



e-FILING REPORT COVER SHEET

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REPORT NAME: Budget of Expenditures Report for the Year 2015

COMPANY NAME: NW Natural

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation: RE (Electric) RG (Gas) RW (Water) RO (Other)

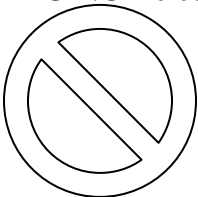
Report is required by: OAR 860-027-0005
Statute ORS 757.105
Order
Other

Is this report associated with a specific docket/case? No Yes

If yes, enter docket number: RG 18

List applicable Key Words for this report to facilitate electronic search:
2015 Budget of Expenditures Report

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- Annual Fee Statement form and payment remittance or
- OUS or RSPF Surcharge form or surcharge remittance or
- Any other Telecommunications Reporting or
- Any daily safety or safety incident reports or
- Accident reports required by ORS 654.715

Please file the above reports according to their individual instructions.

MARK R. THOMPSON
Manager, Rates & Regulatory Affairs
Tel: 503.721.2476
Fax: 503.721.2516
email: mark.thompson@nwnatural.com



March 13, 2015

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
3930 Fairview Industrial Drive SE
Post Office Box 1088
Salem, Oregon 97308-1088

Attention: Filing Center

Re: RG 18: 2015 ANNUAL BUDGET OF EXPENDITURES REPORT

Northwest Natural Gas Company, dba NW Natural, submits herewith its 2015 Annual Proposed Budget of Expenditures, pursuant to ORS 757.105 and OAR 860-27-0005.

Please address any correspondence on this matter to me, with copies to Jorge Moncayo, Financial Planning and Budget Manager, 503.226.4211, extension 5752, at the address stated above.

Sincerely,

/s/ Mark R. Thompson

Mark R. Thompson

enclosure

cc: Brody Wilson
Stephen Feltz
Alex Miller
Jorge Moncayo

BUDGET OF EXPENDITURES REPORT FOR THE YEAR 2015

Filed by:

NORTHWEST NATURAL GAS COMPANY
220 NW Second Avenue
Portland, Oregon 97209

Date of Incorporation:

January 10, 1910

Directors at date of budget:

<u>NAME OF DIRECTOR</u>	<u>CITY AND STATE OF RESIDENCE</u>	<u>LENGTH OF TERM</u>	<u>TERM EXPIRES</u>
Timothy P. Boyle*	Portland, OR	3 year	2015
Tod R. Hamachek	Ketchum, ID	3 year	2016
Gregg S. Kantor*	Portland, OR	1 year	2015
Mark S. Dodson*	Vancouver, WA	3 year	2015
John D. Carter	Portland, OR	3 year	2017
C. Scott Gibson	Jackson, WY	3 year	2017
Martha L. "Stormy" Byorum	New York, NY	3 year	2017
Jane L. Peverett	Vancouver, BC, Canada	3 year	2016
Kenneth Thrasher	Portland, OR	3 year	2016
Malia H. Wasson*	Portland, OR	1 year	2015

* Nominee at 2015 Annual Meeting for three-year term expiring in May 2018.

We certify that this budget of expenditures report has been prepared under our direction; that we have carefully examined the report and declare it to be a complete and correct estimate of Company expenditures for the coming year, to the best of our knowledge, information, and belief.



Brody Wilson, Controller

3/10/2015
Date

**ANNUAL SALARY* AND OTHER COMPENSATION OF OFFICERS
AND RETIRED EXECUTIVES**

* Salary amounts as of 1-1-15. Bonuses paid in March '14. Other amounts may reflect 2014 expenditures.

