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January 16, 2017

Via Electronic Filing

Oregon Public Utility Commission
201 High Street SE, Suite 100,
Salem, Oregon 97301-3398

Re: OPUC Order No. 16-414: Docket No. UF 4299, Compliance Filing

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”) hereby submits its compliance filing in Docket No. UF 4299.

Commission Order No. 16-414, issued October 25, 2016, in Docket UF 4299 requires the Company to “file the usual Report of Securities Issued and Disposition of Net Proceeds statement” within 60 days after each issuance is completed. In response please find enclosed the following documents:

1. Initial Report of Securities Issued and Disposition of Net Proceeds.
2. A certified excerpt of minutes of the Board of Directors meeting held July 28, 2016 delegating authority to issue Common Stock to the Finance Committee.
3. A certified excerpt of minutes of the Board of Directors meeting delegating authority to the Special Financing Committee.
4. Special Financing Committee resolutions approving the issuance of Common Stock.
5. Underwriting Agreement, dated November 10, 2016, by and among the Company and Wells Fargo Securities, LLC, J.P. Morgan Securities LLC and RBC Capital Markets, LLC, as representatives of the several underwriters.
6. Registration Statement on Form S-3 filed with the Securities and Exchange Commission on November 8, 2016.
7. Prospectus Supplement, dated November 14, 2016, relating to the Company’s Common Stock.

Please contact me if you have any questions or require further information.

Sincerely,

/s/ Shawn M. Filippi

Shawn M. Filippi

BEFORE THE OREGON PUBLIC UTILITY COMMISSION

In the Matter of)	
)	
NORTHWEST NATURAL GAS COMPANY,)	Docket UF 4299
dba, NW Natural)	
)	
Request for Authority to Issue and Sell up)	Initial Report of
to 1,700,000 Shares of Common Stock)	Securities Issued, and
)	Disposition of Net Proceeds

In October 2016 Northwest Natural Gas Company (the "Company") filed an application with the Oregon Public Utility Commission (the Commission) under the provisions of Oregon Revised Statutes ("ORS") 757.410, 757.412, 757.415 and Oregon Administrative Rule ("OAR") 860-027-0030 with respect to the Company's proposed offering, issuance and sale, through one or more offerings, of up to 1,700,000 authorized but unissued shares of the Company's Common Stock, no par value.

On October 25, 2016, the Commission entered its Order No. 16-414, authorizing the Company, subject to certain conditions set forth in said Order, to issue and sell up to 1,700,000 shares of Common Stock. Condition 7 to Order No. 16-414 specifies that the Company "shall file the usual Report of Securities Issued and Disposition of Net Proceeds statements within 60 days after each issuance is completed." This report is filed in satisfaction of this condition.

On November 16, 2016, the Company issued and sold through its underwriters, Wells Fargo Securities, LLC, RBC Capital Markets, LLC, J.P. Morgan Securities LLC, USCA Securities LLC, and Sidoti & Company, LLC, an aggregate of 1,012,000 shares of common stock of the common stock authorized by the Commission in Order No. 16-414 at a purchase price of \$54.63 per share. The common stock was sold pursuant to a registration statement on Form S-3 (Registration Statement No. 333-214496) of the Company, which became effective automatically upon filing with the Securities and Exchange Commission on November 8, 2016, and a Prospectus Supplement dated November 14, 2016, to a Prospectus, dated November 8, 2016.

The following statements are filed in compliance with the Commission's Order No. 16-414 in this Docket.

(a)	Gross proceeds from the sale of 1,012,000 shares of Common Stock at \$54.63 per share ¹	\$55,285,560
Less:	Underwriting Discounts and Commissions ¹	(2,074,600)
	Expenses actually and necessarily incurred as detailed in this Report	(450,480)
	NET PROCEEDS TO BE ACCOUNTED FOR	\$52,760,480

¹ The closing price of the Common Stock on the New York Stock Exchange on November 15, 2016, the day prior to issuance, was \$56.20. Based on this closing price, investors may be deemed to have received a re-offer discount of \$1,588,840.

(b) Disposition of Net Proceeds

The total net proceeds of \$52,760,480 received from the initial sale of Common Stock, in this Docket were made part of the general funds of the Company and used for corporate purposes, including:

- For construction, completion, extension or improvement of the Company's facilities; or
- For the reimbursement of the Company's treasury for expenditures against which securities have not been issued; or
- Refunding or discharging of the Company's obligations; or
- Improvement or maintenance of the Company's services.

(c) Statement of Fees and Expenses

The expenses actually and necessarily incurred by the Company in the initial issuance of Common Stock were as follows:


<u>Item</u>	<u>Common Stock Sold in this Docket on November 16, 2016</u>
1. Price to Public/Gross Proceeds Estimated	<u>\$55,285,560</u>
Less:	
2. Underwriting/Agent discounts and commissions	(2,074,600)
3. Securities and Exchange Commission registration fee	(6,408)
4. New York Stock Exchange fee	(10,000)
5. Printing and engraving expenses	(9,269)
6. Trustee's or Registrar's fees	(5,000)
7. Counsel's fees	(193,209)
8. Accountants' fees	(88,960)
9. Miscellaneous expenses	0
10. Allocation of other shelf registration expenses	<u>(137,634)</u>
Total commissions and expenses	<u>(2,525,080)</u>
Net estimated amount to be realized	\$52,760,480

Note: Actual expenses for the Common Stock sold under this docket have been estimated using inquiries of service providers, because actual bills for services may not yet been received.

The Company has determined that the fees, interest rates, and expenses associated with the issuance of the Secured Notes were cost-effective and consistent with competitive market prices.

IN WITNESS WHEREOF, I have hereunto affixed my hand and the corporate seal of Northwest Natural Gas Company this 16th day of January 2017.

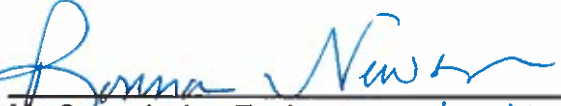
NORTHWEST NATURAL GAS COMPANY

By: 

Brody J. Wilson
Chief Financial Officer, Treasurer, Chief
Accounting Officer and Controller

Subscribed and sworn to before me this 16th day of January 2017.

(SEAL)

Notary Public for Oregon


My Commission Expires 7/19/19



Executive Offices



CERTIFIED COPY OF RESOLUTIONS

I, Shawn M. Filippi, the duly elected and acting Corporate Secretary of Northwest Natural Gas Company, a corporation organized and existing under the laws of the State of Oregon, HEREBY CERTIFY that the following is a true and complete copy of resolutions adopted by the Board of Directors of said Corporation at a meeting thereof duly convened and held on the 28th day of July, 2016; and that said resolutions were in full force and effect as of the date of this certificate, namely:

RESOLVED, that the Company issue and sell, from time to time, in one or more series (other than with respect to the Common Stock), in any combination, an amount of its securities to be approved by the Finance Committee or, in the case of Medium-Term Notes, Series B, or Common Stock issued pursuant to the Dividend Reinvestment and Direct Stock Purchase Plan ("DRIP Plan Shares") in the amounts heretofore and hereinafter authorized, and such securities may be in the form of (i) First Mortgage Bonds (which may be in the form of secured Medium-Term Notes, which includes the \$325,000,000 remaining principal amount of Medium-Term Notes, Series B heretofore authorized by the Board, which remain unsold), (ii) Unsecured Notes, including junior subordinated debentures (which may be convertible or exchangeable into other securities of the Company and which may be in the form of unsecured Medium-Term Notes, which includes the \$325,000,000 remaining principal amount of Medium-Term Notes, Series B heretofore authorized by the Board, which remain unsold), (iii) Preferred Stock (which may be convertible or exchangeable into other securities of the Company), and (iv) Common Stock (collectively, the "Securities"), provided, however, that the maximum number of shares of Common Stock and of Preferred Stock to be issued and sold shall not exceed the number of shares authorized by the Restated Articles of Incorporation, as amended, less any shares issued or reserved for issuance; and further

RESOLVED, that the officers of the Company hereby are authorized and directed, in its name and behalf, to prepare, execute and file with the Oregon Public Utility Commission ("OPUC") and the Washington Utilities and Transportation Commission ("WUTC") such applications or filings, together with any and all necessary amendments, exhibits and other documents related thereto, as may be necessary, in the case of the OPUC, to obtain orders authorizing, and in the case of the WUTC, establishing compliance with applicable statutory requirements in connection with, the issuance and sale of the Securities; and further

RESOLVED, that the officers of the Company hereby are authorized and directed, in its name and behalf, to prepare, execute and file with the Securities and Exchange Commission (the "Commission") a registration statement or statements on an appropriate form, together with any and all necessary amendments, exhibits and other documents related thereto, (i) for the purpose of registering an unspecified amount of the Securities under the Securities Act of 1933, as amended ("Securities Act"), and the rules and regulations of the Commission promulgated thereunder and (ii) in connection with any registration rights agreement, covering securities to be offered for exchange or registered for sale, in any such case pursuant to Rule 415 or other appropriate rule under the Securities Act, and the rules and regulations of the Commission promulgated thereunder, together with any and all necessary amendments, exhibits and documents relating thereto as in the judgment of such officers are deemed by them to be necessary or appropriate; and further

RESOLVED, that the officers of the Company be, and each of them, acting singly, hereby is, authorized and empowered to prepare, execute and file one or more registration statements under the Securities Exchange Act of 1934, as amended, in connection with an offering of the Securities or otherwise, as such officer may deem necessary or desirable in connection with the sale of all or a portion of the Securities; and further

RESOLVED, that each director and officer of the Company who may execute a registration statement or any amendment thereto with respect to the Securities hereby is authorized to appoint David H. Anderson, Gregory C. Hazelton, Brody J. Wilson, MardiLyn Saathoff, and Shawn M. Filippi and each of them, severally, his or her true and lawful attorneys and attorney, with power to act with or without the others and with full power of substitution and resubstitution, to execute in his or her name, place and stead, in his or her capacity as a director or officer of the Company, such registration statement, together with any and all necessary amendments, exhibits and other documents related thereto, and to file the same with the Commission, with full power and authority to each of such attorneys to do and perform, in the name and on behalf of each of such directors and officers, or any of them, every act whatsoever necessary or desirable to be done in the premises as fully and to all intents and purposes as any such director or officer might or could do in person; and further

RESOLVED, that, in connection with the proposed issuance and sale by the Company of the Securities, it may be necessary and desirable that the Securities be qualified or registered for sale in various jurisdictions of the United States of America; that the officers of the Company hereby are authorized and directed, in its name and behalf, to determine the jurisdictions of the United States of America in which appropriate action shall be taken to qualify or register for sale all or such part of the Securities as such officers may deem to be necessary or advisable; that the officers of the Company hereby are authorized and directed, in its name and behalf, to perform any and all acts which they may deem to be necessary or desirable in order to comply with the applicable laws of any such

jurisdiction, and in connection therewith, to execute and file all requisite instruments and documents, including but not limited to applications, reports, surety bonds, irrevocable consents and appointments of attorneys for service of process; and that the execution by such officers, or any of them, of any such instrument or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from the Company and the validity of the instruments and documents so executed and the action so taken; and further

RESOLVED, that the officers of the Company hereby are authorized, in their discretion and on behalf of the Company, to conduct negotiations with or conduct competitive bidding amongst such underwriters, brokers, dealers, agents and other potential purchasers as they shall select with respect to negotiated or competitively bid underwritten public offerings or private sales by the Company of the Securities; and further

RESOLVED, that, without limiting the authority otherwise provided by these resolutions, the officers of the Company are hereby authorized and empowered to prepare one or more private placement or offering memoranda or an offering circular or other disclosure memoranda, including subscription agreements and other documents, for the offer and sale of any of the Securities in private sales, and any changes in and additions, amendments or supplements thereto, as any of the officers of the Company may deem necessary or desirable; and further

RESOLVED, that, subject to the receipt of all requisite regulatory approvals, the Finance Committee of the Board hereby is authorized, in its discretion and on behalf of the Company, to approve all matters relating to the issuance and sale of the Securities (except that the approval of the Finance Committee of the Board is not necessary in the case of Medium-Term Notes and DRIP Plan Shares, which are previously and hereinafter authorized), including the approval of the number of shares of Common Stock to be sold and the terms of the issuance and sale of the Common Stock and the shares of Preferred Stock, or any securities convertible or exchangeable into, or to acquire, the Common Stock or Preferred Stock, including the price to be paid to the Company therefor, the designation and relative rights, preferences and limitations of any series of Preferred Stock, the execution and delivery of indentures, supplemental indentures, purchase contract agreements and other agreements pursuant to which the terms and conditions of the Securities are established and the terms and conditions of any underwriting, purchase, sales, agency and other agreements with respect to their sales; and further

RESOLVED, that the Chief Executive Officer, the President, any Vice President, the Treasurer, any Assistant Treasurer and any duly authorized Attorney-in-Fact of the Company hereby are authorized and directed, in its name and behalf, to execute and deliver any and all indentures, supplemental indentures, purchase contract agreements and other agreements pursuant to which

the terms and conditions of the Securities are established and any and all underwriting, purchase, sales, agency and other agreements with respect to the sale by the Company of the Securities in substantially the form approved by the Finance Committee of the Board, but with such changes therein as may be approved by the person executing the same, his or her approval of any such change to be conclusively evidenced by his or her execution thereof; and that any of such officers and any such Attorney-in-Fact of the Company hereby are authorized and directed, in its name and behalf, to sign, seal, if necessary, and deliver such instruments and documents and to do or cause to be done any and all such acts and things as they shall deem to be necessary or advisable in order to enable the Company to perform all of its obligations under any such agreement; and further

RESOLVED, that in the event that the Company enters into a registration rights agreement or registration rights agreements in connection with the sale of all or a portion of the Securities, nothing herein is intended to, nor shall it, limit or restrict the amount of the Company's Securities which may be issued in exchange for the Securities so sold in accordance with such registration rights agreement(s).

Common Stock

RESOLVED, that the form of certificate currently being used to represent shares of the Company's Common Stock hereby is approved as the form of certificate to represent the Common Stock; and further

RESOLVED, that, subject to the receipt of all requisite regulatory approvals and upon approval and acceptance by the Finance Committee of an offer to purchase Common Stock, the Company reserves out of the authorized but unissued common stock of the Company the Common Stock, and that, upon issuance, delivery and payment for any Common Stock which may be issued and sold in accordance with the underwriting, purchase, sales, agency and other agreements with respect to the sale by the Company of the Common Stock, such Common Stock shall be fully paid and nonassessable and shall be entitled to all of the rights and privileges provided in the Company's Restated Articles of Incorporation, as amended, and its Bylaws, as amended; and further

RESOLVED, that American Stock Transfer & Trust Company, or any successor approved by the Board, as the case may be, hereby is appointed Transfer Agent and Registrar for the Common Stock; that the officers of the Company hereby are authorized and directed to issue, countersign and deliver the number of shares of the Common Stock issued and sold pursuant to the authorization of the Finance Committee of the Board; and that the Registrar is authorized and directed to register the number of shares of Common Stock issued and sold pursuant to the authorization of the Finance Committee of the Board upon written orders signed in the Company's name by its President or a Vice President and by its Secretary or an Assistant Secretary; and further

RESOLVED, that the officers of the Company, be, and each of them hereby is, authorized and directed, in the name and on behalf of the Company, to make application to the New York Stock Exchange, Inc. for the listing of the Common Stock, to appear before officials of the New York Stock Exchange, Inc. in connection with such application, and to make such changes in such application and to execute such documents and to take such other action in connection therewith as they may deem necessary or appropriate, the execution of any such instruments or documents and the doing or the causing the doing of any such acts or things to constitute conclusive evidence that the execution and delivery of such instrument or document or the doing of such acts or things was necessary and advisable.

