

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

Northwest Natural Gas Company,)	DOCKET No. UG-070940
)	
Petitioner,)	ORDER No. 01
)	
For an Order Establishing Compliance)	
with RCW 80.08.040, with Respect to its)	ORDER ESTABLISHING
Proposal to enter into a Revolving Line)	COMPLIANCE WITH RCW
of Credit in the amount of \$400,000,000)	80.08.040
Constituting a Back-Up Line of Credit)	
for its Commercial Paper)	
.....)	

BACKGROUND

- 1 On May 14, 2007, pursuant to RCW 80.08.040, Northwest Natural Gas Company (the Company) filed a notice of a security it plans to issue, the terms and conditions for the security and a statement as to why that transaction is in the public interest.

- 2 The Company proposes to enter into a revolving line of credit with a group of banks in the amount of \$400,000,000 to support the Company's commercial paper program.

- 3 Northwest Natural Gas Company requests the Utilities and Transportation Commission (UTC or Commission) to enter a written order affirming that the Company has complied with the requirements of RCW 80.08.040.

FINDINGS AND CONCLUSIONS

- 4 (1) Northwest Natural Gas Company is a public service company providing natural gas service within the state of Washington. Northwest Natural Gas Company is subject to Commission regulation under Title 80 RCW, and in particular, RCW 80.08.

- 5 (2) The information the Company filed in this docket includes: (a) a certification by an authorized officer that the proceeds from the financing are 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 proposal to issue and sell these securities is in the public interest.

- 6 (3) As to form, this information complies with the requirements of RCW 80.08.040.

ORDER

THE COMMISSION ORDERS:

- 7 (1) Northwest Natural Gas Company has complied with the requirements of RCW 80.08.040 with respect to its proposal to enter into a credit agreement in the amount of \$400,000,000.
- 8 (2) The Company is directed to file a Report of Securities Issued as required by WAC 480-90-242(6). 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.

The Commissioners determined this filing complies with RCW 80.08.040 and directed the Executive Secretary to enter this Order.

DATED at Olympia, Washington, and effective May ____, 2007.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Executive Secretary