Kantor, Gregg S.		Company	Account
President and Chief Executive Officer		Paid	Number
1	Annual Salary	\$536,000	921 & 953
2	Amount Assigned to Oregon		
3	Medical & Dental	18,362	921 & 953
4	Life and Disability Insurance	3,337	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	214	804
7	Pension Plan	0	
8	Savings Plan	39,660	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$61,573	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	326,867	602
16	Bonus (Annual and Long Term Incentive Plans)	892,971	921 & 953
Anderson, David		Company	Account
Executive Vice President and Chief Operating Officer		Paid	Number
1	Annual Salary	\$401,000	921 & 953
2	Amount Assigned to Oregon		
3	Medical & Dental	20,407	921 & 953
4	Life and Disability Insurance	1,400	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	300	804
7	Pension Plan	0	
8	Savings Plan	23,922	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$46,028	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	129,300	602
16	Bonus (Annual and Long Term Incentive Plans)	382,697	921 & 953
Doolittle, Lea Anne		Company	Account
Sr. Vice President and Chief Administrative Officer		Paid	Number
1	Annual Salary	\$276,000	921 & 953
2	Amount Assigned to Oregon		
3	Medical & Dental	21,212	921 & 953
4	Life and Disability Insurance	1,673	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	366	804
7	Pension Plan	0	
8	Savings Plan	15,204	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$38,455	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	69,060	602
16	Bonus (Annual and Long Term Incentive Plans)	200,904	921 & 953

NOTE: 2015 salaries effective 3-1-15 can be provided when approved.

Feltz, Stephen P.		Company	Account
Sr. Vice President and Chief Financial Officer		Paid	Number
1	Annual Salary	\$307,000	921
2	Amount Assigned to Oregon		
3	Medical & Dental	20,407	921
4	Life and Disability Insurance	1,867	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	163	804
7	Pension Plan	0	
8	Savings Plan	16,758	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$39,195	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	89,990	602
16	Bonus (Annual and Long Term Incentive Plans)	210,997	921

Kirkpatrick, Margaret D.		Company	Account
Sr. Vice President, Environmental Policy and Affairs		Paid	Number
1	Annual Salary	\$305,000	921
2	Amount Assigned to Oregon		
3	Medical & Dental	21,212	921
4	Life and Disability Insurance	2,766	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	304	804
7	Pension Plan	0	
8	Savings Plan	9,360	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$33,641	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	23,000	602
16	Bonus (Annual and Long Term Incentive Plans)	234,761	921

Miller, C. Alex		Company	Account
Vice President, Regulation & Treasurer		Paid	Number
1	Annual Salary	\$218,000	921
2	Amount Assigned to Oregon		
3	Medical & Dental	21,212	921
4	Life and Disability Insurance	1,300	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	146	804
7	Pension Plan	0	
8	Savings Plan	9,360	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$32,018	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	18,213	602
16	Bonus (Annual and Long Term Incentive Plans)	119,571	921

NOTE: 2015 salaries effective 3-1-15 can be provided when approved.

Williams, David R.		Company	Account
Vice President, Utility Services		Paid	Number
1	Annual Salary	\$236,000	921
2	Amount Assigned to Oregon		
3	Medical & Dental	15,378	921
4	Life and Disability Insurance	2,087	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	0	804
7	Pension Plan	0	
8	Savings Plan	12,980	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$30,444	
14	Percent Assigned to Oregon (Est.)	90%	
15	Deferred Comp. In Salary	51,145	602
16	Bonus (Annual and Long Term Incentive Plans)	168,912	921

Yoshihara, Grant M.		Company	Account
Vice President, Utility Operations		Paid	Number
1	Annual Salary	\$236,000	921 & 953
2	Amount Assigned to Oregon		
3	Medical & Dental	15,864	921 & 953
4	Life and Disability Insurance	1,415	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	0	804
7	Pension Plan	0	
8	Savings Plan	12,980	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$30,258	
14	Percent Assigned to Oregon (Est.)	90%	
15	Deferred Comp. In Salary	47,327	602
16	Bonus (Annual and Long Term Incentive Plans)	168,912	921 & 953

Saathoff, Mardilyn		Company	Account
Sr. Vice President and General Counsel		Paid	Number
1	Annual Salary	\$304,000	921
2	Amount Assigned to Oregon		
3	Medical & Dental	13,884	921
4	Life and Disability Insurance	1,455	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	578	804
7	Pension Plan	0	
8	Savings Plan	16,029	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$31,946	
14	Percent Assigned to Oregon (Est.)	90%	
15	Deferred Comp. In Salary	56,725	602
16	Bonus (Annual and Long Term Incentive Plans)	133,265	921

NOTE: 2015 salaries effective 3-1-15 can be provided when approved.

