

ELLEN F. ROSENBLUM
Attorney General



MARY H. WILLIAMS
Deputy Attorney General

DEPARTMENT OF JUSTICE
GENERAL COUNSEL DIVISION

September 13, 2012

Lisa Hardie
Administrative Law Judge
Public Utility Commission of Oregon
550 Capitol St NE – Suite 215
Salem OR 97301

Re: **Staff Post-Hearing Brief Enclosures**
In the Matter of UG 221 – Northwest Natural Gas Company, dba NW Natural, Request
for a General Rate Revision
PUC Filing Center Tracking #17277

Dear ALJ Hardie:

Enclosed for filing are courtesy copies for the information cited and internet link
provided in footnotes 109, 110, 119.

Sincerely,

Neoma Lane
Legal Secretary
Business Activities Section

NAL:nal/3639986-v1
Enclosures

Accessed by OPUC Staff 8/31/12 at
Updated 9/10/12

<http://www.cboe.com/micro/vix/historical.aspx>

Date	VIX Open	VIX High	VIX Low	VIX Close	Average Hi 2012	YTD Average Close
1/3/2012	22.95	23.1	22.54	22.97	20.5	18.4
1/4/2012	23.44	23.73	22.22	22.22	20.5	18.4
1/5/2012	22.75	23.09	21.34	21.48	20.5	18.4
1/6/2012	21.24	21.72	20.58	20.63	20.5	18.4
1/9/2012	21.67	21.78	21	21.07	20.5	18.4
1/10/2012	20.14	20.69	20.05	20.69	20.5	18.4
1/11/2012	21.18	21.22	20.98	21.05	20.5	18.4
1/12/2012	21.01	22.03	20.46	20.47	20.5	18.4
1/13/2012	21.41	22.43	20.91	20.91	20.5	18.4
1/17/2012	20.9	22.25	20.69	22.2	20.5	18.4
1/18/2012	23.2	23.44	20.78	20.89	20.5	18.4
1/19/2012	20.49	20.87	19.45	19.87	20.5	18.4
1/20/2012	19.91	19.94	18.16	18.28	20.5	18.4
1/23/2012	19.22	19.31	18.55	18.67	20.5	18.4
1/24/2012	19.76	20	18.63	18.91	20.5	18.4
1/25/2012	19.35	19.55	17.15	18.31	20.5	18.4
1/26/2012	17.96	19.17	16.8	18.57	20.5	18.4
1/27/2012	19.16	19.16	18.26	18.53	20.5	18.4
1/30/2012	20.33	20.33	19.38	19.4	20.5	18.4
1/31/2012	19.07	19.84	18.13	19.44	20.5	18.4
2/1/2012	18.68	18.82	17.99	18.55	20.5	18.4
2/2/2012	18.38	18.5	17.98	17.98	20.5	18.4
2/3/2012	16.84	17.32	16.1	17.1	20.5	18.4
2/6/2012	17.98	18.02	16.11	17.76	20.5	18.4
2/7/2012	17.93	18.1	17.5	17.65	20.5	18.4
2/8/2012	17.79	18.46	17.53	18.16	20.5	18.4
2/9/2012	18.12	18.72	18.07	18.63	20.5	18.4
2/10/2012	20.1	21.98	19.02	20.79	20.5	18.4
2/13/2012	19.64	19.68	17.92	19.04	20.5	18.4
2/14/2012	19.45	20.76	18.95	19.54	20.5	18.4
2/15/2012	19.74	21.77	19.44	21.14	20.5	18.4
2/16/2012	21.59	21.76	19.22	19.22	20.5	18.4
2/17/2012	18.73	18.79	17.54	17.78	20.5	18.4
2/21/2012	18.41	18.94	17.65	18.19	20.5	18.4
2/22/2012	18.85	18.94	17.74	18.19	20.5	18.4
2/23/2012	18.73	18.97	16.64	16.8	20.5	18.4
2/24/2012	16.68	17.62	16.42	17.31	20.5	18.4
2/27/2012	19.1	19.25	17.58	18.19	20.5	18.4
2/28/2012	18.67	18.67	17.88	17.96	20.5	18.4
2/29/2012	17.8	18.75	17.53	18.43	20.5	18.4
3/1/2012	18.02	18.03	17.26	17.26	20.5	18.4
3/2/2012	17.65	17.65	17.14	17.29	20.5	18.4
3/5/2012	18.27	18.9	18.02	18.05	20.5	18.4
3/6/2012	20.57	21.24	20.3	20.87	20.5	18.4