Medium-Term Notes

RESOLVED, that, from time to time, the Company issue and sell, through agents, by competitive bidding or on a negotiated basis, subject to management's judgment, at the times of sales, as to which method shall be more prudent and to regulatory approval, not more than an additional \$325,000,000 principal amount of Medium-Term Notes, Series B, which amount includes the previously authorized Medium-Term Notes, Series B which remain unsold; and further

RESOLVED, that the officers of the Company hereby are authorized, on behalf of the Company, to conduct negotiations with such underwriters, brokers, dealers, agents and others as they shall select with respect to the sale of not more than an additional \$325,000,000 principal amount of Medium-Term Notes, Series B, which amount includes the previously authorized Medium-Term Notes, Series B which remain unsold; and further

RESOLVED, that the Chief Executive Officer, the President, any Vice President, the Treasurer, any Assistant Treasurer and any duly authorized Attorney-in-Fact of the Company hereby are authorized and directed, in its name and behalf, to execute and deliver any necessary amendments or supplements to the Distribution Agreement, dated March 18, 2009, as amended (the "Current Distribution Agreement"), or one or more new distribution agreements, in substantially the form of the Company's Current Distribution Agreement, but with such changes therein as may be approved by the person executing the same, his or her approval of any such change to be conclusively evidenced by his or her execution thereof; and that any of such officers and any such Attorney-in-Fact of the Company hereby are authorized and directed, in its name and behalf, to sign, seal, if necessary, and deliver such instruments and documents and to do or cause to be done any and all such acts and things as they shall deem to be necessary or advisable in order to enable the Company to perform all of its obligations under any such agreement; and further

RESOLVED, that the officers of the Company hereby are authorized to execute, in its name and behalf, its Unsecured Medium-Term Notes, Series B, under and pursuant to the provisions of the Indenture dated as of June 1, 1991

from the Company to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) (the "Indenture"), as Trustee, in the forms and denominations hereinbefore established or authorized, with the Company's corporate seal, or a facsimile thereof, impressed or imprinted thereon and attested, and to deliver such Notes for authentication to Deutsche Bank Trust Company Americas, as Trustee under the Indenture; and that Deutsche Bank Trust Company Americas, as Trustee, hereby is requested to authenticate such Notes and to deliver the same as directed by a Company Order or Orders or Instructions pursuant thereto; provided, however, that unless otherwise authorized by the Board, the aggregate principal amount of such Notes to be executed, authenticated and delivered on the basis of this authorization shall not exceed \$325,000,000 (excluding any of such Notes issued upon the transfer or in exchange or replacement thereof); and further

RESOLVED, that the proper officers of the Company hereby are authorized to execute, in its name and behalf, its First Mortgage Bonds of the Twenty-first Series under and pursuant to the provisions of the Company's Mortgage and Deed of Trust, dated as of July 1, 1946, as heretofore supplemented, in the forms and denominations hereinbefore established or authorized, with the Company's corporate seal, or a facsimile thereof, impressed or imprinted thereon and attested, and to deliver such bonds for authentication to Deutsche Bank Trust Company Americas, as Corporate Trustee under such Mortgage and Deed of Trust; and that Deutsche Bank Trust Company Americas, as Corporate Trustee, hereby is requested to authenticate such bonds, and to deliver the same to or upon the written order or written instructions of the President or a Vice President and Treasurer or an Assistant Treasurer of the Company in such authorized denominations as such officers may determine; provided, however, that unless otherwise authorized by the Board, the aggregate principal amount of such bonds to be executed, authenticated and delivered pursuant to this authorization shall not exceed \$325,000,000 (excluding any of such bonds issued upon the transfer or in exchange or replacement thereof); and further

RESOLVED, that full power and authority hereby is delegated to, and vested in, the Finance Committee of the Board to do or cause to be done any and all such actions and things as it shall deem necessary or advisable in order to effect the issuance and sale of not more than an additional \$325,000,000 principal amount of Medium-Term Notes, Series B, and to carry out the purposes of the foregoing resolutions with respect thereto; and further

RESOLVED, that, subject to such further approvals, directions and authorizations as may be given by the Finance Committee of the Board, the officers of the Company hereby are authorized and directed, in its name and behalf, to execute and deliver such instruments and documents and to do or cause to be done any and all such acts and things as they may deem to be necessary or desirable in order to effect the issuance and sale of not more than an additional

\$325,000,000 principal amount of Medium-Term Notes, Series B, and to carry out the purposes of the foregoing resolutions with respect thereto.

Dividend Reinvestment and Direct Stock Purchase Plan

RESOLVED, that the Company's Dividend Reinvestment and Direct Stock Purchase Plan (the "Plan"), in the form or substantially the form heretofore presented and reviewed at this meeting, hereby is approved, effective upon the initial distribution of the prospectus with respect to the DRIP Plan Shares; and further

RESOLVED, that the officers of the Company are authorized to make administrative changes to the Plan and to interpret and administer the Plan on behalf of the Company as deemed appropriate by the officers of the Company; and further

RESOLVED, that, subject to receipt of all requisite regulatory approvals, the Company reserves out of authorized but unissued Common Stock of the Company up to an additional 300,000 shares of the Company's Common Stock (the "Additional DRIP Plan Shares") for the purpose of issuance and sale pursuant to the Plan and that the officers of the Company hereby are authorized to determine the number of and times at which such Additional DRIP Plan Shares shall be issued and sold pursuant to the Plan; and further

RESOLVED, that, upon the issuance, delivery and payment therefore pursuant to the Plan, the DRIP Plan Shares of the Company shall be fully-paid and non-assessable and entitled to all rights and privileges provided in the Restated Articles of Incorporation and the Bylaws of the Company; and further

RESOLVED, that the officers of the Company hereby are authorized, in its name and behalf, to cause to be issued and delivered, in accordance with the terms of the Plan, certificates evidencing the DRIP Plan Shares; and further

RESOLVED, that the form of certificate currently being used to represent shares of the Company's Common Stock hereby is approved as the form of certificate to represent DRIP Plan Shares; and further

RESOLVED, that American Stock Transfer & Trust Company hereby is appointed Transfer Agent and Registrar for the DRIP Plan Shares to be issued pursuant to the Plan and hereby is authorized and directed to issue, countersign, register and deliver the DRIP Plan Shares upon written orders signed in the Company's name by its President or a Vice President and by its Secretary or an Assistant Secretary; and further

RESOLVED, that the officers of the Company hereby are authorized and directed, in its name and behalf, to do or cause to be done any and all such acts and things as, in their judgment, may be necessary or desirable in order to effect the issuance and sale of DRIP Plan Shares pursuant to the terms of the Plan, and

to carry out the purposes of the foregoing resolutions with respect thereto; and further

RESOLVED, that the officers of the Company hereby are authorized and directed, in its name and behalf, to prepare, execute and deliver any and all such agreements, instruments and other documents and do and perform any and all such other acts and things, as in their judgment, may be necessary or desirable in order to carry into effect the purposes and intent of the foregoing resolutions.

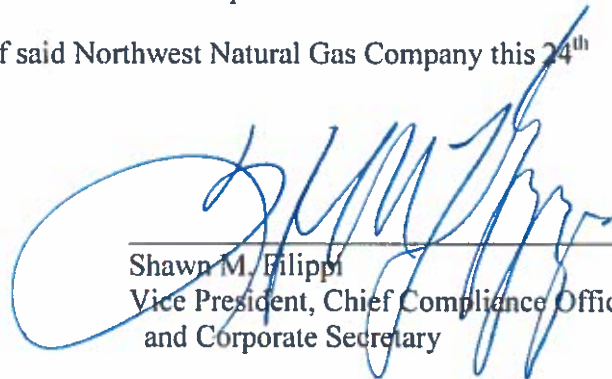
General

RESOLVED, that each of the officers of the Company be, and each of them, acting singly, hereby is, authorized and empowered, in the name and on behalf of the Company, to execute, deliver and file all such other instruments and documents and take all such actions as any officer shall determine to be necessary or appropriate to carry out the intent and purposes of the foregoing resolutions (such determination to be conclusively, but not exclusively, evidenced by the execution and delivery of such instruments and documents or the taking of such actions); and further

RESOLVED, that all actions taken and all agreements, instruments, reports and documents executed, delivered or filed through the date hereof by any officer of the Company, in the name and on behalf of the Company, in connection with the transactions described in or contemplated by the foregoing resolutions are hereby approved, ratified and confirmed in all respects.

WITNESS my hand and the seal of said Northwest Natural Gas Company this 24th day of October, 2016.




Shawn M. Filippi
Vice President, Chief Compliance Officer
and Corporate Secretary

Executive Offices



CERTIFIED COPY OF RESOLUTIONS

I, Shawn M. Filippi, the duly elected and acting Corporate Secretary of Northwest Natural Gas Company, a corporation organized and existing under the laws of the State of Oregon, HEREBY CERTIFY that the following is a true and complete copy of resolutions adopted by the Board of Directors of said Corporation at a meeting thereof duly convened and held on the 24th day of October, 2016; and that said resolutions were in full force and effect as of the date of this certificate, namely:

2016 Common Stock Offering

RESOLVED, that the form of certificate currently being used to represent shares of the Company's Common Stock hereby is approved as the form of certificate to represent the Common Stock; and further

RESOLVED, that a special committee of the Board of Directors (the "Special Financing Committee") hereby is established pursuant to Oregon Revised Statute (ORS 60.354) and the Bylaws of the Company, as amended, and the Special Financing Committee shall have all powers and authority of the Board of Directors as set forth in these resolutions; and further

RESOLVED, that the Special Financing Committee shall be comprised of David H. Anderson, and approval by the Special Financing Committee at a meeting or by consent resolutions shall constitute action by the Special Financing Committee; and further

RESOLVED, that, subject to the receipt of all requisite regulatory approvals, the Special Financing Committee hereby is authorized, in its discretion and on behalf of the Company, to approve all matters relating to the issuance and sale of Common Stock of the Company (the "Shares"), including the approval of the number of shares to be sold and the terms of the issuance and sale of the Shares, including the price to be paid to the Company therefor, and the terms and conditions of any underwriting, purchase, sales, agency and other agreements with respect to sale of the Shares; provided, however, that the maximum number of Shares shall be 1.7 million; and further

RESOLVED, that, upon approval and acceptance by the Special Financing Committee of an offer to purchase Common Stock, the Company reserves out of the authorized but unissued Common Stock of the Company the Shares to be

issued, and that, upon issuance, delivery and payment for any Common Stock which may be issued and sold in accordance with the underwriting, purchase, sales, agency and other agreements with respect to the sale by the Company of the Common Stock, such Common Stock shall be fully paid and nonassessable and shall be entitled to all of the rights and privileges provided in the Company's Restated Articles of Incorporation, as amended, and its Bylaws, as amended; and further

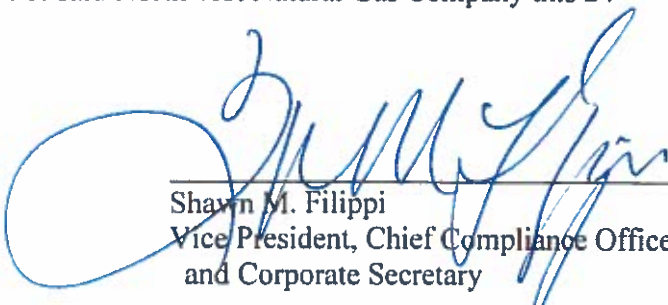
RESOLVED, that American Stock Transfer & Trust Company, or any successor approved by the Board, as the case may be, hereby is appointed Transfer Agent and Registrar for the Common Stock; that the officers of the Company hereby are authorized and directed to issue, countersign and deliver the number of shares of the Common Stock issued and sold pursuant to the authorization of the Special Financing Committee; and that the registrar for the Common Stock is authorized and directed to register the number of shares of Common Stock issued and sold pursuant to the authorization of the Special Financing Committee written orders signed in the Company's name by its President or a Vice President and by its Secretary or an Assistant Secretary; and further

RESOLVED, that the officers of the Company, be, and each of them hereby is, authorized and directed, in the name and on behalf of the Company, to make application to the New York Stock Exchange, Inc. for the listing of the Common Stock, to appear before officials of the New York Stock Exchange, Inc. in connection with such application, and to make such changes in such application and to execute such documents and to take such other action in connection therewith as they may deem necessary or appropriate, the execution of any such instruments or documents and the doing or the causing the doing of any such acts or things to constitute conclusive evidence that the execution and delivery of such instrument or document or the doing of such acts or things was necessary and advisable.

RESOLVED, that the resolutions previously adopted by the Board of Directors on July 28, 2016 relating to the authority of the Finance Committee of the Board of Directors with respect to approval of financings and other matters shall remain in full force and effect, notwithstanding the establishment of and any action taken by the Special Financing Committee.

WITNESS my hand and the seal of said Northwest Natural Gas Company this 24th day of October, 2016.




Shawn M. Filippi
Vice President, Chief Compliance Officer
and Corporate Secretary

NORTHWEST NATURAL GAS COMPANY

UNANIMOUS WRITTEN CONSENT OF THE SPECIAL FINANCING COMMITTEE REGARDING PRICING TERMS OF A REGISTERED OFFERING OF NORTHWEST NATURAL GAS COMPANY COMMON STOCK AND APPROVAL OF RELATED MATTERS

Pursuant to Sections 60.341 and 60.354 of the Oregon Revised Statutes, the undersigned, being the sole member of the Special Financing Committee of Northwest Natural Gas Company, an Oregon corporation (Company), hereby consents to the adoption of the following resolutions by written consent in lieu of a meeting, effective as of November 10, 2016.

WHEREAS, the Board, pursuant to resolutions adopted at duly called and held meetings of the Board on July 28, 2016 and October 24, 2016 (the "Resolutions"), determined that it was advisable and in the best interests of the Company and its shareholders, (i) to authorize, approve and undertake a registered offering of Common Stock and (ii) to empower the officers of the Company to take such actions, enter into such agreements and execute such documents as are necessary and appropriate to effect such a registered offering;

WHEREAS, pursuant to the Resolutions, the Board authorized the offer, issuance and sale, pursuant to a registration statement on Form S-3 filed with the U.S. Securities and Exchange Commission, of up to 1.7 million shares of Common Stock; and

WHEREAS, pursuant to the Resolutions, the Board appointed and authorized the Special Financing Committee to approve all matters relating to the issuance and sale of the Shares, including (i) the number of shares of Common Stock to be sold, (ii) the price to be paid to the Company therefore, and (iii) the terms and conditions of any underwriting agreement to be entered into by the Company with respect to the sale of the shares of Common Stock.

NOW, THEREFORE, BE IT RESOLVED, that the actions of the officers of the Company in filing a Registration Statement, a Prospectus and a Prospectus Supplement with the Securities and Exchange Commission under the Securities Act of 1933, and in filing an application with and obtaining an order of the Oregon Public Utility Commission and making the appropriate notice filing with the Washington Utilities and Transportation Commission, all in connection with the issuance and sale by the Company of the shares of Common Stock, hereby are ratified and approved; and further

RESOLVED, that the actions of the officers of the Company in selecting the underwriters and negotiating the terms of sale with such underwriters, all in connection with the issuance and sale by the Company of the Initial Securities (as defined below) and, to the extent the option is exercised, the Option Securities (as defined below), hereby are ratified and approved; and further

RESOLVED, that the Company issue and sell 880,000 shares of Common Stock (the "Initial Securities") and not more than 132,000 shares of Common Stock (the "Option Securities") and together with the Initial Securities, the "Securities") to the Underwriters (as defined below) at the price per share set forth in the next succeeding resolution; and further

RESOLVED, that the offer of Wells Fargo Securities, LLC, and the other underwriters named in the form of Underwriting Agreement presented to this meeting (the "Underwriters") to purchase the Initial Securities at a price of \$52.58 per share is reasonable and adequate consideration and hereby is approved and accepted; and that such Underwriters hereby are granted an option to purchase the Option Securities at a price of \$52.58 per share for the purpose of covering over-allotments, if any, in connection with the offering, which price is reasonable and adequate consideration and hereby is approved and accepted; and further

RESOLVED, that the form of Underwriting Agreement heretofore presented to this meeting hereby is approved; and that the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President, the Treasurer or any Assistant Treasurer of the Company hereby is authorized and directed, on behalf of the Company, to execute and deliver an Underwriting Agreement with the Underwriters, in the form or substantially the form heretofore approved, but with such changes therein as the officer executing the same shall approve, such approval to be conclusively evidenced by his execution thereof; and further

RESOLVED, that the Registration Statement, Prospectus, preliminary Prospectus Supplement and form of final Prospectus Supplement filed or to be filed with the Securities and Exchange Commission with respect to the Securities, in the form heretofore presented to this meeting, hereby are approved and the filing of each of said documents with the Securities and Exchange Commission is hereby authorized and ratified; and further

RESOLVED, that the application to the Oregon Public Utility Commission and the order of such Commission in respect of such application, and the notice filing made with the Washington Utilities and Transportation Commission, hereby are approved; and further

RESOLVED, that the officers of the Company are authorized and directed to take any and all such actions as they may deem to be necessary or desirable in order to effect the issuance and sale of not more than 1,012,000 Securities and to carry out the purposes of the foregoing resolutions with respect thereto.