Wilson, Brody J.		Company	Account
Controller and Chief Accounting Officer		Paid	Number
1	Annual Salary	\$188,000	921
2	Amount Assigned to Oregon		
3	Medical & Dental	8,353	921
4	Life and Disability Insurance	356	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	192	804
7	Pension Plan	0	
8	Savings Plan	9,227	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$18,128	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	16,553	602
16	Bonus (Annual and Long Term Incentive Plans)	96,387	921

Filippi, Shawn M.		Company	Account
Vice President and Corporate Secretary		Paid	Number
1	Annual Salary	\$210,000	921
2	Amount Assigned to Oregon		
3	Medical & Dental	13,141	921
4	Life and Disability Insurance	331	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	601	804
7	Pension Plan	0	
8	Savings Plan	7,461	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$21,534	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	25,153	602
16	Bonus (Annual and Long Term Incentive Plans)	56,221	921

Heiting, Kimberly A.		Company	Account
Vice President, Communications and Chief Marketing Officer		Paid	Number
1	Annual Salary	\$205,000	921
2	Amount Assigned to Oregon		
3	Medical & Dental	12,670	921
4	Life and Disability Insurance	465	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	160	804
7	Pension Plan	0	
8	Savings Plan	8,303	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$21,598	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	17,500	602
16	Bonus (Annual and Long Term Incentive Plans)	75,612	921

NOTE: 2015 salaries effective 3-1-15 can be provided when approved.

Imeson, Thomas J.		Company	Account
Vice President, Public Affairs		Paid	Number
1	Annual Salary	\$236,000	921
2	Amount Assigned to Oregon		
3	Medical & Dental	11,533	921
4	Life and Disability Insurance	1,615	Var
5	Income Protection Insurance	0	
6	Discount on Utility Service	81	804
7	Pension Plan	0	
8	Savings Plan	6,050	Var
9	Stock Purchase Plan	0	
10	Paid Parking	0	
11	Memberships	0	
12	Other Benefits	0	
13	Total Other Compensation	\$19,279	
14	Percent Assigned to Oregon (Est.)	90%	
15	Defered Comp. In Salary	23,000	602
16	Bonus (Annual and Long Term Incentive Plans)	0	921

NOTE: 2015 salaries effective 3-1-15 can be provided when approved.



