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May 29, 2020

VIA ELECTRONIC FILING

Mr. Mark L. Johnson, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: 2019 Annual Securities Transaction Report for Dockets UG-180724, UG-180810, and UG-190482

Mr. Johnson:

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" or "NW Natural") annual securities transaction report.

As described in the Company's annual securities transaction report for the year ended December 31, 2018 ("2018 Report"), effective October 1, 2018, NW Natural completed a reorganization into a holding company structure, as approved by the WUTC in 2017 pursuant to Order 01 under docket UG-170094 (Reorganization). As part of the Reorganization, the Company's Stock Option Plan (SOP), Employee Stock Purchase Plan (ESPP), Dividend Reinvestment and Stock Purchase Plan (DRIP/DSPP), and Long-Term Incentive Plan (LTIP, and together with the SOP, ESPP and DRIP/DSPP, the Plans) were modified to relate to Northwest Natural Holding Company (NW Holdings) common stock and the common stock issued pursuant to the Plans after October 1, 2018 would be satisfied with an equal number of shares of NW Holdings common stock, instead of common stock of NW Natural. As a result, information provided in the 2018 Report only relates to the shares of NW Natural common stock issued prior to October 1, 2018 and, pursuant to the 2018 Report, no further reports are required with respect to the dockets related to such Plans. Therefore, NW Natural will no longer be reporting on the following dockets, either in this report or in future annual securities transaction reports: Dockets UG-143634, UG-030290, UG-061700, and UG-130150.

Docket Under Which No Securities Were Issued.

No securities were issued under the following dockets in 2019:

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Docket UG-180810 (Revolving Line of Credit)
Docket UG-180724 (First Mortgage Bonds)

Correspondingly, there are no proceeds to report, and in the case of Docket UG-180724, no expenses to report. However, expenses were incurred for the line of credit authorized under UG-180810; those expenses are disclosed in Section 3 of this Report.

The First Mortgage Bonds authorized under Docket UG-180724 were issued in 2018, and the Company therefore will not file further reports on Docket UG-180724.

Annual Securities Transaction Report For Year Ended December 31, 2019.

(1) Schedule of Securities Issued.

Docket UG-190482, First Mortgage Bonds:

On June 7, 2019, the Company filed a statement, complying with RCW 80.08.040, with the Commission for the proposed issuance and sale of up to \$150,000,000 aggregate principal amount of Medium-Term Notes, Series B in one or more tranches ("First Mortgage Bonds"). Effective June 27, 2019, the Commission entered its Order No. 01 establishing the Company's compliance with the requirements of RCW 80.08 with respect to the Company's intent to issue and sell up to \$150,000,000 aggregate principal amount of the First Mortgage Bonds.

On June 17, 2019, the Company issued and sold through its selling agents U.S. Bancorp Investments, Inc., CIBC World Markets Corp., and TD Securities (USA) LLC, \$140,000,000 aggregate principal amount, at 100 percent of par, of its First Mortgage Bonds as follows:

<u>Principal Amount Sold in this Docket</u>	<u>Coupon Interest Rate</u>	<u>Type of Note</u>	<u>Date of Issue</u>	<u>Maturity Date</u>
\$50,000,000	3.141%	Secured	June 17, 2019	June 15, 2029
\$90,000,000	3.869%	Secured	June 17, 2019	June 15, 2049

The First Mortgage Bonds were sold through a public offering pursuant to a Distribution Agreement dated as of March 18, 2009, among the Company, Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities Inc., Wells Fargo Securities LLC, U.S. Bancorp Investments, Inc., BMO Capital Markets Corp., RBC Capital Markets, LLC, CIBC World Markets Corp., and TD Securities (USA) LLC, as amended by the Company's Notice dated October 3, 2018.

Additional information regarding the sale of the First Mortgage Bonds was provided in the Company's Initial Report of Securities Issued, and Disposition of Proceeds, filed on August 15, 2019.

(2) Use of Proceeds from Securities Transactions.

Docket UG-190482, First Mortgage Bonds:

The total net proceeds of \$138,327,690 received from the initial sale of First Mortgage Bonds pursuant to Docket UG-190482 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. In each case, 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 the expenditure was made.

(3) Expenses for Securities Transactions.

Docket UG-180810, Revolving Line of Credit:

The following Table lists the level of expenses for the Revolving Line of Credit authorized in UG-180810 in 2019:

Lender commitment fees	\$ 380,833 ¹
Administrative agent fees	\$15,000
Upfront fees	\$0
Arrangement fee	\$0
Counsel fees and Out-of-pocket legal and administrative costs to agent	\$0
Miscellaneous expenses (e.g. CUSIP, freight, postage)	\$0
Total Expenses Paid in 2019	\$395,833

¹ Of these fees, \$76,667 were attributable to 2018 though they were not paid by the Company until 2019.

Docket UG-190482, First Mortgage Bonds:

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 Docket UG-190482 of its First Mortgage Bonds, were as follows:

<u>Item</u>	<u>3.141% Series B Secured MTN due 2029</u>	<u>3.869% Series B Secured MTN due 2049</u>
Principal Amount	\$50,000,000	\$90,000,000
Less Discount	0	0
Gross Proceeds	\$50,000,000	\$90,000,000
Agent's Commission	\$312,500	\$675,000
Securities and Exchange Commission registration fee	\$6,049	\$10,889
State mortgage registration tax	0	0
New York Stock Exchange fee	0	0
State Commission fee	0	0
Fees for recording indenture	0	0
United States document tax	0	0
Printing and engraving expenses	\$330	\$593
Trustee's or Registrar's fees*	\$738	\$1,327
Counsel's fees	\$57,236	\$103,026
Accountants' fees	0	0
Bond Rating Agency fees	\$144,750	\$220,000
Allocation of other shelf registration expenses	\$49,954	\$89,918
Subtotal	\$571,557	\$1,100,753
Net Amount Realized	\$49,428,443	\$88,899,247

*Does not include annual fees associated with the on-going trustee services provided in connection with the Company's Medium-Term Note program, regardless of any specific debt securities issuance.

Note: Actual expenses for the First Mortgage Bonds sold under Docket UG-190482 have been estimated using inquiries of service providers, because actual bills for services may not yet have been received.

(4) Schedule of Securities Retired, Refunded or Repurchased.

As part of the Reorganization, each outstanding share of Company common stock was converted into one share of NW Holdings common stock, and the Company's Plans were modified to relate to NW Holdings common stock, such that no further shares of Company common stock will be issued pursuant to the Plans as of October 1, 2018. Since the Company no longer issues

equity securities, there are no purchases of Company equity securities to report for the year ended December 31, 2019.

(5) Schedule of Securities Scheduled to Mature in 2020.

The following is a schedule of securities maturing in 2020:

<u>5.370% Series B Medium-Term Notes</u>	<u>\$75,000,000</u>
Total	\$75,000,000

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

Sincerely,



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