

NATURAL GAS COMPANIES
(Class A and B)

ANNUAL REPORT

OF

NORTHWEST NATURAL GAS COMPANY

(Exact Legal Name of Respondent)

If name was changed during year, show also the previous name and date of change

PORTLAND, OREGON

(Address of Principal Business Office at End of Year)

TO THE

PUBLIC UTILITY COMMISSION OF OREGON

AND

**WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

FOR THE

YEAR ENDED DECEMBER 31, 2014

Name, Title, and address of officer or other person to whom should be addressed any communication concerning this report:

Brody J. Wilson, Controller
220 N. W. Second Avenue
Portland, Oregon 97209

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THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No. _____

Form 2 Approved
OMB No.1902-0028
(Expires 09/30/2017)

Form 3-Q Approved
OMB No.1902-0205
(Expires 11/30/2016)



FERC FINANCIAL REPORT

FERC FORM No. 2: Annual Report of Major Natural Gas Companies and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR Parts 260.1 and 260.300. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Year/Period of Report
End of

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INSTRUCTIONS FOR FILING FERC FORMS 2, 2-A and 3-Q

GENERAL INFORMATION

I Purpose

FERC Forms 2, 2-A, and 3-Q are designed to collect financial and operational information from natural gas companies subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

II. Who Must Submit

Each natural gas company whose combined gas transported or stored for a fee exceed 50 million dekatherms in each of the previous three years must submit FERC Form 2 and 3-Q.

Each natural gas company not meeting the filing threshold for FERC Form 2, but having total gas sales or volume transactions exceeding 200,000 dekatherms in each of the previous three calendar years must submit FERC Form 2-A and 3-Q.

Newly established entities must use projected data to determine whether they must file the FERC Form 3-Q and FERC Form 2 or 2-A.

III. What and Where to Submit

(a) Submit Forms 2, 2-A and 3-Q electronically through the submission software at <http://www.ferc.gov/docs-filing/eforms/form-2/elec-subm-soft.asp>.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Form 2 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mailing two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Form 2, Page 3, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared. Unless eFiling the Annual Report to Stockholders, mail these reports to the Secretary of the Commission at:

Secretary of the Commission
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the Annual CPA certification, submit with the original submission of this form, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984) prepared in conformity with the current standards of reporting which will:

(i) Contain a paragraph attesting to the conformity, in all material respects, of the schedules listed below with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

(ii) be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 158.10-158.12 for specific qualifications.)

Reference	<u>Reference</u> <u>Schedules Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

Filers should state in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist

(e) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders" and "CPA Certification Statement," have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission website at <http://www.ferc.gov/help/how-to.asp>

(f) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 2 and 2-A free of charge from: <http://www.ferc.gov/docs-filing/eforms/form-2/form-2.pdf> and <http://www.ferc.gov/docs-filing/eforms/form-2a/form-2a.pdf>, respectively. Copies may also be obtained from the Public Reference and Files Maintenance Branch, Federal Energy Regulatory Commission, 888 First Street, NE, Room 2A, Washington, DC 20426 or by calling (202).502-8371

IV. When to Submit:

FERC Forms 2, 2-A, and 3-Q must be filed by the dates:

- (a) FERC Form 2 and 2-A --- by April 18th of the following year (18 C.F.R. §§ 260.1 and 260.2)
- (b) FERC Form 3-Q --- Natural gas companies that file a FERC Form 2 must file the FERC Form 3-Q within 60 days after the reporting quarter (18 C.F.R. § 260.300), and
- (c) FERC Form 3-Q --- Natural gas companies that file a FERC Form 2-A must file the FERC Form 3-Q within 70 days after the reporting quarter (18 C.F.R. § 260.300).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the Form 2 collection of information is estimated to average 1,623 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the Form 2A collection of information is estimated to average 250 hours per response. The public reporting burden for the Form 3-Q collection of information is estimated to average 165 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare all reports in conformity with the Uniform System of Accounts (USofA) (18 C.F.R. Part 201). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or Dth) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions.**
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Footnote and further explain accounts or pages as necessary.
- IX. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- X. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.
- XI. Report all gas volumes in Dth unless the schedule specifically requires the reporting in another unit of measurement.

DEFINITIONS

- I. Btu per cubic foot – The total heating value, expressed in Btu, produced by the combustion, at constant pressure, of the amount of the gas which would occupy a volume of 1 cubic foot at a temperature of 60°F if saturated with water vapor and under a pressure equivalent to that of 30°F, and under standard gravitational force (980.665 cm. per sec) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air when the water formed by combustion is condensed to the liquid state (called gross heating value or total heating value).
- II. Commission Authorization -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.
- III. Dekatherm – A unit of heating value equivalent to 10 therms or 1,000,000 Btu.
- IV. Respondent – The person, corporation, licensee, agency, authority, or other legal entity or instrumentality on whose behalf the report is made.

EXCERPTS FROM THE LAW
(Natural Gas Act, 15 U.S.C. 717-717w)

"Sec. 10(a). Every natural-gas company shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or order prescribe as necessary or appropriate to assist the Commission in the proper administration of this act. The Commission may prescribe the manner and form in which such reports shall be made and require from such natural-gas companies specific answers to all questions upon which the Commission may need information. The Commission may require that such reports include, among other things, full information as to assets and liabilities, capitalization, investment and reduction thereof, gross receipts, interest dues and paid, depreciation, amortization, and other reserves, cost of facilities, costs of maintenance and operation of facilities for the production, transportation, delivery, use, or sale of natural gas, costs of renewal and replacement of such facilities, transportation, delivery, use and sale of natural gas..."

"Section 16. The Commission shall have power to perform all and any acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of this act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this act; and may prescribe the form or forms of all statements declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and time within they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. See NGA § 22(a), 15 U.S.C. § 717t-1(a).

**FERC FORM NO. 2:
ANNUAL REPORT OF MAJOR NATURAL GAS COMPANIES**

IDENTIFICATION			
01 Exact Legal Name of Respondent Northwest Natural Gas Company		02 Year of Report Dec. 31, 2014	
03 Previous Name and Date of Change (If name changed during year)			
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 220 N.W. Second Avenue, Portland, Oregon 97209			
05 Name of Contact Person Brody J. Wilson		06 Title of Contact Person Controller	
07 Address of Contact Person (Street, City, State, Zip Code) 220 N.W. Second Avenue, Portland, Oregon 97209			
08 Telephone of Contact Person, Including Area Code (503) 226-4211		09 This Report Is <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Day, Yr) May 1, 2015
ATTESTATION			
<p>The undersigned officer certifies that:</p> <p>I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.</p>			
11 Name Brody J. Wilson		12 Title Controller	
13 Signature 		14 Date Signed (Mo, Day, Yr) 4/30/2015	
<p>Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.</p>			

Name of Respondent Northwest Natural Gas Company		This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
List of Schedules (Natural Gas Company)					
Enter in Column (d) the terms "none", "not applicable", or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".					
Line No.	Title of Schedule (a)	Reference Page Number (b)	Date Revised (c)	Remarks (d)	
	GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS				
1	General Information	101			
2	Control Over Respondent	102			NA
3	Corporations Controlled by Respondent	103			
4	Security Holders and Voting Powers	107			
5	Important Changes During the Year	108			
6	Comparative Balance Sheet	110-113			
7	Statement of Income for the Year	114-116			
8	Statement of Accumulated Comprehensive Income and Hedging Activities	117			
9	Statement of Retained Earnings for the Year	118-119			
10	Statements of Cash Flows	120-121			
11	Notes to Financial Statements	122			
	BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)				
12	Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201			
13	Gas Plant in Service	204-209			
14	Gas Property and Capacity Leased from Others	212			
15	Gas Property and Capacity Leased to Others	213			NA
16	Gas Plant Held for Future Use	214			
17	Construction Work in Progress-Gas	216			
18	Non-Traditional Rate Treatment Afforded New Projects	217			NA
19	General Description of Construction Overhead Procedure	218			
20	Accumulated Provision for Depreciation of Gas Utility Plant	219			
21	Gas Stored	220			
22	Investments	222-223			
23	Investments in Subsidiary Companies	224-225			
24	Prepayments	230			
25	Extraordinary Property Losses	230			
26	Unrecovered Plant and Regulatory Study Costs	230			
27	Other Regulatory Assets	232			
28	Miscellaneous Deferred Debits	233			
29	Accumulated Deferred Income Taxes	234-235			
	BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)				
30	Capital Stock	250-251			
31	Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252			
32	Other Paid-in Capital	253			
33	Discount on Capital Stock	254			NA
34	Capital Stock Expense	254			
35	Securities issued or Assumed and Securities Refunded or Retired During the Year	255			
36	Long-Term Debt	256-257			
37	Unamortized Debt Expense, Premium, and Discount on Long-Term Debt	258-259			

Name of Respondent Northwest Natural Gas Company		This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
List of Schedules (Natural Gas Company)				
Enter in Column (d) the terms "none", "not applicable", or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".				
Line No.	Title of Schedule (a)	Reference Page Number (b)	Date Revised (c)	Remarks (d)
38	Unamortized Loss and Gain on Reacquired Debt	260		
39	Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	261		
40	Taxes Accrued, Prepaid, and Charged During Year	262-263		
41	Miscellaneous Current and Accrued Liabilities	268		
42	Other Deferred Credits	269		
43	Accumulated Deferred Income Taxes-Other Property	274-275		
44	Accumulated Deferred Income Taxes-Other	276-277		
45	Other Regulatory Liabilities	278		NA
INCOME ACCOUNT SUPPORTING SCHEDULES				
46	Monthly Quantity & Revenue Data by Rate Schedule	299		NA
47	Gas Operating Revenues	300-301		
48	Revenues from Transportation of Gas of Others Through Gathering Facilities	302-303		NA
49	Revenues from Transportation of Gas of Others Through Transmission Facilities	304-305		NA
50	Revenues from Storage Gas of Others	306-307		NA
51	Other Gas Revenues	308		
52	Discounted Rate Services and Negotiated Rate Services	313		NA
53	Gas Operation and Maintenance Expenses	317-325		
54	Exchange and Imbalance Transactions	328		NA
55	Gas Used in Utility Operations	331		
56	Transmission and Compression of Gas by Others	332		NA
57	Other Gas Supply Expenses	334		NA
58	Miscellaneous General Expenses-Gas	335		
59	Depreciation, Depletion, and Amortization of Gas Plant	336-338		
60	Particulars Concerning Certain Income Deduction and Interest Charges Accounts	340		
COMMON SECTION				
61	Regulatory Commission Expenses	350-351		
62	Employee Pensions and Benefits (Account 926)	352		
63	Distribution of Salaries and Wages	354-355		
64	Charges for Outside Professional and Other Consultative Services	357		
65	Transactions with Associated (Affiliated) Companies	358		
GAS PLANT STATISTICAL DATA				
66	Compressor Stations	508-509		
67	Gas Storage Projects	512-513		
68	Transmission Lines	514		
69	Transmission System Peak Deliveries	518		NA
70	Auxiliary Peaking Facilities	519		
71	Gas Account-Natural Gas	520		
72	Shipper Supplied Gas for the Current Quarter	521		NA
73	System Map	522		NA
74	Footnote Reference	551		NA
75	Footnote Text	552		NA
76	Stockholder's Reports (check appropriate box)			
<input type="checkbox"/> Four copies will be submitted <input type="checkbox"/> No annual report to stockholders is prepared				

Name of Respondent	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

CORPORATIONS CONTROLLED BY RESPONDENT

- Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
- If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
- If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
- In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.

DEFINITIONS

- See the Uniform System of Accounts for a definition of control.
- Direct control is that which is exercised without interposition of an intermediary.
- Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
- Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

LINE NO.	NAME OF COMPANY CONTROLLED (a)	TYPE OF CONTROL (b)	KIND OF BUSINESS (c)	Percent Voting Stock Owned (d)	Footnote Ref. (e)
1	Gill Ranch Storage, LLC	I	Gas storage	100%	1
2	NW Natural Energy, LLC	D	Intermediate holding company	100%	2
3	NW Natural Gas Storage, LLC	I	Gas storage	100%	3
4	NNG Financial Corporation	D	Financing and investments	100%	4
5	Trail West Holdings, LLC	I/J	Intermediate holding company	50%	5
6	Trail West Pipeline, LLC	I/J	Gas transmission company	*	6
7	BL Credit Holdings, LLC	I/J	Non-operating company	*	7
8	Northwest Biogas, LLC	J	Biodigester company	50%	8
9	KB Pipeline Company	I	Gas transmission company	100%	9
10	Northwest Energy Corporation	D	Intermediate holding company	100%	10
11	Northwest Energy Sub Corporation	I	Non-operating company	100%	11
12	NWN Gas Reserves, LLC	I	Gas reserves	100%	12

- Gill Ranch Storage, LLC, a wholly-owned subsidiary of NW Natural Gas Storage, LLC, was formed in 2007 as part of a joint project with Pacific Gas & Electric to develop, own and operate an underground natural gas storage facility near Fresno, California. Gill Ranch began commercial operations in 2010.
- NW Natural Energy, LLC, a wholly-owned subsidiary, is a holding company. Primarily used for gas storage and other non-utility investments.
- NW Natural Gas Storage, LLC, a wholly-owned subsidiary of NW Natural Energy, LLC, primarily contains the operating employees for our gas storage businesses.
- NNG Financial Corporation, a wholly-owned subsidiary, commenced operations in September 1990. NNG Financial Corporation holds certain non-utility financial investments but its assets primarily consist of an active wholly-owned subsidiary KB Pipeline Company.
- Trail West Holdings, LLC (formerly Palomar Gas Holdings, LLC) a joint venture with TransCanada American Investments, Ltd. and 50% ownership subsidiary of NW Natural Energy, LLC, is designed to be the holding company for Trail West operating companies.
- Trail West Pipeline, LLC (formerly Palomar Gas Transmission, LLC), wholly-owned by Trail West Holdings, LLC, was formed in 2007 to develop an interstate gas pipeline.
- BL Credit Holdings, LLC, wholly-owned by Trail West Pipeline, LLC, is currently not operating.
- Northwest Biogas, LLC, an equal joint venture with BEF Renewable Incorporated, was formed in 2008 to develop a biodigester.
- KB Pipeline company, a wholly-owned subsidiary of NNG Financial Corporation, owns a 10% interest in an interstate natural gas pipeline.
- Northwest Energy Corporation, is a wholly-owned subsidiary, primarily used as a holding company of NWN Gas Reserves, LLC.
- Northwest Energy Sub Corporation, is an inactive and indirect subsidiary.
- NWN Gas Reserves, LLC, a wholly-owned subsidiary of Northwest Energy Corporation, was formed in 2012 as part of a joint venture with Encana Oil & Gas (USA) Inc. to develop, own and operate gas reserves. In 2014, Encana Oil & Gas (USA) Inc. sold its interest in the gas reserves to Jonah Energy LLC.

* These companies are 100% owned indirectly through our joint venture Trail West Holdings, LLC.

Name of Respondent Northwest Natural Gas Company	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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SECURITY HOLDERS AND VOTING POWERS

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owed by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing: 10/31/2014, list of stockholders to whom dividends were paid on 11/14/2014	2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy. Total: 17,569,608 By proxy: 16,522,723	3. Give the date and place of such meeting: Date: 5/22/2014 Place: Portland, Oregon Location: Northwest Natural Gas Company Headquarters
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Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Number of votes as of (date): 10/31/2013			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	27,207,434	27,207,434		
5	TOTAL number of security holders	6,007	6,007		
6	TOTAL votes of security holders listed below	24,645,879	24,645,879		
7	See Page 107 (Continued)				
8					
9					
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11					
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Name of Report		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
SECURITY HOLDERS AND VOTING POWERS (Continued)				
Line No.	Name and Address (1a) (a)	Shares of Common Stock (b)	Percentage of Stock Outstanding (Voting Control) (c)	
1	Cede & Company ⁽¹⁾	24,447,706	89.86%	
2	P. O. Box 20			
3	Bowling Green Station			
4	New York, NY 10004-1408			
5				
6	David H. Anderson & ⁽²⁾	47,830	0.18%	
7	Susan S. Anderson JT TEN			
8	1688 Leslie Ln			
9	Lake Oswego, OR 97034-2179			
10				
11	Wachovia Bank N.A. TTEE ⁽³⁾	27,639	0.10%	
12	Northwest Natural Gas Co Umbrella TR for Directors			
13	DTD 1-1-91 Restated 12/15/05 for A/C Exec Serv			
14	One West Fourth St NC 6251			
15	Winston-Salem, NC 27101			
16				
17	Gregg S. Kantor ⁽⁴⁾	24,585	0.09%	
18	1709 SW Westwood Court			
19	Portland, OR 97239			
20				
21	Daniel J. Clement &	18,950	0.07%	
22	Elizabeth J. Clement JT TEN			
23	303 Lakeside Drive			
24	Lewisburg, PA 17837			
25				
26	Wachovia Bank N.A. TTEE ⁽⁵⁾	18,827	0.07%	
27	Northwest Natural Gas Co Umbrella TR for Directors			
28	DTD 1-1-91 Restated 12/15/05 NEDSCP A/C Exec Serv			
29	One West Fourth St NC 6251			
30	Winston-Salem, NC 27101			
31				
32	Mary Susan Pape ⁽⁶⁾	16,955	0.06%	
33	3693 North Shasta Loop			
34	Eugene, OR 97405			
35				
36	Betty Lou Beck	16,851	0.06%	
37	4755 SE Washington Place			
38	Milwaukie, OR 97222			
39				
40	Mervin J. Schafer & Sharan L. Schafer, Trustees of	14,312	0.05%	
41	Mervin J. & Sharan L. Schafer Living Trust UA DTD Sept. 16, 2011			
42	P.O. Box 3288			
43	Salem, OR 97302-0288			
44				
45	Robert C. Reverman & Patricia H. Reverman, Trustees of	12,224	0.04%	
46	The Reverman Family Trust UTD 1/12/1994			
47	170 Kala Heights Drive			
48	Port Townsend, WA 98368-9596			
49				
50	(1) Per Schedule 13G filed with the SEC by Parnassus Investments, 1 Market Street, Suite 1600, San Francisco, CA 94105, BlackRock, Inc., 55 East 52nd Street, New York, NY 10022, and The Vanguard Group, 100 Vanguard Blvd., Malvern, PA 19355, as of December 31, 2014, each held shares through Cede & Company, and was a beneficial owner of 9.34%, 9.2% and 7.1%, respectively, of NW Natural common stock. Additionally, pursuant to NW Natural's Proxy Solicitor, D.F. King & Co., Inc., as of December 31, 2014, Duff & Phelps Investment Management, State Street Global Advisors, Dimensional Fund Advisors, GAMCO Investors, Inc., Invesco Powershares Capital Management, LLC, Bank of New York Mellon Corp., and Northern Trust Investments, each held shares through Cede & Company, and was a beneficial owner of 2.9%, 2.2%, 2.1%, 2.0%, 1.3%, 1.3% and 1.2%, respectively, of NW Natural common stock.			
51	(2) Executive Vice President and Chief Operating Officer			
52	(3) Current, Retired and Former Directors - Timothy Boyle, Martha Byorum, John Carter, Tod R. Hamacheck, Wayne Kuni, Randall C. Papé & Richard Woolworth			
53	(4) President and Chief Executive Officer			
54	(5) Current, Retired and Former Directors - Timothy Boyle, Martha Byorum, John Carter, Thomas Dewey, Scott C. Gibson, Tod R. Hamacheck, Wayne Kuni, Richard Reiten, Robert Ridgley, Melody Teppola, Russell Tromely & Richard Woolworth			
55	(6) Beneficiary of former director			

Name of Report		This Report is:		Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission			Dec. 31, 2014
SECURITY HOLDERS AND VOTING POWERS (Continued)					
Line No.	Name and Address (1a) (a)	Shares of Common Stock (b)		Percentage of Stock Outstanding (Voting Control) (c)	
56					
57		<u>Stock Options</u>	<u>Stock Rights for</u>		
58		<u>for Officers</u>	<u>for Officers</u>		
59	<u>Officers</u>	<u>as of 12/31/2014</u>	<u>as of 12/31/2014</u> ⁽¹⁾		
60	David H. Anderson	42,000	20,150	*	
61	Lea Anne Doolittle	18,000	9,805	*	
62	Stephen P. Feltz	14,000	12,475	*	
63	Thomas J. Imeson	0	5,598	*	
64	Gregg S. Kantor	103,000	53,675	*	
65	Margaret D. Kirkpatrick	33,500	12,441	*	
66	C. Alex Miller	8,100	5,515	*	
67	MardiLyn Saathoff	12,000	5,941	*	
68	David A. Weber	11,625	782	*	
69	David R. Williams	14,000	7,930	*	
70	Brody J. Wilson	0	3,156	*	
71	Grant M. Yoshihara	11,500	7,930	*	
72					
73	(1) Includes performance based stock and performance based restricted stock units				
74					
75	* Less than one percent.				
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Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report	Year of Report Dec. 31, 2014
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IMPORTANT CHANGES DURING THE YEAR

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.

2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.

3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform Systems of Accounts were submitted to the Commission.

4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.

5. Important extension or reduction or transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service.

Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.

6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite commission authorization if any was required.

7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.

8. State the estimated annual effect and nature of any important wage scale changes during the year.

9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.

10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or know associate of any of these persons was a party or in which any such person had a material interest.

11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.

12. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.

13. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

See Page 108 (Continued)

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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IMPORTANT CHANGES DURING THE YEAR (Continued)

1. None
2. None
3. None
4. None
5. A portion of the Mid-Willamette Valley Feeder went into service in September 2014. In addition, a major system reinforcement project located in Vancouver, Washington was placed into service in November 2014.
6. None
7. None
8. Bargaining unit pay increase of 7.88% effective June 1, 2014. Non-bargaining unit salary increase of 3.00% effective March 1, 2014.
9. See Page 122-A Footnote 15 - Environmental Matters
10. None
11. **Increase or decrease in annual revenues caused by important rate changes:**

OREGON

The PGA and other related filings were made in the fall. The combined effects of these filings were approved in a number of dockets through OPUC Order 14-383 on October 29, 2014. The approval of these filings increased the Company's annual Oregon revenues by \$23.0 million, or 3.4 percent, passing through certain purchased gas cost adjustments, adjustments made to permanent base rates for certain approved programs, and technical adjustments amortizing the Company's deferred revenue and gas costs accounts. As of June 30, 2014, 623,238 customers were affected.

The Company's requests for reauthorization of deferred accounting in UM 1496 and UM 1027 were both granted for one year beginning November 1, 2014.

WASHINGTON

The PGA and energy efficiency filings were made in the fall. The new rates were allowed to go into effect, by operation of law, for service on and after November 1, 2014 at the WUTC Open Meeting held on October 30, 2014. The PGA filing revised rates for changes in purchased gas costs and both the PGA and energy efficiency filings updated temporary rate adjustments to amortize balances in deferred accounts. The combined effects of these filings increased the Company's annual Washington revenues by \$4.9 million, or 6.7 percent. As of June 30, 2014, 73,952 customers were affected.

12. Effective March 31, 2014: Tom Imeson joined NW Natural as Vice President of Public Affairs. Effective May 27, 2014: Ngoni Murandu replaced Barbara Volk as the Chief Information Officer. Effective August 1, 2014: Malia H. Wasson was appointed as a member of the Board of Directors. Effective December 20, 2014: J. Keith White resigned from his position as Vice President of Business Development and Energy Supply.
13. None

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31/13 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	2,647,078,245	2,571,773,870
3	Construction Work in Progress (107)	200-201	24,885,892	28,855,246
4	TOTAL Utility Plant (Total of lines 2 and 3)	-	2,671,964,137	2,600,629,116
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	(1,146,628,259)	(1,122,660,165)
6	Net Utility Plant (Total of line 4 less 5)	-	1,525,335,878	1,477,968,951
7	Nuclear Fuel (120.1-120.4, 120.6)	-		
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	-		
9	Net Nuclear Fuel (Total of line 7 less 8)	-		
10	Net Utility Plant (Total of lines 6 and 9)	-	1,525,335,878	1,477,968,951
11	Utility Plant Adjustments (116)	122	-	-
12	Gas Stored-Base Gas (117.1)	220	14,018,464	14,127,180
13	System Balancing Gas (117.2)	220		
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220		
15	Gas Owned to System Gas (117.4)	220		
16	OTHER PROPERTY AND INVESTMENTS			
17	Nonutility Property (121)	204-209	71,822,008	71,526,223
18	(Less) Accum. Prov. for Depreciation and Amortization (122)	-	(16,012,369)	(14,645,670)
19	Investments in Associated Companies (123)	222-223		
20	Investment in Subsidiary Companies (123.1)	224-225	314,012,743	313,634,760
21	(For Cost of Account 123.1, See Footnote Page 224, line 40)	-		
22	Noncurrent Portion of Allowances	-		
23	Other Investments (124)	222-223	54,228,346	53,653,145
24	Sinking Funds (125)	-		
25	Depreciation Fund (126)	-		
26	Amortization Fund - Federal (127)	-		
27	Other Special Funds (128)	-		
28	Long-Term Portion of Derivative Assets (175)	-	-	1,880,000
29	Long-Term Portion of Derivative Assets - Hedges (176)	-	-	-
30	TOTAL Other Property and Investments (Total of lines 17-20, 22-29)	-	424,050,728	426,048,458
31	CURRENT AND ACCRUED ASSETS			
32	Cash (131)	-	4,920,695	1,105,049
33	Special Deposits (132-134)	-	934,669	684,026
34	Working Funds (135)	-	167,550	171,589
35	Temporary Cash Investments (136)	222-223	5,222,337	3,256,583
36	Notes Receivable (141)	-		
37	Customer Accounts Receivable (142)	-	59,937,985	70,304,483
38	Other Accounts Receivable (143)	-	6,252,229	6,337,297
39	(Less) Accum. Prov. for Uncollectible Accounts-Credit (144)	-	(969,458)	(1,656,495)
40	Notes Receivable from Associated Companies (145)	-		
41	Accounts Receivable from Associated Companies (146)	-	10,474,171	400,485
42	Fuel Stock (151)	-		
43	Fuel Stock Expense Undistributed (152)	-		

Name of Respondent		This Report is:		Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission			Dec. 31, 2014
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)					
Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Balance at End of Previous Year 12/31/13 (d)	
44	Residuals (Elec) and Extracted Products (Gas) (153)	-			
45	Plant Material and Operating Supplies (154)	-	8,682,228	8,104,024	
46	Merchandise (155)	-	854,406	887,859	
47	Other Material and Supplies (156)	-			
48	Nuclear Materials Held for Sale (157)	-			
49	Allowances (158.1 and 158.2)	-			
50	(Less) Noncurrent Portion of Allowances	-			
51	Stores Expenses Undistributed (163)	-	-	-	
52	Gas Stored Underground - Current (164.1)	220	61,415,922	42,972,904	
53	Liq. Natural Gas Stored and Held for Processing (164.2-164.3)	220	6,494,160	8,355,600	
54	Prepayments (165)	230	28,699,047	15,637,512	
55	Advances for Gas (166-167)	-	-	-	
56	Interest and Dividends Receivable (171)	-	-	-	
57	Rents Receivable (172)	-	-	-	
58	Accrued Utility Revenues (173)	-	57,963,192	61,527,045	
59	Miscellaneous Current and Accrued Assets (174)	-	-	-	
60	Derivative Instrument Assets (175)	-	625,000	5,611,000	
61	(Less) Long-Term Portion of Derivative Instrument Assets (175)	-	-	-	
62	Derivative Instrument Assets - Hedges (176)	-	(382,000)	(300,000)	
63	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)	-	-	-	
64	TOTAL Current and Accrued Assets (Total of lines 32 thru 63)	-	251,292,133	223,398,961	
65	DEFERRED DEBITS				
66	Unamortized Debt Expense (181)	259	9,416,521	10,747,385	
67	Extraordinary Property Losses (182.1)	230			
68	Unrecovered Plant and Regulatory Study Costs (182.2)	230			
69	Other Regulatory Assets (182.3)	232	51,804,552	56,182,552	
70	Prelim. Survey and Investigation Charges (Electric) (183)	-			
71	Prelim. Survey and Invest. Charges (Gas) (183.1, 183.2)	-	-	9,135	
72	Clearing Accounts (184)	-	166,535		
73	Temporary Facilities (185)	-			
74	Miscellaneous Deferred Debits (186)	233	361,793,493	334,891,188	
75	Def. Losses from Disposition of Utility Plant (187)	-			
76	Research, Devel. and Demonstration Expend. (188)	-			
77	Unamortized Loss on Reacquired Debt (189)	260	3,186,368	3,573,974	
78	Accumulated Deferred Income Taxes (190)	234-235	23,785,213	7,382,403	
79	Unrecovered Purchased Gas Costs (191)	-	19,575,835	(3,555,857)	
80	Total Deferred Debits (Total of lines 66 thru 79)		469,728,517	409,230,780	
81	Total Assets and Other Debits (Total of lines 10-15, 30,64,and 80)		2,684,425,720	2,550,774,330	

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Balance at End of Previous Year 12/31/13 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	373,442,832	362,873,478
3	Preferred Stock Issued (204)	250-251		
4	Capital Stock Subscribed (202, 205)	252		
5	Stock Liability for Conversion (203, 206)	252		
6	Premium on Capital Stock (207)	252		
7	Other Paid-In Capital (208-211)	253	1,649,864	1,649,864
8	Installments Received on Capital Stock (212)	252	24,249	25,350
9	(Less) Discount on Capital Stock (213)	254		
10	(Less) Capital Stock Expense (214)	254	-	-
11	Retained Earnings (215, 215.1, 216) (see note 1 below)	118-119	435,967,764	419,032,410
12	Unappropriated Undistributed Subsidiary Earnings (216.1) (see note 1 below)	118-119	(28,950,289)	(21,137,814)
13	(Less) Reacquired Capital Stock (217)	250-251		
14	Accumulated Other Comprehensive Income (219)	117	(10,075,949)	(6,358,470)
15	TOTAL Proprietary Capital (Total of lines 2 thru 14)	-	772,058,471	756,084,818
16	LONG-TERM DEBT			
17	Bonds (221)	256-257	641,700,000	701,700,000
18	(Less) Reacquired Bonds (222)	256-257		
19	Advances from Associated Companies (223)	256-257		
20	Other Long-Term Debt (224)	256-257		
21	Unamortized Premium on Long-Term Debt (225)	258-259		
22	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)	258-259		
23	(Less) Current Portion of Long-Term Debt	256	(40,000,000)	(60,000,000)
24	TOTAL Long-Term Debt (Total of lines 17 thru 23)	-	601,700,000	641,700,000
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)	-	714,289	354,776
27	Accumulated Provision for Property Insurance (228.1)	-	24,000	55,000
28	Accumulated Provision for Injuries and Damages (228.2)	-	95,672,313	98,317,877
29	Accumulated Provision for Pensions and Benefits (228.3)	-	256,339,627	168,017,481
30	Accumulated Miscellaneous Operating Provisions (228.4)	-		
31	Accumulated Provision for Rate Refunds (229)	-		

Note 1: Balances for the year ended 12/31/2013 have been revised, see pages 118 and 119 for details.

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)				
Line No.	Title of Account	Reference Page Number	Current Year End of Quarter/Year Balance (c)	Balance at End of Previous Year 12/31/13 (d)
	(a)	(b)		
32	Long-Term Portion of Derivative Instrument Liabilities	-	3,515,000	615,000
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges	-	-	-
34	Asset Retirement Obligations (230)	-		
35	TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34)		356,265,229	267,360,134
36	CURRENT AND ACCRUED LIABILITIES			
37	Current Portion of Long-term Debt		40,000,000	60,000,000
38	Notes Payable (231)	-	234,700,000	188,200,000
39	Accounts Payable (232)	-	85,356,259	90,605,928
40	Notes Payable to Associated Companies (233)	-		
41	Accounts Payable to Associated Companies (234)	-	7,003,934	2,090,177
42	Customer Deposits (235)	-	5,772,279	5,770,711
43	Taxes Accrued (236)	262-263	8,991,541	7,262,980
44	Interest Accrued (237)	-	5,949,573	6,834,518
45	Dividends Declared (238)	-	-	-
46	Matured Long-Term Debt (239)	-		
47	Matured Interest (240)	-		
48	Tax Collections Payable (241)	-	6,297,908	6,594,769
49	Miscellaneous Current and Accrued Liabilities (242)	268	19,798,744	24,245,114
50	Obligations Under Capital Leases-Current (243)	-	(714,289)	(393,935)
51	Derivative Instrument Liabilities (244)		33,409,000	2,506,000
52	(Less) Long-Term Portion of Derivative Instrument Liabilities		(3,515,000)	(615,000)
53	Derivative Instrument Liabilities - Hedges (245)	-	-	-
54	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges		-	-
55	TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54)		443,049,949	393,101,262
56	DEFERRED CREDITS			
57	Customer Advances for Construction (252)	-	3,192,328	3,138,288
58	Accumulated Deferred Investment Tax Credits (255)	-	165,881	367,186
59	Deferred Gains from Disposition of Utility Plant (256)	-	-	-
60	Other Deferred Credits (253)	269	8,064,186	8,279,454
61	Other Regulatory Liabilities (254)		243,000	7,130,000
62	Unamortized Gain on Reacquired Debt (257)	260		
63	Accumulated Deferred Income Taxes - Accelerated Amortization (281)			
64	Accumulated Deferred Income Taxes - Other Property (282)			
65	Accumulated Deferred Income Taxes - Other (283)	276-277	499,686,676	473,613,188
66	TOTAL Deferred Credits (Total of lines 49 thru 55)		511,352,071	492,528,116
67	TOTAL Liabilities and Other Credits (Total of lines 15, 24, 35, 55 and 66)		2,684,425,720	2,550,774,330

Name of Respondent	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i, j) in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
3. Report data for lines 8, 10, and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

Line No.	Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	750,415,902	746,183,842		
3	Operating Expenses					
4	Operation Expenses (401)	320-325	471,969,660	480,675,611		
5	Maintenance Expenses (402)	320-325	20,879,896	21,526,521		
6	Depreciation Expense (403)	336-338	72,659,709	69,419,404		
7	Depreciation Expense for Asset Retirement Costs (403.1)		-	-		
8	Amort. & Depl. of Utility Plant (404-405)	336-338	-	-		
9	Amort. of Utility Plant Acu. Adjustment (406)	336-338	-	-		
10	Amort of Prop. Losses, Unrecovered Plant and Regulatory Study Costs (407.1)		-	-		
11	Amort. of Conversion Expenses (407.2)		-	-		
12	Regulatory Debits (407.3)		-	-		
13	(Less) Regulatory Credits (407.4)		-	-		
14	Taxes Other Than Income Taxes (408.1)	262-263	45,985,528	46,495,489		
15	Income Taxes - Federal (409.1)	262-263	(3,215,480)	(221,300)		
16	- Other (409.1)	262-263	(4,882,951)	(10,751)		
17	Provision for Deferred Income Taxes (410.1)	276-277	104,801,901	62,169,960		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	276-277	52,716,717	23,952,662		
19	Investment Tax Credit Adj. - Net (411.4)		(353,341)	(256,973)		
20	(Less) Gains from Disp. of Utility Plant (411.6)		-	-		
21	Losses from Disp. of Utility Plant (411.7)		-	-		
22	(Less) Gains from Disposition of Allowances (411.8)		-	-		
23	Losses from Disposition of Allowances (411.9)		-	-		
24	Accretion Expense (411.10)		-	-		
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)		655,128,205	655,845,299		
26	Net Utility Operating income (Enter Total of line 2 less 25) (Carry forward to page 116, line 27)		95,287,697	90,338,543		

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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STATEMENT OF INCOME FOR THE YEAR (Continued)

4. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

5. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
		750,415,902	746,183,842			2
						3
		471,969,660	480,675,611			4
		20,879,896	21,526,521			5
		72,659,709	69,419,404			6
		-	-			7
		-	-			8
						9
		-	-			10
		-	-			11
		-	-			12
		-	-			13
		45,985,528	46,495,489			14
		(3,215,480)	(221,300)			15
		(4,882,951)	(10,751)			16
		104,801,901	62,169,960			17
		52,716,717	23,952,662			18
		(353,341)	(256,973)			19
		-	-			20
		-	-			21
		-	-			22
		-	-			23
		-	-			24
		655,128,205	655,845,299			25
		95,287,697	90,338,543			26

Name of Respondent		This Report is:	Date of Report		Year/Period of Report	
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)		Dec. 31, 2014	
STATEMENT OF INCOME FOR THE YEAR (Continued)						
Line No.	Title of Account	Ref. Page No.	Total Current Year to Date Balance for Quarter/Year	Total Prior Year to Date Balance for Quarter/Year	Current Three Months Ended Quarterly Only No Fourth Quarter	Prior Three Months Ended Quarterly Only No Fourth Quarter
	(a)	(b)	(c)	(d)	(e)	(f)
27	Net Utility Operating Income (Carried forward from page 114)	-	95,287,697	90,338,543		
28	Other Income and Deductions					
29	Other Income	-				
30	Nonutility Operating Income	-				
31	Revenues From Merch, Jobbing and Contract Work (415)	-	4,611,207	4,331,108		
32	(Less) Costs and Exp. of Merch, Job & Contract Work (416)	-	4,501,323	4,552,628		
33	Revenues From Nonutility Operations (417)	-	26,321,256	29,513,612		
34	(Less) Expenses of Nonutility Operations (417.1)	-	13,037,973	14,406,325		
35	Nonoperating Rental Income (418)	-	493,969	486,409		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	(7,812,475)	(2,342,044)		
37	Interest and Dividend Income (419)	-	3,419,957	5,991,367		
38	Allow. for Other Funds Used During Constr (419.1)	-	-	6,759		
39	Miscellaneous Nonoperating Income (421)	-	44,252	47,814		
40	Gain on disposition of Property (421.1)	-	-	-		
41	TOTAL Other Income (Total of lines 31 thru 40)		9,538,870	19,076,072		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)	-	-	-		
44	Miscellaneous Amortization (425)	-	-	-		
45	Donations (426.1)	340	1,101,067	1,204,736		
46	Life Insurance (426.2)	-	(1,969,862)	(2,467,719)		
47	Penalties (426.3)	-	15,037	60,840		
48	Expenditures for Certain Civic, Political and Related Activities (426.4)	-	1,163,186	1,056,330		
49	Other Deductions (426.5)	-	125,874	279,469		
50	TOTAL Other Income Deductions (Total of Lines 43 thru 49)	340	435,302	133,656		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	677,463	653,866		
53	Income Taxes - Federal (409.2)	262-263	12,622,937	-		
54	Income Taxes - Other (409.2)	262-263	2,761,218	-		
55	Provision for Deferred Inc. Taxes (410.2)	272-277	(11,036,712)	6,692,679		
56	(Less) Provision for Deferred Inc. Taxes - Cr. (411.2)	272-277	1,104,805	530,323		
57	Investment Tax Credit Adj. - Net (411.5)	-	-	-		
58	(Less) Investment Tax Credits (420)	-	-	-		
59	TOTAL Taxes on Other Inc. and Ded. (Total of 52 thru 58)		3,920,101	6,816,222		
60	Net Other Income and Deductions (Total of Lines 41, 50, 59)		5,183,467	12,126,194		
61	Interest Charges					
62	Interest on Long-Term Debt (427)	256-257	37,920,494	37,844,956		
63	Amortization of Debt Disc. and Expense (428)	258-259	1,369,268	1,373,975		
64	Amortization of Loss on Reacquired Debt (428.1)	260	387,606	398,052		
65	(Less) Amort. of Premium on Debt - Credit (429)	256-257	-	-		
66	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)	-	-	-		
67	Interest on Debt to Assoc. Companies (430)	340	-	-		

Name of Respondent		This Report is:	Date of Report		Year/Period of Report	
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)		Dec. 31, 2014	
STATEMENT OF INCOME FOR THE YEAR (Continued)						
Line No.	Title of Account	Ref. Page No.	Total Current Year to Date Balance for Quarter/Year	Total Prior Year to Date Balance for Quarter/Year	Current Three Months Ended Quarterly Only No Fourth Quarter	Prior Three Months Ended Quarterly Only No Fourth Quarter
	(a)	(b)	(c)	(d)	(e)	(f)
68	Other Interest Expense (431)	340	1,694,964	1,673,387		
69	(Less) Allow. for Borrowed Funds Used During Const.-Cr. (432)	-	117,417	171,108		
70	Net Interest Charges (Total of lines 62 thru 69) (See note 1 below)		41,254,915	41,119,262		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		59,216,249	61,345,475		
72	Extraordinary Items					
73	Extraordinary Income (434)	-	-	-		
74	(Less) Extraordinary Deductions (435)	-	-	-		
75	Net Extraordinary Items (Total of line 73 less 74)		-	-		
76	Income Taxes - Federal and Other (409.3)	262-263	-	-		
77	Extraordinary Items After Taxes (Total of line 75 less line 76)		-	-		
78	Net Income (Total of lines 71 and 77)		59,216,249	61,345,475		

Note 1: Line 70 Detail

Utility interest expense	40,145,066	40,228,365
Non-Utility interest expense	1,109,849	890,897
Total interest expense, line 70 above	<u>41,254,915</u>	<u>41,119,262</u>

Note 2: Accounting standards allow for the capitalization of all or part of an incurred cost that would otherwise be charged to expense if a regulator provides orders that create probable recovery of past costs through future revenues. NW Natural Gas Company accrues interest as specified by regulatory order on certain regulatory balances at our authorized rate of return (ROR). This ROR includes both a debt and equity component, which we are allowed to recover from customers in the form of a carrying cost on regulatory deferred account balances. The equity component of our ROR is not an incurred cost that would otherwise be charged to expense, and therefore is not capitalized for financial reporting purposes. This leads to a difference in reported Net Income between the FERC Form 2 and the Form 10-K filed with the Securities & Exchange Commission (SEC).

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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Statement of Accumulated Comprehensive Income and Hedging Activities

1. Report the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Current Year Amount (in dollars) (b)
1	Beginning AOCI Balance	(6,358,470)
2	Unrealized Gains/losses on available-for-sale securities, net of tax	
3	Pension liability adjustment, net of tax	(4,364,116)
4	Amortization of pension liabilities, net of tax	646,637
5	Foreign currency hedges, net of tax	
6	Change in unrealized loss from hedging, net of tax	
7	Cash flow hedges, net of tax	
8	Other adjustments, net of tax	
9	Ending Balance of AOCI	(10,075,949)

Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A resubmission	(Mo, Da, Yr)	Dec. 31, 2014

STATEMENT OF RETAINED EARNINGS FOR THE YEAR

- | | |
|--|--|
| <p>1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</p> <p>2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).</p> | <p>3. State the purpose and amount for each reservation or appropriation of retained earnings.</p> <p>4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.</p> <p>5. Show dividends for each class and series of capital stock.</p> |
|--|--|

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Year Amount (in dollars) (c)	Previous Year Amount (in dollars) (d)
UNAPPROPRIATED RETAINED EARNINGS				
1	Balance - Beginning of Year (see Note 1 below)		419,032,410	404,549,170
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439)			
3.01	Credit:			
3.02	Credit: Other Comprehensive Income			
3.03	Credit:			
4	TOTAL Credits to Retained Earnings (Account 439) (Total of lines 3.01 thru 3.03)			
4.01	Debit: Capital Stock Expense			
4.02	Debit: Stock Repurchase			
4.03	Debit: Other Comprehensive Income			
4.04	Debit: Unearned Compensation			
5	TOTAL Debits to Retained Earnings (Account 439) (Total of lines 4.01 thru 4.04)			
6	Balance Transferred from Income (Account 433 less Account 418.1)		67,028,724	63,687,519
7	Appropriations of Retained Earnings (Account 436)			
7.01				
7.02				
8	TOTAL Appropriations of Retained Earnings (Account 436) (Total of lines 7.01 thru 7.02)			
9	Dividends Declared - Preferred and Preference Stock (Account 437))			
9.01	Preferred Stock			
9.02				
10	TOTAL Dividends Declared - Preferred Stock (Account 437) (Total of lines 9.01 thru 9.02)			
11	Dividends Declared - Common Stock (Account 438)			
11.01	Common Stock Cash Dividends		(50,093,378)	(49,204,279)
11.02	Stock Dividends			
12	TOTAL Dividends Declared - Common Stock (Account 438) (Total of lines 11.01 thru 11.02)		(50,093,378)	(49,204,279)
13	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings			-
13.01	Other Changes (Explain) (see Note 2 below)		8	
14	Balance - End of Year (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13) (see Note 1 below)		435,967,764	419,032,410

Note 1: Prior period balances have been revised to reflect Unappropriated Undistributed Subsidiary Earnings (Losses) separately from Unappropriated Retained Earnings. Total Retained Earnings remains the same. Also see page 119.

Note 2: Other Changes are immaterial rounding differences.

Name of Respondent		This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A resubmission	(Mo, Da, Yr)	Dec. 31, 2014
STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)				
6. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.		7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservations or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.		
		8. At lines 3, 4, 7, 9, 11, and 15, add rows as necessary to report all data. When rows are added, the additional row numbers should follow in sequence, e.g., 3.01, 3.02, etc.		
Line No.	Item	Current Year Amount	Previous Year Amount	
	(a)	(in dollars) (b)	(in dollars) (c)	
APPROPRIATED RETAINED EARNINGS (Account 215)				
State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.				
15.01 15.02 15.03 15.04 15.05 15.06 15.07				
16	TOTAL Appropriated Retained Earnings (Account 215)			
APPROPRIATED RETAINED EARNINGS - AMORTIZATION RESERVE, FEDERAL (Account 215.1)				
State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.				
17	TOTAL Appropriated Retained Earnings - Amortization Reserve, Federal (Account 215.1)			
18	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Total of lines 16 and 17)			
19	TOTAL Retained Earnings (Account 215, 215.1, 216) (Total of lines 14 and 18) (see Note 1 below)	435,967,764	419,032,410	
UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (ACCOUNT 216.1)				
20	Balance - Beginning of Year (Debit or Credit) (see Note 1 below)	(21,137,814)	(18,795,770)	
21	Equity in Earnings for Year (Credit) (Account 418.1)	(7,812,475)	(2,342,044)	
22	(Less) Dividends Received (Debit)			
23	Other Changes (Explain) (see Note below)			
24	Balance - End of year (Total of lines 20 thru 23) (see Note 1 below)	(28,950,289)	(21,137,814)	
Note 1: Prior period balances have been revised to reflect Unappropriated Undistributed Subsidiary Earnings (Losses) separately from Unappropriated Retained Earnings. Total Retained Earnings remains the same. Also see page 118.				

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission		Dec. 31, 2014
STATEMENT OF CASH FLOWS			
<p>1. Codes to be used: (a) Net Proceeds or Payments;(b) Bonds, debentures and other long-term debt;(c) Include commercial paper; (d) Identify separately such items as investments, fixed assets, intangibles,etc.</p> <p>2. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.</p> <p>3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should</p>		<p>be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.</p> <p>4. Investing Activities: Include at Other (line 25) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>	
Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Current Year Amount (b)	Previous Year Amount (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 72(c) on page 116)	59,216,249	61,345,475
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	74,008,054	70,740,334
5	Amortization of (Specify)		
5.01	FAS 109 Deferred Taxes	(4,378,000)	(4,070,459)
5.02	FAS 109 Regulatory Asset	4,378,000	4,070,459
6	Deferred Income Taxes (Net)	14,048,678	51,600,638
7	Investment Tax Credit Adjustments (Net)	(201,305)	(256,973)
8	Net (Increase) Decrease in Receivables	(309,157)	(17,212,323)
9	Net (Increase) Decrease in Inventory	(16,581,578)	7,412,568
10	Net (Increase) Decrease in Allowances Inventory		
11	Net Increase (Decrease) in Payables and Accrued Expenses	507,705	1,323,035
12	Minimum Pension Liability Adjustment	(3,717,479)	2,932,206
13	Unrealized loss from price risk management activities	30,964,000	(8,928,999)
14	(Less) Allowance for Other Funds Used During Construction	(117,417)	(171,108)
15	(Less) Undistributed Earnings from Subsidiary Companies	7,812,475	2,342,044
16	Other: Net (Increase) Decrease in Unbilled Revenues	3,563,853	(4,572,040)
16.01	Deferred Debits - Net	22,863,910	38,692,812
16.02	Net (Increase) Decrease in Other Current Assets & Liab.	(18,308,790)	7,220,742
16.03	Other - Noncurrent Liab., Deferred Credits, & Other Invest.	8,913,708	(32,654,137)
16.04	Unearned Compensation	1,278,582	196,573
17	Net Cash Provided by (Used in) Operating Activities		
18	(Total of lines 2 thru 16.04)	183,941,488	180,010,847
19			
20	Cash Flows from Investment Activities:		
21	Construction and Acquisition of Plant (including land):		
22	Gross Additions to Utility Plant (less nuclear fuel)	(116,212,385)	(156,941,858)
23	Gross Additions to Nuclear Fuel		
24	Gross Additions to Common Utility Plant		
25	Gross Additions to Nonutility Plant	124,418	(403,869)
26	(Less) Allowance for Other Funds Used During Constr.	117,417	171,108
27	Other:	287,584	106,940,222
28	Cash Outflows for Plant (Total of lines 22 thru 27)	(115,682,966)	(50,234,397)
29			
30	Acquisition of Other Noncurrent Assets (d)		
31	Proceeds from Disposal of Noncurrent Assets (d)	1,391,531	3,472,463
32			
33	Investments in & Advances to Assoc. & Sub. Companies		
34	Contributions & Advances from Assoc. & Sub. Companies	(8,190,458)	(142,342,716)
35	Disposition of Investments in (and Advances to)		
36	Associated and Subsidiary Companies		
37			
38	Purchase of Investment Securities (a)		
39	Proceeds from Sales of Investment Securities (a)		

Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
STATEMENT OF CASH FLOWS (Continued)				
Line No.	DESCRIPTION (See Instructions for explanation of codes) (a)	Current Year Amount	Previous Year Amount	
40	Loans Made or Purchased			
41	Collections on Loans			
42				
43	Net (Increase) Decrease in Receivables			
44	Net (Increase) Decrease in Inventory			
45	Net (Increase) Decrease in Allowances Held for Speculation			
46	Net Increase (Decrease) in Payables and Accrued Expenses			
47				
48	Net Cash Provided by (Used in) Investing Activities			
49	(Total of lines 28 thru 47)	(122,481,893)	(189,104,650)	
50				
51	Cash Flows from Financing Activities:			
52	Proceeds from Issuance of:			
53	Long-Term Debt (b)	0	50,000,000	
54	Preferred Stock			
55	Common Stock	8,986,000	7,780,659	
56	Other: Capital Leases	0	49,105	
57	Net Increase in Short-Term Debt (c)	46,500,000		
58				
59	Cash Provided by Outside Sources (Total of lines 53 thru 58)	55,486,000	57,829,764	
60				
61	Payments for Retirement of:			
62	Long-Term Debt (b)	(60,000,000)	(40,000,000)	
63	Preferred Stock			
64	Common Stock			
65	Other: Capital Leases	(824,213)	(2,050,000)	
66	Net Increase (Decrease) in Short-Term Debt (c)			
67				
67	Capital Stock Expense			
68	Dividends on Preferred Stock			
69	Dividends on Common Stock	(50,093,378)	(49,204,279)	
70	Net Cash Provided by (Used in) Financing Activities			
71	(Total of lines 59 thru 69)	(55,431,591)	(33,424,515)	
72				
73	Net Increase (Decrease) in Cash and Cash Equivalents			
74	(Total of lines 18, 49, and 71)	6,028,004	(2,518,318)	
75				
76	Cash and Cash Equivalents at Beginning of Period	5,217,247	7,735,565	
77				
78	Cash and Cash Equivalents at End of Period	11,245,251	5,217,247	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

NOTES TO FINANCIAL STATEMENTS

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by instruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement.
5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However where material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

See Pages 122-A

NORTHWEST NATURAL GAS COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements represent the consolidated results of Northwest Natural Gas Company (NW Natural or the Company) and all companies that we directly or indirectly control, either through majority ownership or otherwise. We have two core businesses: our regulated local gas distribution business, referred to as the utility segment, which serves residential, commercial, and industrial customers in Oregon and southwest Washington; and our gas storage businesses, referred to as the gas storage segment, which provides storage services for utilities, gas marketers, electric generators, and large industrial users from storage facilities located in Oregon and California. In addition, we have investments and other non-utility activities we aggregate and report as other.

Our core utility business assets and operating activities are largely included in the parent company, NW Natural. Our direct and indirect wholly-owned subsidiaries include NW Natural Energy, LLC (NWN Energy), NW Natural Gas Storage, LLC (NWN Gas Storage), Gill Ranch Storage, LLC (Gill Ranch), NNG Financial Corporation (NNG Financial), Northwest Energy Corporation (Energy Corp), and NW Natural Gas Reserves, LLC (NWN Gas Reserves). Investments in corporate joint ventures and partnerships we do not directly or indirectly control, and for which we are not the primary beneficiary, are accounted for under the equity method, which includes NWN Energy's investment in Trail West Pipeline, LLC (TWP) and NNG Financial's investment in Kelso-Beaver (KB) Pipeline. NW Natural and its affiliated companies are collectively referred to herein as NW Natural. The consolidated financial statements are presented after elimination of all intercompany balances and transactions, except for amounts required to be included under regulatory accounting standards to reflect the effect of such regulation. In this report, the term "utility" is used to describe our regulated gas distribution business, and the term "non-utility" is used to describe our gas storage businesses and other non-utility investments and business activities.

Certain prior year balances in our consolidated financial statements and notes have been reclassified to conform with the current presentation. These reclassifications had no effect on our prior year's consolidated results of operations, financial condition, or cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP) requires management to make estimates and assumptions that affect reported amounts in the consolidated financial statements and accompanying notes. Actual amounts could differ from those estimates, and changes would most likely be reported in future periods. Management believes the estimates and assumptions used are reasonable.

Industry Regulation

Our principal businesses are the distribution of natural gas, which is regulated by the OPUC and WUTC, and natural gas storage services, which are regulated by either the FERC or the CPUC, and to a certain extent by the OPUC and WUTC. Accounting records and practices of our regulated businesses conform to the requirements and uniform system of accounts prescribed by these regulatory authorities in accordance with GAAP. Our businesses regulated by the OPUC, WUTC, and FERC earn a reasonable return on invested capital from approved cost-based rates, while our business regulated by the CPUC earns a return to the extent we are able to charge competitive prices above our costs (i.e. market-based rates).

In applying regulatory accounting principles, we capitalize or defer certain costs and revenues as regulatory assets and liabilities pursuant to orders of the OPUC or WUTC, which provide for the recovery of revenues or expenses from, or refunds to, utility customers in future periods, including a return or a carrying charge in certain cases.

At December 31, the amounts deferred as regulatory assets and liabilities were as follows:

<i>In thousands</i>	Regulatory Assets	
	2014	2013
Current:		
Unrealized loss on derivatives ⁽¹⁾	\$ 29,889	\$ 1,891
Gas costs	21,794	4,286
Other ⁽²⁾	16,879	16,458
Total current	<u>\$ 68,562</u>	<u>\$ 22,635</u>
Non-current:		
Unrealized loss on derivatives ⁽¹⁾	\$ 3,515	\$ 615
Pension balancing ⁽³⁾	32,541	25,713
Income taxes	47,427	51,814
Pension and other postretirement benefit liabilities ⁽³⁾	201,845	125,855
Environmental costs ⁽⁴⁾	58,859	148,389
Gas costs	5,971	1,840
Other ⁽²⁾	18,750	15,377
Total non-current	<u>\$ 368,908</u>	<u>\$ 369,603</u>
<i>In thousands</i>	Regulatory Liabilities	
	2014	2013
Current:		
Gas costs	\$ 5,700	\$ 7,510
Unrealized gain on derivatives ⁽¹⁾	240	5,290
Other ⁽²⁾	13,165	15,535
Total current	<u>\$ 19,105</u>	<u>\$ 28,335</u>
Non-current:		
Gas costs	\$ 2,507	\$ 2,172
Unrealized gain on derivatives ⁽¹⁾	—	1,880
Accrued asset removal costs ⁽⁵⁾	311,238	296,294
Other ⁽²⁾	3,460	3,139
Total non-current	<u>\$ 317,205</u>	<u>\$ 303,485</u>

(1) Unrealized gains or losses on derivatives are non-cash items and, therefore, do not earn a rate of return or a carrying charge. These amounts are recoverable through utility rates as part of the annual Purchased Gas Adjustment (PGA) mechanism when realized at settlement.

(2) These balances primarily consist of deferrals and amortizations under approved regulatory mechanisms. The accounts being amortized typically earn a rate of return or carrying charge.

(3) Certain utility pension costs are approved for regulatory deferral, including amounts recorded to the pension balancing account, to mitigate the effects of higher and lower pension expenses. Deferred pension costs include an interest component when recognized in net periodic benefit costs. See Note 8.

(4) Environmental costs relate to specific sites approved for regulatory deferral by the OPUC and WUTC. In Oregon, we earn a carrying charge on cash amounts paid, whereas amounts accrued but not yet paid do not earn a carrying charge until expended. We also accrue a carrying charge on insurance proceeds for amounts owed to customers. In Washington, a carrying charge related to deferred amounts will be determined in a future proceeding. See Note 15.

(5) Estimated costs of removal on certain regulated properties are collected through rates. See "Accounting Policies—Plant, Property, and Accrued Asset Removal Costs" below.

The amortization period for our regulatory assets and liabilities ranges from less than one year to an indeterminable period. Our regulatory deferrals for gas costs payable are generally amortized over 12 months beginning each November 1 following the gas contract year during which the deferred gas costs are recorded. Similarly, most of our other regulatory deferred accounts are amortized over 12 months. However, certain regulatory account balances, such as income taxes, environmental costs, pension liabilities, and accrued asset removal costs, are large and tend to be amortized over longer periods once we have agreed upon an amortization period with the respective regulatory agency.

We believe all costs incurred and deferred at December 31, 2014 are prudent. We annually review all regulatory assets and liabilities for recoverability and more often if circumstances warrant. If we should determine that all or a portion of these regulatory assets or liabilities no longer meet the criteria for continued application of regulatory accounting, then we would be required to write off the net unrecoverable balances in the period such determination is made. See Note 16 for information regarding the resolution of the environmental Site Remediation and Recovery Mechanism (SRRM) in February 2015. In accordance with accounting guidance and the Company's policy, a \$15 million pre-tax regulatory disallowance will be recognized in the first quarter of 2015 related to the Order.

New Accounting Standards

Recently Issued Accounting Pronouncements

REVENUE RECOGNITION. On May 28, 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09 Revenue From Contracts with Customers. The underlying principle of the guidance requires entities to recognize revenue depicting the transfer of goods or services to customers at amounts expected to be entitled to in exchange for those goods or services. The model provides a five-step approach to revenue recognition: (1) identify the contract(s) with the customer; (2) identify the separate performance obligations in the contract(s); (3) determine the transaction price; (4) allocate the transaction price to separate performance obligations; and (5) recognize revenue when, or as, each performance obligation is satisfied. The new requirements are effective beginning January 1, 2017, and either a full retrospective or simplified transition adoption method is allowed; early adoption is not permitted. NW Natural is currently assessing the impact of this standard on its financial statements and disclosures.

Accounting Policies

Plant, Property, and Accrued Asset Removal Costs

Plant and property are stated at cost, including capitalized labor, materials and overhead. In accordance with regulatory accounting standards, the cost of acquiring and constructing long-lived plant and property generally includes an allowance for funds used during construction (AFUDC) or capitalized interest. AFUDC represents the regulatory financing cost incurred when debt and equity funds are used for construction (see "AFUDC" below). When constructed assets are subject to market-based rates rather than cost-based rates, the financing costs incurred during construction

are included in capitalized interest in accordance with GAAP, not as regulatory financing costs under AFUDC.

In accordance with long-standing regulatory treatment, our depreciation rates consist of three components: one based on the average service life of the asset, a second based on the estimated salvage value of the asset, and a third based on the asset's estimated cost of removal. We collect, through rates, the estimated cost of removal on certain regulated properties through depreciation expense, with a corresponding offset to accumulated depreciation. These removal costs are non-legal obligations as defined by regulatory accounting guidance. Therefore, we have included these costs as non-current regulatory liabilities rather than as accumulated depreciation on our consolidated balance sheets. In the rate setting process, the liability for removal costs is treated as a reduction to the net rate base on which the regulated utility has the opportunity to earn its allowed rate of return.

The costs of utility plant retired or otherwise disposed of are removed from utility plant and charged to accumulated depreciation for recovery or refund through future rates. Gains from the sale of regulated assets are generally deferred and refunded to customers. For non-utility assets, we record a gain or loss upon the disposal of the property. The gain or loss is recorded in other income and expense, net in the consolidated statements of comprehensive income.

Our provision for depreciation of utility property, plant, and equipment is recorded under the group method on a straight-line basis with rates computed in accordance with depreciation studies approved by regulatory authorities. The weighted-average depreciation rate for utility assets in service was approximately 2.8% for 2014, 2013, and 2012, reflecting the approximate weighted-average economic life of the property. This includes 2014 weighted-average depreciation rates for the following asset categories: 2.7% for transmission and distribution plant, 2.2% for gas storage facilities, 4.7% for general plant, and 2.9% for intangible and other fixed assets.

AFUDC. Certain additions to utility plant include AFUDC, which represents the net cost of debt and equity funds used during construction. AFUDC is calculated using actual interest rates for debt and authorized rates for ROE, if applicable. If short-term debt balances are less than the total balance of construction work in progress, then a composite AFUDC rate is used to represent interest on all debt funds, shown as a reduction to interest charges, and on ROE funds, shown as other income. While cash is not immediately recognized from recording AFUDC, it is realized in future years through rate recovery resulting from the higher utility cost of service. Our composite AFUDC rate was 0.3% in 2014, 2013, and 2012.

IMPAIRMENT OF LONG-LIVED ASSETS. We review the carrying value of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of the assets might not be recoverable. Factors that would necessitate an impairment assessment of long-lived assets include a significant adverse change in the extent or manner in which the asset is used, a significant adverse change in

legal factors or business climate that could affect the value of the asset, or a significant decline in the observable market value or expected future cash flows of the asset, among others.

If such factors indicate a potential impairment, we assess the recoverability by determining if the carrying value of the asset exceeds the sum of the projected future cash flows over the remaining economic life of the asset. An asset is determined to be impaired when the carrying value is not recoverable through undiscounted future cash flows, and in those cases, we would estimate the fair value of the asset using appropriate valuation methodologies, which may include an estimate of discounted cash flows. Any impairment would be measured as the difference between the asset's carrying amount and its estimated fair value.

We have determined there were no events or circumstances that suggested an impairment of long-lived assets during the year ended December 31, 2014. In reaching this conclusion, we reviewed all long-lived assets for circumstances, including those noted above, that may indicate the carrying amount of the asset might not be recoverable and determined no such events have occurred. If our gas storage facilities experience sustained decreases in future cash flows due to a prolonged, slow recovery of the gas storage market, this may lead to events that indicate the carrying amount of the assets might not be recoverable, requiring an impairment assessment that could result in a future impairment.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand plus highly liquid investment accounts with original maturity dates of three months or less. At December 31, 2014 and 2013, outstanding checks of approximately \$5.5 million and \$2.8 million, respectively, were included in accounts payable.

Revenue Recognition and Accrued Unbilled Revenue

Utility revenues, derived primarily from the sale and transportation of natural gas, are recognized upon delivery of the gas commodity or service to customers. Revenues include accruals for gas delivered but not yet billed to customers based on estimates of deliveries from meter reading dates to month end (accrued unbilled revenue). Accrued unbilled revenue is dependent upon a number of factors that require management's judgment, including total gas receipts and deliveries, customer use by billing cycle, and weather factors. Accrued unbilled revenue is reversed the following month when actual billings occur. Our accrued unbilled revenue at December 31, 2014 and 2013 was \$58.0 million and \$61.5 million, respectively.

Non-utility revenues are derived primarily from the gas storage segment. At our Mist underground storage facility, revenues are primarily firm service revenues in the form of fixed monthly reservation charges. At our Gill Ranch facility, firm storage services resulting from short-term and long-term contracts are typically recognized in revenue ratably over the term of the contract regardless of the actual storage capacity utilized. In addition, we also have asset management service revenue primarily from an independent energy marketing company that optimizes commodity and pipeline capacity

release transactions. Under this agreement, guaranteed asset management revenue is recognized using a straight-line, pro-rata methodology over the term of each contract. Revenues earned above the guaranteed amount are recognized as they are earned. See Note 4.