2016 Contributions Budget

Name of Organization	Account	Amount	State
ABC House	426	5,000	OR
All Hands Raised	426	7,000	OR
American Cancer Society - Oregon	426	5,000	OR
American Heart Association	426	2,500	OR
American Red Cross	426	40,000	OR
Asian American Youth Leadership Summit	426	2,500	OR
Audubon Society of Portland	426	5,000	OR
Basic Rights Oregon	426	2,500	OR
Big Brothers/Big Sisters	426	12,000	OR
Black Parent Initiative	426	5,000	OR
Black United Fund of Oregon	426	20,000	OR
Camp Fire, USA	426	5,000	OR
Campaign for Equal Justice	426	2,000	OR
CASA for Kids - Statewide	426	55,000	OR
Cascade AIDS Project	426	5,000	OR
CASH Oregon	426	2,500	OR
Catholic Charities	426	2,500	OR
Central City Concern	426	7,500	OR
Chess for Success	426	3,000	OR
Children's Center - Clackamas County	426	5,000	OR
Children's Institute	426	5,000	OR
Clackamas Women's Services	426	5,000	OR
Clark County Community Food Bank	426	5,000	WA
Classroom Law Project	426	3,500	OR
Community Foundation of SW Washington	426	12,000	WA
Community Transitional School	426	5,000	OR
Community Warehouse	426	3,500	OR
Doernbecher Children's Hospital Found.	426	5,000	OR
Dougy Center	426	5,000	OR
Dress for Success	426	5,000	OR
Earth Share of Oregon	426	30,000	OR
Forest Park Conservancy	426	40,000	OR
Freshwater Trust	426	5,000	OR
Friends of Riegerfield Wildlife Refuge	426	3,000	WA
Friends of the Children	426	85,000	OR
Friends of Trees	426	7,500	OR
Gas Assistance Program	426	50,000	OR
Guide Dogs for the Blind	426	5,000	OR
Habitat for Humanity - Service Territory	426	20,000	OR
I Have a Dream Foundation	426	5,000	OR
Impact Northwest	426	5,000	OR
Junior Achievement	426	5,500	OR
Lan Su Chinese Garden	426	7,500	OR
Library Foundation - Multnomah County	426	10,000	OR
LifeWorks NW	426	17,000	OR
MacDonald Center	426	2,500	OR
Medical Teams International	426	5,000	OR
Mercy Corp International	426	10,000	OR
Metropolitan Family Services	426	2,500	OR
Nature Conservancy	426	5,000	OR
New Avenues for Youth	426	3,000	OR
Newspapers in Education (ONF)	426	1,500	OR
Northwest Business for Culture & Arts	426	5,000	OR
Oregon Burn Center	426	4,000	OR
Oregon Community Foundation	426	70,000	OR
Oregon Environmental Council	426	5,000	OR
Oregon Food Bank Network	426	25,000	OR
Oregon Historical Society	426	10,000	OR
Oregon Independent College Foundation	426	12,000	OR
Oregon Museum of Science and Industry	426	5,000	OR
Oregon State Parks Trust	426	5,000	OR
Oregon State University Foundation	426	15,000	OR
Oregon Symphony	426	5,000	OR
Oregon Zoo Foundation	426	15,000	OR
Portland Art Museum	426	5,000	OR
Portland Center Stage	426	15,000	OR
Portland Community College Foundation	426	10,000	OR
Portland Opera	426	5,000	OR
Portland Parks Foundation	426	10,000	OR
Portland State University Foundation	426	18,000	OR
REACH Community Development	426	2,500	OR
Salvation Army	426	5,000	OR
Schoolhouse Supplies	426	10,000	OR
Self Enhancement, Inc	426	22,000	OR
SHARE Emergency Housing	426	5,000	WA
SMART	426	10,000	OR
Stop Oregon Litter and Vandalism	426	5,000	OR
Transition Projects	426	5,000	OR
United Way Chapters throughout Oregon	426	90,000	OR
University of Oregon Foundation	426	24,000	OR
Urban League of Portland	426	10,000	OR
Volunteers of America	426	5,000	OR
Work for Art/RACC	426	25,000	OR
YMCA of Clark County	426	5,000	WA
z- Uncommitted	426	17,800	OR/WA
Sub-Total		1,081,300	
Chamber of Commerce Oregon & Washington	426	32,824	
Organizations of the Gas Utility Industry:			
American Gas Association	930	401,571	
Gas Technology Institute (and other R&D)	930	770,000	
Western Energy Institute	930	25,000	
Northwest Gas Association	921	89,997	
Sub-Total		1,286,568	
TOTAL		1,336,992	

Expenditures For Pensions - 2015 Budget

I. Expense before Allocation	Total Amount
Executive Supplemental Plan	\$ 3,000,000
Pension - Defined Contribution	\$ 1,329,000
Legal, Actuary & Auditor Fees	\$ 500,000
*Western States Trust Fund	\$ 585,000
FAS 87 Defined Benefits Plan	\$ 21,700,000
Less: Amount Deferred to Pension Balancing Account	\$ <u>(9,472,627)</u>
Total	<u>\$ 17,641,373</u>

II. Distribution of Total Expensed

Utility - Operation: Less amount deferred to Pension Balancing Account	\$ 9,153,245
Utility - Construction	\$ 7,885,278
Non - Utility	\$ 602,850
Total	<u>\$ 17,641,373</u>

*Western States is an early withdrawal penalty, but is treated as an ongoing expense pursuant

Political Advertising And Political Contributions

\$ 130,000 has been budgeted as contributions to NW Natural's Political Action Committees. Specific expenditures for political advertising and political contributions have not been identified at this time.

Expenditures to organizations having an affiliated interest

1) Northwest Natural Gas Company pays KB Pipeline Company a monthly commitment fee plus a commodity charge if used, related to KB Pipeline. NNG Financial Corporation owns 100% of KB Pipeline Company. KB Pipeline Company owns an undivided 10% interest of Kelso Beaver Pipeline assets. Portland General Electric Company owns 79.5% of the remaining 90% and BR Pipeline owns 10.5% of the remaining 90%.

	<u>Account Number</u>	<u>Total Amount</u>
2015 Budget	804	\$224,258

2) As described and authorized in OPUC Order No. 13-065, an affiliate of NW Natural (NW Natural Gas Reserves) administers the gas reserves transaction related to the Jonah Field, which provides NW Natural a long-term price hedge.