3/7/2012	20.43	20.44	19.07	19.07	20.5	18.4
3/8/2012	18.08	18.46	17.76	17.95	20.5	18.4
3/9/2012	17.16	17.54	16.63	17.11	20.5	18.4
3/12/2012	15.79	16.67	15.23	15.64	20.5	18.4
3/13/2012	14	16.08	13.99	14.8	20.5	18.4
3/14/2012	14.42	16.19	14.39	15.31	20.5	18.4
3/15/2012	15.32	16.06	14.58	15.42	20.5	18.4
3/16/2012	14.43	15.24	13.66	14.47	20.5	18.4
3/19/2012	15.42	15.43	14.54	15.04	20.5	18.4
3/20/2012	15.82	15.95	15.11	15.58	20.5	18.4
3/21/2012	14.72	15.31	14.19	15.13	20.5	18.4
3/22/2012	16.04	16.58	15.56	15.57	20.5	18.4
3/23/2012	15.65	16.39	14.69	14.82	20.5	18.4
3/26/2012	14.51	15.03	14.26	14.26	20.5	18.4
3/27/2012	14.52	15.59	14.14	15.59	20.5	18.4
3/28/2012	15.58	17.27	15.4	15.47	20.5	18.4
3/29/2012	16.84	17.2	15.39	15.48	20.5	18.4
3/30/2012	14.88	15.98	14.67	15.5	20.5	18.4
4/2/2012	16.35	16.58	15.02	15.64	20.5	18.4
4/3/2012	15.61	16.65	15.56	15.66	20.5	18.4
4/4/2012	17.07	17.74	16.31	16.44	20.5	18.4
4/5/2012	17.02	17.13	16.29	16.7	20.5	18.4
4/9/2012	18.94	18.94	17.93	18.81	20.5	18.4
4/10/2012	19.1	21.06	18.62	20.39	20.5	18.4
4/11/2012	19.22	20.12	18.73	20.02	20.5	18.4
4/12/2012	19.63	19.74	17.2	17.2	20.5	18.4
4/13/2012	17.95	19.62	17.85	19.55	20.5	18.4
4/16/2012	18.87	20.42	18.6	19.55	20.5	18.4
4/17/2012	18.66	18.66	17.58	18.46	20.5	18.4
4/18/2012	19.02	19.17	17.7	18.64	20.5	18.4
4/19/2012	18.51	19.69	17.69	18.36	20.5	18.4
4/20/2012	17.92	18.05	16.97	17.44	20.5	18.4
4/23/2012	20.22	20.27	18.95	18.97	20.5	18.4
4/24/2012	19.22	19.22	18.09	18.1	20.5	18.4
4/25/2012	17.05	17.38	16.82	16.82	20.5	18.4
4/26/2012	16.97	17.04	15.75	16.24	20.5	18.4
4/27/2012	15.83	16.47	15.83	16.32	20.5	18.4
4/30/2012	17.04	17.41	16.92	17.15	20.5	18.4
5/1/2012	17.27	17.49	16.01	16.6	20.5	18.4
5/2/2012	17.25	17.63	16.78	16.88	20.5	18.4
5/3/2012	16.9	17.92	16.73	17.56	20.5	18.4
5/4/2012	18.03	19.28	17.81	19.16	20.5	18.4
5/7/2012	19.8	19.87	18.41	18.94	20.5	18.4
5/8/2012	19.44	20.91	17.95	19.05	20.5	18.4
5/9/2012	20.65	21.59	19.38	20.08	20.5	18.4
5/10/2012	19.25	19.88	18.77	18.83	20.5	18.4
5/11/2012	19.93	19.94	18.62	19.89	20.5	18.4

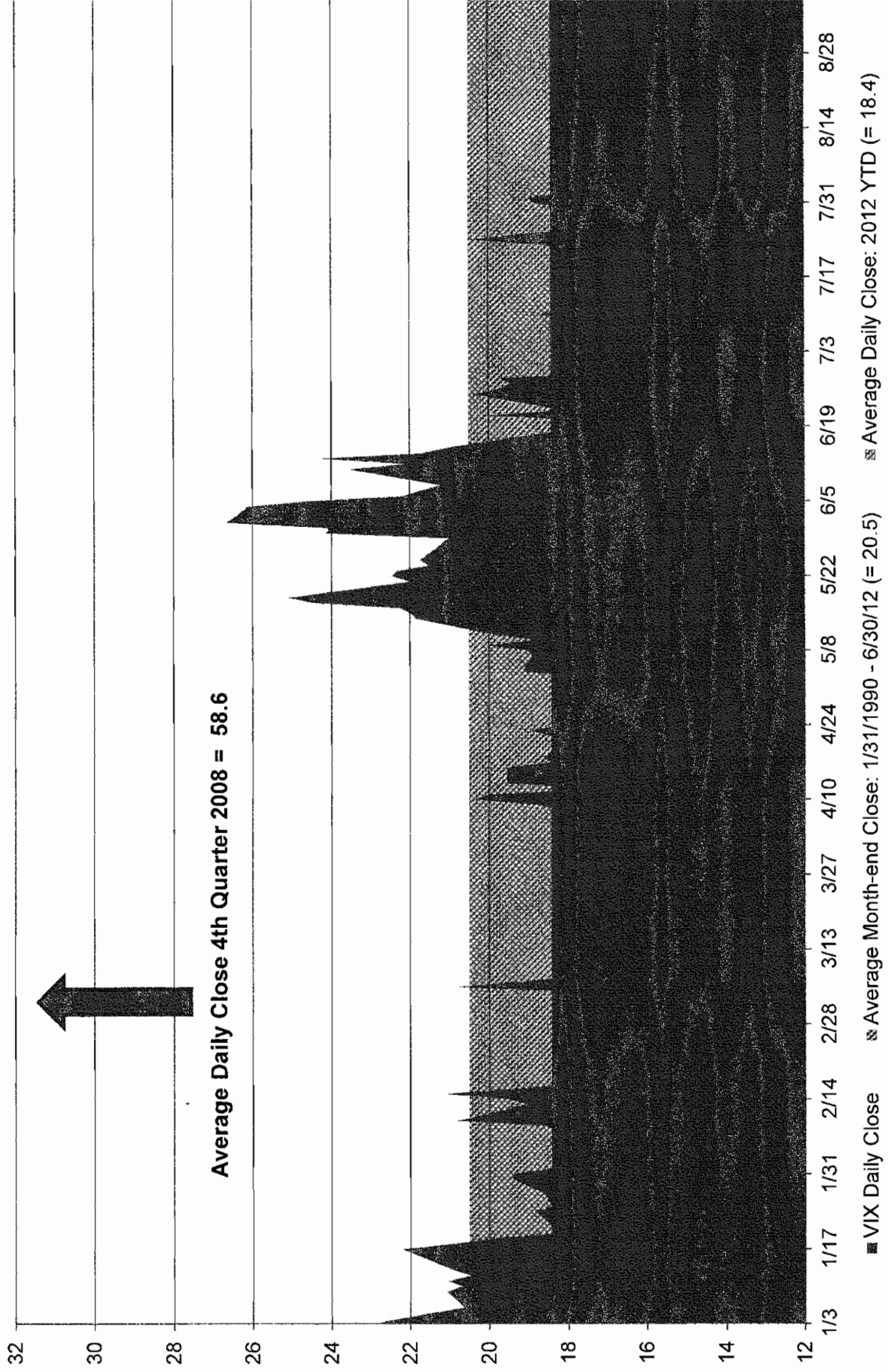
5/14/2012	21.47	21.87	20.94	21.87	20.5	18.4
5/15/2012	21.43	22.7	20.76	21.97	20.5	18.4
5/16/2012	21.54	22.69	20.83	22.27	20.5	18.4
5/17/2012	21.99	24.51	21.87	24.49	20.5	18.4
5/18/2012	23.27	25.14	23.07	25.1	20.5	18.4
5/21/2012	24.88	24.88	22.01	22.01	20.5	18.4
5/22/2012	21.76	23.19	19.98	22.48	20.5	18.4
5/23/2012	23.32	24.62	21.99	22.33	20.5	18.4
5/24/2012	22	23.22	21.48	21.54	20.5	18.4
5/25/2012	22.05	22.29	21.3	21.76	20.5	18.4
5/29/2012	21.7	22.47	20.99	21.03	20.5	18.4
5/30/2012	22.68	24.14	22.66	24.14	20.5	18.4
5/31/2012	23.83	25.46	22.78	24.06	20.5	18.4
6/1/2012	25.87	26.71	23.94	26.66	20.5	18.4
6/4/2012	26.35	27.73	25.72	26.12	20.5	18.4
6/5/2012	25.9	25.9	24.5	24.68	20.5	18.4
6/6/2012	23.76	23.89	21.8	22.16	20.5	18.4
6/7/2012	21	22.48	20.74	21.72	20.5	18.4
6/8/2012	22.54	23.1	20.29	21.23	20.5	18.4
6/11/2012	19.87	23.56	19.63	23.56	20.5	18.4
6/12/2012	23.15	23.9	22.09	22.09	20.5	18.4
6/13/2012	22.93	24.93	22.66	24.27	20.5	18.4
6/14/2012	24.19	24.81	21.55	21.68	20.5	18.4
6/15/2012	22.47	23.09	20.61	21.11	20.5	18.4
6/18/2012	21.76	21.98	18.24	18.32	20.5	18.4
6/19/2012	17.66	18.62	17.36	18.38	20.5	18.4
6/20/2012	17.96	20.05	17.09	17.24	20.5	18.4
6/21/2012	16.89	20.48	16.77	20.08	20.5	18.4
6/22/2012	18.65	19.37	17.9	18.11	20.5	18.4
6/25/2012	20.47	21.36	19.89	20.38	20.5	18.4
6/26/2012	20.01	20.57	19.42	19.72	20.5	18.4
6/27/2012	19.55	20.12	19.38	19.45	20.5	18.4
6/28/2012	20.33	21.19	19.6	19.71	20.5	18.4
6/29/2012	17.52	19.71	16.87	17.08	20.5	18.4
7/2/2012	17.62	18.19	16.66	16.8	20.5	18.4
7/3/2012	16.67	16.92	16.27	16.66	20.5	18.4
7/5/2012	17.61	18.22	17.18	17.5	20.5	18.4
7/6/2012	18.2	18.25	16.95	17.1	20.5	18.4
7/9/2012	18.17	18.32	17.73	17.98	20.5	18.4
7/10/2012	17.51	19.19	17.29	18.72	20.5	18.4
7/11/2012	17.98	19.17	17.84	17.95	20.5	18.4
7/12/2012	18.82	19.51	17.75	18.33	20.5	18.4
7/13/2012	17.78	17.82	16.36	16.74	20.5	18.4
7/16/2012	17.31	17.32	16.46	17.11	20.5	18.4
7/17/2012	16.72	17.46	16.09	16.48	20.5	18.4
7/18/2012	16.81	16.81	15.69	16.16	20.5	18.4
7/19/2012	16.06	16.7	15.45	15.45	20.5	18.4

