

e-FILING REPORT COVER SHEET

REPORT NAME: Credit Ratings Downgrade of Encana

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 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
 Statute
 Order Commission Order No.11-176
 Other

Is this report associated with a specific docket/case? No Yes
If Yes, enter docket number: UM 1520/UG 204

Key words: Report of Credit Ratings, Downgrade, Encana, Stipulation adopted in Order 11-176 Standard & Poor's

If known, please select the PUC Section to which the report should be directed:

- Corporate Analysis and Water Regulation
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- Electric Rates and Planning
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- Annual Fee Statement form and payment remittance or
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- Any other Telecommunications Reporting or
- Any daily safety or safety incident reports or
- Accident reports required by ORS 654.715.

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February 6, 2012

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
550 Capitol Street NE, Suite 215
Post Office Box 2148
Salem, Oregon 97308-2148

Attn: Filing Center

**Re: RG ___ - Report of Credit Ratings Downgrade of Encana
Docket No. UM 1520/UG 204**

In accordance with paragraph 24.d of the Stipulation adopted by the Commission in Order 11-176, in Docket No. UM 1520,¹ NW Natural files this report to the Commission that on January 30, 2012 Standard & Poor's downgraded its rating of Encana from BBB+ to BBB.

NW Natural has conducted an internal credit analysis of Encana and has determined that the downgrading does not affect Encana's performance of its agreements with NW Natural related to the Company's acquisition of gas reserves, which were the subject of Docket No. UM 1520, and that the Company continues to be satisfied with Encana's credit status.

NW Natural will continue to monitor Encana's status, and will report any further changes to the Commission in accordance with the Stipulation.

¹ Paragraph 24.d provides, in relevant part, "The Company agrees to report to the Commission, within 10 days, of any ratings downgrade of Encana . . .".

Please feel free to call if you have any questions regarding this filing.

Sincerely,

/s/ Mark R. Thompson

Mark R. Thompson

cc: Service List



CERTIFICATE OF SERVICE

I hereby certify that on the 6th of February 2012, I served the foregoing REPORT OF CREDIT RATINGS DOWNGRADE OF ENCANA in dockets UM 1520/UG 204 upon each party listed below by electronic mail.

UM 1520/UG 204

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DATED at Portland, Oregon, this 6th day of February 2012.

/s/ Kelley C. Miller

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