



e-FILING REPORT COVER SHEET

COMPANY NAME: Northwest Natural Gas Company

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
 RO (Other, for example, industry safety information)

Did you previously file a similar report? No Yes, report docket number: RG 16

Report is required by: OAR
 Statute
 Order 03-206

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case? No Yes, docket number: RG 16

List Key Words for this report. We use these to improve search results.

Stock Option Plan Compliance Filing

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.

Shawn M. Filippi
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Corporate Secretary
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January 30, 2019

VIA Electronic Filing

Oregon Public Utility Commission
Attention: Filing Center
201 High Street SE, Suite 100,
Post Office Box 1088
Salem, Oregon 97301-3398

Re: Docket No. UF-3988/RG 16

Ladies and Gentlemen:

Pursuant to the Commission's Supplemental Order entered December 2, 1996 and its Supplemental Order entered April 7, 2003, in the above-referenced Docket, I enclose Northwest Natural Gas Company's Report of the Restated Stock Option Plan (formerly known as the 1985 Stock Option Plan) for the period from January 1, 2018 through September 30, 2018.

Effective October 1, 2018, Northwest Natural Gas Company (NW Natural) completed a reorganization into a holding company structure, as approved by the OPUC in 2017 pursuant to Order 17-526 (Reorganization). To effect the Reorganization, NWN Merger Sub, Inc., a wholly owned subsidiary of Northwest Natural Holding Company (NW Holdings), was merged with and into the Company and each outstanding share of NW Natural common stock was converted into one share of NW Holding common stock. As part of the Reorganization, the Restated Stock Option Plan was modified to relate to NW Holdings common stock and common stock issued pursuant to the Restated Stock Option Plan after October 1, 2018 will be satisfied with an equal number of shares of NW Holding common stock, instead of common stock of NW Natural. Therefore, this will be the last report by NW Natural in connection with the above docket.

If you have any questions regarding this matter or require any additional information, please do not hesitate to contact me at 503-220-2435.

Sincerely,



Shawn M. Filippi

SMF:amp
Enclosures

Effective October 1, 2018, the Company completed a reorganization into a holding company structure, as approved by the OPUC in 2017 pursuant to Order 17-526 (Reorganization). More information about this reorganization has been submitted to the OPUC with respect to Docket UM 1804. To effect the Reorganization, NWN Merger Sub, Inc., a wholly owned subsidiary of Northwest Natural Holding Company (NW Holdings), was merged with and into the Company, and each outstanding share of Company common stock was converted into one share of NW Holdings common stock. As part of the Reorganization, the Restated Stock Option Plan was modified to relate to NW Holdings common stock and common stock issued pursuant to the Restated Stock Option Plan after October 1, 2018 will be satisfied with an equal number of shares of NW Holdings common stock, instead of common stock of NW Natural.

Information on options granted under this Docket prior to 2018 is available in reports previously filed with the Commission

REPORT OF SECURITIES ISSUED UNDER PLAN, 1/1/2018 through 9/30/2018

Options Exercised

	Amount
Total Value of Common Stock Issued	\$2,064,423.80 ¹
Less spread	(\$696,399.80) ²
Gross proceeds	\$1,368,024.00
Underwriter's spread or commission	-
Securities and Exchange Commission registration fee	-
State mortgage registration tax	-
State commission fee	-
Fee for recording indenture	-
United States document tax	-
Printing and engraving expenses	-
Trustee's charges	-
Counsel fees	-
Accountant's fees	-
Cost of listing	-
Miscellaneous expense of issue (describe large items)	-
Total Deductions	\$0
Net Amount Realized	\$1,368,024.00

¹ Par value eliminated in May 2006. Total value based on the number of shares and the price the shares were sold for on the open market. 31,300 shares were exercised pursuant to the Plan in 2018. At the employees' requests, the employees elected to conduct a "cashless exercise," whereby the shares subject to the option were sold on the open market and the employees collected the spread between the sale price and exercise price of the shares, subject to applicable fees and withholdings.

² The weighted average employee purchase price for the 31,300 shares exercised was \$43.71 per share.

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DISPOSITION OF NET PROCEEDS:

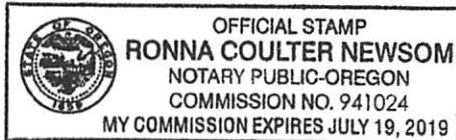
In 2018, the Company issued 31,300 shares of its Common Stock under the Plan. The weighted average employee purchase price per share was \$43.71, with net proceeds to the Company of \$1,368,024. There were no expenses associated with the Plan in 2018. The net proceeds were applied towards the acquisition of property, the construction, completion, extension or improvement of the Company's facilities, the improvement or maintenance of the Company's service, or the discharge or lawful refunding of the Company's obligations, pursuant to ORS 757.415(1).

IN WITNESS WHEREOF, I have hereunto affixed my hand and the corporate seal of Northwest Natural Gas Company this 30th day of January, 2019.



Shawn M. Filippi
Vice President, Chief Compliance Officer and
Corporate Secretary
Northwest Natural Gas Company

Subscribed to and sworn to before me this 30th day of January, 2019, in Multnomah County, Oregon.



Notary Public for Oregon
My Commission Expires: