SCHEDULE 211 SPECIAL RATE ADJUSTMENT SCHEDULE 90-T AND SCHEDULE 91-T (continued)

RATE ADJUSTMENTS (continued):

Period 3. June 1, 2001 through May 31, 2003

Margin Migration:

For any remaining margin shortfalls, a margin surcharge will be paid by the electing Customers, as described under Period 1, less an amount equal to the electing Customer's proportional allocation of the total margin benefits experienced. The total margin surcharge offset during Period 3 for all electing Customers combined shall not exceed \$200,000.

Demand Differential:

Any remaining interest accrued on any net collection balance in the special demand charge deferred account established in Period 1 shall be paid by the electing Customers in the manner described in the demand differential provision set forth above under the section governing Period 1.

TERMINATION OF RATE ADJUSTMENTS:

This rate schedule shall automatically terminate on May 31, 2004, or upon resolution of a general rate case filing, whichever comes first.

GENERAL RULES AND REGULATIONS:

This schedule is subject to the General Rules and Regulations contained in this *Tariff* and to those prescribed by regulatory authorities, as amended from time to time.

Issued April 29, 1999 NWN Advice No. WUTC 99-2A Effective with service on and after June 1, 1999

Issued by: NORTHWEST NATURAL GAS COMPANY

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