IN WITNESS WHEREOF, the undersigned has executed this Unanimous Written Consent of the Special Financing Committee of the Board of Directors of Northwest Natural Gas Company, effective as of November 10, 2016.



David H. Anderson

EX-1.1 2 d294116dex11.htm EX-1.1

Exhibit 1.1

NORTHWEST NATURAL GAS COMPANY

880,000 Shares of Common Stock

UNDERWRITING AGREEMENT

Dated: November 10, 2016

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EXHIBITS

- Exhibit A - Underwriters
- Exhibit B - Significant Subsidiaries of the Company
- Exhibit C - List of Persons Subject to Lock-Up
- Exhibit D - Form of Lock-Up Agreement
- Exhibit E - Form of Opinion of In-House Counsel
- Exhibit F - Form of Opinion of Company Counsel
- Exhibit G - Form of Opinion of Washington Counsel
- Exhibit H - Price-Related Information
- Exhibit I - Issuer General Use Free Writing Prospectuses

NORTHWEST NATURAL GAS COMPANY

880,000 Shares of Common Stock

UNDERWRITING AGREEMENT

November 10, 2016

Wells Fargo Securities, LLC
J.P. Morgan Securities LLC
RBC Capital Markets, LLC
As Representatives of the several Underwriters

c/o Wells Fargo Securities, LLC
375 Park Avenue
New York, New York 10152

J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

RBC Capital Markets, LLC
Three World Financial Center
200 Vesey Street
New York, NY 10281

Ladies and Gentlemen:

Northwest Natural Gas Company, an Oregon corporation (the "Company"), confirms its agreement with Wells Fargo Securities, LLC ("Wells Fargo") and each of the other Underwriters named in Exhibit A hereto (collectively, the "Underwriters," which term shall also include any underwriter substituted as hereinafter provided in Section 10 hereof), for whom Wells Fargo, J.P. Morgan Securities LLC ("J.P. Morgan") and RBC Capital Markets, LLC ("RBC") are acting as representatives (in such capacity, the "Representatives"), with respect to the issue and sale by the Company of a total of 880,000 shares (the "Initial Securities") of the Company's common stock, no par value (the "Common Stock"), and the purchase by the Underwriters, acting severally and not jointly, of the respective numbers of Initial Securities set forth in said Exhibit A hereto, and with respect to the grant by the Company to the Underwriters, acting severally and not jointly, of the option described in Section 2(b) hereof to purchase all or any part of 132,000 additional shares of Common Stock to cover over-allotments, if any. The Initial Securities to be purchased by the Underwriters and all or any part of the 132,000 shares of Common Stock subject to the option described in Section 2(b) hereof (the "Option Securities") are hereinafter called, collectively, the "Securities." Certain terms used in this Agreement are defined in Section 15 hereof.

1

The Company has prepared and previously delivered to you a preliminary prospectus supplement dated November 10, 2016 relating to the Securities and a related prospectus dated November 8, 2016 (the "Base Prospectus"). Such preliminary prospectus supplement and Base Prospectus, including the documents incorporated or deemed to be incorporated by reference therein pursuant to Item 12 of Form S-3 under the 1933 Act, are hereinafter called, collectively, the "Pre-Pricing Prospectus." Promptly after the execution and delivery of this Agreement, the Company will prepare and file with the Commission a prospectus supplement dated November 10, 2016 (the "Prospectus Supplement") and will file the Prospectus Supplement and the Base Prospectus with the Commission, all in accordance with the provisions of Rule 430B and Rule 424(b), and the Company has previously advised you of all information (financial and other) that will be set forth therein. The Prospectus Supplement and the Base Prospectus, in the form first furnished to the Underwriters for use in connection with the offering of the Securities (whether to meet the request of purchasers pursuant to Rule 173(d) or otherwise), including the documents incorporated or deemed to be incorporated by reference therein pursuant to Item 12 of Form S-3 under the 1933 Act, are herein called, collectively, the "Prospectus."

SECTION 1. Representations and Warranties.

(a) Representations and Warranties by the Company. The Company represents and warrants to each Underwriter as of the date hereof, as of the Applicable Time, as of the Closing Date referred to in Section 2(c) hereof, and as of each Option Closing Date (if any) referred to in Section 2 (b) hereof, and agrees with each Underwriter, as follows:

(1) Status as a Well-Known Seasoned Issuer. (A) At the respective times the Registration Statement or any amendments thereto were filed with the Commission, (B) at the time of the most recent amendment to the Registration Statement for the purposes of complying with Section 10(a)(3) of the 1933 Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the 1934 Act or form of prospectus), (C) at any time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c)) made any offer relating to the Securities in reliance on the exemption of Rule 163 and (D) at the date hereof, the Company was and is a "well-known seasoned issuer" as defined in Rule 405, including not having been and not being an "ineligible issuer" as defined in Rule 405 (without taking into account any determination made by the Commission pursuant to paragraph (2) of the definition of such term in Rule 405). The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405 and the Securities, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on such an "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) objecting to the use of the automatic shelf registration statement form. Any written communication that was an offer relating to the Securities made by the Company or any person acting on its behalf (within the meaning, for this sentence only, of Rule 163(c)) prior to the filing of the Registration Statement has been filed with the Commission in accordance with Rule 163 and otherwise complied with the requirements of Rule 163, including without limitation the legending requirement, to qualify such offer for the exemption from Section 5(c) of the 1933 Act provided by Rule 163.

(2) Compliance with Registration Requirements. The Company meets the requirements for use of Form S-3 under the 1933 Act and the Securities have been duly registered under the 1933 Act pursuant to the Registration Statement. The Registration Statement and any post-effective amendments thereto have become effective under the 1933 Act and no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated by the Commission, and any request on the part of the Commission for additional information has been complied with. The Registration Statement was initially filed with the Commission on November 8, 2016.

(3) Registration Statement, Prospectus and Disclosure at Time of Sale. At the respective times that the Registration Statement and any amendments thereto became effective, at each time subsequent to the filing of the Registration Statement that the Company filed an Annual Report on Form 10-K (or any amendment thereto) with the Commission, at each deemed effective date with respect to the Underwriters pursuant to Rule 430B(f)(2), and at the Closing Date (and, if any Option Securities are purchased, at the applicable Option Closing Date), the Registration Statement and any amendments to any of the foregoing complied and will comply in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations and did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

At the respective times the Prospectus or any amendment or supplement thereto was filed pursuant to Rule 424(b) or issued, at the Closing Date (and, if any Option Securities are purchased, at the applicable Option Closing Date), and at any time when a prospectus is required (or, but for the provisions of Rule 172, would be required) by applicable law to be delivered in connection with sales of Securities (whether to meet the requests of purchasers pursuant to Rule 173(d) or otherwise), neither the Prospectus nor any amendments or supplements thereto included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

As of the Applicable Time (except in the case of clause (z) below) and as of each time prior to the Closing Date that an investor agrees (orally or in writing) to purchase or, if applicable, reconfirms (orally or in writing) an agreement to purchase any Securities from the Underwriters, neither (x) any Issuer General Use Free Writing Prospectuses, if any, issued at or prior to the Applicable Time, the Pre-Pricing Prospectus as of the Applicable Time and the information, if any, included on Exhibit H hereto, all considered together (collectively, the "General Disclosure Package"), nor (y) any individual Issuer Limited Use Free Writing Prospectus, when considered together with the General Disclosure Package, nor (z) any Issuer General Use Free Writing Prospectuses issued subsequent to the Applicable Time, when considered together with the General Disclosure Package, included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Each preliminary prospectus and the Prospectus and any amendments or supplements to any of the foregoing filed as part of the Registration Statement or any amendment thereto, or filed pursuant to Rule 424 under the 1933 Act, or delivered to the Underwriters for use in connection with the offering of the Securities, complied when so filed or when so delivered, as the case may be, in all material respects with the 1933 Act and the 1933 Act Regulations.

The representations and warranties in the preceding paragraphs of this Section 1(a)(3) do not apply to statements in or omissions from the Registration Statement, any preliminary prospectus, the Prospectus or any Issuer Free Writing Prospectus or any amendment or supplement to any the foregoing made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by the Underwriters as aforesaid consists of the information described as such in Section 6(b) hereof.

At the respective times that the Registration Statement or any amendment to any of the foregoing were filed and as of the earliest time after the filing of the Registration Statement that the Company or any other offering participant made a bona fide offer of the Securities within the meaning of Rule 164(h)(2), and at the date hereof, the Company was not and is not an “ineligible issuer” as defined in Rule 405, in each case without taking into account any determination made by the Commission pursuant to paragraph (2) of the definition of such term in Rule 405; and without limitation to the foregoing, the Company has at all relevant times met, meets and will at all relevant times meet the requirements of Rule 164 for the use of a free writing prospectus (as defined in Rule 405) in connection with the offering contemplated hereby.

The copies of the Registration Statement and any amendments to any of the foregoing and the copies of each preliminary prospectus, each Issuer Free Writing Prospectus that is required to be filed with the Commission pursuant to Rule 433 and the Prospectus and any amendments or supplements to any of the foregoing, that have been or subsequently are delivered to the Underwriters in connection with the offering of the Securities (whether to meet the request of purchasers pursuant to Rule 173(d) or otherwise) were and will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T. For purposes of this Agreement, references to the “delivery” or “furnishing” of any of the foregoing documents to the Underwriters, and any similar terms, include, without limitation, electronic delivery.

Each Issuer Free Writing Prospectus (if any), as of its issue date and at all subsequent times through the completion of the public offering and sale of the Securities did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement, any preliminary prospectus or the Prospectus that has not been superseded or modified.

(4) Incorporated Documents. The documents incorporated or deemed to be incorporated by reference in the Registration Statement, any preliminary prospectus and the Prospectus, at the respective times when they were or hereafter are filed with the

Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations and did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(5) Independent Accountants. The accountants who certified the financial statements and any supporting schedules included in the Registration Statement, the General Disclosure Package and the Prospectus are independent public accountants as required by the 1933 Act, the 1933 Act Regulations, the 1934 Act, the 1934 Act Regulations and the PCAOB.

(6) Financial Statements. The financial statements of the Company included in the Registration Statement, the General Disclosure Package and the Prospectus, together with the related schedules (if any) and notes, present fairly the financial position of the Company and its consolidated subsidiaries at the dates indicated and the results of operations, changes in stockholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; and all such financial statements have been prepared in conformity with GAAP applied on a consistent basis throughout the periods involved and comply with all applicable accounting requirements under the 1933 Act and the 1933 Act Regulations, or the 1934 Act and the 1934 Act Regulations, as applicable. The supporting schedules, if any, included in the Registration Statement present fairly, in accordance with GAAP, the information required to be stated therein. The information in the Pre-Pricing Prospectus and the Prospectus under the caption "-Summary-Summary Consolidated Financial Information" presents fairly the information shown therein and has been compiled on a basis consistent with that of the audited financial statements of the Company included in the Registration Statement, the General Disclosure Package and the Prospectus. The Company's ratios of earnings to fixed charges and, if applicable, ratios of earnings to combined fixed charges and preferred stock dividends (actual and, if any, pro forma) included in the Registration Statement, the General Disclosure Package and the Prospectus comply with Item 503(d) of Regulation S-K of the Commission. All "non-GAAP financial measures" (as such term is defined in the rules and regulations of the Commission), if any, contained in the Registration Statement, the General Disclosure Package and the Prospectus comply with Item 10 of Regulation S-K of the Commission, to the extent applicable.

(7) No Material Adverse Change in Business. Since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package and the Prospectus (in each case exclusive of any amendments or supplements thereto subsequent to the date of this Agreement), (A) there has been no material adverse change or any development that could reasonably be expected to result in a material adverse change, in the condition (financial or other), results of operations, business, properties, management or prospects of the Company and its subsidiaries taken as a whole, whether or not arising in the ordinary course of business (in any such case, a "Material Adverse Effect"); (B) except as otherwise disclosed in the General Disclosure Package and the Prospectus (in each case exclusive of any amendments or supplements thereto subsequent to the date of this Agreement), neither the Company nor any of its subsidiaries has incurred any liability or

obligation or entered into any transaction or agreement that, individually or in the aggregate, is material with respect to the Company and its subsidiaries taken as a whole, and neither the Company nor any of its subsidiaries has sustained any loss or interference with its business or operations from fire, explosion, flood, earthquake or other natural disaster or calamity, whether or not covered by insurance, or from any labor dispute or disturbance or court or governmental action, order or decree which could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect; and (C) except for regular quarterly cash dividends on the Common Stock in amounts per share that are consistent with past practice, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(8) Valid Existence and Good Standing of the Company. The Company has been duly organized and is validly existing as a corporation under the laws of the State of Oregon and has power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Prospectus and to enter into and perform its obligations under this Agreement; and the Company is duly qualified as a foreign corporation to transact business in Washington and is so qualified and is in good standing and each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except (solely in the case of jurisdictions other than the State of Oregon) where the failure so to qualify or to be in good standing would not, individually or in the aggregate, result in a Material Adverse Effect.

(9) Good Standing of Significant Subsidiaries. Each Significant Subsidiary of the Company has been duly organized and is validly existing as a corporation, limited or general partnership or limited liability company, as the case may be, in good standing under the laws of the jurisdiction of its organization, has power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package or the Prospectus and is duly qualified as a foreign corporation, limited or general partnership or limited liability company, as the case may be, to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not, individually or in the aggregate, result in a Material Adverse Effect; except as otherwise disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, all of the issued and outstanding shares of capital stock of each such subsidiary that is a corporation, all of the issued and outstanding partnership interests of each such subsidiary that is a limited or general partnership and all of the issued and outstanding limited liability company interests, membership interests or other similar interests of each such subsidiary that is a limited liability company have been duly authorized and validly issued, are fully paid and (except in the case of general partnership interests) non-assessable and are owned by the Company, directly or through subsidiaries, free and clear of any Lien; and none of the issued and outstanding shares of capital stock of any such subsidiary that is a corporation, none of the issued and outstanding partnership interests of any such subsidiary that is a limited or general partnership, and none of the issued and outstanding limited liability

company interests, membership interests or other similar interests of any such subsidiary that is a limited liability company was issued in violation of any preemptive rights, rights of first refusal or other similar rights of any securityholder of such subsidiary or any other person. Exhibit 21 to the Company's most recent Annual Report on Form 10-K filed with the Commission accurately sets forth the name of each subsidiary of the Company and its jurisdiction of organization, other than subsidiaries omitted from such exhibit in accordance with the first sentence of clause (ii) of Section 21 of Item 601 of Regulation S-K of the Commission. The term "Significant Subsidiary" means any subsidiaries of the Company which are "significant subsidiaries" as defined by Rule 1-02 of Regulation S-X. The Company has no Significant Subsidiaries other than the Significant Subsidiaries that are listed on Exhibit B hereto under the caption "Significant Subsidiaries of the Company."

(10) Capitalization. The authorized, issued and outstanding capital stock of the Company as of the date of this Agreement is as set forth in the column entitled "Actual" and in the corresponding line items under the caption "Capitalization" in the Pre-Pricing Prospectus and the Prospectus and, at the time of the purchase of the Initial Securities by the Underwriters on the Closing Date and as of each Option Closing Date (if any), the authorized, issued and outstanding capital stock of the Company will be as set forth in the column entitled "As Adjusted" and in the corresponding line items under such caption (in each case except for any Option Securities issued by the Company pursuant to this Agreement and issuances, if any, subsequent to November 7, 2016 pursuant to employee or director stock option, stock purchase or other equity incentive plans or any dividend reinvestment plan described in the Pre-Pricing Prospectus and the Prospectus, upon the exercise of options issued pursuant to any such stock option, stock purchase or other equity incentive plans as so described, or upon the exercise of options described in the General Disclosure Package and the Prospectus). The shares of issued and outstanding capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable and were issued in compliance with all applicable foreign, state and federal securities and "blue-sky" laws; and none of the outstanding shares of capital stock of the Company was issued in violation of any preemptive rights, rights of first refusal or other similar rights of any securityholder of the Company or any other person.

(11) Authorization of Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(12) Authorization of Securities. The Securities to be sold by the Company under this Agreement have been duly authorized for issuance and sale to the Underwriters pursuant to this Agreement and, when issued and delivered by the Company pursuant to this Agreement against payment of the consideration set forth herein, will be validly issued, fully paid and non-assessable; no holder of the Securities is or will be subject to personal liability by reason of being such a holder; and the issuance and sale of the Securities to be sold by the Company under this Agreement are not subject to any preemptive rights, rights of first refusal or other similar rights of any securityholder of the Company or any other person.

(13) Description of Securities. The Common Stock, the authorized but unissued preferred stock and the Company's charter and bylaws conform in all material respects to the respective statements relating thereto contained in the Registration Statement, the General Disclosure Package and the Prospectus and such statements conform to the rights set forth in the respective instruments and agreements defining the same.

(14) Absence of Defaults and Conflicts. Neither the Company nor any of its subsidiaries is in violation of its Organizational Documents or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any Company Document, except for such defaults that would not, individually or in the aggregate, result in a Material Adverse Effect. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein and in the Registration Statement, the General Disclosure Package and the Prospectus (including the issuance and sale of the Securities and the use of the proceeds from the sale of the Securities as described in the Pre-Pricing Prospectus and the Prospectus under the caption "Use of Proceeds") and compliance by the Company with its obligations under this Agreement do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default, Termination Event or Repayment Event under, or result in the creation or imposition of any Lien upon any property or assets of the Company or any of its subsidiaries pursuant to, any Company Documents, except for such conflicts, breaches, defaults or Liens that would not, individually or in the aggregate, result in a Material Adverse Effect or materially and adversely affect the consummation of the transactions contemplated in this Agreement or the performance by the Company of its obligations under this Agreement, nor will such action result in any violation of (i) the provisions of the Organizational Documents of the Company or any of its subsidiaries or (ii) except for such violations that would not, individually or in the aggregate, result in a Material Adverse Effect or materially and adversely affect the consummation of the transactions contemplated in this Agreement or the performance by the Company of its obligations under this Agreement, any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of its subsidiaries or any of their respective assets, properties or operations.

(15) Absence of Labor Dispute. No general labor dispute with the employees of the Company or any subsidiary of the Company exists or, to the knowledge of the Company, is imminent, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of the principal suppliers, manufacturers, customers or contractors of the Company or any of its subsidiaries which might reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(16) Absence of Proceedings. There is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries which is required to be disclosed in the Registration Statement, the Pre-Pricing Prospectus or the Prospectus (other than as disclosed therein),

or (other than as disclosed therein) which might reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or to materially and adversely affect the consummation of the transactions contemplated in this Agreement or the performance by the Company of its obligations under this Agreement; the aggregate of all pending legal or governmental proceedings to which the Company or any of its subsidiaries is a party or of which any of their respective property or assets is the subject which are not described in the Registration Statement, the Pre-Pricing Prospectus and the Prospectus, including ordinary routine litigation incidental to the business, would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(17) Accuracy of Descriptions and Exhibits. The information in the Pre-Pricing Prospectus and the Prospectus under the captions "Description of Common Stock," and "Certain United States Federal Income Tax Considerations for Non-U.S. Holders" and the information in the Company's Annual Report on Form 10-K for the fiscal year ended 2015 under the captions "Business-Regulation and Rates," "Risk Factors-Risks Related to our Business Generally-Regulatory Risk," "Legal Proceedings," and "Management's Discussion and Analysis of Financial Condition and Results of Operations-Liquidity and Capital Resources," in each case to the extent that it constitutes matters of law, summaries of legal matters, summaries of provisions of the Company's charter or bylaws or any other instruments or agreements, summaries of legal proceedings, or legal conclusions, is correct in all material respects; all descriptions in the Registration Statement, the General Disclosure Package and the Prospectus of any other Company Documents are accurate in all material respects; and there are no franchises, contracts, indentures, mortgages, deeds of trust, loan or credit agreements, bonds, notes, debentures, evidences of indebtedness, leases or other instruments, agreements or documents required to be described or referred to in the Registration Statement, the Pre-Pricing Prospectus or the Prospectus or the documents incorporated or deemed to be incorporated by reference therein or to be filed as exhibits to the Registration Statement or the documents incorporated or deemed to be incorporated by reference therein which have not been so described and filed as required.

(18) Possession of Intellectual Property. Except as described in the General Disclosure Package and the Prospectus or except as would not, individually or in the aggregate, result in a Material Adverse Effect, (A) the Company and its subsidiaries own and possess or have valid and enforceable licenses to use, all patents, patent rights, patent applications, licenses, copyrights, inventions, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trade marks, service marks, trade names, service names, software, internet addresses, domain names and other intellectual property (collectively, "Intellectual Property") that is described in the Registration Statement, the General Disclosure Package or the Prospectus or that is necessary for the conduct of their respective businesses as currently conducted, as proposed to be conducted and as described in the Registration Statement, the General Disclosure Package and the Prospectus, (B) neither the Company nor any of its subsidiaries has received any notice or is otherwise aware of any infringement of or conflict with rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to

protect the interests of the Company or any of its subsidiaries therein; there are no third parties who have or, to the knowledge of the Company, will be able to establish rights to any Intellectual Property of the Company or any of its subsidiaries, except for, and to the extent of, the ownership rights of the owners of the Intellectual Property which the Registration Statement, the General Disclosure Package and the Prospectus disclose is licensed to the Company or any of its subsidiaries, (C) there is no pending or, to the knowledge of the Company, threatened action, suit, proceeding or claim by others challenging the Company's or any subsidiary's rights in or to any such Intellectual Property, or challenging the validity, enforceability or scope of any such Intellectual Property, or asserting that the Company or any subsidiary infringes or otherwise violates, or would, upon the commercialization of any product or service described in the Registration Statement, the General Disclosure Package or the Prospectus, infringe or violate, any Intellectual Property of others, and the Company is unaware of any facts which could form a reasonable basis for any such action, suit, proceeding or claim, (D) the Company and its subsidiaries have complied with the terms of each agreement pursuant to which any Intellectual Property has been licensed to the Company or any subsidiary, all such agreements are in full force and effect, and no event or condition has occurred or exists that gives or, with notice or passage of time or both, would give any person the right to terminate any such agreement and (E) there is no patent or patent application that contains claims that interfere with the issued or pending claims of any such Intellectual Property of the Company or any of its subsidiaries or that challenges the validity, enforceability or scope of any such Intellectual Property.

(19) Absence of Further Requirements. (A) No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency, domestic or foreign, (B) no authorization, approval, vote or consent of any holder of capital stock or other securities of the Company or creditor of the Company or any of its subsidiaries, (C) no authorization, approval, waiver or consent under any Company Document, and (D) no authorization, approval, vote or consent of any other person or entity, is necessary or required for the authorization, execution, delivery or performance by the Company of this Agreement, for the offering of the Securities as contemplated by this Agreement, for the issuance, sale or delivery of the Securities to be sold by the Company pursuant to this Agreement, or for the consummation of any of the other transactions contemplated by this Agreement, in each case on the terms contemplated by the Registration Statement, the General Disclosure Package and the Prospectus, except such order or orders of the Oregon Public Utility Commission (the "OPUC") as shall have been obtained and which are in full force and effect and the filings as shall have been made with the Washington Utilities and Transportation Commission (the "WUTC") to establish compliance with applicable statutory provisions and such as have been obtained under the 1933 Act, the 1933 Act Regulations, the 1934 Act and the 1934 Act Regulations and except that no representation is made as to such as may be required under state or foreign securities laws.

(20) Possession of Licenses and Permits. Except as described in the Registration Statement, the General Disclosure Package and the Prospectus or except as would not, individually or in the aggregate, result in a Material Adverse Effect, the Company and its

subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them; and the Company and its subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, all such Governmental Licenses are valid and in full force and effect; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses.

(21) Title to Property. Except such as (a) are described in the Registration Statement, the General Disclosure Package and the Prospectus or (b) are not, individually or in the aggregate, material to the Company and its subsidiaries taken as a whole and are not required to be disclosed in the Registration Statement, the Pre-Pricing Prospectus or the Prospectus, (A) the Company and its subsidiaries have good and marketable title in fee simple to all real property owned by any of them (if any) and good title to all other properties and assets owned by any of them, in each case, free and clear of all Liens, (B) all real property, buildings and other improvements, and all equipment and other property held under lease or sublease by the Company or any of its subsidiaries is held by them under valid, subsisting and enforceable leases or subleases, as the case may be, with, solely in the case of leases or subleases relating to real property, buildings or other improvements, and all such leases and subleases are in full force and effect, and (C) neither the Company nor any of its subsidiaries has received any notice of any claim of any sort that has been asserted by anyone adverse to the rights of the Company or any of its subsidiaries under any of the leases or subleases mentioned above or affecting or questioning the rights of the Company or any of its subsidiaries to the continued possession of the leased or subleased premises or to the continued use of the leased or subleased equipment or other property except for such claims which would not, individually or in the aggregate, result in a Material Adverse Effect.

(22) Investment Company Act. The Company is not, and upon the issuance and sale of the Securities as herein contemplated and the receipt and application of the net proceeds therefrom as described in the General Disclosure Package and the Prospectus under the caption "Use of Proceeds," will not be, an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the 1940 Act.

(23) Environmental Laws. Except as described in the Registration Statement, the General Disclosure Package and the Prospectus or except as would not, individually or in the aggregate, result in a Material Adverse Effect, (A) neither the Company nor any of its subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "Hazardous Materials") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling

of Hazardous Materials (collectively, "Environmental Laws"), (B) the Company and its subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, (C) there are no pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, Liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Company or any of its subsidiaries and (D) there are no events or circumstances that might reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company or any of its subsidiaries relating to Hazardous Materials or any Environmental Laws.

(24) Absence of Registration Rights. There are no persons with registration rights or other similar rights to have any securities (debt or equity) (A) registered pursuant to the Registration Statement or included in the offering contemplated by this Agreement or (B) otherwise registered by the Company under the 1933 Act, and there are no persons with co-sale rights, tag-along rights or other similar rights to have any securities (debt or equity) included in the offering contemplated by this Agreement or sold in connection with the sale of Securities, except in each case for such rights that have been duly waived in writing; and the Company has given all notices required by, and has otherwise complied with its obligations under, all registration rights agreements, co-sale agreements, tag-along agreements and other similar agreements in connection with the transactions contemplated by this Agreement.

(25) Parties to Lock-Up Agreements. Each of the persons listed on Exhibit C hereto has executed and delivered to the Representatives a lock-up agreement in the form of Exhibit D hereto. Exhibit C hereto contains a true, complete and correct list of all directors and executive officers of the Company.

(26) NYSE. The outstanding shares of Common Stock are listed on the NYSE and the Securities being sold hereunder by the Company have been approved for listing, subject only to official notice of issuance, on the NYSE.

(27) FINRA Matters. The Company was, at the time the Registration Statement was first filed with the Commission, and at all times thereafter has been, eligible to use Form S-3 pursuant to the standards for that form in effect immediately prior to October 21, 1992. There is and, at all times since the time that the Registration Statement was first filed with the Commission, there has been a "bona fide public market," as defined in FINRA Rule 5121, for the Common Stock.

(28) Tax Returns. The Company and its subsidiaries have filed all foreign, federal, state and local tax returns that are required to be filed as of the Applicable Time, Closing or Option Closing Date, as applicable, or have obtained extensions thereof, except where the failure so to file would not, individually or in the aggregate, result in a Material Adverse Effect, and have paid all taxes (including, without limitation, any estimated taxes) required to be paid and any other assessment, fine or penalty, to the extent that any of the foregoing

is due and payable, except for any such tax, assessment, fine or penalty that is currently being contested in good faith by appropriate actions and except for such taxes, assessments, fines or penalties the nonpayment of which would not, individually or in the aggregate, result in a Material Adverse Effect.

(29) Insurance. The Company and its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged. Except as described in the Registration Statement, the General Disclosure Package and the Prospectus or except as would not, individually or in the aggregate, result in a Material Adverse Effect, (A) all policies of insurance and any fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects, (B) there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause and (C) neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for and neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers at a cost that would not, individually or in the aggregate, result in a Material Adverse Effect.

(30) Accounting and Disclosure Controls. The Company and its subsidiaries maintain and have established and maintained effective "internal control over financial reporting" (as defined in Rule 13a-15 of the 1934 Act Regulations). The Company and its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (A) transactions are executed in accordance with management's general or specific authorizations; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as described in the Registration Statement, the General Disclosure Package and the Prospectus, there has not been (1) at any time during the Company's five consecutive fiscal years ended with and including the Company's most recent fiscal year for which audited financial statements are included in the Registration Statement, the General Disclosure Package and the Prospectus or at any time subsequent thereto, any material weakness (as defined in Rule 1-02 of Regulation S-X of the Commission) in the Company's internal control over financial reporting (whether or not remediated), or (2) any fraud, whether or not material, involving management or other employees who have a role in the Company's internal control over financial reporting and, since the end of the Company's most recent fiscal year for which audited financial statements are included in the Registration Statement, the General Disclosure Package and the Prospectus, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial

reporting. The Company and its subsidiaries have established, maintained and periodically evaluate the effectiveness of “disclosure controls and procedures” (as defined in Rules 13a-15 and 15d-15 under the 1934 Act); such disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act and the interactive data in eXtensible Business Reporting Language included as an exhibit to the Registration Statement or incorporated by reference in the Registration Statement are recorded, processed, summarized and reported, within the time periods specified in the Commission’s rules and forms, and is accumulated and communicated to the Company’s management, including its principal executive officer or officers and principal financial officer or officers, as appropriate, to allow timely decisions regarding disclosure.

The Company’s independent public accountants and the audit committee of the Company’s board of directors have been advised of all material weaknesses, if any, and significant deficiencies (as defined in Rule 1-02 of Regulation S-X of the Commission), if any, in the Company’s internal control over financial reporting and of all fraud, if any, whether or not material, involving management or other employees who have a role in the Company’s internal control over financial reporting, in each case that occurred or existed, or was first detected, at any time during the Company’s five consecutive fiscal years ended with and including the Company’s most recent fiscal year for which audited financial statements are included in the Registration Statement, the General Disclosure Package and the Prospectus or at any time subsequent thereto.

(31) Compliance with the Sarbanes-Oxley Act. There is and has been no failure on the part of the Company or any of the Company’s directors or officers, in their capacities as such, to comply in all material respects with any provision of the Sarbanes-Oxley Act with which any of them is required to comply, including Section 402 related to loans and Sections 302 and 906 related to certifications.

(32) Pending Proceedings and Examinations: Comment Letters. The Registration Statement is not the subject of a pending proceeding or examination under Section 8(d) or 8(e) of the 1933 Act, and the Company is not the subject of a pending proceeding under Section 8A of the 1933 Act. The Company has provided the Representatives with true, complete and correct copies of any written comments received from the Commission by the Company or its legal counsel or accountants, and of any transcripts made by the Company, its legal counsel or accountants of any oral comments received from the Commission, with respect to the Registration Statement, any preliminary prospectus, the Prospectus, any Issuer Free Writing Prospectus or any document incorporated or deemed to be incorporated by reference therein and of all written responses thereto (in each case other than comment letters or written responses that are publicly available on EDGAR), and no such comments remain unresolved.

(33) Absence of Manipulation. The Company has not taken and will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably

be expected to cause or result in the stabilization or manipulation of the price of any security to facilitate the sale or resale of the Securities.

(34) Statistical and Market-Related Data. Any statistical, demographic, market-related and similar data included in the Registration Statement, the General Disclosure Package or the Prospectus are based on or derived from sources that the Company believes to be reliable and accurate and accurately reflect the materials upon which such data is based or from which it was derived, and the Company has delivered true, complete and correct copies of such materials to the Representatives to the extent requested by the Representatives.

(35) No Unlawful Payments. Neither the Company nor any of its subsidiaries nor any director, officer, or employee of the Company or any of its subsidiaries nor, to the knowledge of the Company, any agent, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that has resulted or would result in (i) the use of any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) the making or taking of an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) a violation by any such person of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption laws; or (iv) the making, offering, requesting or taking of, or the agreement to take, an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(36) Compliance with Money Laundering Laws. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company or any of its subsidiaries is, threatened.

(37) No Conflicts with Sanctions Laws. Neither the Company nor any of its subsidiaries, directors, officers or employees, nor, to the knowledge of the Company, any agent, employee or affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. Government, (including, without limitation, OFAC or the U.S. Department of State and including, without limitation, the designation as a “specially designated national” or “blocked person”), the UNSC, the European Union, Her Majesty’s Treasury (“HMT”), or other relevant sanctions authority (collectively, “Sanctions”), nor is the Company, any of its subsidiaries located, organized or resident in a country or territory that is the subject or the target of Sanctions, including, without limitation, Cuba, Burma (Myanmar), Iran, North Korea, Sudan and Syria (each, a “Sanctioned Country”); and the Company will not directly or indirectly use any of the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Sanctions, (ii) to fund or facilitate any activities of or any business in any Sanctioned Country or (iii) in any other manner that could result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of any Sanctions. For the past five years, the Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of any Sanctions or with any Sanctioned Country.

(38) ERISA Compliance. None of the following events has occurred or exists: (i) a failure to fulfill the obligations, if any, under the minimum funding standards of Section 302 of ERISA with respect to a Plan (as defined below) determined without regard to any waiver of such obligations or extension of any amortization period; (ii) an audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other federal, state or foreign governmental or regulatory agency with respect to the employment or compensation of employees by the Company or any of its subsidiaries that might reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect; or (iii) any breach of any contractual obligation, or any violation of law or applicable qualification standards, with respect to the employment or compensation of employees by the Company or any of its subsidiaries that might reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect. None of the following events has occurred or is reasonably likely to occur: (i) a material increase in the aggregate amount of contributions required to be made to all Plans in the current fiscal year of the Company and its subsidiaries compared to the amount of such contributions made in the Company’s most recently completed fiscal year that might reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect; (ii) a material increase in the “accumulated post-retirement benefit obligations” (within the meaning of Statement of Financial Accounting Standards 106) of the Company and its subsidiaries compared to the amount of such obligations in the Company’s most recently completed fiscal year that might reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect; (iii) any event or

condition giving rise to a liability under Title IV of ERISA that might reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect; or (iv) the filing of a claim by one or more employees or former employees of the Company or any of its subsidiaries related to its or their employment that might reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect. For purposes of this paragraph and the definition of ERISA, the term “Plan” means a plan (within the meaning of Section 3(3) of ERISA) with respect to which the Company or any of its subsidiaries may have any liability.

(39) Lending and Other Relationships. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, (i) neither the Company nor any of its subsidiaries has any lending or similar relationship with any Underwriter or any bank or other lending institution affiliated with any Underwriter; (ii) the Company will not, directly or indirectly, use any of the proceeds from the sale of the Securities by the Company hereunder to reduce or retire the balance of any loan or credit facility extended by any Underwriter or any of its “affiliates” or “associated persons” (as such terms are used in FINRA Rule 5121) or otherwise direct any such proceeds to any Underwriter or any of its “affiliates” or “associated persons” (as so defined); and (iii) there are and have been no transactions, arrangements or dealings between the Company or any of its subsidiaries, on the one hand, and any Underwriter or any of its “affiliates” or “associated persons” (as so defined), on the other hand, that, under FINRA Rule 5110 or 5121, must be disclosed in a submission to FINRA in connection with the offering of the Securities contemplated hereby or disclosed in the Registration Statement, the General Disclosure Package or Prospectus.

(40) Transfer Taxes. There are no stock or other transfer taxes, stamp duties, capital duties or other similar duties, taxes or charges payable in connection with the execution or delivery of this Agreement by the Company or the issuance or sale by the Company of the Securities to be sold by the Company to the Underwriters hereunder.

(41) Related Party Transactions. There are no business relationships or related party transactions involving the Company or any of its subsidiaries or, to the knowledge of the Company, any other person that are required to be described in the Pre-Pricing Prospectus or the Prospectus that have not been described as required.

(42) Offering Materials. Without limitation to the provisions of Section 16 hereof, the Company has not distributed and will not distribute, directly or indirectly (other than through the Underwriters), any “written communication” (as defined in Rule 405 under the 1933 Act) or other offering materials in connection with the offering or sale of the Securities, other than the Pre-Pricing Prospectus, the Prospectus, any amendment or supplement to any of the foregoing that are filed with the SEC and any Permitted Free Writing Prospectuses (as defined in Section 16).

(43) No Restrictions on Dividends. The Company is not a party to or otherwise bound by any instrument or agreement that limits or prohibits or could limit or prohibit, directly or indirectly, the Company from paying any dividends or making other distributions

on its capital stock, except as described in the Registration Statement, the General Disclosure Package and the Prospectus.

(44) Brokers. There is not a broker, finder or other party that is entitled to receive from the Company any brokerage or finder's fee or other fee or commission as a result of any of the transactions contemplated by this Agreement, except for underwriting discounts and commissions in connection with the sale of the Securities to the Underwriters pursuant to this Agreement.

(45) Interactive Data. The interactive data in eXtensible Business Reporting Language included as an exhibit to the Registration Statement or incorporated by reference in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(b) Certificates. Any certificate signed by any officer of the Company (whether signed on behalf of such officer or the Company) and delivered to the Representatives or to counsel for the Underwriters pursuant to or relating to this Agreement shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

SECTION 2.

Sale and Delivery to Underwriters; Closing.

(a) Initial Securities. On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to the Underwriters, severally and not jointly, the Initial Securities, and each Underwriter, severally and not jointly, agrees to purchase the respective number of Initial Securities set forth opposite its name in Exhibit A hereto plus any additional number of Initial Securities which such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof, subject to such adjustments among the Underwriters as the Representatives in their sole discretion shall make to eliminate any sales or purchases of fractional Securities, in each case at a price of \$52.58 per share (the "Purchase Price").

(b) Option Securities. In addition, on the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company hereby grants an option to the Underwriters, severally and not jointly, to purchase up to the number of Option Securities which bears the same proportion to the total number of Option Securities to be purchased on such Option Closing Date (as defined below) as the number of Initial Securities set forth in Exhibit A hereto opposite the name of such Underwriter bears to the total number of Initial Securities at a price per share equal to the Purchase Price referred to in Section 2(a) above; provided that the price per share for any Option Securities shall be reduced by an amount per share equal to any dividends or distributions declared, paid or payable by the Company on the Initial Securities but not payable on such Option Securities. The option hereby granted will expire at 11:59 P.M. (New York City time) on the 30th day after the date hereof and may be exercised in whole or in part from time to time only for the purpose of covering over-allotments which may be made in connection with the offering and distribution of the Initial Securities upon notice by the Representatives to the

Company setting forth the number of Option Securities as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Securities. Any such time and date of delivery (an "Option Closing Date") shall be determined by the Representatives, but shall not be earlier than two, nor later than seven, full business days after the exercise of said option (unless postponed in accordance with the provisions of Section 10), nor in any event prior to the Closing Date.

(c) Payment. Payment of the purchase price for, and delivery of, the Initial Securities shall be made at the offices of Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, NY 10017, or at such other place as shall be agreed upon by the Representatives and the Company, at 9:00 A.M. (New York City time) on November 16, 2016 (unless postponed in accordance with the provisions of Section 10), or such other time not later than five business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called the "Closing Date").

In addition, in the event that any or all of the Option Securities are purchased by the Underwriters, payment of the purchase price for, and delivery of, such Option Securities shall be made at the above-mentioned offices at 9:00 A.M. (New York City time), or at such other place as shall be agreed upon by the Representatives and the Company, on each Option Closing Date as specified in the notice from the Representatives to the Company.

Payment shall be made to the Company by wire transfer of immediately available funds to a single bank account designated by the Company against delivery to the Representatives for the respective accounts of the Underwriters of the Securities to be purchased by them. It is understood that each Underwriter has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Initial Securities and the Option Securities, if any, which it has agreed to purchase. Wells Fargo, individually and not as Representative of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Initial Securities or the Option Securities, if any, to be purchased by any Underwriter whose funds have not been received by the Closing Date or the relevant Option Closing Date, as the case may be, but such payment shall not relieve such Underwriter from its obligations hereunder.

(d) Delivery of Securities. Delivery of the Initial Securities and any Option Securities shall be made through the facilities of DTC unless the Representatives shall otherwise instruct.

SECTION 3. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) Compliance with Securities Regulations and Commission Requests. The Company, subject to Section 3(b), will comply with the requirements of Rule 430B and Rule 433 and will notify the Representatives immediately, and confirm the notice in writing, (i) when the Registration Statement or any post-effective amendment to the Registration Statement shall be declared or become effective, or when any preliminary prospectus, the Prospectus or any Issuer Free Writing Prospectus or any amendment or supplement to any of the foregoing shall have been filed, (ii) of the receipt of any comments from the Commission (and shall promptly furnish the Representatives with a copy of any comment

letters and any transcript of oral comments, and shall furnish the Representatives with copies of any written responses thereto a reasonable amount of time prior to the proposed filing thereof with the Commission and will not file any such response to which the Representatives or counsel for the Underwriters shall object), (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to any preliminary prospectus or the Prospectus, any document incorporated or deemed to be incorporated by reference therein or any Issuer Free Writing Prospectus or for additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of any order preventing or suspending the use of any preliminary prospectus, the Prospectus or any Issuer Free Writing Prospectus or any amendment or supplement to any of the foregoing, or any notice from the Commission objecting to the use of the form of the Registration Statement or any post-effective amendment thereto, or of the suspension of the qualification of the Securities for offering or sale in any jurisdiction or of the loss or suspension of any exemption from any such qualification, or of the initiation or threatening of any proceedings for any of such purposes, or of any examination pursuant to Section 8(e) of the 1933 Act concerning the Registration Statement and (v) if the Company becomes the subject of a proceeding under Section 8A of the 1933 Act in connection with the offering of the Securities. The Company will make every reasonable effort to prevent the issuance of any stop order and the suspension or loss of any qualification of the Securities for offering or sale and any loss or suspension of any exemption from any such qualification, and if any such stop order is issued, or any such suspension or loss occurs, to obtain the lifting thereof at the earliest possible moment. The Company shall pay the required Commission filing fees relating to the Securities within the time period required by Rule 456(b)(1)(i) of the 1933 Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the 1993 Act Regulations, except to the extent such filing fees have been paid prior to the date hereof.

(b) Filing of Amendments. The Company will give the Representatives notice of its intention to file or prepare any amendment to the Registration Statement, any Issuer Free Writing Prospectus or any amendment, supplement or revision to any preliminary prospectus, the Prospectus or any Issuer Free Writing Prospectus, whether pursuant to the 1933 Act or otherwise, and the Company will furnish the Representatives with copies of any such documents within a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file or use any such document to which the Representatives or counsel for the Underwriters shall object. The Company has given the Representatives notice of any filings made pursuant to the 1934 Act or the 1934 Act Regulations within 48 hours prior to the Applicable Time. The Company will give the Representatives notice of its intention to make any filing pursuant to the 1934 Act or the 1934 Act Regulations from the Applicable Time through the Closing Time (or, if later, through the end of the period during which the Prospectus is required (or, but for the provisions of Rule 172, would be required) to be delivered by applicable law (whether to meet the requests of purchasers pursuant to Rule 173 (d) or otherwise)) and will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing, as the case may be, and will not file or use any such document to which the Representatives or counsel for the Underwriters shall object.

(c) Delivery of Registration Statements. The Company has furnished or will deliver to the Representatives and counsel for the Underwriters, without charge, copies of the Registration Statement and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein or otherwise deemed to be a part thereof) and copies of all consents and certificates of experts.

(d) Delivery of Prospectuses. The Company has delivered to each Underwriter, without charge, as many copies of each preliminary prospectus and any amendments or supplements thereto as such Underwriter reasonably requested, and the Company hereby consents to the use of such copies for purposes permitted by the 1933 Act. The Company will furnish to each Underwriter, without charge, during the period when the Prospectus is required (or, but for the provisions of Rule 172, would be required) to be delivered by applicable law (whether to meet the request of purchasers pursuant to Rule 173(d) or otherwise), such number of copies of the Pre-Pricing Prospectus, the Prospectus and any Issuer Free Writing Prospectus and any amendments or supplements to any of the foregoing as such Underwriter may reasonably request.

(e) Continued Compliance with Securities Laws. The Company will comply with the 1933 Act, the 1933 Act Regulations, the 1934 Act and the 1934 Act Regulations so as to permit the completion of the distribution of the Securities as contemplated by this Agreement, the General Disclosure Package and the Prospectus. If at any time when a prospectus is required (or, but for the provisions of Rule 172, would be required) by the applicable law to be delivered in connection with sales of the Securities (whether to meet the request of purchasers pursuant to Rule 173(d) or otherwise), any event shall occur or condition shall exist as a result of which it is necessary (or if the Representatives or counsel for the Underwriters shall notify the Company that, in their judgment, it is necessary) to amend the Registration Statement or amend or supplement the General Disclosure Package or the Prospectus so that the Registration Statement, the General Disclosure Package or the Prospectus, as the case may be, will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made or then prevailing, not misleading or if it is necessary (or, if the Representatives or counsel for the Underwriters shall notify the Company that, in their judgment, it is necessary) to amend the Registration Statement or amend or supplement the General Disclosure Package or the Prospectus in order to comply with the requirements of the 1933 Act, the 1933 Act Regulations, the 1934 Act or the 1934 Act Regulations, the Company will promptly notify the Representatives of such event or condition and of its intention to file such amendment or supplement (or, if the Representatives or counsel for the Underwriters shall have notified the Company as aforesaid, the Company will promptly notify the Representatives of its intention to prepare such amendment or supplement) and will promptly prepare and file with the Commission, subject to Section 3(b) hereof, such amendment or supplement as may be necessary to correct such untrue statement or omission or to comply with such requirements, and, in the case of an amendment or post-effective amendment to the Registration Statement, the Company will use its best efforts to have such amendment declared or become effective as soon as practicable, and

the Company will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request. If at any time an Issuer Free Writing Prospectus conflicts with the information contained in the Registration Statement or if an event shall occur or condition shall exist as a result of which it is necessary (or, if the Representatives or counsel for the Underwriters shall notify the Company that, in their judgment, it is necessary) to amend or supplement such Issuer Free Writing Prospectus so that it will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made or then prevailing, not misleading, or if it is necessary (or, if the Representatives or counsel for the Underwriters shall notify the Company that, in their judgment, it is necessary) to amend or supplement such Issuer Free Writing Prospectus in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, the Company will promptly notify the Representatives of such event or condition and of its intention to file such amendment or supplement (or, if the Representatives or counsel for the Underwriters shall have notified the Company as aforesaid, the Company will promptly notify the Representatives of its intention to prepare such amendment or supplement) and will promptly prepare and, if required by the 1933 Act or the 1933 Act Regulations, file with the Commission, subject to Section 3(b) hereof, such amendment or supplement as may be necessary to eliminate or correct such conflict, untrue statement or omission or to comply with such requirements, and the Company will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request.

(f) Blue Sky and Other Qualifications. The Company will use its best efforts, in cooperation with the Underwriters, to qualify the Securities for offering and sale, or to obtain an exemption for the Securities to be offered and sold, under the applicable securities laws of such states and other jurisdictions as the Representatives may reasonably designate and to maintain such qualifications and exemptions in effect for so long as required for the distribution of the Securities; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject. In each jurisdiction in which the Securities have been so qualified or exempt, the Company will file such statements and reports as may be required by the laws of such jurisdiction to continue such qualification or exemption, as the case may be, in effect for so long as required for the distribution of the Securities.

(g) Rule 158. The Company will timely file such reports pursuant to the 1934 Act as are necessary in order to make generally available to its securityholders as soon as practicable an earnings statement for the purposes of, and to provide to the Underwriters the benefits contemplated by, the last paragraph of Section 11(a) of the 1933 Act.

(h) Use of Proceeds. The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the Pre-Pricing Prospectus and the Prospectus under "Use of Proceeds."

(i) Listing. The Company will use its best efforts to effect the listing of the Securities on the NYSE as and when required by this Agreement.

(j) Restriction on Sale of Securities. During the Lock-Up Period, the Company will not, without the prior written consent of Wells Fargo, directly or indirectly:

(i) issue, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any shares of Common Stock or other capital stock or any securities convertible into or exercisable or exchangeable for Common Stock or other capital stock,

(ii) file or cause the filing of any registration statement under the 1933 Act with respect to any Common Stock or other capital stock or any securities convertible into or exercisable or exchangeable for any Common Stock or other capital stock, or

(iii) enter into any swap or other agreement, arrangement, hedge or transaction that transfers to another, in whole or in part, directly or indirectly, any of the economic consequences of ownership of any Common Stock or other capital stock or any securities convertible into or exercisable or exchangeable for any Common Stock or other capital stock,

whether any transaction described in clause (i) or (iii) above is to be settled by delivery of Common Stock, other capital stock, other securities, in cash or otherwise, or publicly announce any intention to do any of the foregoing.

Notwithstanding the provisions set forth in the immediately preceding paragraph, the Company may, without the prior written consent of Wells Fargo:

(1) issue Securities to the Underwriters pursuant to this Agreement and

(2) issue shares, and options to purchase shares, of Common Stock and restricted stock units pursuant to employee benefit plans or other employee, executive or director compensation plans or any dividend reinvestment and direct stock purchase plan, in each case as described in the General Disclosure Package and the Prospectus, as those plans are in effect on the date of this Agreement.

(k) Reporting Requirements. The Company, during the period when the Prospectus is required (or, but for the provisions of Rule 172, would be required) by applicable law to be delivered (whether to meet the request of purchasers pursuant to Rule 173 (d) or otherwise), will file all documents required to be filed with the Commission pursuant to the 1934 Act and the 1934 Act Regulations within the time periods required by the 1934 Act and the 1934 Act Regulations.

(l) Preparation of Prospectus. Immediately following the execution of this Agreement, the Company will, subject to Section 3(b) hereof, prepare the Prospectus, which shall contain the selling terms of the Securities, the plan of distribution thereof and such other information as may be required by the 1933 Act or the 1933 Act Regulations or as the Representatives and the Company may deem appropriate, and if requested by the Representatives, will prepare an Issuer Free Writing Prospectus containing the information set forth in Exhibit H hereto and such other information as may be required by Rule 433 or as the Representatives and the Company may deem appropriate, and will file or transmit for filing with the Commission the Prospectus in accordance with the provisions of Rule 430B and in the manner and within the time period required by Rule 424(b) (without reliance on Rule 424 (b)(8)) and any such Issuer Free Writing Prospectus in the manner and within the time period required by Rule 433.

(m) New Registration Statement. If, immediately prior to the third anniversary of the initial effective date of the Registration Statement (the "Renewal Deadline"), any of the Securities remains unsold by the Underwriters, the Company will, prior to the Renewal Deadline, if it has not already done so and is eligible to do so, file a new automatic shelf registration statement relating to the Securities, and notify the Representatives when such filing has been made. If the Company is no longer eligible to file an automatic shelf registration statement, the Company will, prior to the Renewal Deadline, if it has not already done so, file a new registration statement relating to the Securities, and notify the Representatives when such filing has been made and use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will furnish the Representatives with copies of any such new registration statement a reasonable amount of time prior to such proposed filing and, notwithstanding the foregoing provisions of this paragraph, will not file any such proposed registration statement to which the Representatives or counsel for the Underwriters shall object. In any such case, the Company will take all other action as is necessary or appropriate to permit the public offering and sale of the Securities to continue from and after the Renewal Deadline as contemplated in the expired registration statement relating to the Securities. References in this Agreement to the "Registration Statement" shall include any such new registration statement from and after the time it is filed with the Commission, mutatis mutandis.

SECTION 4. Payment of Expenses.

(a) Expenses. The Company will pay all out-of-pocket expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing and filing of the Registration Statement and each amendment thereto (in each case including exhibits) and any costs associated with electronic delivery of any of the foregoing, (ii) the word processing and delivery to the Underwriters of this Agreement and such other documents as may be required in connection with the offering, purchase, sale, issuance or delivery of the Securities, (iii) the preparation, issuance and delivery of the certificates for the Securities and the issuance and delivery of the Securities to be sold by the Company to the Underwriters, including any stock or other transfer taxes and any stamp or other taxes or duties payable in connection with the sale, issuance or delivery of the Securities to the Underwriters, (iv) the fees and disbursements of the counsel, accountants

and other advisors to the Company, (v) the qualification or exemption of the Securities under securities laws in accordance with the provisions of Section 3(f) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation of the Blue Sky Survey and any supplements thereto, (vi) the preparation, printing and delivery to the Underwriters of copies of each preliminary prospectus, any Permitted Free Writing Prospectus and the Prospectus and any amendments or supplements to any of the foregoing and any costs associated with electronic delivery of any of the foregoing, (vii) the preparation, printing and delivery to the Underwriters of copies of the Blue Sky Survey and any Canadian “wrapper” and any supplements thereto and any costs associated with electronic delivery of any of the foregoing, (viii) the fees and expenses of the transfer agent and registrar for the Securities, (ix) the filing fees incident to, and the reasonable fees and disbursements of counsel to the Underwriters, such fees and disbursements together with the fees and disbursements described in clause (v) above, not to exceed \$15,000, in connection with, the review, if any, by FINRA of the terms of the sale of the Securities, (x) the fees and expenses incurred in connection with the listing of the Securities on the NYSE, (xi) the costs and expenses of the Company and any of its officers, directors, counsel or other representatives in connection with presentations or meetings undertaken in connection with the offering of the Securities, including, without limitation, expenses associated with the production of road show slides and graphics and the production and hosting of any electronic road shows, fees and expenses of any consultants engaged in connection with road show presentations, and travel, lodging, transportation, and other expenses of the officers, directors, counsel and other representatives of the Company incurred in connection with any such presentations or meetings, and (xii) the reasonable fees and disbursements of counsel for the Underwriters in connection with the copying and delivery of closing documents and other documents relating to the offering contemplated hereby (and in connection with the preparation and delivery of any electronic versions or compilations of such documents) to the Company, the Company’s accountants and counsel and the Underwriters. It is understood, however, that except as provided in this Section 4, the Underwriters will pay all of their own costs and expenses, including the fees of Underwriters’ Counsel.

(b) Termination of Agreement. If this Agreement is terminated by the Representatives in accordance with the provisions of Sections 5, 9(a)(i), 9(a)(iii)(A) or 9(a)(v) hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

SECTION 5. Conditions of Underwriters’ Obligations. The obligations of the several Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company contained in this Agreement, or in certificates signed by any officer of the Company or any subsidiary of the Company (whether signed on behalf of such officer, the Company or such subsidiary) delivered to the Representatives or counsel for the Underwriters, to the performance by the Company of its covenants and other obligations hereunder, and to the following further conditions:

(a) Effectiveness of Registration Statement. The Registration Statement and any post-effective amendments thereto shall have become effective and no stop order suspending the effectiveness of the Registration Statement shall have been issued under the 1933 Act or proceedings therefor initiated or, to the knowledge of the Company, threatened

by the Commission, any request on the part of the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives and the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement. The Prospectus shall have been filed with the Commission in the manner and within the time period required by Rule 424(b) (without reliance upon Rule 424(b)(8)) and each Issuer Free Writing Prospectus required to be filed with the Commission shall have been filed in the manner and within the time period required by Rule 433, and, prior to the Closing Date, the Company shall have provided evidence reasonably satisfactory to the Representatives of such timely filings.

(b) Opinion of Counsel for Company. At the Closing Date, the Representatives shall have received the favorable opinions and 10b-5 statements, as applicable, dated as of the Closing Date, of (i) MardiLyn Saathoff, Esquire, Senior Vice President, Regulation and General Counsel of NW Natural, together with signed or reproduced copies of such opinion for each of the other Underwriters, to the effect set forth in Exhibit E hereto, (ii) Morgan, Lewis & Bockius LLP, counsel for the Company ("Company Counsel"), together with signed or reproduced copies of such opinion for each of the other Underwriters, to the effect set forth in Exhibit F hereto and (iii) Stoel Rives LLP, Washington counsel to the Company, together with signed or reproduced copies of such opinion for each of the other Underwriters, to the effect set forth in Exhibit G hereto.

(c) Opinion of Counsel for Underwriters. At the Closing Date, the Representatives shall have received the favorable opinion and 10b-5 statement, dated as of the Closing Date, of Simpson Thacher & Bartlett LLP, counsel for the Underwriters ("Underwriters' Counsel"), together with signed or reproduced copies of such letter for each of the other Underwriters, with respect to the Securities to be sold by the Company pursuant to this Agreement, this Agreement, the Registration Statement, the General Disclosure Package and the Prospectus and any amendments or supplements thereto and such other matters as the Representatives may reasonably request.

(d) Officers' Certificate. At the Closing Date or the applicable Option Closing Date, as the case may be, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package and the Prospectus (in each case exclusive of any amendments or supplements thereto subsequent to the date of this Agreement), any material adverse change or any development that could reasonably be expected to result in a material adverse change in the condition (financial or other), results of operations, business, properties, management or prospects of the Company and its subsidiaries taken as a whole, whether or not arising in the ordinary course of business, and, at the Closing Date, the Representatives shall have received a certificate, signed on behalf of the Company by the President or the Chief Executive Officer of the Company and the Chief Financial Officer or Chief Accounting Officer of the Company, dated as of the Closing Date, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties of the Company in this Agreement are true and correct at and as of the Closing Date with the same force and effect as though expressly made at and as of the Closing Date, (iii) the Company has complied

with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to Closing Date under or pursuant to this Agreement, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated by the Commission and the Commission has not notified the Company of any objection to the use of the form of the Registration Statement.

(e) Accountant's Comfort Letter. At the time of the execution of this Agreement, the Representatives shall have received from PricewaterhouseCoopers LLP a letter, dated the date of this Agreement and in form and substance reasonably satisfactory to the Representatives, together with signed or reproduced copies of such letter for each of the other Underwriters, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information of the Company contained in the Registration Statement, the General Disclosure Package, any Issuer Free Writing Prospectuses (other than any electronic road show) and the Prospectus and any amendments or supplements to any of the foregoing.

(f) Bring-down Comfort Letter. At the Closing Date, the Representatives shall have received from PricewaterhouseCoopers LLP a letter, dated as of Closing Date and in form and substance reasonably satisfactory to the Representatives, to the effect that they reaffirm the statements made in the letter furnished pursuant to subsection (e) of this Section, except that the specified date referred to shall be a date not more than three business days prior to Closing Date.

(g) Approval of Listing. At the Closing Date and each Option Closing Date, if any, the Securities to be purchased by the Underwriters from the Company at such time shall have been approved for listing on the NYSE, subject only to official notice of issuance.

(h) Lock-up Agreements. Prior to the date of this Agreement, the Representatives shall have received an agreement substantially in the form of Exhibit D hereto signed by each of the persons listed in Exhibit C hereto.

(i) Conditions to Purchase of Option Securities. In the event that the Underwriters exercise their option provided in Section 2(b) hereof to purchase all or any portion of the Option Securities on any Option Closing Date that is after the Closing Date, the obligations of the several Underwriters to purchase the applicable Option Securities shall be subject to the conditions specified in the introductory paragraph of this Section 5 and to the further condition that, at the applicable Option Closing Date, the Representatives shall have received:

(1) Opinion of Counsel for Company. The favorable opinion and 10b-5 statement, as applicable, of Company Counsel and of each other counsel named in Section 5 (b), to the extent set forth in Exhibit E, Exhibit F or Exhibit G, as applicable, relating to the Option Securities to be purchased on such Option Closing Date and otherwise to the same effect as the respective opinions required by Section 5(b) hereof.

(2) Opinion of Counsel for Underwriters. The favorable opinion and 10b-5 statement of Underwriters' Counsel, in form and substance satisfactory to the Representatives and dated such Option Closing Date, relating to the Option Securities to be purchased on such Option Closing Date and otherwise to the same effect as the opinion required by Section 5(c) hereof.

(3) Officers' Certificate. A certificate, dated such Option Closing Date, to the effect set forth in, and signed on behalf of the Company by the officers specified in, Section 5 (d) hereof, except that the references in such certificate to the Closing Date shall be changed to refer to such Option Closing Date.

(4) Bring-down Comfort Letter. A letter from PricewaterhouseCoopers LLP, in form and substance reasonably satisfactory to the Representatives and dated such Option Closing Date, substantially in the same form and substance as the letter furnished to the Representatives pursuant to Section 5(f) hereof, except that the specified date in the letter furnished pursuant to this paragraph shall be a date not more than three business days prior to such Option Closing Date, and except that such letter shall also cover any amendments or supplements to the Registration Statement, any Issuer Free Writing Prospectus (other than any electronic road show) and the Prospectus subsequent to the Closing Date.

(j) Additional Documents. At the Closing Date and each Option Closing Date, counsel for the Underwriters shall have been furnished with such documents and opinions as they may reasonably require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, contained in this Agreement, or as the Representatives or counsel for the Underwriters may otherwise reasonably request; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated and in connection with the other transactions contemplated by this Agreement shall be reasonably satisfactory in form and substance to the Representatives.

(k) Termination of Agreement. If any condition specified in this Section 5 shall not have been fulfilled when and as required to be fulfilled, this Agreement, or, in the case of any condition to the purchase of Option Securities on an Option Closing Date which is after the Closing Date, the obligations of the several Underwriters to purchase the relevant Option Securities on such Option Closing Date, may be terminated by the Representatives by notice to the Company at any time on or prior to Closing Date or such Option Closing Date, as the case may be, and such termination shall be without liability of any party to any other party except as provided in Section 4 hereof and except that, in the case of any such termination of this Agreement, Sections 1, 6, 7, 8, 11, 12, 13, 14, 15, 17, 18 and 19 hereof shall survive such termination of this Agreement and remain in full force and effect.

SECTION 6. Indemnification.

(a) Indemnification by the Company. The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, and its and their officers, directors, employees, partners and members and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading, or arising out of any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus, any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement to any of the foregoing), or any "issuer information" (as defined in Rule 433), or any "road show" (as defined in Rule 433) that does not constitute an Issuer Free Writing Prospectus, or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 6(d) below) any such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel), reasonably incurred in investigating, preparing for or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above,

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives expressly for use in the Registration Statement (or any amendment thereto), or in any preliminary prospectus, any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or in any amendment or supplement to any of the foregoing), it being understood and agreed that the only such information furnished by the Underwriters as aforesaid consists of the information described as such in Section 6(b) hereof.

(b) Indemnification by the Underwriters. Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning

of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section 6, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), or in any preliminary prospectus, any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement to any of the foregoing), in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use therein. The Company hereby acknowledges and agrees that the information furnished to the Company by the Underwriters through the Representatives expressly for use in the Registration Statement (or any amendment thereto), or in any preliminary prospectus, any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement to any of the foregoing), consists exclusively of the following information appearing under the caption "Underwriting" in the Pre-Pricing Prospectus and the Prospectus: (i) the information regarding the concession and reallowance appearing under the caption "Underwriting-Discounts and Commissions" and (ii) the information regarding stabilization, syndicate covering transactions and penalty bids appearing under the caption "Underwriting-Stabilization" (but only insofar as such information concerns the Underwriters).

(c) Actions Against Parties: Notification. Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder or otherwise. Counsel to the indemnified parties shall be selected as follows: counsel to the Underwriters and the other indemnified parties referred to in Section 6(a) above shall be selected by the Representatives, and counsel to the Company, its directors, each of its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action; provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying party be liable for the fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for the Underwriters and the other indemnified parties referred to in Section 6(a) above and the fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for the Company, its directors, each of its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act, in each case in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 or Section 7 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding

or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) Settlement Without Consent if Failure to Reimburse. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by this Section 6, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

SECTION 7. Contribution. If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other hand in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company on the one hand and the Underwriters on the other hand in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Securities pursuant to this Agreement (before deducting expenses) received by the Company and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth on the cover of the Prospectus, bear to the aggregate initial public offering price of the Securities as set forth on such cover.

The relative fault of the Company on the one hand and the Underwriters on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or by the Underwriters on the other hand and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified

party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing for or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 7, each affiliate of any Underwriter, each officer, director, employee, partner and member of any Underwriter or any such affiliate, and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company. The Underwriters' respective obligations to contribute pursuant to this Section 7 are several in proportion to the number of Initial Securities set forth opposite their respective names in Exhibit A hereto and not joint.

SECTION 8. Representations, Warranties and Agreements to Survive Delivery.

All representations, warranties and agreements contained in this Agreement or in certificates signed by any officer of the Company or any of its subsidiaries (whether signed on behalf of such officer, the Company or such subsidiary) and delivered to the Representatives or counsel to the Underwriters, shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Underwriter, any officer, director, employee, partner, member or agent of any Underwriter or any person controlling any Underwriter, or by or on behalf of the Company, any officer, director or employee of the Company or any person controlling the Company, and shall survive delivery of and payment for the Securities.

SECTION 9. Termination of Agreement.

(a) **Termination: General.** The Representatives may terminate this Agreement, by notice to the Company, at any time on or prior to Closing Date (and, if any Option Securities are to be purchased on an Option Closing Date which occurs after the Closing Date, the Representatives may terminate the obligations of the several Underwriters to purchase such Option Securities, by notice to the Company at any time on or prior to such Option Closing Date) (i) if there has been, at any time on or after the date of this Agreement or since the respective dates as of which information is given in the General Disclosure Package or the Prospectus (in each case exclusive of any amendments or supplements thereto subsequent to the date of this Agreement), any material adverse

change or any development that could reasonably be expected to result in a material adverse change, in the condition (financial or other), results of operations, business, properties, management or prospects of the Company and its subsidiaries taken as a whole, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any declaration of a national emergency or war by the United States, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions (including, without limitation, as a result of terrorist activities), in each case the effect of which is such as to make it, in the judgment of the Representatives, impracticable or inadvisable to market the Securities or to enforce contracts for the sale of the Securities, or (iii) if (A) trading in any securities of the Company has been suspended or materially limited by the Commission or the NYSE, or (B) trading generally on the NYSE, the Nasdaq Global Select Market, the Nasdaq Global Market, the NYSE Amex, the Chicago Board of Options Exchange, the Chicago Mercantile Exchange or the Chicago Board of Trade has been suspended or limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by order of the Commission, FINRA or any other governmental authority, or (C) a material disruption has occurred in commercial banking or securities settlement or clearance services in the United States or in Europe, or (iv) if a banking moratorium has been declared by either Federal or New York authorities or (v) if there shall have occurred, at any time on or after the date of this Agreement, any downgrading in the rating of any debt securities of or guaranteed by the Company by any "nationally recognized statistical rating organization" (as defined in Section 3(a)(62) of the 1934 Act) or any public announcement that any such organization has placed its rating on the Company or any such debt securities under surveillance or review or on a so-called "watch list" (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating) or any announcement by any such organization that the Company or any such debt securities or other securities has been placed on negative outlook.

(b) Liabilities. If this Agreement is terminated pursuant to this Section 9, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof and except that Sections 1, 6, 7, 8, 11, 12, 13, 14, 15, 17, 18 and 19 hereof shall survive such termination and remain in full force and effect.

SECTION 10. Default by One or More of the Underwriters. (a) If one or more of the Underwriters shall fail at the Closing Date or an Option Closing Date to purchase the Securities which it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters reasonably satisfactory to the Company, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(1) if the number of Defaulted Securities does not exceed 10% of the number of Securities to be purchased on such date, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount of such Defaulted Securities

in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters; or

(2) if the number of Defaulted Securities exceeds 10% of the number of Securities to be purchased on such date, this Agreement or, with respect to any Option Closing Date which occurs after the Closing Date, the obligation of the Underwriters to purchase and of the Company to sell the Option Securities that were to have been purchased and sold on such Option Closing Date, shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section 10(a) shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement or, in the case of an Option Closing Date which is after the Closing Date, which does not result in a termination of the obligations of the Underwriters to purchase and the Company to sell the relevant Option Securities, as the case may be, the Representatives shall have the right to postpone the Closing Date or the relevant Option Closing Date, as the case may be, for a period not exceeding seven days in order to effect any required changes in the Registration Statement, the General Disclosure Package or Prospectus or in any other documents or arrangements. As used herein, the term "Underwriter" includes any person substituted for an Underwriter under this Section 10.

SECTION 11. Notices. All notices and other communications hereunder shall be in writing, shall be effective only upon receipt and shall be mailed, delivered by hand or overnight courier, or transmitted by fax (with the receipt of such fax to be confirmed by telephone). Notices to the Underwriters shall be directed to the Representatives at Wells Fargo Securities, LLC, 375 Park Avenue, New York, New York, 10152, Attention of Equity Syndicate, fax no. 212-214-5918 (with such fax to be confirmed by telephone to 212-214-6144), J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York, 10179, Attention Equity Syndicate Desk, fax no. 212-622-8358 and RBC Capital Markets, LLC, Three World Financial Center, 200 Vesey Street, New York, New York, 10281, Attention Equity Syndicate, fax no. 212-428-6260; notices to the Company shall be directed to it at Northwest Natural Gas Company, 220 N.W. Second Avenue, Portland, Oregon 97209, Attention of Brody J. Wilson, fax no. 503-220-2584 (with such fax to be confirmed by telephone to 503-721-2524).

SECTION 12. Parties. This Agreement shall each inure to the benefit of and be binding upon the Underwriters, the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters, the Company and their respective successors and the controlling persons and other indemnified parties referred to in Sections 6 and 7 and their successors, heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters, the Company and their respective successors, and said controlling persons and other indemnified parties and their successors, heirs and legal representatives, and for the benefit of no other person or entity. No

purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 13. GOVERNING LAW AND TIME. THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE RELATING TO OR ARISING UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

SECTION 14. Effect of Headings. The Section and Exhibit headings herein are for convenience only and shall not affect the construction hereof.

SECTION 15. Definitions. As used in this Agreement, the following terms have the respective meanings set forth below:

“Applicable Time” means 6:00 p.m. (New York City time) on November 10, 2016 or such other time as agreed by the Company and the Representatives.

“Commission” means the Securities and Exchange Commission.

“Company Documents” means (i) all Subject Instruments and (ii) all other contracts, indentures, mortgages, deeds of trust, loan or credit agreements, bonds, notes, debentures, evidences of indebtedness, swap agreements, hedging agreements, leases or other instruments or agreements to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject.

“DTC” means The Depository Trust Company.

“EDGAR” means the Commission’s Electronic Data Gathering, Analysis and Retrieval System.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder.

“Existing Credit Agreement” means the Credit Agreement dated as of December 20, 2012 among the Company, JPMorgan Chase Bank, N.A., as agent, and the other parties thereto, as amended, supplemented or restated, if applicable, and including any promissory notes, pledge agreements, security agreements, mortgages, guarantees and other instruments or agreements entered into by the Company or any of its subsidiaries in connection therewith or pursuant thereto, in each case as amended, supplemented or restated, if applicable.

“Existing Indenture” means the Mortgage and Deed of Trust dated as of July 1, 1946 between the Company and Deutsche Bank Trust Company Americas (formerly Bankers Trust Company), as trustee, as amended or supplemented.

“FINRA” means the Financial Industry Regulatory Authority Inc. or the National Association of Securities Dealers, Inc., or both, as the context shall require.

“GAAP” means generally accepted accounting principles.

“Issuer Free Writing Prospectus” means any “issuer free writing prospectus,” as defined in Rule 433, relating to the offering of the Securities that (i) is required to be filed with the Commission by the Company, (ii) is a “road show” that is a “written communication” within the meaning of Rule 433(d)(8)(i), whether or not required to be filed with the Commission, or (iii) is exempt from filing pursuant to Rule 433(d)(5)(i) because it contains a description of the Securities or of the offering that does not reflect the final terms, and any free writing prospectus that is listed in Exhibit I hereto in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company’s records pursuant to Rule 433(g).

“Issuer General Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being specified in Exhibit I hereto.

“Issuer Limited Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is not an Issuer General Use Free Writing Prospectus.

“Lien” means any security interest, mortgage, pledge, lien, encumbrance, claim or equity.

“Lock-Up Period” means the period beginning on and including the date of this Agreement through and including the date that is the 60th day after the date of this Agreement, as the same may be extended as provided herein.

“NYSE” means the New York Stock Exchange.

“OFAC” means the Office of Foreign Assets Control of the U.S. Treasury Department.

“Organizational Documents” means (a) in the case of a corporation, its charter and by-laws; (b) in the case of a limited or general partnership, its partnership certificate, certificate of formation or similar organizational document and its partnership agreement; (c) in the case of a limited liability company, its articles of organization, certificate of formation or similar organizational documents and its operating agreement, limited liability company agreement, membership agreement or other similar agreement; (d) in the case of a trust, its certificate of trust, certificate of formation or similar organizational document and its trust agreement or other similar agreement; and (e) in the case of any other entity, the organizational and governing documents of such entity.

“Pre-Pricing Prospectus” means the preliminary prospectus dated November 10, 2016 relating to the Securities in the form first furnished to the Underwriters for use in connection with the offering of the Securities, including the documents incorporated by reference therein under the 1933 Act.

“PCAOB” means the Public Company Accounting Oversight Board (United States).

“preliminary prospectus” means any prospectus used in connection with the offering of the Securities that omitted the public offering price of the Securities or that was captioned “Subject to Completion,” together with the documents incorporated or deemed to be incorporated by reference therein pursuant to Item 12 of Form S-3 under the 1933 Act. The term “preliminary prospectus” includes, without limitation, the Pre-Pricing Prospectus.

“Registration Statement” means the Company’s registration statement on Form S-3 (Registration No. 333-214496) as amended (if applicable), including the documents incorporated or deemed to be incorporated by reference therein pursuant to Item 12 of Form S-3 under the 1933 Act and the Rule 430B Information; provided that any Rule 430B Information shall be deemed part of the Registration Statement only from and after the time specified pursuant to Rule 430B.

“Regulation S-T” means Regulation S-T of the Commission.

“Repayment Event” means any event or condition which, either immediately or with notice or passage of time or both, (i) gives the holder of any bond, note, debenture or other evidence of indebtedness (or any person acting on such holder’s behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary of the Company, or (ii) gives any counterparty (or any person acting on such counterparty’s behalf) under any swap agreement, hedging agreement or similar agreement or instrument to which the Company or any subsidiary of the Company is a party the right to liquidate or accelerate the payment obligations, or designate an early termination date under such agreement or instrument, as the case may be.

“Rule 163,” “Rule 164,” “Rule 172,” “Rule 173,” “Rule 401,” “Rule 405,” “Rule 424(b)” “Rule 430B” and “Rule 433” refer to such rules under the 1933 Act.

“Rule 430B Information” means the information included in any preliminary prospectus or the Prospectus or any amendment or supplement to any of the foregoing filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) that was omitted from the Registration Statement at the time it first became effective but is deemed to be part of and included in the Registration Statement pursuant to Rule 430B.

“Sarbanes-Oxley Act” means the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder or implementing the provisions thereof.

“Subject Instruments” means the Existing Credit Agreement, the Existing Indenture and all other instruments, agreements and documents filed or incorporated by reference as exhibits to the Registration Statement pursuant to Rule 601(b)(10) of Regulation S-K of the Commission; provided that if any instrument, agreement or other document filed or incorporated by reference as an exhibit to the Registration Statement as aforesaid has been redacted or if any portion thereof has been deleted or is otherwise not included as part of such exhibit (whether pursuant to a request for confidential treatment or otherwise), the term “Subject Instruments” shall nonetheless mean such instrument, agreement or other document, as the case may be, in its entirety, including any portions thereof which shall have been so redacted, deleted or otherwise not filed.

“Termination Event” means any event or condition which gives any person the right, either immediately or with notice or passage of time or both, to terminate or limit (in whole or in part) any Company Documents or any rights of the Company or any of its subsidiaries thereunder, including, without limitation, upon the occurrence of a change of control of the Company or other similar events.

“UNSC” means the United Nations Security Council.

“1933 Act” means the Securities Act of 1933, as amended.

“1933 Act Regulations” means the rules and regulations of the Commission under the 1933 Act.

“1934 Act” means the Securities Exchange Act of 1934, as amended.

“1934 Act Regulations” means the rules and regulations of the Commission under the 1934 Act.

“1940 Act” means the Investment Company Act of 1940, as amended.

All references in this Agreement to the Registration Statement, any preliminary prospectus, the Prospectus, any Issuer Free Writing Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the version thereof filed with the Commission pursuant to EDGAR and all versions thereof delivered (physically or electronically) to the Representatives or the Underwriters.

All references in this Agreement to financial statements and schedules and other information which is “contained,” “included” or “stated” in any preliminary prospectus or the Prospectus (and all other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which is incorporated by reference in or otherwise deemed by 1933 Act Regulations to be a part of or included in the Registration Statement, any preliminary prospectus or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to mean and include the filing of any document under the 1934 Act which is incorporated by reference in or otherwise deemed by 1933 Act Regulations to be a part of or included in the Registration Statement, such preliminary prospectus or the Prospectus, as the case may be.

SECTION 16. Permitted Free Writing Prospectuses. The Company represents, warrants and agrees that it has not made and, unless it obtains the prior written consent of the Representatives, it will not make, any offer relating to the Securities that constitutes or would constitute an “issuer free writing prospectus” (as defined in Rule 433) or that otherwise constitutes or would constitute a “free writing prospectus” (as defined in Rule 405) or portion thereof required to be filed with the Commission or required to be retained by the Company pursuant to Rule 433; provided that the prior written consent of the Representatives shall be deemed to have been given in respect of the Issuer General Use Free Writing Prospectuses, if any, listed on Exhibit I hereto and, to any electronic road show in the form previously provided by the Company to and approved by the Representatives. Any such free writing prospectus consented to or deemed to have been consented to as aforesaid

is hereinafter referred to as a "Permitted Free Writing Prospectus." The Company represents, warrants and agrees that it has treated and will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus," as defined in Rule 433, and has complied and will comply with the requirements of Rule 433 applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping. For the purposes of clarity, the parties hereto agree that all free writing prospectuses, if any, listed in Exhibit I hereto are Permitted Free Writing Prospectuses.

Each Underwriter represents, warrants and agrees that, without the consent of the Company and the Representative, it has not made and will not make any offer relating to the Securities that would constitute a free writing prospectus that would be required to be filed with the Commission other than a Permitted Free Writing Prospectus, if any.

SECTION 17. Absence of Fiduciary Relationship. The Company acknowledges and agrees that:

(a) each of the Underwriters is acting solely as an underwriter in connection with the sale of the Securities and no fiduciary, advisory or agency relationship between the Company, on the one hand, and any of the Underwriters, on the other hand, has been created in respect of any of the transactions contemplated by this Agreement, irrespective of whether or not any of the Underwriters has advised or is advising the Company on other matters;

(b) the public offering price of the Securities and the price to be paid by the Underwriters for the Securities set forth in this Agreement were established by the Company following discussions and arms-length negotiations with the Representatives;

(c) it is capable of evaluating and understanding, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement;

(d) it is aware that the Underwriters and their respective affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and that none of the Underwriters has any obligation to disclose such interests and transactions to the Company by virtue of any fiduciary, advisory or agency relationship or otherwise; and

(e) it waives, to the fullest extent permitted by law, any claims it may have against any of the Underwriters for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that none of the Underwriters shall have any liability (whether direct or indirect, in contract, tort or otherwise) to it in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on its behalf or in right of it or the Company or any stockholders, employees or creditors of Company.

SECTION 18. Research Analyst Independence. The Company acknowledges that the Underwriters' respective research analysts and research departments are required to be independent from their respective investment banking divisions and are subject to certain regulations and internal policies, and that such Underwriters' respective research analysts and research departments may

hold views and make statements or investment recommendations and/or publish research reports with respect to the Company and/or the offering that differ from the views of their respective investment banking divisions. The Company hereby waives and releases, to the fullest extent permitted by applicable law, any claims that the Company may have against the Underwriters with respect to any conflict of interest that may arise from the fact that the views expressed by their respective research analysts and research departments may be different from or inconsistent with the views or advice communicated to the Company by such Underwriters' respective investment banking divisions. The Company acknowledges that each of the Underwriters is a full service securities firm and as such from time to time, subject to applicable securities laws, may effect transactions for its own account or the account of its customers and hold long or short positions in debt or equity securities of the Company and other entities that may be the subject of the transactions contemplated by this Agreement.

SECTION 19. Trial By Jury. The Company (on its own behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

[Signature Page Follows]

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Underwriters and the Company in accordance with its terms.

Very truly yours,

NORTHWEST NATURAL GAS COMPANY

By /s/ David H. Anderson

Name: David H. Anderson

Title: President & Chief Executive Officer

CONFIRMED AND ACCEPTED, as of the
date first above written:

WELLS FARGO SECURITIES, LLC

By /s/ David Herman
Name: David Herman
Title: Director

J.P. MORGAN SECURITIES LLC

By /s/ Geoffrey G. Paul
Name: Geoffrey G. Paul
Title: Managing Director

RBC CAPITAL MARKETS, LLC

By /s/ Michael Davis
Name: Michael Davis
Title: Managing Director

For themselves and as Representatives of the Underwriters named in Exhibit A hereto.

EXHIBIT A

<u>Name of Underwriter</u>	<u>Number of Initial Securities</u>
Wells Fargo Securities, LLC.....	352,000
RBC Capital Markets, LLC.....	220,000
J.P. Morgan Securities LLC.....	220,000
USCA Securities LLC	70,400
Sidoti & Company, LLC.....	17,600
Total.....	880,000

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EXHIBIT B
SIGNIFICANT SUBSIDIARIES OF THE COMPANY

None

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EXHIBIT C

LIST OF PERSONS SUBJECT TO LOCK-UP

David H. Anderson
Lea Anne Doolittle
Shawn M Filippi
Kimberly A. Heiting
Thomas J. Imeson
Ngoni Murandu
Justin Palfreyman
Lori Russell
MardiLyn Saathoff
David A. Weber
Brody J. Wilson
Grant M. Yoshihara

Tod R. Hamachek
Timothy P. Boyle
Martha L. Byorum
John D. Carter
Mark S. Dodson
C. Scott Gibson
Jane L. Peverett
Kenneth Thrasher
Malia H. Wasson

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EXHIBIT D
FORM OF LOCK-UP AGREEMENT

NORTHWEST NATURAL GAS COMPANY
Public Offering of Common Stock

Dated as of November 10, 2016

Wells Fargo Securities, LLC
J.P. Morgan Securities LLC
RBC Capital Markets, LLC
As Representatives of the several Underwriters

c/o Wells Fargo Securities, LLC
375 Park Avenue
New York, New York 10152

J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

RBC Capital Markets, LLC
Three World Financial Center
200 Vesey Street
New York, NY 10281

Ladies and Gentlemen:

This agreement is being delivered to you in connection with the proposed Underwriting Agreement (the "Underwriting Agreement") among Northwest Natural Gas Company, an Oregon corporation (the "Company") and Wells Fargo Securities, LLC ("Wells Fargo"), J.P. Morgan Securities LLC ("J.P. Morgan") and RBC Capital Markets, LLC ("RBC"), as representatives of a group of underwriters (the "Underwriters"), relating to a proposed underwritten public offering of common stock (the "Common Stock") of the Company.

In order to induce you and the other Underwriters to enter into the Underwriting Agreement, and in light of the benefits that the offering of the Common Stock will confer upon the undersigned in its capacity as a securityholder and/or an officer or director of the Company, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned agrees with each Underwriter that, during the period beginning on and including the date of the Underwriting Agreement through and including the date that is the 60th day after the date of the

Underwriting Agreement (such period, the “Lock-Up Period”), the undersigned will not, without the prior written consent of Wells Fargo, directly or indirectly:

(i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer

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or dispose of any shares of the Company's Common Stock or preferred stock or other capital stock (collectively, "capital stock") or any securities convertible into or exercisable or exchangeable for Common Stock or other capital stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition, or

(ii) enter into any swap or other agreement, arrangement or transaction that transfers to another, in whole or in part, directly or indirectly, any of the economic consequence of ownership of any Common Stock or other capital stock or any securities convertible into or exercisable or exchangeable for any Common Stock or other capital stock,

whether any transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock, other capital stock, other securities, in cash or otherwise, or publicly announce any intention to do any of the foregoing.

Notwithstanding the provisions set forth in the immediately preceding paragraph, the undersigned may, without the prior written consent of Wells Fargo, transfer any Common Stock or other capital stock or any securities convertible into or exchangeable or exercisable for Common Stock or other capital stock:

(1) if the undersigned is a natural person, as a bona fide gift or gifts or by will, by intestate succession or pursuant to a so-called "living trust" or other revocable trust established to provide for the disposition of property on the undersigned's death, in each case to any member of the immediate family (as defined below) of the undersigned or to a trust the beneficiaries of which are exclusively the undersigned or members of the undersigned's immediate family, or as a bona fide gift or gifts to a charity or educational institution,

(2) if the undersigned is a partnership or a limited liability company, to a partner or member, as the case may be, of such partnership or limited liability company if, in any such case, such transfer is not for value,

(3) shares of Common Stock deemed sold to the Company upon a cashless exercise of options or to satisfy tax withholding obligations in connection with the vesting of equity awards or otherwise deemed sold or transferred in connection with the issuance of shares pursuant to any employee benefit plans or other employee, executive or director compensation plan or the NW Natural Dividend Reinvestment and Direct Stock Purchase Plan, and

(4) to the Underwriters pursuant to the Underwriting Agreement;

provided, however, that in the case of any transfer described in clause (1) or (2) above, it shall be a condition to the transfer that (A) the transferee executes and delivers to Wells Fargo, acting on behalf of the Underwriters, not later than one business day prior to such transfer, a written agreement, in substantially the form of this agreement (it being understood that any references to "immediate family" in the agreement executed by such transferee shall expressly refer only to the immediate family of the undersigned and not to the immediate family of the transferee) and otherwise reasonably satisfactory in form and substance to Wells Fargo, (B) in the case of a transfer pursuant to clause (1) above, if the undersigned is required to file a report under Section 16(a) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), reporting a reduction in beneficial ownership of shares of

Common Stock or other capital stock or any securities convertible into or exercisable or exchangeable for Common Stock or other capital stock by the undersigned during the Lock-Up Period (as the same may be extended as described above), the undersigned shall include a statement in such report to the effect that such transfer is not a transfer for value and that such transfer is being made as a gift, by will or intestate succession or pursuant to a so-called "living trust" or other revocable trust established

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to provide for the disposition of property on the undersigned's death, as the case may be, (C) in the case of a transfer pursuant to clause (2) above, no filing under Section 16(a) of the 1934 Act reporting a reduction in beneficial ownership of shares of Common Stock or other capital stock or any securities convertible into or exercisable or exchangeable for Common Stock or other capital stock shall be required to be made during the Lock-Up Period (as the same may be extended as described above) and (D) in the case of a transfer pursuant to clause (1) or (2) above, no voluntary filing with the Securities and Exchange Commission or other public report, filing or announcement shall be made in respect of such transfer during this Lock-Up Period (as the same may be extended as described above). For purposes of this paragraph, "immediate family" shall mean any relationship by blood, marriage or adoption not more remote than the first cousin.

The undersigned further agrees that (i) it will not, during the Lock-Up Period, make any demand for or exercise any right with respect to the registration under the Securities Act of 1933, as amended (the "1933 Act"), of any shares of Common Stock or other capital stock or any securities convertible into or exercisable or exchangeable for Common Stock or other capital stock, and (ii) the Company may, with respect to any Common Stock or other capital stock or any securities convertible into or exercisable or exchangeable for Common Stock or other capital stock owned or held (of record or beneficially) by the undersigned, cause the transfer agent or other registrar to enter stop transfer instructions and implement stop transfer procedures with respect to such securities during the Lock-Up Period.

The undersigned hereby waives any and all notice requirements and rights with respect to the registration of any securities pursuant to any agreement, instrument, understanding or otherwise, including any registration rights agreement or similar agreement, to which the undersigned is a party or under which the undersigned is entitled to any right or benefit and any tag-along rights, co-sale rights or other rights to have any securities (debt or equity) included in the offering contemplated by this agreement or sold in connection with the sale of Securities pursuant to the Underwriting Agreement, provided that such waiver shall apply only to the public offering of Common Stock pursuant to the Underwriting Agreement and each registration statement filed under the 1933 Act in connection therewith.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this agreement and that this agreement has been duly authorized (if applicable), executed and delivered by the undersigned and is a valid and binding agreement of the undersigned. This agreement and all authority herein conferred are irrevocable and shall survive the death or incapacity of the undersigned (if a natural person) and shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

If the Underwriting Agreement is not executed by the parties thereto prior to November 30, 2016, this agreement shall automatically terminate and become null and void.

The undersigned acknowledges and agrees that whether or not any public offering of Common Stock actually occurs depends on a number of factors, including market conditions.

THE AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Signature Page Immediately Follows]

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IN WITNESS WHEREOF, the undersigned has executed and delivered this agreement as of the date first set forth above.

Yours very truly,

Print Name:

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EXHIBIT E

FORM OF OPINION OF MARDILYN SAATHOFF

Wells Fargo Securities, LLC
J.P. Morgan Securities LLC
RBC Capital Markets, LLC
As Representatives of the several Underwriters

c/o Wells Fargo Securities, LLC
375 Park Avenue
New York, New York 10152

J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

RBC Capital Markets, LLC
Three World Financial Center
200 Vesey Street
New York, NY 10281

Ladies and Gentlemen:

I am Senior Vice President, Regulation and General Counsel of Northwest Natural Gas Company, an Oregon corporation (the "Company"), and have acted as counsel to the Company in connection with the issuance and sale by the Company of [*] shares of its Common Stock (the [Initial/Option] "Securities") pursuant to an Underwriting Agreement between the Company and the several underwriters named therein, for whom you are acting as representatives, dated [•], 2016 (the "Underwriting Agreement"). Capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Underwriting Agreement. This opinion is rendered to you pursuant to Section 5(b) of the Underwriting Agreement.

In my capacity as such counsel, I have either participated in the preparation of or have examined and am familiar with:

- (a) the Company's Amended and Restated Articles of Incorporation (the "Articles of Incorporation"), and the Company's Bylaws as amended through May 22, 2014 (the "Bylaws");
- (b) the Underwriting Agreement;
- (c) the Registration Statement;
- (d) the General Disclosure Package;
- (e) the Prospectus;

(f) a specimen of the Company's common stock certificate certified as a true and correct representation of the common stock certificate used by the Company when the Company elects pursuant to

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the Bylaws to issue certificates for some or all of any shares of the Common Stock ("Specimen Certificate"); and

(g) the records of various corporate proceedings relating to the authorization and issuance of the Securities by the Company and the authorization, execution and delivery by the Company of the Underwriting Agreement.

I have also examined or caused to be examined such other documents and have satisfied myself as to such other matters as I have deemed necessary in order to render this opinion. In such examination, I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as originals, and the conformity to the originals of the documents submitted to me as certified or photostatic copies and the authenticity of the originals of such latter documents. I have not examined the [Initial/Option] Securities, except a specimen thereof.

As to questions of fact material to the opinions expressed herein, I have relied upon certifications and representations of responsible officers of the Company, the Company's transfer agent and registrar, you and appropriate public officials and upon information set forth in the Registration Statement, the General Disclosure Package or the Prospectus, in each case without independent verification of such matters, except as otherwise described herein.

Subject to the foregoing and to the further exceptions and qualifications set forth below, I am of the opinion that:

(1) The Company has been duly organized and is validly existing as a corporation under the laws of the State of Oregon.

(2) The Company has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and in the Prospectus and to enter into and perform its obligations under the Underwriting Agreement.

(3) The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

(4) (A) The Company has the authorized capitalization as set forth in the General Disclosure Package and the Prospectus, (B) the [Initial/Option] Securities have been duly authorized for issuance and sale to the Underwriters pursuant to the Underwriting Agreement and, when issued and delivered by the Company pursuant to the Underwriting Agreement against payment of the consideration set forth in the Underwriting Agreement, will be validly issued, fully paid and non-assessable; and (C) no holder of the [Initial/Option] Securities is or will be subject to personal liability by reason of being such a holder under the charter or by-laws of the Company or the laws of the State of Oregon.

(5) The sale of the [Initial/Option] Securities to the Underwriters pursuant to the Underwriting Agreement is not subject to any preemptive rights, rights of first refusal or other similar

rights of any securityholder of the Company or any other person arising under the charter or bylaws of the Company, the laws of the State of Oregon or, to my knowledge, otherwise.

(6) The form of certificate used to evidence the Common Stock complies in all material respects with all applicable requirements of the laws of the State of Oregon, and with any applicable requirements of the charter and by-laws of the Company.

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(7) To my knowledge, except as otherwise disclosed in the General Disclosure Package and the Prospectus, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending or threatened, against or affecting the Company or any of its subsidiaries which is required to be disclosed in the Pre-Pricing Prospectus or the Prospectus, as the case may be, or which might reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or to materially and adversely affect the consummation of the transactions contemplated in the Underwriting Agreement or the performance by the Company of its obligations thereunder.

(8) The information in the Pre-Pricing Prospectus and the Prospectus under the captions "Description of Common Stock," the information in the Company's Annual Report on Form 10-K for the fiscal year ended 2015 under the captions "Business-Regulation and Rates" and "Legal Proceedings" (as such information under such captions in such Annual Report on Form 10-K is modified or supplemented in subsequent reports filed pursuant to the 1934 Act and the 1934 Act Regulations), in each case to the extent that it constitutes matters of law, summaries of legal matters, summaries of provisions of the Company's charter or bylaws, summaries of legal proceedings, or legal conclusions, is correct in all material respects.

(9) All descriptions in the Registration Statement, the General Disclosure Package and the Prospectus of any Company Documents are accurate in all material respects.

(10) To my knowledge, there are no franchises, contracts, indentures, mortgages, deeds of trust, loan or credit agreements, bonds, notes, debentures, evidences of indebtedness, leases or other instruments or agreements required to be described or referred to in the Registration Statement, the Pre-Pricing Prospectus or the Prospectus or the documents incorporated or deemed to be incorporated by reference therein or to be filed as exhibits thereto which have not been so described and filed as required.

(11) (A) The OPUC has issued one or more orders authorizing, and the appropriate filing has been made with the WUTC to establish compliance with applicable statutory provisions with respect to, the issuance and sale by the Company of the [Initial/Option] Securities are in conformity with the terms of such orders and in compliance with such filing, (B) no filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency (other than under the 1933 Act, the 1933 Act Regulations, the 1934 Act and the 1934 Act Regulations, which have been obtained, or as may be required under the state securities or blue sky laws, as to which we have not been called upon to express an opinion), (C) no authorization, approval, vote or other consent of any stockholder of the Company, (D) no authorization, approval, waiver or consent under any Subject Instrument, and (E) to my knowledge, no other authorization, approval, vote or other consent of any other person or entity, is necessary or required for the authorization, execution or delivery of the Underwriting Agreement by the Company for the offering of the [Initial/Option] Securities as contemplated by the Underwriting Agreement or for the issuance, sale or delivery of the [Initial/Option] