

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of)	DOCKET NO. UG-050890
)	
NORTHWEST NATURAL GAS)	ORDER NO. 01
COMPANY,)	
)	
Petitioner,)	
)	
For an Order Establishing)	
Compliance with RCW 80.08.040,)	
with Respect to its Proposal to issue)	ORDER ESTABLISHING
and sell an additional 750,000 shares)	COMPLIANCE WITH RCW
of common stock)	80.08.040
.....)	
.)	

BACKGROUND

- 1 On June 13, 2005, Northwest Natural Gas Company (Northwest) filed a statement of a planned securities issuance with the Washington Utilities and Transportation Commission (Commission). The Company requested an order affirming that the Company has complied with the requirements of RCW 80.08.040. In its application the Company proposes to issue and sell an additional 750,000 shares of common stock. The application is filed pursuant to Chapter 80.08 RCW and the requirements of WAC 480-146-290.

- 2 According to the application and supporting materials filed by the Company, the proceeds of the financing are for one or more of the purposes allowed by RCW 80.08.030.

FINDINGS AND CONCLUSIONS

- 3 (1) Northwest is engaged in the business of gas service within the state of
Washington. As a public service company, it is subject to the jurisdiction
of the Commission under the provisions of Chapter 80.08 RCW.
- 4 (2) As to form, the application herein meets the requirements of Chapter 80.08
RCW and the rules and regulations of the Commission adopted pursuant
thereto. *Chapter 480-146 WAC.*
- 5 (3) This matter was brought before the Commission at its regularly scheduled
meeting on June 29, 2005.
- 6 (4) The Company's application contains: (a) a certification by an authorized
officer that the proceeds will be used for one or more purposes allowed by
RCW 80.08.030; (b) a description of the proposed issuance, including the
terms of financing, and (c) a statement as to why the proposed
transaction[s] is[are] in the public interest.

ORDER

THE COMMISSION ORDERS:

- 7 (1) Natural Gas Company has complied with the requirements of RCW
80.08.040 with respect to the proposals set forth in its application to issue
and sell an additional 750,000 shares of common stock.
- 8 (2) The Company is directed to file a Report of Securities Issued as required
by WAC 480-146-340. The Company is also required to file verified copies
of any agreement entered into in connection with any transaction
pursuant to this Order. Finally, the Company shall file a verified

statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to this Order.

- 9 (3) This Order shall in no way affect the authority of this Commission over rates, services, accounts, valuations, estimates, or determination of costs, or any matters whatsoever that may come before it, nor shall anything herein be construed as acquiescence in any estimate or determination of costs, or any valuation of property claimed or asserted.

The Commissioners, having determined this filing complies with the requirements of Chapter 80.08 RCW, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective this 29th day of June, 2005.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary