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January 30, 2009

Oregon Public Utility Commission
550 Capitol Street N.E., Suite 215
Salem, Oregon 97301-2551

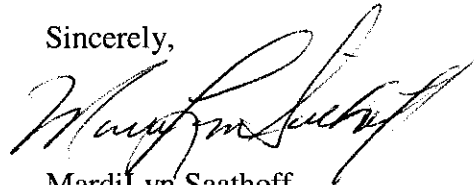
Ladies and Gentlemen:

Re: Docket No. UF-3279

Please refer to your file in Docket No. UF-3279 regarding the Company's issuance and sale of 5,550,000 shares of its Common Stock under the terms of the Dividend Reinvestment and Stock Purchase Plan.

Enclosed for filing in this Docket is the Company's 2008 Report of Proceeds Received, Expenses Incurred and Disposition of Proceeds prepared pursuant to the Commission's Order and Supplemental Orders in this Docket.

Sincerely,



MardiLyn Saathoff

MLS:kva
Encl.

Market, on the Investment Date. Effective July 27, 2000, the Company's Common Stock was listed and commenced trading on the New York Stock Exchange. For purposes of the Plan, the purchase price for original issue shares is the average of the high and low trading prices on the New York Stock Exchange on the Investment Date. Beginning on December 15, 2005, the Company began purchasing shares on the open market for purchase under the Plan. The price for shares purchased on the open market is the average price (including brokerage fees) paid by the Purchasing Representative to obtain them.

During 2008, the Company purchased on the open market an aggregate of 88,824 shares of its Common Stock pursuant to the Plan at various prices as more fully set forth herein. Of such shares, 71,745 were sold through reinvestment by participants of their dividends, while the remaining 17,079 shares were sold to participants who elected to make optional cash payments. Book entries for the 88,824 shares were issued at various times to American Stock Transfer & Trust Company, custodial agent. Such fully paid shares are held by the transfer agent in individual participants' Plan Accounts until such participants request that certificates be issued or that the shares be sold.

The Company had received aggregate cash proceeds in the amount of \$106,954,337.41 from sales of 4,770,191 shares of Common Stock it issued and sold in this Docket through December 31, 2005. These amounts have not changed since the Company's 2005 Report of Proceeds Received, Expenses Incurred and Disposition of Proceeds submitted by the Company. In addition, a total of 291,189 shares have been purchased in the open market to meet requirements of the Plan. The Company did not receive proceeds from the 88,824 shares sold under the Plan in 2008 because the shares were purchased on the open market.

Pursuant to the Commission's Order No. 76-780 and its Supplemental Order Nos. 80-289, 83-036, 84-868, 86-518, 89-176, 92-181, 94-002, 97-286, 01-840 and 05-825 in this Docket, the following detailed information is filed for the year 2008.

(A) The number of shares sold on each investment date, the prices at which such shares were sold, and the gross proceeds received by the Company from such sales during 2008:

<u>Date</u>	<u>Price</u>	<u>Shares Repurchased</u>	<u>Gross Proceeds</u>
February 15, 2008	\$45.52	18,320	\$0
May 15, 2008	\$44.66	18,684	\$0
August 15, 2008	\$47.54	17,125	\$0
November 15, 2008	\$47.70	17,616	\$0
<u>Optional Cash Payments</u>			
January 12, 2008	\$49.90	1,255	\$0
February 15, 2008	\$45.52	1,048	\$0
March 15, 2008	\$42.25	1,714	\$0
April 13, 2008	\$44.39	1,713	\$0
May 15, 2008	\$44.66	1,316	\$0
June 15, 2008	\$46.22	1,514	\$0
July 13, 2008	\$45.76	1,024	\$0
August 15, 2008	\$47.54	995	\$0
September 14, 2008	\$49.86	2,111	\$0
October 15, 2008	\$43.88	1,645	\$0
November 15, 2008	\$47.70	1,395	\$0
December 14, 2008	\$44.01	<u>1,349</u>	<u>\$0</u>
Grand Total		<u>88,824</u>	<u>\$0</u>

(B) Summary of the proceeds and expenses of the sales

Gross Proceeds Received:

88,824 repurchased at various prices (open market purchases)	\$0
Expenses actually and necessarily incurred as detailed in this Report	<u>13,900</u>
Net proceeds to be accounted for	<u>(13,900)</u>

(C) There were no net proceeds received from the sales of Common Stock during 2008.

(D) The expenses actually and necessarily incurred in connection with the Plan during 2008 and the accumulative total incurred in this Docket were as follows:

	<u>Estimated(a)</u>	<u>Actual Amount</u>	
		<u>2008</u>	<u>Accumulative Total</u>
Par Value of Common Stock Issued	\$15,199,310	\$ n/a ^(b)	\$ 15,099,783
Plus Premium	<u>87,281,940</u>	<u>0</u>	<u>91,854,555</u>
Gross Proceeds	\$102,481,250	- ^(c)	\$106,954,338
Securities and Exchange Commission Registration Fee	28,527	-	25,629
New York Stock Exchange Listing Fee	2,625	-	5,250
Fees to State Regulatory Authorities	451		
Washington Utilities and Transportation Commission		-	132
Oregon Public Utility Commission		-	316
Other		-	12
Printing and Engraving Expenses	157,000		
Platt Lithograph Company			
Registration Statements, Prospectuses, etc.		-	33,039
Computer Forms Imprinting, Inc.		-	2,808
Moore Business Forms		-	1,286
UARCO, Inc.		-	1,825
Colonial Business Forms, Inc.		-	7,970
Data Documents		-	2,050
American Mail-Well		-	3,099
Merrill Corp.		-	1,255
Digitype Imaging and Design		-	3,083
R. R. Donnelly		-	9,117
Miscellaneous		-	46,984
Administration Costs	173,000		
Bradford Trust Company (successor to Bankers Trust Company)		-	25,057
United States National Bank of Oregon		-	20,613
Bidwell & Company		-	3,000
Counsel Fees	129,000		
Thelen Reid & Priest LLP -- Fees and Expenses		-	178,476
Stoel Rives LLP		-	1,216
Accountants' Fees	56,500		
Deloitte & Touche		-	29,025
PricewaterhouseCoopers LLP		-	8,190
NASD Listing Fee	800	-	-
Miscellaneous Expense	170,148		
Miller and Lents Ltd. (formerly Brokaw, Dixon & McKee)		-	3,506
Freight and Postage		-	139,433
Admail, Inc.		-	56,139
American Stock Transfer & Trust (expenses)		13,900	52,211
Other	<u>-</u>	<u>-</u>	<u>5,686</u>
Total Deductions	<u>718,051</u>	<u>13,900</u>	<u>666,407</u>
Net Amount Realized	<u>\$101,763,199</u>	<u>\$13,900</u>	<u>\$106,287,931</u>

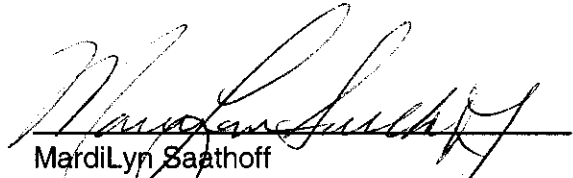
(a) Based upon sale of the common Stock over a 29-year period

(b) Par value eliminated May 2006

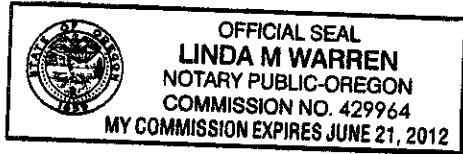
(c) Beginning December 2005, shares for the Plan were repurchased in the open market. No original issuances were made pursuant to the Plan in 2008.

IN WITNESS WHEREOF, I have hereunto affixed my hand and the corporate seal of Northwest Natural Gas Company this 30th day of January 2009.

(SEAL)



MardiLyn Saathoff
Chief Governance Officer and Corporate Secretary



Subscribed and sworn to before me this 30th day of January 2009.



Notary Public for Oregon
My Commission Expires 6/21/12