Revenue Taxes

Revenue-based taxes are primarily franchise taxes, which are collected from customers and remitted to taxing authorities. Revenue taxes are included in operating revenues in the statement of comprehensive income. Revenue taxes were \$18.8 million, \$19.0 million, and \$18.4 million for 2014, 2013, and 2012, respectively.

Accounts Receivable and Allowance for Uncollectible Accounts

Accounts receivable consist primarily of amounts due for natural gas sales and transportation services to utility customers, plus amounts due for gas storage services. With respect to these trade receivables, including accrued unbilled revenue, we establish an allowance for uncollectible accounts (allowance) based on the aging of receivables, collection experience of past due account balances including payment plans, and historical trends of write-offs as a percent of revenues. With respect to large individual customer receivables, a specific allowance is established and recorded when amounts are identified as unlikely to be partially or fully recovered. Inactive accounts are written-off against the allowance after they are 120 days past due or when deemed uncollectible. Differences between our estimated allowance and actual write-offs will occur based on a number of factors, including changes in economic conditions, customer creditworthiness, and natural gas prices. Each quarter the allowance for uncollectible accounts is adjusted, as necessary, based on information currently available.

Inventories

Utility gas inventories, which consist of natural gas in storage for the utility, are stated at the lower of average cost or net realizable value. The regulatory treatment of utility gas inventories provides for cost recovery in customer rates. Utility gas inventories injected into storage are priced in inventory based on actual purchase costs. Utility gas inventories withdrawn from storage are charged to cost of gas during the current period at the weighted-average inventory cost.

Gas storage inventories, which primarily represent inventories at the Gill Ranch storage facility, mainly consist of natural gas received as fuel-in-kind from storage customers. Gas storage inventories are valued at the lower of average cost or net realizable value. Cushion gas is not included in our inventory balances and is recorded at original cost and classified as a long-term plant asset.

Materials and supplies inventories consist of both utility and non-utility inventories and are stated at the lower of average cost or net realizable value.

Our utility and gas storage inventories totaled \$68.0 million and \$51.4 million at December 31, 2014 and 2013, respectively. At December 31, 2014 and 2013, our materials

and supplies inventories totaled \$9.8 million and \$9.3 million, respectively.

Gas Reserves

Our gas reserves are stated at cost, adjusted for regulatory amortization, with the associated deferred tax benefits recorded as liabilities on the balance sheet. Transactional costs to enter into the agreements and payments by NW Natural to acquire gas reserves are recognized as gas reserves on the balance sheet. The current portion is calculated based on expected gas deliveries within the next fiscal year. We recognize regulatory amortization of this asset on a volumetric basis calculated using the estimated gas reserves and the estimated therms extracted and sold each month. The amortization of gas reserves is recorded to cost of gas along with gas production revenues and production costs. See Note 11.

Derivatives

In accordance with accounting for derivatives and hedges, we measure derivatives at fair value and recognize them as either assets or liabilities on the balance sheet. Accounting for derivatives requires that changes in the fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Accounting for derivatives and hedges provides an exception for contracts intended for normal purchases and normal sales for which physical delivery is probable. In addition, certain derivative contracts are approved by regulatory authorities for recovery or refund through customer rates. Accordingly, the changes in fair value of these approved contracts are deferred as regulatory assets or liabilities pursuant to regulatory accounting principles. Our financial derivatives generally qualify for deferral under regulatory accounting. The Company's indexed physical derivative contracts also qualify for regulatory deferral accounting treatment.

Derivative contracts entered into for utility requirements after the annual PGA rate has been set and during the PGA year are subject to the PGA incentive sharing mechanism. In Oregon we participate in a PGA sharing mechanism under which we are required to select either an 80% or 90% deferral of higher or lower gas costs such that the impact on current earnings from the gas cost sharing is either 20% or 10% of gas cost differences compared to PGA prices, respectively. For the PGA years in Oregon beginning November 1, 2014, 2013, and 2012, we selected a 90% deferral of gas cost differences. In Washington, 100% of the differences between the PGA prices and actual gas costs are deferred. See Note 13.

Our financial derivatives policy sets forth the guidelines for using selected derivative products to support prudent risk management strategies within designated parameters. Our objective for using derivatives is to decrease the volatility of gas prices, earnings, and cash flows without speculative risk. The use of derivatives is permitted only after the risk exposures have been identified, are determined to exceed acceptable tolerance levels, and are determined necessary to support normal business activities. We do not enter into derivative instruments for trading purposes.

Fair Value

In accordance with fair value accounting, we use the following fair value hierarchy for determining inputs for our debt, pension plan assets, and our derivative fair value measurements:

- Level 1: Valuation is based on quoted prices for identical instruments traded in active markets;
- Level 2: Valuation is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market; and
- Level 3: Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect our own estimates of assumptions market participants would use in valuing the asset or liability.

When developing fair value measurements, it is our policy to use quoted market prices whenever available, or to maximize the use of observable inputs and minimize the use of unobservable inputs when quoted market prices are not available. Fair values are primarily developed using industry-standard models that consider various inputs including: (a) quoted future prices for commodities; (b) forward currency prices; (c) time value; (d) volatility factors; (e) current market and contractual prices for underlying instruments; (f) market interest rates and yield curves; (g) credit spreads; and (h) other relevant economic measures.

Income Taxes

We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date unless a regulatory order specifies deferral of the effect of the change in tax rates over a longer period of time.

Deferred income tax assets and liabilities are also recognized for temporary differences where the deferred income tax benefits or expenses have previously been flowed through in the ratemaking process of the regulated utility. Regulatory tax assets and liabilities are recorded on these deferred tax assets and liabilities to the extent the Company believes they will be recoverable from or refunded to customers in future rates. At December 31, 2014 and 2013, regulatory income tax assets of \$51.8 million and

\$56.2 million, respectively, were recorded, a portion of which is recorded in current assets. These regulatory income tax assets primarily represent future rate recovery of deferred tax liabilities, resulting from differences in utility plant financial statement and tax bases and utility plant removal costs, which were previously flowed through for rate making purposes and to take into account the additional future taxes, which will be generated by that recovery. These deferred tax liabilities, and the associated regulatory income tax assets, are currently being recovered through customer rates.

Deferred investment tax credits on utility plant additions, which reduce income taxes payable, are deferred for financial statement purposes and amortized over the life of the related plant.

The Company recognizes interest and penalties related to unrecognized tax benefits, if any, within income tax expense and accrued interest and penalties within the related tax liability line in the consolidated balance sheets. No accrued interest or penalties for uncertain tax benefits have been recorded. See Note 9.

Environmental Contingencies

Loss contingencies are recorded as liabilities when it is probable a liability has been incurred and the amount of the loss is reasonably estimable in accordance with accounting standards for contingencies. Estimating probable losses requires an analysis of uncertainties that often depend upon judgments about potential actions by third parties. Accruals for loss contingencies are recorded based on an analysis of potential results.

With respect to environmental liabilities and related costs, we develop estimates based on a review of information available from numerous sources, including completed studies and site specific negotiations. It is our policy to accrue the full amount of such liability when information is sufficient to reasonably estimate the amount of probable liability. When information is not available to reasonably estimate the probable liability, or when only the range of probable liabilities can be estimated and no amount within the range is more likely than another, it is our policy to accrue at the low end of the range. Accordingly, due to numerous uncertainties surrounding the course of environmental remediation and the preliminary nature of several site investigations, in some cases, we may not be able to reasonably estimate the high end of the range of possible loss. In those cases we have disclosed the nature of the potential loss and the fact that the high end of the range cannot be reasonably estimated. See Note 15.

Subsequent Events

See Note 16 for information regarding the resolution of the environmental SRRM docket.

3. EARNINGS PER SHARE

Basic earnings per share are computed using net income and the weighted average number of common shares outstanding for each period presented. Diluted earnings per share are computed in the same manner, except it uses the weighted average number of common shares outstanding plus the effects of the assumed exercise of stock options and the payment of estimated stock awards from other stock-based compensation plans that are outstanding at the end of each period presented. Diluted earnings per share are calculated as follows:

<i>In thousands, except per share data</i>	2014	2013	2012
Net income	\$ 58,692	\$ 60,538	\$ 58,779
Average common shares outstanding - basic	27,164	26,974	26,831
Additional shares for stock-based compensation plans (See Note 6)	59	53	76
Average common shares outstanding - diluted	27,223	27,027	26,907
Earnings per share of common stock - basic	\$ 2.16	\$ 2.24	\$ 2.19
Earnings per share of common stock - diluted	\$ 2.16	\$ 2.24	\$ 2.18
Additional information:			
Antidilutive shares not included in net income per diluted common share calculation	18	26	1

4. SEGMENT INFORMATION

We primarily operate in two primary reportable business segments, local gas distribution and gas storage. We also have other investments and business activities not specifically related to one of these two reporting segments, which we aggregate and report as other. We refer to our local gas distribution business as the utility, and our gas storage segment and other as non-utility. Our utility segment also includes NWN Gas Reserves, which is a wholly-owned subsidiary of Energy Corp and the utility portion of Mist. Our gas storage segment includes NWN Gas Storage, which is a wholly-owned subsidiary of NWN Energy, Gill Ranch, which is a wholly-owned subsidiary of NWN Gas Storage, the non-utility portion of Mist, and all third-party asset management services. Other includes NNG Financial and NWN Energy's equity investment in TWH, which is pursuing development of a cross-Cascades transmission pipeline project. See Other, below.

Local Gas Distribution

Our local gas distribution segment is a regulated utility principally engaged in the purchase, sale, and delivery of natural gas and related services to customers in Oregon and southwest Washington. As a regulated utility, we are responsible for building and maintaining a safe and reliable pipeline distribution system, purchasing sufficient gas supplies from producers and marketers, contracting for firm and interruptible transportation of gas over interstate pipelines to bring gas from the supply basins into our service territory, and re-selling the gas to customers subject to rates, terms, and conditions approved by the OPUC or WUTC. Gas distribution also includes taking customer-owned gas and transporting it from interstate pipeline connections, or city gates, to the customers' end-use facilities for a fee, which is approved by the OPUC or WUTC. Approximately 89% of our customers are located in Oregon and 11% in Washington. On an annual basis, residential and commercial customers typically account for around 60% of our utility's total volumes delivered and 90% of our utility's margin. Industrial customers largely account for the remaining volumes and utility margin. A small amount of utility margin is also derived from miscellaneous services, gains or losses from an incentive gas cost sharing mechanism, and other service fees.

Industrial sectors we serve include: pulp, paper, and other forest products; the manufacture of electronic, electrochemical and electrometallurgical products; the processing of farm and food products; the production of various mineral products; metal fabrication and casting; the production of machine tools, machinery and textiles; the manufacture of asphalt, concrete and rubber; printing and publishing; nurseries; government and educational institutions; and electric generation. No individual customer or industry group accounts for over 10% of our utility revenues or utility margins.

Gas Storage

Our gas storage segment includes natural gas storage services provided to customers primarily from two underground natural gas storage facilities, our Gill Ranch gas storage facility, and the non-utility portion of our Mist gas storage facility. In addition to earning revenue from customer storage contracts, we also use an independent energy marketing company to provide asset management services for utility and non-utility capacity, the results of which are included in this business segment. For the years ended December 31, 2014, 2013, and 2012, this business segment derived a majority of its revenues from firm and interruptible gas storage contracts and from asset management services.

Mist Gas Storage Facility

Earnings from non-utility assets at our Mist facility in Oregon are primarily related to firm storage capacity revenues. Earnings for the Mist facility also includes revenue, net of amounts shared with utility customers, from management of utility assets at Mist and upstream capacity when not needed to serve utility customers. We retain 80% of the pre-tax income from these services when the costs of the capacity have not been included in utility rates, or 33% of the pre-tax income when the costs have been included in utility rates. The remaining 20% and 67%, respectively, are recorded to a deferred regulatory account for crediting back to utility customers.

Gill Ranch Gas Storage Facility

Gill Ranch has a joint project agreement with Pacific Gas and Electric Company (PG&E) to own and operate the Gill Ranch underground natural gas storage facility near Fresno, California. Gill Ranch has a 75% undivided ownership interest in the facility and is also the operator of the facility, which offers storage services to the California market at market-based rates, subject to CPUC regulation including, but not limited to, service terms and conditions and tariff regulations. Although this is a jointly owned property, each owner is independently responsible for financing its share of the Gill Ranch natural gas storage facility. Revenues are primarily related to firm storage capacity as well as asset management revenues.

Other

We have non-utility investments and other business activities, which are aggregated and reported as other.

Other primarily consists of an equity method investment in Trail West Holdings (TWH), which was formed to build and operate an interstate gas transmission pipeline in Oregon (TWP) and other pipeline assets in NNG Financial. For more information on TWP, see Note 12. Other also includes some operating and non-operating revenues and expenses of the parent company that cannot be allocated to utility operations.

NNG Financial holds certain non-utility financial investments, but its assets primarily consist of an active, wholly-owned subsidiary which owns a 10% interest in an 18-mile interstate natural gas pipeline. NNG Financial's total assets were \$0.8 million and \$1.2 million at December 31, 2014 and 2013, respectively.

Segment Information Summary

Inter-segment transactions are insignificant. The following table presents summary financial information concerning the reportable segments:

<i>In thousands</i>	Utility	Gas Storage	Other	Total
2014				
Operating revenues	\$ 731,578	\$ 22,235	\$ 224	\$ 754,037
Depreciation and amortization	72,660	6,533	—	79,193
Income from operations	138,711	3,987	267	142,965
Net income	58,587	(364)	469	58,692
Capital expenditures	117,322	2,770	—	120,092
Total assets at December 31, 2014	2,775,011	273,813	16,121	3,064,945
2013				
Operating revenues	\$ 727,182	\$ 31,112	\$ 224	\$ 758,518
Depreciation and amortization	69,420	6,485	—	75,905
Income from operations	128,066	14,669	11	142,746
Net income	54,920	5,569	49	60,538
Capital expenditures	137,466	1,458	—	138,924
Total assets at December 31, 2013	2,644,367	310,097	16,447	2,970,911
2012				
Operating revenues	\$ 699,862	\$ 30,520	\$ 225	\$ 730,607
Depreciation and amortization	66,545	6,472	—	73,017
Income from operations	128,854	13,226	100	142,180
Net income	54,049	4,521	209	58,779
Capital expenditures	130,151	1,541	337	132,029
Total assets at December 31, 2012	2,505,655	291,568	15,897	2,813,120

Utility Margin

Utility margin is a financial measure consisting of utility operating revenues, which are reduced by revenue taxes and the associated cost of gas. The cost of gas purchased for utility customers is generally a pass-through cost in the amount of revenues billed to regulated utility customers. By subtracting costs of gas from utility operating revenues, utility margin provides a key metric used by our chief operating decision maker in assessing the performance of the utility segment. The gas storage and other segments emphasize growth in operating revenues and net income as opposed to margin because these segments do not incur a product cost (i.e. cost of gas sold) like the utility and, therefore, use operating revenues and net income to assess performance.

The following table presents additional segment information concerning utility margin:

<i>In thousands</i>	2014	2013	2012
Utility margin calculation:			
Utility operating revenues	\$ 731,578	\$ 727,182	\$ 699,862
Less: Utility cost of gas	365,490	373,298	355,335
Utility margin	<u>\$ 366,088</u>	<u>\$ 353,884</u>	<u>\$ 344,527</u>

5. COMMON STOCK

Common Stock

As of December 31, 2014 and 2013, we had 100 million shares of common stock authorized. As of December 31, 2014, we had reserved 97,921 shares for issuance of common stock under the Employee Stock Purchase Plan (ESPP) and 394,903 shares under our Dividend Reinvestment and Direct Stock Purchase Plan (DRPP). The Restated Stock Option Plan (SOP) was terminated with respect to new grants in 2012; however, options granted before the Restated SOP was terminated will remain outstanding until the earlier of their expiration, forfeiture, or exercise. There were 416,088 options outstanding at December 31, 2014, which were granted prior to termination of the plan.

Stock Repurchase Program

We have a share repurchase program under which we may purchase our common shares on the open market or through privately negotiated transactions. We currently have Board authorization through May 2015 to repurchase up to an aggregate of 2.8 million shares, but not to exceed \$100 million. No shares of common stock were repurchased pursuant to this program during the year ended December 31, 2014. Since the plan's inception in 2000 a total of 2.1 million shares have been repurchased at a total cost of \$83.3 million.

Summary of Changes in Common Stock

The following table shows the changes in the number of shares of our common stock issued and outstanding:

<i>In thousands</i>	Shares
Balance, December 31, 2011	26,756
Sales to employees under ESPP	18
Stock-based compensation	47
Sales to shareholders under DRPP	96
Balance, December 31, 2012	26,917
Sales to employees under ESPP	16
Stock-based compensation	42
Sales to shareholders under DRPP	100
Balance, December 31, 2013	27,075
Sales to employees under ESPP	24
Stock-based compensation	83
Sales to shareholders under DRPP	102
Balance, December 31, 2014	<u>27,284</u>

6. STOCK-BASED COMPENSATION

Our stock-based compensation plans are designed to promote stock ownership in NW Natural by employees and officers. These compensation plans include a Long-Term Incentive Plan (LTIP), an ESPP, and a Restated SOP. A variety of equity programs may be granted under the LTIP. The Restated SOP was terminated in 2012 with respect to new grants; however, options granted before the Restated SOP was terminated will remain outstanding until the earlier of their expiration, forfeiture, or exercise. Any new grants of stock options would be made under the LTIP. No stock options were granted under the LTIP during the year ended December 31, 2014.

Long-Term Incentive Plan

The LTIP is intended to provide a flexible, competitive compensation program for eligible officers and key employees. Under the LTIP, shares of common stock are authorized for equity incentive grants in the form of stock, restricted stock, restricted stock units, stock options, or performance shares. An aggregate of 850,000 shares were authorized for issuance as of December 31, 2014. Shares awarded under the LTIP may be purchased on the open market or issued as original shares.

Of the 850,000 shares of common stock authorized for LTIP awards at December 31, 2014, there were 225,669 shares available for issuance under any type of award and 250,000 shares available for option grants. This assumes that market, performance, and service based grants currently outstanding are awarded at the target level. There were no outstanding grants of restricted stock or stock options under the LTIP at December 31, 2014 or 2013. The LTIP stock

awards are compensatory awards for which compensation expense is based on the fair value of stock awards, with expense being recognized over the performance and vesting period of the outstanding awards.

Performance Shares

Since the LTIP's inception in 2001, performance shares, which incorporate market, performance, and service-based factors, have been granted annually with three-year performance periods. The following table summarizes performance share expense information:

<i>Dollars in millions</i>	Shares ⁽¹⁾	Expense During Award Year ⁽³⁾	Total Expense for Award
Estimated award:			
2012-2014 grant ⁽²⁾	8,408	\$ 0.6	\$ 1.8
Actual award:			
2011-2013 grant	9,819	0.4	1.0
2010-2012 grant	9,924	0.5	1.2

- (1) In addition to common stock shares, a participant also receives a dividend equivalent cash payment equal to the number of shares of common stock received on the award payout multiplied by the aggregate cash dividends paid per share during the performance period.
- (2) This represents the estimated number of shares to be awarded as of December 31, 2014 as certain performance share measures had been achieved. Amounts are subject to change with final payout amounts authorized by the Board of Directors in February 2015.
- (3) Amount represents the expense recognized in the third year of the vesting period noted above.

The aggregate number of performance shares granted and outstanding at the target and maximum levels were as follows:

<i>Dollars in thousands</i>	Performance Share Awards Outstanding		2014 Expense	Cumulative Expense December 31, 2014
	Target	Maximum		
2012-14	35,340	70,680	\$ 583	\$ 1,821
2013-15	37,300	74,600	442	928
2014-16	43,625	87,250	618	618
Total	116,265	232,530	\$ 1,643	

For the 2012-2014 and 2013-2015 performance periods, awards will be based on total shareholder return (TSR factor) relative to a peer group of gas distribution companies over the three-year performance period and on performance results achieved relative to specific core and non-core strategies (strategic factor). In addition to the TSR and strategic factors, the 2014-2016 award also included weighting for EPS and Return on Invested Capital (ROIC) factors. Compensation expense is recognized in accordance with the accounting standard for stock-based compensation and calculated based on performance levels achieved and

an estimated fair value using the Monte-Carlo method. The weighted-average grant date fair value of unvested shares at December 31, 2014 and 2013 was \$42.06 and \$43.39 per share, respectively. The weighted-average grant date fair value of shares vested during the year was \$43.67 per share and for shares granted during the year was \$42.43 per share. As of December 31, 2014, there was \$1.7 million of unrecognized compensation expense related to the unvested portion of performance awards expected to be recognized through 2016.

Restricted Stock Units

In 2012, the Company began granting RSUs under the LTIP instead of stock options under the Restated SOP. The fair value of an RSU is equal to the closing market price of the Company's common stock on the grant date. During 2014, total RSU expense was \$0.9 million compared to \$0.6 million in 2013. As of December 31, 2014, there was \$2.2 million of unrecognized compensation cost from grants of RSUs, which is expected to be recognized over a period extending through 2019. Generally, RSUs awarded include a performance-based threshold and a vesting period of four years from the grant date. An RSU obligates the Company upon vesting to issue the RSU holder one share of common stock plus a cash payment equal to the total amount of dividends paid per share between the grant date and vesting date of that portion of the RSU.

Information regarding the RSU activity is summarized as follows:

	Number of RSUs	Weighted - Average Price Per RSU
Nonvested, December 31, 2011	—	\$ —
Granted	25,224	47.58
Vested	—	—
Forfeited	(360)	48.00
Nonvested, December 31, 2012	24,864	\$ 47.57
Granted	25,748	45.38
Vested	(5,455)	48.01
Forfeited	(590)	46.58
Nonvested, December 31, 2013	44,567	46.27
Granted	38,765	42.19
Vested	(12,060)	46.52
Forfeited	(478)	45.47
Nonvested, December 31, 2014	70,794	44.00

Restated Stock Option Plan

The Restated SOP was terminated for new option grants in 2012; however, options granted before the plan terminated will remain outstanding until the earlier of their expiration, forfeiture, or exercise. Any new grants of stock options would be made under the LTIP.

At December 31, 2014, a total of 416,088 shares of common stock remained reserved for issuance under the Restated SOP. As the plan is closed, there are no additional shares available for grant. Options under the Restated SOP were granted to officers and key employees designated by a committee of our Board of Directors. All options were granted at an option price equal to the closing market price on the date of grant and may be exercised for a period up to 10 years and seven days from the date of grant. Option holders may exchange shares they have owned for at least six months, valued at the current market price, to purchase shares at the option price.

Information regarding the Restated SOP activity is summarized as follows:

	Option Shares	Weighted - Average Price Per Share	Intrinsic Value (In millions)
Balance outstanding, December 31, 2011	579,225	\$ 42.09	\$ 3.4
Exercised	(46,825)	40.62	0.4
Forfeited	(2,475)	43.78	n/a
Balance outstanding, December 31, 2012	529,925	42.22	1.3
Exercised	(33,800)	32.16	0.3
Forfeited	(3,975)	43.72	n/a
Balance outstanding, December 31, 2013	492,150	42.89	0.6
Exercised	(69,662)	39.82	0.5
Forfeited	(6,400)	43.59	n/a
Balance outstanding, December 31, 2014	416,088	43.40	2.7
Exercisable, December 31, 2014	388,965	43.23	2.6

During 2014, cash of \$2.8 million was received for option shares exercised and \$0.1 million related tax benefit was realized. During 2014, 2013, and 2012, the total fair value of options that vested was \$0.4 million, \$0.5 million and \$0.6 million, respectively. The weighted average remaining life of options exercisable and outstanding at December 31, 2014 was 4.2 years and 4.3 years, respectively.

Employee Stock Purchase Plan

The ESPP allows employees to purchase common stock at 85% of the closing price on the trading day immediately preceding the initial offering date, which is set annually. Each eligible employee may purchase up to \$21,239 worth of stock through payroll deductions over a 12-month period, with shares issued at the end of the 12-month subscription period.

Stock-Based Compensation Expense

Stock-based compensation expense is recognized as operations and maintenance expense or is capitalized as part of construction overhead. The following table summarizes the financial statement impact of stock-based compensation under our LTIP, Restated SOP and ESPP:

In thousands	2014	2013	2012
Operations and maintenance expense, for stock-based compensation	\$ 2,309	\$ 1,876	\$ 1,668
Income tax benefit	(861)	(765)	(707)
Net stock-based compensation effect on net income	\$ 1,448	\$ 1,111	\$ 961
Amounts capitalized for stock-based compensation	\$ 597	\$ 331	\$ 294

7. DEBT

Short-Term Debt

Our primary source of short-term funds is from the sale of commercial paper and bank loans. In addition to issuing commercial paper or bank loans to meet seasonal working capital requirements, short-term debt is used temporarily to fund capital requirements. Commercial paper and bank loans are periodically refinanced through the sale of long-term debt or equity securities. Our commercial paper program is supported by one or more committed credit facilities. At December 31, 2014 and 2013, the amounts of commercial paper debt outstanding were \$234.7 million and \$188.2 million, respectively, and the average interest rate at December 31, 2014 and 2013 was 0.4% and 0.3%, respectively. The carrying cost of our commercial paper approximates fair value using Level 2 inputs, due to the short-term nature of the notes. See Note 2 for a description of the fair value hierarchy. At December 31, 2014, our commercial paper had a maximum maturity of 209 days and an average maturity of 98 days.

On December 20, 2012, NW Natural entered into a five-year \$300 million credit agreement, with a feature that allows the Company to request increases in the total commitment amount up to a maximum amount of \$450 million. The credit agreement also permitted NW Natural to extend commitments for two additional one-year periods, subject to lender approval. The Company exercised the first of these extensions in December 2013, and the second in December 2014 with a final maturity date of December 20, 2019. Also in December 2014, NW Natural amended the credit agreement to reduce the permitted letter of credit from \$200 million to \$100 million. Any principal and unpaid interest owed on borrowings under the agreement is due and payable on or before the expiration date. There were no outstanding balances under the agreement and no letters of credit issued or outstanding at December 31, 2014 and 2013.

The credit agreement requires that we maintain credit ratings with Standard & Poor's (S&P) and Moody's Investors Service, Inc. (Moody's) and notify the lenders of any change in our senior unsecured debt ratings or senior secured debt ratings, as applicable, by such rating agencies. A change in our debt ratings is not an event of default, nor is the maintenance of a specific minimum level of debt rating a condition of drawing upon the credit facility. However, interest rates on any loans outstanding under the credit facility are tied to debt ratings, which would increase or decrease the cost of any loans under the credit facility when ratings are changed.

The credit agreement also requires us to maintain a consolidated indebtedness to total capitalization ratio of 70% or less. Failure to comply with this covenant would entitle the lenders to terminate their lending commitments and accelerate the maturity of all amounts outstanding. We were in compliance with this covenant at December 31, 2014 and 2013.

Long-Term Debt

The issuance of first mortgage bonds (FMBs), which includes our medium-term notes, under the Mortgage and Deed of Trust (Mortgage) is limited by eligible property, adjusted net earnings and other provisions of the Mortgage. The Mortgage constitutes a first mortgage lien on substantially all of our utility property. In addition, our Gill Ranch subsidiary senior secured debt is secured by all of the membership interests in Gill Ranch as well as Gill Ranch's debt service reserve account, which is recorded as restricted cash on the balance sheet.

Maturities and Outstanding Long-Term Debt

Retirement of long-term debt for each of the 12-month periods through December 31, 2019 and thereafter are as follows:

<i>In thousands</i>	
<u>Year</u>	
2015	\$ 40,000
2016	45,000
2017	40,000
2018	22,000
2019	30,000
Thereafter	484,700

The following table presents our debt outstanding as of December 31:

<i>In thousands</i>	2014	2013
<u>First Mortgage Bonds</u>		
8.26 % Series B due 2014	\$ —	\$ 10,000
3.95 % Series B due 2014	—	50,000
4.70 % Series B due 2015	40,000	40,000
5.15 % Series B due 2016	25,000	25,000
7.00 % Series B due 2017	40,000	40,000
6.60 % Series B due 2018	22,000	22,000
8.31 % Series B due 2019	10,000	10,000
7.63 % Series B due 2019	20,000	20,000
5.37 % Series B due 2020	75,000	75,000
9.05 % Series A due 2021	10,000	10,000
3.176 % Series B due 2021	50,000	50,000
3.542% Series B due 2023	50,000	50,000
5.62 % Series B due 2023	40,000	40,000
7.72 % Series B due 2025	20,000	20,000
6.52 % Series B due 2025	10,000	10,000
7.05 % Series B due 2026	20,000	20,000
7.00 % Series B due 2027	20,000	20,000
6.65 % Series B due 2027	19,700	19,700
6.65 % Series B due 2028	10,000	10,000
7.74 % Series B due 2030	20,000	20,000
7.85 % Series B due 2030	10,000	10,000
5.82 % Series B due 2032	30,000	30,000
5.66 % Series B due 2033	40,000	40,000
5.25 % Series B due 2035	10,000	10,000
4.00 % due 2042	50,000	50,000
	<u>641,700</u>	<u>701,700</u>
<u>Subsidiary Senior Secured Debt</u>		
Gill Ranch debt due 2016	20,000	40,000
	<u>661,700</u>	<u>741,700</u>
Less: Current maturities	40,000	60,000
Total long-term debt	<u>\$ 621,700</u>	<u>\$ 681,700</u>

First Mortgage Bonds

NW Natural issued \$50 million of FMBs on August 19, 2013 with a coupon rate of 3.542% and a 10-year maturity.

Subsidiary Senior Secured Debt

Gill Ranch has \$20 million of fixed-rate senior secured debt outstanding, which was issued in 2011 with a maturity date of November 30, 2016 and an interest rate of 7.75%.

Under the debt agreements, Gill Ranch is subject to certain covenants and restrictions including, but not limited to, a financial covenant that requires Gill Ranch to maintain minimum adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA) at various levels over the term of the debt. As part of an amended agreement, the EBITDA covenant requirement is suspended through March 31, 2015 with lower EBITDA hurdles thereafter. The debt service reserve requirement was fixed at \$3 million.

Retirements of Long-Term Debt

The utility redeemed \$50 million of FMBs with a coupon rate of 3.95% in July 2014 and \$10 million in September 2014

with a coupon rate of 8.26%. In June 2014, under the amended agreement Gill Ranch retired \$20 million of variable interest rate debt with a coupon rate of 7.00%.

Fair Value of Long-Term Debt

Our outstanding debt does not trade in active markets. We estimate the fair value of our debt using utility companies with similar credit ratings, terms, and remaining maturities to our debt that actively trade in public markets. These valuations are based on Level 2 inputs as defined in the fair value hierarchy. See Note 2.

The following table provides an estimate of the fair value of our long-term debt, including current maturities of long-term debt, using market prices in effect on the valuation date:

<i>In thousands</i>	December 31,	
	2014	2013
Carrying amount	\$ 661,700	\$ 741,700
Estimated fair value	756,808	806,359

8. PENSION AND OTHER POSTRETIREMENT BENEFIT COSTS

We maintain a qualified non-contributory defined benefit pension plan, non-qualified supplemental pension plans for eligible executive officers and other key employees, and other postretirement employee benefit plans. We also have qualified defined contribution plans (Retirement K Savings Plan) for all eligible employees. The qualified defined benefit pension plan and Retirement K Savings Plan have plan assets, which are held in qualified trusts to fund retirement benefits. Effective January 1, 2007 and 2010, the qualified defined benefit retirement plans and postretirement benefits for non-union employees and union employees, respectively, were closed to new participants. These plans were not available to employees of our non-utility subsidiaries. Non-union and union employees hired or re-hired after December 31, 2006 and 2009, respectively, and employees of NW Natural subsidiaries are provided an enhanced Retirement K Savings Plan benefit.

The following table provides a reconciliation of the changes in benefit obligations and fair value of plan assets, as applicable, for the pension and other postretirement benefit plans, excluding the Retirement K Savings Plan, and a summary of the funded status and amounts recognized in the consolidated balance sheets as of December 31:

<i>In thousands</i>	Postretirement Benefit Plans			
	Pension Benefits		Other Benefits	
	2014	2013	2014	2013
Reconciliation of change in benefit obligation:				
Obligation at January 1	\$ 391,089	\$ 435,889	\$ 28,754	\$ 33,119
Service cost	7,213	8,698	483	656
Interest cost	18,198	16,400	1,252	1,157
Net actuarial (gain) loss	90,710	(51,043)	3,454	(4,283)
Benefits paid	(19,932)	(18,855)	(1,871)	(1,895)
Obligation at December 31	<u>\$ 487,278</u>	<u>\$ 391,089</u>	<u>\$ 32,072</u>	<u>\$ 28,754</u>
Reconciliation of change in plan assets:				
Fair value of plan assets at January 1	\$ 267,062	\$ 249,603	\$ —	\$ —
Actual return on plan assets	19,957	22,872	—	—
Employer contributions	12,077	13,442	1,871	1,895
Benefits paid	(19,932)	(18,855)	(1,871)	(1,895)
Fair value of plan assets at December 31	<u>\$ 279,164</u>	<u>\$ 267,062</u>	<u>\$ —</u>	<u>\$ —</u>
Funded status at December 31	<u>\$ (208,114)</u>	<u>\$ (124,027)</u>	<u>\$ (32,072)</u>	<u>\$ (28,754)</u>

Our qualified defined benefit pension plan has an aggregate benefit obligation of \$451.2 million and \$362.4 million at December 31, 2014 and 2013, respectively, and fair values of plan assets of \$279.2 million and \$267.1 million, respectively.

The following table presents amounts realized through regulatory assets or in other comprehensive loss (income) for the years ended December 31:

<i>In thousands</i>	Regulatory Assets						Other Comprehensive Loss (Income)		
	Pension Benefits			Other Postretirement Benefits			Pension Benefits		
	2014	2013	2012	2014	2013	2012	2014	2013	2012
Net actuarial loss (gain)	\$ 83,027	\$ (51,892)	\$ 26,504	\$ 3,454	\$ (4,283)	\$ 3,182	\$ 7,221	\$ (3,302)	\$ 3,511
Amortization of:									
Transition obligation	—	—	—	—	—	(411)	—	—	—
Prior service cost	(230)	(230)	(230)	(197)	(197)	(197)	7	7	35
Actuarial loss	(9,823)	(16,744)	(14,482)	(221)	(733)	(435)	(1,091)	(1,550)	(1,150)
Total	<u>\$ 72,974</u>	<u>\$ (68,866)</u>	<u>\$ 11,792</u>	<u>\$ 3,036</u>	<u>\$ (5,213)</u>	<u>\$ 2,139</u>	<u>\$ 6,137</u>	<u>\$ (4,845)</u>	<u>\$ 2,396</u>

The following table presents amounts recognized in regulatory assets and accumulated other comprehensive loss (AOCL) at December 31:

<i>In thousands</i>	Regulatory Assets				AOCL	
	Pension Benefits		Other Postretirement Benefits		Pension Benefits	
	2014	2013	2014	2013	2014	2013
Prior service cost	\$ 637	\$ 867	\$ 488	\$ 685	\$ 2	\$ (5)
Net actuarial loss	192,846	119,638	7,898	4,665	16,604	10,475
Total	<u>\$ 193,483</u>	<u>\$ 120,505</u>	<u>\$ 8,386</u>	<u>\$ 5,350</u>	<u>\$ 16,606</u>	<u>\$ 10,470</u>

The following table presents amounts recognized in AOCL and the changes in AOCL related to our non-qualified employee benefit plans:

<i>In thousands</i>	Year Ended December 31,	
	2014	2013
Beginning balance	\$ (6,358)	\$ (9,291)
Amounts reclassified to AOCL	(7,221)	3,302
Amounts reclassified from AOCL:		
Amortization of prior service costs	(7)	(7)
Amortization of actuarial losses	1,091	1,550
Total reclassifications before tax	(6,137)	4,845
Tax (benefit) expense	2,419	(1,912)
Total reclassifications for the period	(3,718)	2,933
Ending balance	<u>\$ (10,076)</u>	<u>\$ (6,358)</u>

In 2015, an estimated \$17.0 million will be amortized from regulatory assets to net periodic benefit costs, consisting of \$16.6 million of actuarial losses, and \$0.4 million of prior service costs. A total of \$2.2 million will be amortized from AOCL to earnings related to actuarial losses.

Our assumed discount rate for the pension plan and other postretirement benefit plans was determined independently based on the Citigroup Above Median Curve (discount rate curve), which uses high quality corporate bonds rated AA- or higher by S&P or Aa3 or higher by Moody's. The discount rate curve was applied to match the estimated cash flows in each of the Company's plans to reflect the timing and amount of expected future benefit payments for these plans.

Our assumed expected long-term rate of return on plan assets for the qualified pension plan was developed using a weighted average of the expected returns for the target asset portfolio. In developing the expected long-term rate of return assumption, consideration was given to the historical

performance of each asset class in which the plans' assets are invested and the target asset allocation for plan assets.

Our investment strategy and policies for qualified pension plan assets held in the retirement trust fund were approved by our retirement committee, which is composed of senior management with the assistance of an outside investment consultant. The policies set forth the guidelines and objectives governing the investment of plan assets. Plan assets are invested for total return with appropriate consideration for liquidity, portfolio risk, and return expectations. All investments are expected to satisfy the prudent investments rule under the Employee Retirement Income Security Act of 1974. The approved asset classes may include cash and short-term investments, fixed income, common stock and convertible securities, absolute and real return strategies, real estate, and investments in NW Natural securities. Plan assets may be invested in separately managed accounts or in commingled or mutual funds. Investment re-balancing takes place periodically as

needed, or when significant cash flows occur, in order to maintain the allocation of assets within the stated target ranges. Our expected long-term rate of return is based upon historical index returns by asset class, adjusted by a factor based on our historical return experience, diversified asset allocation and active portfolio management by professional investment managers. The retirement trust fund is not currently invested in NW Natural securities.

The following table presents the pension plan asset target allocation at December 31, 2014:

Asset Category	Target Allocation
U.S. large cap equity	18.0%
U.S. small/mid cap equity	10.0
Non-U.S. equity	18.0
Emerging markets equity	5.0
Long government/credit	20.0
High yield bonds	5.0
Emerging market debt	5.0
Real estate funds	7.0
Absolute return strategy	12.0

Our non-qualified supplemental defined benefit plan obligations were \$36.1 million and \$28.7 million at

The following table provides the components of net periodic benefit cost for the Company's pension and other postretirement benefit plans for the years ended December 31:

<i>In thousands</i>	Pension Benefits			Other Postretirement Benefits		
	2014	2013	2012	2014	2013	2012
Service cost	\$ 7,213	\$ 8,698	\$ 8,047	\$ 483	\$ 656	\$ 592
Interest cost	18,198	16,400	17,295	1,252	1,157	1,267
Expected return on plan assets	(19,496)	(18,721)	(19,082)	—	—	—
Amortization of transition obligations	—	—	—	—	—	411
Amortization of prior service costs	223	223	195	197	197	197
Amortization of net actuarial loss	10,914	18,294	15,631	221	734	435
Net periodic benefit cost	17,052	24,894	22,086	2,153	2,744	2,902
Amount allocated to construction	(4,625)	(6,712)	(5,820)	(702)	(856)	(882)
Amount deferred to regulatory balancing account ⁽¹⁾	(4,578)	(9,115)	(7,876)	—	—	—
Net amount charged to expense	\$ 7,849	\$ 9,067	\$ 8,390	\$ 1,451	\$ 1,888	\$ 2,020

⁽¹⁾ The deferral of certain pension expenses above or below the amount set in rates was approved by the OPUC, with recovery of these deferred amounts through the implementation of a balancing account, which includes the expectation of lower net periodic benefit costs in future years. Deferred pension expense balances include accrued interest at the utility's authorized rate of return, with the equity portion of the interest being deferred until amounts are collected in rates. See Note 2.

December 31, 2014 and 2013, respectively. These plans are not subject to regulatory deferral, and the changes in actuarial gains and losses, prior service costs and transition assets, or obligations are recognized in AOCL, net of tax until they are amortized as a component of net periodic benefit cost. These are unfunded, non-qualified plans with no plan assets; however, we indirectly fund a portion of our obligations with company- and trust-owned life insurance and other assets.

Our other postretirement benefit plans are unfunded plans but are subject to regulatory deferral. The actuarial gains and losses, prior service costs, and transition assets or obligations for these plans are recognized as a regulatory asset.

Net periodic benefit costs consist of service costs, interest costs, the amortization of actuarial gains and losses, and the expected returns on plan assets, which are based in part on a market-related valuation of assets. The market-related valuation reflects differences between expected returns and actual investment returns with the differences recognized over a three-year or less period from the year in which they occur, thereby reducing year-to-year net periodic benefit cost volatility.

Net periodic benefit costs are reduced by amounts capitalized to utility plant based on approximately 25% to 35% payroll overhead charge. In addition, a certain amount of net periodic benefit costs are recorded to the regulatory balancing account for pensions. Net periodic pension cost less amounts charged to capital accounts and regulatory balancing accounts are expenses recognized in earnings.

The following table provides the assumptions used in measuring periodic benefit costs and benefit obligations for the years ended December 31:

	Pension Benefits			Other Postretirement Benefits		
	2014	2013	2012	2014	2013	2012
Assumptions for net periodic benefit cost:						
Weighted-average discount rate	4.71%	3.84%	4.51%	4.45%	3.56%	4.33%
Rate of increase in compensation	3.25-5.0%	3.25-5.0%	3.25-5.0%	n/a	n/a	n/a
Expected long-term rate of return	7.50%	7.50%	8.00%	n/a	n/a	n/a
Assumptions for year-end funded status:						
Weighted-average discount rate	3.85%	4.73%	3.85%	3.74%	4.45%	3.56%
Rate of increase in compensation	3.25-5.0%	3.25-5.0%	3.25-5.0%	n/a	n/a	n/a
Expected long-term rate of return	7.50%	7.50%	7.50%	n/a	n/a	n/a

The assumed annual increase in health care cost trend rates used in measuring other postretirement benefits as of December 31, 2014 was 8.00% for pre-65 and 11.75% for post-65 populations. These trend rates apply to both medical and prescription drugs. Medical costs and prescription drugs are assumed to decrease gradually each year to a rate of 4.75% by 2022.

Assumed health care cost trend rates can have a significant effect on the amounts reported for the health care plans; however, other postretirement benefit plans have a cap on the amount of costs reimbursable from the Company. A one percentage point change in assumed health care cost trend rates would have the following effects:

<i>In thousands</i>	1% Increase	1% Decrease
Effect on net periodic postretirement health care benefit cost	\$ 62	\$ (55)
Effect on the accumulated postretirement benefit obligation	1,260	(965)

The Company adopted a new set of mortality tables for its plans beginning with 2014. The tables were released in October 2014 by the Society of Actuaries' Retirement Plans Experience Committee and project a mortality improvement, thereby increasing benefit plan liabilities.

The following table provides information regarding employer contributions and benefit payments for the qualified pension plan, non-qualified pension plans, and other postretirement benefit plans for the years ended December 31, and estimated future contributions and payments:

<i>In thousands</i>	Pension Benefits	Other Benefits
Employer Contributions:		
2013	\$ 13,907	\$ 1,895
2014	12,077	1,871
2015 (estimated)	16,567	1,848
Benefit Payments:		
2012	18,195	1,971
2013	18,855	1,895
2014	19,932	1,871
Estimated Future Benefit Payments:		
2015	20,315	1,848
2016	20,993	1,918
2017	21,784	1,955
2018	22,799	2,007
2019	24,162	2,075
2020-2024	137,839	10,412

Employer Contributions to Company-Sponsored Defined Benefit Pension Plans

We make contributions to our qualified defined benefit pension plans based on actuarial assumptions and estimates, tax regulations, and funding requirements under federal law. The Pension Protection Act of 2006 (the Act) established funding requirements for defined benefit plans. The Act establishes a 100% funding target over seven years for plan years beginning after December 31, 2008. In 2012 the Moving Ahead for Progress in the 21st Century Act (MAP-21) legislation changed several provisions affecting pension plans, including temporary funding relief and Pension Benefit Guaranty Corporation (PBGC) premium increases, which reduces the level of minimum required contributions in the near-term but generally increases contributions in the long-run and increases the operational costs of running a pension plan. In 2014, the Highway and Transportation Funding Act (HATFA) was signed and extends certain aspects of MAP-21 as well as modifies the phase-out periods for the limitations.

Our qualified defined benefit pension plan is currently underfunded by \$172.0 million at December 31, 2014. Including the impacts of MAP-21 and HATFA, we made cash contributions totaling \$10.5 million to our qualified defined benefit pension plan for 2014. During 2015, we expect to make contributions of approximately \$15 million to this plan.

Multiemployer Pension Plan

In addition to the Company-sponsored defined benefit plans presented above, prior to 2014 we contributed to a multiemployer pension plan for our utility's union employees known as the Western States Office and Professional Employees International Union Pension Fund (Western States Plan). The plan's employer identification number is 94-6076144. Effective December 22, 2013, we withdrew from the plan, which was a noncash transaction. Vested participants will receive all benefits accrued through the date of withdrawal. As the plan was underfunded at the time of withdrawal, we were assessed a withdrawal liability of \$8.3 million, plus interest, which requires NW Natural to pay \$0.6 million each year to the plan for 20 years beginning in July 2014. The cost of the withdrawal liability was deferred to a regulatory account on the balance sheet.

We made payments of \$0.4 million for 2014 and as of December 31, 2014 the liability balance was \$8.1 million. For 2013 and 2012, contributions to the plan were \$0.5 million and \$0.4 million, respectively, which was approximately 4% to 5% of the total contributions to the plan by all employer participants in those years.

Defined Contribution Plan

The Retirement K Savings Plan is a qualified defined contribution plan under Internal Revenue Code Section 401(k). Employer contributions totaled \$3.4 million for 2014 and \$2.2 million for both 2013 and 2012. The Retirement K Savings Plan includes an Employee Stock Ownership Plan.

Deferred Compensation Plans

The supplemental deferred compensation plans for eligible officers and senior managers are non-qualified plans. These plans are designed to enhance the retirement savings of employees and to assist them in strengthening their financial security by providing an incentive to save and invest regularly.

Fair Value

Following is a description of the valuation methodologies used for assets measured at fair value. In cases where the pension plan is invested through a collective trust fund or mutual fund, our custodian uses the fund's market value. The custodian also provides the market values for investments directly owned.

U.S. LARGE CAP EQUITY and U.S. SMALL/MID CAP

EQUITY. These are level 1 and 2 assets. The level 1 assets consist of directly held stocks and mutual funds with a readily determinable fair value, including a published net asset value (NAV). The level 2 assets consist of mutual funds where NAV is not published but the investment can be readily disposed of at NAV or market value. Directly held stocks are valued at the closing price reported in the active market on which the individual security is traded, and mutual funds are valued at NAV. This asset class includes investments primarily in U.S. common stocks.

NON-U.S. EQUITY. These are level 1 and 2 assets. The level 1 assets consist of directly held stocks, and the level 2 assets consist of an open-end mutual fund and a commingled trust where the NAV/unit price is not published but the investment can be readily disposed of at the NAV/unit price. Directly held stocks are valued at the closing price reported in the active market on which the individual security is traded, and the mutual fund is valued at NAV, while the commingled trust is valued at the unit price of the trust. This asset class includes investments primarily in foreign equity common stocks.

EMERGING MARKETS EQUITY. This is a level 2 asset consisting of an open-end mutual fund where the NAV price is not published but the investment can be readily disposed of at the NAV. This asset class includes investments primarily in common stocks in emerging markets.

FIXED INCOME. This is a level 2 asset consisting of a mutual fund, valued at NAV, where NAV is not published, but the investment can be readily disposed of at NAV. This asset class includes investments primarily in investment grade debt and fixed income securities.

LONG GOVERNMENT/CREDIT. These are level 1 and 2 assets. The level 1 assets consist of a fixed-income mutual fund with readily determinable fair value, including a published NAV. The level 2 assets consist of directly held fixed-income securities whose values are determined by closing prices if available and by matrix prices for illiquid securities. This asset class includes long duration fixed income investments primarily in U.S. treasuries, U.S. government agencies, municipal securities, mortgage-backed securities, asset-backed securities, as well as U.S. and international investment-grade corporate bonds.

HIGH YIELD BONDS. These are level 2 assets consisting of a limited partnership where valuation is not published but the investment can be readily disposed of at market value. This asset class includes investments primarily in high yield bonds.

EMERGING MARKET DEBT. These are level 1 assets consisting of a mutual fund with a readily determinable fair value, including a published NAV. This asset class includes investments primarily in emerging market debt.

REAL ESTATE FUNDS. These are level 1 assets consisting of a mutual fund with a readily determinable fair value, including a published NAV. This asset class includes investments primarily in real estate investment trust (REIT) equity securities globally.

ABSOLUTE RETURN STRATEGY. These are level 2 assets consisting of a hedge fund of funds where valuations are not published but the investment can be readily disposed of at unit price. The hedge fund of funds is valued at the weighted average value of investments in various hedge funds, which in turn are valued at the closing price of the underlying securities. This asset class primarily includes investments in common stocks and fixed income securities.

REAL RETURN STRATEGY. These are level 1 assets representing a mutual fund with a readily determinable fair value, including a published NAV. This asset class includes an investment in a broad range of assets primarily including fixed income, high-yield bonds, and emerging market debt.

CASH AND CASH EQUIVALENTS. These are level 2 assets representing mutual funds without published NAV's but the investment can be readily disposed of at NAV. The mutual funds are valued at the NAV of the shares held by the plan at the valuation date. This asset class primarily includes money market mutual funds.

The preceding valuation methods may produce a fair value calculation that is not indicative of net realizable value or reflective of future fair values. Although we believe these valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investment securities are exposed to various financial risks including interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of our investment securities will occur in the near term and such changes could materially affect our investment account balances and the amounts reported as plan assets available for benefit payments.

The following table presents the fair value of plan assets, including outstanding receivables and liabilities, of the retirement trust fund:

<i>In thousands</i>	December 31, 2014			
	Level 1	Level 2	Level 3	Total
Investments				
U.S. large cap equity	\$ 39,405	\$ 122	\$ —	\$ 39,527
U.S. small/mid cap equity	27,172	85	—	27,257
Non-U.S. equity	16,369	17,221	—	33,590
Emerging markets equity	—	7,145	—	7,145
Fixed income	—	598	—	598
Long government/credit	40,584	40,235	—	80,819
High yield bonds	—	13,087	—	13,087
Emerging market debt	9,133	—	—	9,133
Real estate funds	18,890	—	—	18,890
Absolute return strategy	—	37,065	—	37,065
Real return strategy	8,308	—	—	8,308
Cash and cash equivalents	—	1,720	—	1,720
Total investments	\$ 159,861	\$ 117,278	\$ —	\$ 277,139

Investments	December 31, 2013			
	Level 1	Level 2	Level 3	Total
U.S. large cap equity	\$ 39,124	\$ 79	\$ —	\$ 39,203
U.S. small/mid cap equity	30,465	55	—	30,520
Non-U.S. equity	16,782	17,202	—	33,984
Emerging markets equity	7,405	—	—	7,405
Fixed income	—	367	—	367
Long government/credit	33,152	32,763	—	65,915
High yield bonds	—	12,890	—	12,890
Emerging market debt	9,987	—	—	9,987
Real estate funds	16,559	—	—	16,559
Absolute return strategy	—	35,339	—	35,339
Real return strategy	13,031	—	—	13,031
Cash and cash equivalents	—	1,418	—	1,418
Total investments	\$ 166,505	\$ 100,113	\$ —	\$ 266,618

	December 31,	
	2014	2013
<u>Receivables</u>		
Accrued interest and dividend income	\$ 510	\$ 468
Due from broker for securities sold	1,694	1,154
Total receivables	\$ 2,204	\$ 1,622
<u>Liabilities</u>		
Due to broker for securities purchased	\$ 179	\$ 1,178
Total investment in retirement trust	\$ 279,164	\$ 267,062

9. INCOME TAX

The following table provides a reconciliation between income taxes calculated at the statutory federal tax rate and the provision for income taxes reflected in the consolidated statements of comprehensive income for December 31:

<i>Dollars in thousands</i>	2014	2013	2012
Income taxes at federal statutory rate	\$ 35,117	\$ 35,785	\$ 35,764
Increase (decrease):			
Current state income tax, net of federal tax benefit	4,666	4,674	4,773
Amortization of investment tax credits	(201)	(271)	(350)
Differences required to be flowed-through by regulatory commissions	2,357	2,357	1,718
Gains on company and trust-owned life insurance	(689)	(864)	(800)
Regulatory asset impairment	—	—	2,700
Other, net	393	24	(402)
Total provision for income taxes	<u>\$ 41,643</u>	<u>\$ 41,705</u>	<u>\$ 43,403</u>
Effective tax rate	<u>41.5%</u>	<u>40.8%</u>	<u>42.5%</u>

The increase in the effective income tax rate for 2014 compared to 2013 was primarily the result of a \$0.6 million income tax charge in 2014 related to a higher statutory tax rate in Oregon, which required the revaluation of deferred tax balances. The decrease in the effective income tax rate for 2013 compared to 2012 was primarily the result of an after-tax charge of \$2.7 million in 2012 related to the OPUC's rate case order that the Company could not recover from customers the increase in deferred tax liabilities resulting from the 2009 Oregon income tax rate increase.

The provision (benefit) for current and deferred income taxes consists of the following at December 31:

<i>In thousands</i>	2014	2013	2012
Current			
Federal	\$ 14,823	\$ (62)	\$ 1,693
State	24	(11)	99
	<u>14,847</u>	<u>(73)</u>	<u>1,792</u>
Deferred			
Federal	18,635	35,109	31,187
State	8,161	6,669	10,424
	<u>26,796</u>	<u>41,778</u>	<u>41,611</u>
Total provision for income taxes	<u>\$ 41,643</u>	<u>\$ 41,705</u>	<u>\$ 43,403</u>
Total income taxes paid	<u>\$ 19,445</u>	<u>\$ 870</u>	<u>\$ 2,979</u>

The following table summarizes the total provision (benefit) for income taxes for the utility and non-utility business segments for December 31:

<i>In thousands</i>	2014	2013	2012
Utility:			
Current	\$ 24,317	\$ (73)	\$ 1,909
Deferred	19,518	38,073	39,163
Deferred investment tax credits	(201)	(271)	(350)
	<u>43,634</u>	<u>37,729</u>	<u>40,722</u>
Non-utility business segments:			
Current	(9,470)	—	(117)
Deferred	7,479	3,976	2,798
	<u>(1,991)</u>	<u>3,976</u>	<u>2,681</u>
Total provision for income taxes	<u>\$ 41,643</u>	<u>\$ 41,705</u>	<u>\$ 43,403</u>

The following table summarizes the tax effect of significant items comprising our deferred income tax accounts at December 31:

<i>In thousands</i>	2014	2013
Deferred tax liabilities:		
Plant and property	\$ 386,732	\$ 362,160
Regulatory income tax assets	51,805	56,183
Regulatory liabilities	55,776	71,971
Non-regulated deferred tax liabilities	48,683	47,516
Total	<u>\$ 542,996</u>	<u>\$ 537,830</u>
Deferred tax assets:		
Pension and postretirement obligations	\$ 6,537	\$ 4,112
Alternative minimum tax credit carryforward	16,788	1,939
Loss and credit carryforwards	12,657	45,351
Total	<u>35,982</u>	<u>51,402</u>
Deferred income tax liabilities, net	507,014	486,428
Deferred investment tax credits	166	367
Deferred income taxes and investment tax credits	<u>\$ 507,180</u>	<u>\$ 486,795</u>

Management assesses the available positive and negative evidence to estimate if sufficient taxable income will be generated to utilize the existing deferred tax assets. Based upon this assessment, we have determined we are more likely than not to realize all deferred tax assets recorded as of December 31, 2014.

The Company estimates it has net operating loss (NOL) carryforwards of \$28.8 million for federal taxes and \$49.4 million for Oregon taxes at December 31, 2014. We anticipate fully utilizing these NOL carryforward balances before they begin to expire in 2033 for federal and 2027 for Oregon. Alternative minimum tax (AMT) credits of \$16.8 million, general business credits of \$0.2 million, and charitable contribution carryforwards of \$4.6 million are also available. The AMT credits do not expire, and we anticipate fully utilizing the general business credits and charitable contribution carryforwards before they begin to expire in 2033 and 2015, respectively.

As a result of certain realization requirements prescribed in the accounting guidance for income taxes, the tax benefit of statutory depletion is recognized no earlier than the year in which the depletion is deductible on the Company's federal income tax return. Income tax expense will be decreased by approximately \$0.9 million if and when the deferred depletion from 2013 and 2014 is realized.

Uncertain tax positions are accounted for in accordance with accounting standards that require management's assessment of the anticipated settlement outcome of material uncertain tax positions taken in a prior year, or planned to be taken in the current year. Until such positions are sustained, we would not recognize the uncertain tax benefits resulting from such positions. No reserves for uncertain tax positions existed as of December 31, 2014, 2013, or 2012.

The Company's examination by the Internal Revenue Service (IRS) for tax years 2009 through 2011 was completed during the first quarter of 2014. The examination did not result in a material change to the returns as originally filed or previously adjusted for net operating loss carrybacks. The 2013 and 2014 tax years are currently in examination under the IRS Compliance Assurance Process (CAP). The Company's 2015 tax year CAP application has been accepted by the IRS. Under the CAP program the Company works with the IRS to identify and resolve material tax matters before the tax return is filed each year. As of December 31, 2014, tax year 2012 remains open for federal examination.

In 2012 the Company settled the Oregon Department of Revenue examination of tax years 2006 through 2009. This settlement resulted in an additional \$0.2 million state tax expense, including interest, but was offset by a corresponding refund claim with the state of California. As of December 31, 2014, tax years 2011 through 2014 are open for Oregon examination.

10. PROPERTY, PLANT, AND EQUIPMENT

The following table sets forth the major classifications of our property, plant, and equipment and accumulated depreciation at December 31:

<i>In thousands</i>	2014	2013
Utility plant in service	\$2,661,097	\$2,585,901
Utility construction work in progress	24,886	28,855
Less: Accumulated depreciation	836,510	827,380
Utility plant, net	<u>1,849,473</u>	<u>1,787,376</u>
Non-utility plant in service	297,295	297,330
Non-utility construction work in progress	9,282	6,653
Less: Accumulated depreciation	34,457	28,485
Non-utility plant, net	<u>272,120</u>	<u>275,498</u>
Total property, plant, and equipment	<u>\$2,121,593</u>	<u>\$2,062,874</u>
Capital expenditures in accrued liabilities	\$ 8,757	\$ 10,691

The weighted average depreciation rate was 2.8% for utility assets and 2.2% for non-utility assets in 2014, 2013, and 2012.

Accumulated depreciation does not include the accumulated provision for asset removal costs of \$311.2 million and \$296.3 million at December 31, 2014 and 2013, respectively. These accrued asset removal costs are reflected on the balance sheets as regulatory liabilities. See Note 2. In addition, we acquired equipment under capital leases of \$1.3 million and \$0.2 million in 2014 and 2013, respectively.

11. GAS RESERVES

Our gas reserves are stated at cost, net of regulatory amortization, with the associated deferred tax benefits recorded as liabilities on the balance sheet.

We entered into agreements with Encana Oil & Gas (USA) Inc. (Encana) in 2011 to develop and produce physical gas reserves and provide long-term gas price protection for utility customers. Encana began drilling in 2011 under these agreements. Gas produced from working interests in these gas fields is sold at prevailing market prices, with revenues from such sales, less associated production costs, credited to the utility's cost of gas. The cost of gas, including a carrying cost for the rate base investment, is part of NW Natural's annual Oregon PGA filing, which allows us to recover our costs through customer rates. Our net investment under the original agreement earns a rate of return and provides long-term price protection for our utility customers.

On March 28, 2014, we amended the original gas reserve agreement in order to facilitate Encana's proposed sale of its interest in the Jonah field to Jonah Energy LLC. Under the amendment, we ended the drilling program with Encana, but increased our assigned ownership interests in certain sections of the Jonah field and retained the right to invest in additional wells with the new owner.

Since the amendment, we have been notified by Jonah Energy LLC of investment opportunities in the sections of the Jonah field where we have ownership interests. The amended agreement allows us to invest in additional wells on a well-by-well basis with drilling costs and resulting gas volumes shared at our amended proportionate ownership interest for each well in which we invest. We elected to participate in some of the additional wells drilled in 2014, and we may have the opportunity to participate in more wells in the future. We filed an application requesting regulatory deferral in Oregon for these additional investments. We have also signed a memorandum of understanding with all parties agreeing that individual wells drilled in any year will be reviewed for prudence annually going forward. Subsequently, we filed in 2015 seeking cost recovery for the additional wells drilled in 2014. A decision on the prudence of the wells drilled in 2014 will occur when the parties and Commission review our filing seeking cost recovery. Our cumulative investment of approximately \$10 million in these additional wells has been accounted for as a utility investment. If regulatory approval is not received, our investment in these additional wells would follow oil and gas accounting.

Gas reserves acted to hedge the cost of gas for approximately 10% and 6% of our utility's gas supplies for the years ended December 31, 2014 and 2013, respectively.

The following table outlines our net gas reserves investment at December 31:

<i>In thousands</i>	2014	2013
Gas reserves, current	\$ 20,020	\$ 20,646
Gas reserves, non-current	167,190	140,573
Less: Accumulated amortization	37,910	18,575
Total gas reserves ⁽¹⁾	149,300	142,644
Less: Deferred taxes on gas reserves	18,551	42,117
Net investment in gas reserves ⁽¹⁾	<u>\$ 130,749</u>	<u>\$ 100,527</u>

⁽¹⁾ Total gas reserves includes our investment in additional wells, subject to regulatory deferral approvals, with total gas reserves of \$9.2 million and net investment of \$8.4 million at December 31, 2014 and no net investment or total gas reserves from additional wells in 2013.

Variable Interest Entity (VIE) Analysis

We concluded that the arrangement with Encana qualifies as a variable interest (VI) as our interest represents a minor portion of total extraction activities. Our investment is included on our balance sheet under gas reserves with our maximum loss exposure limited to our current investment balance.

12. INVESTMENTS

Investments include financial investments in life insurance policies, which are accounted for at cash surrender value, net of policy loans, and equity investments in certain partnerships and limited liability companies, which are accounted for under the equity method. The following table summarizes our other investments at December 31:

<i>In thousands</i>	2014	2013
Investments in life insurance policies	\$ 52,366	\$ 51,791
Investments in gas pipeline	13,962	14,048
Other	1,910	2,012
Total other investments	<u>\$ 68,238</u>	<u>\$ 67,851</u>

Investment in Life Insurance Policies

We have invested in key person life insurance contracts to provide an indirect funding vehicle for certain long-term employee and director benefit plan liabilities. The amount in the above table is reported at cash surrender value, net of policy loans.

Investments in Gas Pipeline

Trail West Pipeline, LLC (TWP), a wholly-owned subsidiary of TWH, is pursuing the development of a new gas transmission pipeline that would provide an interconnection with our utility distribution system. NWN Energy, a wholly-owned subsidiary of NW Natural owns 50% of TWH, and 50% is owned by TransCanada American Investments Ltd., an indirect wholly-owned subsidiary of TransCanada Corporation.

VIE Analysis

TWH is a development stage VIE, with our investment in TWP reported under equity method accounting. We have determined we are not the primary beneficiary of TWH's activities, in accordance with the authoritative guidance related to consolidations, as we only have a 50% share of the entity and there are no stipulations that allow us a disproportionate influence over it. Our investment in TWH and TWP are included in other investments on our balance sheet. Should this investment not be developed, then our maximum loss exposure related to TWH is limited to our equity investment balance, less our share of any cash or other assets available to us as a 50% owner. Our investment balance in TWH was \$13.4 million at December 31, 2014 and 2013.

Impairment Analysis

Our investments in nonconsolidated entities accounted for under the equity method are reviewed for impairment at each reporting period and following updates to our corporate planning assumptions. If it is determined that a loss in value is other than temporary, a charge is recognized for the difference between the investment's carrying value and its estimated fair value. Fair value is based on quoted market prices when available or on the present value of expected future cash flows. Differing assumptions could affect the timing and amount of a charge recorded in any period.

In 2011, TWP withdrew its original application with the FERC for a proposed natural gas pipeline in Oregon and informed FERC that it intended to re-file an application to reflect changes in the project scope aligning the project with the region's current and future gas infrastructure needs. TWP continues working with customers in the Pacific Northwest to further understand their gas transportation needs and determine the commercial support for a revised pipeline proposal. A new FERC certificate application is expected to be filed to reflect a revised scope based on these regional needs.

Our equity investment was not impaired at December 31, 2014 as the fair value of expected cash flows from planned development exceeded our remaining equity investment of \$13.4 million at December 31, 2014. However, if we learn that the project is not viable or will not go forward, then we could be required to recognize a maximum charge of up to approximately \$13.3 million based on the current amount of our equity investment, net of cash and working capital at TWP. We will continue to monitor and update our impairment analysis as required.

13. DERIVATIVE INSTRUMENTS

We enter into financial derivative contracts to hedge a portion of our utility's natural gas sales requirements. These contracts include swaps, options, and combinations of option contracts. We primarily use these derivative financial instruments to manage commodity price variability. A small portion of our derivative hedging strategy involves foreign currency exchange contracts.

We enter into these financial derivatives, up to prescribed limits, primarily to hedge price variability related to our physical gas supply contracts as well as to hedge spot purchases of natural gas. The foreign currency forward contracts are used to hedge the fluctuation in foreign currency exchange rates for pipeline demand charges paid in Canadian dollars.

In the normal course of business, we also enter into indexed-price physical forward natural gas commodity purchase contracts and options to meet the requirements of utility customers. These contracts qualify for regulatory deferral accounting treatment.

We also enter into exchange contracts related to the third-party asset management of our gas portfolio, some of which are derivatives that do not qualify for hedge accounting or regulatory deferral, but are subject to our regulatory sharing agreement.

Notional Amounts

The following table presents the absolute notional amounts related to open positions on our derivative instruments:

<i>In thousands</i>	At December 31,	
	2014	2013
Natural gas (in therms):		
Financial	287,475	389,225
Physical	420,980	552,500
Foreign exchange	\$ 12,230	\$ 15,002

PGA

As of November 1, 2014, we reached our target hedge percentage for the 2014-15 gas year, and these hedge prices were included in the PGA filing and qualified for regulatory deferral.

Unrealized and Realized Gain/Loss

The following table reflects the income statement presentation for the unrealized gains and losses from our derivative instruments:

<i>In thousands</i>	December 31, 2014		December 31, 2013	
	Natural gas commodity	Foreign exchange	Natural gas commodity	Foreign exchange
Benefit (expense) to cost of gas	\$ (32,784)	\$ (382)	\$ 4,985	\$ (300)
Less:				
Amounts deferred to regulatory accounts on balance sheet	32,782	382	(4,964)	300
Total gain (loss) in pre-tax earnings	\$ (2)	\$ —	\$ 21	\$ —

Outstanding derivative instruments related to regulated utility operations are deferred in accordance with regulatory accounting standards. The cost of foreign currency forward and natural gas derivative contracts are recognized immediately in the cost of gas; however, costs above or below the amount embedded in the current year PGA are subject to a regulatory deferral tariff and therefore, are recorded as a regulatory asset or liability.

We realized net gains of \$10.5 million and net losses of \$11.0 million for the years ended December 31, 2014 and 2013, respectively, from the settlement of natural gas financial derivative contracts. Realized gains and losses are recorded in cost of gas, deferred through our regulatory accounts, and amortized through customer rates in the following year.

Credit Risk Management of Financial Derivatives Instruments

No collateral was posted with or by our counterparties as of December 31, 2014 or 2013. We attempt to minimize the potential exposure to collateral calls by counterparties to manage our liquidity risk. Counterparties generally allow a certain credit limit threshold before requiring us to post collateral against loss positions. Given our counterparty credit limits and portfolio diversification, we have not been subject to collateral calls in 2014 or 2013. Our collateral call exposure is set forth under credit support agreements, which generally contain credit limits. We could also be subject to collateral call exposure where we have agreed to provide adequate assurance, which is not specific as to the amount of credit limit allowed, but could potentially require additional collateral in the event of a material adverse change.

Based upon current financial swap and option contracts outstanding, which reflect unrealized losses of \$30.6 million at December 31, 2014, we have estimated the level of collateral demands, with and without potential adequate assurance calls, using current gas prices and various credit downgrade rating scenarios for NW Natural as follows:

<i>In thousands</i>	(Current Ratings) A+/A3	Credit Rating Downgrade Scenarios			
		BBB+/ Baa1	BBB/ Baa2	BBB-/ Baa3	Speculative
With Adequate Assurance Calls	\$ —	\$ —	\$ 4	\$ 2,504	\$ 27,150
Without Adequate Assurance Calls	—	—	—	—	19,646

Our financial derivative instruments are subject to master netting arrangements; however, they are presented on a gross basis in our statement of financial position. The Company and its counterparties have the ability to set-off their obligations to each other under specified

circumstances. Such circumstances may include a defaulting party, a credit change due to a merger affecting either party, or any other termination event.

If netted by counterparty, our derivative position would result in an asset of \$0.2 million and a liability of \$33.4 million as of December 31, 2014. As of December 31, 2013, our derivative position would have resulted in an asset of \$7.2 million and a liability of \$2.5 million.

We are exposed to derivative credit and liquidity risk primarily through securing fixed price natural gas commodity swaps to hedge the risk of price increases for our natural gas purchases made on behalf of customers. We utilize master netting arrangements through International Swaps and Derivatives Association contracts to minimize this risk along with collateral support agreements with counterparties based on their credit ratings. In certain cases we require guarantees or letters of credit from counterparties to meet our minimum credit requirement standards.

Our financial derivatives policy requires counterparties to have a certain investment-grade credit rating at the time the derivative instrument is entered into, and the policy specifies limits on the contract amount and duration based on each counterparty's credit rating. We do not speculate with derivatives; instead, we use derivatives to hedge our exposure above risk tolerance limits. Any increase in market risk created by the use of derivatives should be offset by the exposures they modify.

We actively monitor our derivative credit exposure and place counterparties on hold for trading purposes or require other forms of credit assurance, such as letters of credit, cash collateral or guarantees as circumstances warrant. Our ongoing assessment of counterparty credit risk includes consideration of credit ratings, credit default swap spreads, bond market credit spreads, financial condition, government actions, and market news. We use a Monte-Carlo simulation model to estimate the change in credit and liquidity risk from

the volatility of natural gas prices. The results of the model are used to establish earnings-at-risk trading limits. Our credit risk for all outstanding financial derivatives at December 31, 2014 extends to March 2017.

We could become materially exposed to credit risk with one or more of our counterparties if natural gas prices experience a significant increase. If a counterparty were to become insolvent or fail to perform on its obligations, we could suffer a material loss; however, we would expect such a loss to be eligible for regulatory deferral and rate recovery, subject to a prudence review. All of our existing counterparties currently have investment-grade credit ratings.

Fair Value

In accordance with fair value accounting, we include non-performance risk in calculating fair value adjustments. This includes a credit risk adjustment based on the credit spreads of our counterparties when we are in an unrealized gain position, or on our own credit spread when we are in an unrealized loss position. The inputs in our valuation models include natural gas futures, volatility, credit default swap spreads, and interest rates. Additionally, our assessment of non-performance risk is generally derived from the credit default swap market and from bond market credit spreads. The impact of the credit risk adjustments for all outstanding derivatives was immaterial to the fair value calculation at December 31, 2014. As of December 31, 2014 and 2013, the net fair value was a liability of \$33.2 million and an asset of \$4.7 million, respectively, using significant other observable, or level 2, inputs. No level 3 inputs were used in our derivative valuations, and there were no transfers between level 1 or level 2 during the years ended December 31, 2014 and 2013. See Note 2.

14. COMMITMENTS AND CONTINGENCIES

Leases

We lease land, buildings, and equipment under agreements that expire in various years, including a 99-year land lease that extends through 2108. Rental expense under operating leases was \$5.9 million, \$5.1 million, and \$4.8 million for the years ended December 31, 2014, 2013, and 2012, respectively. The following table reflects the future minimum lease payments due under non-cancelable leases at December 31, 2014. These commitments relate principally to the lease of our office headquarters, underground gas storage facilities, and computer equipment.

<i>In thousands</i>	Operating leases	Capital leases	Minimum lease payments
2015	\$ 5,487	\$ 680	\$ 6,167
2016	5,457	564	6,021
2017	5,426	157	5,583
2018	5,301	3	5,304
2019	5,209	—	5,209
Thereafter	29,802	—	29,802
Total	<u>\$ 56,682</u>	<u>\$ 1,404</u>	<u>\$ 58,086</u>

Gas Purchase and Pipeline Capacity Purchase and Release Commitments

We have signed agreements providing for the reservation of firm pipeline capacity under which we are required to make fixed monthly payments for contracted capacity. The pricing component of the monthly payment is established, subject to change, by U.S. or Canadian regulatory bodies. In addition, we have entered into long-term sale agreements to release firm pipeline capacity. We also enter into short-term and long-term gas purchase agreements.

The aggregate amounts of these agreements were as follows at December 31, 2014:

<i>In thousands</i>	Gas Purchase Agreements	Pipeline Capacity Purchase Agreements	Pipeline Capacity Release Agreements
2015	\$ 132,382	\$ 80,925	\$ 3,379
2016	—	79,211	—
2017	—	58,827	—
2018	—	50,792	—
2019	—	26,686	—
Thereafter	—	205,313	—
Total	132,382	501,754	3,379
Less: Amount representing interest	93	76,748	4
Total at present value	<u>\$ 132,289</u>	<u>\$ 425,006</u>	<u>\$ 3,375</u>

Our total payments for fixed charges under capacity purchase agreements were \$94.3 million for 2014, \$98.2 million for 2013, and \$94.3 million for 2012. Included in the amounts were reductions for capacity release sales of \$4.8 million for 2014, \$4.5 million for 2013, and \$4.2 million for 2012. In addition, per-unit charges are required to be paid based on the actual quantities shipped under the agreements. In certain take-or-pay purchase commitments, annual deficiencies may be offset by prepayments subject to recovery over a longer term if future purchases exceed the minimum annual requirements.

Environmental Matters

See Note 15 for a discussion of environmental commitments and contingencies.

15. ENVIRONMENTAL MATTERS

We own, or previously owned, properties that may require environmental remediation or action. We estimate the range of loss for environmental liabilities based on current remediation technology, enacted laws and regulations, industry experience gained at similar sites and an assessment of the probable level of involvement and financial condition of other potentially responsible parties. Due to the numerous uncertainties surrounding the course of environmental remediation and the preliminary nature of several site investigations, in some cases, we may not be able to reasonably estimate the high end of the range of possible loss. In those cases, we have disclosed the nature of the possible loss and the fact that the high end of the range cannot be reasonably estimated. Unless there is an estimate within a range of possible losses that is more likely than other cost estimates within that range, we record the liability at the low end of this range. It is likely that changes in these estimates and ranges will occur throughout the remediation process for each of these sites due to our continued evaluation and clarification concerning our responsibility, the complexity of environmental laws and regulations and the determination by regulators of remediation alternatives.

In the 2012 Oregon general rate case, the SRRM mechanism was approved to recover the Company's deferred environmental costs. The Commission ordered a separate docket to determine the prudence of deferred

costs, the allocation of insurance proceeds, and an earnings test that would be applied to past and future deferred costs. This separate docket was resolved in February 2015. See Note 16 for information regarding the resolution of this matter.

In Washington, the Company is authorized to defer environmental costs, if any, that are appropriately allocated to Washington customers. The cost recovery and carrying charges on amounts deferred for costs associated with services provided to Washington customers will be determined in a future proceeding. Annually, the Company reviews all regulatory assets for recoverability or more often if circumstances warrant. If we should determine all or a portion of these regulatory assets no longer meet the criteria for continued application of regulatory accounting, then we would be required to write off the net unrecoverable balances against earnings in the period such determination is made.

In December 2010, NW Natural commenced litigation against certain of its historical liability insurers in Multnomah County Circuit Court, State of Oregon. In February 2014, we settled with remaining defendant insurance companies and received additional payments of approximately \$103 million. The Court dismissed the case on July 29, 2014. The Company has received total proceeds of approximately \$150 million as a result of this litigation. The proceeds are recognized in regulatory accounts with the treatment determined under the SRRM. See Note 16.

Environmental Sites

The following table summarizes information regarding liabilities related to environmental sites, which are recorded in other current liabilities and other noncurrent liabilities on the balance sheet at December 31:

<i>In thousands</i>	Current Liabilities		Non-Current Liabilities	
	2014	2013	2014	2013
Portland Harbor site:				
Gasco/Siltronic Sediments	\$ 1,767	\$ 1,278	\$ 38,019	\$ 37,954
Other Portland Harbor	1,934	1,766	4,338	3,478
Gasco Upland site	9,535	11,010	37,117	39,508
Siltronic Upland site	957	763	348	406
Central Service Center site	171	85	—	248
Front Street site	1,020	1,274	122	122
Oregon Steel Mills	—	—	179	179
Total	<u>\$ 15,384</u>	<u>\$ 16,176</u>	<u>\$ 80,123</u>	<u>\$ 81,895</u>

The following table presents information regarding the total amount of cash paid for environmental sites and the total regulatory asset deferred as of December 31:

<i>In thousands</i>	2014	2013
Cash paid ⁽¹⁾	\$ 113,740	\$ 98,817
Total regulatory asset deferral ⁽²⁾	58,859	148,389

⁽¹⁾ Includes \$20.4 million reclassified to utility plant on November 1, 2013 associated with the water treatment station of which a portion was paid during 2012 through 2014.

⁽²⁾ Includes cash paid, remaining liability, and interest, net of insurance reimbursement and amounts reclassified to utility plant for the water treatment station.

PORTLAND HARBOR SITE. The Portland Harbor is an Environmental Protection Agency (EPA) listed Superfund site that is approximately 10 miles long on the Willamette River and is adjacent to NW Natural's Gasco uplands and Siltronic uplands sites. We have been notified that we are a potentially responsible party to the Superfund site and we have joined with some of the other potentially responsible parties (the Lower Willamette Group or LWG) to develop a Portland Harbor Remedial Investigation/Feasibility Study (RI/FS). The LWG submitted a draft Feasibility Study (FS) to the EPA in March 2012 providing a range of remedial costs for the entire Portland Harbor Superfund Site, which includes the Gasco/Siltronic Sediment site, discussed below. The range of costs estimated for various remedial alternatives for the entire Portland Harbor, as provided in the draft FS, is \$169 million to \$1.8 billion. NW Natural's potential liability is a portion of the costs of the remedy the EPA will select for the entire Portland Harbor Superfund site. The cost of that remedy is expected to be allocated among more than 100 potentially responsible parties. NW Natural is participating in a non-binding allocation process in an effort to settle this potential liability. We manage our liability related to the Superfund site as two distinct remediation projects, the Gasco/Siltronic Sediments and Other Portland Harbor projects.

Gasco/Siltronic Sediments. In 2009, NW Natural and Siltronic Corporation entered into a separate Administrative Order on Consent with the EPA to evaluate and design specific remedies for sediments adjacent to the Gasco uplands and Siltronic uplands sites. NW Natural submitted a draft Engineering Evaluation/Cost Analysis (EE/CA) to the EPA in May 2012 to provide the estimated cost of potential remedial alternatives for this site. At this time, the estimated costs for the various sediment remedy alternatives in the draft EE/CA as well as costs for the additional studies and design work needed before the clean-up can occur, and for regulatory oversight throughout the clean-up range from \$39.8 million to \$350 million. We have recorded a liability of \$39.8 million for the sediment clean-up, which reflects the low end of the range. At this time, we believe sediments at this site represent the largest portion of our liability related to the Portland Harbor site, discussed above.

Other Portland Harbor. NW Natural incurs costs related to its membership in the LWG which is performing the RI/FS for the EPA. NW Natural also incurs costs related to natural resource damages from these sites. The Company and other parties have signed a cooperative agreement with the Portland Harbor Natural Resource Trustee council to

participate in a phased natural resource damage assessment to estimate liabilities to support an early restoration-based settlement of natural resource damage claims. Natural resource damage claims may arise only after a remedy for clean-up has been settled. We have accrued a liability for these claims which is at the low end of the range of the potential liability; the high end of the range cannot be reasonably estimated at this time. This liability is not included in the range of costs provided in the draft FS for the Portland Harbor and noted above.

GASCO UPLANDS SITE. NW Natural owns a former gas manufacturing plant that was closed in 1958 (Gasco site) and is adjacent to the Portland Harbor site described above. The Gasco site has been under investigation by us for environmental contamination under the ODEQ Voluntary Clean-Up Program. It is not included in the range of remedial costs for the Portland Harbor site noted above. We manage the Gasco site in two parts, the uplands portion and the groundwater source control action.

In May 2007, we completed a revised Remedial Investigation Report for the uplands portion and submitted it to ODEQ for review. We have recognized a liability for the remediation of the uplands portion of the site which is at the low end of the range of potential liability; the high end of the range cannot be reasonably estimated at this time.

In September 2013, we completed construction of a groundwater source control system, including a water treatment station, at the Gasco site. We are working with ODEQ on monitoring the effectiveness of the system and at this time it is unclear what, if any, additional actions ODEQ may require subsequent to the initial testing of the system or as part of the final remedy for the uplands portion of the Gasco site. We have estimated the cost associated with the ongoing operation of the system and have recognized a liability which is at the low end of the range of potential cost. We cannot estimate the high end of the range at this time due to the uncertainty associated with the duration of running the water treatment station, which is highly dependent on the remedy determined for both the upland portion as well as the final remedy for our Gasco sediment exposure.

Beginning November 1, 2013, capital asset costs of \$19.0 million for the Gasco water treatment station were placed into rates with OPUC approval. The OPUC deemed these costs prudent. Beginning November 1, 2014, the OPUC approved the application of \$2.5 million from insurance proceeds plus interest to reduce the total amount of Gasco capital costs to be recovered through rate base. A portion of these proceeds was noncash in 2014.

OTHER SITES. In addition to those sites above, we have environmental exposures at four other sites: Siltronic, Central Service Center, Front Street, and Oregon Steel Mills. Due to the uncertainty of the design of remediation, regulation, timing of the liabilities, and in the case of the Oregon Steel Mills site, pending litigation, liabilities for each of these sites have been recognized at their respective low end of the range of potential liability; the high end of the range could not be reasonably estimated as of December 31, 2014.

SILTRONIC UPLAND. A portion of the Siltronic property was formerly owned by NW Natural as part of the adjacent Gasco site. We are currently conducting an investigation of manufactured gas plant wastes on the uplands at this site for the ODEQ.

Central Service Center site. We are currently performing an environmental investigation of the property under the ODEQ's Independent Cleanup Pathway. This site is on ODEQ's list of sites with confirmed releases of hazardous substances, and cleanup is necessary.

Front Street site. The Front Street site was the former location of a gas manufacturing plant we operated. NW Natural is currently developing a feasibility study to support ODEQ's evaluation of potential clean-up alternatives.

Oregon Steel Mills site. See "Legal Proceedings," below.

Legal Proceedings

NW Natural is subject to claims and litigation arising in the ordinary course of business. Although the final outcome of any of these legal proceedings cannot be predicted with certainty, including the matter described below, NW Natural does not expect that the ultimate disposition of any of these

matters will have a material effect on our financial condition, results of operations or cash flows. See also Part I, Item 3, "*Legal Proceedings.*"

OREGON STEEL MILLS SITE. In 2004, NW Natural was served with a third-party complaint by the Port of Portland (the Port) in a Multnomah County Circuit Court case, Oregon Steel Mills, Inc. v. The Port of Portland. The Port alleges that in the 1940s and 1950s petroleum wastes generated by our predecessor, Portland Gas & Coke Company, and 10 other third-party defendants, were disposed of in a waste oil disposal facility operated by the United States or Shaver Transportation Company on property then owned by the Port and now owned by Oregon Steel Mills. The complaint seeks contribution for unspecified past remedial action costs incurred by the Port regarding the former waste oil disposal facility as well as a declaratory judgment allocating liability for future remedial action costs. No date has been set for trial. Although the final outcome of this proceeding cannot be predicted with certainty, we do not expect the ultimate disposition of this matter will have a material effect on our financial condition, results of operations or cash flows.

16. SUBSEQUENT EVENT

As previously disclosed, in NW Natural's 2012 Oregon general rate case, the OPUC adopted a Site Remediation and Recovery Mechanism (SRRM), through which NW Natural would track and recover past deferred and future environmental remediation costs. The OPUC ordered a separate docket to determine the following items:

- whether and how an earnings test should affect the recovery of already deferred environmental expenses,
- how an earnings test should apply to the recovery of future environmental expenditures through the SRRM,
- how to apply insurance proceeds received to offset past and/or future environmental expenses, and
- the prudence of environmental expenses and insurance recoveries.

On February 20, 2015, the OPUC issued an Order addressing these outstanding items. In the Order, the OPUC determined that NW Natural's environmental remediation expenses and associated carrying costs through March 31, 2014 were prudently incurred, and the Company's settlement with insurance carriers resulting in insurance proceeds received was prudent.

The Order also approves the allocation of environmental costs between states based on historical manufactured gas usage with approximately 97% allocated to Oregon and 3% to Washington customers.

Under the Order, NW Natural will be required to forego collection of \$15 million out of the approximate \$95 million of environmental expenses and associated carrying costs that it had deferred through 2012. The OPUC disallowed this amount from rate recovery based on its determination of how an earnings test should apply to amounts deferred from 2003 to 2012, with adjustments for factors the OPUC deemed relevant. The disallowance is currently estimated to result in a net after-tax charge of \$9.1 million taken through operating income in the first quarter of 2015.

The OPUC applied one-third of the Company's approximately \$150 million of environmental insurance recoveries to amounts deferred through 2012, and will allow full recovery of the remainder of the amounts deferred through 2012, other than the disallowed amount discussed above and approximately \$33 thousand, which the OPUC found was not specifically substantiated by company records. The remaining insurance recoveries will be applied against post-2012 environmental costs with the funds to be held in an account accruing interest with the interest also applied to future expenses as outlined below.

The Order establishes all environmental remediation expenses deferred after 2012, an aggregate of two-thirds of the environmental insurance receipts, plus interest, will be applied ratably over 20 years and the remainder will be collected through the SRRM, and subject to an earnings test as follows:

- The Company will recover the first \$5 million of annual expense through an amount that will be collected from customers through a tariff rider.
- The Company will apply \$5 million of insurance (plus interest) to the next portion of environmental expenses each year.

- Any amounts in excess of the annual \$10 million (plus interest from insurance) described above would be fully recoverable through the SRRM, to the extent the utility earns at or below its authorized Return On Equity (ROE). To the extent the Company earns more than its authorized ROE in a year, the Company would be required to cover environmental expenses greater than the \$10 million (plus interest from insurance) with those earnings that exceed its authorized ROE.
- For purposes of this earnings test, all earnings derived from utility assets, including gains and losses associated with NW Natural's weighted average cost of gas incentive mechanism, plus 50% of the Company's earnings derived from the Company's portion of its asset management agreement with our independent energy marketing company for asset management services associated with utility assets will be included.
- In any year that environmental expenses are less than \$10 million (plus the interest on insurance), any unused tariff rider amount will offset deferred amounts otherwise collected through the SRRM and any unused insurance proceeds (plus interest on insurance) will roll forward to offset the next year's expenses.
- Any remaining funds will be used to offset environmental remediation costs at the end of the project.

The Company is evaluating the results of the Order, including those noted above as well as the state allocations. At this time, the Company does not anticipate a disallowance for 2013 or 2014 based on the earnings test outlined above.

In accordance with accounting guidance and the Company's policy, the Company expects to recognize net deferred interest income of approximately \$4 million pre-tax on the associated regulatory account balances in the first quarter of 2015.

Under the Order, the OPUC will revisit the deferral and amortization of future remediation expenses, as well as the treatment of remaining insurance proceeds in three years, or earlier if the Company gains greater certainty about its future remediation costs.

The Company continues to evaluate the effects of the Order and is required to file a compliance report with the OPUC within 30 days of the Order demonstrating how it will be implemented. The compliance filing is subject to review and approval by the OPUC and, as a consequence thereof, additional or different implementation procedures could be required, which may, among other things, result in additional impacts on earnings. The Company anticipates filing the compliance report as required by the Order in March 2015.

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item (a)	Total (b)		
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	2,444,115,817		
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified	202,697,787		
7	Experimental Plant Unclassified			
8	TOTAL Utility Plant (Total of lines 3 thru 7)	2,646,813,603		
9	Leased to Others			
10	Held for Future Use	264,641		
11	Construction Work in Progress	24,885,892		
12	Acquisition Adjustments			
13	TOTAL Utility Plant (Total of lines 8 thru 12)	2,671,964,137		
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	1,146,628,259		
15	Net Utility Plant (Enter Total of line 13 less 14)	1,525,335,878		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	1,086,627,670		
19	Amortization and Depl. of Producing Natural Gas Land and Land Rights			
20	Amortization. of Underground Storage Land and Land Rights	23,367		
21	Amortization. of Other Utility Plant	77,059,422		
22	Salvage Work In Progress	0		
23	Less Removal Work In Progress	17,082,201		
24	TOTAL In Service (Total of lines 18 thru 23)	1,146,628,259		
25	Leased to Others			
26	Depreciation			
27	Amortization and Depletion			
28	TOTAL Leased to Others (Total of lines 26 and 27)			
29	Held for Future Use			
30	Depreciation			
31	Amortization			
32	TOTAL Held for Future Use (Total of lines 30 and 31)			
33	Abandonment of Leases (Natural Gas)			
34	Amortization of Plant Acquisition Adjustment			
	TOTAL Accumulated Provisions (Should agree with line 14 above)			
35	(Total of lines 24, 28, 32, 33, and 34)	1,146,628,259		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report	
Northwest Natural Gas Company	X An Original A Resubmission		Dec. 31, 2014	
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)				
Electric (c)	Gas (d)	Other (Specify) (e)	Common (f)	Line No.
				1
				2
	2,444,115,817			3
				4
				5
	202,697,787			6
				7
	2,646,813,603			8
				9
	264,641			10
	24,885,892			11
				12
	2,671,964,137			13
	1,146,628,259			14
	1,525,335,878			15
				16
				17
	1,086,627,670			18
				19
	23,367			20
	77,059,422			21
	-			22
	17,082,201			23
	1,146,628,259			24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
	1,146,628,259			35

ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014

Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
Intangible Plant						
301 ORGANIZATION	1,174	-	-	-	-	1,174
302 FRANCHISES & CONSENTS	83,621	-	-	-	-	83,621
303.1 COMPUTER SOFTWARE	64,579,309	4,187,251	(15,833,246)	-	402,074	53,335,387
303.2 CUSTOMER INFORMATION SYSTEM	32,348,168	-	-	-	-	32,348,168
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	-	-	-	-	4,146,951
303.4 CRMS	2,049,451	-	(1,366,559)	-	-	682,893
303.5 POWERPLANT SOFTWARE	-	-	-	-	-	-
Intangible Plant Subtotal	103,208,675	4,187,251	(17,199,805)	0	402,074	90,598,194
Production Plant - Oil Gas						
304.1 LAND	24,998	0	0	0	0	24,998
305.2 P P O G STRU & IMPR-SEWER S	-	0	0	0	0	0
305.5 P P O G STRU & IMPR-OTHER Y	13,156	0	0	0	0	13,156
312.3 P P O G FUEL HANDLING AND S	-	0	0	0	0	0
318.3 P P O G LIGHT OIL REFINING	144,896	0	0	0	0	144,896
318.5 P P O G TAR PROCESSING	243,551	0	0	0	0	243,551
325 NATURAL GAS PROD AND GATHER	-	0	0	0	0	0
327 NATURAL GAS PROD & GATHERIN	-	0	0	0	0	0
328 NATURAL GAS PROD AND GATHER	-	0	0	0	0	0
331 NATURAL GAS PROD & GATHERIN	-	0	0	0	0	0
332 NATURAL GAS PROD & GATHERIN	-	0	0	0	0	0
333 NATURAL GAS PROD & GATHERIN	-	0	0	0	0	0
334 NATURAL GAS PROD & GATHERIN	-	0	0	0	0	0
Production Plant - Oil Gas Subtotal	426,601	0	0	0	0	426,601
Production Plant - Other						
305.11 GAS PRODUCTION - COTTAGE G	8,320	0	0	0	0	8,320
305.17 STRUCTURES MIXING STATION	46,587	0	0	0	0	46,587
311 P P OTHER-LIQUEFIED PETROLE	-	0	0	0	0	0
311.4 P P OTHER-L P G GRANGER	-	0	0	0	0	0
311.7 LIQUIFIED GAS EQUIPMENT COO	4,033	0	0	0	0	4,033
311.8 LIQUIFIED GAS EQUIPMENT LIN	4,209	0	0	0	0	4,209
319 GAS MIXING EQUIPMENT GASCO	185,448	0	0	0	0	185,448
Production Plant - Other Subtotal	248,597	0	0	0	0	248,597

ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
Natural Gas Underground Storage						
350.1 LAND	106,549	-	-	-	-	106,549
350.2 RIGHTS-OF-WAY	109,625	-	-	-	-	109,625
351 STRUCTURES AND IMPROVEMENTS	6,715,064	424,365	-	-	-	7,139,428
352 WELLS	20,047,076	-	-	-	-	20,047,076
352.1 STORAGE LEASEHOLD & RIGHTS	3,538,491	400,000	-	-	-	3,938,491
352.2 RESERVOIRS	5,844,618	-	-	-	-	5,844,618
352.3 NON-RECOVERABLE NATURAL GAS	6,440,890	-	-	-	-	6,440,890
353 LINES	6,552,220	-	-	-	-	6,552,220
354 COMPRESSOR STATION EQUIPMENT	29,528,531	-	-	-	-	29,528,531
355 MEASURING / REGULATING EQUIPM	6,700,892	-	-	-	-	6,700,892
356 PURIFICATION EQUIPMENT	297,363	-	-	-	-	297,363
357 OTHER EQUIPMENT	1,331,924	-	-	-	-	1,331,924
Natural Gas Underground Storage Subtotal	87,213,243	824,365	-	-	-	88,037,608
Local Storage Plant						
360.11 LAND - LNG LINNTON	83,598	0	0	0	0	83,598
360.12 LAND - LNG NEWPORT	536,675	0	0	0	0	536,675
360.2 LAND - OTHER	106,557	0	0	0	0	106,557
361.11 STRUCTURES & IMPROVEMENTS	4,540,966	0	0	0	0	4,540,966
361.12 STRUCTURES & IMPROVEMENTS	4,603,395	56,012	0	0	0	4,659,407
361.2 STRUCTURES & IMPROVEMENTS -	26,757	0	0	0	0	26,757
362.11 GAS HOLDERS - LNG LINNTON	2,690,579	0	0	0	0	2,690,579
362.12 GAS HOLDERS - LNG NEWPORT	5,791,956	0	0	0	0	5,791,956
362.2 GAS HOLDERS - LNG OTHER	1,600	0	0	0	0	1,600
363.11 LIQUEFACTION EQUIP. - LINN	2,921,964	(278)	0	0	0	2,921,686
363.12 LIQUEFACTION EQUIP - NEWPO	7,308,111	0	0	0	0	7,308,111
363.21 VAPORIZING EQUIP - LINNTON	2,629,836	0	0	0	0	2,629,836
363.22 VAPORIZING EQUIP - NEWPORT	3,594,015	0	0	0	0	3,594,015
363.31 COMPRESSOR EQUIP - LINNTON	180,903	0	0	0	0	180,903
363.32 COMPRESSOR EQUIPMENT - NE	300,951	1,089,975	0	0	0	1,390,926
363.41 MEASURING & REGULATING EQU	737,149	353,928	0	0	0	1,091,077
363.42 MEASURING & REGULATING EQU	113,414	0	0	0	0	113,414
363.5 CNG REFUELING FACILITIES	1,787,828	1,568,338	(304,871)	0	0	3,051,295
363.6 LNG REFUELING FACILITIES	739,473	0	0	0	0	739,473
Local Storage Plant Subtotal	38,695,728	3,067,975	(304,871)	0	0	41,458,832

**ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural**

Period Beginning: Jan 2014

Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
Transmission Plant						
365.1 LAND	89,772	0	0	0	0	89,772
365.2 LAND RIGHTS	6,455,177	0	0	0	0	6,455,177
366.3 STRUCTURES & IMPROVEMENTS -	1,041,984	0	0	0	0	1,041,984
367 MAINS	121,970,834	18,746,569	0	0	633,311	141,350,713
367.21 NORTH MIST TRANSMISSION LI	1,994,582	0	0	0	0	1,994,582
367.22 SOUTH MIST TRANSMISSION LI	14,949,264	0	0	0	0	14,949,264
367.23 SOUTH MIST TRANSMISSION LI	34,881,341	0	0	0	0	34,881,341
367.24 11.7M S MIST TRANS LINE	17,466,182	0	0	0	0	17,466,182
367.25 12M NORTH S MIST TRANS	18,613,651	0	0	0	0	18,613,651
367.26 38M NORTH S MIST TRANS	68,232,676	0	0	0	0	68,232,676
368 TRANSMISSION COMPRESSOR	-	0	0	0	0	-
369 MEASURING & REGULATE STATION	3,963,095	0	0	0	6,454	3,969,549
370 COMMUNICATION EQUIPMENT	-	0	0	0	0	-
Transmission Plant Subtotal	289,658,558	18,746,569	-	-	639,765.40	309,044,892
Distribution Plant						
374.1 LAND	86,775	0	0	0	0	86,775
374.2 LAND RIGHTS	1,876,412	7,350	0	0	0	1,883,762
375 STRUCTURES & IMPROVEMENTS	80,217	0	0	0	0	80,217
376.11 MAINS < 4"	520,568,467	14,765,944	(185,874)	0	(1,833,406)	533,315,130
376.12 MAINS 4" & >	470,876,355	20,009,344	(3,488,782)	0	598,408	487,995,324
377 COMPRESSOR STATION EQUIPMENT	969,942	0	0	0	0	969,942
378 MEASURING & REG EQUIP - GENER	28,684,187	2,256,440	0	0	(137,149)	30,803,478
379 MEASURING & REG EQUIP - GATE	3,894,138	788,241	0	0	125,946	4,808,325
380 SERVICES	657,545,495	27,588,409	(1,630,916)	0	247,916	683,750,905
381 METERS	78,693,177	3,247,243	(839,332)	0	(385,556)	80,715,533
381.1 METERS (ELECTRONIC)	1,915,609	83,363	(507,007)	0	(27,493)	1,464,473
381.2 ERT (ENCODER RECEIVER TRANS	36,493,428	2,018,322	(422,728)	0	788,994	38,878,016
382 METER INSTALLATIONS	61,902,259	2,469,946	(3,182,624)	0	(454,618)	60,734,963
382.1 METER INSTALLATIONS (ELECTR	999,397	0	(518,377)	0	0	481,020
382.2 ERT INSTALLATION (ENCODER	9,686,879	0	(99,995)	0	0	9,586,884
383 HOUSE REGULATORS	1,115,127	163,858	0	0	0	1,278,985

ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014

Period Ending: Dec 2014

Functional Class	FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
386	OTHER PROPERTY ON CUSTOMERS P	-	0	0	0	0	-
387.1	CATHODIC PROTECTION TESTING	173,859	0	0	0	0	173,859
387.2	CALORIMETERS @ GATE STATIONS	96,424	0	0	0	0	96,424
387.3	METER TESTING EQUIPMENT	72,671	0	0	0	0	72,671
	Distribution Plant Subtotal	1,875,730,818	73,398,461	(10,875,634)	-	(1,076,957.65)	1,937,176,687
General Plant							
389	LAND	9,609,274	(17)	0	0	0	9,609,258
390	STRUCTURES & IMPROVEMENTS	45,324,662	9,546,188	(57,511)	0	40,093	54,853,432
390.1	SOURCE CONTROL PLANT	20,942,177	(2,351,882)	0	0	0	18,590,295
391.1	OFFICE FURNITURE & EQUIPMEN	12,227,394	1,090,502	(3,121,412)	0	(323,409)	9,873,075
391.2	COMPUTERS	20,373,475	3,574,121	(971,541)	0	(78,665)	22,897,389
391.3	ON SITE BILLING	938,788	0	(938,788)	0	0	-
391.4	CUSTOMER INFORMATION SYSTEM	1,387,730	0	(1,387,730)	0	0	-
392	TRANSPORTATION EQUIPMENT	28,614,806	2,130,650	(943,871)	0	0	29,801,585
393	STORES EQUIPMENT	119,406	0	0	0	0	119,406
394	TOOLS - SHOP & GARAGE EQUIPUI	15,947,236	357,068	0	0	914	16,305,218
395	LABORATORY EQUIPMENT	68,293	0	0	0	0	68,293
396	POWER OPERATED EQUIPMENT	8,482,763	399,165	(255,426)	0	(914)	8,625,589
397	GEN PLANT-COMMUNICATION EQU	98,549	0	(10,226)	0	0	88,322
397.1	MOBILE	1,295,887	0	(820,266)	0	0	475,621
397.2	OTHER THAN MOBILE & TELEMET	1,769,868	0	(79,014)	0	0	1,690,854
397.3	TELEMETERING - OTHER	4,438,333	395,201	(114,776)	0	0	4,718,757
397.4	TELEMETERING - MICROWAVE	2,233,771	323,936	(1,034,990)	0	0	1,522,718
397.5	TELEPHONE EQUIPMENT	2,220,255	240,912	(2,066,580)	0	0	394,587
398	GEN PLANT-MISCELLANEOUS EQU	-	0	0	0	0	-
398.1	PRINT SHOP	83,249	0	0	0	0	83,249
398.2	KITCHEN EQUIPMENT	12,812	0	0	0	0	12,812
398.3	JANITORIAL EQUIPMENT	61,420	0	0	0	(46,547)	14,873
398.4	INSTALLED IN LEASED BUILDINGS	10,120	0	0	0	0	10,120
398.5	OTHER MISCELLANEOUS EQUIPMENT	66,739	0	0	0	0	66,739
	General Plant Subtotal	176,327,008	15,705,845	(11,802,133)	0	(408,528)	179,822,192
Utility Property Grand Total		2,571,509,229	115,930,465	(40,182,443)	-	(443,647)	2,646,813,603

ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class	FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
Intangible Plant							
303.1	COMPUTER SOFTWARE	163,357	0	0	0	0	163,357
303.2	CUSTOMER INFORMATION SYSTEM	61,429	0	0	0	0	61,429
Non Utility	Intangible Plant Subtotal	224,786	0	0	0	0	224,786
Natural Gas Underground Storage							
352	WELLS	16,940,451	0	0	0	0	16,940,451
352.1	STORAGE LEASEHOLD & RIGHTS	1,020	0	0	0	0	1,020
352.2	RESERVOIRS	4,989,436	0	0	0	0	4,989,436
353	LINES	1,649,744	0	0	0	0	1,649,744
354	COMPRESSOR STATION EQUIPMENT	14,687,720	11,848	(23,443)	0	0	14,676,125
355	MEASURING / REGULATING EQUIPM	8,727,830	96,091	0	0	443,647	9,267,567
357	OTHER EQUIPMENT	63,256	0	0	0	0	63,256
Non Utility	Natural Gas Underground Storage Subtotal	47,059,457	107,939	(23,443)	-	443,647	47,587,600
Transmission Plant							
368	TRANSMISSION COMPRESSOR	7,723,454	0	0	0	0	7,723,454
Non Utility	Transmission Plant Subtotal	7,723,454	0	0	0	0	7,723,454
Distribution Plant							
376.12	MAINS 4" & >	878,618	0	0	0	0	878,618
Non Utility	Distribution Plant Subtotal	878,618	0	0	0	0	878,618
General Plant							
389	LAND	438,739	0	0	0	0	438,739
390	STRUCTURES & IMPROVEMENTS	111,719	106,436	0	0	0	218,156
Non Utility	General Plant Subtotal	550,458	106,436	0	0	0	656,895
Non Utility Other							
121.1	NON-UTIL PROP-DOCK	1,946,033	0	0	0	0	1,946,033
121.2	NON-UTIL PROP-LAND	125,102	0	0	0	0	125,102
121.3	NON-UTIL PROP-OIL ST	2,616,313	0	0	0	0	2,616,313

ACCOUNT SUMMARY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class	FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
121.7	NON-UTIL PROP-APPL CENTER	61,113	0	0	0	0	61,113
121.8	NON-UTIL PROP-STORAGE	288,112	0	0	0	0	288,112
Non Utility Other		5,036,673	0	0	0	0	5,036,673
Non Utility Property Grand Total		61,473,446	214,375	(\$23,443)	\$0	\$443,647	62,108,025

Non Utility Property Summary

Non Utility Property Grand Total	62,108,025
121117 Gas Stored Underground - St. Helens	3,800,189
121707-8 Construction Work in Progress Non Utility	5,913,794
Balance Sheet Total for Non Utility Property	<u><u>\$71,822,008</u></u>

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report	Year of Report Dec. 31, 2014
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Gas Property And Capacity Leased From Others

1. Report below the information called for concerning gas property and capacity leased from others for gas operations.
2. For all leases in which the average annual lease payment over the initial term of the lease exceeds \$500,000, describe in column (c), if applicable: the property or capacity leased. Designate associated companies with an asterisk in column (b).

Line No.	Name of Lessor (a)	(b)	Description of Lease (c)	Lease Payments for Current Year (d)
1	Northwest Pipeline Corp		Pipeline Capacity	50,196,541
3	TMC "Nova and ANG"		Pipeline Capacity	20,069,979
4	Fortis BC		Pipeline Capacity	8,371,677
5	TransCanada "Gas Trans. NW"		Pipeline Capacity	5,866,781
6	One Pacific Square LLC		Corporate Headquarters Building	4,329,648
7	Tenaska Marketing Ventures		Pipeline Capacity	1,931,857
8	AECO Gas Storage		Pipeline Capacity	924,450
9	Shell Energy		Pipeline Capacity	547,200
10	International Paper		Pipeline Capacity	478,880
11	TC Gas Storage		Pipeline Capacity	443,736
12	J Aron		Pipeline Capacity	434,520
13	KB Pipeline		Pipeline Capacity	224,258
14	Coos County Pipeline		Pipeline Capacity	209,211
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43	Total			94,028,738

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Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

Gas Plant Held for Future Use (Account 105)

- Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.
- For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in this account (b)	Date Expected to be Used In Utility Service (c)	Balance at End of Year (d)
1				
2	Underground Storage	07/2009	Undetermined	127,921
3	Easement	11/2011	Undetermined	136,720
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50				264,641

Name of Respondent		This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
Construction Work in Progress-Gas (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (Account 107) 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts). 3. Minor projects (less than \$1,000,000) may be grouped.				
Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)	
1	Misc Mains and Service Jobs	3,123,289	3,332,736	
2	North Mist Project	11,323,662	113,676,338	
3				
4	Other Projects:			
5	Misc IS Projects	6,256,380	4,242,555	
6	Newport LNG Readiness	763,121	6,612,189	
7	Portland LNG Readiness	202,677	598,471	
8	Salem CNG	35,904	1,028,501	
9	Willamette Crossing / Corvallis	794,356	-	
10	Ellendale Avenue Bare Steel	4,713	1,959,845	
11	EMX West	648,895	4,224,893	
12	Lincoln Avenue Leakage	9,877	1,846,742	
13	Dwyer Lumber ILI	4,237	2,644,440	
14	Other Projects	1,718,781	19,702,406	
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45	Total	24,885,892	159,869,116	

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission		Dec. 31, 2014

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

- | | |
|---|--|
| <p>1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.</p> | <p>2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 917) of the Uniform System of Accounts.</p> <p>3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.</p> |
|---|--|

Annual Report of Northwest Natural Gas Company Year Ended December 31, 2014

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. a) Engineering Department overhead covers transmission and distribution system planning, design work, drafting and platting of construction work.

Distribution Department overhead covers transmission and distribution system work scheduling, field supervision and processing of work completed.

Administrative work overhead includes Purchasing, Accounting and general office expense.

General Services Department overhead covers planning and supervision of general plant improvements and facilities.

b) Charges during the year are segregated into overhead accounts based on the proportion of activity devoted to construction work.

c) Construction Overheads are being charged to individual work orders based upon overhead rates for different types of projects. Rates are determined by type of project using the annual capital budget and annual construction overhead budget.

d) Different rates are applied to different types of construction based on the annual capital budget for each type of plant.

e) Actual construction overhead rates applied to types of work in 2014

a. Production, Storage, Transmission and Distribution plant	49%
b. Meters	77%
c. General Plant	16%
d. Non-Utility Property	1%

f) Direct assignment of construction overhead capitalized during 2014:

\$	37,202,534
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ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC)

AFUDC is applied to previous month's ending balance plus half of current month's expenditures of Construction Work in Progress (CWIP).

Name of Respondent Northwest Natural Gas Company	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE (CONTINUED)

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

For Line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization Ration (percent) (c)	Cost Rate Percentage (d)
(1)	Average Short-Term Debt	S 121,199,000		
(2)	Short-Term Interest			s 0.29
(3)	Long-Term Debt	D 641,700,000	45.54	d 6.069
(4)	Preferred Stock	P		p
(5)	Common Equity	C 767,502,853	54.46	c 9.5
(6)	Total Capitalization		100.00	
(7)	Average Construction Work in Progress	W 32,130,699		
2.	Gross Rates for Borrowed Funds	$s(S/W)+d[(D/(D+P+C))(1-(S/W))]$	6.57	
3.	Rate for Other Funds	$[1-(S/W)] [p(P/(D+P+C))+c(C/(D+P+C))]$	14.34	
4.	Weighted Average Rate Actually Used for the Year			
	a. Rate for Borrowed Funds -		0.30	
	b. Rate for Other Funds -			

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
UTILITY								
Intangible Plant								
301 ORGANIZATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
302 FRANCHISES & CONSENTS	0	0	0	0	0	0	0	0
303.1 COMPUTER SOFTWARE	32,649,111	2,634,580	(15,833,246)	0	0	3,017	0	19,453,461
303.2 CUSTOMER INFORMATION SYSTEM	32,348,168	0	0	0	0	0	0	32,348,168
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	0	0	0	0	0	0	4,146,951
303.4 CRMS	1,586,428	154,607	(1,366,559)	0	0	0	0	374,476
303.5 POWERPLANT SOFTWARE	0	0	0	0	0	0	0	0
Intangible Plant Subtotal	70,730,657	2,789,187	(17,199,805)	0	0	3,017	0	56,323,056
Production Plant - Oil Gas								
304.1 LAND	0	0	0	0	0	0	0	0
305.2 P P O G STRU & IMPR-SEWER S	0	0	0	0	0	0	0	0
305.5 P P O G STRU & IMPR-OTHER Y	13,814	0	0	0	0	0	0	13,814
312.3 P P O G FUEL HANDLING AND S	0	0	0	0	0	0	0	0
318.3 P P O G LIGHT OIL REFINING	152,141	0	0	0	0	0	0	152,141
318.5 P P O G TAR PROCESSING	255,729	0	0	0	0	0	0	255,729
325 NATURAL GAS PROD AND GATHER	0	0	0	0	0	0	0	0
327 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
328 NATURAL GAS PROD AND GATHER	0	0	0	0	0	0	0	0
331 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
332 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
333 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
334 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
Production Plant - Oil Gas Subtotal	421,683	0	0	0	0	0	0	421,683
Production Plant - Other								
305.11 GAS PRODUCTION - COTTAGE G	8,736	0	0	0	0	0	0	8,736
305.17 STRUCTURES MIXING STATION	51,246	0	0	0	0	0	0	51,246
311 P P OTHER-LIQUEFIED PETROLE	(0)	0	0	0	0	0	0	(0)
311.4 P P OTHER-L P G GRANGER	0	0	0	0	0	0	0	0
311.7 LIQUIFIED GAS EQUIPMENT COO	8,066	0	0	0	0	0	0	8,066
311.8 LIQUIFIED GAS EQUIPMENT LIN	6,585	0	0	0	0	0	0	6,585
319 GAS MIXING EQUIPMENT GASCO	194,720	0	0	0	0	0	0	194,720
Production Plant - Other Subtotal	269,353	0	0	0	0	0	0	269,353

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class		Beginning	Provision	Retirements	Cost of	Salvage and	Transfers and		Ending
FERC Plant Account		Reserve			Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve
UTILITY									
Natural Gas Underground Storage									
350.1	LAND	0	0	0	0	0	0	0	0
350.2	RIGHTS-OF-WAY	21,591	1,776	0	0	0	0	0	23,367
351	STRUCTURES AND IMPROVEMENTS	2,300,553	119,958	0	0	0	0	0	2,420,511
352	WELLS	10,145,614	414,974	0	0	0	0	0	10,560,588
352.1	STORAGE LEASEHOLD & RIGHTS	1,368,740	71,276	0	0	0	0	0	1,440,015
352.2	RESERVOIRS	1,604,224	117,477	0	0	0	0	0	1,721,701
352.3	NON-RECOVERABLE NATURAL GAS	2,956,530	121,089	0	0	0	0	0	3,077,618
353	LINES	2,636,205	134,963	0	0	0	0	0	2,771,168
354	COMPRESSOR STATION EQUIPMENT	14,739,914	785,381	0	0	0	0	0	15,525,294
355	MEASURING / REGULATING EQUIPM	3,807,263	145,404	0	0	0	0	0	3,952,667
356	PURIFICATION EQUIPMENT	202,947	7,375	0	0	0	0	0	210,321
357	OTHER EQUIPMENT	736,279	30,368	0	0	0	0	0	766,647
Natural Gas Underground Storage Subtotal		40,519,859	1,950,040	0	0	0	0	0	42,469,899
Local Storage Plant									
360.11	LAND - LNG LINNTON	0	0	0	0	0	0	0	0
360.12	LAND - LNG NEWPORT	0	0	0	0	0	0	0	0
360.2	LAND - OTHER	0	0	0	0	0	0	0	0
361.11	STRUCTURES & IMPROVEMENTS	1,436,648	246,575	0	0	0	0	0	1,683,223
361.12	STRUCTURES & IMPROVEMENTS	2,109,201	142,078	0	0	0	0	0	2,251,279
361.2	STRUCTURES & IMPROVEMENTS -	9,562	466	0	0	0	0	0	10,028
362.11	GAS HOLDERS - LNG LINNTON	2,135,896	63,229	0	0	0	0	0	2,199,125
362.12	GAS HOLDERS - LNG NEWPORT	5,123,493	157,541	0	0	0	0	0	5,281,034
362.2	GAS HOLDERS - LNG OTHER	1,130	21	0	0	0	0	0	1,151
363.11	LIQUEFACTION EQUIP. - LINN	2,381,522	84,141	0	0	0	0	0	2,465,662
363.12	LIQUEFACTION EQUIP - NEWPO	7,007,827	59,921	0	0	0	0	0	7,067,748
363.21	VAPORIZING EQUIP - LINNTON	2,551,046	36,817	0	0	0	0	0	2,587,862
363.22	VAPORIZING EQUIP - NEWPORT	2,607,866	1,329	0	0	0	0	0	2,609,196
363.31	COMPRESSOR EQUIP - LINNTON	197,092	(45)	0	0	0	0	0	197,047
363.32	COMPRESSOR EQUIPMENT - NE	205,458	41,670	0	0	0	0	0	247,128
363.41	MEASURING & REGULATING EQU	597,505	418	0	0	0	0	0	597,923
363.42	MEASURING & REGULATING EQU	116,640	(9)	0	0	0	0	0	116,630
363.5	CNG REFUELING FACILITIES	1,584,955	16,980	(304,871)	0	0	0	0	1,297,064
363.6	LNG REFUELING FACILITIES	739,473	0	0	0	0	0	0	739,473
Local Storage Plant Subtotal		28,805,314	851,130	(304,871)	0	0	0	0	29,351,573
Transmission Plant									
365.1	LAND	0	0	0	0	0	0	0	0
365.2	LAND RIGHTS	1,520,323	122,003	0	0	0	0	0	1,642,326
366.3	STRUCTURES & IMPROVEMENTS -	236,329	20,319	0	0	0	0	0	256,648
367	MAINS	14,942,391	4,003,621	0	0	0	40,564	0	18,986,575
367.21	NORTH MIST TRANSMISSION LI	929,716	50,054	0	0	0	0	0	979,770
367.22	SOUTH MIST TRANSMISSION LI	9,198,311	367,668	0	0	0	0	0	9,565,979
367.23	SOUTH MIST TRANSMISSION LI	9,963,892	931,138	0	0	0	0	0	10,895,030

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
UTILITY								
367.24	11.7M S MIST TRANS LINE	3,915,077	452,276	0	0	0	0	4,367,353
367.25	12M NORTH S MIST TRANS	3,850,178	485,712	0	0	0	0	4,335,890
367.26	38M NORTH S MIST TRANS	14,326,346	1,773,666	0	0	0	0	16,100,013
368	TRANSMISSION COMPRESSOR	(9)	0	0	0	0	0	(9)
369	MEASURING & REGULATE STATION	1,125,860	106,359	0	0	0	0	1,232,219
370	COMMUNICATION EQUIPMENT	0	0	0	0	0	0	0
	Transmission Plant Subtotal	60,008,415	8,312,816	0	0	40,564	0	68,361,794
Distribution Plant								
374.1	LAND	0	0	0	0	0	0	0
374.2	LAND RIGHTS	996,928	140,846	0	0	0	0	1,137,774
375	STRUCTURES & IMPROVEMENTS	79,968	200	0	0	0	0	80,168
376.11	MAINS < 4"	275,334,675	13,237,041	(185,874)	(1,143,050)	21,146	(98,957)	287,164,980
376.12	MAINS 4" & >	184,123,713	11,578,589	(3,488,782)	(1,457,268)	22,982	47,777	190,827,010
377	COMPRESSOR STATION EQUIPMENT	575,068	22,600	0	0	0	0	597,668
378	MEASURING & REG EQUIP - GENER	9,524,933	635,949	0	0	0	(2,778)	10,158,103
379	MEASURING & REG EQUIP - GATE	1,375,797	183,271	0	0	0	2,771	1,561,839
380	SERVICES	347,943,392	18,155,397	(1,630,916)	(2,933,879)	0	6,366	361,540,360
381	METERS	19,422,907	1,838,941	(839,332)	0	0	(5,467)	20,417,050
381.1	METERS (ELECTRONIC)	903,756	285,051	(507,007)	0	0	(53)	681,747
381.2	ERT (ENCODER RECEIVER TRANS	12,407,311	2,546,259	(422,728)	0	0	10,799	14,541,641
382	METER INSTALLATIONS	12,586,338	1,449,337	(3,182,624)	0	0	(5,433)	10,847,618
382.1	METER INSTALLATIONS (ELECTR	535,931	11,490	(518,377)	0	0	0	29,044
382.2	ERT INSTALLATION (ENCODER	3,335,475	641,740	(99,995)	0	0	0	3,877,220
383	HOUSE REGULATORS	96,351	33,751	0	0	0	0	130,101
386	OTHER PROPERTY ON CUSTOMERS P	0	0	0	0	0	0	0
387.1	CATHODIC PROTECTION TESTING	139,184	335	0	0	0	0	139,519
387.2	CALORIMETERS @ GATE STATIONS	96,424	0	0	0	0	0	96,424
387.3	METER TESTING EQUIPMENT	72,671	0	0	0	0	0	72,671
	Distribution Plant Subtotal	869,550,822	50,760,797	(10,875,634)	(5,534,197)	44,128	(44,977)	903,900,940
General Plant								
389	LAND	437,351	0	0	0	0	0	437,351
390	STRUCTURES & IMPROVEMENTS	6,430,732	850,494	(57,511)	0	0	3,980	7,227,695
390.1	SOURCE CONTROL PLANT	227,793	1,087,220	0	0	0	0	1,315,013
391.1	OFFICE FURNITURE & EQUIPMEN	7,852,057	949,162	(3,121,412)	0	0	(2,165)	5,677,642
391.2	COMPUTERS	16,895,519	3,675,467	(971,541)	0	0	(852)	19,598,592
391.3	ON SITE BILLING	938,788	0	(938,788)	0	0	0	0
391.4	CUSTOMER INFORMATION SYSTEM	1,219,227	168,503	(1,387,730)	0	0	0	0
392	TRANSPORTATION EQUIPMENT	8,598,674	1,454,706	(943,871)	0	83,811	0	9,193,319
393	STORES EQUIPMENT	119,406	0	0	0	0	0	119,406
394	TOOLS - SHOP & GARAGE EQUIPUI	8,023,595	1,126,046	0	0	9,281	423	9,159,344
395	LABORATORY EQUIPMENT	68,293	0	0	0	0	0	68,293

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
UTILITY								
396 POWER OPERATED EQUIPMENT	3,570,745	173,099	(255,426)	0	38,520	(423)	0	3,526,515
397 GEN PLANT-COMMUNICATION EQU	23,584	7,208	(10,226)	0	0	0	0	20,565
397.1 MOBILE	1,213,307	8,115	(820,266)	0	0	0	0	401,156
397.2 OTHER THAN MOBILE & TELEMET	1,742,821	27,047	(79,014)	0	0	0	0	1,690,854
397.3 TELEMETERING - OTHER	3,099,648	3,260	(114,776)	0	0	0	0	2,988,131
397.4 TELEMETERING - MICROWAVE	1,927,120	25,114	(1,034,990)	0	0	0	0	917,244
397.5 TELEPHONE EQUIPMENT	2,102,673	57,408	(2,066,580)	0	0	0	0	93,501
398 GEN PLANT-MISCELLANEOUS EQU	0	0	0	0	0	0	0	0
398.1 PRINT SHOP	83,249	0	0	0	0	0	0	83,249
398.2 KITCHEN EQUIPMENT	2,036	525	0	0	0	0	0	2,561
398.3 JANITORIAL EQUIPMENT	17,183	1,670	0	0	0	(3,980)	0	14,873
398.4 INSTALLED IN LEASED BUILDINGS	10,120	0	0	0	0	0	0	10,120
398.5 OTHER MISCELLANEOUS EQUIPMENT	66,739	0	0	0	0	0	0	66,739
General Plant Subtotal	64,670,658	9,615,044	(11,802,133)	-	131,611	(3,017)	-	62,612,163
Utility Property Grand Total	1,134,976,761	74,279,013	(40,182,443)	(5,534,197)	175,738	(4,412)	-	1,163,710,460

NON UTILITY

Intangible Plant								
303.1 COMPUTER SOFTWARE	\$24,171	\$7,041	\$0	\$0	\$0	\$0	\$0	\$31,211
303.2 CUSTOMER INFORMATION SYSTEM	29,401	4,275	0	0	0	0	0	33,677
Non Utility Intangible Plant Subtotal	53,572	11,316	0	0	0	0	0	64,888
Natural Gas Underground Storage								
352 WELLS	2,547,203	350,667	0	0	0	0	0	2,897,870
352.1 STORAGE LEASEHOLD & RIGHTS	141	20	0	0	0	0	0	161
352.2 RESERVOIRS	941,850	97,294	0	0	0	0	0	1,039,144
353 LINES	253,275	33,069	0	0	0	0	0	286,345
354 COMPRESSOR STATION EQUIPMENT	3,659,207	391,027	(23,443)	0	0	0	0	4,026,791
355 MEASURING / REGULATING EQUIPM	1,502,604	189,871	0	0	0	4,412	0	1,696,887
357 OTHER EQUIPMENT	5,829	1,442	0	0	0	0	0	7,271
Non Utility Natural Gas Underground Storage Subtotal	8,910,110	1,063,390	(23,443)	0	0	4,412	0	9,954,470

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
NON UTILITY								
Transmission Plant								
368	TRANSMISSION COMPRESSOR	1,371,211	238,655	0	0	0	0	1,609,866
Non Utility	Transmission Plant Subtotal	1,371,211	238,655	0	0	0	0	1,609,866
Distribution Plant								
376.12	MAINS 4" & >	150,702	21,258	0	0	0	0	171,959
Non Utility	Distribution Plant Subtotal	150,702	21,258	0	0	0	0	171,959
General Plant								
389	LAND	0	0	0	0	0	0	0
390	STRUCTURES & IMPROVEMENTS	19,670	2,275	0	0	0	0	21,946
Non Utility	General Plant Subtotal	19,670	2,275	0	0	0	0	21,946
Non Utility Other								
121.1	NON-UTIL PROP-DOCK	1,910,669	41,256	0	0	0	0	1,951,925
121.2	NON-UTIL PROP-LAND	0	0	0	0	0	0	0
121.3	NON-UTIL PROP-OIL ST	2,208,134	3,360	0	0	0	0	2,211,494
121.7	NON-UTIL PROP-APPL CENTER	21,604	4,219	0	0	0	0	25,823
121.8	NON-UTIL PROP-STORAGE	(1)	0	0	0	0	0	(1)
Non Utility	Other	4,140,405	48,835	0	0	0	0	4,189,241
Non Utility Property Grand Total		14,645,670	1,385,730	(23,443)	-	-	4,412	16,012,369

TOTAL SUMMARY ALL UTILITY DEPRECIATION RESERVES 12/31/2014

UTILITY

108010	(33,523,087)
108011	878,955,648
108012	11,644,779
108013	(2,387,109)
108014	(223,399)
108015	3,539,759
108100	307,727,474
108102	2,390,471
108002	(4,559,881)
108003	(71,778)
108004	217,583
108666	0
SUBTOTAL	1,163,710,459

ADD:

108001 REMOVAL WORK IN PROCESS	(17,082,201)
TOTAL UTILITY DEPRECIATION	1,146,628,259

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class	Beginning			Cost of	Salvage and	Transfers and		Ending
FERC Plant Account	Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve
TOTAL SUMMARY ALL NON-UTILITY RESERVES DEPRECIATION								
NON UTILITY								
122026	1,034							
122027	4,275,042							
122028	11,225,920							
122029	(547,965)							
122100	1,102,682							
122102	17,712							
122002	(62,055)							
TOTAL NON UTILITY DEPRECIATION				<u><u>16,012,369</u></u>				

Name of Respondent				This Report Is:		Date of Report		Year of Report			
Northwest Natural Gas Company				X An Original A Resubmission		(Mo, Da, Yr)		Dec. 31, 2014			
GAS STORED (ACCOUNTS 117.1, 117.2, 117.3, 117.4, 164.1, 164.2, AND 164.3)											
1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g) and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.				2. Report in column (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.						3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).	
Line No.	Description	(Account 117.1, 117.2, 117.3, 117.4, 117.5, 117.6, 117.7, 117.8)	(Account (c))	Noncurrent (Account (d))	(Account (e))	Current (Account (f))	LNG (Account (g))	LNG (Account (h))	Total (i)		
1	Balance at Beginning of Year	\$ 14,127,181				\$ 42,972,904	\$ 8,355,600	\$ -	\$ 65,455,685		
2	Gas Delivered to Storage	\$ -				\$ 61,913,867	\$ 4,122,341	\$ -	\$ 66,036,208		
3	Gas Withdrawn from Storage	\$ 108,717				\$ 43,470,849	\$ 5,983,781	\$ -	\$ 49,563,347		
4	Other Debits and Credits	\$ -						\$ -	\$ -		
5	Balance at End of Year	\$ 14,018,464				\$ 61,415,922	\$ 6,494,160	\$ -	\$ 81,928,546		
6	Dekatherms	6,603,208				14,263,741	1,424,329	-	22,291,278		
7	Amount Per Dekatherm	\$ 2.12				\$ 4.31	\$ 4.56	\$ -	\$ 3.68		

Footnotes:

1. Independent engineering studies are the basis for separation between noncurrent and current inventory.
2. See Notes to Consolidated Financial Statements for method used to report inventories of gas in storage (page 122-A).

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Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
INVESTMENTS (Accounts 123, 124, 136)				
1. Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.		Directors, and included in Account 124, Other Investments, state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.		
2. Provide a subheading for each account and list thereunder the information called for:		(b) Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Include advances subject to current repayment in account 145 and 146. With respect to each advance, show whether the advance is a note or open account.		
(a) Investment in Securities - List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of				
Line No.	Description of Investment (a)	*	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (c)	Purchases or Additions During Year (d)
1	Account 123		None	
2				
3	Account 124			
4				
5	Investment - Encana Gas Reserve - 124045*			
6	Amortization of Encana Gas Reserve - 124046*			
7				
8				
9				
10				
11	Investment in Life Insurance (transfer from 186 Deferred Debits) - 124100-124109		51,790,966	1,789,698
12				
13				
14	Investment in Vancouver Land - 124301		1,862,179	-
15				
16				
17				
18	Total Account 124		53,653,145	1,789,698
19				
20				
21				
22				
23	Account 136 Temporary Cash Investments			
24				
25	Marketable Securities - 136002, 136032		32	1,389,312
26				
27	OLGA Investment Account - 136100		575,687	5,093,261
28				
29	OLIEE Investment Account - 136104		2,561,484	7,921,359
30				
31	Smart Inv - 136105		119,380	1,677,130
32				
33	Total Account 136		3,256,583	16,081,062
34				
35				
36				
37	* Effective January 1, 2013, NWN Gas Reserves, LLC was moved			
38	under Northwest Energy Corporation.			
39	See Page 103 for further information.			
40				

Name of Respondent	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

INVESTMENTS (Accounts 123, 124, 136) (Continued)

List each note giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

Sales or Other Dispositions During Year (e)	Principal Amount or No. of Shares at End of year (f)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference.) (g)	Revenues for Year (h)	Gain or Loss from Investment Disposed of (i)	Line No.
		None	None		1
					2
					3
					4
					5
					6
					7
					8
					9
1,214,497	52,366,167	52,366,167			10
-	1,862,179	1,862,179			11
					12
					13
					14
					15
					16
					17
1,214,497	54,228,346	54,228,346	-		18
					19
					20
					21
					22
					23
-	1,389,344	1,389,344			24
4,837,169	831,779	831,779			25
					26
7,603,580	2,879,263	2,879,263			27
					28
1,674,559	121,951	121,951			29
					30
					31
					32
14,115,308	5,222,337	5,222,337	-		33
					34
					35
					36
					37
					38
					39
					40

Name of Respondent	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)

- | | |
|---|---|
| <p>1. Report below investments in Accounts 123.1, Investments in Subsidiary Companies.</p> <p>2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).</p> <p>(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.</p> | <p>(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.</p> <p>3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.</p> |
|---|---|

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	NNG Financial Corporation	6/28/1990		884,474
2	(Short term Financing and Investments)			
3				
4	Northwest Natural Energy LLC	5/26/2009		166,857,570
5	(Holding Company)			
6				
7	Northwest Biogas, LLC	3/23/2009		150,000
8	(Biodigestor Company)			
9				
10	Northwest Energy Corporation	11/1/2001		145,742,716
11	(Holding Company)			
12				
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39				
40	TOTAL Cost of Account 123.1		Total	313,634,760

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Northwest Natural Gas Company	<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)				
4. Designate in a footnote any securities, notes, or accounts that were pledged and purpose of pledge. 5. If commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number. 6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.		7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f). 8. Report on Line 40, column (a) the total cost of Account 123.1.		
Equity in Subsidiary Earnings for Year (e)	Additional Investment for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
(24,545)	(399,990)	459,939		1
(7,685,118)	(1,240)	159,171,212		2 3 4
(102,811)	-	47,189		5 6 7
(595,286)	9,186,973	154,334,403		8 9 10
(8,407,760)	8,785,743	314,012,743		11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39
(8,407,760)	8,785,743	314,012,743		40

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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PREPAYMENTS (Account 165)

1. Report below the particulars (details) on each prepayment.

Line No.	(a)	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance	2,880,639
2	Prepaid Demand Charges	2,044,000
3	Prepaid Taxes	16,639,044
4	Miscellaneous Prepayments	7,135,364
5	TOTAL	28,699,047

EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr)] (a)	Balance at Beginning of Year (b)	Total Amount of Loss (c)	Losses Recognized During Year (d)	WRITTEN OFF DURING YEAR		Balance at End of Year (g)
					Account Charged (e)	Amount (f)	
7	None						
8							
9							
10							
11							
12							
13							
14							
15	TOTAL						0

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (Account 182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr)] (a)	Balance at Beginning of Year (b)	Total Amount of Charges (c)	Costs Recognized During Year (d)	WRITTEN OFF DURING YEAR		Balance at End of Year (g)
					Account Charged (e)	Amount (f)	
16	None						
17							
18							
19							
20							
21							
22							
23							
24							
25							
26	TOTAL						0

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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OTHER REGULATORY ASSETS (ACCOUNT 182.3)

1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for account 182.3 or amounts less than \$250,000, whichever is less) may be grouped by classes.
4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning Year (b)	Debits (Credits) (c)	Written off During Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	Balance at End of Current Year (f)
1						
2						
3	DEFERRED TAX LIABILITY (Page 261B-2)	\$ 56,182,552	\$ (4,378,000)	\$ -	\$ -	\$ 51,804,552
4						
5	AMT DEFERRED TAX LIABILITY	(1,779,568)	-		-	(1,779,568)
6						
7	DEFERRED TAX LIABILITY (Page 261B-2)	\$ 54,402,984	\$ (4,378,000)	\$ -	\$ -	\$ 50,024,984
8						
9	LESS: AMT DEFERRED TAX ASSET	1,779,568	-	-	-	1,779,568
10						
11	FAS 109 TAX RATE ADJUSTMENT	-	-		-	-
12						
13	REGULATORY DEFERRED TAX ASSET (Page 111 Line 69)	\$ 56,182,552	\$ (4,378,000)	\$ -	\$ -	\$ 51,804,552
14						
15						
16						
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28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42	TOTAL	\$ 56,182,552	\$ (4,378,000)		\$ -	\$ 51,804,552

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Northwest Natural Gas Company		<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)		Dec. 31, 2014	
MISCELLANEOUS DEFERRED DEBITS (Account 186)							
1. Report below the details called for concerning miscellaneous deferred debits.				of amortization in column (a).			
2. For any deferred debit being amortized, show period				3. Minor items (less than \$250,000) may be grouped by classes.			
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Yr (b)	DEBITS		CREDITS		Balance at End of Year (f)
			Amount (c)	Account Charged (d)	Amount (e)		
1	Pension and Other Retirement Benefits	125,855,137	86,460,422		10,470,369		201,845,190
3							
4	Pension Deferral	25,713,270	6,848,544		20,911		32,540,903
5							
6	Environmental	98,070,860	(2,563,547)		0		95,507,313
7							
8	Regulatory Receivable - Environmental	56,472,481	14,170,031		101,000,063		(30,357,551)
9							
10	Deferred Derivative Activity	2,506,000	43,351,000		12,453,000		33,404,000
11							
12	Leasehold Improvements Amortized Over Remaining Life	1,576,179	11,363		304,332		1,283,210
13							
14	AMR Deferral	487,170	3,515		490,351		334
15							
16	Unbilled Revenue	(607,593)	6,474,355		7,644,176		(1,777,414)
17							
18	Other	172,420	161,625,164		161,582,277		215,307
19							
20	OR - Decoupling	10,883,557	28,155,657		25,398,428		13,640,786
21							
22	OR - Deferred Industrial DSM	3,107,820	5,032,139		3,661,656		4,478,303
23							
24	OR - Warm	(366,725)	1,132,112		384,535		380,852
25							
26	OR - Pension Withdrawal	7,422,531	0		192,988		7,229,543
27							
28	WA - Pension Withdrawal	856,924	0		22,280		834,644
29							
30	WA - Energy Efficiency	2,376,573	2,568,691		2,718,929		2,226,335
31							
32	WA - Low Income	364,584	821,003		843,849		341,738
33							
34							
35	TOTAL	334,891,188	354,090,449		327,188,144		361,793,493

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Name of Respondent		This Report Is:		Date of Report (Mo, Da, Yr)	Year of Report		
Northwest Natural Gas Company		X An Original A Resubmission			Dec. 31, 2014		
Accumulated Deferred Income Taxes (Account 190) (continued)							
Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)	Line No.
-	-	-	-				1
-	-	-	-	190100, 190102	16,402,810	23,785,213	2
							3
							4
-	-	-	-		16,402,810	23,785,213	5
							6
-	-	-	-		16,402,810	23,785,213	7
							8
-	-	-	-		13,110,924	18,741,941	9
-	-	-	-		3,291,886	5,043,272	10
-	-	-	-				11

Name of Report Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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CAPITAL STOCK (Account 201 and 204)

- | | |
|---|--|
| 1. Report below the detail called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. | 2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued. |
|---|--|

Line No.	Class and Series of Stock and Name of Stock Exchange	Number of Shares Authorized by Charter	Par or Stated Value Per Share	Call Price at End of Year
	(a)	(b)	(c)	(d)
1	Common Stock	100,000,000	N/A	
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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42				

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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CAPITAL STOCK (Accounts 201 and 204) (Continued)

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent.)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
27,283,727	373,442,832					1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
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						42

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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**CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION,
PREMIUM ON CAPITAL STOCK, AND INSTALLMENTS RECEIVED ON CAPITAL STOCK
(Accounts 202, 203, 205, 206, 207 and 212)**

- | | |
|--|---|
| <p>1. Show for each of the above accounts the amounts applying to each class and series of capital stock.</p> <p>2. For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.</p> <p>3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203.</p> | <p>Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of the year.</p> <p>4. For Premium on Account 207, Capital Stock, designate with an asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.</p> |
|--|---|

Line No.	Name of Account and Description of Item (a)	* (b)	Number of Shares (c)	Amount (d)
1	Account 202 - Common Stock Subscribed			NONE
2				
3	Account 205 - Preferred Stock Subscribed			NONE
4				
5	Account 203 and 206 - Capital Stock Liability for Conversion			NONE
6				
7	Account 207 - Premium on Capital Stock:			NONE
8				
10	Account 212 - Installments Received on Capital Stock			24,249
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
36				
37				
38				
39	TOTAL			24,249

Name of Respondent		This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A resubmission	(Mo, Da, Yr)	Dec. 31, 2014
OTHER PAID IN CAPITAL (Accounts 208 - 211)				
<p>1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) Donations Received from Stockholders (Account 208) - State amount and give briefly explain the origin and purpose of each donation.</p> <p>(b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and give briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.</p> <p>(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</p> <p>(d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>				
Line No.	Item (a)	Amount (b)		
1	Account 208 - Donations Received from Stockholders	NONE		
2				
3	Account 209 - Reduction in Par or Stated Value of Capital Stock	NONE		
4				
5	Account 210 - Gain on Resale or Cancellation of Reacquired Capital Stock			
6				
7	Balance At Beginning of Year	1,649,864		
8				
9	Credit:			
10				
11				
12	Debit:			
13				
14	Balance at End of Year	1,649,864		
15				
16				
17	Account 211 - Miscellaneous Paid-In Capital	NONE		
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	TOTAL	1,649,864		

Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A resubmission	(Mo, Da, Yr)	Dec. 31, 2014

DISCOUNT ON CAPITAL STOCK (ACCOUNT 213)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. Use as many rows as necessary to report all data.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off during the year and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	N/A	-
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		

CAPITAL STOCK EXPENSE (ACCOUNT 214)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. Use as many rows as necessary to report all data. Number the rows in sequence starting from the last row number used for Discount on Capital Stock above.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
16	Capital Stock Expense	-
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
	TOTAL	-

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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**SECURITIES ISSUED OR ASSUMED AND
SECURITIES REFUNDED OR RETIRED DURING THE YEAR**

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses.
2. Provide details showing the full accounting for the total principal amounts, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.
3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

Class of Security	Underwriter of Payee	Date	Stated or Par Value per Share	Number of Shares	Principal Amount or Par Value
<u>Debt Securities Issued</u>					
None					
Total Debt Issued					\$ -
<u>Common Stock</u>					
Common Stock issuance expenses:					
Stock option plan	Issued by Company		NA	69,662	\$ 3,219,225
LTIP	Issued by Company		NA	5,696	586,886
RSU	Issued by Company		NA	6,674	330,930
ESPP	Issued by Company		NA	24,263	865,947
DRIP/OCP	Issued by Company		NA	102,088	4,498,577
Stock repurchase	Required by Company		NA	-	-
Total Common Stock					208,383 \$ 9,501,565

Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
LONG-TERM DEBT (Account 221, 222, 223, and 224)				
<p>1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.</p> <p>2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>3. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p>				
Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amounts held by respondent) (d)	
1	Account 221			
2	First Mortgage Bonds			
3				
4	3.950% Series B	07-15-2014	-	
5	8.260% Series B	09-21-2014	-	
6	4.700% Series B	06-22-2015	40,000,000	
7	5.150% Series B	12-15-2016	25,000,000	
8	7.000% Series B	08-01-2017	40,000,000	
9	6.600% Series B	03-16-2018	22,000,000	
10	8.310% Series B	09-21-2019	10,000,000	
11	7.630% Series B	12-09-2019	20,000,000	
12	5.370% Series B	02-01-2020	75,000,000	
13	9.050% Series A	08-13-2021	10,000,000	
14	3.176% Series B	09-15-2021	50,000,000	
15	3.542% Series B	08-19-2023	50,000,000	
16	5.620% Series B	11-21-2023	40,000,000	
17	7.720% Series B	09-01-2025	20,000,000	
18	6.520% Series B	12-01-2025	10,000,000	
19	7.050% Series B	10-15-2026	20,000,000	
20	7.000% Series B	05-21-2027	20,000,000	
21	6.650% Series B	11-10-2027	19,700,000	
22	6.650% Series B	06-01-2028	10,000,000	
23	7.740% Series B	08-29-2030	20,000,000	
24	7.850% Series B	09-01-2030	10,000,000	
25	5.820% Series B	09-24-2032	30,000,000	
26	5.660% Series B	02-25-2033	40,000,000	
27	5.250% Series B	06-21-2035	10,000,000	
28	4.000%	10-31-2042	50,000,000	
29				
30				
31				
32				
33				
34				
35				
36				
37	Total First Mortgage Bonds		641,700,000	
38				
39	Account 239			
40	Less: Debt due with-in one year		(40,000,000)	
41				
42				
43				
44				
45				
46				
47				
48				
49	Account 222 and 223			
50	None			
51	TOTAL		601,700,000	

Name of Respondent	This Report Is: X An Original A resubmission	Date of Report (Mo, Da, Yr)	Year of Report		
Northwest Natural Gas Company			Dec. 31, 2014		
LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)					
<p>5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.</p> <p>6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.</p> <p>7. If the respondent has any long-term securities which have been nominally issued and are nominally outstanding</p>		<p>at end of year, describe such securities in a footnote.</p> <p>8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total of Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.</p> <p>9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.</p>			
INTEREST FOR YEAR		HELD BY RESPONDENT			
Rate (in %)	Amount	Reacquired Bonds (Acct. 222)	Sinking and Other Funds	Redemp- tion Price Per \$100 at End of Year	Line No.
(e)	(f)	(g)	(h)	(i)	
					1
					2
					3
3.950%	1,069,791				4
8.260%	596,555				5
4.700%	1,880,000			N/A	6
5.150%	1,287,500			N/A	7
7.000%	2,800,000			N/A	8
6.600%	1,452,000			N/A	9
8.310%	831,000			N/A	10
7.630%	1,526,000			N/A	11
5.370%	4,027,500			N/A	12
9.050%	905,000			N/A	13
3.176%	1,588,000			N/A	14
3.542%	1,771,000			N/A	15
5.620%	2,248,000			N/A	16
7.720%	1,544,000			N/A	17
6.520%	652,000			N/A	18
7.050%	1,410,000			N/A	19
7.000%	1,400,000			N/A	20
6.650%	1,310,050			N/A	21
6.650%	665,000			N/A	22
7.740%	1,548,000			N/A	23
7.850%	785,000			N/A	24
5.820%	1,746,000			N/A	25
5.660%	2,264,000			N/A	26
5.250%	525,000			N/A	27
4.000%	2,000,000			N/A	28
					29
					30
					31
					32
					33
					34
					35
	37,831,396				36
					37
					38
	89,098				39
					40
					41
					42
					43
					44
					45
					46
					47
					48
					49
					50
	37,920,494				51

Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report	
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014	
UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226)					
<p>1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.</p> <p>2. Show premium amounts by enclosing figures in parentheses.</p> <p>3. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p>					
Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	AMORTIZATION PERIOD	
				Date From (d)	Date To (e)
1	Account 181				
2	First Mortgage Bonds				
3					
4	8.260% [1]	10,000,000	903,369	9/21/1994	9/21/2014
5	3.950%	50,000,000	441,576	7/9/2009	7/15/2014
6	4.700%	40,000,000	341,898	6/21/2005	6/22/2015
7	5.150%	25,000,000	277,676	12/15/2006	12/15/2016
8	7.000%	40,000,000	375,600	8/1/1997	8/1/2017
9	6.600% [2]	22,000,000	1,344,884	3/17/1998	3/16/2018
10	8.310% [1]	10,000,000	1,111,757	9/21/1994	9/21/2019
11	7.630%	20,000,000	195,421	12/9/1999	12/9/2019
12	5.370% [7]	75,000,000	10,862,808	3/25/2009	2/1/2020
13	9.050%	10,000,000	115,333	8/13/1991	8/13/2021
14	3.176%	50,000,000	605,155	9/12/2011	9/15/2021
15	3.542%	50,000,000	638,179	8/19/2013	8/19/2023
16	5.620% [6]	40,000,000	3,325,438	11/21/2003	11/21/2023
17	7.720% [4]	20,000,000	1,286,261	9/6/2000	9/1/2025
18	6.520%	10,000,000	90,146	12/1/1995	12/1/2025
19	7.050%	20,000,000	175,940	10/15/1996	10/15/2026
20	7.000%	20,000,000	153,906	5/20/1997	5/21/2027
21	6.650% [8]	19,700,000	162,800	11/10/1997	11/10/2027
22	6.650%	10,000,000	98,300	6/1/1998	6/1/2028
23	7.740% [3]	20,000,000	1,504,914	8/29/2000	8/29/2030
24	7.850% [5]	10,000,000	753,107	9/6/2000	9/1/2030
25	5.820%	30,000,000	390,382	9/24/2002	9/24/2032
26	5.660%	40,000,000	356,663	2/25/2003	2/25/2033
27	5.250%	10,000,000	97,974	6/21/2005	6/21/2035
28	4.000%	50,000,000	509,105	10/30/2012	10/31/2042
29	Shelf Registration Expense	-	-	N/A	N/A
30	Line of Credit	-	-	N/A	N/A
31					
32					
33					
34					
35					
36		701,700,000	26,118,592		
37					
38					
39	[1] Includes premium and unamortized cost on early redemption of 9.8% series bonds (\$1,044,111 allocated to the 8.31% series, and \$835,723 allocated to the 8.26% series).				
40	[2] Includes \$910,800 premium and \$222,664 unamortized costs on early redemption of 9.125% series bonds allocated to the 6.60% series.				
41	[3] Includes \$992,143 premium, \$178,966 unamortized costs on early redemption of 9.75% series bonds, and \$148,605 unamortized costs on early redemption of 15.375% series bonds allocated to the 7.74% series.				
42	[4] Includes \$826,786 premium, \$149,139 unamortized costs on early redemption of 9.75% series bonds, and \$123,837 unamortized costs on early redemption of 15.375% series bonds allocated to the 7.72% series.				
43	[5] Includes \$496,071 premium, \$89,483 unamortized costs on early redemption of 9.75% series bonds, and \$74,302 unamortized costs on early redemption of 15.375% series bonds allocated to the 7.85% series.				
44	[6] Includes \$150,000 premium and \$405,971 unamortized costs on early redemption of 7.50% series bonds, \$413,600 premium and \$1,116,479 unamortized costs on early redemption of 7.52% series bonds and \$730,000 premium and \$136,800 unamortized costs on early redemption of 7.25% series bonds allocated to 5.62% series.				
45	[7] Includes \$10,096,000 costs paid on interest rate hedge loss and \$298,058 unamortized costs on shelf registration, allocated to 5.37% series.				
	[8] In November 2009 one investor exercised its right under a one-time put option to redeem \$0.3 million of the \$20 million outstanding. This one-time put option has now expired, and the remaining \$19.7 million remaining principal outstanding is expected to be redeemed at maturity in November 2027.				

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report	
Northwest Natural Gas Company	X An Original A Resubmission		Dec. 31, 2014	
UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226) (Cont.)				
5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.		6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years. 7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt - Credit.		
Balance at Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)	Line No.
				1
				2
				3
				4
2,444		2,444	-	5
44,136		44,136	-	6
48,433		34,188	14,245	7
82,098		27,768	54,330	8
67,295		3,523	63,772	9
44,481		10,572	33,909	10
15,450		2,700	12,750	11
57,791		9,768	48,023	12
6,145,978		986,652	5,159,326	13
29,120		3,840	25,280	14
463,951		60,516	403,435	15
614,779		63,815	550,964	16
184,688		18,624	166,064	17
87,080		7,464	79,616	18
35,750		3,000	32,750	19
75,061		5,868	69,193	20
68,908		20,393	48,515	21
75,032		5,424	69,608	22
47,229		3,276	43,953	23
102,286		6,168	96,118	24
51,800		3,108	48,692	25
244,125		13,020	231,105	26
227,930		11,892	216,038	27
69,904		3,264	66,640	28
514,502		17,845	496,657	29
950,995	104,533	13,777	1,041,751	30
396,138	166,661	219,011	343,788	31
				32
				33
				34
				35
Total	10,747,384	271,194	1,602,056	36
				37
				38
				39
		Total above	1,602,056	40
		Less Shelf Registration Expense	(13,777)	41
		Less LOC amortized to interest expense	(219,011)	42
		Amortization Expense per P&L	1,369,268	43
				44
				45

Name of Respondent Northwest Natural Gas Company	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
--	---	------------------------------------	--

UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Accounts 189, 257)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform System of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	Account 189					
6						
7	First Mortgage Bonds					
8						
9						
10	9.8%	11/01/93	24,938,000	(2,170,710)	271,458	198,360
11	9.125%	04/01/98	18,000,000	(1,133,464)	237,604	180,724
12	9.75% (1)	09/29/00	50,000,000	(3,079,332)	1,613,040	1,503,060
13	7.52% (2)	07/01/03	11,000,000	(1,530,079)	752,250	675,750
14	7.50% (3)	07/01/03	4,000,000	(555,971)	273,408	245,602
15	7.25%	08/18/03	20,000,000	(866,800)	426,214	382,872
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	(1) Includes \$2,732,588 loss on debt reacquired in 2000 and \$346,744 unamortized loss allocated from the 15.375% Guaranteed Notes.					
26						
27	(2) Includes \$489,200 loss on debt reacquired in 2003 and \$1,040,879 unamortized loss allocated from the 9.38% Bonds.					
28						
29	(3) Includes \$177,360 loss on debt reacquired in 2003 and \$378,611 unamortized loss allocated from the 9.38% Bonds.					
30						
31						
32						
33						
34						
35						
36						
37						
38	TOTAL				3,573,974	3,186,368

Name of Respondent	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Co.			Dec. 31, 2014

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME
FOR FEDERAL INCOME TAXES**

- Report the reconciliation of reported net income for the year with taxable income used in computing federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
- If the utility is a member of a group that files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.

Line No.		Combined Amounts	Elimination	NW Natural Gas Company 93-0256722	NNG Financial Corporation 93-1034064	NW Energy Corporation 93-1329989
1						
2	NET INCOME FOR THE YEAR PER (PAGE 116a)	\$ 59,216,249		\$ 59,623,606	\$ (24,545)	\$ (382,811)
3						
4	TAXABLE INCOME (LOSS) NOT RECORDED ON BOOKS:					
5	CONTRIBUTIONS IN AID OF CONSTRUCTION	254,040		254,040	-	-
6	ENVIRONMENTAL RECOVERIES	86,852,813		86,852,813	-	-
7	OTHER INCOME	(134)		(134)	-	-
8	INCOME FROM SUBSIDIARIES	-		-	-	-
9						
10	EXPENSES RECORDED ON BOOKS NOT DEDUCTED ON RETURN:					
11	ACCRUED VACATION	211,407		211,407	-	-
12	BOND AMORTIZATION	387,606		387,606	-	-
13	DEFERRED DIRECTORS FEES	319,646		319,646	-	-
14	NONDEDUCTIBLE MEALS AND ENTERTAINMENT	408,380		408,380	-	-
15	NONDEDUCTIBLE POLITICAL, SOCIAL AND OTHER	289,025		289,025	-	-
16	OTHER INCOME	2,793,082		2,793,082	-	-
17	PENALTIES	15,037		15,037	-	-
18	DEFERRED COMPENSATION	841,397		841,397	-	-
19	STOCK BASED COMPENSATION	156,653		156,653	-	-
20	EMPLOYEE STOCK PURCHASE PLAN	152,613		152,613	-	-
21	GAS RESERVES INVESTMENT	5,115,297		-	-	5,115,297
22	INCOME FROM SUBSIDIARIES	1,077		1,077	-	-
23	FEDERAL TAX PROVISION (SEE ANALYSIS BELOW)	33,801,208		33,544,982	(13,217)	269,443
24	STATE TAX PROVISION (SEE ANALYSIS BELOW)	8,184,161		8,212,078	(1,843)	(26,073)
25						
26						
27	BOOK INCOME NOT SUBJECT TO TAX:					
28	COMPANY OWNED LIFE INSURANCE	1,969,862		1,969,862	-	-
29						
30						
31	EXPENSES ALLOWABLE FOR TAX NOT ON BOOKS:					
32	DEPLETION	-		-	-	-
33	REGULATORY REVENUE & COST ADJUSTMENTS	37,327,535		37,327,535	-	-
34	SEC REGULATORY INTEREST	866,939		866,939	-	-
35	BAD DEBT RESERVE	687,036		687,036	-	-
36	DEPREC - EXCESS OF TAX OVER BOOK DEPRECIATION	58,093,936		58,174,772	(80,836)	-
37	DIVIDENDS PAID TO AN ESOP	794,334		794,334	-	-
38	SEC. 263A INVENTORY ADJUSTMENTS	495,659		495,659	-	-
39	PENSION ADJUSTMENTS	1,113,401		1,113,401	-	-
40	PREPAID INSURANCE	321,579		321,579	-	-
41	PROPERTY TAX ADJUSTMENT - ACCRUAL TO CASH	577,992		577,992	-	-
42	REMOVAL COSTS	1,175,000		1,175,000	-	-
43	NET OPERATING LOSS DEDUCTION	95,576,284		82,373,083	136,951	13,066,250
44						
45	FEDERAL TAXABLE INCOME	\$ 0	\$ -	\$ 8,186,116	\$ (95,720)	\$ (8,090,395)

NORTHWEST NATURAL GAS CO AND SUBSIDIARIES
RECONCILIATION OF BOOK INCOME TO FEDERAL TAXABLE INCOME
TAX PROVISION FOR YEAR ENDED DECEMBER 31, 2014

<u>LINE #</u>			
1	<u>NET INCOME FOR THE YEAR PER (PAGE 116a)</u>		\$ 59,216,249
2			
3	<u>TAXABLE INCOME (LOSS) NOT RECORDED ON BOOKS:</u>		
4	CONTRIBUTIONS IN AID OF CONSTRUCTION	254,040	
5	ENVIRONMENTAL RECOVERIES	86,852,813	
6	OTHER INCOME	(134)	
7	INCOME FROM SUBSIDIARY	-	
8			87,106,719
9	<u>EXPENSES RECORDED ON BOOKS NOT DEDUCTED ON RETURN:</u>		
10	ACCRUED VACATION	211,407	
11	BOND AMORTIZATION	387,606	
12	DEFERRED DIRECTORS FEES	319,646	
13	NONDEDUCTIBLE MEALS AND ENTERTAINMENT	408,380	
14	NONDEDUCTIBLE POLITICAL, SOCIAL AND OTHER	289,025	
15	OTHER INCOME	2,793,082	
16	PENALTIES	15,037	
17	DEFERRED COMPENSATION	841,397	
18	STOCK BASED COMPENSATION	156,653	
19	EMPLOYEE STOCK PURCHASE PLAN	152,613	
20	GAS RESERVES INVESTMENT	5,115,297	
21	INCOME FROM SUBSIDIARY	1,077	
22	FEDERAL TAX PROVISION (SEE ANALYSIS BELOW)	33,801,208	
23	STATE TAX PROVISION (SEE ANALYSIS BELOW)	8,184,161	
24			52,676,591
25	<u>BOOK INCOME NOT SUBJECT TO TAX:</u>		
26	COMPANY OWNED LIFE INSURANCE	1,969,862	
27			1,969,862
28			
29	<u>EXPENSES ALLOWABLE FOR TAX NOT ON BOOKS:</u>		
30	DEPLETION	-	
31	REGULATORY REVENUE & COST ADJUSTMENTS	37,327,535	
32	SEC REGULATORY INTEREST	866,939	
33	BAD DEBT RESERVE	687,036	
34	DEPREC - EXCESS OF TAX OVER BOOK DEPRECIATION	58,093,936	
35	DIVIDENDS PAID TO AN ESOP	794,334	
36	SEC. 263A INVENTORY ADJUSTMENTS	495,659	
37	PENSION ADJUSTMENTS	1,113,401	
38	PREPAID INSURANCE	321,579	
39	PROPERTY TAX ADJUSTMENT - ACCRUAL TO CASH	577,992	
40	REMOVAL COSTS	1,175,000	
41	NET OPERATING LOSS DEDUCTION	95,576,284	
42			197,029,696
43	FEDERAL TAXABLE INCOME		<u><u>\$ 0</u></u>

NORTHWEST NATURAL GAS CO AND SUBSIDIARIES
RECONCILIATION OF BOOK INCOME TO FEDERAL TAXABLE INCOME
TAX PROVISION FOR YEAR ENDED DECEMBER 31, 2014

<u>LINE #</u>			
1	<u>TAX COMPUTATION:</u>		
2			
3	FEDERAL INCOME TAX (BENEFIT) AT STATUTORY RATE	\$	0
4	FEDERAL ALTERNATIVE MINIMUM TAX		15,000,000
5			
6	ADJ: LOW INCOME HOUSING & §29 CREDITS	-	
7	ALTERNATIVE MINIMUM TAX CREDIT	-	
8	FUEL TAX CREDIT (FORM 4136)	(25,543)	
9	FOREIGN TAX CREDIT	-	
10			<u>(25,543)</u>
11			
12	CURRENT FEDERAL TAX PROVISION CURRENT YEAR - 2014		0
13	PLUS PRIOR PERIOD ADJUSTMENTS		(150,877)
14			
15	TOTAL FEDERAL CURRENT TAX PROVISION (Pg 261-B2)		<u>14,823,580</u>
16			
17	DEFERRED FEDERAL TAX PROVISION CURRENT YEAR - 2014		34,553,341
18	PLUS PRIOR YEAR PROVISION TO RETURN TRUE UP		(374,407)
19			
20	ADJ: INVESTMENT TAX CREDIT APPLIED	-	
21	DEFERRED ALTERNATIVE MINIMUM TAX	(15,000,000)	
22	DEFERRED INVESTMENT TAX CREDIT	(201,306)	
23			<u>(15,201,306)</u>
24	TOTAL FEDERAL DEFERRED TAX PROVISION (Pg 261-B2)		<u>18,977,628</u>
25			
26	COMBINED FEDERAL INCOME TAX PROVISION		<u>\$ 33,801,208</u>
27			
28			
29	<u>ALLOCATION OF FEDERAL INCOME TAX PROVISION</u>		
30			
31	<u>NW NATURAL GAS CO.</u>		
32	OPERATING	\$	35,200,633
33	NON-OPERATING		2,612,645
34	GILL RANCH, LLC		(3,695,937)
35	NW GAS STORAGE, LLC		(141,687)
36	PALOMAR		(10,840)
37	NW ENERGY, LLC		(37,023)
38	TOTAL NW NATURAL GAS CO.		<u>\$ 33,927,791</u>
39			
40	<u>NNG FINANCIAL CORPORATION</u>		
41	OPERATING		-
42	NON-OPERATING		(13,216)
43	TOTAL NNG FINANCIAL CORPORATION		<u>\$ (13,216)</u>
44			
45	NW ENERGY CORPORATION		
46	OPERATING		(113,367)
47	NON-OPERATING		-
48	TOTAL NW ENERGY CORPORATION		<u>\$ (113,367)</u>
49			
50	COMBINED FEDERAL INCOME TAX PROVISION		<u>\$ 33,801,208</u>
51			
52	<u>COMBINED FEDERAL AND STATE INCOME TAX PROVISION</u>		
53	OPERATING	\$	43,772,853
54	NON-OPERATING		3,242,638
55	NON-OPERATING		(15,059)
56	NW ENERGY CORPORATION		(139,442)
57	OTHER SMLLC'S AND PARTNERSHIPS		(4,875,621)
58	PAGES 261-B2 CONTINUED (CURRENT & DEFERRED FEDERAL & STATE)		<u>\$ 41,985,369</u>

NORTHWEST NATURAL GAS CO AND SUBSIDIARIES
RECONCILIATION OF BOOK INCOME TO STATE TAXABLE INCOME
TAX PROVISION FOR YEAR ENDED DECEMBER 31, 2014

<u>LINE #</u>			
1	<u>NET INCOME FOR THE YEAR PER (PAGE 116a)</u>		\$ 59,216,249
2			
3	TAXABLE INCOME (LOSS) NOT RECORDED ON BOOKS:		
4	CONTRIBUTIONS IN AID OF CONSTRUCTION	254,040	
5	ENVIRONMENTAL RECOVERIES	86,852,813	
6	OTHER INCOME	(134)	
7	INCOME FROM SUBSIDIARY	-	
8			87,106,719
9	<u>EXPENSES RECORDED ON BOOKS NOT DEDUCTED ON RETURN:</u>		
10	ACCRUED VACATION	211,407	
11	BOND AMORTIZATION	387,606	
12	DEFERRED DIRECTORS FEES	319,646	
13	NONDEDUCTIBLE MEALS AND ENTERTAINMENT	408,380	
14	NONDEDUCTIBLE POLITICAL, SOCIAL AND OTHER	289,025	
15	OTHER INCOME	2,793,082	
16	PENALTIES	15,037	
17	DEFERRED COMPENSATION	841,397	
18	STOCK BASED COMPENSATION	156,653	
19	EMPLOYEE STOCK PURCHASE PLAN	152,613	
20	GAS RESERVES INVESTMENT	5,115,297	
21	INCOME FROM SUBSIDIARY	1,077	
22	FEDERAL TAX PROVISION (SEE ANALYSIS ABOVE)	33,801,208	
23	STATE TAX PROVISION (SEE ANALYSIS BELOW)	8,184,161	
24			52,676,591
25	<u>BOOK INCOME NOT SUBJECT TO TAX:</u>		
26	COMPANY OWNED LIFE INSURANCE	1,969,862	
27			1,969,862
28			
29	<u>EXPENSES ALLOWABLE FOR TAX NOT ON BOOKS:</u>		
30	REGULATORY REVENUE & COST ADJUSTMENTS	37,327,535	
31	SEC REGULATORY INTEREST	866,939	
32	BAD DEBT RESERVE	687,036	
33	DEPREC - EXCESS OF TAX OVER BOOK DEPRECIATION	69,801,970	
34	DIVIDENDS PAID TO AN ESOP	794,334	
35	SEC. 263A INVENTORY ADJUSTMENTS	495,659	
36	PENSION ADJUSTMENTS	1,113,401	
37	PREPAID INSURANCE	321,579	
38	PROPERTY TAX ADJUSTMENT - ACCRUAL TO CASH	577,992	
39	REMOVAL COSTS	1,175,000	
40	NET OPERATING LOSS DEDUCTION	83,868,250	
41			197,029,696
42	STATE TAXABLE INCOME		<u><u>\$ 0</u></u>

NORTHWEST NATURAL GAS CO AND SUBSIDIARIES
RECONCILIATION OF BOOK INCOME TO STATE TAXABLE INCOME
TAX PROVISION FOR YEAR ENDED DECEMBER 31, 2014

LINE #		
1	<u>TAX COMPUTATION:</u>	
2		
3	STATE INCOME TAX (BENEFIT)	\$ -
4	STATE ALTERNATIVE MINIMUM TAX	-
5		
6	ADJ: RESEARCH AND EXPERIMENTATION CREDIT	-
7	ALTERNATIVE MINIMUM TAX CREDIT	-
8	DEPENDENT CARE TAX CREDIT	-
9	BUSINESS ENERGY TAX CREDIT	-
10		-
11		
12	CURRENT STATE TAX PROVISION CURRENT YEAR -2014	-
13	PLUS PRIOR YEAR PROVISION TO RETURN TRUE UP	23,628
14		
15	TOTAL STATE CURRENT TAX PROVISION (Pg 261-B2)	23,628
16		
17	DEFERRED STATE TAX PROVISION CURRENT YEAR - 2014	8,230,717
18	PLUS PRIOR YEAR PROVISION TO RETURN TRUE UP	(70,183)
19		
20	ADJ: INVESTMENT TAX CREDIT APPLIED	-
21	DEFERRED ALTERNATIVE MINIMUM TAX	-
22	DEFERRED INVESTMENT TAX CREDIT	-
23		-
24	TOTAL STATE DEFERRED TAX PROVISION (Pg 261-B2)	8,160,533
25		
26	COMBINED STATE INCOME TAX PROVISION	\$ 8,184,161
27		
28		
29	<u>ALLOCATION OF STATE INCOME TAX PROVISION</u>	
30		
31	<u>NW NATURAL GAS CO.</u>	
32	OPERATING	8,572,220
33	NON-OPERATING	629,993
34	GILL RANCH, LLC	(928,912)
35	NW GAS STORAGE, LLC	(71,602)
36	PALOMAR	18,761
37	NW ENERGY, LLC	(8,381)
38		\$ 8,212,079
39	<u>NNG FINANCIAL CORPORATION</u>	
40	OPERATING	-
41	NON-OPERATING	(1,843)
42	TOTAL NNG FINANCIAL CORPORATION	\$ (1,843)
43		
44	NW ENERGY CORPORATION	
45	OPERATING	(26,075)
46	NON-OPERATING	-
47	TOTAL NW ENERGY CORPORATION	\$ (26,075)
48		
49	COMBINED STATE INCOME TAX PROVISION	\$ 8,184,161

**NORTHWEST NATURAL GAS COMPANY
RECONCILIATION OF TAX ACCRUAL ACCOUNTS - CURRENT
YEAR ENDED DECEMBER 31, 2014**

FEDERAL	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL
Total	<u>236.025</u>	<u>236.026</u>	<u>236.027</u>	<u>236.028</u>	<u>236.029</u>	<u>236.020</u>	<u>236.021</u>	<u>236.022</u>	<u>236.023</u>	<u>236.024</u>
BALANCE AT 12/31/13 (Page 262)	\$ 3,238,324	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 294,644	\$ -	\$ 2,943,680	\$ -
ACCRUALS	(14,823,580)	-	-	-	-	-	(54,817)	-	(2,943,680)	(11,825,083)
PAYMENTS	18,500,000	-	-	-	-	-	-	-	-	18,500,000
TAX BENEFIT INCLUDED IN	-	-	-	-	-	-	-	-	-	-
PREMIUM ON COMMON STOCK	56,345	-	-	-	-	-	-	-	-	56,345
OVERPAYMENT APPLIED	-	-	-	-	-	-	-	-	-	-
REFUNDS & REFUNDS PENDING	(234,932)	-	-	-	-	-	(234,932)	-	-	-
OTHER	(4,895)	-	-	-	-	-	(4,895)	-	0	-
BALANCE AT 12/31/14 (Page 263)	\$ 6,731,262	\$ -	\$ -	\$ 6,731,262						
UTILITY (409-03080)	\$ (3,215,480)									
NON-UTILITY (409-03070 & 409-03075)	<u>12,622,937</u>									
SUBTOTAL	9,407,457									
NNGFC (409-23075)	3,021									
NW ENERGY CORP (409-33080)	11,127,539									
GILL RANCH STORAGE (409-43075)	(5,605,345)									
NW GAS STORAGE (409-44001)	(63,237)									
NW ENERGY (409-49001)	(32,564)									
PALOMAR (409-49003)	(13,291)									
ACCRUALS ABOVE (Page 261A&B)	14,823,580									
OTHER (CURRENT/DEFERRED RECLASS)	-									
CONSOLIDATED FORM 10-K	\$ 14,823,580									
STATE	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL	ACCRUAL
Total	<u>236.035</u>	<u>236.036</u>	<u>236.037</u>	<u>236.038</u>	<u>236.039</u>	<u>236.030</u>	<u>236.031</u>	<u>236.032 & 236.082</u>	<u>236.033 & 236.083</u>	<u>236.034 & 236.084</u>
BALANCE AT 12/31/13 (Page 262)	\$ 295,284	\$ -	\$ 209,047	\$ -	\$ -	\$ -	\$ -	\$ 66,237	\$ 20,000	\$ -
ACCRUALS	(23,628)	-	1,440	-	-	-	-	(876,889)	(25,069)	876,890
TAX PAYMENTS	945,000	-	-	-	-	-	-	850,000	95,000	-
TAX BENEFIT INCLUDED IN	-	-	-	-	-	-	-	-	-	-
PREMIUM ON COMMON STOCK	11,547	-	-	-	-	-	-	18,605	-	(7,058)
OVERPAYMENT APPLIED	-	-	-	-	-	-	-	-	-	-
REFUNDS & REFUNDS PENDING	(230,335)	-	(210,487)	-	-	-	-	(19,848)	-	-
OTHER	-	-	-	-	-	-	-	-	-	-
BALANCE AT 12/31/14 (Page 263)	\$ 997,868	\$ -	\$ 38,105	\$ 89,931	\$ 869,832					
UTILITY (409-03150 & 409-03146)	(4,882,951)									
NON-UTILITY (409-03135 & 409-03145)	<u>2,761,218</u>									
SUBTOTAL	(2,121,733)									
NNGFC (409-23145)	1,680									
NW ENERGY CORP (409-33150)	2,857,402									
GILL RANCH STORAGE (409-43145)	(766,314)									
NW GAS STORAGE (409-44002)	55,737									
NW ENERGY (409-49002)	(4,748)									
PALOMAR (409-49004)	1,604									
ACCRUALS ABOVE (Page 261A&B)	23,628									
OTHER (CURRENT/DEFERRED RECLASS)	0									
CONSOLIDATED FORM 10-K	\$ 23,628									

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner

Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR	
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. in Account 165) (c)
1	Federal Tax: Corporate Income - (see Page 261-B2 Cont)	(3,238,324)	-
2			
3	Payroll - FICA & Medicare	1,306,840	-
4	Payroll - Unemployment	651	-
5	Payroll - Severance	21,218	-
6	Payroll - Bonus	35,683	-
7	Diesel and Gasoline Tax	-	-
8	Other - U.S. Dept. of Transportation	-	-
9			
10	Miscellaneous	-	-
11			
12	Total Federal	(1,873,932)	-
13			
14			
15	Oregon Tax: Corporate Excise (see Page 261-B2 Cont)	(28,132)	-
16	Payroll - Transit Authority	130,077	-
17	Payroll - Unemployment	13,790	-
18	Payroll - Workers Compensation	-	-
19			
20	Real & Personal Property - Accrued	-	-
21	Real & Personal Property - Prepaid	-	9,266,282
22			
23	Regulatory Commission Fee	-	-
24	Vehicle License Fee & Fuel Use Tax	-	-
25			
26			
27	Other - State Department of Energy	-	-
28	Other - State Department of Energy (pre-certification)	-	-
29	Other - State of Oregon Department of Transportation	-	-
30	Other - State Vehicle Fuel Use Tax	-	-
31	Other - State Corporate Registration	-	-
32	Other - Payroll Underaccrual	-	-
33	Other - Storage Property Tax Reclassification	-	-
34	Other - State Excise Tax	-	-
35	Miscellaneous	-	-
36			
37	Total State of Oregon	115,735	9,266,282
38			
39			
40			
41			
42	TOTAL	(1,758,197)	9,266,282

Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

that the total tax for each State and subdivision can readily be ascertained. deductions or otherwise pending transmittal of such taxes to the taxing authority.

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll

8. Show in columns (i) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

10. Items under \$250,000 may be grouped.

Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	BALANCE AT END OF YEAR		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	
14,823,580	18,265,068	(51,450)	(1,000,000)	5,731,262	1
6,287,391	6,813,349	(1)	780,881	-	2
49,160	49,426	0	385	-	3
-	-	849	22,067	-	4
-	12,755	28,678	51,606	-	5
50,633	50,633	-	-	-	6
-	-	-	-	-	7
-	-	-	-	-	8
20,220	20,220	-	-	-	9
21,230,984	25,211,450	(21,924)	(145,060)	5,731,262	10
(1)	830,152	(11,547)	-	869,832	11
590,056	581,522	-	138,612	-	12
766,549	765,379	1	14,961	-	13
-	-	-	-	-	14
6,625,253	19,886,714	13,261,461	-	-	15
11,880,954	18,743	(12,505,843)	-	9,909,914	16
-	-	-	-	-	17
1,680,488	1,680,488	-	-	-	18
-	-	-	-	-	19
-	-	-	-	-	20
542,028	542,028	-	-	-	21
166,126	166,126	-	-	-	22
6,239	6,239	-	-	-	23
-	-	-	-	-	24
-	-	-	-	-	25
677,463	-	(677,463)	-	-	26
100,000	100,000	-	-	-	27
-	-	-	-	-	28
23,035,157	24,577,392	66,608	153,573	10,779,746	29
44,266,141	49,788,842	44,684	8,512	16,511,008	30
					31
					32
					33
					34
					35
					36
					37
					38
					39
					40
					41
					42

FEDERAL ADJUSTMENTS:
TAX BENEFIT ON STOCK OPTIONS 56,345
IRS INTEREST REFUND AND 1099 PENALTY (4,895)
REFUND RECEIVABLE
TOTAL 51,450

OREGON ADJUSTMENTS:
TAX BENEFIT ON STOCK OPTIONS 11,547
TOTAL 11,547

PROPERTY TAX RECLASS (ACCRUED TO PREPAID) 13,261,461
STORAGE RECLASS (677,463)
PROPERTY TAX BILLED TO OTHERS (78,154)
12,505,843

SEVERANCE ACCRUAL NOT CHARGED TO TAX (849)

BONUS ACCRUAL NOT CHARGED TO TAX (28,678)

Name of Respondent	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAF

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner

Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR	
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. in Account 165) (c)
1	Washington Tax:		
2	Business & Occupation	-	-
3	Payroll - Unemployment	137	-
4	Real & Personal Property	1,669,595	-
5	Regulatory Commission	-	-
6	Utility Tax	457,627	-
7			
8	Other	-	-
9	Miscellaneous	-	-
10	Total State of Washington	2,127,359	-
11			
12	California Tax:		
13	Corporate Income	(267,151)	-
14	Franchise	-	-
15	Other	-	-
16			
17	Total State of California	(267,151)	-
18			
19	Local Oregon Tax:		
20	City & County business licenses & income tax	(178,379)	-
21	Franchise	7,339,348	-
22	Property taxes	-	-
23	Other	-	-
24	Miscellaneous	-	-
25	Total Local State of Oregon Tax Expense	7,160,969	-
26			
27	Local Washington Tax:		
28	City & County business licenses & income tax	-	-
29	Franchise	-	-
30	Property taxes	-	-
31	Other	-	-
32			
33	Total Local State of Washington Tax Expense	-	-
34			
35	Local California Tax:		
36	Franchise	-	-
37	Other	-	-
38			
39	Total Local State of California Tax Expense	-	-
40			
41	TOTAL	7,262,980	9,266,282

Page 113, Line 43 7,262,980

Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

TAXES ACCRUED, PERPAID AND CHARGED DURING YEAR (Continued)

that the total tax for each State and subdivision can readily be ascertained.

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Show in columns (i) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

10. Items under \$250,000 may be grouped.

Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	BALANCE AT END OF YEAR		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	
					1
98,085	98,085	-	-	-	2
6,988	6,961	-	164	-	3
1,545,623	1,479,982	-	1,735,236	-	4
147,927	147,927	-	-	-	5
2,946,418	2,975,545	-	428,499	-	6
		-	-	-	7
39,536	39,536	-	-	-	8
-	-	-	-	-	9
4,784,576	4,748,036	-	2,163,899	-	10
		-	-	-	11
23,629	(115,486)	-	-	128,036	12
13,390	13,390	-	-	-	13
-	-	-	-	-	14
-	-	-	-	-	15
-	-	-	-	-	16
37,019	(102,096)	-	-	128,036	17
					18
(208,195)	-	299,321	(87,253)	-	19
15,891,422	16,324,388	-	6,906,382	-	20
-	-	-	-	-	21
-	-	-	-	-	22
-	-	-	-	-	23
-	-	-	-	-	24
15,683,227	16,324,388	299,321	6,819,129	-	25
					26
-	-	-	-	-	27
-	-	-	-	-	28
-	-	-	-	-	29
-	-	-	-	-	30
-	-	-	-	-	31
-	-	-	-	-	32
-	-	-	-	-	33
					34
					35
-	-	-	-	-	36
1,452,162	1,452,162	-	-	-	37
95,188	95,188	-	-	-	38
					39
1,547,349	1,547,349	-	-	-	40
66,318,312	72,306,520	344,006	8,991,541	16,639,044	41

89,747,437
(26,656,278)
3,078,435
148,718
66,318,312

SAP query of GL 503800
SAP query of GL 410-411
Capitalized payroll taxes
Vehicle taxes and B&O taxes
Total taxes charged, above

Page 113, Line 43 8,991,541

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

- | | |
|--|---|
| <p>1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid</p> | <p>or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner</p> |
|--|---|

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Kind of Tax (See Instruction 5) (i)	Gas	Gas 9-107	Other Income and Deductions
		Account 408.1 409.1 (j)	(k)	(Account 408.2, 409.2) (l)
1	Federal Tax:			
2	Corporate Income - NW Natural Corporation	(3,215,480)	-	12,622,937
3	Corporate Income - NNG Financial Corporation	-	-	-
4	Corporate Income - NW Energy Corporation	-	-	-
5				
6	Payroll - FICA & Medicare	3,773,760	2,331,050	-
7	Payroll - Unemployment	29,506	18,226	-
8	Payroll - Severance	-	-	-
9	Diesel and Gasoline Tax	-	-	-
10	Other - U.S. Dept. of Transportation	-	-	-
11		-	-	-
12	Miscellaneous	-	-	-
13				
14	Total Federal Tax Expense	587,786	2,349,276	12,622,937
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	TOTAL	587,786	2,349,276	12,622,937

Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

<p>that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).</p> <p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.</p> <p>7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll</p>	<p>deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. Show in columns (i) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.</p> <p>10. Items under \$250,000 may be grouped.</p>
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DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Line No.	Gas 9-143 (m)	Account (n)	Amount (o)	Description (p)
1				
2			(5,714,437)	GRS, NWGS and NW Energy (current only)
3		409-23075	3,021	NNG Financial Corporation (current only)
4		409-33080	11,127,539	NW Energy Corporation (current only)
5				
6		236051	182,581	Payroll Clearing
7		236051	1,428	Payroll Clearing
8				
9		165012	50,633	Vehicle Fuel Tax & Taxes & Licenses
10				
11				
12		408-23185	20,220	Fees & Permits
13				
14		-	5,670,984	
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40		-	5,670,984	

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAF

- | | |
|--|---|
| <p>1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid</p> | <p>or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner</p> |
|--|---|

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Kind of Tax (See Instruction 5) (i)	Gas		Other Income and Deductions (Account 408.2, 409.2) (l)
		Account 408.1 409.1 (j)	Gas 9-107 (k)	
1	Oregon Tax:			
2	Corporate Income - NW Natural Corporation	(4,906,580)	-	2,761,218
3	Corporate Income - NNG Financial Corporation	-	-	-
4	Corporate Income - NW Energy Corporation	-	-	-
5				
6	Payroll - Transit Authority	354,158	218,764	-
7	Payroll - Unemployment	460,091	284,198	-
8	Payroll - Workers Compensation	-	-	-
9				
10	Real & Personal Property - Accrued	19,183,670	-	-
11	Real & Personal Property - Prepaid	-	-	-
12	Real & Personal - Other	(677,463)	-	-
13	Regulatory Commission Fee	1,680,488	-	-
14	Vehicle License Fee	-	-	-
15				
16				
17	Other - State Department of Energy	542,028	-	-
18	Other - State Department of Energy (pre-certification)	166,126	-	-
19	Other - State of Oregon Department of Transportation	6,239	-	-
20	Other - State Vehicle Fuel Use Tax	-	-	-
21	Other - State Corporate Registration	-	-	-
22	Other - Payroll underaccrual	-	-	-
23	Other - Storage Property Tax Reclassification	-	-	677,463
24	Other - State Excise Tax	100,000	-	-
25	Miscellaneous	-	-	-
26				
27				
28				
29				
30				
31				
32				
33				
34				
35	Total Oregon Tax	16,908,758	502,962	3,438,681
36				
37				
38				
39				
40	TOTAL	16,908,758	502,962	3,438,681

Name of Respondent	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

<p>that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes covers more than one year, show the required information separately for each tax year, identifying the year in col (a)</p> <p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses</p> <p>7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll</p>	<p>deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. Show in columns (i) thru (p) how the taxed accounts were distributed Show both the utility department and number of account charged For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount</p> <p>9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.</p> <p>10. Items under \$250,000 may be grouped</p>
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DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Line No.	Gas 9-143 (m)	Account (n)	Amount (o)	Description (p)
1				
2			(713,721)	GRS, NWGS, and NW Energy (current only)
3		409-23145	1,680	NNG Financial Corporation (current only)
4			2,857,402	NW Energy Corporation (current only)
5				
6		236051	17,135	Payroll Clearing
7		236051	22,260	Payroll Clearing
8			-	
9			-	
10			-	
11			-	
12			-	
13			-	
14		165012	-	Vehicle taxes & licenses
15			-	
16			-	
17			-	
18			-	
19			-	
20			-	
21			-	
22			-	
23			-	
24			-	
25			-	
26			-	
27			-	
28			-	
29			-	
30			-	
31			-	
32			-	
33			-	
34	-		2,184,756	
35				
36				
37				
38				
39				
40	-		2,184,756	

Name of Respondent Northwest Natural Gas Company	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

- | | |
|---|--|
| <p>1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimate or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid</p> | <p>or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner</p> |
|---|--|

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Kind of Tax (See Instruction 5) (i)	Gas Account 408.1 409.1 (j)	Gas 9-107 (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1	Washington State:			
2	Business & Comp. Taxes	-	98,085	-
3	Payroll - Unemployment	4,194	2,591	-
4	Real & Personal Property	1,545,623	-	-
5	Regulatory Commission	147,927	-	-
6	Utility Tax (franchise tax)	2,946,418	-	-
7				
8	Other	39,536	-	-
9	Miscellaneous	-	-	-
10				
11				
12	Total State of Washington Tax Expense	4,683,697	100,676	-
13				
14	California State:			
15	Corporate Income	23,629	-	-
16	Franchise Tax	-	-	-
17				
18				
19				
20				
21				
22				
23				
24	Total State of California Tax Expense	23,629	-	-
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	TOTAL	4,707,326	100,676	-

Name of Respondent	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

- | | |
|---|--|
| <p>that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).</p> <p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.</p> <p>7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll</p> | <p>deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. Show in columns (i) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.</p> <p>10. Items under \$250,000 may be grouped.</p> |
|---|--|

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Line No.	Gas 9-143 (m)	Account (n)	Amount (o)	Description (p)
1				
2				
3		236051	203	B&O taxes
4				Payroll Clearing
5				
6				
7				
8				
9				
10				
11				
12	-		203	
13				
14				
15				
16			13,390	GRS, Gas Storage, NW Energy Franchise Tax
17				
18				
19				
20				
21				
22				
23				
24	-		13,390	
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	-		13,593	

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAF

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Kind of Tax (See Instruction 5) (i)	Gas Account 408.1 409.1 (j)	Gas 9-107 (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18	Local Oregon:			
19	City & County business licenses & income tax	(208,195)	-	-
20	Franchise	15,891,422	-	-
21	Property taxes	-	-	-
22	Other	-	-	-
23				
24	Total Local State of Oregon Tax Expense	15,683,227	-	-
25				
26	Local Washington:			
27	City & County business licenses & income tax	-	-	-
28	Franchise	-	-	-
29	Property taxes	-	-	-
30	Other	-	-	-
31				
32	Total Local State of Washington Tax Expense	-	-	-
33				
34	Local California:			
35	Franchise	-	-	-
36	Property taxes	-	-	-
37	Other	-	-	-
38				
39	Total Local State of California Tax Expense	-	-	-
40				
41	TOTAL	37,887,097	2,952,914	16,061,618

Pg 114, Line 14	45,985,528	Pg 116, Line 52	677,463
Pg 114, Line 15	(3,215,480)	Pg 116, Line 53	12,622,937
Pg 114, Line 16	(4,882,951)	Pg 116, Line 54	2,761,218
	<u>37,887,097</u>		<u>16,061,618</u>

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

- | | |
|---|--|
| <p>that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).</p> <p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.</p> <p>7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll</p> | <p>deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. Show in columns (i) thru (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.</p> <p>10. Items under \$250,000 may be grouped.</p> |
|---|--|

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Line No.	Gas 9-143 (m)	Account (n)	Amount (o)	Description (p)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24	-		-	Miscellaneous
25				
26				
27				
28				
29				
30				
31				
32	-		-	
33				
34	-			
35	-			
36		408-43185	1,452,020	Property Tax
37		408-44180	95,330	Miscellaneous
38				
39	-		1,547,349	
40				
41	-		9,416,682	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	(1) X An Original (2) A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

Other Deferred Credits (Account 253)

1. Report below the details called for concerning other deferred credits
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$250,000) may be grouped by classes

Line No.	Section of Other Deffered Credits (a)	Balance at beginning of year (b)	Debit Contra Account (c)	Debit Amount (d)	Credits (e)	Balance at End of year (f)
1	Western States Pension Plan	8,279,454	-	215,268	-	8,064,186
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
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24						
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27						
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31						
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33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48	Total	8,279,454		215,268	-	8,064,186

Name of Report	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A resubmission	(Mo, Da, Yr)	Dec. 31, 2014

Accumulated Deferred Income Taxes--Other Property (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to other income taxes.
2. At Other, include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Debited to Account 411.1 (d)
1	Account 282			
2	Electric			
3	Gas			
4				
5	Total (Total of lines 2 thru 4)			
6				
7	TOTAL Account 282 (Total of lines 5 thru 6)			
8	Classification of TOTAL			
9	Federal Income Tax			
10	State Income Tax			
11	Local Income Tax			
	See FERC Annual Report pages 276-277			

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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Accumulated Deferred Income Taxes--Other Property (Account 282) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Account No. (j)	Balance at End of Year (k)	Line No.
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
See FERC Annual Report pages 276-277							

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
 2. For Other (Specify), included deferrals related to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Gas			
3.01	Deferred Income Taxes - FAS 109 & AMT	54,402,983		
3.02	Revenue & Cost Gas Adjustments	10,281,704	16,969,431	3,474,283
3.03	Deferred Depreciation - Federal	294,057,607	21,553,866	2,103,620
3.04	Deferred Income Taxes - Other (Includes SB 408)	31,159,459	60,619,695	46,755,558
3.05	Deferred Depreciation - State	58,638,596	5,655,780	374,315
4.01	Other	(2)	-	-
4.02	Other - reclass	7,382,403		-
5	Total (Total of Lines 2 Thru 4)	455,922,749	104,798,772	52,707,776
6	Other (Specify) Non - Utility	21,802,021	-	-
6.01	Other Comprehensive Income - Federal	(3,424,358)	3,129	-
6.02	Other Comprehensive Income - State	(687,224)	-	8,941
7	TOTAL (Acct 283) (Total of lines 5 thru 6) (Page 113)	473,613,188	104,801,901	52,716,717
8	Classification of TOTAL			
9	Federal Income Tax	403,882,681	90,402,165	51,747,693
10	State Income Tax	69,730,507	14,399,736	969,024
11	Local Income Tax			

473,613,188 104,801,901 52,716,717
 Page 113, Line 65 Page 114, Line 17 Page 114, Line 18

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year Page 114 (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
							3
-	-			186016	4,530,036	49,872,947	3.01
342,441	-	283021	2,755,895			26,875,188	3.02
-	-	283061	110,769			313,618,622	3.03
-	-				26,066,273	18,957,323	3.04
-	-			283062	11,787	63,908,274	3.05
-	-		2			-	4.01
	-	190100, 190102	16,402,810			23,785,213	4.02
342,441			19,269,476		30,608,096	497,017,566	5
(11,379,153)	1,104,805	283031	413,332	283031	525,780	9,205,615	6
-	-			218000	1,995,547	(5,416,776)	6.01
-	-			218000	423,564	(1,119,729)	6.02
(11,036,712)	1,104,805		19,682,808		33,552,987	499,686,676	7
							8
(9,166,606)	843,686		15,920,690		25,983,860	422,463,691	9
(1,870,106)	261,119		3,762,118		7,569,127	77,222,985	10
							11

(11,036,712) 1,104,805
Page 116, Line 55 Page 116, Line 56

499,686,676
Page 113, Line 65

Name of Respondent	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

GAS OPERATING REVENUES (Account 400)

- | | |
|---|--|
| <p>1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.</p> <p>2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.</p> | <p>3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480 - 495.</p> |
|---|--|

Line No.	Title of Account (a)	REVENUES for Transition Costs and Take-or-Pay		REVENUES for GEI and ACA	
			Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	480 - 484				
2	485 Intracompany Transfers				
3	487 Forfeited Discounts				
4	488 Miscellaneous Service Revenues				
5	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
6	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities				
7	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities				
8	489.4 Revenues from Storing Gas of Others				
9	490 Sales of Prod. Ext. from Natural Gas				
10	491 Revenues from Natural Gas Proc. by Others				
11	492 Incidental Gasoline and Oil Sales				
12	493 Rent from Gas Property				
13	494 Interdepartmental Rents				
14	495 Other Gas Revenues				
15	Subtotal:				
16	496 (Less) Provision for Rate Refunds				
17	TOTAL				

Name of Respondent	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
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GAS OPERATING REVENUES (Continued)

- | | |
|--|---|
| <p>4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.</p> <p>5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.</p> | <p>6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.</p> |
|--|---|

OTHER REVENUES		TOTAL OPERATING REVENUES		DEKATHERM OF NATURAL GAS		Line No.
Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)	
724,023,612	723,920,455	724,023,612	723,920,455	71,643,696	76,576,465	1
						2
2,236,898	2,281,999	2,236,898	2,281,999			3
1,374,165	1,435,964	1,374,165	1,435,964			4
		-	-			5
		-	-			6
17,145,678	15,898,199	17,145,678	15,898,199	37,655,207	38,078,608	7
						8
						9
						10
						11
275,942	279,204	275,942	279,204			12
						13
5,359,607	2,368,021	5,359,607	2,368,021			14
750,415,902	746,183,842	750,415,902	746,183,842			15
-	-	-	-			16
750,415,902	746,183,842	750,415,902	746,183,842			17

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

OTHER GAS REVENUES (ACCOUNT 495)

Report below transactions of \$250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below \$250,000 in one amount and provide the number of items.

