

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

In the Matter of the Application of)	
)	
Northwest Natural Gas Company)	DOCKET NO. UG-011607
)	
For an Order Approving a Corporate)	ORDER DIRECTING THIS
Reorganization to Create a Holding)	MATTER BE SET
Company, Northwest Natural Holdco, in)	FOR HEARING
Connection with the Acquisition of)	
Portland General Electric Company by)	
Northwest Natural Holdco.)	
.....)	

BACKGROUND

- 1 On December 4, 2001, Northwest Natural Gas Company (NW Natural or the Company) filed an application for an Order approving a corporate reorganization to create Northwest Natural Holdco, a holding company, to acquire Portland General Electric Company (PGE).
- 2 In addition, NW Natural requested expeditious consideration to issue a decision approving the application by May 15, 2002, citing the unusual circumstances created by the Enron bankruptcy and the benefits of taking advantage of currently low interest rates to secure financing in connection with this transaction.

FINDINGS

- 3 Northwest Natural Gas Company is a gas company and is a public service company subject to the jurisdiction of the Commission. This application for an order approving a corporate reorganization to create Northwest Natural Holdco, a holding company, to acquire Portland General Electric Company, requires analyses and reviews to provide information sufficient to ensure the rights and interests of the public will not be adversely affected. The Commission will enter upon an investigation and set this matter for hearing concerning such reorganization to determine its reasonableness and justness.

ORDER

- 4 THE COMMISSION ORDERS:
- 5 (1) The Commission will institute an investigation of Northwest Natural Gas Company's and Portland General Electric Company's books, accounts, practices, activities, property and operations.

- 6 (2) The Commission will hold a prehearing conference pursuant to separate notice at 1:30 p.m., on January 24, 2002, in Room 206, Chandler Plaza Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.

DATED at Olympia, Washington, and effective this 9th day of January, 2002.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner