



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 67

Report is required by:  OAR  
 Statute  
 Order 13-068

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 67

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

NW Natural; LTIP; Long Term Incentive Plan

Send the completed Cover Sheet and the Report in an email addressed to [PUC.FilingCenter@state.or.us](mailto: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.

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April 30, 2018

*Via Electronic Filing*

Public Utility Commission of Oregon  
Attention: Filing Center  
201 High Street SE, Suite 100  
Salem, Oregon 97301-3398

Re: Docket No. UF-4275/ RG 67

Ladies and Gentlemen:

Pursuant to the Commission's Order No. 13-068, in Docket UF-4275, authorizing the issuance and sale of the Company's Common Stock under the Company's Long Term Incentive Plan, we enclose herewith the Fifth Report of LTIP Activity, for the year ended December 31, 2017.

Sincerely,

A handwritten signature in blue ink, appearing to read 'S. Filippi', written over the printed name 'Shawn M. Filippi'.

Shawn M. Filippi

SMF:amp  
Encl.

BEFORE THE OREGON PUBLIC UTILITY COMMISSION

In the Matter of the Application of	)	
	)	
NORTHWEST NATURAL GAS COMPANY	)	Docket UF-4275
	)	
for an Order Authorizing the Company to Issue and/or	)	Fifth Report of LTIP Activity
Sell up to 701,922 shares of Common Stock Pursuant to	)	
its Long Term Incentive Plan	)	

This Report is filed pursuant to the Commission’s Order No. 13-068 in Docket UF-4275 dated February 26, 2013, in which Northwest Natural Gas Company (the “Company”) was authorized to issue and sell up to 701,922 shares of the Company’s Common Stock, no par value, (“Common Stock”) under the Company’s Long Term Incentive Plan (“LTIP”).

**Report for the calendar year ending December 31, 2017.**

**1. Date of Last Annual Internal Review.**

The Company reviews the LTIP grants and issuances on a quarterly basis. The last quarterly review was performed April 13, 2018.

**2. Remaining Board Authorized Shares Under the LTIP for Each Applicable Purpose.**

Effective May 25, 2017, the LTIP was amended to, among other changes, increase the number of shares authorized for issuance under the LTIP from 850,000 shares, with 250,000 designated specifically for Stock Options, to 1,100,000 shares, with all shares being available for issuance as Stock Options or Performance-Based Stock Awards, including Restricted Stock Units (RSUs).

As of December 31, 2017, of the 1,100,000 shares authorized for Performance-Based Stock Awards, including Restricted Stock Units (RSUs), of which 701,922 shares have been authorized pursuant to Order No. 13-608, 798,955 shares remain for future issuance. Of the 798,955 shares remaining for future issuance under the LTIP, 171,995 shares have been designated for awards that have been made, but have not yet vested, and 626,960 shares have not been awarded. Of the shares that have not yet vested and have not yet been awarded, 250,000 shares authorized under the LTIP require additional approval from the Commission prior to issuance and sale as of December 31, 2017. The Company will pursue authorization for the issuance and sale of shares in excess of those permitted under Order No. 13-068 if and when necessary.

**3. Board and Organization and Executive Compensation Committee (OECC) Granted LTIP Shares for Each Applicable Purpose.**

LTIP shares were granted in 2017 as shown in the following table:

Purpose	Shares	Vested in 2017
Performance-Based Awards	32,680 <sup>1</sup>	31,338
Awards of Common Stock	0	0
RSUs	32,168	35,340
Incentive Stock Options	0	0
Non-Statutory Stock Options	0	0
<b>Total</b>	<b>64,848</b>	<b>66,678</b>

<sup>1</sup> Assumes market, performance, and service based grants currently outstanding are awarded at the target level. Actual awards may be above or below target.

**4. OECC Issued Shares Under the LTIP, Indicating Vesting Status Where Applicable for Each Applicable Purpose.**

LTIP shares were issued and paid out after tax withholdings in 2017 as shown in the following table:

Purpose	Shares
Performance-Based Awards	23,164 <sup>1</sup>
Awards of Common Stock	0
RSUs	26,038 <sup>2</sup>
Incentive Stock Options	0
Non-Statutory Stock Options	0
Total	49,202

<sup>1</sup> Of the 23,164 Performance-Based Award shares issued, 6,903 shares were deferred.

<sup>2</sup> Of the 26,038 RSU shares issued, 6,531 shares were deferred.

**5. Fair Market Value of LTIP Shares Issued as of the Date of Issuance.**

All LTIP shares issued in 2017 were issued March 1, 2017 with a fair market value of \$60.10 per share, except for 2,326 shares issued on March 31, 2017 with a fair market value of \$59.15 per share and 1,460 shares issued on May 24, 2017 with a fair market value of \$60.10 per share. The preceding fair market values are based on the closing price on the date preceding the date of issuance.

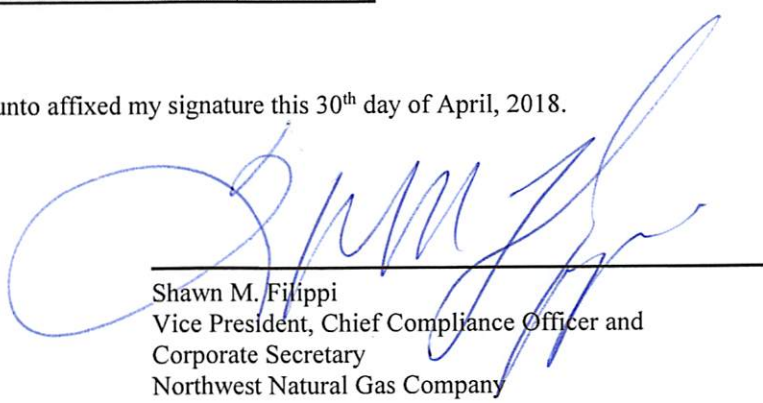
**6. Itemized Total and Per Unit Fees and Expenses.**

There were no fees and expenses directly associated with issuances under the LTIP in 2017. However, at the Company's election, all shares of common stock issued pursuant to the LTIP in 2017 were shares repurchased in the open market. The Company paid approximately \$1,788 in commissions associated with these open market purchases in 2017.

**7. Steps Taken by the Company to Control Issuance Costs, if Material.**

Not applicable.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 30<sup>th</sup> day of April, 2018.



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