Line No.	Description of Transaction (a)	Revenues (in dollars) (b)
1	Unbilled Revenue	(4,733,674)
2	Interstate Storage Credit	10,944,750
3	Decoupling	11,703,771
4	Decoupling Amortization	(9,565,124)
5	Washington Amortizations	(1,358,880)
6	Oregon Amortizations	(2,336,067)
7	WA Great Program	(378,780)
8	Working Gas	(3,733,227)
9	Gas Reserves Credit	1,035,354
10	Gain on Property Sales	3,120,173
11	SIP COS Reserve	(443,649)
12	Warm Deferrals	747,576
13	Other (Misc Gas Revenues - 5 items)	357,384
14		
15		
16		
17		
18	TOTAL	5,359,607

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GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production			
3	Manufactured Gas Production (Submit Supplemental Statement)			
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering			
8	751 Production Maps and Records			
9	752 Gas Wells Expenses			
10	753 Field Lines Expenses			
11	754 Field Compressor Station Expenses			
12	755 Field Compressor Station Fuel and Power			
13	756 Field Measuring and Regulating Station Expenses			
14	757 Purification Expenses			
15	758 Gas Well Royalties			
16	759 Other Expenses			
17	760 Rents			
18	TOTAL Operation (Total of lines 7 thru 17)	-	-	
19	Maintenance			
20	761 Maintenance Supervision and Engineering			
21	762 Maintenance of Structures and Improvements			
22	763 Maintenance of Producing Gas Wells			
23	764 Maintenance of Field Lines			
24	765 Maintenance of Field Compressor Station Equipment			
25	766 Maintenance of Field Meas. and Regulating Station Equipment			
26	767 Maintenance of Purification Equipment			
27	768 Maintenance of Drilling and Cleaning Equipment			
28	769 Maintenance of Other Equipment			
29	TOTAL Maintenance (Total of lines 20 thru 28)	-	-	
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	-	-	

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	A2. Manufacturing Gas Production (con't.)		
2	Gas Raw Materials		
3	725 Coal Carbonized in Coke Ovens		
4	726 Oil for Water Gas		
5	727 Oil for Oil Gas		
6	728 Liquefied Petroleum		
7	729 Raw Materials for other Gas Processes		
8	730 Residuals Expenses		
9	731 Residuals Produced - Credit		
10	732 Purification Expenses		
11	733 Gas Mixing Expenses		
12	734 Duplicate Charges - Credit		
13	735 Miscellaneous Production Expenses		
14	736 Rents		
15	TOTAL Operations	-	-
16	Maintenance		
17	740 Maintenance Supervision and Engineering		
18	741 Maintenance Structures and Improvements		
19	742 Maintenance of Production Equipment		
20	TOTAL Maintenance	-	-
21	TOTAL Manufacturing Gas Production	-	-

Name of Respondent	This Report is:	Date of Report	Year of Report
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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering		
34	771 Operation Labor		
35	772 Gas Shrinkage		
36	773 Fuel		
37	774 Power		
38	775 Materials		
39	776 Operation Supplies and expenses		
40	777 Gas Processed by Others		
41	778 Royalties on Products Extracted		
42	779 Marketing expenses		
43	780 Products Purchased for Resale		
44	781 Variation in Products Inventory		
45	(Less) 782 Extracted Products Used by the Utility-Credit		
46	783 Rents		
47	Total Operation (Total of Lines 33 thru 46)	-	-
48	Maintenance		
49	784 Maintenance Supervision and Engineering		
50	785 Maintenance of Structures and Improvements		
51	786 Maintenance of Extraction and Refining Equipment		
52	787 Maintenance of Pipe Lines		
53	788 Maintenance of Extracted Products Storage Equipment		
54	789 Maintenance of Compressor Equipment		
55	790 Maintenance of Gas Measuring and Regulating Equipment		
56	791 Maintenance of Other Equipment		
57	TOTAL Maintenance (Total of lines 49 thru 56)	-	-
58	TOTAL Products Extraction (Total of lines 47 and 57)	-	-

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)

Line No.	Account	Amount for Current Year	Amount for Previous Year
	(a)	(b)	(c)
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals		
62	796 Nonproductive Well Drilling		
63	797 Abandoned Leases		
64	798 Other Exploration		
65	TOTAL Exploration and Development (Total of lines 61 thru 64)	-	-
66	D. Other Gas Supply Expenses		
67	Operation		
68	800 Natural Gas Well Head Purchases		
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers		
70	801 Natural Gas Field Line Purchases	4,501,634	4,996,113
71	802 Natural Gas Gasoline Plant Outlet Purchases		
72	803 Natural Gas Transmission Line Purchases		
73	804 Natural Gas City Gate Purchases	405,007,230	369,337,000
74	804.1 Liquefied Natural Gas Purchases		
75	805 Other Gas Purchases		
76	(Less) 805.1 Purchases Gas Cost Adjustments	(26,202,798)	(8,332,916)
77	TOTAL Purchased Gas (Total of Lines 68 thru 76)	383,306,066	366,000,197
78	806 Exchange Gas		
79	Purchased Gas Expense		
80	807.1 Well Expense-Purchased Gas		
81	807.2 Operation of Purchased Gas Measuring Stations		
82	807.3 Maintenance of Purchased Gas Measuring Stations		
83	807.4 Purchased Gas Calculations Expense		
84	807.5 Other Purchased Gas Expenses	-	-
85	TOTAL Purchased Gas Expense (Total of lines 80 thru 84)	-	-

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
	(a)	(b)	(c)	
86	808.1 Gas Withdrawn from Storage-Debit	39,518,736	43,240,811	
87	(Less) 808.2 Gas Delivered to Storage-Credit	(57,151,137)	(35,806,301)	
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit			
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit			
90	Gas used in Utility Operation-Credit			
91	810 Gas Used for Compressor Station Fuel-Credit			
92	811 Gas Used for Products Extraction-Credit			
93	812 Gas Used for Other Utility Operations-Credit	(184,998)	(137,119)	
94	TOTAL Gas Used in Utility Operations-Credit (lines 91 thru 93)	(184,998)	(137,119)	
95	813 Other Gas Supply Expenses			
96	TOTAL Other Gas Supply Exp. (Total of lines 77, 78, 85, 86-89, 94, 95)	365,488,667	373,297,588	
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, 96)	365,488,667	373,297,588	
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering			
102	815 Maps and Records			
103	816 Well Expenses	308,380	308,626	
104	817 Lines Expenses			
105	818 Compressor Station Fuel and Power	106,156	431,285	
106	819 Compressor Station Fuel and Power	-	-	
107	820 Measuring and Regulating Station Expenses	1,409,421	1,290,763	
108	821 Purification Expenses	32,082	23,724	
109	822 Exploration and Development			
110	823 Gas Losses			
111	824 Other Expenses			
112	825 Storage Well Royalties			
113	826 Rents			
114	TOTAL Operation (Total of lines of 101 thru 113)	1,856,039	2,054,398	

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GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
	(a)	(b)	(c)	
115	Maintenance			
116	830 Maintenance Supervision and Engineering			
117	831 Maintenance of Structures and Improvements			
118	832 Maintenance of Reservoirs and Wells	171,385	195,165	
119	833 Maintenance of Lines			
120	834 Maintenance of Compressor Station Equipment			
121	835 Maintenance of Measuring and Regulating Station Equip			
122	836 Maintenance of Purification Equipment			
123	837 Maintenance of Other Equipment			
124	TOTAL Maintenance (Total of lines 116 thru 123)	171,385	195,165	
125	TOTAL Underground Storage Expenses (lines 114 and 124)	2,027,424	2,249,563	
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation supervision and Engineering	67,322	64,651	
129	841 Operation Labor and Expenses			
130	842 Rents			
131	842.1 Fuel			
132	842.2 Power			
133	842.3 Gas Losses			
134	TOTAL Operation (Total of lines 128 thru 133)	67,322	64,651	
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering			
137	843.2 Maintenance of Structures and Improvements			
138	843.3 Maintenance of Gas Holders			
139	843.4 Maintenance of Purification Equipment			
140	843.5 Maintenance of Liquefaction Equipment			
141	843.6 Maintenance of Vaporizing Equipment			
142	843.7 Maintenance of Compressor Equipment			
143	843.8 Maintenance of Measuring and Regulating Equipment			
144	843.9 Maintenance of Other Equipment			
145	TOTAL Maintenance (Total of lines 136 thru 144)	-	-	
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)	67,322	64,651	

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
	(a)	(b)	(c)	
147	C. Liquefied Natural Gas Terminaling and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering	1,526,195	1,437,338	
150	844.2 LNG Processing Terminal Labor and Expenses			
151	844.3 Liquefaction Processing Labor and Expenses			
152	844.4 Liquefaction Transportation Labor and Expenses			
153	844.5 Measuring and Regulating Labor and Expenses			
154	844.6 Compressor Station Labor and Expenses			
155	844.7 Communication system Expenses			
156	844.8 System Control and Load Dispatching			
157	845.1 Fuel	(106,987)	(35,832)	
158	845.2 Power			
159	845.3 Rents			
160	845.4 Demurrage Charges			
161	(Less) 845.5 Wharfage Receipts-Credit			
162	845.6 Processing Liquefied of Vaporized Gas by Others			
163	846.1 Gas Losses			
164	846.2 Other Expenses			
165	TOTAL Operation (Total of lines 149 thru 164)	1,419,208	1,401,506	
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering			
168	847.2 Maintenance of Structures and Improvements	418,592	324,292	
169	847.3 Maintenance of LNG Processing Terminal Equipment			
170	847.4 Maintenance of LNG Transportation Equipment			
171	847.5 Maintenance of Measuring and Regulating Equipment			
172	847.6 Maintenance of Compressor Station Equipment			
173	847.7 Maintenance of Communication Equipment			
174	847.8 Maintenance of Other Equipment			
175	TOTAL Maintenance (Total of lines 167 thru 174)	418,592	324,292	
176	TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 & 175)	1,837,800	1,725,798	
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	3,932,546	4,040,012	

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

GAS OPERATION AND MAINTENANCE EXPENSES (Continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
178	3. TRANSMISSION EXPENSES		
179	Operation		
180	850 Operation Supervision and Engineering		
181	851 System Control and Load Dispatching		
182	852 Communication system Expenses		
183	853 Compressor Station Labor and Expenses		
184	854 Gas for Compressor Station Fuel		
185	855 Other Fuel and Power for Compressor Stations		
186	856 Mains Expenses	586,172	660,645
187	857 Measuring and Regulating Station Expenses		
188	858 Transmission and Compression of Gas by Others		
189	859 Other Expenses		
190	860 Rents		
191	TOTAL Operations (Total of lines 180 thru 190)	586,172	660,645
192	Maintenance		
193	861 Maintenance Supervision and Engineering		
194	862 Maintenance of Structures and Improvements		
195	863 Maintenance of Mains	2,044	12,435
196	864 Maintenance of Compressor Station Equipment		
197	865 Maintenance of Measuring and Regulating Station Equipment		
198	866 Maintenance of Communication Equipment		
199	867 Maintenance of Other Equipment		
200	TOTAL Maintenance (Total of lines 193 thru 199)	2,044	12,435
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	588,216	673,080
202	4. DISTRIBUTION EXPENSES		
203	Operation		
204	870 Operation Supervision and Engineering	1,929,177	1,749,595
205	871 Distribution Load Dispatching		
206	872 Compressor Station Labor and Expenses		
207	873 Compressor Station Fuel and Power		

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account		Amount for Current Year	Amount for Previous Year
	(a)		(b)	(c)
208	874	Mains and Services Expenses	7,425,683	6,858,543
209	875	Measuring and Regulating Station Expenses-General	33,566	88,810
210	876	Measuring and Regulating Station Expenses-Industrial		
211	877	Measuring and Regulating Station Expenses-City Gas	435,137	539,114
212	878	Meter and House Regulator Expenses	5,031,475	5,192,411
213	879	Customer Installations Expenses	4,774,785	4,155,624
214	880	Other Expenses	774,721	1,393,057
215	881	Rents	210,450	196,340
216	TOTAL Operations (Total of lines 204 thru 215)		20,614,994	20,173,494
217	Maintenance			
218	885	Maintenance Supervision and Engineering	3,218,667	2,487,028
219	886	Maintenance of Structures and Improvements		
220	887	Maintenance of Mains	2,049,739	2,198,045
221	888	Maintenance of Compressor Station Equipment		
222	889	Maintenance of Measuring & Regulating Station Equipment -General	802,366	962,482
223	890	Maintenance of Meas. and Reg. Station Equipment-Industrial		
224	891	Maintenance of Meas & Reg Station Equip-City Gate	85,951	73,334
225	892	Maintenance of Services	1,183,088	1,491,692
226	893	Maintenance of Meters and House Regulators	1,932,816	1,700,472
227	894	Maintenance of Other Equipment	18,207	21,269
228	TOTAL Maintenance (Total of lines 218 thru 227)		9,290,834	8,934,322
229	TOTAL Distribution Expenses (Total of lines 216 and 228)		29,905,828	29,107,816
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901	Supervision	1,150,189	1,130,600
233	902	Meter Reading Expenses	641,220	552,946
234	903	Customer Records and Collection Expenses	14,754,598	14,496,480

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account	Amount for Current Year	Amount for Previous Year	
	(a)	(b)	(c)	
235	904 Uncollectible Accounts	629,883	198,531	
236	905 Miscellaneous Customer Accounts Expenses			
237	TOTAL Customer Accounts Expenses (Total of lines 232-236)	17,175,890	16,378,557	
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSE			
239	Operation			
240	907 Supervision	6,396	22,472	
	908 Customer Assistance Expense	214,771	530,954	
242	909 Informational and Instructional Expenses	1,289,660	1,158,387	
243	910 Miscellaneous Customer Service and Informational Expenses	166,688	109,819	
244	TOTAL Customer Service & Information Expenses (Total of lines 240 thru 243)	1,677,515	1,821,632	
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision	125,829	135,728	
248	912 Demonstration and Selling Expenses	2,297,080	2,218,063	
249	913 Advertising Expenses	197,218	250,572	
250	916 Miscellaneous Sales Expenses	23	107	
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	2,620,150	2,604,470	
252	8. ADMINISTRATIVE AND GENERAL EXPENSES			
253	Operation			
254	920 Administrative and General Salaries	21,026,242	23,418,801	
255	921 Office Supplies and Expenses	14,313,418	14,523,003	
256	(Less) 922 Administrative Expenses Transferred - Credit	(15,636,673)	(15,355,207)	
257	923 Outside Services Employed	6,847,903	7,251,718	
258	924 Property Insurance	2,837,225	2,608,454	
259	925 Injuries and Damages	(21,717)	13,351	
260	926 Employee Pensions and Benefits	31,311,611	31,327,470	
261	927 Franchise Requirements			
262	928 Regulatory Commission Expenses			
263	(Less) 929 Duplicate Charges - Credit			
264	930.1 General Advertising Expenses			
265	930.2 Miscellaneous General Expenses	2,498,816	2,426,438	
266	931 Rents	4,813,955	4,654,170	
267	TOTAL Operation (Total of lines 254 thru 266)	67,990,780	70,868,198	
268	Maintenance			
269	935 Maintenance of General Plant	3,469,964	3,410,779	
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	71,460,744	74,278,977	
271	TOTAL Gas O & M Expenses (Total of lines 97,177,201,229,237, ,244,251,and 270)	492,849,556	502,202,132	

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Name of Respondent Northwest Natural Gas Company	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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Gas Used in Utility Operations

1. Report below details of credits during the year to Accounts 810, 811, and 812.
2. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas		Manufactured Gas	
			Gas Used (Dth) (c)	Amount of Credit (in dollars) (d)	Gas Used (Dth) (d)	Amount of Credit (in dollars) (d)
1	810 Gas Used for Compressor Station Fuel - Credit					
2	811 Gas Used for Products Extraction - Credit					
3	Gas Shrinkage and Other Usage in Respondent's Own Processing					
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others					
5	812 Gas Used for Other Utility Operations - Credit (Report separately for each principal use. Group minor uses.)					
6	System - All Districts	Variable	175,189	255,411		
7	Storage Plants	Inventory	357,387		Included in the Cost of Inventory	
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45	Total		532,576	255,411		

Name of Respondent		This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
MISCELLANEOUS GENERAL EXPENSE (Account 930.2)				
1. Provide the information requested below on miscellaneous general expenses		2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more however, amounts less than \$250,000 may be grouped if the number of items so grouped is shown.		
Line No.	Description (a)	Amount (in dollars) (b)		
1	Industry association dues (2105)	796,181		
2				
3	Publishing and distributing information and reports to stockholders Annual Report; trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent (2065-5000)	147,335		
4				
5	Other expenses (2966)	8,857		
6				
7	Director's Fees and Expenses (4320)	1,440,191		
8				
9	Annual Meeting (4290)	106,252		
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40	TOTAL	2,498,816		

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
UTILITY								
Intangible Plant								
301 ORGANIZATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
302 FRANCHISES & CONSENTS	0	0	0	0	0	0	0	0
303.1 COMPUTER SOFTWARE	32,649,111	2,634,580	(15,833,246)	0	0	3,017	0	19,453,461
303.2 CUSTOMER INFORMATION SYSTEM	32,348,168	0	0	0	0	0	0	32,348,168
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	0	0	0	0	0	0	4,146,951
303.4 CRMS	1,586,428	154,607	(1,366,559)	0	0	0	0	374,476
303.5 POWERPLANT SOFTWARE	0	0	0	0	0	0	0	0
Intangible Plant Subtotal	70,730,657	2,789,187	(17,199,805)	0	0	3,017	0	56,323,056
Production Plant - Oil Gas								
304.1 LAND	0	0	0	0	0	0	0	0
305.2 P P O G STRU & IMPR-SEWER S	0	0	0	0	0	0	0	0
305.5 P P O G STRU & IMPR-OTHER Y	13,814	0	0	0	0	0	0	13,814
312.3 P P O G FUEL HANDLING AND S	0	0	0	0	0	0	0	0
318.3 P P O G LIGHT OIL REFINING	152,141	0	0	0	0	0	0	152,141
318.5 P P O G TAR PROCESSING	255,729	0	0	0	0	0	0	255,729
325 NATURAL GAS PROD AND GATHER	0	0	0	0	0	0	0	0
327 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
328 NATURAL GAS PROD AND GATHER	0	0	0	0	0	0	0	0
331 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
332 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
333 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
334 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
Production Plant - Oil Gas Subtotal	421,683	0	0	0	0	0	0	421,683
Production Plant - Other								
305.11 GAS PRODUCTION - COTTAGE G	8,736	0	0	0	0	0	0	8,736
305.17 STRUCTURES MIXING STATION	51,246	0	0	0	0	0	0	51,246
311 P P OTHER-LIQUEFIED PETROLE	(0)	0	0	0	0	0	0	(0)
311.4 P P OTHER-L P G GRANGER	0	0	0	0	0	0	0	0
311.7 LIQUIFIED GAS EQUIPMENT COO	8,066	0	0	0	0	0	0	8,066
311.8 LIQUIFIED GAS EQUIPMENT LIN	6,585	0	0	0	0	0	0	6,585
319 GAS MIXING EQUIPMENT GASCO	194,720	0	0	0	0	0	0	194,720
Production Plant - Other Subtotal	269,353	0	0	0	0	0	0	269,353
Natural Gas Underground Storage								
350.1 LAND	0	0	0	0	0	0	0	0
350.2 RIGHTS-OF-WAY	21,591	1,776	0	0	0	0	0	23,367
351 STRUCTURES AND IMPROVEMENTS	2,300,553	119,958	0	0	0	0	0	2,420,511
352 WELLS	10,145,614	414,974	0	0	0	0	0	10,560,588

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
UTILITY								
352.1 STORAGE LEASEHOLD & RIGHTS	1,368,740	71,276	0	0	0	0	0	1,440,015
352.2 RESERVOIRS	1,604,224	117,477	0	0	0	0	0	1,721,701
352.3 NON-RECOVERABLE NATURAL GAS	2,956,530	121,089	0	0	0	0	0	3,077,618
353 LINES	2,636,205	134,963	0	0	0	0	0	2,771,168
354 COMPRESSOR STATION EQUIPMENT	14,739,914	785,381	0	0	0	0	0	15,525,294
355 MEASURING / REGULATING EQUIPM	3,807,263	145,404	0	0	0	0	0	3,952,667
356 PURIFICATION EQUIPMENT	202,947	7,375	0	0	0	0	0	210,321
357 OTHER EQUIPMENT	736,279	30,368	0	0	0	0	0	766,647
Natural Gas Underground Storage Subtotal	40,519,859	1,950,040	0	0	0	0	0	42,469,899
Local Storage Plant								
360.11 LAND - LNG LINNTON	0	0	0	0	0	0	0	0
360.12 LAND - LNG NEWPORT	0	0	0	0	0	0	0	0
360.2 LAND - OTHER	0	0	0	0	0	0	0	0
361.11 STRUCTURES & IMPROVEMENTS	1,436,648	246,575	0	0	0	0	0	1,683,223
361.12 STRUCTURES & IMPROVEMENTS	2,109,201	142,078	0	0	0	0	0	2,251,279
361.2 STRUCTURES & IMPROVEMENTS -	9,562	466	0	0	0	0	0	10,028
362.11 GAS HOLDERS - LNG LINNTON	2,135,896	63,229	0	0	0	0	0	2,199,125
362.12 GAS HOLDERS - LNG NEWPORT	5,123,493	157,541	0	0	0	0	0	5,281,034
362.2 GAS HOLDERS - LNG OTHER	1,130	21	0	0	0	0	0	1,151
363.11 LIQUEFACTION EQUIP. - LINN	2,381,522	84,141	0	0	0	0	0	2,465,662
363.12 LIQUEFACTION EQUIP - NEWPO	7,007,827	59,921	0	0	0	0	0	7,067,748
363.21 VAPORIZING EQUIP - LINNTON	2,551,046	36,817	0	0	0	0	0	2,587,862
363.22 VAPORIZING EQUIP - NEWPORT	2,607,866	1,329	0	0	0	0	0	2,609,196
363.31 COMPRESSOR EQUIP - LINNTON	197,092	(45)	0	0	0	0	0	197,047
363.32 COMPRESSOR EQUIPMENT - NE	205,458	41,670	0	0	0	0	0	247,128
363.41 MEASURING & REGULATING EQU	597,505	418	0	0	0	0	0	597,923
363.42 MEASURING & REGULATING EQU	116,640	(9)	0	0	0	0	0	116,630
363.5 CNG REFUELING FACILITIES	1,584,955	16,980	(304,871)	0	0	0	0	1,297,064
363.6 LNG REFUELING FACILITIES	739,473	0	0	0	0	0	0	739,473
Local Storage Plant Subtotal	28,805,314	851,130	(304,871)	0	0	0	0	29,351,573
Transmission Plant								
365.1 LAND	0	0	0	0	0	0	0	0
365.2 LAND RIGHTS	1,520,323	122,003	0	0	0	0	0	1,642,326
366.3 STRUCTURES & IMPROVEMENTS -	236,329	20,319	0	0	0	0	0	256,648
367 MAINS	14,942,391	4,003,621	0	0	0	40,564	0	18,986,575
367.21 NORTH MIST TRANSMISSION LI	929,716	50,054	0	0	0	0	0	979,770
367.22 SOUTH MIST TRANSMISSION LI	9,198,311	367,668	0	0	0	0	0	9,565,979
367.23 SOUTH MIST TRANSMISSION LI	9,963,892	931,138	0	0	0	0	0	10,895,030
367.24 11.7M S MIST TRANS LINE	3,915,077	452,276	0	0	0	0	0	4,367,353
367.25 12M NORTH S MIST TRANS	3,850,178	485,712	0	0	0	0	0	4,335,890
367.26 38M NORTH S MIST TRANS	14,326,346	1,773,666	0	0	0	0	0	16,100,013

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014

Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
UTILITY								
368 TRANSMISSION COMPRESSOR	(9)	0	0	0	0	0	0	(9)
369 MEASURING & REGULATE STATION	1,125,860	106,359	0	0	0	0	0	1,232,219
370 COMMUNICATION EQUIPMENT	0	0	0	0	0	0	0	0
Transmission Plant Subtotal	60,008,415	8,312,816	0	0	0	40,564	0	68,361,794
Distribution Plant								
374.1 LAND	0	0	0	0	0	0	0	0
374.2 LAND RIGHTS	996,928	140,846	0	0	0	0	0	1,137,774
375 STRUCTURES & IMPROVEMENTS	79,968	200	0	0	0	0	0	80,168
376.11 MAINS < 4"	275,334,675	13,237,041	(185,874)	(1,143,050)	21,146	(98,957)	0	287,164,980
376.12 MAINS 4" & >	184,123,713	11,578,589	(3,488,782)	(1,457,268)	22,982	47,777	0	190,827,010
377 COMPRESSOR STATION EQUIPMENT	575,068	22,600	0	0	0	0	0	597,668
378 MEASURING & REG EQUIP - GENER	9,524,933	635,949	0	0	0	(2,778)	0	10,158,103
379 MEASURING & REG EQUIP - GATE	1,375,797	183,271	0	0	0	2,771	0	1,561,839
380 SERVICES	347,943,392	18,155,397	(1,630,916)	(2,933,879)	0	6,366	0	361,540,360
381 METERS	19,422,907	1,838,941	(839,332)	0	0	(5,467)	0	20,417,050
381.1 METERS (ELECTRONIC)	903,756	285,051	(507,007)	0	0	(53)	0	681,747
381.2 ERT (ENCODER RECEIVER TRANS	12,407,311	2,546,259	(422,728)	0	0	10,799	0	14,541,641
382 METER INSTALLATIONS	12,586,338	1,449,337	(3,182,624)	0	0	(5,433)	0	10,847,618
382.1 METER INSTALLATIONS (ELECTR	535,931	11,490	(518,377)	0	0	0	0	29,044
382.2 ERT INSTALLATION (ENCODER	3,335,475	641,740	(99,995)	0	0	0	0	3,877,220
383 HOUSE REGULATORS	96,351	33,751	0	0	0	0	0	130,101
386 OTHER PROPERTY ON CUSTOMERS P	0	0	0	0	0	0	0	0
387.1 CATHODIC PROTECTION TESTING	139,184	335	0	0	0	0	0	139,519
387.2 CALORIMETERS @ GATE STATIONS	96,424	0	0	0	0	0	0	96,424
387.3 METER TESTING EQUIPMENT	72,671	0	0	0	0	0	0	72,671
Distribution Plant Subtotal	869,550,822	50,760,797	(10,875,634)	(5,534,197)	44,128	(44,977)	0	903,900,940
General Plant								
389 LAND	437,351	0	0	0	0	0	0	437,351
390 STRUCTURES & IMPROVEMENTS	6,430,732	850,494	(57,511)	0	0	3,980	0	7,227,695
390.1 SOURCE CONTROL PLANT	227,793	1,087,220	0	0	0	0	0	1,315,013
391.1 OFFICE FURNITURE & EQUIPMEN	7,852,057	949,162	(3,121,412)	0	0	(2,165)	0	5,677,642
391.2 COMPUTERS	16,895,519	3,675,467	(971,541)	0	0	(852)	0	19,598,592
391.3 ON SITE BILLING	938,788	0	(938,788)	0	0	0	0	0
391.4 CUSTOMER INFORMATION SYSTEM	1,219,227	168,503	(1,387,730)	0	0	0	0	0
392 TRANSPORTATION EQUIPMENT	8,598,674	1,454,706	(943,871)	0	83,811	0	0	9,193,319
393 STORES EQUIPMENT	119,406	0	0	0	0	0	0	119,406
394 TOOLS - SHOP & GARAGE EQUIPUI	8,023,595	1,126,046	0	0	9,281	423	0	9,159,344
395 LABORATORY EQUIPMENT	68,293	0	0	0	0	0	0	68,293
396 POWER OPERATED EQUIPMENT	3,570,745	173,099	(255,426)	0	38,520	(423)	0	3,526,515
397 GEN PLANT-COMMUNICATION EQU	23,584	7,208	(10,226)	0	0	0	0	20,565
397.1 MOBILE	1,213,307	8,115	(820,266)	0	0	0	0	401,156
397.2 OTHER THAN MOBILE & TELEMET	1,742,821	27,047	(79,014)	0	0	0	0	1,690,854
397.3 TELEMETERING - OTHER	3,099,648	3,260	(114,776)	0	0	0	0	2,988,131
397.4 TELEMETERING - MICROWAVE	1,927,120	25,114	(1,034,990)	0	0	0	0	917,244

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
UTILITY								
397.5 TELEPHONE EQUIPMENT	2,102,673	57,408	(2,066,580)	0	0	0	0	93,501
398 GEN PLANT-MISCELLANEOUS EQU	0	0	0	0	0	0	0	0
398.1 PRINT SHOP	83,249	0	0	0	0	0	0	83,249
398.2 KITCHEN EQUIPMENT	2,036	525	0	0	0	0	0	2,561
398.3 JANITORIAL EQUIPMENT	17,183	1,670	0	0	0	(3,980)	0	14,873
398.4 INSTALLED IN LEASED BUILDINGS	10,120	0	0	0	0	0	0	10,120
398.5 OTHER MISCELLANEOUS EQUIPMENT	66,739	0	0	0	0	0	0	66,739
General Plant Subtotal	64,670,658	9,615,044	(11,802,133)	-	131,611	(3,017)	-	62,612,163
Utility Property Grand Total	1,134,976,761	74,279,013	(40,182,443)	(5,534,197)	175,738	(4,412)	-	1,163,710,460

NON UTILITY

Intangible Plant

303.1 COMPUTER SOFTWARE	\$24,171	\$7,041	\$0	\$0	\$0	\$0	\$0	\$31,211
303.2 CUSTOMER INFORMATION SYSTEM	29,401	4,275	0	0	0	0	0	33,677
Non Utility Intangible Plant Subtotal	53,572	11,316	0	0	0	0	0	64,888

Natural Gas Underground Storage

352 WELLS	2,547,203	350,667	0	0	0	0	0	2,897,870
352.1 STORAGE LEASEHOLD & RIGHTS	141	20	0	0	0	0	0	161
352.2 RESERVOIRS	941,850	97,294	0	0	0	0	0	1,039,144
353 LINES	253,275	33,069	0	0	0	0	0	286,345
354 COMPRESSOR STATION EQUIPMENT	3,659,207	391,027	(23,443)	0	0	0	0	4,026,791
355 MEASURING / REGULATING EQUIPM	1,502,604	189,871	0	0	0	4,412	0	1,696,887
357 OTHER EQUIPMENT	5,829	1,442	0	0	0	0	0	7,271
Non Utility Natural Gas Underground Storage Subtotal	8,910,110	1,063,390	(23,443)	0	0	4,412	0	9,954,470

Transmission Plant

368 TRANSMISSION COMPRESSOR	1,371,211	238,655	0	0	0	0	0	1,609,866
Non Utility Transmission Plant Subtotal	1,371,211	238,655	0	0	0	0	0	1,609,866

Distribution Plant

376.12 MAINS 4" & >	150,702	21,258	0	0	0	0	0	171,959
Non Utility Distribution Plant Subtotal	150,702	21,258	0	0	0	0	0	171,959

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
General Plant								
389 LAND	0	0	0	0	0	0	0	0
390 STRUCTURES & IMPROVEMENTS	19,670	2,275	0	0	0	0	0	21,946
Non Utility General Plant Subtotal	19,670	2,275	0	0	0	0	0	21,946
Non Utility Other								
121.1 NON-UTIL PROP-DOCK	1,910,669	41,256	0	0	0	0	0	1,951,925
121.2 NON-UTIL PROP-LAND	0	0	0	0	0	0	0	0
121.3 NON-UTIL PROP-OIL ST	2,208,134	3,360	0	0	0	0	0	2,211,494
121.7 NON-UTIL PROP-APPL CENTER	21,604	4,219	0	0	0	0	0	25,823
121.8 NON-UTIL PROP-STORAGE	(1)	0	0	0	0	0	0	(1)
Non Utility Other	4,140,405	48,835	0	0	0	0	0	4,189,241
Non Utility Property Grand Total	14,645,670	1,385,730	(23,443)	-	-	4,412	-	16,012,369

TOTAL SUMMARY ALL UTILITY DEPRECIATION RESERVES 12/31/2014

UTILITY

108010	(33,523,087)
108011	878,955,648
108012	11,644,779
108013	(2,387,109)
108014	(223,399)
108015	3,539,759
108100	307,727,474
108102	2,390,471
108002	(4,559,881)
108003	(71,778)
108004	217,583
108666	0
SUBTOTAL	<u>1,163,710,459</u>

ADD:

108001 REMOVAL WORK IN PROCESS	(17,082,201)
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TOTAL UTILITY DEPRECIATION	<u><u>1,146,628,259</u></u>
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Oregon and Washington Provision for Depreciation

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW NATURAL

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class	Beginning			Cost of	Salvage and	Transfers and		Ending
FERC Plant Account	Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve
TOTAL SUMMARY ALL NON-UTILITY RESERVES DEPRECIATION								
NON UTILITY								
122026	1,034							
122027	4,275,042							
122028	11,225,920							
122029	(547,965)							
122100	1,102,682							
122102	17,712							
122002	(62,055)							
TOTAL NON UTILITY DEPRECIATION				<u><u>16,012,369</u></u>				

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Continued)

4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.10, 3.10, 3.02, etc.

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Plant Bases (thousands)	Applied Depreciation or Amortization Rates (percent) (c)
1	Production and Gathering Plant		
2	Offshore	N/A	N/A
3	Onshore	N/A	N/A
4	Underground Gas Storage Plant	135,625	2.26
5	Transmission Plant	N/A	N/A
6	Offshore	N/A	N/A
7	Onshore	N/A	N/A
8	General Plant	N/A	N/A
9			
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12			
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14			
15			

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

(a) **Miscellaneous Amortization** (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) **Miscellaneous Income Deductions** - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts.

Amounts of less than \$250,000 may be grouped by classes within the above accounts.

(c) **Interest on Debt to Associated Companies** (Account 430) - For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) **Other Interest Expense** (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 425 Miscellaneous Amortization	-
2	Account 426.1 Donations	1,101,067
3	Account 426.2 Insurance Benefits	(1,969,862)
4	Account 426.3 Penalties - Internal Revenue	15,037
5	Account 426.4 Civic, Political and Related Activities (426.31-426.33 & 426.41-426.45)	1,163,186
6	Account 426.5 Other Deductions (426.05, 426.50-426.52)	125,874
7	Account 426.6 Diversification (426.60)	-
8		
9	Total Account 426	435,302
10		
11	Account 430 Interest on Debt to Associated Companies	-
12	Account 431 Other Interest Expense	
13	Notes Payable (431.1)	365,115
14	Miscellaneous (431.2-431.5)	1,329,849
15		
16	Total Account 431	1,694,964
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Name of Respondent Northwest Natural Gas Company		This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014	
REGULATORY COMMISSION EXPENSES (Account 928)					
1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized relating to formal cases before a regulatory body, or cases in which such a body was a party)			2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.		
Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 186 at Beginning of Year (e)
1					
2					
3	PUBLIC UTILITY COMMISSIONER OF OREGON:				
4					
5	REGULATORY ISSUES	NONE	0	0	NONE
6					
7	LEAST COST PLANNING (UM180)	NONE	0	0	NONE
8					
9					
10	WASHINGTON UTILITIES & TRANSPORTATION COMMISSION:				
11					
12	REGULATORY ISSUES	NONE	0	0	NONE
13					
14	LEAST COST PLANNING (UG10149)	NONE	0	0	NONE
15					
16					
17	FEDERAL ENERGY REGULATORY COMMISSION:				
18					
19	REGULATORY ISSUES	NONE	0	0	NONE
20					
21					
22	PROFESSIONAL SERVICES				
23	CLASSIFIED TO FERC ACCOUNT 923	NONE	0	0	NONE
24					
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43	TOTAL		0	0	

Northwest Natural does not track expenses by formal regulatory cases.

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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REGULATORY COMMISSION EXPENSES (Continued)

- | | |
|--|--|
| <p>3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.</p> <p>4. Identify separately all annual charge adjustments (ACA)</p> | <p>5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.</p> <p>6. Minor items (less than \$250,000) may be grouped.</p> |
|--|--|

EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR		Deferred in Account 186, End of Year (l)	Line No.
CHARGED CURRENTLY TO				Contra Account (j)	Amount (j)		
Department (f)	Account No. (g)	Amount (h)	Deferred to Account 186 (i)				
GAS	928	0	NONE	NONE		NONE	1
GAS	928	0	NONE	NONE		NONE	2
							3
							4
GAS	928	0	NONE	NONE		NONE	5
GAS	928	0	NONE	NONE		NONE	6
							7
							8
							9
							10
GAS	928	0	NONE	NONE		NONE	11
GAS	928	0	NONE	NONE		NONE	12
							13
							14
							15
							16
							17
GAS	928	0	NONE	NONE		NONE	18
							19
							20
							21
GAS	928	0	NONE	NONE		NONE	22
							23
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission		Dec. 31, 2014

Employee Pensions and Benefits (Account 926)

1. Report below the items contained in Account 926, Employee Pensions & Benefits

Line No.	Expense (a)	Amount (b)
1	Pensions - defined benefit plans	4,984,318
2	Pensions - other	2,866,002
3	Post-retirement benefits other than pensions (PBOP)	1,451,159
4	Post-employment benefit plans	-
5	Other Benefits	22,010,132
6		
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37	Total	31,311,611

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Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production			
4	Transmission			
5	Distribution			
6	Customer Accounts			
7	Customer Service and Informational			
8	Sales			
9	Administrative and General			
10	TOTAL Operation (Total of lines 3 thru 9)			
11	Maintenance			
12	Production			
13	Transmission			
14	Distribution			
15	Administrative and General			
16	TOTAL Maint. (Total of lines 12 thru 15)			
17	Total Operation and Maintenance			
18	Production (Total of lines 3 and 12)			
19	Transmission (Total of lines 4 and 13)			
20	Distribution (Total of lines 5 and 14)			
21	Customer Accounts (Line 6)			
22	Customer Service and Informational (Line 7)			
23	Sales (Line 8)			
24	Administrative and General (Total of lines 9 and 15)			
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)			
26	Gas			
27	Operation			
28	Production - Manufactured Gas			
29	Production - Nat. Gas (Including Expl. and Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminaling and Processing	1,669,210	129,360	1,798,570
32	Transmission	398,556	40,758	439,314
33	Distribution	13,761,645	1,426,469	15,188,114
34	Customer Accounts	8,652,077	690,488	9,342,565
35	Customer Service and Informational	1,364,193	104,381	1,468,574
36	Sales	1,144,862	87,695	1,232,557
37	Administrative and General	18,108,981	1,387,759	19,496,740
38	TOTAL Operation (Total of lines 28 thru 37)	45,099,524	3,866,910	48,966,434
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing	333,963	25,826	359,789
44	Transmission	1,270,622	97,224	1,367,846
45	Distribution	6,716,926	626,855	7,343,781
46	Administrative and General	1,183,746	102,028	1,285,774
47	TOTAL Maint. (Total of lines 40 thru 46)	9,505,257	851,933	10,357,190

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
48	Gas (Continued)			
49	Total Operation and Maintenance			
50	Production - Manufactured Gas (Lines 28 and 40)			
51	Production - Nat. Gas (Including Expl. and Dev.) (Lines 29 and 41)			
52	Other Gas Supply (Lines 30 and 42)			
53	Storage, LNG Terminating and Processing (Lines 31 and 43)	2,003,174	155,186	2,158,360
54	Transmission (Total of lines 32 and 44)	1,669,178	137,982	1,807,160
55	Distribution (Total of lines 33 and 45)	20,478,571	2,053,324	22,531,895
56	Customer Accounts (Total of line 34)	8,652,077	690,488	9,342,565
57	Customer Service and Informational (Total of line 35)	1,364,193	104,381	1,468,574
58	Sales (Total of line 36)	1,144,862	87,695	1,232,557
59	Administrative and General (Total of lines 37 and 46)	19,292,727	1,489,787	20,782,514
60	TOTAL Operation and Maintenance (Total of lines 50 thru 59)	54,604,782	4,718,843	59,323,625
61	Other Utility Departments			
62	Operation and Maintenance			
63	TOTAL All Utility Dept. (Total of lines 25,60, and 62)	54,604,782	4,718,843	59,323,625
64	Utility Plant			
65	Construction (By Utility Departments)			
66	Electric Plant			
67	Gas Plant	26,750,268	2,634,216	29,384,484
68	Other			
69	TOTAL Construction (Total of lines 66 thru 68)	26,750,268	2,634,216	29,384,484
70	Plant Removal (By Utility Departments)			
71	Electric Plant			
72	Gas Plant			
73	Other			
74	TOTAL Plant Removal (Total of lines 71 thru 73)	-	-	-
75	Other Accounts (Specify):			
75.01	Merchandising	835,594	-	835,594
75.02	Governmental	313,654	292,648	606,302
75.03	Acct Rec-NNG Financial Corporation	1,173	-	1,173
75.04	Acct Rec-Palomar	-	-	-
75.05	Acct Rec-Gill Ranch	-	-	-
75.06	Acct Rec-PGE Joint Meter Reading	174,459	-	174,459
75.07	Storage Business	563,906	-	563,906
75.08	Other Accounts Receivable	-	48,690	48,690
75.11				
75.12				
75.13				
75.14				
75.15				
75.16				
75.17				
75.18				
75.19				
76	TOTAL Other Accounts	1,888,786	341,338	2,230,124
77	TOTAL SALARIES AND WAGES	83,243,836	7,694,397	90,938,233

Name of Respondent	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4, Expenditures for Certain Civic, Political and Related Activities
- (a) Name of person or organization rendering services
(c) Total charges for the year.
2. Sum under a description "Other" all of the aforementioned services amounting to \$250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned services.
4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.

Line No.	Description (a)	Amount (in dollars) (b)
1	LOY CLARK PIPELINE CO	13,980,812
2	MICHEL'S HOLDINGS INC	8,230,969
3	COLORADO STRUCTURES INC	7,298,563
4	K & L GATES LLP	5,007,033
5	ANCHOR QEA LLC	4,385,855
6	SEVENSON ENVIRONMENTAL	3,703,853
7	MARSH USA INC	2,538,135
8	K & D SERVICES OF OREGON	2,521,942
9	LOCATING INC	2,184,215
10	ACTIVE TELESOURCE INC	1,562,301
11	ADVANCE ENGINEERING CORP	1,267,620
12	RAIMORE CONSTRUCTION LLC	1,170,748
13	DELL MARKETING LP	1,166,062
14	ONLINE ENTERPRISES INC	1,059,712
15	COURTNEY & SON INC	1,039,935
16	AIMS/PVIC	974,193
17	PRICEWATERHOUSECOOPERS LLP	937,298
18	D.P. NICOLI INC	836,337
19	BROTHERTON CORP	831,462
20	WOODRUFF-SAWYER & COMPANY	807,535
21	MCDOWELL RACKNER & GIBSON PC	800,913
22	STOEL RIVES LLP	790,489
23	CREATIVE MEDIA DEVELOPMENT INC	779,051
24	GEOENGINEERS INC	737,875
25	OREGON WASHINGTON LABORATORIES	711,364
26	SURVEYS & ANALYSIS INC	710,473
27	FES INVESTMENTS INC	664,556
28	HAHN AND ASSOCIATES INC	648,775
29	PEARL LEGAL GROUP PC	614,329
30	ITRON INC	546,010
31	BRAEMAR TECHNICAL SERVICES	530,247
32	ADVANTELL INC	525,205
33	ENERGY INSURANCE MUTUAL LTD	510,250
34	MSN COMMUNICATIONS INC	484,431
35	MEARS/CPG LLC	473,226
36	LOWER WILLAMETTE GROUP	414,799
37	AMERICAN GAS ASSOCIATION	412,202
38	THOMAS N SNAIR	383,456
39	URS CORPORATION AMERICAS	377,445
40	G A W INC	376,676
41	SAP INDUSTRIES INC	368,779
42	C-2 UTILITY CONTRACTORS LLC	342,431
43	Q3 CONTRACTING INC	340,455
44	SHI INTERNATIONAL CORP	337,696
45	OPERATIONS TECHNOLOGY	335,000
46	WATER TRUCK SERVICE INC	299,359
47	UTILITIES INTERNATIONAL INC	292,976
48	PAPE' MACHINERY INC	291,691
49	STANDARD UTILITY CONTRACTORS	288,138
	TOTAL	75,892,877

Name of Respondent	This Report Is: X An Original A Resubmission	Date of Report	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

Transactions with Associated (Affiliated) Companies

1. Report below the information called for concerning all goods or services received from or provided to associated (affiliated) companies amounting to more than \$250,000.
2. Sum under a description "Other", all of the aforementioned goods and services amounting to \$250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned goods and services.
4. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.

Line No.	Description of the Goods or Service (a)	Name of Associated/Affiliated company (b)	Account(s) Charged or Credited (c)	Amount (d)
1	Goods or Services Provided by Affiliated Company			
2				
3	None			
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Goods or Services Provided for Affiliated Company			
21				
22	Shared services agreement - payroll	NW Energy LLC	426-49505	66,882
23	Shared services agreement - overhead	NW Energy LLC	426-49505	18,393
24				
25				
26				
27	Shared services agreement - payroll	NW Natural Gas Storage LLC	421-61505	40,434
28	Shared services agreement - overhead	NW Natural Gas Storage LLC	921-01505	11,119
29				
30				
31				
32	Shared services agreement - payroll	Gill Ranch	Various	473,550
33	Shared services agreement - overhead	Gill Ranch	922-02476	214,899
34				
35				
36				
37	Shared services agreement - payroll	Shared Services Transferred to NWN Gas Storage	421-61505	301,942
38	Shared services agreement - overhead	Shared Services Transferred to NWN Gas Storage	Various	68,397
39				
40	TOTAL			1,195,616

Name of Respondent Northwest Natural Gas Company	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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COMPRESSOR STATIONS

1. Report below details concerning compressor stations. Use the following subheading; field compressor stations, products extraction compressor stations, underground compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.
2. For column (a), indicate the production areas where such stations are used. Group relatively small field compressor stations by production areas. Show the number of stations grouped. Identify any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership if jointly owned

Line No.	Name of station and location (a)	Number of Units at Station (b)	Certified Horsepower for Each Station (c)	Plant cost (d)
1	Underground Storage Compressors:	4	14,500	41,617,618
2	Miller Station, Mist, Oregon			
3	(Fuel used is natural gas)			
4				
5	Field Compressors: NON-UTILITY			
6	Molalla, Oregon	2	2,219	7,723,454
7	Deer Island, Oregon	1	1,680	2,587,038
8	(Fuel used is natural gas)			
9				
10				
11				
12				
13				
14				
15				
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Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

COMPRESSOR STATIONS (Continued)

Designate any station that was not operated during the past year. State in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission compressor stations installed and put into operation during the year and show in a footnote each unit's size and date the unit was placed in operation.
3. For Column (e), include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or Power.

Expenses (Except depreciation and taxes)		Operation Data				Line No.	
Fuel or Power	Other	Gas for Compressor Fuel in Dth	Total Compressor Hours of Operation During the Year	Number of Compressors Operated at Time of Station Peak	Date of Station Peak		
(e)	(f)	(g)	(h)	(i)	(j)		
						1	
						2	
7,302		227,398	5,245	2	12/30/2014	3	
						4	
						5	
						6	
3,715		917	88	2	1/25/2014	7	
50		12	2 *	N/A	N/A	8	
						9	
						10	
						11	
						12	
						13	
						14	
						15	
						16	
						17	
						18	
						19	
						20	
						21	
						22	
						23	
						24	
						25	
						26	
						27	
						28	
		Note: Fuel used by the compressors is added to the value of the inventory and expensed as a cost of gas when the inventory is withdrawn from storage.					29
						30	
						31	
						32	
						33	
						34	
						35	

* Deer Island was run to verify the working condition of the compressor and to keep it lubricated, not run for production purposes.

Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
GAS STORAGE PROJECTS				
1. Report injections and withdrawals of gas for all storage projects used by respondent.				
Line No.	Item (a)	Gas Belonging to Respondent (Dth) (b)	Gas Belonging to Others (Dth) (c)	Total Amount (Dth) (d)
STORAGE OPERATIONS (in Dth)				
1	Gas Delivered to Storage			
2	January	176,041		176,041
3	February	210,906		210,906
4	March	523,536		523,536
5	April	734,326		734,326
6	May	1,534,338		1,534,338
7	June	1,589,806		1,589,806
8	July	2,590,401		2,590,401
9	August	2,553,173		2,553,173
10	September	1,751,619		1,751,619
11	October	1,096,826		1,096,826
12	November	443,349		443,349
13	December	235,836		235,836
14	TOTAL (Total of Lines 2 Thru 13)	13,440,157		13,440,157
15	Gas Withdrawn from Storage			
16	January	3,073,386		3,073,386
17	February	2,902,511		2,902,511
18	March	409,332		409,332
19	April	262,095		262,095
20	May	17,920		17,920
21	June	40,903		40,903
22	July	15,018		15,018
23	August	1,243		1,243
24	September	1,613		1,613
25	October	144,416		144,416
26	November	2,136,470		2,136,470
27	December	569,254		569,254
28	TOTAL (Total of lines 16 thru 27)	9,574,161		9,574,161

Note: Storage withdrawals shown above reflect Jackson Prairie activity, net of fuel (gas measure at the city gate.)

Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Dec. 31, 2014
GAS STORAGE PROJECTS				
1. On line 4, enter the total storage capacity certificated by FERC.		2. Report total amount in Dth or other unit, as applicable on lines 2, 3, 4, 7. If quantity is converted from Mcf to Dth, provide conversion factor in a footnote.		
Line No.	Item (a)	Total Amount (Dth) (b)		
	Storage Operations			
1	Total of Working Gas End of Year	15,688,070		
2	Cushion Gas (Including Native Gas)	6,603,208		
3	Total Gas in Reservoir (Total of Line 1 and 2)	22,291,278		
4	Certificated Storage Capacity	NA		
5	Number of Injection - Withdrawal Wells (Mist only)	22		
6	Number of Observation Wells (Mist only)	23		
7	Maximum Day's Withdrawal from Storage (All Underground Storage)	406,926		
8	Date of Maximum Days' Withdrawal	12/30/14		
9	LNG Terminal Companies	2		
10	Number of Tanks	2		
11	Capacity of Tanks (in Dth)	1,600,000		
12	LNG Volumes			
13	Received at "Ship Rail"	0		
14	Transferred to Tanks	914,340		
15	Withdrawn from Tanks	1,171,482		
16	"Boil Off" Vaporization Loss	0		

Name of Respondent	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

Transmission Lines

1. Report below, by state, the total miles of transmission lines of each transmission system operated by respondent at end of year.
2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk, in column (b) and in a footnote state the name of the owner, or co-owner, nature of respondent's title, and percent of ownership if jointly owned.
3. Report separately any line that was not operated during the past year. Enter in a footnote the details and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book costs are contemplated.
4. Report the number of miles of pipe to one decimal point.

Line No.	Designation (Identification) of Line or Group of Lines (a)	* (b)	Total Miles of Pipe (c')
1	State of Oregon		650.3
2	State of Washington		3.4
3			
4			
5	State of Oregon - Kelso - Beaver	*	1.0
6	State of Washington - Kelso - Beaver	*	17.0
7			
8	Note:		
9	* Kelso-Beaver is owned 10% by NW Natural dba KB Pipeline Company		
10	11% by US Gypsum Corp., and 79% by Portland General Electric (PGE)		
11	PGE is the operator.		
12	(1 mile of Kelso-Beaver Pipeline is located in the State of Oregon and 17 miles are		
13	located in the State of Washington).		
14			
15			
16	State of Oregon - Coos County Pipeline*	**	76.7
17			
18	Note:		
19	** Coos County Pipeline is operated by NW Natural on behalf of Coos County.		
20			
21			
22			
23			
24			
25			

Name of Respondent Northwest Natural Gas Company	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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AUXILIARY PEAKING FACILITIES

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.
2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.
3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility Dth (c)	Cost of Facility (in dollars) (d)	Was Facility Operated On Day of Highest Transmission Peak Delivery	
					Yes (e)	No (f)
1	Portland, OR	LNG	120,000	14,138,646	Yes	
2	Newport, OR	LNG	100,000	23,394,504	Yes	
3	Mist, OR	Underground	520,000	135,625,208	Yes	
4						
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Name of Respondent	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

GAS ACCOUNT - NATURAL GAS

- | | |
|---|---|
| <p>1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.</p> <p>3. Enter in column (c) the Dth as reported in the schedules indicated for the items of receipts and deliveries.</p> <p>4. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.</p> <p>5. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose. Use copies of pages 520.</p> <p>6. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through</p> | <p>any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market of that were not transported through any interstate portion of the reporting pipeline.</p> <p>7. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on Line 3 relate.</p> <p>8. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.</p> <p>9. Indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.</p> |
|---|---|

Line No.	Item (a)	Ref. Page No. (b)	Amount of Dth (c)
1	NAME OF SYSTEM:		
2	GAS RECEIVED		
3	Gas Purchases (Accounts 800-805)		76,223,967
4	Gas of Others Received for Gathering (Account 489.1)	303	N/A
5	Gas of Others Received for Transmission (Account 489.2)	305	N/A
6	Gas of Others Received for Distribution (Account 489.3) Transportation	301	37,655,207
7	Gas of Others Received for Contract Storage (Account 489.4)	307	N/A
8	Exchanged Gas Received from Others (Account 806)	328	N/A
9	Gas Received as Imbalances (Account 806)	328	N/A
10	Receipts of Respondent's Gas Transported by Others (Account 858)	332	N/A
11	Other Gas Withdrawn from Storage (Explain) Underground and LNG Storage	512	9,574,161
12	Gas Received from Shippers as Compressor Station Fuel		
13	Gas Received from Shippers as Lost and Unaccounted for		
14	Other Receipts (Specify) LPG		
15	Total Receipts (Total of lines 3 thru 14)		123,453,335
16	GAS DELIVERED		
17	Gas Sales (Accounts 480-495)		71,643,696
18	Deliveries of Gas Gathered for Others (Account 489.1)	303	0
19	Deliveries of Gas Transported for Others (Account 489.2)	305	N/A
20	Deliveries of Gas Distributed for Others (Account 489.3) Transportation	301	37,655,207
21	Deliveries of Contract Storage Gas (Account 489.4)	307	N/A
22	Exchange Gas Delivered to Others (Account 806)	328	N/A
23	Gas Delivered as Imbalances (Account 806)	328	N/A
24	Deliveries of Gas to Others for Transportation (Account 858)	332	N/A
25	Other Gas Delivered to Storage (Explain) Underground and LNG Storage	512	13,440,157
26	Gas Used for Compressor Station Fuel	331	227,398
27	Other Deliveries (Specify) Co Use	331	305,178
28	Total Deliveries (Total of lines 17 thru 27)		123,271,636
29	GAS UNACCOUNTED FOR		
30	Production System Losses		
31	Gathering System Losses		
32	Transmission System Losses		
33	Distribution System Losses		181,699
34	Storage System Losses - Leakage (0) and Mist Gas Loss (0)		
35	Other Losses (Specify)		
36	Total Unaccounted for (Total of lines 30 thru 35)		181,699
37	Total Deliveries & Unaccounted for (Total of lines 28 and 36)		123,453,335

NORTHWEST NATURAL GAS COMPANY

Washington Supplement to FERC Form 2

December 31, 2014

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Name of Respondent		This Report is:		Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission			Dec. 31, 2014
DATA REQUEST FOR STATISTICS REPORT					
Line No.		Total Company Operations		Washington Operations	
		Current Year	Prior Year	Current Year	Prior Year
1	GAS SERVICE REVENUES				
2					
3	RESIDENTIAL SALES	\$ 440,587,499	\$ 451,076,405	\$ 48,552,041	\$ 49,122,448
4	COMMERCIAL SALES	226,090,431	218,920,249	20,388,328	19,945,569
5	INDUSTRIAL SALES	57,345,682	53,923,801	3,218,298	3,240,107
6	OTHER SALES				
7	SALES FOR RESALE				
8	TRANSPORTATION OF GAS OF OTHERS	17,145,678	15,898,199	1,892,887	1,814,923
9	OTHER OPERATING REVENUES	9,246,612	6,365,188	(2,483,770)	(134,580)
10					
11	TOTAL GAS SERVICE REVENUES	\$ 750,415,902	\$ 746,183,842	\$ 71,567,784	\$ 73,988,467
12					
13	THERMS OF GAS SOLD-TRANSPORTED				
14					
15	RESIDENTIAL SALES	390,310,921	414,314,598	44,729,671	46,680,915
16	COMMERCIAL SALES	243,865,082	250,046,069	20,497,469	20,727,712
17	INDUSTRIAL SALES	95,671,552	93,673,355	4,330,076	4,611,634
18	OTHER SALES (UNBILLED)	(13,410,598)	7,730,628	(1,416,607)	925,117
19	SALES FOR RESALE				
20	TRANSPORTATION OF GAS OF OTHERS	376,552,067	380,786,075	18,697,593	18,850,614
21					
22	TOTAL THERMS OF GAS SOLD-TRANSPORTED	1,092,989,024	1,146,550,725	86,838,202	91,795,992
23					
24	AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH				
25					
26	RESIDENTIAL SALES	633,023	625,017	67,868	66,242
27	COMMERCIAL SALES	65,813	64,470	6,202	5,976
28	INDUSTRIAL SALES	712	709	44	45
29	OTHER SALES				
30	SALES FOR RESALE				
31	TRANSPORTATION OF GAS OF OTHERS	212	212	20	19
32					
33					
34	TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	74,729,675	74,410,533	9,236,270	9,119,472
35	NO. OF METERS IN SERV. & HELD IN RESERVE (AVE.)	793,805	785,846	77,559	76,092
36	AVERAGE B.T.U. CONTENT PER CU. FT.	1,038.6	1,027.7	1,040.8	1,028.7

(Next Page is 114)

Name of Respondent Northwest Natural Gas Company	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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WASHINGTON STATE - STATEMENT OF INCOME FOR THE YEAR

- | | |
|---|---|
| <p>1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i, j) in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.</p> | <p>2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.</p> <p>3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.</p> |
|---|---|

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Total Current Year (in dollars) (c)	Total Previous Year (in dollars) (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301		
3	Operating Expenses			
4	Operation Expenses (401)	320-325		
5	Maintenance Expenses (402)	320-325		
6	Depreciation Expense (403)	336-338		
7	Amort. & Depl. of Utility Plant (404-405)	336-338		
8	Amort. of Utility Plant Acq. Adj. (406)	336-338		
9	Amort of Property Losses, Unrecovered Plant and Regulatory Study Costs (407.1)			
10	Amort. of Conversion Expenses (407.2)			
11	Regulatory Debits (407.3)			
12	(Less) Regulatory Credits (407.4)			
13	Taxes Other Than Income Taxes (408.1)	262-263		
14	Income Taxes - Federal (409.1)	262-263		
15	- Other (409.1)	262-263		
16	Provision for Deferred Income Taxes (410.1)	276-277		
17	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	276-277		
18	Investment Tax Credit Adj. - Net (411.4)			
19	(Less) Gains from Disp. of Utility Plant (411.6)			
20	Losses from Disp. of Utility Plant (411.7)			
21	(Less) Gains from Disposition of Allowances (411.8)			
22	Losses from Disposition of Allowances (411.9)			
23	TOTAL Utility Operating Expenses (Total of lines 4 thru 22)			
24	Net Utility Operating income (Enter Total of line 2 less 23) (Carry forward to page 116, line 25)			

INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 114-116

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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WASHINGTON STATE - STATEMENT OF INCOME FOR THE YEAR (Continued)

4. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

5. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (in dollars) (e)	Previous Year (in dollars) (f)	Current Year (in dollars) (g)	Previous Year (in dollars) (h)	Current Year (in dollars) (i)	Previous Year (in dollars) (j)	
						1
						2
						3
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**INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 114-116**

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

WASHINGTON STATE - STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Total Current Year (in dollars) (c)	Total Previous Year (in dollars) (d)
25	Net Utility Operating Income (Carried forward from page 114)	-		
26	Other Income and Deductions			
27	Other Income	-		
28	Nonutility Operating Income	-		
29	Revenues From Merch, Jobbing and Contract Work (415)	-		
30	(Less) Costs and Exp. of Merch, Job & Contract Work (416)	-		
31	Revenues From Nonutility Operations (417)	-		
32	(Less) Expenses of Nonutility Operations (417.1)	-		
33	Nonoperating Rental Income (418 & 412)	-		
34	Equity in Earnings of Subsidiary Companies (418.1)	119		
35	Interest and Dividend Income (419)	-		
36	Allow. for Other Funds Used During Constr (419.1)	-		
37	Miscellaneous Nonoperating Income (421)	-		
38	Gain on disposition of Property (421.1)	-		
39	TOTAL Other Income (Total of lines 29 thru 38)			
40	Other Income Deductions			
41	Loss on Disposition of Property (421.4 Amortization)	-		
42	Miscellaneous Amortization (425)	340		
43	Miscellaneous Income Deductions (426.1-426.60)	340		
44	TOTAL Other Income Deductions (Total of Lines 41 thru 43)			
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263		
47	Income Taxes - Federal (409.21,24,33)	262-264		
48	Income Taxes - Other (409.22,25,26)	262-265		
49	Provision for Deferred Inc. Taxes (410.21,22)	272-277		
50	(Less) Provision for Deferred Inc. Taxes - Cr. (411.21,22,410.33)	272-278		
51	Investment Tax Credit Adj. - Net (411.33)	-		
52	(Less) Investment Tax Credits (420)	-		
53	TOTAL Taxes on Other Inc. and Ded. (Total of 46 - 52)			
54	Net Other Income and Deductions (Total of Lines 39, 44, 53)			
55	Interest Charges			
56	Interest on Long-Term Debt (427.1,2,6)	256-257		
57	Amortization of Debt Disc. and Expense (428)	258-259		
58	Amortization of Loss on Reacquired Debt (428.1)	260		
59	(Less) Amort. of Premium on Debt - Credit (429)	256-257		
60	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)	258-259		
61	Interest on Debt to Assoc. Companies (430)	340		
62	Other Interest Expense (431)	340		
63	(Less) Allow. for Borrowed Funds Used During Const.-Cr. (432.1)	-		
64	Net Interest Charges (Total of lines 56 thru 63)			
65	Income Before Extraordinary Items (Total of lines 25, 54 and 64)			
66	Extraordinary Items			
67	Extraordinary Income (434)	-		
68	(Less) Extraordinary Deductions (435)	-		
69	Net Extraordinary Items (Total of line 67 less 68)			
70	Income Taxes - Federal and Other (409.3)	262-263		
71	Extraordinary Items After Taxes (Total of line 69 less line 70)			
72	Net Income (Total of lines 65 and 71)			

**INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 114-116**

(Next Page is 200)

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Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item (a)	Total (b)		
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	212,812,392		
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified	12,670,862		
7	Experimental Plant Unclassified			
8	TOTAL Utility Plant (Total of lines 3 thru 7)	225,483,254		
9	Leased to Others			
10	Held for Future Use	0		
11	Construction Work in Progress	109,252		
12	Acquisition Adjustments			
13	TOTAL Utility Plant (Total of lines 8 thru 12)	225,592,506		
14	Accum. Prov. for Depr., Amort., & Depl.	94,113,658		
15	Net Utility Plant (Total of line 13 less 14)	131,478,848		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	93,085,220		
19	Amort. and Depl. of Producing Natural Gas Land and Land Rights			
20	Amort. of Underground Storage Land and Land Rights	0		
21	Amort. of Other Utility Plant	1,882,548		
22	Salvage Work In Progress	0		
23	Less Removal Work in Progress	854,110		
24	TOTAL in Service (Total of lines 18 thru 23)	94,113,658		
25	Leased to Others			
26	Depreciation			
27	Amortization and Depletion			
28	TOTAL Leased to Others (Total of lines 26 and 27)			
29	Held for Future Use			
30	Depreciation			
31	Amortization			
32	TOTAL Held for Future Use (Total of lines 30 and 31)			
33	Abandonment of Leases (Natural Gas)			
34	Amort. of Plant Acquisition Adjustment			
35	TOTAL Accumulated Provisions (Should agree with line 14 above) (Total of lines 24, 28, 32, 33, and 34)	94,113,658		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report	
Northwest Natural Gas Company	X An Original A Resubmission		Dec. 31, 2014	
WASHINGTON STATE - SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)				
Electric (c)	Gas (d)	Other (Specify) (e)	Common (f)	Line No.
				1
				2
	212,812,392			3
	0			4
	0			5
	12,670,862			6
				7
	225,483,254			8
				9
	0			10
	109,252			11
				12
	225,592,506			13
	94,113,658			14
	131,478,848			15
				16
				17
	93,085,220			18
				19
	0			20
	1,882,548			21
	0			22
	854,110			23
	94,113,658			24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
				35
	94,113,658			

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ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
Intangible Plant						
301 ORGANIZATION	\$322	\$0	\$0	\$0	\$0	\$322
302 FRANCHISES & CONSENTS	125	0	0	0	0	125
303.1 COMPUTER SOFTWARE	0	0	0	0	0	0
303.2 CUSTOMER INFORMATION SYSTEM	1,859,863	0	0	0	0	1,859,863
303.3 INDUSTRIAL & COMMERCIAL BIL	0	0	0	0	0	0
303.4 CRMS	0	0	0	0	0	0
303.5 POWERPLANT SOFTWARE	0	0	0	0	0	0
Intangible Plant Subtotal	1,860,310	0	0	0	0	1,860,310
Transmission Plant						
367 MAINS	968,602	32,152	0	0	0	1,000,754
Transmission Plant Subtotal	968,602	32,152	0	0	0	1,000,754
Distribution Plant						
374.1 LAND	10,389	0	0	0	0	10,389
374.2 LAND RIGHTS	27,679	0	0	0	0	27,679
375 STRUCTURES & IMPROVEMENTS	30,845	0	0	0	0	30,845
376.11 MAINS < 4"	66,391,912	2,085,115	(37,472)	0	(30,592)	68,408,964
376.12 MAINS 4" & >	58,708,439	8,342,881	(12,034)	0	(1,165)	67,038,121
378 MEASURING & REG EQUIP - GENER	1,134,874	10,030	0	0	661,349	1,806,253
379 MEASURING & REG EQUIP - GATE	604,817	46,467	0	0	83,961	735,244
380 SERVICES	56,978,608	2,453,480	(11,057)	0	31,756	59,452,786
381 METERS	9,396,454	352,398	(77,016)	0	(39,387)	9,632,449
381.2 ERT (ENCODER RECEIVER TRANS	6,215,227	201,832	(64,414)	0	67,307	6,419,953
382 METER INSTALLATIONS	6,114,146	241,907	(342,110)	0	(28,752)	5,985,191
382.2 ERT INSTALLATION (ENCODER	961,771	0	(7,864)	0	0	953,907
383 HOUSE REGULATORS	35,777	0	0	0	0	35,777
386 OTHER PROPERTY ON CUSTOMERS P	0	0	0	0	0	0
387.2 CALORIMETERS @ GATE STATIONS	26,630	0	0	0	0	26,630
Distribution Plant Subtotal	206,637,568	13,734,109	(551,967)	0	744,478	220,564,188

ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
General Plant						
389 LAND	0	0	0	0	0	0
390 STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0
390.1 SOURCE CONTROL PLANT	0	667,064	0	0	0	667,064
391.1 OFFICE FURNITURE & EQUIPMEN	37,151	0	(20,629)	0	0	16,522
391.4 CUSTOMER INFORMATION SYSTEM	79,339	0	(79,339)	0	0	0
392 TRANSPORTATION EQUIPMENT	669,464	0	0	0	245,407	914,871
394 TOOLS - SHOP AND GARAGE EQUIPMENT	84,311	0	0	0	0	84,311
396 POWER OPERATED EQUIPMENT	191,381	5,844	(14,129)	0	86,329	269,425
397.3 TELEMETERING - OTHER	101,081	0	0	0	0	101,081
397.5 TELEPHONE EQUIPMENT	9,164	0	(9,164)	0	0	0
398.4 INSTALLED IN LEASED BUILDINGS	4,727	0	0	0	0	4,727
General Plant Subtotal	1,176,618	672,908	(123,261)	0	331,736	2,058,001
Washington Utility Property Grand Total	\$210,643,098	\$14,439,170	(\$675,228)	\$0	\$1,076,214	225,483,253

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Name of Respondent Northwest Natural Gas Company		This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
Washington State - Gas Plant Held for Future Use (Account 105)				
<p>1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other property held for future use.</p> <p>2. For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original costs were transferred to Account 105.</p>				
Line No.	Description and Location of Property (a)	Date Originally Included in this account (b)	Date Expected to be Used In Utility Service (c)	Balance at End of Year (d)
1	N/A	N/A	N/A	N/A
2				
3				
4				
5	NONE			
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(Next Page is 216)

Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

Washington State - Construction Work in Progress-Gas (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than \$1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	Misc Projects	109,252	2,180,016
2			
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4			
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44			
45	Total	109,252	2,180,016

(Next Page is 218)

Name of Respondent Northwest Natural Gas Company	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014								
WASHINGTON STATE - GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE											
<p>1. For each construction overhead explain: (a) the nature and extend of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates area applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned</p>		<p>2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3(17) of the uniform system of Accounts.</p> <p>3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax affect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax credits.</p>									
COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES											
For Line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use he average rate earned during the preceding 3 years.											
1. Components of Formula (Derived from actual book balances and actual cost rates):											
Line No.	Title	Amount	Capitalization Ration (percent) Cost Rate Percentage								
	(a)	(b)	(c) (d)								
	(1) Average Short-Term Debt	S 121,199,000									
	(2) Short-Term Interest		s 0.29								
	(3) Long-Term Debt	D 641,700,000	d 45.54								
	(4) Preferred Stock		p								
	(5) Common Equity	C 767,502,853	c 54.46								
	(6) Total Capitalization		100.00								
	(7) Average Construction Work in Progress	W 32,130,699									
	2. Gross Rates for Borrowed Funds $s(S/W)+d[(D/(D+P+C))(1-(S/W))]$		6.57								
	3. Rate for Other Funds $[1-(S/W)][p/(P/(D+P+C))+c(C/(D+P+C))]$		14.34								
	4. Weighted Average Rate Actually Used for the Year										
	a. Rate for Borrowed Funds -		0.3								
	b. Rate for Other Funds -										
GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE											
<p>1. a) <u>Engineering Department</u> overhead covers transmission and distribution system planning, design work, drafting and platting of construction work.</p> <p><u>Distribution Department</u> overhead covers transmission and distribution system work scheduling, field supervision and processing of work completed.</p> <p><u>Administrative work:</u> overhead includes Purchasing, Accounting and general office expense</p> <p><u>General Services Department:</u> overhead covers planning and supervision of general plant improvements and facilities.</p> <p>b) Charges during the year are segregated into overhead accounts based on the proportion of activity devoted to construction work</p> <p>c) Construction Overheads are being charged to individual work orders based upon overhead rates for different types of projects. Rates are determined by type of project using the annual capital budget and annual construction overhead budget.</p> <p>d) Different rates are applied to different types of construction based on the annual capital budget for each type of plant.</p> <p>e) Actual construction overhead rates applied to types of work in 2014</p> <table style="width:100%; border:none;"> <tr> <td style="width:80%;">a. Production , Storage, Transmission and Distribution plant</td> <td style="text-align:right;">49%</td> </tr> <tr> <td>b. Meters</td> <td style="text-align:right;">77%</td> </tr> <tr> <td>c. General Plant</td> <td style="text-align:right;">16%</td> </tr> <tr> <td>d. Non – Utility Property</td> <td style="text-align:right;">1%</td> </tr> </table> <p>f) Direct assignment of construction overhead capitalized during 2014:</p> <p style="margin-left: 40px;">\$ 37,202,534</p> <p><u>ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC)</u> AFUDC is applied to previous month's ending balance plus half of current month's expenditures of Construction Work in Progress (CWIP).</p>				a. Production , Storage, Transmission and Distribution plant	49%	b. Meters	77%	c. General Plant	16%	d. Non – Utility Property	1%
a. Production , Storage, Transmission and Distribution plant	49%										
b. Meters	77%										
c. General Plant	16%										
d. Non – Utility Property	1%										

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
Intangible Plant								
301 ORGANIZATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
302 FRANCHISES & CONSENTS	0	0	0	0	0	0	0	0
303.1 COMPUTER SOFTWARE	3,144	0	0	0	0	0	0	3,144
303.2 CUSTOMER INFORMATION SYSTEM	1,863,073	0	0	0	0	0	0	1,863,073
303.3 INDUSTRIAL & COMMERCIAL BIL	0	0	0	0	0	0	0	0
303.4 CRMS	0	0	0	0	0	0	0	0
303.5 POWERPLANT SOFTWARE	0	0	0	0	0	0	0	0
Intangible Plant Subtotal	1,866,216	0	0	0	0	0	0	1,866,216
Transmission Plant								
367 MAINS	63,800	20,095	0	0	0	0	0	83,895
Transmission Plant Subtotal	63,800	20,095	0	0	0	0	0	83,895
Distribution Plant								
374.1 LAND	0	0	0	0	0	0	0	0
374.2 LAND RIGHTS	14,256	2,076	0	0	0	0	0	16,332
375 STRUCTURES & IMPROVEMENTS	30,845	0	0	0	0	0	0	30,845
376.11 MAINS < 4"	30,550,881	1,754,026	(37,472)	(10,785)	0	(549)	0	32,256,101
376.12 MAINS 4" & >	21,061,238	1,510,591	(12,034)	(8,309)	0	(448)	0	22,551,039
378 MEASURING & REG EQUIP - GENER	433,934	29,221	0	0	0	287,492	0	750,647
379 MEASURING & REG EQUIP - GATE	577,195	28,328	0	0	0	14,788	0	620,311
380 SERVICES	27,053,979	1,576,620	(11,057)	(15,833)	0	997	0	28,604,704
381 METERS	2,087,609	220,404	(77,016)	0	0	(563)	0	2,230,433
381.2 ERT (ENCODER RECEIVER TRANS	2,789,404	423,743	(64,414)	0	0	939	0	3,149,672
382 METER INSTALLATIONS	1,659,270	142,650	(342,110)	0	0	(386)	0	1,459,423
382.2 ERT INSTALLATION (ENCODER	442,388	63,748	(7,864)	0	0	0	0	498,272
383 HOUSE REGULATORS	4,828	1,045	0	0	0	0	0	5,873
386 OTHER PROPERTY ON CUSTOMERS P	0	0	0	0	0	0	0	0
387.2 CALORIMETERS @ GATE STATIONS	26,630	0	0	0	0	0	0	26,630
Distribution Plant Subtotal	86,732,455	5,752,451	(551,967)	(34,926)	0	302,270	0	92,200,282

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
General Plant								
389 LAND	0	0	0	0	0	0	0	0
390 STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0
390.1 SOURCE CONTROL PLANT	0	24,806	0	0	0	0	0	24,806
391.1 OFFICE FURNITURE & EQUIPMEN	36,928	1,659	(20,629)	0	0	0	0	17,958
391.4 CUSTOMER INFORMATION SYSTEM	79,339	0	(79,339)	0	0	0	0	0
392 TRANSPORTATION EQUIPMENT	544,751	39,558	0	0	0	14,720	0	599,029
394 TOOLS AND EQUIPMENT	9,765	5,893	0	0	0	0	0	15,658
396 POWER OPERATED EQUIPMENT	143,285	5,173	(14,129)	0	0	4,726	0	139,054
397.3 TELEMETERING - OTHER	16,065	77	0	0	0	0	0	16,142
397.5 TELEPHONE EQUIPMENT	9,164	0	(9,164)	0	0	0	0	0
398.4 INSTALLED IN LEASED BUILDINGS	4,727	0	0	0	0	0	0	4,727
General Plant Subtotal	844,023	77,167	(123,261)	0	0	19,447	0	817,375
Washington Utility Property Grand Total	\$89,506,494	\$5,849,712	(\$675,228)	(\$34,926)	\$0	\$321,716	\$0	\$94,967,768

TOTAL SUMMARY WASHINGTON UTILITY DEPRECIATION RESERVES 12/31/2014

WASHINGTON

108010	(1,005,693)
108011	67,349,368
108012	586,726
108013	(12,303)
108014	-
108015	139,054
108100	27,695,473
108102	215,142

SUBTOTAL \$94,967,768

ADD:

108001 REMOVAL WORK IN PROCESS (854,110)

TOTAL WASHINGTON UTILITY DEPRECIATION \$94,113,658

Name of Respondent				This Report Is:		Date of Report		Year of Report			
Northwest Natural Gas Company				X An Original A Resubmission		(Mo, Da, Yr)		Dec. 31, 2014			
WASHINGTON STATE - GAS STORED (ACCOUNTS 117.1, 117.2, 117.3, 117.4, 164.1, 164.2, AND 164.3)											
1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.				2. Report in column (e) all encroachments during the year upon the volumes designated as gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.						3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).	
Line No.	Description	(Account 117.1)	(Account 117.2)	Noncurrent (Account 117.3)	(Account 117.4)	Current (Account 164.1)	LNG (Account 164.2)	LNG (Account 164.3)	Total		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
1	Balance at Beginning of Year										
2	Gas Delivered to Storage		See FERC Annual Report page 220								
3	Gas Withdrawn from Storage										
4	Other Debits and Credits										
5	Balance at End of Year										
6	Dekatherms										
7	Amount Per Dekatherm										

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WASHINGTON STATE - DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT							
Factors Used in Estimating Depreciation Charges							
Line Number	Account Number (a)	Depreciable Plant Base (Thousands) (b)	Estimated Average Service Life (c)	Net Salvage (percent) (d)	Applied Depreciation Rates (percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
1	303.1*	29,159	10.00	0.00	4.31	SQ	7.4
2	303.2*	29,830	15.00	0.00	6.96	SQ	6.7
3	303.3*	4,147	10.00	0.00	17.11	SQ	3.1
4	303.4*	1,323	5.00	0.00	22.64	SQ	2.9
5	303.5*	1,131	10.00	0.00	10.63	SQ	8.5
6	305.5*	13	5.00	0.00	0.00	-	0.0
7	311.7*	4	5.00	0.00	0.00	-	0.0
8	311.8*	4	5.00	0.00	0.00	-	0.0
9	305.11*	8	5.00	0.00	0.00	-	0.0
10	305.17*	47	5.00	0.00	0.00	-	0.0
11	318.3*	145	5.00	0.00	0.00	-	0.0
12	318.5*	244	5.00	0.00	0.00	-	0.0
13	319*	185	5.00	0.00	0.00	-	0.0
14	350.2*	51	65.00	0.00	1.62	R4	50.0
15	351*	6,223	55.00	0.00	1.71	R3	45.2
16	352*	26,944	45.00	0.00	2.07	S3	36.3
17	352.1*	3,539	50.00	0.00	1.95	S2	39.0
18	352.2*	10,833	50.00	0.00	2.01	S2.5	45.4
19	352.3*	6,441	50.00	0.00	1.88	S2.5	36.4
20	353*	7,513	55.00	(15.00)	2.06	S2.5	45.5
21	354*	41,812	40.00	(10.00)	2.66	R3	32.8
22	355*	9,362	45.00	(10.00)	2.17	R2.5	37.7
23	356*	297	35.00	0.00	2.48	S3	21.8
24	357*	703	25.00	0.00	2.28	R4	17.6
25	361.11*	745	50.00	(5.00)	5.82	R3	13.1
26	361.12*	3,109	50.00	(5.00)	3.32	R3	19.5
27	361.2*	27	55.00	(5.00)	1.87	S2	43.1
28	362.11*	1,839	50.00	(20.00)	2.35	R4	11.6
29	362.12*	5,791	50.00	(20.00)	2.72	R4	18.4
30	362.2*	2	50.00	(20.00)	1.31	R4	47.1
31	363.11*	2,528	50.00	(5.00)	2.88	R1.5	13.0
32	363.12*	6,837	50.00	(5.00)	0.82	R1.5	19.8
33	363.21*	2,308	40.00	(5.00)	1.40	R3	12.7
34	363.22*	2,481	40.00	(5.00)	0.09	R3	21.0
35	363.31*	128	20.00	(5.00)	7.10	R2	5.1
36	363.32*	216	20.00	(5.00)	4.71	R2	16.3
37	363.41*	541	45.00	(5.00)	0.04	R2.5	13.2
38	363.42*	113	45.00	(5.00)	0.73	R2.5	19.6
39	363.5*	1,828	25.00	0.00	1.04	R3	16.4
40	363.6*	739	40.00	0.00	0.00	R2	0.0
41	365.2*	4,827	65.00	0.00	1.89	R4	46.5
42	366.3*	1,042	50.00	0.00	1.95	S3	46.5
43	367*	12,030	55.00	(40.00)	3.08	R3	24.8
44	367.21*	1,514	55.00	(40.00)	2.51	R3	39.3
45	367.22*	14,949	55.00	(40.00)	2.46	R3	39.2
46	367.23*	33,960	55.00	(40.00)	2.67	R3	48.7
47	367.24*	17,466	55.00	(40.00)	2.59	R3	52.5
48	367.25*	18,410	55.00	(40.00)	2.61	R3	52.9
49	367.26*	38,300	55.00	(40.00)	2.60	R3	53.0
50	369*	3,524	40.00	(10.00)	2.68	R2.5	37.9

WASHINGTON STATE - DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Cont.)							
Factors Used in Estimating Depreciation Charges							
Line Number	Account Number (a)	Depreciable Plant Base (Thousands) (b)	Estimated Average Service Life (c)	Net Salvage (percent) (d)	Applied Depreciation Rates (percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
51	374.2*	1,593	65.00	0.00	7.50	R3	11.6
52	375*	80	30.00	0.00	0.44	R1	19.5
53	376.11*	425,097	60.00	(60.00)	2.51	R2.5	46.9
54	376.12*	333,875	60.00	(50.00)	2.42	R2.5	48.7
55	376.21*	466	40.00	(60.00)	0.73	R0.5	32.9
56	376.22*	2,929	40.00	(65.00)	0.77	R0.5	32.2
57	377*	818	35.00	0.00	2.33	S2	32.5
58	378*	15,304	50.00	(20.00)	2.12	R2	39.6
59	379*	1,498	35.00	(20.00)	4.34	R2	15.3
60	380*	501,366	49.00	(60.00)	2.71	R0.5	42.5
61	381*	45,705	40.00	1.00	2.31	R2.5	29.6
62	381.1*	507	15.00	0.00	20.00	R3	0.0
63	381.2**	1,552	15.00	0.00	6.60	-	0.0
64	382*	68,668	38.00	(2.00)	2.47	R2.5	27.8
65	382.1*	398	15.00	(2.00)	0.05	R3	13.6
66	382.2**	333	15.00	0.00	6.60	-	0.0
67	383*	166	35.00	0.00	2.92	S2	34.2
68	387.1*	139	25.00	0.00	0.55	S2	18.7
69	387.2*	96	20.00	0.00	0.00	S1	0.0
70	387.3*	73	20.00	0.00	0.00	S4	0.0
71	390*	20,204	50.00	(5.00)	1.97	R2.5	37.4
72	390.1***	20,942	19.00	0.00	5.25	-	0.0
73	391.1*	8,107	20.00	0.00	7.97	SQ	8.1
74	391.2*	7,431	5.00	0.00	16.62	SQ	2.6
75	391.3*	939	5.00	0.00	-	SQ	0.0
76	391.4*	1,388	7.00	0.00	20.00	SQ	1.0
77	392*	23,107	12.00	15.00	5.04	L1.5	8.2
78	393*	119	25.00	0.00	1.10	SQ	2.8
79	394*	11,882	25.00	0.00	6.99	SQ	11.3
80	395*	68	20.00	0.00	3.65	SQ	6.7
81	396*	6,059	15.00	15.00	2.00	S0.5	13.9
82	397*	31	15.00	0.00	7.41	SQ	13.5
83	397.1*	1,053	10.00	0.00	0.68	SQ	8.0
84	397.2*	1,760	15.00	0.00	4.28	SQ	10.5
85	397.3*	2,961	15.00	0.00	0.07	SQ	14.5
86	397.4*	1,786	15.00	0.00	1.04	SQ	13.6
87	397.5*	1,810	10.00	0.00	16.25	SQ	1.7
88	398.1*	79	15.00	0.00	0.00	SQ	0.0
89	398.2*	53	15.00	0.00	0.00	SQ	0.0
90	398.3*	15	20.00	0.00	0.00	SQ	0.0
91	398.4*	10	20.00	0.00	5.94	SQ	1.0
92	398.5*	67	20.00	0.00	0.81	SQ	7.0

* Depreciable balance through 2005.
** Depreciable balance through 2008.
*** Depreciable balance through 2013.

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Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
Washington State - Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes			
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group that files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such as consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax amount to the group members.</p>			
Line No.	Details (a)	Amount (b)	
1	Net Income for the Year (Page 116)		
2	Reconciling items for the year		
3			
4	Taxable Income Not Reported on Books		
5	Contributions in Aid of Construction		
6	Revenue & Cost Adjustments		
7			
8	TOTAL		
9	Deductions Recorded on Books Not Deducted for Return		
10	Federal Tax Provision		
11	State Tax Provision		
12	Other		
13	TOTAL		
14	Income Recorded on Books not Included in Return		
15	Company Owned Life Insurance		
16			
17			
18	TOTAL		
19	Deductions Recorded on Books Not Charged Against Book Income		
20	State Tax Current		
21	Tax Depreciation in Excess of Book Depreciation		
22	Removal Costs		
23	Property Taxes		
24	Pension Costs		
25	Other		
26	TOTAL		
27	Federal Tax Net Income		
28	Show Computation of Tax:		
29	Federal Income Tax at Statutory Rate		
30	Less: Federal Tax Credits		
31	Federal Tax Provision - 2006 Earnings		
32	Less: Deferred taxes		
33	Less: Deferred Investment Tax Credits		
34	Plus: Prior Year Accrual Adjustment		
35	Total Federal Tax Provision		
SEE FERC ANNUAL REPORT PAGE 261			

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Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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WASHINGTON STATE - ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 282)

- Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
- For Other, include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric			
3	Gas			
4	Other	-	-	-
4.01		-	-	-
4.02		-	-	-
4.03				
4.04				
4.05				
5	Total (Enter Total of Lines 2 Thru 4.05)	-	-	-
6	Other (Specify)	-	-	-
6.01		-	-	-
6.02		-	-	-
6.03				
6.04				
6.05				
7	TOTAL (Acct 282) (Total of lines 5 thru 6.05)	-	-	-
8	Classification of TOTAL			
9	Federal Income Tax	-	-	-
10	State Income Tax	-	-	-
11	Local Income Tax			

SEE FERC ANNUAL REPORT PAGES 274-275

Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

WASHINGTON STATE - ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 282)

3. Add rows as necessary to report all data. When rows are added, the additional row numbers should follow in sequence, 4.01, 4.02 and 6.01, 6.02, etc. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
							3
-	-		-		-	-	4
-	-		-		-	-	4.01
-	-		-		-	-	4.02
-	-		-		-	-	4.03
-	-		-		-	-	4.04
-	-		-		-	-	4.05
-	-		-		-	-	5
-	-		-		-	-	6
-	-		-		-	-	6.01
-	-		-		-	-	6.02
-	-		-		-	-	6.03
							6.04
							6.05
-	-		-		-	-	7
-	-		-		-	-	8
-	-		-		-	-	9
							10
							11

SEE FERC ANNUAL REPORT PAGES 274-275

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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WASHINGTON STATE - ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
 2. For Other (Specify), included deferrals related to other

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Gas			
3.01	Deferred Income Taxes - FAS 109	-	-	-
3.02	Revenues & Cost of Gas Adjustments	-	-	-
3.03	Deferred Depreciation - Federal	-	-	-
3.04	Deferred Income Taxes - Other	-	-	-
3.05	Deferred Depreciation - State	-	-	-
4	Other - Reclassification between Utility & Non-utility	-	-	-
5	Total (Total of Lines 2 Thru 4)	-	-	-
6	Other (Specify) Non - Utility	-	-	-
6.01	Other Comprehensive Income - Federal	-	-	-
6.02	Other Comprehensive Income - State	-	-	-
7	TOTAL (Acct 283) (Total of lines 5 thru 6.)	-	-	-
8	Classification of TOTAL			
9	Federal Income Tax	-	-	-
10	State Income Tax	-	-	-
11	Local Income Tax	-	-	-

SEE FERC ANNUAL REPORT PAGES 276-277

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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WASHINGTON STATE - ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

income and deductions. and 277. Include amounts relating to insignificant items listed under Other.
 3. Provide in the space below explanations for page 276
 4. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
							3
-	-		-		-	-	3.01
-	-		-		-	-	3.02
-	-		-		-	-	3.03
-	-		-		-	-	3.04
-	-		-		-	-	3.05
-	-		-		-	-	4
-	-		-		-	-	5
-	-		-		-	-	6
-	-		-		-	-	6.01
-	-		-		-	-	6.02
-	-		-		-	-	7
							8
-	-		-		-	-	9
-	-		-		-	-	10
-	-		-		-	-	11

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Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

WASHINGTON STATE - GAS OPERATING REVENUES (Account 400)

- | | |
|---|--|
| <p>1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.</p> <p>2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.</p> | <p>3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480 - 495.</p> |
|---|--|

Line No.	Title of Account (a)	REVENUES for Transition Costs and Take-or-Pay		REVENUES for GEI and ACA	
		Amount for Current Year (b)	Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	480 - 484				
2	485 Intracompany Transfers				
3	487 Forfeited Discounts				
4	488 Miscellaneous Service Revenues				
5	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
6	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities				
7	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities				
8	489.4 Revenues from Storing Gas of Others				
9	490 Sales of Prod. Ext. from Natural Gas				
10	491 Revenues from Natural Gas Proc. by Others				
11	492 Incidental Gasoline and Oil Sales				
12	493 Rent from Gas Property				
13	494 Interdepartmental Rents				
14	495 Other Gas Revenues				
15	Subtotal:				
16	496 (Less) Provision for Rate Refunds				
17	TOTAL:				

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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WASHINGTON STATE - GAS OPERATING REVENUES (Continued)

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

OTHER REVENUES		TOTAL OPERATING REVENUES		DEKATHERM OF NATURAL GAS		Line No.
Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)	
72,158,667	72,308,124	72,158,667	72,308,124	6,814,061	7,294,538	1
						2
104,427	105,449	104,427	105,449			3
131,658	130,515	131,658	130,515			4
						5
-						6
1,892,887	1,814,923	1,892,887	1,814,923	1,869,759	1,885,061	7
						8
						9
						10
						11
18,160	18,136	18,160	18,136			12
						13
(2,738,015)	(388,680)	(2,738,015)	(388,680)			14
71,567,784	73,988,467	71,567,784	73,988,467			15
						16
71,567,784	73,988,467	71,567,784	73,988,467			17

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Name of Respondent	This Report is:	Date of Report	Year of Report
NORTHWEST NATURAL GAS COMPANY	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

WASHINGTON STATE - OTHER GAS REVENUES (ACCOUNT 495)

1. For transactions with annual revenues of \$250,000 or more, describe, for each transaction, commissions on sales of distributions of gas of others, compensation for minor or incidental services provided for others, penalties, profit or loss on sales of material and supplies, sales of steam, water, or electricity, miscellaneous royalties, revenues from dehydration, other processing of gas of others, and gains on settlements of imbalance receivables. Separately report revenues from cash-out penalties.

Line No.	Description of Transaction (a)	Revenues (in dollars) (b)
1		
2	Unbilled Revenue	(1,224,803)
3	Washington Amortizations	(1,358,880)
4	Washington GREAT Program	(378,780)
5	Other Miscellaneous Items	224,448
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25	TOTAL	(2,738,015)

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Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - GAS OPERATION AND MAINTENANCE EXPENSES				
1. Report operation and maintenance expenses. If the amount for previous year is not derived from previously reported figures, explain in footnotes.			2. Provide in footnotes the source of the index used to determine the price for gas supplied by shippers as reflected on line 74.	
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production			
3	Manufactured Gas Production (Submit Supplemental Statement)			
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering			
8	751 Production Maps and Records			
9	752 Gas Wells Expenses			
10	753 Field Lines Expenses			
11	754 Field Compressor Station Expenses			
12	755 Field Compressor Station Fuel and Power			
13	756 Field Measuring and Regulating Station Expenses			
14	757 Purification Expenses			
15	758 Gas Well Royalties			
16	759 Other Expenses			
17	760 Rents			
18	TOTAL Operation (Total of lines 7 thru 17)			
19	Maintenance			
20	761 Maintenance Supervision and Engineering			
21	762 Maintenance of Structures and Improvements			
22	763 Maintenance of Producing Gas Wells			
23	764 Maintenance of Field Lines			
24	765 Maintenance of Field Compressor Station Equipment			
25	766 Maintenance of Field Meas. and Reg. Station Equipment			
26	767 Maintenance of Purification Equipment			
27	768 Maintenance of Drilling and Cleaning Equipment			
28	769 Maintenance of Other Equipment			
29	TOTAL Maintenance (Total of lines 20 thru 28)			
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)			

**INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 317-325**

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
31	B2. Products Extraction			
32	Operation			
33	770 Operation Supervision and Engineering			
34	771 Operation Labor			
35	772 Gas Shrinkage			
36	773 Fuel			
37	774 Power			
38	775 Materials			
39	776 Operation Supplies and expenses			
40	777 Gas Processed by Others			
41	778 Royalties on Products Extracted			
42	779 Marketing expenses			
43	780 Products Purchased for Resale			
44	781 Variation in Products Inventory			
45	782 Extracted Products Used by the Utility-Credit			
46	783 Rents			
47	Total Operation (Total of Lines 33 thru 46)			
48	Maintenance			
49	784 Maintenance Supervision and Engineering			
50	785 Maintenance of Structures and Improvements			
51	786 Maintenance of Extraction and Refining Equipment			
52	787 Maintenance of Pipe Lines			
53	788 Maintenance of Extracted Products Storage Equipment			
54	789 Maintenance of Compressor Equipment			
55	790 Maintenance of Gas Measuring and Regulating Equipment			
56	791 Maintenance of Other Equipment			
57	TOTAL Maintenance (Total of lines 49 thru 56)			
58	TOTAL Products Extraction (Total of lines 47 and 57)			

**INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 317-325**

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
59	C. Exploration and Development			
60	Operation			
61	795 Delay Rentals			
62	796 Nonproductive Well Drilling			
63	797 Abandoned Leases			
64	798 Other Exploration			
65	TOTAL Exploration and Development (Total of lines 61 thru 64)			
66	D. Other Gas Supply Expenses			
67	Operation			
68	800 Natural Gas Well Head Purchases			
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers			
70	801 Natural Gas Field Line Purchases			
71	802 Natural Gas Gasoline Plant Outlet Purchases			
72	803 Natural Gas Transmission Line Purchases			
73	804 Natural Gas City Gate Purchases			
74	804.1 Liquefied Natural Gas Purchases			
75	805 Other Gas Purchases			
76	805.1 Purchases Gas Cost Adjustments			
77	TOTAL Purchased Gas (Total of Lines 68 thru 76)			
78	806 Exchange Gas			
79	Purchased Gas Expense			
80	807.1 Well Expense-Purchased Gas			
81	807.2 Operation of Purchased Gas Measuring Stations			
82	807.3 Maintenance of Purchased Gas Measuring Stations			
83	807.4 Purchased Gas Calculations Expense			
84	807.5 Other Purchased Gas Expenses			
85	TOTAL Purchased Gas Expense (Total of lines 80 thru 84)			

**INFORMATION NOT AVAILABLE
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Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
86	808.1 Gas Withdrawn from Storage-Debit			
87	808.2 Gas Delivered to Storage-Credit			
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit			
89	809.2 Deliveries of Natural Gas for Processing-Credit			
90	Gas used in Utility Operation-Credit			
91	810 Gas Used for Compressor Station Fuel-Credit			
92	811 Gas Used for Products Extraction-Credit			
93	812 Gas Used for Other Utility Operations-Credit			
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)			
95	813 Other Gas Supply Expenses			
96	TOTAL Other Gas Supply Exp. (Total of lines 77, 78, 85, 86 thru 89, 94, 95)			
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)			
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering			
102	815 Maps and Records			
103	816 Well Expenses			
104	817 Lines Expenses			
105	818 Compressor Station Fuel and Power			
106	819 Compressor Station Fuel and Power			
107	820 Measuring and Regulating Station Expenses			
108	821 Purification Expenses			
109	822 Exploration and Development			
110	823 Gas Losses			
111	824 Other Expenses			
112	825 Storage Well Royalties			
113	826 Rents			
114	TOTAL Operation (Total of lines of 101 thru 113)			

INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 317-325

Name of Respondent		This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
WASHINGTON STATE - GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
115	Maintenance			
116	830 Maintenance Supervision and Engineering			
117	831 Maintenance of Structures and Improvements			
118	832 Maintenance of Reservoirs and Wells			
119	833 Maintenance of Lines			
120	834 Maintenance of Compressor Station Equipment			
121	835 Maintenance of Measuring and Regulating Station Equipment			
122	836 Maintenance of Purification Equipment			
123	837 Maintenance of Other Equipment			
124	TOTAL Maintenance (Total of lines 116 thru 123)			
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)			
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation supervision and Engineering			
129	841 Operation Labor and Expenses			
130	842 Rents			
131	842.1 Fuel			
132	842.2 Power			
133	842.3 Gas Losses			
134	TOTAL Operation (Total of lines 128 thru 133)			
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering			
137	843.2 Maintenance of Structures and Improvements			
138	843.3 Maintenance of Gas Holders			
139	843.4 Maintenance of Purification Equipment			
140	843.5 Maintenance of Liquefaction Equipment			
141	843.6 Maintenance of Vaporizing Equipment			
142	843.7 Maintenance of Compressor Equipment			
143	843.8 Maintenance of Measuring and Regulating Equipment			
144	843.9 Maintenance of Other Equipment			
145	TOTAL Maintenance (Total of lines 136 thru 144)			
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)			

**INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 317-325**

Name of Respondent		This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
WASHINGTON STATE - GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
147	C. Liquefied Natural Gas Terminaling and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering			
150	844.2 LNG Processing Terminal Labor and Expenses			
151	844.3 Liquefaction Processing Labor and Expenses			
152	844.4 Liquefaction Transportation Labor and Expenses			
153	844.5 Measuring and Regulating Labor and Expenses			
154	844.6 Compressor Station Labor and Expenses			
155	844.7 Communication system Expenses			
156	844.8 System Control and Load Dispatching			
157	845.1 Fuel			
158	845.2 Power			
159	845.3 Rents			
160	845.4 Demurrage Charges			
161	845.5 Wharfage Receipts-Credit			
162	845.6 Processing Liquefied of Vaporized Gas by Others			
163	846.1 Gas Losses			
164	846.2 Other Expenses			
165	TOTAL Operation (Total of lines 149 thru 164)			
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering			
168	847.2 Maintenance of Structures and Improvements			
169	847.3 Maintenance of LNG Processing Terminal Equipment			
170	847.4 Maintenance of LNG Transportation Equipment			
171	847.5 Maintenance of Measuring and Regulating Equipment			
172	847.6 Maintenance of Compressor Station Equipment			
173	847.7 Maintenance of Communication Equipment			
174	847.8 Maintenance of Other Equipment			
175	TOTAL Maintenance (Total of lines 167 thru 174)			
176	TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 & 175)			
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)			

**INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 317-325**

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering			
181	851 System Control and Load Dispatching			
182	852 Communication system Expenses			
183	853 Compressor Station Labor and Expenses			
184	854 Gas for Compressor Station Fuel			
185	855 Other Fuel and Power for Compressor Stations			
186	856 Mains Expenses			
187	857 Measuring and Regulating Station Expenses			
188	858 Transmission and Compression of Gas by Others			
189	859 Other Expenses			
190	860 Rents			
191	TOTAL Operations (Total of lines 180 thru 190)			
192	Maintenance			
193	861 Maintenance Supervision and Engineering			
194	862 Maintenance of Structures and Improvements			
195	863 Maintenance of Mains			
196	864 Maintenance of Compressor Station Equipment			
197	865 Maintenance of Measuring and Regulating Station Equipment			
198	866 Maintenance of Communication Equipment			
199	867 Maintenance of Other Equipment			
200	TOTAL Maintenance (Total of lines 193 thru 199)			
201	TOTAL Transmission Expenses (Total of lines 191 and 200)			
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering			
205	871 Distribution Load Dispatching			
206	872 Compressor Station Labor and Expenses			
207	873 Compressor Station Fuel and Power			

INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 317-325

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
208	874 Mains and Services Expenses			
209	875 Measuring and Regulating Station Expenses-General			
210	876 Measuring and Regulating Station Expenses-Industrial			
211	877 Measuring and Regulating Station Expenses-City Gas Check Station			
212	878 Meter and House Regulator Expenses			
213	879 Customer Installations Expenses			
214	880 Other Expenses			
215	881 Rents			
216	TOTAL Operations (Total of lines 204 thru 215)			
217	Maintenance			
218	885 Maintenance Supervision and Engineering			
219	886 Maintenance of Structures and Improvements			
220	887 Maintenance of Mains			
221	888 Maintenance of Compressor Station Equipment			
222	889 Maintenance of Measuring & Regulating Station Equipment-General			
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial			
224	891 Maintenance of Meas & Reg Station Equip-City Gate Check Station			
225	892 Maintenance of Services			
226	893 Maintenance of Meters and House Regulators			
227	894 Maintenance of Other Equipment			
228	TOTAL Maintenance (Total of lines 218 thru 227)			
229	TOTAL Distribution Expenses (Total of lines 216 and 228)			
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision			
233	902 Meter Reading Expenses			
234	903 Customer Records and Collection Expenses			

INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 317-325

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - GAS OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
235	904 Uncollectible Accounts			
236	905 Miscellaneous Customer Accounts Expenses			
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)			
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSE			
239	Operation			
240	907 Supervision			
241	908 Customer Assistance Expense			
242	909 Informational and Instructional Expenses			
243	910 Miscellaneous Customer Service and Informational Expenses			
244	TOTAL Customer Service & Information Expenses (Total of lines 240 thru 243)			
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision			
248	912 Demonstration and Selling Expenses			
249	913 Advertising Expenses			
250	916 Miscellaneous Sales Expenses			
251	TOTAL Sales Expenses (Total of lines 247 thru 250)			
252	8. ADMINISTRATIVE AND GENERAL EXPENSES			
253	Operation			
254	920 Administrative and General Salaries			
255	921 Office Supplies and Expenses			
256	922 Administrative Expenses Transferred - Credit			
257	923 Outside Services Employed			
258	924 Property Insurance			
259	925 Injuries and Damages			
260	926 Employee Pensions and Benefits			
261	927 Franchise Requirements			
262	928 Regulatory Commission Expenses			
263	929 Duplicate Charges - Credit			
264	930.1 General Advertising Expenses			
265	930.2 Miscellaneous General Expenses			
266	931 Rents			
267	TOTAL Operation (Total of lines 254 thru 266)			
268	Maintenance			
269	935 Maintenance of General Plant			
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)			
271	TOTAL Gas O & M Expenses (Total of lines 97,177,201,229,237,244,251,and 270)			

**INFORMATION NOT AVAILABLE
SEE FERC ANNUAL REPORT PAGES 317-325**

(Next Page is 331)

Name of Respondent Northwest Natural Gas Company	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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Washington State - Gas Used in Utility Operations

1. Report below details of credits during the year to Accounts 810, 811, and 812.
2. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas		Manufactured Gas	
			Gas Used (Dth) (c)	Amount of Credit (in dollars) (d)	Gas Used (Dth) (d)	Amount of Credit (in dollars) (d)
1	810 Gas Used for Compressor Station Fuel - Credit					
2	811 Gas Used for Products Extraction - Credit					
3	Gas Shrinkage and Other Usage in Respondent's Own Processing					
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others					
5	812 Gas Used for Other Utility Operations - Credit (Report separately for each principal use. Group minor uses.)					
6						
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13						
14						
15	NONE					
16						
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43						
44						
45	Total					

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Name of Respondent		This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
WASHINGTON STATE - MISCELLANEOUS GENERAL EXPENSE (Account 930.2)				
1. Provide the information requested below on miscellaneous general expenses		2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more however, amounts less than \$250,000 may be grouped if the number of items so grouped is shown.		
Line No.	Description (a)	Amount (in dollars) (b)		
1	Industry association dues			
2	Experimental and general research expenses			
	a. Gas Research Institute (GRI)			
	b. Other			
3	Publishing and distributing information and reports to stockholders; trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the responden			
4	Other expenses			
5				
6	Director's Fees and Expenses			
7				
8	Corporate Information - Annual Report			
9				
10	Annual Meeting			
11				
12	Market Expansion			
13				
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37				
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39				
40	TOTAL			

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS

NW Natural

Period Beginning: Jan 2014

Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
Intangible Plant								
301 ORGANIZATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
302 FRANCHISES & CONSENTS	0	0	0	0	0	0	0	0
303.1 COMPUTER SOFTWARE	3,144	0	0	0	0	0	0	3,144
303.2 CUSTOMER INFORMATION SYSTEM	1,863,073	0	0	0	0	0	0	1,863,073
303.3 INDUSTRIAL & COMMERCIAL BIL	0	0	0	0	0	0	0	0
303.4 CRMS	0	0	0	0	0	0	0	0
303.5 POWERPLANT SOFTWARE	0	0	0	0	0	0	0	0
Intangible Plant Subtotal	1,866,216	0	0	0	0	0	0	1,866,216
Transmission Plant								
367 MAINS	63,800	20,095	0	0	0	0	0	83,895
Transmission Plant Subtotal	63,800	20,095	0	0	0	0	0	83,895
Distribution Plant								
374.1 LAND	0	0	0	0	0	0	0	0
374.2 LAND RIGHTS	14,256	2,076	0	0	0	0	0	16,332
375 STRUCTURES & IMPROVEMENTS	30,845	0	0	0	0	0	0	30,845
376.11 MAINS < 4"	30,550,881	1,754,026	(37,472)	(10,785)	0	(549)	0	32,256,101
376.12 MAINS 4" & >	21,061,238	1,510,591	(12,034)	(8,309)	0	(448)	0	22,551,039
378 MEASURING & REG EQUIP - GENER	433,934	29,221	0	0	0	287,492	0	750,647
379 MEASURING & REG EQUIP - GATE	577,195	28,328	0	0	0	14,788	0	620,311
380 SERVICES	27,053,979	1,576,620	(11,057)	(15,833)	0	997	0	28,604,704
381 METERS	2,087,609	220,404	(77,016)	0	0	(563)	0	2,230,433
381.2 ERT (ENCODER RECEIVER TRANS	2,789,404	423,743	(64,414)	0	0	939	0	3,149,672
382 METER INSTALLATIONS	1,659,270	142,650	(342,110)	0	0	(386)	0	1,459,423
382.2 ERT INSTALLATION (ENCODER	442,388	63,748	(7,864)	0	0	0	0	498,272
383 HOUSE REGULATORS	4,828	1,045	0	0	0	0	0	5,873
386 OTHER PROPERTY ON CUSTOMERS P	0	0	0	0	0	0	0	0
387.2 CALORIMETERS @ GATE STATIONS	26,630	0	0	0	0	0	0	26,630
Distribution Plant Subtotal	86,732,455	5,752,451	(551,967)	(34,926)	0	302,270	0	92,200,282
General Plant								
389 LAND	0	0	0	0	0	0	0	0
390 STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0
390.1 SOURCE CONTROL PLANT	0	24,806	0	0	0	0	0	24,806
391.1 OFFICE FURNITURE & EQUIPMEN	36,928	1,659	(20,629)	0	0	0	0	17,958
391.4 CUSTOMER INFORMATION SYSTEM	79,339	0	(79,339)	0	0	0	0	0
392 TRANSPORTATION EQUIPMENT	544,751	39,558	0	0	0	14,720	0	599,029
394 TOOLS AND EQUIPMENT	9,765	5,893	0	0	0	0	0	15,658
396 POWER OPERATED EQUIPMENT	143,285	5,173	(14,129)	0	0	4,726	0	139,054
397.3 TELEMETERING - OTHER	16,065	77	0	0	0	0	0	16,142
397.5 TELEPHONE EQUIPMENT	9,164	0	(9,164)	0	0	0	0	0
398.4 INSTALLED IN LEASED BUILDINGS	4,727	0	0	0	0	0	0	4,727
General Plant Subtotal	844,023	77,167	(123,261)	0	0	19,447	0	817,375
Washington Utility Property Grand Total	\$89,506,494	\$5,849,712	(\$675,228)	(\$34,926)	\$0	\$321,716	\$0	\$94,967,768

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class	Beginning			Cost of	Salvage and	Transfers and		Ending
FERC Plant Account	Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve
Washington Utility Property Grand Total	\$89,506,494	\$5,849,712	(\$675,228)	(\$34,926)	\$0	\$321,716	\$0	\$94,967,768

TOTAL SUMMARY WASHINGTON UTILITY DEPRECIATION RESERVES 12/31/2014

WASHINGTON

108010	(\$1,005,693)						
108011	67,349,368						
108012	586,726						
108013	(12,303)						
108014	-						
108015	139,054						
108100	27,695,473						
108102	215,142						
							\$94,967,768

ADD:

108001 REMOVAL WORK IN PROCESS							
							(854,110)

TOTAL WASHINGTON UTILITY DEPRECIATION							\$94,113,658
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Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report	Year of Report Dec. 31, 2014
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WASHINGTON STATE - DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Accts 403, 404.1, 404.2, 404.3, 405)

(Except Amortization of Acquisition Adjustments) (continued)

4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.10, 3.10, 3.02, etc.

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Plant Bases (In thousands) (b)	Applied Depreciation or Amortization Rates (percent) (c)
1			
2			
2.01			
2.02			
2.03			
3			
3.01			
3.02			
3.03			
3.04			
4			
4.01			
4.02			
4.03			
5			
6			
6.01			
6.02			
6.03			
7			
7.01			
7.02			
7.03			
7.04			
8			
8.01			
8.02			
8.03			
8.04			
8.05			
8.06			
8.07			
8.08			
8.09			
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13			
14			
15			
	NONE		

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Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS				
Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.		Amounts of less than \$250,000 may be grouped by classes within the above accounts.		
(a) Miscellaneous Amortization (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.		(c) Interest on Debt to Associated Companies (Account 430) - For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.		
(b) Miscellaneous Income Deductions - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts.		(d) Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.		
Line No.	Item (a)	Amount (b)		
1	Account 425 Miscellaneous Amortization			
2	Account 426.1 Donations			
3	Account 426.2 Insurance Benefits			
4	Account 426.3 Penalties - Internal Revenue			
5	Account 426.4 Civic, Political and Related Activities (426.31-426.33 & 426.41-426.45)			
6	Account 426.5 Other Deductions (426.05, 426.50-426.52)			
7	Account 426.6 Diversification (426.60)			
8				
9	Total Account 425 & 426			
10				
11	Account 430 Interest on Debt to Associated Companies			
12	Account 431 Other Interest Expense			
13	Notes Payable (431.1)			
14	Miscellaneous (431.2-431.5)			
15				
16	Total Account 430 & 431			
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
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31				
32				
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35				
36				
SEE FERC ANNUAL REPORT PAGE 340				

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Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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WASHINGTON STATE - REGULATORY COMMISSION EXPENSES (Account 928)

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party

2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 186 at Beginning of Year (e)
1					
2					
3					
4					
5					
6					
7					
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11					
12					
13					
14					
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16					
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25					

SEE FERC ANNUAL REPORT PAGES 350-351

Name of Respondent Northwest Natural Gas Company		This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) Dec. 31, 2014		Year of Report Dec. 31, 2014	
WASHINGTON STATE - REGULATORY COMMISSION EXPENSES (Continued)							
3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization				5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.			
4. Identify separately all annual charge adjustments (ACA)				6. Minor items (less than \$250,000) may be grouped			
EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			
CHARGED CURRENTLY TO			Deferred to Account 186 (i)	Contra Account (j)	Amount (k)	Deferred in Account 186, End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
							1
							2
							3
							4
							5
							6
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							24
							25

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Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 74.01, 74.02, etc.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production			
4	Transmission			
5	Distribution			
6	Customer Accounts			
7	Customer Service and Informational			
8	Sales			
9	Administrative and General			
10	TOTAL Operation (Total of lines 3 thru 9)			
11	Maintenance			
12	Production			
13	Transmission			
14	Distribution			
15	Administrative and General			
16	TOTAL Maint. (Total of lines 12 thru 15)			
17	Total Operation and Maintenance			
18	Production (Total of lines 3 and 12)			
19	Transmission (Total of lines 4 and 13)			
20	Distribution (Total of lines 5 and 14)			
21	Customer Accounts (Line 6)			
22	Customer Service and Informational (Line 7)			
23	Sales (Line 8)			
24	Administrative and General (Total of lines 9 and 15)			
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)			
26	Gas			
27	Operation			
28	Production - Manufactured Gas			
29	Production - Nat. Gas (Including Expl. and Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminaling and Processing			
32	Transmission			
33	Distribution			
34	Customer Accounts			
35	Customer Service and Informational			
36	Sales			
37	Administrative and General			
38	TOTAL Operation (Total of lines 28 thru 37)			
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			

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Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
WASHINGTON STATE - DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
47				
48	Gas (Continued)			
49	Total Operation and Maintenance			
50	Production - Manufactured Gas (Lines 28 and 40)			
51	Production - Nat. Gas (Including Expl. and Dev.) (Lines 29 and 41)			
52	Other Gas Supply (Lines 30 and 42)			
53	Storage, LNG Terminaling and Processing (Lines 31 and 43)			
54	Transmission (Total of lines 32 and 44)			
55	Distribution (Total of lines 33 and 45)			
56	Customer Accounts (Total of line 34)			
57	Customer Service and Informational (Total of line 35)			
58	Sales (Total of line 36)			
59	Administrative and General (Total of lines 37 and 46)			
60	Other Utility Departments			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 50 thru 61)			
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant			
66	Gas Plant			
67	Other			
68	TOTAL Construction (Total of lines 65 thru 67)			
69	Plant Removal (By Utility Departments)			
70	Electric Plant			
71	Gas Plant			
72	Other			
73	TOTAL Plant Removal (Total of lines 70 thru 72)			
74	Other Accounts (Specify):			
74.01	Merchandising			
74.02	Governmental			
74.03	NNG Financial Corporation			
74.04	Non Utility Construction Work in Progress 121107			
74.05	Construction Claims			
74.06	Storage Business			
74.07	Accounts Receivable			
74.08				
74.09				
74.10				
74.11				
74.12				
74.13				
74.14				
74.15				
75				
76	TOTAL Other Accounts			
77	TOTAL SALARIES AND WAGES			

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Name of Respondent Northwest Natural Gas Company	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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WASHINGTON STATE - CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.
(a) Name of person or organization rendering services.
(c) Total charges for the year.

2. Designate associated companies with an asterisk in column (b).

Line No.	Description (a)	* (b)	Amount (in dollars) (c)
1			
2			
3			
4			
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SEE FERC ANNUAL REPORT PAGE 357

(Next Page is 508)

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Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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COMPRESSOR STATION

Designate any station that was not operated during the past year. Station in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission, compressor stations installed and put into operation during the year, and show in a footnote each unit's size and date the unit was placed in operation. For Column (e), include the type of fuel or power, in other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or power.

Line No.	Expenses (Except depreciation and taxes)		Operation Data			
	Fuel or Power (e)	Other (f)	Gas for Compressor Fuel in Dth (g)	Total Compressor Hours of Operation During the Year (h)	Number of Compressors Operated at Time of Station Peak (i)	Date of Station Peak (j)
1						
2						
3	NONE					
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
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**TRANSMISSION MAINS
SHOW PARTICULARS CALLED FOR CONCERNING TRANSMISSION MAINS *
WASHINGTON SUPPLEMENT**

SYSTEM

LINE NUMBER	KIND OF MATERIAL (A)	DIAMETER OF PIPE, INCHES (B)	TOTAL LENGTH IN USE BEGINNING OF YEAR, FEET (C)	LAI DURING YEAR, FEET (D)	TAKEN UP OR ABANDONED DURING YEAR, FEET (E)	TOTAL IN USE END OF YEAR, FEET (F)
1	High Pressure	4"	12,963		126	12,837
2	High Pressure	6"	372,370	1,006		373,376
3	High Pressure	8"	320,694		13,634	307,060
4	High Pressure	10"	462,360	36,821		499,181
5	High Pressure	12"	1,131,977	28,755		1,160,732
6	High Pressure	16"	558,221	175		558,396
7	High Pressure	20"	71,709	16		71,725
8	High Pressure	24"	464,924		174	464,750
9						
10						
11						
12						
13						
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27						
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29						
30						
31						
32						
33						
34						
TOTALS			3,395,218	66,773	13,934	3,448,057

* Show separately and identify lines held under a title other than full ownership.

**TRANSMISSION MAINS
SHOW PARTICULARS CALLED FOR CONCERNING TRANSMISSION MAINS *
WASHINGTON SUPPLEMENT**

WASHINGTON

LINE NUMBER	KIND OF MATERIAL (A)	DIAMETER OF PIPE, INCHES (B)	TOTAL LENGTH IN USE BEGINNING OF YEAR, FEET (C)	LAI DURING YEAR, FEET (D)	TAKEN UP OR ABANDONED DURING YEAR, FEET (E)	TOTAL IN USE END OF YEAR, FEET (F)
1	High Pressure	4"	5	0	0	5
2	High Pressure	6"	100	0	0	100
3	High Pressure	8"	17,938	0	0	17,938
4						
5						
6						
7						
8						
9						
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TOTALS			18,043	0	0	18,043

* Show separately and identify lines held under a title other than full ownership.

**DISTRIBUTION MAINS
SHOW PARTICULARS CALLED FOR CONCERNING DISTRIBUTION MAINS
WASHINGTON SUPPLEMENT**

SYSTEM

LINE NUMBER	KIND OF MATERIAL (A)	DIAMETER OF PIPE, INCHES (B)	TOTAL LENGTH IN USE BEGINNING OF YEAR, FEET (C)	LAI DURING YEAR, FEET (D)	TAKEN UP OR ABANDONED DURING YEAR, FEET (E)	TOTAL IN USE END OF YEAR, FEET (F)
1	Low Pressure	2"	0			0
2	Low Pressure	3"	0			0
3	Low Pressure	4"	0			0
4	Low Pressure	6"	0			0
5	Low Pressure	Over 6"	0			0
6	High Pressure	Under 2"	18,501,391	52,699	29,444	18,524,646
7	High Pressure	2"	38,091,874	313,925	28,334	38,377,465
8	High Pressure	3"	160,326	(0)	104	160,222
9	High Pressure	4"	9,850,551	19,039	19,984	9,849,606
10	High Pressure	6"	2,893,752	7,257	14,392	2,886,617
11	High Pressure	Over 6"	1,517,421	0	34,359	1,483,062
12						
13						
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31						
32						
33						
34						
TOTALS			71,015,315	392,920	126,617	71,281,618

DISTRIBUTION MAINS
SHOW PARTICULARS CALLED FOR CONCERNING DISTRIBUTION MAINS
WASHINGTON SUPPLEMENT

WASHINGTON

LINE NUMBER	KIND OF MATERIAL (A)	DIAMETER OF PIPE, INCHES (B)	TOTAL LENGTH IN USE BEGINNING OF YEAR, FEET (C)	LAI DURING YEAR, FEET (D)	TAKEN UP OR ABANDONED DURING YEAR, FEET (E)	TOTAL IN USE END OF YEAR, FEET (F)
1	High Pressure	Under 2"	1,009,833	5,289	1,418	1,013,704
2	High Pressure	2"	6,069,303	96,449	1,955	6,163,797
3	High Pressure	3"	44,300	2	0	44,302
4	High Pressure	4"	1,424,934	7,237	108	1,432,063
5	High Pressure	6"	410,897	11,300	0	422,197
6	High Pressure	Over 6"	142,163	1	0	142,164
7						
8						
9						
10						
11						
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33						
34						
TOTALS			9,101,430	120,278	3,481	9,218,227

SERVICE PIPES - GAS
SHOW PARTICULARS CALLED FOR CONCERNING THE LINE SERVICE PIPE
WASHINGTON SUPPLEMENT

SYSTEM

LINE NUMBER	KIND OF MATERIAL	DIAMETER OF PIPE, INCHES	NUMBER AT BEGINNING OF YEAR	NUMBER ADDED DURING YEAR	NUMBER REMOVED OR ABANDONED DURING YEAR	NUMBER AT CLOSE OF YEAR	AVERAGE LENGTH IN FEET
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	HP, LP	Under 1"	636,195	6,841	1723	641,313	-
2	HP, LP	1"	53,656	1,036	205	54,487	-
3	HP, LP	1 1/4"	5,251	0	11	5,240	-
4	HP, LP	2"	4,275	34	47	4,262	-
5	HP, LP	3"	49	0	0	49	-
6	HP, LP	4"	478	2	12	468	-
7	HP, LP	6"	18	1	3	16	-
8	HP, LP	Over 6"	14	0	1	13	-
9							
10							
11							
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34							
TOTALS			699,936	7,914	2,002	705,848	

SERVICE PIPES - GAS
SHOW PARTICULARS CALLED FOR CONCERNING THE LINE SERVICE PIPE
WASHINGTON SUPPLEMENT

WASHINGTON

LINE NUMBER	KIND OF MATERIAL	DIAMETER OF PIPE, INCHES	NUMBER AT BEGINNING OF YEAR	NUMBER ADDED DURING YEAR	NUMBER REMOVED OR ABANDONED DURING YEAR	NUMBER AT CLOSE OF YEAR	AVERAGE LENGTH IN FEET
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	HP	Under 1"	62,021	1,285	51	63,255	-
2	HP	1"	5,109	144	20	5,233	-
3	HP	1 1/4"	10	0	0	10	-
4	HP	2"	252	5	1	256	-
5	HP	4"	28	0	2	26	-
6	HP, LP	6"	8	0	0	8	-
7	HP, LP	Over 6"	0	0	0	0	-
8							
9							
10							
11							
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34							
TOTALS			67,428	1,434	74	68,788	

NORTHWEST NATURAL GAS COMPANY
CUSTOMER METERS
SYSTEM 2014

Perf. #	Size	Type	Make	Capacity Cubic Ft.	In Service Begin. of Year	Add.	Retire-ments	In Service End of Year
0	Various	Orifice	Daniel	Various	372			372
2	RWR3	Rotary	Rockwell	3,000	1			1
7	RM5M	Rotary	Romet	5,000	1			1
9	RM11	Rotary	Romet	11,000	2			2
10	A5BT	Diaphragm	American	175	8			8
13	RS8C	Rotary	Roots	800	30			30
20	10BT	Diaphragm	American	250	1			1
22	1.5M	Rotary	Roots	1,500	15		3	12
23	1.5M TC	Rotary	Roots	1,500	20		3	17
24	1.5M ID	Rotary	Roots	1,500	54		3	51
26	R2M9	Rotary	Roots	2,000	1			1
32	3M125	Rotary	Roots	3,000	13	1		14
33	RS3M TC	Rotary	Roots	3,000	7			7
34	RS3M ID	Rotary	Roots	3,000	21		1	20
35	RS3M TC ID	Rotary	Roots	3,000	60			60
36	R3.7	Rotary	Roots	3,600	2			2
42	5M125	Rotary	Roots	5,000	10	1	1	10
43	RS5M TC	Rotary	Roots	5,000	19	1		20
44	RS5M ID	Rotary	Roots	5,000	68		2	66
52	7M125	Rotary	Roots	7,000	6	2		8
53	RS7M TC	Rotary	Roots	7,000	27			27
54	RS7M ID	Rotary	Roots	7,000	35		1	34
64	RS11 ID	Rotary	Roots	11,000	65			65
65	RS11 TC ID	Rotary	Roots	11,000	1			1
73	RS16 ID	Rotary	Roots	16,000	7			7
83	RS23 ID	Rotary	Roots	23,000	25			25
93	RS38 ID	Rotary	Roots	38,000	16	1		17
95	RS56 ID	Rotary	Roots	56,000	3			3
120	R175	Diaphragm	Rockwell	175	53,219		684	52,535
125	R200	Diaphragm	Rockwell	200	21,428		357	21,071
130	A175	Diaphragm	American	175	85,775	1	943	84,833
140	S175	Diaphragm	Sprague	175	24,012		605	23,407
260	Misc.	Various	Various	Various	3		3	0
270	1000A	Diaphragm	Schlemberger	1,000	178		10	168
272	1000A	Diaphragm	Actaris	1,000	59		37	22
300	1600 ID	Diaphragm	Rockwell	800	3			3
305	1600 TC ID	Diaphragm	Rockwell	800	7			7
310	RW3M ID	Diaphragm	Rockwell	1,450	57		9	48
315	RW3M TC ID	Diaphragm	Rockwell	1,450	35		6	29
320	RW5M ID	Diaphragm	Rockwell	2,500	39		4	35
325	RW5M TC ID	Diaphragm	Rockwell	2,500	47		2	45
390	1400 ID	Diaphragm	American	1,400	201		44	157
395	1400 TC ID	Diaphragm	American	1,400	10		4	6
400	2300 ID	Diaphragm	American	2,300	143		16	127
410	AL5M	Diaphragm	American	5,000	75		12	63
411	DU5M	Diaphragm	American	5,000	1			1
415	AL5M	Diaphragm	American	5,000	9			9
450	400A	Diaphragm	Schlemberger	400	1,532		84	1,448
452	400A	Diaphragm	Actaris	400	685		22	663
470	A425	Diaphragm	American	425	2,325		78	2,247
471	AL425	Diaphragm	American	425	2,807		49	2,758
472	A425	Diaphragm	American	425	2,847		167	2,680
475	AL-630	Diaphragm	American	630	8,971	1,617	60	10,528
480	A800 ID	Diaphragm	American	800	938		155	783
485	A800 TC ID	Diaphragm	American	800	899		54	845
486	A800	Diaphragm	American	800	7			7
490	S305	Diaphragm	Sprague	305	4			4
500	AL1M ID	Diaphragm	American	1,000	462		59	403
502	AL 1000	Diaphragm	American	1,000	360		21	339
505	AL1M TC ID	Diaphragm	American	1,000	529		39	490
507	AL 1000	Diaphragm	American	1,000	4,091	477	36	4,532
510	R310	Diaphragm	Rockwell	310	3,576	1	284	3,293
515	R315	Diaphragm	Rockwell	315	175		18	157
520	R415	Diaphragm	Rockwell	415	4,413		356	4,057
530	RW1M ID	Diaphragm	Rockwell	1,000	17		4	13
535	RW1M TC ID	Diaphragm	Rockwell	1,000	10		1	9

NORTHWEST NATURAL GAS COMPANY
CUSTOMER METERS
SYSTEM 2014

Perf. #	Size	Type	Make	Capacity Cubic Ft.	In Service Begin. of Year	Add.	Retire-ments	In Service End of Year
540	R750 ID	Diaphragm	Rockwell	750	526		40	486
545	R750 TC ID	Diaphragm	Rockwell	750	61		1	60
555	A310	Diaphragm	American	310	1,341		83	1,258
560	A250	Diaphragm	American	250	148,069	3	1,159	146,913
561	AC250	Diaphragm	American	250	136,440	14,766	775	150,431
565	RX250	Diaphragm	American	250	1,129		1	1,128
570	R275	Diaphragm	Rockwell	275	103,072	1	472	102,601
572	275	Diaphragm	Invensys	275	49,290		221	49,069
575	G2	Diaphragm	Westinghouse	200	18			18
580	SPRM	D+Reg	Sprague	175	486		1	485
585	S250	Diaphragm	Sprague	250	26,989	2	223	26,768
590	S250	Diaphragm	Lancaster	250	22,796		210	22,586
595	METRIS 250	Diaphragm	Schlemberger	250	13,592		1,777	11,815
613	8C	Rotary	Roots	800	44			44
616	8C175TQM	Rotary	Roots	800	29			29
617	8C175TQM	Rotary	Dresser/Roots	800	59	4	1	62
620	1M1480B3-HPC	Rotary	Dresser/Roots	1,000	4			4
621	1M300TQM-CD	Rotary	Dresser/Roots	1,000	1			1
622	1.5M	Rotary	Roots	1,500	260		42	218
623	1.5M	Rotary	Roots	1,500	24		1	23
625	15C175TQM	Rotary	Dresser/Roots	1,500	236	4		240
626	15CTQM	Rotary	Roots	1,500	592	12		604
632	3M	Rotary	Roots	3,000	354	17	8	363
633	RS3M	Rotary	Roots	3,000	113	29	5	137
636	5M175TQM	Rotary	Roots	3,000	1,064	18	3	1,079
637	3M175TQM	Rotary	Dresser/Roots	3,000	689		2	687
638	3M1480B3-HPC	Rotary	Dresser/Roots	3,000	4			4
642	5M	Rotary	Roots	5,000	243	4	2	245
643	RS5M TC	Rotary	Roots	5,000	131		2	129
644	5M175	Rotary	Roots	5,000	14	1	1	14
645	5M125	Rotary	Roots	5,000	3		1	2
646	5M175TQM	Rotary	Roots	5,000	708	10		718
647	5M175TQM	Rotary	Dresser/Roots	5,000	383	11		394
652	7M	Rotary	Roots	7,000	131	5	3	133
653	RS7M	Rotary	Roots	7,000	59			59
654	7M175	Rotary	Roots	7,000	34			34
655	7M175TQM	Rotary	Dresser/Roots	7,000	162	2	1	163
656	7M175TQM	Rotary	Roots	7,000	257			257
657	7M175TQM	Rotary	Roots	7,000	90			90
662	11M	Rotary	Roots	11,000	8			8
663	RS11	Rotary	Roots	11,000	44			44
664	RS11 ID	Rotary	Roots	11,000	44		3	41
665	RS11	Rotary	Roots	11,000	16			16
666	11M175TQM	Rotary	Roots	11,000	361		2	359
667	11M175TQM	Rotary	Roots	11,000	4	1		5
668	11M175TQM	Rotary	Dresser/Roots	11,000	1			1
672	16M	Rotary	Roots	16,000	2			2
673	16M175	Rotary	Roots	16,000	52			52
674	RS16 TC ID	Rotary	Roots	16,000	20			20
675	RS16 TC	Rotary	Roots	16,000	47		2	45
676	16M175TQM	Rotary	Roots	16,000	203	1		204
686	23M125TQM	Rotary	Roots	23,000	14	1		15
690	23M232TQM	Rotary	Dresser/Roots	23,000	43	1		44
696	38M125TQM	Rotary	Roots	23,000	23	1		24
698	56M175TQM	Rotary	Dresser/Roots	56,000	1			1
702	RT18	Turbine	Rockwell	38,000	1			1
703	RT18	Turbine	Rockwell	18,000	31			31
708	RT60	Turbine	Rockwell	30,000	18			18
709	RT60	Turbine	Rockwell	60,000	5			5
711	T140	Turbine	Rockwell	60,000	1			1
713	T140	Turbine	Rockwell	60,000	1			1
714	T140	Turbine	Rockwell	140,000	0			0
731	A4GT	Turbine	American	18,000	1			1
732	A6GT	Turbine	American	30,000	1			1
734	A8GT	Turbine	American	60,000	1			1

NORTHWEST NATURAL GAS COMPANY
CUSTOMER METERS
SYSTEM 2014

Perf. #	Size	Type	Make	Capacity Cubic Ft.	In Service Begin. of Year	Add.	Retire-ments	In Service End of Year
736	12GT	Turbine	American	150,000	2			2
751	AAT-18	Turbine	Invensys	18,000	2			2
756	AAT-27	Turbine	Invensys	27,000	1			1
760	AAT-35/45	Turbine	Sensus	35,000	2			2
766	AAT-57	Turbine	Invensys	57,000	2	1		3
770	AAT-60/45	Turbine	Sensus	60,000	1			1
771	AAT-60	Turbine	Invensys	60,000	1			1
776	AAT-90	Turbine	Invensys	90,000	2			2
791	AAT-140/45	Turbine	Sensus	140,000	2			2
792	AAT-140/45	Turbine	Sensus	140,000	2			2
803	3M125e	Rotary	Dresser/Roots	3,000	7	2		9
804	5M125e	Rotary	Dresser/Roots	5,000	8			8
805	7M125e	Rotary	Dresser/Roots	7,000	3	1		4
806	11M125e	Rotary	Dresser/Roots	11,000	3	1		4
813	3M175e	Rotary	Dresser/Roots	3,000	10	15		25
814	5M175e	Rotary	Dresser/Roots	5,000	9	3		12
815	7M175e	Rotary	Dresser/Roots	7,000	7	5		12
816	11M175e	Rotary	Dresser/Roots	11,000	6			6
817	16M175e	Rotary	Dresser/Roots	16,000	1	1	1	1
822	15c175TQMe	Rotary	Dresser/Roots	1,500	67	38		105
823	3M175TQMe	Rotary	Dresser/Roots	3,000	146	65		211
824	5M175TQMe	Rotary	Dresser/Roots	5,000	57	56		113
825	7M175TQMe	Rotary	Dresser/Roots	7,000	61	29		90
826	11M175TQMe	Rotary	Dresser/Roots	11,000	69	24	2	91
827	16M175TQMe	Rotary	Dresser/Roots	16,000	26	5	1	30
830	38M175TQMe	Rotary	Dresser/Roots	38,000	1			1
901	TURB	Turbine	Unkown	0	1			1
904	SDIA	Diaphragm	Unkown	500	54,068			54,068
TOTALS					785,846	17,242	9,283	793,805

NORTHWEST NATURAL GAS COMPANY
CUSTOMER METERS
WASHINGTON 2014

Perf. #	Size	Type	Make	Capacity Cubic Ft.	In Service Begin. of Year	Add.	Retire-ments	In Service End of Year
0	Various	Orifice	Daniel	Various	1			1
7	RM5M	Rotary	Romet	5,000	1			1
13	RS8C 125	Rotary	Roots	800	7			7
24	1.5M ID	Rotary	Roots	1,500	6		1	5
33	RS3M TC	Rotary	Roots	3,000	3			3
34	RS3M ID	Rotary	Roots	3,000	5			5
36	R3.7	Rotary	Roots	3,600	1			1
42	5M125	Rotary	Roots	5,000	2		1	1
43	RS5M TC	Rotary	Roots	5,000	1			1
44	RS5M ID	Rotary	Roots	5,000	6			6
52	7M125	Rotary	Roots	3,000	4			4
54	RS7M ID	Rotary	Roots	7,000	2			2
64	RS11 ID	Rotary	Roots	11,000	4			4
83	RS23 ID	Rotary	Roots	23,000	3			3
93	RS38 ID	Rotary	Roots	38,000	1			1
120	R175	Diaphragm	Rockwell	175	2,978		37	2,941
125	R200	Diaphragm	Rockwell	200	738		24	714
130	A175	Diaphragm	American	175	3,681	1	76	3,606
140	S175	Diaphragm	Sprague	175	1,128		41	1,087
260	Misc.	Various	Various	Various	1			1
270	1000A	Diaphragm	Schlumberger	1,000	8			8
272	1000A	Diaphragm	Actaris	1,000	2		2	0
300	1600 ID	Diaphragm	Rockwell	800	1			1
310	RW3M ID	Diaphragm	Rockwell	1,450	1		1	0
320	RW5M ID	Diaphragm	Rockwell	2,500	9			9
325	RW5M TC ID	Diaphragm	Rockwell	2,500	2			2
390	1400 ID	Diaphragm	American	1,400	19		1	18
400	2300 ID	Diaphragm	American	2,300	10			10
410	AL5M	Diaphragm	American	5,000	13		4	9
450	400A	Diaphragm	Schlumberger	400	148		9	139
452	400A	Diaphragm	Actaris	400	75		5	70
470	A425	Diaphragm	American	425	134		14	120
471	AL425	Diaphragm	American	425	260		6	254
472	A425	Diaphragm	American	425	211		50	161
475	AL-630	Diaphragm	American	630	678	238	3	913
480	A800 ID	Diaphragm	American	800	85		20	65
485	A800 TC ID	Diaphragm	American	800	54		16	38
486	A800	Diaphragm	American	800	3			3
500	AL1M ID	Diaphragm	American	1,000	43		9	34
502	AL 1000	Diaphragm	American	1,000	26		2	24
505	AL1M TC ID	Diaphragm	American	1,000	25		8	17
507	AL 1000	Diaphragm	American	1,000	371	76	6	441
510	R310	Diaphragm	Rockwell	310	151		25	126
515	R315	Diaphragm	Rockwell	315	6		2	4
520	R415	Diaphragm	Rockwell	415	281		53	228
530	RW1M ID	Diaphragm	Rockwell	1,000	2			2
535	RW1M TC ID	Diaphragm	Rockwell	1,000	2			2
540	R750 ID	Diaphragm	Rockwell	750	48		10	38
545	R750 TC ID	Diaphragm	Rockwell	750	3			3
555	AL 310	Diaphragm	American	310	92		8	84
560	A250	Diaphragm	American	250	17,057		137	16,920
561	AC250	Diaphragm	American	250	16,657	2,125	64	18,718

NORTHWEST NATURAL GAS COMPANY
CUSTOMER METERS
WASHINGTON 2014

Perf. #	Size	Type	Make	Capacity Cubic Ft.	In Service Begin. of Year	Add.	Retire-ments	In Service End of Year
565	RX250	Diaphragm	American	250	150			150
570	R275	Diaphragm	Rockwell	275	14,502		31	14,471
572	275	Diaphragm	Invensys	275	7,145		23	7,122
580	SPRM	D+Reg	Sprague	175	8			8
585	S250	Diaphragm	Sprague	250	3,727		26	3,701
590	S250	Diaphragm	Lancaster	250	2,829		25	2,804
595	METRIS 250	Diaphragm	Schlumberger	250	2,013		265	1,748
613	8C	Rotary	Roots	800	1			1
616	8C175TQM	Rotary	Dresser/Roots	800	5			5
617	8C175TQM	Rotary	Dresser/Roots	800	8	1		9
622	1.5M	Rotary	Roots	1,500	16		3	13
623	1.5M	Rotary	Roots	1,500	1			1
625	15C175TQM	Rotary	Dresser/Roots	1,500	20			20
626	15CTQM	Rotary	Roots	1,500	56	1		57
632	3M	Rotary	Roots	3,000	33	3	1	35
633	RS3M	Rotary	Roots	3,000	12		1	11
636	5M175TQM	Rotary	Roots	3,000	97	3		100
637	3M175TQM	Rotary	Dresser/Roots	3,000	64	4		68
642	5M	Rotary	Roots	5,000	28			28
643	RS5M TC	Rotary	Roots	5,000	12		1	11
644	3M175TQS	Rotary	Roots	5,000	13			13
646	5M175TQM	Rotary	Roots	5,000	66	3		69
647	5M175TQM	Rotary	Dresser/Roots	5,000	46	2		48
652	7M	Rotary	Roots	7,000	14			14
653	RS7M	Rotary	Roots	7,000	5			5
654	7M175	Rotary	Roots	7,000	4			4
655	7M175TQM	Rotary	Dresser/Roots	7,000	16			16
656	7M175TQM	Rotary	Roots	7,000	29			29
657	7M175TQM	Rotary	Roots	7,000	12			12
663	RS11	Rotary	Roots	11,000	1			1
664	RS11 ID	Rotary	Roots	11,000	3			3
665	RS11	Rotary	Roots	11,000	1			1
666	11M175TQM	Rotary	Roots	11,000	19			19
667	11M175TQM	Rotary	Roots	11,000	1			1
672	16M	Rotary	Roots	16,000	1			1
674	RS16 TC ID	Rotary	Roots	16,000	2			2
675	RS16 TC	Rotary	Roots	16,000	2			2
676	16M175TQM	Rotary	Roots	16,000	29	1		30
696	38M125TQM	Rotary	Roots	38,000	8			8
803	3M125e	Rotary	Dresser/Roots	3,000	1			1
805	7M125e	Rotary	Dresser/Roots	7,000	1			1
813	3M175e	Rotary	Dresser/Roots	5,000	0	3		3
814	5M175e	Rotary	Dresser/Roots	5,000	1			1
822	15c175TQMe	Rotary	Dresser/Roots	1,500	10	3		13
823	3M175TQMe	Rotary	Dresser/Roots	3,000	13	5		18
824	5M175TQMe	Rotary	Dresser/Roots	5,000	4	5		9
825	7M175TQMe	Rotary	Dresser/Roots	7,000	8	3		11
826	11M175TQMe	Rotary	Dresser/Roots	11,000	4	1		5
827	16M175TQMe	Rotary	Dresser/Roots	16,000	1			1

TOTALS

76,092	2,478	1,011	77,559
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Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A resubmission		Dec. 31, 2014
WASHINGTON STATE - GAS ACCOUNT - NATURAL GAS				
<p>1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.</p> <p>3. Enter in column (c) the Dth as reported in the schedules indicated for the items of receipts and deliveries.</p> <p>4. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.</p> <p>5. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose. Use copies of pages 520.</p> <p>6. Also indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate</p>		<p>facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market of that were not transported through any interstate portion of the reporting pipeline.</p> <p>7. Also indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.</p> <p>8. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional rows as necessary to report all data, numbered 14.01, 14.02, etc.</p>		
Line No.	Item	Ref. Page No.	Amount of Dth	
	(a)	(b)	(c)	
1	Name of System			
2	GAS RECEIVED			
3	Gas Purchases (Accounts 800-805)			
4	Gas of Others Received for Gathering (Account 489.1)		8,678,535	
5	Gas of Others Received for Transmission (Account 489.2)	305	N/A	
6	Gas of Others Received for Distribution (Account 489.3) Transportation	301	1,869,759	
7	Gas of Others Received for Contract Storage (Account 489.4)	307	N/A	
8	Exchanged Gas Received from Others (Account 806)	328	N/A	
9	Gas Received as Imbalances (Account 806)	328	N/A	
10	Receipts of Respondent's Gas Transported by Others (Account 858)	332	N/A	
11	Other Gas Withdrawn from Storage (Explain)			
12	Gas Received from Shippers as Compressor Station Fuel			
13	Gas Received from Shippers as Lost and Unaccounted for			
14	Other Receipts (Specify)			
15	Total Receipts (Total of lines 3 thru 14.?)		10,548,294	
16	GAS DELIVERED			
17	Gas Sales (Accounts 480-484)		6,955,722	
18	Deliveries of Gas Gathered for Others (Account 489.1)	303	N/A	
19	Deliveries of Gas Transported for Others (Account 489.2)	305	N/A	
20	Deliveries of Gas Distributed for Others (Account 489.3)	301	1,869,759	
21	Deliveries of Contract Storage Gas (Account 489.4)	307	N/A	
22	Exchange Gas Delivered to Others (Account 806)	328	N/A	
23	Gas Delivered as Imbalances (Account 806)	328	N/A	
24	Deliveries of Gas to Others for Transportation (Account 858)	332	N/A	
25	Other Gas Delivered to Storage (Explain)			
26	Gas Used for Compressor Station Fuel	509	N/A	
27	Other Deliveries (Specify): Unbilled		(141,661)	
28	Total Deliveries (Total of lines 17 thru 27)		8,683,820	
29	GAS UNACCOUNTED FOR			
30	Production System Losses			
31	Gathering System Losses			
32	Transmission System Losses			
33	Distribution System Losses		1,864,474	
34	Storage System Losses			
35	Other Losses (Specify)			
36	Total Unaccounted for (Total of lines 30 thru 35)		1,864,474	
37	Total Deliveries & Unaccounted for (Total of lines 28 and 36)		10,548,294	

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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WASHINGTON STATE - EXECUTIVE SALARY SUPPLEMENTAL DETAILS

- Report below the name, title and salary for each executive officer. An "executive officer" of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
- If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent and the date the change in incumbency was made.

Line No.	Name of Officer (a)	Salary for Year ⁽¹⁾ (b)	Account Number (c)	Amount Assigned to WA (d)	Percent Increase Over Prior Year	Reason for Increase (f)
1	Gregg S. Kantor	533,333	921.1	N/A	4%	Market Adj. + Perf
2	David H. Anderson	399,000	921.1	N/A	3%	Market Adj. + Perf
3	Stephen P. Feltz	305,000	921.1	N/A	7%	Market Adj. + Perf
4	Margaret D. Kirkpatrick	303,167	921.1	N/A	4%	Market Adj. + Perf
5	Lea Anne Doolittle	274,657	921.1	N/A	3%	Market Adj. + Perf
6	David R. Williams	234,833	921.1	N/A	3%	Market Adj. + Perf
7	Grant M. Yoshihara	234,833	921.1	N/A	3%	Market Adj. + Perf
8	C. Alex Miller	216,833	921.1	N/A	4%	Market Adj. + Perf
9	MardiLyn Saathoff	240,833	921.1	N/A	4%	Market Adj. + Perf
10	Brody J. Wilson	185,833	921.1	N/A	6%	Market Adj. + Perf

⁽¹⁾ Salary amounts do not include bonuses paid to executives

EXECUTIVE COUNT BY CLASS AND TOTAL SALARIES BY CLASS

- Pursuant to RCW 80.04.080, report below the number of employees by class (per company definition to be provided), and the total amount of salaries and wages paid each class.

	Employee Class (a)	Number of Employees (b)	Total Salaries and Wages Paid Each Class (c) ⁽²⁾
10	Officers & Exempt	472	44,205,319
11	Bargaining Unit	612	41,051,149
13	Total	1,084	85,256,468

⁽²⁾ Salaries and wages do not include bonuses paid

NORTHWEST NATURAL GAS COMPANY

Oregon Supplement to FERC Form 2

December 31, 2014

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**ANNUAL REPORT
OREGON SUPPLEMENT TO FERC FORM 2
for
MULTI-STATE GAS COMPANIES**

INDEX

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2	Gas Operating Revenues
3	Interdepartmental Sales - Natural Gas
3	Rent from Gas Property and Interdepartmental Rents
4 - 9	Gas Operation and Maintenance Expenses
10	Depreciation, Depletion, and Amortization of Gas Plant
11	Taxes, Other Than Income Taxes
12	Calculation of Current Federal Income Tax Expense
13	Calculation of Current State Income Taxes (Excise) Tax Expense
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16 - 17	Accumulated Deferred Income Taxes - Accelerated Amortization Property, Account 281
18 - 19	Accumulated Deferred Income Taxes - Other Property, Account 282
20 - 21	Accumulated Deferred Income Taxes - Other, Account 283
22	Accumulated Deferred Investment Tax Credits, Account 255
23	Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization & Depletion - Situs
24 - 27	Gas Plant in Service by Account - Situs
28	Gas Plant Held for Future Use - Situs
29	Construction Work in Progress - Situs
30	Accumulated Provision for Depreciation of Gas Utility Plant - Situs
31	Summary of Utility Plant & Accumulated Provisions for Depreciation, Amortization & Depletion - Allocated
32 - 35	Gas Plant in Service by Account - Allocated
36	Gas Plant Held for Future Use - Allocated
37	Construction Work in Progress - Allocated
38	Accumulated Provision for Depreciation of Gas Utility Plant - Allocated
39	Gas Stored
40 - 42	Gas Purchases
43	Gas Used in Utility Operations - Credit
44 - 45	Gas Account - Natural Gas
46	Miscellaneous General Expenses
47	Political Advertising
48	Political Contributions
49	Expenditures to Any Person or Organization Having an Affiliated Interest for Services, etc.
50	Donations and Memberships
51	Officers' Salaries
52	Donations or Payments for Services Rendered By Persons Other Than Employees and Charged to Oregon Operating Accounts
53	Oregon Gas Utility Statistics

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Name of Respondent Northwest Natural Gas Company	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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STATE OF OREGON - STATEMENT OF INCOME FOR THE YEAR

- | | |
|---|---|
| <p>1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i, j) in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.</p> | <p>2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.</p> <p>3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.</p> |
|---|---|

Line No.	ACCOUNT (a)	(REF) PAGE NO. (b)	GAS UTILITY	
			CURRENT YEAR (c)	PREVIOUS YEAR (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	2		
3	Operating Expenses			
4	Operation Expenses (401)	4-9		
5	Maintenance Expenses (402)	4-9		
6	Depreciation Expense (403)	10		
7	Amort. & Depl. of Utility Plant (404-405)	10		
8	Amort. of Utility Plant Acq. Adj. (406)	10		
9	Amort of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Taxes Other Than Income Taxes (408.1)	11		
12	Income Taxes - Federal (409.1)	12		
13	- Other (409.1)	13		
14	Provision for Deferred Income Taxes (410.1)	14-21		
15	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	14-21		
16	Investment Tax Credit Adj. - Net (411.4)	22		
17	(Less) Gains from Disp. of Utility Plant (411.6)			
18	Losses from Disp. of Utility Plant (411.7)			
19	TOTAL Utility Operating Expenses (Total of lines 4 thru 18)			
20	Net Utility Operating income (Enter Total of line 2 less 19)			

SEE FERC ANNUAL REPORT PAGES 114-116

Name of Respondent	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

STATE OF OREGON - GAS OPERATING REVENUES (Account 400)

- | | |
|--|---|
| <p>1. Report below natural gas operating revenues for each prescribed account, and manufactured gas revenues in total.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.</p> <p>3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted</p> | <p>for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.</p> <p>4. Report quantities of natural gas sold in Dth.</p> <p>5. If increases or decreases from previous year (columns (c) (e) and (g), are not derived from previously reported figures,</p> |
|--|---|

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Current Year (b)	Amount for Previous Year (c)
1	GAS SERVICE REVENUES		
2	480 Residential Sales	392,035,459	401,953,956
3	481 Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 6)	205,702,104	198,974,681
5	Large (or Ind.) (See instr. 6)	54,127,383	50,683,694
6	482 Other Sales to Public Authorities		
7	484 Interdepartmental Sales		
8	TOTAL Sales to Ultimate Consumers	651,864,946	651,612,331
9	483 Sales for Resale		
10	TOTAL Nat. Gas Service Revenues	651,864,946	651,612,331
11	Revenues from Manufactured Gas		
12	TOTAL Gas Service Revenues	651,864,946	651,612,331
13	OTHER OPERATING REVENUES		
14	485 Intercompany Transfers		
15	487 Late Payment Charge	2,132,472	2,176,550
16	488 Misc. Service Revenues	1,231,435	1,294,879
17	489 Rev. From Trans. of Gas of Others	15,252,791	14,083,276
18	490 Sales of Prod. Ext. from Natural Gas		
19	491 Rev. from Nat. Gas Proc. by Others		
20	492 Incidental Gasoline and Oil Sales		
21	493 Rent from Gas Property	257,781	261,068
22	494 Interdepartmental Rents		
23	495 Other Gas Revenues	8,108,694	2,767,272
24	TOTAL Other Operating Revenues	26,983,173	20,583,045
25	TOTAL Gas Operating Revenues	678,848,119	672,195,376
26	(Less) 496 Provision for Rate Refunds		
27	TOTAL Gas Operating Revenues Net of Provision for refund	678,848,119	672,195,376
28	Dist. Type Sales by State (Incl. Main Line Sales to Resid. and Comm. Custrs.)	597,737,563	600,928,637
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	54,127,383	50,683,694
30	Sales for Resale		
31	Other Sales to Pub. Auth. (Local Dist. Only)		
32	Interdepartmental Sales		
33	TOTAL (Same as Line 10, Columns (b) and (d))	651,864,946	651,612,331

Name of Respondent	This Report Is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

STATE OF OREGON - GAS OPERATING REVENUES (Account 400) (Continued)

explain any inconsistencies in a footnote.

6. Commercial and Industrial Sales, Account 481, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 2000, Mcf per year or approximately 800 Mcf per day of normal requirements. (See Account 481 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

7. See page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.

DTHS OF GAS SOLD		AVG. NO. OF NAT. GAS CUSTOMERS PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
33,769,735	37,129,903	565,155	558,775	2
				3
21,931,212	23,235,303	59,546	58,456	4
9,128,688	8,916,721	926	899	5
				6
				7
64,829,635	69,281,927	625,627	618,130	8
				9
64,829,635	69,281,927	625,627	618,130	10
				11
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				13
				14
				15
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				26
64,829,635				27
				28
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				32
64,829,635				33

Name of Respondent Northwest Natural Gas Company		This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
STATE OF OREGON - INTERDEPARTMENTAL SALES - NATURAL GAS (Account 484) Report particulars concerning sales of natural gas included in Account 484					
LINE NO.	DEPARTMENT AND BASIS OF CHARGES (a)	POINT OF DELIVERY (b)	MCF (14.73 psia at 60° F) (c)	REVENUE (d)	
NOT APPLICABLE					
RENT FROM GAS PROPERTY AND INTERDEPARTMENTAL RENTS (Accounts 493, 494)					
<ol style="list-style-type: none"> 1. Report particulars concerning rents received, included in Accounts 493 and 494. 2. Minor rents may be entered at the total amount for each class of such rents. 3. If rents are included which were arrived at under an arrangement for apportioning expenses of a joint facility, whereby the amount included in this account represents profit or return on property, depreciation, and taxes, give particulars and the basis of apportionment of such charges to Account 493 or 494. 4. Provide a subheading and total for each account. 					
Line No.	NAME OF LESSEE OR DEPARTMENT (Designate associated companies) (a)	DESCRIPTION OF PROPERTY (b)	AMOUNT OF REVENUE FOR YEAR		
			NATURAL GAS PROPERTY (c)	MANUFACTURED GAS PROPERTY (d)	
	ACCOUNT 493 - RENT FROM GAS PROPERTY				
1.	Koppers Co. Inc.	Facilities, equip., gasco plant			
2.	Other	Communication	85,131		172,651
		Totals	85,131	172,651	

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Current Year (b)	Previous Year (c)	
1	1. PRODUCTION EXPENSES			
2	A. Manufactured Gas Production			
3	Manufactured Gas Production (Submit Supplemental Statement)			
4	B. Natural Gas Production			
5	B1. Natural Gas Production and Gathering			
6	Operation			
7	750 Operation Supervision and Engineering			
8	751 Production Maps and Records			
9	752 Gas Wells Expenses			
10	753 Field Lines Expenses			
11	754 Field Compressor Station Expenses			
12	755 Field Compressor Station Fuel and Power			
13	756 Field Measuring and Regulating Station Expenses			
14	757 Purification Expenses	INFORMATION NOT AVAILABLE		
15	758 Gas Well Royalties	SEE FERC ANNUAL REPORT PAGES 317-325		
16	759 Other Expenses			
17	760 Rents			
18	TOTAL Operation (Total of lines 7 thru 17)			
19	Maintenance			
20	761 Maintenance Supervision and Engineering			
21	762 Maintenance of Structures and Improvements			
22	763 Maintenance of Producing Gas Wells			
23	764 Maintenance of Field Lines			
24	765 Maintenance of Field Compressor Station Equipment			
25	766 Maintenance of Field Meas. and Reg. Station Equipment			
26	767 Maintenance of Purification Equipment			
27	768 Maintenance of Drilling and Cleaning Equipment			
28	769 Maintenance of Other Equipment			
29	TOTAL Maintenance (Total of lines 20 thru 28)			
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)			
31	B2. Products Extraction			
32	Operation			
33	770 Operation Supervision and Engineering			
34	771 Operation Labor			
35	772 Gas Shrinkage			
36	773 Fuel			
37	774 Power			
38	775 Materials			
39	776 Operation Supplies and expenses			
40	777 Gas Processed by Others			
41	778 Royalties on Products Extracted			
42	779 Marketing expenses			
43	780 Products Purchased for Resale			
44	781 Variation in Products Inventory			
45	(Less) 782 Extracted Products Used by the Utility-Credit			
46	783 Rents			
47	TOTAL Operation (Total of Lines 33 thru 46)			

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Current Year (b)	Previous Year (c)	
1	A. Manufactured Gas Production Detail			
2				
3				
4				
5				
6				
7				
8				
9	INFORMATION NOT AVAILABLE			
10	SEE FERC ANNUAL REPORT PAGES 317-325			
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Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Current Year (b)	Previous Year (c)	
31	B2. Products Extraction (Con't)			
32	Operation			
48	Maintenance			
49	784 Maintenance Supervision and Engineering			
50	785 Maintenance of Structures and Improvements			
51	786 Maintenance of Extraction and Refining Equipment			
52	787 Maintenance of Pipe Lines			
53	788 Maintenance of Extracted Products Storage Equipment			
54	789 Maintenance of Compressor Equipment			
55	790 Maintenance of Gas Measuring and Regulating Equipment			
56	791 Maintenance of Other Equipment			
57	TOTAL Maintenance (Total of lines 49 thru 56)			
58	TOTAL Products Extraction (Total of lines 47 and 57)			
59	C. Exploration and Development			
60	Operation			
61	795 Delay Rentals			
62	796 Nonproductive Well Drilling			
63	797 Abandoned Leases			
64	798 Other Exploration		INFORMATION NOT AVAILABLE	
65	TOTAL Exploration and Development (Total of lines 61 thru 64)		SEE FERC ANNUAL REPORT PAGES 317-325	
	D. Other Gas Supply Expenses			
66	Operation			
67	800 Natural Gas Well Head Purchases			
68	800.1 Natural Gas Well Head Purchases, Intracompany Transfers			
69	801 Natural Gas Field Line Purchases			
70	802 Natural Gas Gasoline Plant Outlet Purchases			
71	803 Natural Gas Transmission Line Purchases			
72	804 Natural Gas City Gate Purchases			
73	804.1 Liquefied Natural Gas Purchases			
74	805 Other Gas Purchases			
75	(Less) 805.1 Purchase Gas Cost Adjustments			
76	805.2 Incremental Gas Cost Adjustments			
77	TOTAL Purchased Gas (Total of Lines 67 thru 76)			
78	806 Exchange Gas			
79	Purchased Gas Expense			
80	807.1 Well Expense-Purchased Gas			
81	807.2 Operation of Purchased Gas Measuring Stations			
82	807.3 Maintenance of Purchased Gas Measuring Stations			
83	807.4 Purchased Gas Calculations Expense			
84	807.5 Other Purchased Gas Expenses			
85	TOTAL Purchased Gas Expense (Total of lines 80 thru 84)			
86	808.1 Gas Withdrawn from Storage-Debit			
87	(Less) 808.2 Gas Delivered to Storage-Credit			
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit			
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit			
90	(Less) Gas used in Utility Operation-Credit			
91	810 Gas Used for Compressor Station Fuel-Credit			
92	811 Gas Used for Products Extraction-Credit			
93	812 Gas Used for Other Utility Operations-Credit			
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)			
95	813 Other Gas Supply Expenses			
96	TOTAL Other Gas Supply Exp. (Total of lines 77, 78, 85, 86 thru 89, 94, 95)			
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)			

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Current Year (b)	Previous Year (c)	
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES			
99	A. Underground Storage Expenses			
100	Operation			
101	814 Operation Supervision and Engineering			
102	815 Maps and Records			
103	816 Well Expenses			
104	817 Lines Expenses			
105	818 Compressor Station Fuel and Power			
106	819 Compressor Station Fuel and Power			
107	820 Measuring and Regulating Station Expenses			
108	821 Purification Expenses			
109	822 Exploration and Development			
110	823 Gas Losses			
111	824 Other Expenses			
112	825 Storage Well Royalties			
113	826 Rents			
114	TOTAL Operation (Total of lines of 101 thru 113)			
115	Maintenance			
116	830 Maintenance Supervision and Engineering			
117	831 Maintenance of Structures and Improvements		INFORMATION NOT AVAILABLE	
118	832 Maintenance of Reservoirs and Wells		SEE FERC ANNUAL REPORT PAGES 317-325	
119	833 Maintenance of Lines			
120	834 Maintenance of Compressor Station Equipment			
121	835 Maintenance of Measuring and Regulating Station Equipment			
122	836 Maintenance of Purification Equipment			
123	837 Maintenance of Other Equipment			
124	TOTAL Maintenance (Total of lines 116 thru 123)			
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)			
126	B. Other Storage Expenses			
127	Operation			
128	840 Operation Supervision and Engineering			
129	841 Operation Labor and Expenses			
130	842 Rents			
131	842.1 Fuel			
132	842.2 Power			
133	842.3 Gas Losses			
134	TOTAL Operation (Total of lines 128 thru 133)			
135	Maintenance			
136	843.1 Maintenance Supervision and Engineering			
137	843.2 Maintenance of Structures and Improvements			
138	843.3 Maintenance of Gas Holders			
139	843.4 Maintenance of Purification Equipment			
140	843.5 Maintenance of Liquefaction Equipment			
141	843.6 Maintenance of Vaporizing Equipment			
142	843.7 Maintenance of Compressor Equipment			
143	843.8 Maintenance of Measuring and Regulating Equipment			
144	843.9 Maintenance of Other Equipment			
145	TOTAL Maintenance (Total of lines 136 thru 144)			
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)			

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Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Current Year (b)	Previous Year (c)	
147	C. Liquefied Natural Gas Terminaling and Processing Expenses			
148	Operation			
149	844.1 Operation Supervision and Engineering			
150	844.2 LNG Processing Terminal Labor and Expenses			
151	844.3 Liquefaction Processing Labor and Expenses			
152	844.4 Liquefaction Transportation Labor and Expenses			
153	844.5 Measuring and Regulating Labor and Expenses			
154	844.6 Compressor Station Labor and Expenses			
155	844.7 Communication system Expenses			
156	844.8 System Control and Load Dispatching			
157	845.1 Fuel			
158	845.2 Power			
159	845.3 Rents			
160	(Less) 845.4 Demurrage Charges			
161	845.5 Wharfage Receipts-Credit			
162	845.6 Processing Liquefied of Vaporized Gas by Others			
163	846.1 Gas Losses			
164	846.2 Other Expenses			
165	TOTAL Operation (Total of lines 149 thru 164)			
166	Maintenance			
167	847.1 Maintenance Supervision and Engineering		INFORMATION NOT AVAILABLE	
168	847.2 Maintenance of Structures and Improvements		SEE FERC ANNUAL REPORT PAGES 317-325	
169	847.3 Maintenance of LNG Processing Terminal Equipment			
170	847.4 Maintenance of LNG Transportation Equipment			
171	847.5 Maintenance of Measuring and Regulating Equipment			
172	847.6 Maintenance of Compressor Station Equipment			
173	847.7 Maintenance of Communication Equipment			
174	847.8 Maintenance of Other Equipment			
175	TOTAL Maintenance (Total of lines 167 thru 174)			
176	TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 & 175)			
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)			
178	3. TRANSMISSION EXPENSES			
179	Operation			
180	850 Operation Supervision and Engineering			
181	851 System Control and Load Dispatching			
182	852 Communication system Expenses			
183	853 Compressor Station Labor and Expenses			
184	854 Gas for Compressor Station Fuel			
185	855 Other Fuel and Power for Compressor Stations			
186	856 Mains Expenses			
187	857 Measuring and Regulating Station Expenses			
188	858 Transmission and Compression of Gas by Others			
189	859 Other Expenses			
190	860 Rents			
191	TOTAL Operations (Total of lines 180 thru 190)			
192	Maintenance			
193	861 Maintenance Supervision and Engineering			
194	862 Maintenance of Structures and Improvements			
195	863 Maintenance of Mains			
196	864 Maintenance of Compressor Station Equipment			
197	865 Maintenance of Measuring and Regulating Station Equipment			
198	866 Maintenance of Communication Equipment			
199	867 Maintenance of Other Equipment			
200	TOTAL Maintenance (Total of lines 193 thru 199)			
201	TOTAL Transmission Expenses (Total of lines 191 and 200)			

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
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STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Current Year (b)	Previous Year (c)	
202	4. DISTRIBUTION EXPENSES			
203	Operation			
204	870 Operation Supervision and Engineering			
205	871 Distribution Load Dispatching			
206	872 Compressor Station Labor and Expenses			
207	873 Compressor Station Fuel and Power			
208	874 Mains and Services Expenses			
209	875 Measuring and Regulating Station Expenses-General			
210	876 Measuring and Regulating Station Expenses-Industrial			
211	877 Measuring and Regulating Station Expenses-City Gas Check Station			
212	878 Meter and House Regulator Expenses			
213	879 Customer Installations Expenses			
214	880 Other Expenses			
215	881 Rents			
216	TOTAL Operations (Total of lines 204 thru 215)			
217	Maintenance			
218	885 Maintenance Supervision and Engineering			
219	886 Maintenance of Structures and Improvements			
220	887 Maintenance of Mains			
221	888 Maintenance of Compressor Station Equipment		INFORMATION NOT AVAILABLE	
222	889 Maintenance of Measuring & Regulating Station Equipment-General		SEE FERC ANNUAL REPORT PAGES 317-325	
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial			
224	891 Maintenance of Meas & Reg Station Equip-City Gate Check Station			
225	892 Maintenance of Services			
226	893 Maintenance of Meters and House Regulators			
227	894 Maintenance of Other Equipment			
228	TOTAL Maintenance (Total of lines 218 thru 227)			
229	TOTAL Distribution Expenses (Total of lines 216 and 228)			
230	5. CUSTOMER ACCOUNTS EXPENSES			
231	Operation			
232	901 Supervision			
233	902 Meter Reading Expenses			
234	903 Customer Records and Collection Expenses			
235	904 Uncollectible Accounts			
236	905 Miscellaneous Customer Accounts Expenses			
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)			
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSE			
239	Operation			
240	907 Supervision			
241	908 Customer Assistance Expense			
242	909 Informational and Instructional Expenses			
243	910 Miscellaneous Customer Service and Informational Expenses			
244	TOTAL Customer Service & Information Expenses (Total of lines 240 thru 243)			
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision			
248	912 Demonstration and Selling Expenses			
249	913 Advertising Expenses			
250	916 Miscellaneous Sales Expenses			
251	TOTAL Sales Expenses (Total of lines 247 thru 250)			

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Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES				
Line No.	Account (a)	Current Year (b)	Previous Year (c)	
252	8. ADMINISTRATIVE AND GENERAL EXPENSES			
253	Operation			
254	920 Administrative and General Salaries			
255	921 Office Supplies and Expenses		INFORMATION NOT AVAILABLE	
256	(Less) 922 Administrative Expenses Transferred - Credit		SEE FERC ANNUAL REPORT PAGES 317-325	
257	923 Outside Services Employed			
258	924 Property Insurance			
259	925 Injuries and Damages			
260	926 Employee Pensions and Benefits			
261	927 Franchise Requirements			
262	928 Regulatory Commission Expenses			
263	(Less) 929 Duplicate Charges - Credit			
264	930.1 General Advertising Expenses			
265	930.2 Miscellaneous General Expenses			
266	931 Rents			
267	TOTAL Operation (Total of lines 254 thru 266)			
268	Maintenance			
269	935 Maintenance of General Plant			
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)			
271	TOTAL Gas O & M Expenses (Total of lines 97,177,201,229,237,244,251,and 270)			

STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES				
LINE NO.	FUNCTIONAL CLASSIFICATIONS (a)	OPERATION (b)	MAINTENANCE (c)	TOTAL (d)
272	Production			
273	Manufactured Gas			
274	Natural gas:			
275	Production and Gathering			
276	Products Extraction			
277	Exploration and Dev.			
278	TOTAL Natural Gas			
279	Other Gas Supply Expenses			
280	TOTAL Production			INFORMATION NOT AVAILABLE
281	Underground Storage			SEE FERC ANNUAL REPORT PAGES 317-325
282	Other Storage			
283	LNG Terminaling and Processing			
284	Transmission Expenses			
285	Distribution Expenses			
286	Customer Accounts Expenses			
287	Customer Service and Informational Expenses			
288	Sales Expenses			
289	Adm. and General Expenses			
290	TOTAL Gas O. & M. Expenses			

Name of Respondent		This Report is:		Date of Report		Year of Report	
Northwest Natural Gas Company		(1) X An Original (2) A Resubmission		(Mo, Day, Yr)		Dec. 31, 2014	
STATE OF OREGON							
ALLOCATED DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Account 403, 404.1, 404.2, 404.3, 405)							
Line No.	FUNCTIONAL CLASSIFICATION (a)	DEPRECIATION EXPENSE (ACCOUNT 403) (b)	AMORTIZATION & DEPLETION OF PRODUCING NATURAL GAS LAND & LAND RIGHTS (ACCOUNT 404.1) (c)	AMORTIZATION OF UNDERGROUND STORAGE LAND & LAND RIGHTS (ACCOUNT 404.2) (d)	AMORTIZATION OF OTHER LIMITED-TERM GAS PLANT (ACCOUNT 404.3) (e)	AMORTIZATION OF OTHER GAS PLANT (ACCOUNT 405) (f)	TOTAL (g)
1	Intangible Plant						
2	Production Plant, Manufactured Gas						
3	Production and Gathering Plant, Natural Gas						
4	Products Extraction Plant						
5	Underground Gas Storage Plant						
6	Other Storage Plant						
7	Base Load LNG Terminaling and Processing Plant						
8	Transmission Plant	INFORMATION NOT AVAILABLE					
9	Distribution Plant						
10	General Plant						
11	Common Plant - Gas						
12							
13							
14							
15							
16							
17							
18							
19	TOTAL						

Name of Respondent		This Report is:		Date of Report		Year of Report		
Northwest Natural Gas Company		<input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)		Dec. 31, 2014		
STATE OF OREGON - ALLOCATED TAXES, OTHER THAN INCOME TAXES (Account 408.1)								
Line No.	KIND OF TAX (a)						AMOUNT (b)	
	<p>SEE FERC ANNUAL REPORT</p> <p>PAGES 262 - 263</p> <p>PAGES 262A - 263A</p> <p>PAGES 262C - 263C</p> <p>PAGES 262E - 263E</p>							
	TOTAL (Must agree with page 1, line 11)							

Name of Respondent	This Report is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company			Dec. 31, 2014

STATE OF OREGON - ALLOCATED CALCULATION OF CURRENT FEDERAL INCOME TAX EXPENSE (Account 409.1)

1. Report amounts used to derive current Federal income tax expense, Account 409.1, for the reporting period. If amounts are shown in thousands, show (000) in the heading for column (b).
2. Show amounts increasing taxable income as positive values and amounts decreasing taxable income as negative.
3. Current tax expense on this schedule must match the amount reported on page 1, line 12 of this report. Separately identify adjustments arising from revisions of prior year accruals.
4. Minor amounts of other additions (subtractions) may be grouped.

Line No.	PARTICULARS (Details) (a)	AMOUNT (b)
1	Gas Operating Revenues	
2	Operations and Maintenance Expenses	
3	Taxes, Other than Income	
4	State Income (Excise) Tax	
5	Interest	
6	Federal Income Tax Depreciation	
7	Other Additions (Subtractions) to Derive Taxable Income	
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	
28	Show Computation of Tax: <p align="center">SEE FERC ANNUAL REPORT PAGE 261 A-1 and 261 B-2</p>	

Name of Respondent		This Report is:		Date of Report		Year of Report	
Northwest Natural Gas Company		X An Original A Resubmission		(Mo, Da, Yr)		Dec. 31, 2014	
STATE OF OREGON - ALLOCATED CALCULATION OF CURRENT STATE INCOME (EXCISE) TAX EXPENSE (Account 409.1)							
1. Report amounts used to derive current state income (excise) tax expense, Account 409.1, for the reporting period. If amounts are shown in thousands, show (000) in the heading for column (b). 2. Show amounts increasing taxable income as positive values and amounts decreasing taxable income as negative. 3. Current tax expense on this schedule must match the amount reported on page 1, line 13 of this report. Separately identify adjustments arising from revisions of prior year accruals. 4. Minor amounts of other additions (subtractions) may be grouped.							
Line No.	PARTICULARS (Details)						AMOUNT
	(a)						(b)
1	Gas Operating Revenues						
2	Operations and Maintenance Expenses						
3	Taxes, Other than Income						
4	Interest						
5	State Income (Excise) Tax Depreciation						
6	Other Additions (Subtractions) to Derive Taxable Income						
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27	State Tax Net Income						
28	Show Computation of Tax:						
	SEE FERC ANNUAL REPORT PAGE 262-C						

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.
2. In the space provided furnish explanations, including the following in clumnar order:

(a) State each certification number with a brief description of property	(c) Date amortization for tax purposes commenced.
(b) Total and amortizable cost of such property.	(d) "Normal" depreciation rate used in computing the deferred tax.

Line No.	ACCOUNT (a)	BALANCE BEGINNING OF YEAR (b)	CHANGES DURING YEAR	
			AMOUNTS DEBITED ACCOUNT 410.1 (c)	AMOUNTS CREDITED ACCOUNT 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other			
6				
7				
8	TOTAL Electric (Total of lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other			
13				
14				
15	TOTAL Gas (Total of lines 10 thru 14)			
16	Gas (Specify)			
17	TOTAL (Acct 281) Total of 8, 15 & 16)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOT APPLICABLE

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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STATE OF OREGON - ALLOCATED ACCELERATED AMORTIZATION PROPERTY (Account 281) (Con't)

- (e) Tax rate used originally defer amounts and the tax rate used during the current year to amortize previous deferrals.
 3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.
 4. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				BALANCE END OF YEAR (k)	Line No.
AMOUNTS DEBITED ACCOUNT 410.2 (e)	AMOUNTS CREDITED ACCOUNT 411.2 (f)	DEBITS		CREDITS			
		ACCT. NO. (g)	AMOUNT (h)	ACCT. NO. (i)	AMOUNT (j)		
							1
							2
							3
							4
							5
							6
							7
							8
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							21

NOT APPLICABLE

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. In the space provided furnish explanations, including the following in columnar order:
 - (a) State the general method or methods of liberalized depreciation being used (sum-of-year digits, declining balance, etc.)
 - (b) Estimated lives (i.e. useful life, guideline life, guideline class life, etc.)
 - (c) Classes of plant to which each method is being applied and date method was adopted.

Line No.	ACCOUNT SUBDIVISIONS (a)	BALANCE BEGINNING OF YEAR (b)	CHANGES DURING YEAR	
			AMOUNTS DEBITED ACCOUNT 410.1 (c)	AMOUNTS CREDITED ACCOUNT 411.1 (d)
1	Account 282			
2	Electric			
3	Gas			
4	Other			
5	TOTAL (Total of lines 2 thru4)			
6	Other (Specify)			
7				
8				
9	TOTAL (Acct 282) (Total of 5 thru 8)			
10	Classification of TOTAL			
11	Federal Income Tax			
12	State Income Tax			
13	Local Income Tax			

NOT APPLICABLE

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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STATE OF OREGON - ALLOCATED OTHER PROPERTY (Account 282) (Con't)

3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.
4. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				BALANCE END OF YEAR (k)	Line No.
AMOUNTS DEBITED ACCOUNT 410.2 (e)	AMOUNTS CREDITED ACCOUNT 411.2 (f)	DEBITS		CREDITS			
		ACCT. NO. (g)	AMOUNT (h)	ACCT. NO. (i)	AMOUNT (j)		
							1
							2
							3
							4
							5
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							9
							10
							11
							12
							13

NOT APPLICABLE

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

- Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
- In the space provided below include amounts relating to insignificant items under Other.

Line No.	ACCOUNT SUBDIVISIONS (a)	BALANCE BEGINNING OF YEAR (b)	CHANGES DURING YEAR	
			AMOUNTS DEBITED ACCOUNT 410.1 (c)	AMOUNTS CREDITED ACCOUNT 411.1 (d)
1	Account 283			
2	Electric			
3				
4				
5				
6				
7				
8	Other			
9	TOTAL Electric (Total of 2 thru 8)			
10	Gas			
11				
12				
13				
14				
15				
16	Other			
17	TOTAL Gas (Total of lines 10 thru 16)			
18	Other (Specify)			
19	TOTAL (Acct 283) (Total of 9, 17, & 18)			
20	Classification of TOTAL			
21	Federal Income Tax			
22	State Income Tax			
23	Local Income Tax			

SEE FERC ANNUAL REPORT
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Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Con't)

3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.
4. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				BALANCE END OF YEAR (k)	Line No.
AMOUNTS DEBITED ACCOUNT 410.2 (e)	AMOUNTS CREDITED ACCOUNT 411.2 (f)	DEBITS		CREDITS			
		ACCT. NO. (g)	AMOUNT (h)	ACCT. NO. (i)	AMOUNT (j)		
							1
							2
							3
							4
							5
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Name of Respondent Northwest Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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STATE OF OREGON - ALLOCATED ACCUMULATED DEFERED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Explain by footnote any correction to the account balance shown in column (g). Include in column (l) the average period over which the tax credits are amortized.

Line No.	ACCOUNT (a)	BALANCE AT BEGINNING OF YEAR (b)	DEFERRED FOR YEAR		ALLOCATION TO CURRENT YEAR'S INCOME		ADJUSTMENTS (g)	BALANCE AT END OF YEAR (h)
			ACCOUNT NO. (c)	AMOUNT (d)	ACCOUNT NO. (e)	AMOUNT (f)		
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13	INFORMATION NOT AVAILABLE							
14								
15								
16								
17								
18								
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21								
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23								
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25								
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27								
28								
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30								

Name of Respondent Northwest Natural Gas Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Explain by footnote any correction to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	ACCOUNT (a)	BALANCE AT BEGINNING OF YEAR (b)	DEFERRED FOR YEAR		ALLOCATION TO CURRENT YEAR'S INCOME		ADJUSTMENTS (g)	BALANCE AT END OF YEAR (h)
			ACCOUNT NO. (c)	AMOUNT (d)	ACCOUNT NO. (e)	AMOUNT (f)		
1	Gas Utility							
2	3%							
3	4%							
4	7%							
5	10%							
6	TOTAL							
7	Other (List separately and show							
8	3%, 4%, 7% , 10% and TOTAL							
9								
10								
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13	INFORMATION NOT AVAILABLE							
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Name of Respondent		This Report is:		Date of Report (Mo, Da, Yr)		Year of Report	
Northwest Natural Gas Company		(1) X An Original (2) A Resubmission				Dec. 31, 2014	
STATE OF OREGON - SITUS UTILITY PLANT							
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION							
Line No.	Item	Total	Electric	Gas	Other (Specify)	Other (Specify)	Common
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	UTILITY PLANT						
2	In Service						
3	Plant in Service (Classified)	2,231,303,425		2,231,303,425			
4	Property Under Capital Leases						
5	Plant Purchased or Sold						
6	Completed Construction not Classified	190,026,925		190,026,925			
7	Experimental Plant Unclassified						
8	TOTAL (Enter total of lines 3 thru 7)	2,421,330,350		2,421,330,350			
9	Leased to Others						
10	Held for Future Use	264,641		264,641			
11	Construction Work in Progress	24,776,640		24,776,640			
12	Acquisition Adjustments						
13	TOTAL Utility Plant (Enter total of lines 8 thru 12)	2,446,371,631		2,446,371,631			
14	Accum. Prov. for Depr., Amort., & Depl.	1,052,514,601		1,052,514,601			
15	Net Utility Plant (Line 13 less 14)	1,393,857,030		1,393,857,030			
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION						
17	In Service:						
18	Depreciation	993,542,450		993,542,450			
19	Amort. and Depl. of Producing Natural Gas Land and Land Rights			0			
20	Amort. of Underground Storage Land and Land Rights	23,367		23,367			
21	Amort. of Other Utility Plant	75,176,874		75,176,874			
21.01	Salvage Work In Progress	0		0			
21.02	Less Removal Work in Progress	16,228,091		16,228,091			
22	TOTAL in Service (Lines 18 thru 21)	1,052,514,600		1,052,514,600			
23	Leased to Others						
24	Depreciation						
25	Amortization and Depletion						
26	TOTAL Leased to Others (Lines 24 and 25)						
27	Held for Future Use						
28	Depreciation						
29	Amortization						
30	TOTAL Held for Future Use (Lines 28 and 29)						
31	Abandonment of Leases (Natural Gas)						
32	Amort. of Plant Acquisition Adjustment						
33	TOTAL Accumulated Provisions (Should agree with line 14 above (Lines 22, 26, 30, 31, and 32)	1,052,514,600		1,052,514,600			

ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
UTILITY						
Intangible Plant						
301 ORGANIZATION	\$852	\$0	\$0	\$0	\$0	\$852
302 FRANCHISES & CONSENTS	83,496	0	0	0	0	83,496
303.1 COMPUTER SOFTWARE	64,579,309	4,187,251	(15,833,246)	0	402,074	53,335,387
303.2 CUSTOMER INFORMATION SYSTEM	30,488,305	0	0	0	0	30,488,305
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	0	0	0	0	4,146,951
303.4 CRMS	2,049,451	0	(1,366,559)	0	0	682,893
303.5 POWERPLANT SOFTWARE	0	0	0	0	0	0
Intangible Plant Subtotal	101,348,365	4,187,251	(17,199,805)	0	402,074	88,737,884
Production Plant - Oil Gas						
304.1 LAND	24,998	0	0	0	0	24,998
305.2 P P O G STRU & IMPR-SEWER S	0	0	0	0	0	0
305.5 P P O G STRU & IMPR-OTHER Y	13,156	0	0	0	0	13,156
312.3 P P O G FUEL HANDLING AND S	0	0	0	0	0	0
318.3 P P O G LIGHT OIL REFINING	144,896	0	0	0	0	144,896
318.5 P P O G TAR PROCESSING	243,551	0	0	0	0	243,551
325 NATURAL GAS PROD AND GATHER	0	0	0	0	0	0
327 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0
328 NATURAL GAS PROD AND GATHER	0	0	0	0	0	0
331 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0
332 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0
333 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0
334 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0
Production Plant - Oil Gas Subtotal	426,601	0	0	0	0	426,601
Production Plant - Other						
305.11 GAS PRODUCTION - COTTAGE G	8,320	0	0	0	0	8,320
305.17 STRUCTURES MIXING STATION	46,587	0	0	0	0	46,587
311 P P OTHER-LIQUEFIED PETROLE	0	0	0	0	0	0
311.4 P P OTHER-L P G GRANGER	0	0	0	0	0	0
311.7 LIQUIFIED GAS EQUIPMENT COO	4,033	0	0	0	0	4,033
311.8 LIQUIFIED GAS EQUIPMENT LIN	4,209	0	0	0	0	4,209
319 GAS MIXING EQUIPMENT GASCO	185,448	0	0	0	0	185,448
Production Plant - Other Subtotal	248,597	0	0	0	0	248,597

ACCOUNT SUMMARY BY FUNTIONAL CLASS

NW Natural

Period Beginning: Jan 2014

Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
UTILITY						
Natural Gas Underground Storage						
350.1 LAND	106,549	0	0	0	0	106,549
350.2 RIGHTS-OF-WAY	109,625	0	0	0	0	109,625
351 STRUCTURES AND IMPROVEMENTS	6,715,064	424,365	0	0	0	7,139,428
352 WELLS	20,047,076	0	0	0	0	20,047,076
352.1 STORAGE LEASEHOLD & RIGHTS	3,538,491	400,000	0	0	0	3,938,491
352.2 RESERVOIRS	5,844,618	0	0	0	0	5,844,618
352.3 NON-RECOVERABLE NATURAL GAS	6,440,890	0	0	0	0	6,440,890
353 LINES	6,552,220	0	0	0	0	6,552,220
354 COMPRESSOR STATION EQUIPMENT	29,528,531	0	0	0	0	29,528,531
355 MEASURING / REGULATING EQUIPM	6,700,892	0	0	0	0	6,700,892
356 PURIFICATION EQUIPMENT	297,363	0	0	0	0	297,363
357 OTHER EQUIPMENT	1,331,924	0	0	0	0	1,331,924
Natural Gas Underground Storage Subtotal	87,213,243	824,365	0	0	0	88,037,608
Local Storage Plant						
360.11 LAND - LNG LINNTON	83,598	0	0	0	0	83,598
360.12 LAND - LNG NEWPORT	536,675	0	0	0	0	536,675
360.2 LAND - OTHER	106,557	0	0	0	0	106,557
361.11 STRUCTURES & IMPROVEMENTS	4,540,966	0	0	0	0	4,540,966
361.12 STRUCTURES & IMPROVEMENTS	4,603,395	56,012	0	0	0	4,659,407
361.2 STRUCTURES & IMPROVEMENTS -	26,757	0	0	0	0	26,757
362.11 GAS HOLDERS - LNG LINNTON	2,690,579	0	0	0	0	2,690,579
362.12 GAS HOLDERS - LNG NEWPORT	5,791,956	0	0	0	0	5,791,956
362.2 GAS HOLDERS - LNG OTHER	1,600	0	0	0	0	1,600
363.11 LIQUEFACTION EQUIP. - LINN	2,921,964	(278)	0	0	0	2,921,686
363.12 LIQUEFACTION EQUIP - NEWPO	7,308,111	0	0	0	0	7,308,111
363.21 VAPORIZING EQUIP - LINNTON	2,629,836	0	0	0	0	2,629,836
363.22 VAPORIZING EQUIP - NEWPORT	3,594,015	0	0	0	0	3,594,015
363.31 COMPRESSOR EQUIP - LINNTON	180,903	0	0	0	0	180,903
363.32 COMPRESSOR EQUIPMENT - NE	300,951	1,089,975	0	0	0	1,390,926
363.41 MEASURING & REGULATING EQU	737,149	353,928	0	0	0	1,091,077
363.42 MEASURING & REGULATING EQU	113,414	0	0	0	0	113,414
363.5 CNG REFUELING FACILITIES	1,787,828	1,568,338	(304,871)	0	0	3,051,295
363.6 LNG REFUELING FACILITIES	739,473	0	0	0	0	739,473
Local Storage Plant Subtotal	38,695,728	3,067,975	(304,871)	0	0	41,458,832

ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class	FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
UTILITY							
Transmission Plant							
365.1	LAND	89,772	0	0	0	0	89,772
365.2	LAND RIGHTS	6,455,177	0	0	0	0	6,455,177
366.3	STRUCTURES & IMPROVEMENTS -	1,041,984	0	0	0	0	1,041,984
367	MAINS	121,002,232	18,714,417	0	0	633,311	140,349,960
367.21	NORTH MIST TRANSMISSION LI	1,994,582	0	0	0	0	1,994,582
367.22	SOUTH MIST TRANSMISSION LI	14,949,264	0	0	0	0	14,949,264
367.23	SOUTH MIST TRANSMISSION LI	34,881,341	0	0	0	0	34,881,341
367.24	11.7M S MIST TRANS LINE	17,466,182	0	0	0	0	17,466,182
367.25	12M NORTH S MIST TRANS	18,613,651	0	0	0	0	18,613,651
367.26	38M NORTH S MIST TRANS	68,232,676	0	0	0	0	68,232,676
368	TRANSMISSION COMPRESSOR	0	0	0	0	0	0
369	MEASURING & REGULATE STATION	3,963,095	0	0	0	6,454	3,969,549
370	COMMUNICATION EQUIPMENT	0	0	0	0	0	0
Transmission Plant Subtotal		288,689,956	18,714,417	0	0	639,765	308,044,138
Distribution Plant							
374.1	LAND	76,386	0	0	0	0	76,386
374.2	LAND RIGHTS	1,848,733	7,350	0	0	0	1,856,083
375	STRUCTURES & IMPROVEMENTS	49,372	0	0	0	0	49,372
376.11	MAINS < 4"	454,321,624	12,535,759	(148,402)	0	(1,802,815)	464,906,167
376.12	MAINS 4" & >	412,022,847	11,811,532	(3,476,748)	0	599,573	420,957,204
377	COMPRESSOR STATION EQUIPMENT	969,942	0	0	0	0	969,942
378	MEASURING & REG EQUIP - GENER	27,549,313	2,246,410	0	0	(798,497)	28,997,225
379	MEASURING & REG EQUIP - GATE	3,289,321	741,775	0	0	41,985	4,073,081
380	SERVICES	600,566,888	25,134,929	(1,619,858)	0	216,160	624,298,119
381	METERS	69,296,722	2,894,846	(762,315)	0	(346,169)	71,083,083
381.1	METERS (ELECTRONIC)	1,915,609	83,363	(507,007)	0	(27,493)	1,464,473
381.2	ERT (ENCODER RECEIVER TRANS	30,278,200	1,816,490	(358,314)	0	721,686	32,458,063
382	METER INSTALLATIONS	55,788,114	2,228,039	(2,840,514)	0	(425,866)	54,749,773
382.1	METER INSTALLATIONS (ELECTR	999,397	0	(518,377)	0	0	481,020
382.2	ERT INSTALLATION (ENCODER	8,725,108	0	(92,131)	0	0	8,632,976
383	HOUSE REGULATORS	1,079,350	163,858	0	0	0	1,243,208
386	OTHER PROPERTY ON CUSTOMERS P	0	0	0	0	0	0
387.1	CATHODIC PROTECTION TESTING	173,859	0	0	0	0	173,859

ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
UTILITY						
387.2 CALORIMETERS @ GATE STATIONS	69,794	0	0	0	0	69,794
387.3 METER TESTING EQUIPMENT	72,671	0	0	0	0	72,671
Distribution Plant Subtotal	1,669,093,250	59,664,351	(10,323,667)	0	(1,821,436)	1,716,612,499
General Plant						
389 LAND	9,609,274	(17)	0	0	0	9,609,258
390 STRUCTURES & IMPROVEMENTS	45,324,662	9,546,188	(57,511)	0	40,093	54,853,432
390.1 SOURCE CONTROL FACILITY	20,942,177	(3,018,946)	0	0	0	17,923,231
391.1 OFFICE FURNITURE & EQUIPMEN	12,190,243	1,090,502	(3,100,783)	0	(323,409)	9,856,553
391.2 COMPUTERS	20,373,475	3,574,121	(971,541)	0	(78,665)	22,897,389
391.3 ON SITE BILLING	938,788	0	(938,788)	0	0	0
391.4 CUSTOMER INFORMATION SYSTEM	1,308,391	0	(1,308,391)	0	0	0
392 TRANSPORTATION EQUIPMENT	27,945,343	2,130,650	(943,871)	0	(245,407)	28,886,714
393 STORES EQUIPMENT	119,406	0	0	0	0	119,406
394 TOOLS - SHOP & GARAGE EQUIPUI	15,862,925	357,068	0	0	914	16,220,907
395 LABORATORY EQUIPMENT	68,293	0	0	0	0	68,293
396 POWER OPERATED EQUIPMENT	8,291,382	393,321	(241,297)	0	(87,243)	8,356,164
397 GEN PLANT-COMMUNICATION EQU	98,549	0	(10,226)	0	0	88,322
397.1 MOBILE	1,295,887	0	(820,266)	0	0	475,621
397.2 OTHER THAN MOBILE & TELEMET	1,769,868	0	(79,014)	0	0	1,690,854
397.3 TELEMETERING - OTHER	4,337,251	395,201	(114,776)	0	0	4,617,676
397.4 TELEMETERING - MICROWAVE	2,233,771	323,936	(1,034,990)	0	0	1,522,718
397.5 TELEPHONE EQUIPMENT	2,211,091	240,912	(2,057,416)	0	0	394,587
398 GEN PLANT-MISCELLANEOUS EQU	0	0	0	0	0	0
398.1 PRINT SHOP	83,249	0	0	0	0	83,249
398.2 KITCHEN EQUIPMENT	12,812	0	0	0	0	12,812
398.3 JANITORIAL EQUIPMENT	61,420	0	0	0	(46,547)	14,873
398.4 INSTALLED IN LEASED BUILDINGS	5,393	0	0	0	0	5,393
398.5 OTHER MISCELLANEOUS EQUIPMENT	66,739	0	0	0	0	66,739
General Plant Subtotal	175,150,390	15,032,936	(11,678,872)	0	(740,264)	177,764,191
Oregon Utility Property Grand Total	\$2,360,866,130	\$101,491,295	(\$39,507,215)	\$0	(\$1,519,861)	\$2,421,330,350

ACCOUNT SUMMARY BY FUNTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
NON-UTILITY						
Intangible Plant						
303.1	COMPUTER SOFTWARE	\$163,357	\$0	\$0	\$0	\$163,357
303.2	CUSTOMER INFORMATION SYSTEM	61,429	0	0	0	61,429
Non Utility	Intangible Plant Subtotal	224,786	0	0	0	224,786
Natural Gas Underground Storage						
352	WELLS	16,940,451	0	0	0	16,940,451
352.1	STORAGE LEASEHOLD & RIGHTS	1,020	0	0	0	1,020
352.2	RESERVOIRS	4,989,436	0	0	0	4,989,436
353	LINES	1,649,744	0	0	0	1,649,744
354	COMPRESSOR STATION EQUIPMENT	14,687,720	11,848	(23,443)	0	14,676,125
355	MEASURING / REGULATING EQUIPM	8,727,830	96,091	0	443,647	9,267,567
357	OTHER EQUIPMENT	63,256	0	0	0	63,256
Non Utility	Natural Gas Underground Storage Subtotal	47,059,457	107,939	(23,443)	443,647	47,587,600
Transmission Plant						
368	TRANSMISSION COMPRESSOR	7,723,454	0	0	0	7,723,454
Non Utility	Transmission Plant Subtotal	7,723,454	0	0	0	7,723,454
Distribution Plant						
376.12	MAINS 4" & >	878,618	0	0	0	878,618
Non Utility	Distribution Plant Subtotal	878,618	0	0	0	878,618
General Plant						
389	LAND	438,739	0	0	0	438,739
390	STRUCTURES & IMPROVEMENTS	111,719	106,436	0	0	218,156
Non Utility	General Plant Subtotal	550,458	106,436	0	0	656,895
Non Utility Other						
121.1	NON-UTIL PROP-DOCK	1,946,033	0	0	0	1,946,033
121.2	NON-UTIL PROP-LAND	125,102	0	0	0	125,102
121.3	NON-UTIL PROP-OIL ST	2,616,313	0	0	0	2,616,313

ACCOUNT SUMMARY BY FUNTIONAL CLASS

NW Natural

Period Beginning: Jan 2014

Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Balance	Additions	Retirements	Transfers	Adjustments	Ending Balance
NON-UTILITY						
121.7 NON-UTIL PROP-APPL CENTER	61,113	0	0	0	0	61,113
121.8 NON-UTIL PROP-STORAGE	288,112	0	0	0	0	288,112
Non Utility Other	5,036,673	0	0	0	0	5,036,673
Oregon Non Utility Property Grand Total	\$61,473,446	\$214,375	(\$23,443)	\$0	\$443,647	\$62,108,025

Name of Respondent		This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
STATE OF OREGON - SITUS GAS PLANT HELD FOR FUTURE USE (Account 105)				
<p>1. Report separately each property held for future use at end of the year having an original cost of \$100,000 or more. Other items of property held for future use may be grouped provided that the number of properties so grouped is indicated.</p> <p>2. For property having an original cost of \$100,000 or more previously used in utility operations, now held for future use, give in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.</p>				
Line No.	DESCRIPTION AND LOCATION OF PROPERTY (a)	DATE ORIGINALLY INCLUDED IN THIS ACCOUNT (b)	DATE EXPECTED TO BE USED IN UTILITY SERVICE (c)	BALANCE END OF YEAR (d)
1				
2				
3	Underground Storage	07/2009	Undetermined	127,921
4	Easement	11/2011	Undetermined	136,720
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40	TOTALS			264,641

Name of Respondent		This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
STATE OF OREGON - SITUS CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (Account 107) 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts). 3. Minor projects (less than \$1,000,000) may be grouped.				
Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)	
1	Misc Mains and Service Jobs	3,120,900	2,999,462	
2	North Mist Project	11,323,662	113,676,338	
3	Other Projects:			
4	Misc IS Projects	6,256,380	4,242,555	
5	Newport LNG Readiness	763,121	6,612,189	
6	Portland LNG Readiness	202,677	598,471	
7	Salem CNG	35,904	1,028,501	
8	Willamette Crossing / Corvallis	794,356	-	
9	Ellendale Avenue Bare Steel	4,713	1,959,845	
10	EMX West	648,895	4,224,893	
11	Dwyer Lumber ILI	4,237	2,644,440	
12	Other Projects	1,621,793	19,702,406	
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45	Total	24,776,638	157,689,100	

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
Intangible Plant								
301 ORGANIZATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
302 FRANCHISES & CONSENTS	0	0	0	0	0	0	0	0
303.1 COMPUTER SOFTWARE	32,645,967	2,634,580	(15,833,246)	0	0	3,017	0	19,450,318
303.2 CUSTOMER INFORMATION SYSTEM	30,485,095	0	0	0	0	0	0	30,485,095
303.3 INDUSTRIAL & COMMERCIAL BIL	4,146,951	0	0	0	0	0	0	4,146,951
303.4 CRMS	1,586,428	154,607	(1,366,559)	0	0	0	0	374,476
303.5 POWERPLANT SOFTWARE	0	0	0	0	0	0	0	0
Intangible Plant Subtotal	68,864,441	2,789,187	(17,199,805)	0	0	3,017	0	54,456,839
Production Plant - Oil Gas								
304.1 LAND	0	0	0	0	0	0	0	0
305.2 P P O G STRU & IMPR-SEWER S	0	0	0	0	0	0	0	0
305.5 P P O G STRU & IMPR-OTHER Y	13,814	0	0	0	0	0	0	13,814
312.3 P P O G FUEL HANDLING AND S	0	0	0	0	0	0	0	0
318.3 P P O G LIGHT OIL REFINING	152,141	0	0	0	0	0	0	152,141
318.5 P P O G TAR PROCESSING	255,729	0	0	0	0	0	0	255,729
325 NATURAL GAS PROD AND GATHER	0	0	0	0	0	0	0	0
327 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
328 NATURAL GAS PROD AND GATHER	0	0	0	0	0	0	0	0
331 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
332 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
333 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
334 NATURAL GAS PROD & GATHERIN	0	0	0	0	0	0	0	0
Production Plant - Oil Gas Subtotal	421,683	0	0	0	0	0	0	421,683
Production Plant - Other								
305.11 GAS PRODUCTION - COTTAGE G	8,736	0	0	0	0	0	0	8,736
305.17 STRUCTURES MIXING STATION	51,246	0	0	0	0	0	0	51,246
311 P P OTHER-LIQUEFIED PETROLE	(0)	(0)	0	0	0	0	0	(0)
311.4 P P OTHER-L P G GRANGER	0	0	0	0	0	0	0	0
311.7 LIQUIFIED GAS EQUIPMENT COO	8,066	0	0	0	0	0	0	8,066
311.8 LIQUIFIED GAS EQUIPMENT LIN	6,585	0	0	0	0	0	0	6,585
319 GAS MIXING EQUIPMENT GASCO	194,720	0	0	0	0	0	0	194,720
Production Plant - Other Subtotal	269,353	(0)	0	0	0	0	0	269,353
Natural Gas Underground Storage								
350.1 LAND	0	0	0	0	0	0	0	0
350.2 RIGHTS-OF-WAY	21,591	1,776	0	0	0	0	0	23,367

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class		Beginning			Cost of	Salvage and	Transfers and		Ending
FERC Plant Account		Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve
351	STRUCTURES AND IMPROVEMENTS	2,300,553	119,958	0	0	0	0	0	2,420,511
352	WELLS	10,145,614	414,974	0	0	0	0	0	10,560,588
352.1	STORAGE LEASEHOLD & RIGHTS	1,368,740	71,276	0	0	0	0	0	1,440,015
352.2	RESERVOIRS	1,604,224	117,477	0	0	0	0	0	1,721,701
352.3	NON-RECOVERABLE NATURAL GAS	2,956,530	121,089	0	0	0	0	0	3,077,618
353	LINES	2,636,205	134,963	0	0	0	0	0	2,771,168
354	COMPRESSOR STATION EQUIPMENT	14,739,914	785,381	0	0	0	0	0	15,525,294
355	MEASURING / REGULATING EQUIPM	3,807,263	145,404	0	0	0	0	0	3,952,667
356	PURIFICATION EQUIPMENT	202,947	7,375	0	0	0	0	0	210,321
357	OTHER EQUIPMENT	736,279	30,368	0	0	0	0	0	766,647
Natural Gas Underground Storage Subtotal		40,519,859	1,950,040	0	0	0	0	0	42,469,899
Local Storage Plant									
360.11	LAND - LNG LINNTON	0	0	0	0	0	0	0	0
360.12	LAND - LNG NEWPORT	0	0	0	0	0	0	0	0
360.2	LAND - OTHER	0	0	0	0	0	0	0	0
361.11	STRUCTURES & IMPROVEMENTS	1,436,648	246,575	0	0	0	0	0	1,683,223
361.12	STRUCTURES & IMPROVEMENTS	2,109,201	142,078	0	0	0	0	0	2,251,279
361.2	STRUCTURES & IMPROVEMENTS -	9,562	466	0	0	0	0	0	10,028
362.11	GAS HOLDERS - LNG LINNTON	2,135,896	63,229	0	0	0	0	0	2,199,125
362.12	GAS HOLDERS - LNG NEWPORT	5,123,493	157,541	0	0	0	0	0	5,281,034
362.2	GAS HOLDERS - LNG OTHER	1,130	21	0	0	0	0	0	1,151
363.11	LIQUEFACTION EQUIP. - LINN	2,381,522	84,141	0	0	0	0	0	2,465,662
363.12	LIQUEFACTION EQUIP - NEWPO	7,007,827	59,921	0	0	0	0	0	7,067,748
363.21	VAPORIZING EQUIP - LINNTON	2,551,046	36,817	0	0	0	0	0	2,587,862
363.22	VAPORIZING EQUIP - NEWPORT	2,607,866	1,329	0	0	0	0	0	2,609,196
363.31	COMPRESSOR EQUIP - LINNTON	197,092	(45)	0	0	0	0	0	197,047
363.32	COMPRESSOR EQUIPMENT - NE	205,458	41,670	0	0	0	0	0	247,128
363.41	MEASURING & REGULATING EQU	597,505	418	0	0	0	0	0	597,923
363.42	MEASURING & REGULATING EQU	116,640	(9)	0	0	0	0	0	116,630
363.5	CNG REFUELING FACILITIES	1,584,955	16,980	(304,871)	0	0	0	0	1,297,064
363.6	LNG REFUELING FACILITIES	739,473	0	0	0	0	0	0	739,473
Local Storage Plant Subtotal		28,805,314	851,130	(304,871)	0	0	0	0	29,351,573
Transmission Plant									
365.1	LAND	0	0	0	0	0	0	0	0
365.2	LAND RIGHTS	1,520,323	122,003	0	0	0	0	0	1,642,326
366.3	STRUCTURES & IMPROVEMENTS -	236,329	20,319	0	0	0	0	0	256,648
367	MAINS	14,878,590	3,983,526	0	0	0	40,564	0	18,902,681
367.21	NORTH MIST TRANSMISSION LI	929,716	50,054	0	0	0	0	0	979,770
367.22	SOUTH MIST TRANSMISSION LI	9,198,311	367,668	0	0	0	0	0	9,565,979

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
Period Ending: Dec 2014

Functional Class	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
FERC Plant Account								
367.23 SOUTH MIST TRANSMISSION LI	9,963,892	931,138	0	0	0	0	0	10,895,030
367.24 11.7M S MIST TRANS LINE	3,915,077	452,276	0	0	0	0	0	4,367,353
367.25 12M NORTH S MIST TRANS	3,850,178	485,712	0	0	0	0	0	4,335,890
367.26 38M NORTH S MIST TRANS	14,326,346	1,773,666	0	0	0	0	0	16,100,013
368 TRANSMISSION COMPRESSOR	(9)	0	0	0	0	0	0	(9)
369 MEASURING & REGULATE STATION	1,125,860	106,359	0	0	0	0	0	1,232,219
370 COMMUNICATION EQUIPMENT	0	0	0	0	0	0	0	0
Transmission Plant Subtotal	59,944,615	8,292,720	0	0	0	40,564	0	68,277,899
Distribution Plant								
374.1 LAND	0	0	0	0	0	0	0	0
374.2 LAND RIGHTS	982,673	138,770	0	0	0	0	0	1,121,443
375 STRUCTURES & IMPROVEMENTS	49,123	200	0	0	0	0	0	49,323
376.11 MAINS < 4"	244,783,794	11,483,015	(148,402)	(1,132,265)	21,146	(98,409)	0	254,908,879
376.12 MAINS 4" & >	163,062,475	10,067,997	(3,476,748)	(1,448,960)	22,982	48,225	0	168,275,971
377 COMPRESSOR STATION EQUIPMENT	575,068	22,600	0	0	0	0	0	597,668
378 MEASURING & REG EQUIP - GENER	9,090,999	606,728	0	0	0	(290,270)	0	9,407,457
379 MEASURING & REG EQUIP - GATE	798,602	154,943	0	0	0	(12,017)	0	941,528
380 SERVICES	320,889,413	16,578,777	(1,619,858)	(2,918,046)	0	5,369	0	332,935,655
381 METERS	17,335,298	1,618,538	(762,315)	0	0	(4,904)	0	18,186,616
381.1 METERS (ELECTRONIC)	903,756	285,051	(507,007)	0	0	(53)	0	681,747
381.2 ERT (ENCODER RECEIVER TRANS	9,617,907	2,122,517	(358,314)	0	0	9,859	0	11,391,969
382 METER INSTALLATIONS	10,927,068	1,306,687	(2,840,514)	0	0	(5,047)	0	9,388,195
382.1 METER INSTALLATIONS (ELECTR	535,931	11,490	(518,377)	0	0	0	0	29,044
382.2 ERT INSTALLATION (ENCODER	2,893,087	577,993	(92,131)	0	0	0	0	3,378,948
383 HOUSE REGULATORS	91,523	32,706	0	0	0	0	0	124,229
386 OTHER PROPERTY ON CUSTOMERS P	0	0	0	0	0	0	0	0
387.1 CATHODIC PROTECTION TESTING	139,184	335	0	0	0	0	0	139,519
387.2 CALORIMETERS @ GATE STATIONS	69,794	0	0	0	0	0	0	69,794
387.3 METER TESTING EQUIPMENT	72,671	0	0	0	0	0	0	72,671
Distribution Plant Subtotal	782,818,367	45,008,346	(10,323,667)	(5,499,271)	44,128	(347,246)	0	811,700,657
General Plant								
389 LAND	437,351	0	0	0	0	0	0	437,351
390 STRUCTURES & IMPROVEMENTS	6,430,732	850,494	(57,511)	0	0	3,980	0	7,227,695
390.1 SOURCE CONTROL FACILITY	227,793	1,062,414	0	0	0	0	0	1,290,207
391.1 OFFICE FURNITURE & EQUIPMEN	7,815,129	947,503	(3,100,783)	0	0	(2,165)	0	5,659,684
391.2 COMPUTERS	16,895,519	3,675,467	(971,541)	0	0	(852)	0	19,598,592
391.3 ON SITE BILLING	938,788	0	(938,788)	0	0	0	0	0
391.4 CUSTOMER INFORMATION SYSTEM	1,139,888	168,503	(1,308,391)	0	0	0	0	0
392 TRANSPORTATION EQUIPMENT	8,053,923	1,415,148	(943,871)	0	83,811	(14,720)	0	8,594,290
393 STORES EQUIPMENT	119,406	0	0	0	0	0	0	119,406

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class	Beginning			Cost of	Salvage and	Transfers and		Ending
FERC Plant Account	Reserve	Provision	Retirements	Removal	Other Credits	Adjustments	Loss/(Gain)	Reserve
394 TOOLS - SHOP & GARAGE EQUIPUI	8,013,830	1,120,153	0	0	9,281	423	0	9,143,686
395 LABORATORY EQUIPMENT	68,293	0	0	0	0	0	0	68,293
396 POWER OPERATED EQUIPMENT	3,427,461	167,926	(241,297)	0	38,520	(5,149)	0	3,387,461
397 GEN PLANT-COMMUNICATION EQU	23,584	7,208	(10,226)	0	0	0	0	20,565
397.1 MOBILE	1,213,307	8,115	(820,266)	0	0	0	0	401,156
397.2 OTHER THAN MOBILE & TELEMET	1,742,821	27,047	(79,014)	0	0	0	0	1,690,854
397.3 TELEMETERING - OTHER	3,083,584	3,182	(114,776)	0	0	0	0	2,971,990
397.4 TELEMETERING - MICROWAVE	1,927,120	25,114	(1,034,990)	0	0	0	0	917,244
397.5 TELEPHONE EQUIPMENT	2,093,509	57,408	(2,057,416)	0	0	0	0	93,501
398 GEN PLANT-MISCELLANEOUS EQU	0	0	0	0	0	0	0	0
398.1 PRINT SHOP	83,249	0	0	0	0	0	0	83,249
398.2 KITCHEN EQUIPMENT	2,036	525	0	0	0	0	0	2,561
398.3 JANITORIAL EQUIPMENT	17,183	1,670	0	0	0	(3,980)	0	14,873
398.4 INSTALLED IN LEASED BUILDINGS	5,393	0	0	0	0	0	0	5,393
398.5 OTHER MISCELLANEOUS EQUIPMENT	66,739	0	0	0	0	0	0	66,739
General Plant Subtotal	63,826,635	9,537,877	(11,678,872)	0	131,611	(22,464)	0	61,794,788
Utility Property Grand Total	\$1,045,470,266	\$68,429,301	(\$39,507,215)	(\$5,499,271)	\$175,738	(\$326,129)	\$0	\$1,068,742,691

NON UTILITY

Intangible Plant								
303.1 COMPUTER SOFTWARE	24,171	7,041	0	0	0	0	0	31,211
303.2 CUSTOMER INFORMATION SYSTEM	29,401	4,275	0	0	0	0	0	33,677
Non Utility Intangible Plant Subtotal	53,572	11,316	0	0	0	0	0	64,888
Natural Gas Underground Storage								
352 WELLS	2,547,203	350,667	0	0	0	0	0	2,897,870
352.1 STORAGE LEASEHOLD & RIGHTS	141	20	0	0	0	0	0	161
352.2 RESERVOIRS	941,850	97,294	0	0	0	0	0	1,039,144
353 LINES	253,275	33,069	0	0	0	0	0	286,345
354 COMPRESSOR STATION EQUIPMENT	3,659,207	391,027	(23,443)	0	0	0	0	4,026,791
355 MEASURING / REGULATING EQUIPM	1,502,604	189,871	0	0	0	4,412	0	1,696,887
357 OTHER EQUIPMENT	5,829	1,442	0	0	0	0	0	7,271
Non Utility Natural Gas Underground Storage Subtotal	8,910,110	1,063,390	(23,443)	0	0	4,412	0	9,954,470

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
Transmission Plant								
368 TRANSMISSION COMPRESSOR	1,371,211	238,655	0	0	0	0	0	1,609,866
Non Utility Transmission Plant Subtotal	1,371,211	238,655	0	0	0	0	0	1,609,866
Distribution Plant								
376.12 MAINS 4" & >	150,702	21,258	0	0	0	0	0	171,959
Non Utility Distribution Plant Subtotal	150,702	21,258	0	0	0	0	0	171,959
General Plant								
389 LAND	0	0	0	0	0	0	0	0
390 STRUCTURES & IMPROVEMENTS	19,670	2,275	0	0	0	0	0	21,946
Non Utility General Plant Subtotal	19,670	2,275	0	0	0	0	0	21,946
Non Utility Other								
121.1 NON-UTIL PROP-DOCK	1,910,669	41,256	0	0	0	0	0	1,951,925
121.2 NON-UTIL PROP-LAND	0	0	0	0	0	0	0	0
121.3 NON-UTIL PROP-OIL ST	2,208,134	3,360	0	0	0	0	0	2,211,494
121.7 NON-UTIL PROP-APPL CENTER	21,604	4,219	0	0	0	0	0	25,823
121.8 NON-UTIL PROP-STORAGE	(1)	0	0	0	0	0	0	(1)
Non Utility Other	4,140,405	48,835	0	0	0	0	0	4,189,241
Non Utility Property Grand Total	\$14,645,670	\$1,385,730	(\$23,443)	\$0	\$0	\$4,412	\$0	\$16,012,369

RESERVE BALANCES AND ACTIVITY BY FUNCTIONAL CLASS
NW Natural

Period Beginning: Jan 2014
 Period Ending: Dec 2014

Functional Class FERC Plant Account	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss/(Gain)	Ending Reserve
TOTAL SUMMARY ALL UTILITY DEPRECIATION RESERVES 12/31/2014								
OREGON								
108010	(\$32,517,394)							
108011	811,606,281							
108012	11,058,052							
108013	(2,374,806)							
108014	(223,399)							
108015	3,400,704							
108100	280,032,001							
108102	2,175,329							
108002	(4,559,881)							
108003	(71,778)							
108004	217,583							
108666	-							
SUBTOTAL				<u>\$1,068,742,691</u>				
ADD:								
108001 REMOVAL WORK IN PROCESS		(16,228,091)						
TOTAL OREGON UTILITY DEPRECIATION				<u>\$1,052,514,601</u>				

TOTAL SUMMARY ALL NON-UTILITY RESERVES DEPRECIATION

NON UTILITY		
122027	4,275,042	
122028	11,225,920	
122100	1,102,682	
122002	17,712	
122029	(62,055)	
122026	(547,965)	
	1,034	
TOTAL NON UTILITY DEPRECIATION		<u>\$16,012,369</u>

Name of Respondent		This Report is:			Date of Report (Mo, Da, Yr)	Year of Report	
Northwest Natural Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission				Dec. 31, 2014	
STATE OF OREGON - ALLOCATED							
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION							
Line No.	ITEM (a)	TOTAL (b)	ELECTRIC (c)	GAS (d)	OTHER (SPECIFY) (e)	OTHER (SPECIFY) (f)	COMMON (g)
1	UTILITY PLANT						
2	In Service						
3	Plant in Service (Classified)						
4	Property Under Capital Leases						
5	Plant Purchased or Sold						
6	Completed Construction not Classified						
7	Experimental Plant Unclassified						
8	TOTAL (Enter Total of lines 3 thru 7)						
INFORMATION NOT AVAILABLE							
9	Leased to Others						
10	Held for Future Use						
11	Construction Work in Progress						
12	Acquisition Adjustments						
13	TOTAL Utility Plant (Lines 8 thru 12)						
14	Accum. Prov. For Depr., Amort., & Depl.						
15	Net Utility Plant (line 13 less 14)						
DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION & DEPLETION							
16	In Service:						
17	Depreciation						
18	Amort. & Depl. Of Producing Natural Gas Land & Land Rights						
19	Amort. Of Underground Storage Land & Land Rights						
20	Amort. Of Other Utility Plant						
21	TOTAL In Service (Lines 18 thru 21)						
22	Leased to Others						
23	Depreciation						
24	Amortization and Depletion						
25	TOTAL Leased to Others (Lines 24 and 25)						
26	Held for Future Use						
27	Depreciation						
28	Amortization						
29	TOTAL held for Future Use (Lines 28 and 29)						
30	Abandonment of Leases (Natural Gas)						
31	Amort. Of Plant Acquisition Adj.						
32	TOTAL Accumulated Provisions (should agree with line 14) (Lines 22, 26, 30, 31 & 32)						
33							

Name of Respondent		This Report is:		Date of Report (Mo, Da, Yr)	Year of Report		
Northwest Natural Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Dec. 31, 2014		
STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE							
<p>1. Report below the original cost of gas plant in service</p> <p>2. In addition to Account 101, <i>Gas Plant In Service (Classified)</i>, this page and the next include Account 102, <i>Gas Plant Purchased or Sold</i>, Account 103, <i>Completed Construction Not Classified - Gas</i>.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p>		<p>4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.</p> <p>5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions or prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on Estimated basis, with appropriate contra entry to the account for</p>		<p>accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in column (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at the end of the year.</p> <p style="text-align: right;">(Continued on page 33)</p>			
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1	1. Intangible Plant						
2	301 Organization						
3	302 Franchises and Consents						
4	303 Miscellaneous Intangible Plant						
5	TOTAL Intangible Plant						
6	2. Production Plant						
7	Natural Gas Production & Gathering Plant						
8	325.1 Producing Lands						
9	325.2 Producing Leaseholds						
10	325.3 Gas Rights						
11	325.4 Rights-of-Way						
12	325.5 Other Land and Land Rights						
13	326 Gas Well Structures						
14	327 Field Compressor Station Structures						
15	328 Field Meas. And Reg. Sta. Structures						
16	329 Other Structures						
17	330 Producing Gas Wells - Well Construction						
18	331 Producing Gas Wells - Well Equipment						
19	332 Field Lines						
20	333 Field Compressor Station Equipment						
21	334 Field Mess. And Reg. Sta. Equipment						
22	335 Drilling and Cleaning Equipment						
23	336 Purification Equipment						
24	337 Other Equipment						
25	338 Unsuccessful Explor. & Devel. Costs						
26	TOTAL Production & Gathering Plant						
27	Products Extraction Plant						
28	340 Land and Land Rights						
29	341 Structures and Improvements						
30	342 Extraction and Refining Equipment						
31	343 Pipe lines						
32	344 Extracted Products Storage Equipment						

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company	(1) X An Original (2) A Resubmission		Dec. 31, 2014

STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE (CONT'D)

- | | |
|---|--|
| <p>6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc. and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.</p> | <p>7. For account 399, state the nature and use of plant included in this account and if substantial amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.</p> <p>8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.</p> |
|---|--|

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
	2. Production Plant (Con't)						
	Products Extraction Plant (Con't)						
33	345 Compressor Equipment						
34	345 Gas Meas. And Reg. Equipment						
35	347 Other Equipment						
36	TOTAL Products Extraction Plant						
37	TOTAL Nat. Gas Production Plant						
38	Mfd. Gas Prod. Plant (Submit Suppl. Stmt)						
39	TOTAL Production Plant						
	3. Natural Gas Storage & Proc. Plant						
41	Underground Storage Plant						
42	350.1 Land						
43	350.2 Rights-of-Way						
44	351 Structures & Improvements						
45	352 Wells						
46	352.1 Storage Leaseholds & Rights						
47	352.2 Reservoirs						
48	352.3 Non-recoverable Natural Gas						
49	353 Lines						
50	354 Compressor Station Equipment						
51	355 Measuring & Reg. Equipment						
52	356 Purification Equipment						
53	357 Other Equipment						
54	TOTAL Underground Storage Plant						
55	Other Storage Plant						
56	360 Land and Land Rights						
57	361 Structures and Improvements						
58	362 Gas Holders						
59	363 Purification Equipment						
60	363.1 Liquefaction Equipment						
61	363.2 Vaporizing Equipment						
62	363.3 Compressor Equipment						
63	363.4 Meas. And Reg. Equipment						
64	363.5 Other Equipment						
65	TOTAL Other Storage Plant						

Name of Respondent		This Report is:		Date of Report		Year of Report	
Northwest Natural Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)		Dec. 31, 2014	
STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE (CONT'D)							
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
66	Base Load Liquefied Natural Gas Terminaling and Processing Plant						
67	364.1 Land and Land Rights						
68	364.2 Structures and Improvements						
69	364.3 LNG Processing Terminal Equipment						
70	364.4 LNG Transportation Equipment						
71	364.5 Measuring and Regulating Equipment						
72	364.6 Compressor Station Equipment						
73	364.7 Communications Equipment						
74	364.8 Other Equipment						
75	TOTAL Base Load Liquefied Natural Gas, Terminaling, & Processing Plant						
76		INFORMATION NOT AVAILABLE					
77	TOTAL Nat. Gas Storage & Proc. Plant						
78	4. Transmission Plant						
79	365.1 Land and Land Rights						
80	365.2 Rights-of-Way						
81	366 Structures and Improvements						
82	367 Mains						
83	368 Compressor Station Equipment						
84	369 Measuring and Reg. Sta. Equipment						
85	370 Communication Equipment						
86	371 Other Equipment						
87	TOTAL Transmission Plant						
88	5. Distribution Plant						
89	374 Land and Land Rights						
90	375 Structures and Improvements						
91	376 Mains						
92	377 Compressor Station Equipment						
93	378 Meas. And Reg. Sta. Equip. - General						
94	379 Meas. And Reg. Sta. Equip. - City Gate						
95	380 Services						
96	381 Meters						
97	382 Meter Installations						
98	383 House Regulators						
99	384 House Reg. installations						
100	385 Industrial Meas. & Reg. Sta. Equip						
101	386 Other Prop. On Customers' premises						
102	387 Other Equipment						
103	TOTAL Distribution Plant						

Name of Respondent		This Report is:		Date of Report		Year of Report	
Northwest Natural Gas Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)		Dec. 31, 2014	
STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE (CONT'D)							
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
104	6. General Plant						
105	389 Land and Land Rights						
106	390 Structures and Improvements						
107	391 Office Furniture and Equipment						
108	392 Transportation Equipment						
109	393 Store Equipment	INFORMATION NOT AVAILABLE					
110	394 Tools, Shop, and Garage Equipment						
111	395 Laboratory Equipment						
112	396 Power Operated Equipment						
113	397 Communication Equipment						
114	398 Miscellaneous Equipment						
115	Subtotal						
116	399 Other Intangible Property						
117	TOTAL General Plant						
118	TOTAL (Accounts 101 and 106)						
119	Gas Plant Purchased (See Instr. 8)						
120	(Less) Gas Plant Sold (See Instr. 8)						
121	Experimental Gas Plant Unclassified						
122	TOTAL Gas Plant In Service						

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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STATE OF OREGON - ALLOCATED GAS PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$100,000 or more. Other items of property held for future use may be grouped provided that the number of properties so grouped is indicated.
2. For property having an original cost of \$100,000 or more previously used in utility operations, now held for future use, give, in addition to other required information, the date that utility use of such property was discontinued, and the date the original costs were transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in this account (b)	Date Expected to be Used In Utility Service (c)	Balance at End of Year (d)
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12	INFORMATION NOT AVAILABLE			
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50	TOTALS			

Name of Respondent		This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
STATE OF OREGON - ALLOCATED CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107) 2. Show items relating to "research", development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts). 3. Minor projects may be grouped.				
Line No.	Description of Project (a)	Construction Work in Progress (Account 107) (b)	Estimated Additional Cost of Project (c)	
1			\$	
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4				
5				
6				
7				
8				
9				
10				
11	INFORMATION NOT AVAILABLE			
12				
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43				
44	TOTALS			

Name of Respondent	This Report is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

STATE OF OREGON - ALLOCATED ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108)

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Explain in a footnote any important adjustments during the year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service, pages 32-35, column (d) excluding retirements of non-depreciable property. 3. The provisions of Account 108 of the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the | <ol style="list-style-type: none"> respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year-end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund of similar method of depreciation accounting. |
|---|---|

Section A. Balances and Changes During Year

	ITEM (a)	TOTAL (c+d+e) (b)	GAS PLANT IN SERVICE (c)	GAS PLANT HELD FOR FUTURE USE (d)	GAS PLANT LEASED TO OTHERS (e)
1	Balance Beginning of Year				
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense				
4	(413) Exp. Of Gas Plt. Lease to Others				
5	Transportation Expenses - Clearing				
6	Other Clearing Accounts				
7	Other Accounts (Specify):				
8					
9	Total Deprec. Prov. For Year (Enter total of lines 3-8)		INFORMATION NOT AVAILABLE		
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired				
12	Cost of Removal				
13	Salvage (Credit)				
14	TOTAL Net Charges for Plant Ret. (Enter Total of lines 11-13)				
15	Other Debit or Credit Items (Describe):				
16					
17	Balance End of Year (Enter Total of Lines 1,9, 14, 15, & 16)				

Section B. Balances at End of Year According to Functional Classifications

18	Production - Manufactured Gas				
19	Prod. And Gathering - Natural Gas				
20	Products Extraction - Natural Gas				
21	Underground Gas Storage				
22	Other Storage Plant				
23	Base Load LNG Term and Proc. Plt.				
24	Transmission				
25	Distribution				
26	General				
27	TOTAL (Total of Lines 18 thru 26)				

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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STATE OF OREGON - GAS STORED (Account 117, 164.1, 164.2 and 164.3)

- | | |
|---|---|
| <p>1. Report below the information called for concerning inventories of gas stored.</p> <p>2. The Uniform System of Accounts provides that inventory cost records be maintained on a consolidated basis for all storage projects with separate records showing the Mcf of inputs and withdrawals and balance for each project, except under certain specified circumstances. If the respondent's inventory cost records are not maintained on a consolidated basis for all storage projects, furnish an explanation of the accounting followed and reason for any deviation from the general basis provided by the Uniform System of Accounts. Separate schedules on this schedule form should be furnished for each group of storage projects for which separate inventory cost records are maintained.</p> <p>3. If during the year adjustment was made of the stored gas inventory, such as to correct for cumulative inaccuracies of gas measurements, furnish an explanation of the reason for the adjustment, the Mcf and dollar amount of adjustment and account charged or credited.</p> <p>4. Give a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or</p> | <p>restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.</p> <p>5. If the respondent uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock", or restoration of previous encroachment, including brief particulars of any such accounting during the year.</p> <p>6. If respondent has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project furnish a statement showing: (a) date of Commission authorization of such accumulated provision (b) explanation of circumstances requiring such provision (c) basis of provision and factors of calculation (d) estimated ultimate accumulated provision accumulation (e) a summary showing balance of accumulated provision and entries during year.</p> <p>7. Pressure base of gas volumes reported in this schedule is 14.73 psia at 60° F.</p> |
|---|---|

Line No.	Description	NONCURRENT (ACCOUNT 117) (a)	CURRENT (ACCOUNT 164.1) (b)	LNG (ACCOUNT 164.2) (c)	LNG (ACCOUNT 164.3) (d)	Total (e)
1	Balance, beginning of year					
2	Gas delivered to storage					
3	(Contra Account)		SEE FERC ANNUAL REPORT			
4	Gas withdrawn from storage		PAGE 220			
5	(Contra Account)					
6	Other debits or credits					
7	(Explain)					
8						
9						
10						
11						
12	Balance, end of year					
13	MCF					
14	Amount per Mcf					
15	State basis of segregation of inventory between current and noncurrent portions.					
16						
17	Gas delivered to storage:					
18	Mcf					
19	Amount per Mcf					
20	Cost basis of gas delivered to storage:					
21	Specify: Own production (give production area, see					
22	uniform system of accounts); average system purchases					
23	specific purchases (state which purchases).					
24	Does cost of gas delivered to storage include any expenses					
25	for use of respondent's transmission, storage, or other					
26	facilities? If so, give particulars and date of Commission					
27	approval of the accounting.					
28						
29	Gas withdrawn from storage:					
30	Mcf					
31	Amount per Mcf					
32	Cost basis of withdrawals:					
33	Specify: average cost, lifo, fifo. (Explain any change in					
34	inventory basis during year and give date of Commission;					
35	approval of the change or approval of an inventory basis					
36	different from that referred to in uniform system of accounts)					
37						
38						
39						

Name of Respondent	This Report Is:	Date of Report	Year of Report												
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014												
STATE OF OREGON - GAS PURCHASES (Accounts 800, 801, 802, 803, 804.1 and 805)															
<p>1. Report particulars of gas purchases during the year in the manner prescribed below. (Code numbers to be used in reporting for Columns (d), (e) and (f) will be supplied by the Commission.)</p> <p>2. Provide subheadings and totals for prescribed accounts as follows:</p> <table border="0" data-bbox="235 493 698 688"> <tr><td>800</td><td>Natural Gas Well Head Purchases</td></tr> <tr><td>801</td><td>Natural Gas Field Line Purchases</td></tr> <tr><td>802</td><td>Natural Gas Gasoline Plant Outlet Purchases</td></tr> <tr><td>803</td><td>Natural gas Transmission Line Purchases</td></tr> <tr><td>804</td><td>Natural Gas City Gate Purchases</td></tr> <tr><td>804.1</td><td>Liquefied natural Gas Purchases</td></tr> <tr><td>805</td><td>Other gas Purchases</td></tr> </table> <p>Purchases are to be reported in account number sequence, e.g. all purchases charged to Account 800, followed by charges to Account 801, etc. Under each account number, purchases should be reported by states in alphabetical order. Totals are to be shown for each account in Columns (k) and (l) and should agree with the books of accounts, or any differences reconciled.</p> <p>3. Purchases may be reported by gas purchase contract totals (at the option of the respondent) where one contract includes two or more FERC producer rate schedules or small producer certificates, provided that the same price is being paid for all gas purchased under the contract. If two or more prices are in effect under the same contract, separate details for each price shall be reported. The name, and FERC rate schedule or small producer certificate docket number of each seller included in the contract total shall be listed on separate sheets, clearly cross-referenced. Where two or more prices are in effect, the sellers at each price are to be listed separately.</p> <p>4. Purchases of less than 100,000 MCF per year per contract from sellers not affiliated with the reporting company may (at the option of the respondent) be grouped by account number, except when the purchases were permanently discontinued during the reporting year. When grouped purchases are reported, the number of grouped purchases is to be reported in Column (a). Only Columns (a), (k), (l), and (m) are to be completed for grouped purchases; however, the Commission may request additional details when necessary. Grouped non-jurisdictional purchases should be shown on a separate line.</p> <p>5. Column instructions are as follows:</p> <p><u>Columns (a) and (d)</u> - In reporting the names of sellers under FERC rate schedules, use the names as they appear on the filed rate schedules. Abbreviations may be used where necessary. The code number to be used is the Commission assigned number.</p> <p><u>Column (b)</u> - Give the name of the producing field only for purchases at the wellhead or from field lines. The plant name should be given for purchases from gasoline plant outlets. If purchases under a contract are from more than one field or plant, use the name of the one contributing the largest volume. Use a footnote to list the other fields or plants involved.</p>	800	Natural Gas Well Head Purchases	801	Natural Gas Field Line Purchases	802	Natural Gas Gasoline Plant Outlet Purchases	803	Natural gas Transmission Line Purchases	804	Natural Gas City Gate Purchases	804.1	Liquefied natural Gas Purchases	805	Other gas Purchases	<p><u>Column (c)</u> - State the net rate in cents per MCF as of December 31 for the reported year, applicable to the volume shown in Column (k). The net rate includes all applicable deductions and downward adjustments. The rate is effective if filed pursuant to applicable statutes and regulations and (as to FERC rates schedules) permitted by the commission to become effective.</p> <p><u>Columns (e) and (f)</u> - General Services Administration location code designations are to be used to designate the state and county where the gas is received. Where gas is received in more than one county, use the code designation for the county having the largest volume, and by footnote list the other counties involved.</p> <p><u>Column (g)</u> - List the assigned commission rate schedule number or small producer certificate docket number. Use the designation "NF" in Column (g) to indicate non-jurisdictional purchases.</p> <p><u>Column (h)</u> - In some cases, two or more lines will be required to report a purchase, as when two or more rates are being paid under the same contract, or when purchases under the same rate schedule are charged to more than one account. If for such reasons the producer rate schedule or non-jurisdictional purchase contract appears on more than one line, enter a numerical code (selected by the respondent) in Column (h) to so indicate. Once established, the same numerical suffix is to be used for all subsequent-year reporting of the purchase. If the purchase was permanently discontinued during the reporting year, so indicate by an asterisk (*) in column (h). Column (h) is to be used also, to enter any Commission assigned letter rate schedule suffix (e.g. R.S. No. 22A).</p> <p><u>Column (i)</u> - Show date of the gas purchase contract. If gas is purchased under a renegotiated contract show the dates of the original and renegotiated contracts on the following line in brackets. If new acreage is dedicated by ratification of an existing contract, show the date of the ratification, rather than the date of the original contract. If gas is being sold from a different reservoir than the original dedicated acreage pursuant to Section 2.56 (f) (2) of the Commission's Rules of Practice and Procedure, place the letter "A" after the contract date.</p> <p><u>Column (j)</u> - Show, for each purchase, the approximate BTU per cubic foot, determined in accordance with the definition in item No. 7 of the General Instructions for FERC Form 2.</p> <p><u>Column (k)</u> - State the volume of purchased gas as finally measured for purpose of determining the amount payable for the gas. Include current year receipts of make-up gas that was paid for in prior years.</p> <p><u>Column (l)</u> - State the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in Column (k).</p> <p><u>Column (m)</u> - State the average cost per MCF to the nearest hundredth of a cent. (Column (l) divided by Column (k) multiplied by 100).</p>
800	Natural Gas Well Head Purchases														
801	Natural Gas Field Line Purchases														
802	Natural Gas Gasoline Plant Outlet Purchases														
803	Natural gas Transmission Line Purchases														
804	Natural Gas City Gate Purchases														
804.1	Liquefied natural Gas Purchases														
805	Other gas Purchases														

SEE FERC ANNUAL REPORT PAGE 520

Name of Respondent Northwest Natural Gas Company	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
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STATE OF OREGON - GAS PURCHASES (Account 800, 801, 802, 803, 804, 804.1 and 805) (Con't)

Line No.	NAME OF SELLER (DESIGNATE ASSOCIATED COMPANIES) (a)	NAME OF PRODUCING FIELD OR GASOLINE PLANT (b)	NET RATE EFFECTIVE DECEMBER 31 (c)
1	SEE FERC ANNUAL REPORT PAGE 520		
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Name of Respondent			This Report Is:		Date of Report		Year of Report			
Northwest Natural Gas Company			X An Original A Resubmission		(Mo, Da, Yr)		Dec. 31, 2014			
STATE OF OREGON - GAS PURCHASES (Account 800, 801, 802, 803, 804, 804.1 and 805) (Con't)										
Seller Code (d)	State Code (e)	County Code (f)	Rate Schedule		Date of Contract (i)	Approx BTU Per CU Ft. (j)	Gas Purchased - MCF (14.73 PSIA 60°F) (k)	Cost of Gas (l)	Cost Per MCF (Cents) (m)	Line No.
			No. (g)	Suffix (h)						
										1
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SEE FERC ANNUAL REPORT PAGE 520

Name of Respondent Northwest Natural Gas Company	This Report Is: X An Original A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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STATE OF OREGON - GAS USED IN UTILITY OPERATIONS - CREDIT (Accounts 810, 811 and 812)

- Report below particulars of credits during the year to Accounts 810, 811 and 812, which offset charges to operating expenses or other accounts for the cost of gas from the respondent's own supply.
- Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.
- If the reported MCF for any use is an estimated quantity, state such fact.
- If any natural gas was used by the respondent for which charge was not made to the appropriate operating expenses or other account, list separately in column (c) used, the MCF of gas so omitting entries in columns (d) and (e).
- Pressure base of measurement, to be reported in columns (c) and (f) is 14.73 psia at 60° F.

Line No.	PURPOSE FOR WHICH GAS WAS USED (a)	ACCOUNT CHARGED (b)	NATURAL GAS			MANUFACTURED GAS	
			Dth OF GAS USED (14.73 PSIA AT 60° F) (c)	AMOUNT OF CREDIT (d)	AMOUNT PER Dth (CENTS) (e)	MCF OF GAS USED (14.73 PSIA AT 60° F) (f)	AMOUNT OF CREDIT (g)
1	810 Gas used for Compressor Station Fuel - Credit						
2	811 Gas used for Products Extraction - Credit						
3	(a) Gas shrinkage & other usage in respondent's own processing						
4	(b) Gas shrinkage, etc. for respondent's gas processed by others						
5	812 Gas used for Other Utility Operations - Credit						
6	(Report separately for each principal use, Group minor uses.)						
7							
8	Portland and District Centers		175,189	255,411			
9	Storage Plants		357,387	Included in the Cost of Inventory			
10							
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12							
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17							
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21							
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24							
25	TOTAL		532,576	255,411	0.48		

Name of Respondent		This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company		(1) X An Original (2) A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014
STATE OF OREGON - GAS ACCOUNT - NATURAL GAS				
<p>1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent, taking into consideration differences in pressure bases used in measuring Mcf of natural gas received and delivered.</p> <p>2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.</p> <p>3. Enter in column (c) the Dth as reported in the schedules indicated for the items of receipts and deliveries.</p> <p>4. In a footnote report the volumes of gas from respondent's own production delivered to respondent's transmission system and included in natural gas sales.</p> <p>5. If the respondent operates two or more systems which are not interconnected, separate schedules should be submitted. Insert pages for this purpose.</p>				
Line No.	Item (a)	Ref. Page No. (b)	Amount of Dth (c)	
1	GAS RECEIVED			
2	Natural Gas Produced			
3	LPG Gas Produced and Mixed with Natural Gas			
4	Manufactured Gas Produced and Mixed with Natural Gas			
5	Purchased Gas			
6	(a.) Wellhead			
7	(b.) Field Lines		844,196	
8	(c.) Gasoline Plants			
9	(d.) Transmission Line			
10	(e.) City Gate Under FERC Rate Schedules		66,701,236	
11	(f.) LNG			
12	(g.) Other			
13	TOTAL, Gas Purchased (Enter Total of lines 7 thru 13)		67,545,432	
14	Gas of Others Received for Transportation		35,785,447	
15	Receipts of Respondents' Gas Transported or Compressed by Others		0	
16	Exchange Gas Received			
17	Gas Withdrawn from Underground Storage	*	4,500,756	
18	Gas Received from LNG Storage		730,315	
19	Gas Received from LNG Processing			
20	Other Receipts (Specify)			
21	TOTAL Receipts (Enter Total of lines 2 thru 5, 13, and 14 thru 20)		108,561,950	

Note: * This amount does not tie to system page 512 as it only includes Oregon storage sites.

Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		(1) X An Original (2) A Resubmission		Dec. 31, 2014
STATE OF OREGON - GAS ACCOUNT - NATURAL GAS (Continued)				
01 NAME OF SYSTEM OREGON				
Line No.	Item (a)	Ref. Page No. (b)	Amount of Dth (c)	
GAS DELIVERED				
22	Natural Gas Sales			
23	Field Sales			
24	(i) To Interstate Pipeline Companies for Resale Pursuant to FERC Rate Schedules			
25	(ii) Retail Industrial Sales			
26	(iii) Other Field Sales			
27	TOTAL, Field Sales (Enter Total of lines 26 thru 28)			
28	Transmission System Sales			
29	(i) To Interstate Pipeline Co. for Resale Under FERC Rate Schedules			
30	(ii) To Interstate Pipeline Co. and Gas Utilities for Resale Under FERC Rate Schedules			
31	(iii) Mainline Industrial Sales Under FERC Certification			
32	(iv) Other Mainline Industrial Sales			
33	(v) Other Transmission System Sales			
34	TOTAL, Transmission System Sales (Enter Total of lines 31 thru 35)			
35	Local Distribution by Respondent			
36	(i) Retail Industrial Sales		9,134,148	
37	(ii) Other Distribution System Sales		56,894,886	
38	TOTAL, Distribution System Sales (Lines 36 + 37)		66,029,034	
39	Unbilled Therms		(1,199,399)	
40	TOTAL SALES (Enter Total of lines 36, 38, 39, and 40)		64,829,635	
41	Deliveries of Gas Transported or Compressed for:			
42	(a.) Other Interstate Pipeline Companies		35,785,447	
43	(b.) Others - Transportation			
44	TOTAL, Gas Transported or Compressed for Others (Enter Total of lines 42 and 43)		35,785,447	
45	Deliveries of Respondent's Gas for Trans. or Compression by Others			
46	Exchange Gas Delivered		-	
47	Natural Gas Used by Respondent		6,381,623	
48	Natural Gas Delivered to Underground Storage	*	914,340	
49	Natural Gas Delivered to LNG Storage		532,576	
50	Natural Gas Delivered to LNG Processing	331		
51	Natural Gas for Franchise Requirements			
52	Other Deliveries (Specify): FIK		108,443,621	
53	TOTAL SALES & OTHER DELIVERIES (Lines 40, 42, 44, 46, 47 thru 51)			
UNACCOUNTED FOR				
54	Production System Losses			
55	Storage Losses: Mist Gas Loss			
56	Transmission System Losses		118,329	
57	Distribution System Losses			
58	Other Losses (Leakage)		118,329	
59	TOTAL Unaccounted for (Enter Total of lines 54 thru 58)			
60	TOTAL SALES, OTHER DELIVERIES, AND UNACCOUNTED FOR (Enter Total of lines 53 and 59)		108,561,950	

Note: * This amount does not tie to system page 512 as it only includes Oregon storage sites.

Name of Respondent Northwest Natural Gas Company		This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) Dec. 31, 2014	Year of Report Dec. 31, 2014
STATE OF OREGON - MISCELLANEOUS GENERAL EXPENSES (Account 930.2)				
Report below the information called for concerning items included in miscellaneous general expenses.				
LINE NO.	ITEMS (a)	TOTAL (b)	AMOUNT APPLICABLE TO STATE OF OREGON (c)	AMOUNT APPLICABLE TO OTHER STATES (d)
	SEE FERC ANNUAL REPORT PAGE 335			

Name of Respondent Northwest Natural Gas Company	This Report is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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STATE OF OREGON - POLITICAL ADVERTISING

1. List all payments for advertising, the purpose of which is to aid or defeat any measure before the people or to promote or prevent the enactment of any national, state, district or municipal legislation.
2. Give the specific purpose of such advertising, when and where placed, and the account or accounts charged.
3. Report whole dollars only. Provide a total for each account and a grand total.

Line No.	DESCRIPTION (a)	ACCOUNT CHARGED (b)	AMOUNT (c)
	NONE		

Name of Respondent		This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company		X An Original A Resubmission		Dec. 31, 2014
STATE OF OREGON - POLITICAL CONTRIBUTIONS				
1. List all payments or contributions to persons and organizations for the purpose of aiding or defeating any measure before the people or to promote or prevent the enactment of any national, state, district or municipal legislation. 2. The purpose of all contributions or payments should be clearly explained 3. Report whole dollars only. Provide a total for each account and a grand total.				
Line No.	Description of Investment (a)	Account Charged (b)	Amount (c)	
1	INTERNAL LOBBY AND INTERNAL RESOURCES	426-04935	111,464	
2	CITIZENS FOR SCHOOL SUPPORT	426-04935	2,500	
3	CITY OF PORTLAND	426-04935	15,000	
4	FRIENDS OF CLACKAMAS	426-04935	1,000	
5	FUND FOR OREGON	426-04935	1,000	
6	KEEP GRESHAM SAFE	426-04935	1,000	
7	OREGON UNITED FOR MARRIAGE	426-04935	5,000	
8	PORTLAND BUSINESS ALLIANCE	426-04935	2,000	
9	PORTLANDERS FOR SCHOOLS	426-04935	5,000	
10	STOP THE BULL RUN TAKEOVER PAC	426-04935	15,000	
11	THE CONSERVATION CAMPAIGN	426-04935	2,500	
12	GROW OREGON	426-04935	15,000	
13	VOTE YES ON 90	426-04935	10,000	
14	OTHER < \$1,000	426-04935	23,444	
15	Total 426-04935	Total	209,908	
16				
17				
18	NATURAL GAS POLITICAL COMMITTEE	426-04955	130,000	
19	Total 426-04955	Total	130,000	
20				
21				
22	INTERNAL LOBBY AND INTERNAL RESOURCES	426-04950	285,500	
23	OTHER < \$1,000	426-04950	1,026	
24	Total 426-04950	Total	286,526	
25				
26				
27		Total	626,434	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report	
Northwest Natural Gas Company	X An Original A Resubmission		Dec. 31, 2014	
STATE OF OREGON - EXPENDITURES TO ANY PERSON OR ORGANIZATION HAVING AN AFFILIATED INTEREST FOR SERVICES, ETC.				
<p>1. Report all expenditures to any person or organization having an affiliated interest for service, advice, auditing, associating, sponsoring, engineering, managing, operating, financial, legal or other services. See Oregon Revised Statute 757.015 for definition of "affiliated interest."</p> <p>2. Give reference if such expenditures have in the past been approved by the Commission. Describe the services received and the account or accounts charged. Report whole dollars only.</p>				
Line No.	Description (a)	Account Number (b)	Total Amount (c)	Amount assigned to Oregon (d)
1	All expenditures shown below are reflected in the Statement of Income of			
2	Northwest Natural Gas for the year ended December 31, 2014			
3	All expenditures are based upon the accrual method of accounting.			
4				
5	Name of Affiliated Party: Gill Ranch Storage, LLC			
6	Relationship: Wholly Owned Subsidiary of NW Natural Gas Storage, LLC			
7	Shared Services Agreement - see FERC Form 2 p. 358	Various	688,449	N/A
8	Corporate income taxes accrued and charged on behalf of affiliated party			
9	Federal income tax expense (benefit) - see FERC Form 2 p. 263B	409-43075	(5,605,345)	N/A
10	State income tax expense (benefit) - see FERC Form 2 p. 263C	409-43145	(766,314)	N/A
11	Total of transactions with affiliated party		(5,683,210)	
12				
13				
14	Name of Affiliated Party: Northwest Natural Energy, LLC			
15	Relationship: Wholly Owned Subsidiary of Northwest Natural Gas Company			
16	NW Energy LLC Investment	123.1	159,171,212	N/A
17	Shared Services Agreement - see FERC Form 2 p. 358	Various	85,275	N/A
18	Corporate income taxes accrued and charged on behalf of affiliated party			
19	Federal income tax expense (benefit) - see FERC Form 2 p. 263B	409-49001	(45,855)	N/A
20	State income tax expense (benefit) - see FERC Form 2 p. 263C	409-49002	(3,144)	N/A
21	Total of transactions with affiliated party		159,207,488	
22				
23	Name of Affiliated Party: NW Natural Gas Storage LLC			
24	Relationship: Wholly Owned Subsidiary of NW Energy LLC			
25	Shared Services Agreement - see FERC Form 2 p. 358	Various	421,892	N/A
26	Corporate income taxes accrued and charged on behalf of affiliated party			
27	Federal income tax expense (benefit) - see FERC Form 2 p. 263B	409-44001	(63,237)	N/A
28	State income tax expense (benefit) - see FERC Form 2 p. 263C	409-44002	55,737	N/A
29	Total of transactions with affiliated party		414,392	
30				
31	Name of Affiliated Party: NNG Financial Corporation			
32	Relationship: Wholly Owned Subsidiary of Northwest Natural Gas Company			
33	Pipeline capacity charges (KB Pipeline)	804-02910	459,939	N/A
34	NNG Financial Corporation Investment	123.1		N/A
35	Corporate income taxes accrued and charged on behalf of affiliated party			
36	Federal income tax expense (benefit) - see FERC Form 2 p. 263B	409-23075	3,021	N/A
37	State income tax expense (benefit) - see FERC Form 2 p. 263C	409-23145	1,680	N/A
38	Total of transactions with affiliated party		688,898	
39				
40	Name of Affiliated Party: Northwest Biogas, LLC			
41	NW Biogas LLC Investment	123.1	47,189	N/A
42	Total of transactions with affiliated party		47,189	
43				
44	Name of Affiliated Party: Northwest Energy Corporation			
45	Northwest Energy Corp Investment	123.1	154,334,403	N/A
46	Total of transactions with affiliated party		154,334,403	
47				
48	Name of Affiliated Party: NWN Gas Reserves, LLC			
49	Relationship: Wholly Owned Subsidiary of Northwest Energy Corporation			
50	Federal income tax expense (benefit) - see FERC Form 2 p. 263B	409-33080	11,127,539	N/A
51	Total of transactions with affiliated party		11,127,539	
52				
53	Total of transactions with all affiliated parties		320,136,699	N/A

**NORTHWEST NATURAL
DONATIONS FOR THE YEAR ENDED DECEMBER 31, 2014**

DESCRIPTION	AMOUNT ASSIGNED TO OREGON	AMOUNT ASSIGNED TO WASHINGTON
UNITED WAY	\$104,000	\$24,000
FRIENDS OF THE CHILDREN - PORTLAND	68,000	7,000
OREGON COMMUNITY FOUNDATION	73,940	
AMERICAN RED CROSS CASCADES REGION	27,500	8,000
CASA FOR CHILDREN	35,000	
FOREST PARK CONSERVANCY	35,000	
OREGON HEALTH AND SCIENCE UNIVERSITY	30,000	
UNIVERSITY OF OREGON FOUNDATION	23,289	
REGIONAL ARTS & CULTURE COUNCIL	22,500	
ENVIRONMENTAL FEDERATION OF OREGON	22,000	
PORTLAND STATE	15,750	
PORTLAND CENTER STAGE	15,000	
THE OREGON ZOO FOUNDATION	15,000	
OREGON STATE UNIVERSITY	14,400	
SELF ENHANCEMENT INC	13,000	
BLACK UNITED FUND OF OREGON	12,000	
OREGON FOOD BANK INC	10,000	2,000
BIG BROTHERS BIG SISTERS NORTHWEST	7,500	2,500
BLANCHET HOUSE OF HOSPITALITY	10,000	
CAMP FIRE USA	7,500	2,500
LITERARY ARTS INC	10,000	
MERCY CORPS	8,000	2,000
OREGON ALLIANCE OF INDEPENDENT	10,000	
OREGON HISTORICAL SOCIETY	10,000	
PORTLAND COMMUNITY COLLEGE	10,000	
THE LIBRARY FOUNDATION	10,000	
THE SALVATION ARMY	10,000	
VERNONIA EDUCATION FOUNDATION	10,000	
FRIENDS OF TREES	5,000	2,500
LIFEWORCS NORTHWEST	6,000	1,500
SCHOOLHOUSE SUPPLIES INC	7,500	
STAND FOR CHILDREN	7,500	
NORTHWEST NATURAL GAS CO	6,850	
OREGON CHILDREN'S FOUNDATION	6,750	
DE LA SALLE	6,500	
THE CHILDREN'S CENTER OF CLACKAMAS	6,500	
ALL HANDS RAISED	6,000	
AMERICAN CANCER SOCIETY	5,500	
GUIDE DOGS FOR THE BLIND INC	5,500	
MEDICAL TEAMS INTERNATIONAL	5,500	
BEAVERTON EDUCATION FOUNDATION	5,000	
CAMPBELL INSTITUTE	5,000	
CATHOLIC CHARITIES	5,000	
CENTRAL CITY CONCERN	5,000	
CLACKAMAS WOMEN'S SERVICES	5,000	
COMMUNITY TRANSITIONAL SCHOOL	5,000	
DRESS FOR SUCCESS OF OREGON INC	5,000	
FRIENDS OF THE RIDGEFIELD		5,000

**NORTHWEST NATURAL
DONATIONS FOR THE YEAR ENDED DECEMBER 31, 2014**

DESCRIPTION	AMOUNT ASSIGNED TO OREGON	AMOUNT ASSIGNED TO WASHINGTON
I HAVE A DREAM FOUNDATION OREGON	5,000	
IMPACT NORTHWEST	4,000	1,000
JAPANESE GARDEN	5,000	
JUNIOR ACHIEVEMENT	5,000	
NORTHWEST EARTH INSTITUTE	5,000	
OPEN MEADOW ALTERNATIVE SCHOOLS INC	5,000	
OREGON BALLET THEATRE	5,000	
OREGON BUSINESS COUNCIL	5,000	
OREGON MUSEUM OF	5,000	
OREGON PARTNERSHIP INC	5,000	
OREGON STATE UNIVERSITY FOUNDATION	5,000	
PORTLAND ART MUSEUM	5,000	
PORTLAND OPERA ASSOCIATION INC	5,000	
SOCIAL VENTURE PARTNERS PORTLAND	5,000	
SOLV	5,000	
THE CHILDREN'S HOSPITAL FOUNDATION	5,000	
THE FRESHWATER TRUST	5,000	
THE NATURE CONSERVANCY	5,000	
WILLAMETTE VALLEY	5,000	
YAMHILL COUNTY CASA PROGRAM	5,000	
TUALATIN RIVERKEEPERS	4,000	
OREGON AREA JEWISH COMMITTEE	3,500	
THE COMMUNITY FOUNDATION		3,000
COMMUNITY WAREHOUSE	3,000	
DOERNBECHER CHILDREN'S	3,000	
LOWER COLUMBIA RIVER	1,500	1,500
THE KILCULLEN PROJECT	3,000	
AUDUBON SOCIETY OF PORTLAND	2,500	
BASIC RIGHTS EDUCATION FUND	2,500	
CASA OF LANE COUNTY	2,500	
CASH OREGON	2,500	
CHESS FOR SUCCESS	2,500	
COLUMBIA RIVER MARITIME MUSEUM	2,500	
COMMUNITY ACTION ORGANIZATION	2,500	
EMANUEL CHILDRENS	2,500	
FORT VANCOUVER		2,500
GIRLS INC OF NORTHWEST OREGON	2,500	
JOIN	2,500	
MUSLIM EDUCATIONAL TRUST	2,500	
NATIVE AMERICAN YOUTH	2,500	
NORTH CLACKAMAS	2,500	
OREGON MENTORS	2,500	
OREGON WWII MEMORIAL FOUNDATION	2,500	
P:EAR	2,500	
PITTOCK MANSION SOCIETY	2,500	
PLAYWORKS EDUCATION ENERGIZED	2,500	
PORTLAND FESTIVAL SYMPHONY	2,500	
PORTLAND INSTITUTE FOR CONTEMPORARY	2,500	
REAP INC	2,500	

**NORTHWEST NATURAL
DONATIONS FOR THE YEAR ENDED DECEMBER 31, 2014**

DESCRIPTION	AMOUNT ASSIGNED TO OREGON	AMOUNT ASSIGNED TO WASHINGTON
SATURDAY ACADEMY	2,500	
THE BLACK PARENT INITIATIVE	2,500	
THE DOUGY CENTER INC	2,500	
VIRGINIA GARCIA	2,500	
VOLUNTEERS OF AMERICA OREGON	2,500	
YOUNG ENTREPRENEURS BUSINESS PROGRA	2,500	
FENCES FOR FIDO	2,350	
BRIDGE MEADOWS	2,000	
HISPANIC METROPOLITAN CHAMBER	2,000	
NEIGHBORHOOD HOUSE	2,000	
NEIGHBORHOODS W - NW REVIEW BOARD I	2,000	
PORTLAND CLASSICAL CHINESE GARDEN	2,000	
AMERICAN LEADERSHIP FORUM OF OREGON	1,500	
BRADLEY-ANGLE HOUSE	1,500	
MID-WILLAMETTE FAMILY YMCA	1,500	
OREGON COAST COMMUNITY ACTION	1,500	
YWCA CLARK COUNTY		1,500
CONCORDIA UNIVERSITY	1,250	
MAYOR'S CHARITY BALL	1,250	
WILLAMETTE PARTNERSHIP	1,250	
OPEN ARMS INTERNATIONAL INC	1,014	
ASIAN AMERICAN YOUTH	1,000	
ASSISTANCE LEAGUE OF GREATER PORTLA	1,000	
CENTRAL CITY CONCERN INC	1,000	
CHILDREN'S TRUST FUND	1,000	
CITY OF COLUMBIA CITY	1,000	
FAMILY PROMISE OF LINCOLN COUNTY	1,000	
FOOD FOR LANE COUNTY	1,000	
FRIENDLY HOUSE INC	1,000	
INNOVATION PARTNERSHIP	1,000	
INNOVATIVE SERVICES NW		1,000
INTERFACE NETWORK INC	1,000	
LINCOLN COUNTY FOOD SHARE	1,000	
LINCOLN COUNTY	1,000	
LINNTON COMMUNITY CENTER	1,000	
MACDONALD CENTER	1,000	
NORTHWEST HOUSING ALTERNATIVES	1,000	
OREGON CHILDREN'S THEATRE	1,000	
OREGON COLLEGE OF ORIENTAL MEDICINE	1,000	
OSWILG	1,000	
SERENDIPITY CENTER INC	1,000	
SUSTAINABLE NORTHWEST		1,000
THE CAMPAIGN FOR EQUAL JUSTICE	1,000	
THE PIECE	1,000	
INTERNAL RESOURCES	13,728	
UNDER \$1K	27,855	3,455
Grand Total	\$ 1,019,676	\$ 71,955
Total of Donations > \$1,000	991,821	68,500
Various Charities < \$1,000	27,855	3,455
Total Donations	\$ 1,019,676	\$ 71,955

OREGON SUPPLEMENT

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Name of Respondent	This Report Is:	Date of Report	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission	(Mo, Da, Yr)	Dec. 31, 2014

State of Oregon - Officers' Salaries

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration, or finance), and any other person who performs similar policy-making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent and date change in incumbency was made.
3. Utilities which are required to file similar data with the Securities and Exchange Commission, may substitute a copy of Item 4, Regulation S-K, identified as this schedule page. The substituted page(s) should be conformed to the size of this page.

Line No.	Title (a)	Name of Officer (b)	Salary for Year	
			Total (c)	Oregon (d)
1	President and Chief Executive Officer	Gregg S. Kantor	533,333	533,333
2	Executive Vice President Operations and Regulation	David H. Anderson	399,000	399,000
3	Senior Vice President and Chief Financial Officer	Stephen P. Feltz	305,000	305,000
4	Senior Vice President and General Counsel	Margaret D. Kirkpatrick	303,167	303,167
5	Senior Vice President	Lea Anne Doolittle	274,667	274,667
6	Vice President	David R. Williams	234,833	234,833
7	Vice President	Grant M. Yoshihara	234,833	234,833
8	Vice President and Treasurer	C. Alex Miller	216,833	216,833
9	Chief Governance Officer and Corp. Secretary	MardiLyn Saathoff	240,833	240,833
10	Controller	Brody J. Wilson	185,833	185,833

Name of Respondent Northwest Natural Gas Company	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2014
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**STATE OF OREGON - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS
OTHER THAN EMPLOYEES AND CHARGED TO OREGON OPERATING ACCOUNTS**

1. Report for each service rendered (including materials furnished incidental to the service which are impracticable of separation by recipient and in total the aggregate of all payments made during the year where the aggregate of such payments to a recipient was \$25,000 or more including fees, retainers, commissions, gifts, contributions, assessments, bonuses, subscriptions, allowances for expenses or any other form of payments for services, traffic settlements, amounts paid for construction or maintenance of plant to persons other than affiliates to any one corporation, institution, association, firm partnership, committee, or person (not an employee of the respondent). Indicate by an asterisk in column (c) each item that includes payments for materials furnished incidental to the services performed. Payments to a recipient by two or more companies within a single system under a cost sharing or other joint arrangement shall be considered a single item for reporting in this schedule and shall be shown in the report of the principal company in the joint arrangement (as measured by gross operating revenues) with references thereto in the reports of the other system companies in the joint arrangement.
2. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies.

Line No.	NAME OF RECIPIENT (a)	NATURE OF SERVICE (b)	AMOUNT OF PAYMENT (c)
	SEE FERC ANNUAL REPORT PAGE 357		

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Northwest Natural Gas Company	X An Original A Resubmission		Dec. 31, 2014

In order to help us with production of our Oregon Utility Statistics publication, please indicate:

Oregon Production Statistics (Therms)

Gas Produced	
Gas Purchased	675,454,320
Total Receipts	<u>675,454,320</u>

Gas Sales	660,290,340
Gas Used by Company	5,325,760
Gas Delivered to LNG and Storage - Net	20,648,914
Losses & billing Delay	(10,810,694)
Total Disbursements	<u>675,454,320</u>

Oregon Revenue by Service Class

Residential	\$ 390,497,038
Commercial & Industrial	
Firm	227,161,837
Interruptible	30,697,200
Transportation	15,252,791
Total	<u>\$ 663,608,866</u>

Gas Sold in Therms (Oregon)

Residential	337,697,352
Commercial & Industrial	
Firm	250,243,559
Interruptible	60,355,443
Transportation	357,854,474
Total	<u>1,006,150,828</u>

Average Number of Oregon Customers

Residential	565,155
Commercial & Industrial	
Firm	60,074
Interruptible	139
Transportation	258
Total	<u>625,626</u>