7/20/2012	16.65	17.05	15.97	16.27	20.5	18.4
7/23/2012	20.41	20.49	18.34	18.62	20.5	18.4
7/24/2012	18.38	21	18.37	20.47	20.5	18.4
7/25/2012	19.79	20.67	18.99	19.34	20.5	18.4
7/26/2012	17.68	18.47	17.07	17.53	20.5	18.4
7/27/2012	17.11	17.3	16.52	16.7	20.5	18.4
7/30/2012	17.55	18.08	17.23	18.03	20.5	18.4
7/31/2012	18.4	19.09	18.26	18.93	20.5	18.4
8/1/2012	18.8	19.18	18.2	18.96	20.5	18.4
8/2/2012	19.05	19.25	17.56	17.57	20.5	18.4
8/3/2012	16.05	16.45	15.64	15.64	20.5	18.4
8/6/2012	15.85	16.27	15.82	15.95	20.5	18.4
8/7/2012	15.55	16.03	15.48	15.99	20.5	18.4
8/8/2012	16.46	16.47	15.27	15.32	20.5	18.4
8/9/2012	15.39	15.67	15.28	15.28	20.5	18.4
8/10/2012	15.34	15.5	14.73	14.74	20.5	18.4
8/13/2012	14.09	14.67	13.67	13.7	20.5	18.4
8/14/2012	13.91	15.06	13.91	14.85	20.5	18.4
8/15/2012	14.82	14.98	14.36	14.63	20.5	18.4
8/16/2012	14.88	15.15	14.28	14.29	20.5	18.4
8/17/2012	14.23	14.3	13.3	13.45	20.5	18.4
8/20/2012	14.11	14.78	13.38	14.02	20.5	18.4
8/21/2012	14.1	15.44	13.46	15.02	20.5	18.4
8/22/2012	15.32	15.52	14.75	15.11	20.5	18.4
8/23/2012	15	16.45	15	15.96	20.5	18.4
8/24/2012	15.99	16	15.18	15.18	20.5	18.4
8/27/2012	16.15	16.38	15.75	16.35	20.5	18.4
8/28/2012	16.32	16.92	16.01	16.49	20.5	18.4
8/29/2012	16.61	17.06	16.5	17.06	20.5	18.4
8/30/2012	17.48	18.05	17.44	17.83	20.5	18.4
9/4/2012	18.65	18.96	17.85	17.98	20.5	18.4
9/5/2012	17.38	17.84	16.99	17.74	20.5	18.4
9/6/2012	17.3	17.3	15.6	15.6	20.5	18.4
9/7/2012	15.6	15.6	14.33	14.38	20.5	18.4
Average YTD				18.4		
Average 2008Q4				58.6		

