

The following statements are filed in compliance with WAC 480-90-242.

	1.545% Series B Secured MTN due 2018	3.211% Series B Secured MTN due 2026	4.136% Series B Secured MTN due 2046
(a) Principal amount of Medium-Term Notes Sold in this Docket	\$75,000,000	\$35,000,000	\$40,000,000
LESS: Discount	(0)	(0)	(0)
Agent's Commission	\$187,500	\$218,750	\$300,000
Expenses actually and necessarily incurred as detailed in this Report.....	\$440,398	\$285,519	\$304,878
Net proceeds to be accounted for ...	\$74,372,102	\$34,495,731	\$39,395,121

Note: Actual expenses for the Secured Notes sold under this docket have been estimated using inquiries of service providers, because actual bills for services may not yet been received.

(b) Disposition of Net Proceeds

The total net proceeds of \$148,262,954 received from the initial sale of First Mortgage Bonds in this Docket were made part of the general treasury funds of the Company and will be used for the acquisition of property, or the construction, completion, extension or improvement of its facilities, or the improvement or maintenance of its service, or the discharge or refunding of its obligations, or the reimbursement of moneys actually expended from income or from any other moneys in the treasury of the Company not secured by or obtained from the issue of stock or stock certificates or other evidence of interest or ownership, or bonds, notes or other evidence of indebtedness of the company for any of the aforesaid purposes except maintenance of service, or to be used for refunding the Company's short-term debt incurred in connection therewith. In either case where the Company keeps its accounts and vouchers for such expenditures in such manner as to enable the WUTC to ascertain the amount of money so expended and the purpose for which expenditure was made.

(c) Current Credit Ratings

The Company's current credit ratings for senior secured debt are AA- and A1 from S&P and Moody's respectively.

(d) Statement of Fees and Expenses

The expenses actually and necessarily incurred by the Company in the initial issuance of First Mortgage Bonds and the accumulative total in connection with the issuance and sale in this Docket of its First Mortgage Bonds, were as follows:

Item	1.545% Series B Secured MTN due 2018	3.211% Series B Secured MTN due 2026	4.136% Series B Secured MTN due 2046
Principal Amount.....	\$75,000,000	\$35,000,000	\$40,000,000
Less Discount.....	0	0	0
Gross Proceeds	\$75,000,000	\$35,000,000	\$40,000,000
Agent's Commission	\$187,500	\$218,750	\$300,000
Securities and Exchange Commission registration fee.....	8,693	4,057	4,636
State mortgage registration tax	0	0	0
New York Stock Exchange fee.....	0	0	0
State Commission fee	0	0	0
Fees for recording indenture	0	0	0
United States document tax.....	0	0	0
Printing and engraving expenses.....	3,211	1,498	1,712
Trustee's or Registrar's fees	4,250	1,983	2,267
Counsel's fees.....	100,960	47,115	53,845
Accountants' fees.....	2,500	1,167	1,333
Bond Rating Agency fees.....	150,000	150,000	150,000
Allocation of other shelf registration expenses.....	170,784	79,699	91,085
Subtotal	627,898	504,269	604,878
Net Amount Realized	\$74,372,102	\$34,495,731	\$39,395,121

Note: Actual expenses for the First Mortgage Bonds sold under this docket have been estimated using inquiries of service providers, because actual bills for services may not have yet been received.

The Company has determined that the fees, interest rates, and expenses associated with the issuance of the First Mortgage Bonds was cost-effective and consistent with competitive market prices.

(e) Documents in Connection with Sale

The Company filed the following with the Securities and Exchange Commission in connection with the sale of the First Mortgage Bonds:

Exhibit A Pricing Supplement dated November 29, 2016.

IN WITNESS WHEREOF, I certify (or declare) under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct this 2nd day of February 2017.

NORTHWEST NATURAL GAS COMPANY

By: _____


Brody J. Wilson

Chief Financial Officer, Treasurer, Chief Accounting
Officer and Controller