CBOE's Volatility Index (VIX)

2012 Daily Closing Values through September 7th

Source: CBOE at <http://www.cboe.com/micro/vix/historical.aspx>



Press Release

FEDERAL RESERVE press release



Release Date: January 25, 2012

For release at 2:00 p.m. EST

Following careful deliberations at its recent meetings, the Federal Open Market Committee (FOMC) has reached broad agreement on the following principles regarding its longer-run goals and monetary policy strategy. The Committee intends to reaffirm these principles and to make adjustments as appropriate at its annual organizational meeting each January.

The FOMC is firmly committed to fulfilling its statutory mandate from the Congress of promoting maximum employment, stable prices, and moderate long-term interest rates. The Committee seeks to explain its monetary policy decisions to the public as clearly as possible. Such clarity facilitates well-informed decisionmaking by households and businesses; reduces economic and financial uncertainty; increases the effectiveness of monetary policy, and enhances transparency and accountability, which are essential in a democratic society.

Inflation, employment, and long-term interest rates fluctuate over time in response to economic and financial disturbances. Moreover, monetary policy actions tend to influence economic activity and prices with a lag. Therefore, the Committee's policy decisions reflect its longer-run goals, its medium-term outlook, and its assessments of the balance of risks, including risks to the financial system that could impede the attainment of the Committee's goals.

The inflation rate over the longer run is primarily determined by monetary policy, and hence the Committee has the ability to specify a longer-run goal for inflation. The Committee judges that inflation at the rate of 2 percent, as measured by the annual change in the price index for personal consumption expenditures, is most consistent over the longer run with the Federal Reserve's statutory mandate. Communicating this inflation goal clearly to the public helps keep longer-term inflation expectations firmly anchored, thereby fostering price stability and moderate long-term interest rates and enhancing the Committee's ability to promote maximum employment in the face of significant economic disturbances.

The maximum level of employment is largely determined by nonmonetary factors that affect the structure and dynamics of the labor market. These factors may change over time and may not be directly measurable. Consequently, it would not be appropriate to specify a fixed goal for employment; rather, the Committee's policy decisions must be informed by assessments of the maximum level of employment, recognizing that such assessments are necessarily uncertain and subject to revision. The Committee considers a wide range of indicators in making these assessments. Information about Committee participants' estimates of the longer-run normal rates of output growth and unemployment is published four times per year in the FOMC's Summary of Economic Projections. For example, in the most recent projections, FOMC participants' estimates of the longer-run normal rate of unemployment had a central tendency of 5.2 percent to 6.0 percent, roughly unchanged from last January but substantially higher than the corresponding interval several years earlier.

In setting monetary policy, the Committee seeks to mitigate deviations of inflation from its longer-run goal and deviations of employment from the Committee's assessments of its maximum level. These objectives are generally complementary. However, under circumstances in which the Committee judges that the objectives are not complementary, it follows a balanced approach in promoting them, taking into account the magnitude of the deviations and the potentially different time horizons over which employment and inflation are projected to return to levels judged consistent with its mandate.

Press Release

FEDERAL RESERVE press release



Release Date: August 1, 2012

For immediate release

Information received since the Federal Open Market Committee met in June suggests that economic activity decelerated somewhat over the first half of this year. Growth in employment has been slow in recent months, and the unemployment rate remains elevated. Business fixed investment has continued to advance. Household spending has been rising at a somewhat slower pace than earlier in the year. Despite some further signs of improvement, the housing sector remains depressed. Inflation has declined since earlier this year, mainly reflecting lower prices of crude oil and gasoline, and longer-term inflation expectations have remained stable.

Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability. The Committee expects economic growth to remain moderate over coming quarters and then to pick up very gradually. Consequently, the Committee anticipates that the unemployment rate will decline only slowly toward levels that it judges to be consistent with its dual mandate. Furthermore, strains in global financial markets continue to pose significant downside risks to the economic outlook. The Committee anticipates that inflation over the medium term will run at or below the rate that it judges most consistent with its dual mandate.

To support a stronger economic recovery and to help ensure that inflation, over time, is at the rate most consistent with its dual mandate, the Committee expects to maintain a highly accommodative stance for monetary policy. In particular, the Committee decided today to keep the target range for the federal funds rate at 0 to 1/4 percent and currently anticipates that economic conditions—including low rates of resource utilization and a subdued outlook for inflation over the medium run—are likely to warrant exceptionally low levels for the federal funds rate at least through late 2014.

The Committee also decided to continue through the end of the year its program to extend the average maturity of its holdings of securities as announced in June, and it is maintaining its existing policy of reinvesting principal payments from its holdings of agency debt and agency mortgage-backed securities in agency mortgage-backed securities. The Committee will closely monitor incoming information on economic and financial developments and will provide additional accommodation as needed to promote a stronger economic recovery and sustained improvement in labor market conditions in a context of price stability.

Voting for the FOMC monetary policy action were: Ben S. Bernanke, Chairman; William C. Dudley, Vice Chairman; Elizabeth A. Duke; Dennis P. Lockhart; Sandra Pianalto; Jerome H. Powell; Sarah Bloom Raskin; Jeremy C. Stein; Daniel K. Tarullo; John C. Williams; and Janet L. Yellen. Voting against the action was Jeffrey M. Lacker, who preferred to omit the description of the time period over which economic conditions are likely to warrant an exceptionally low level of the federal funds rate.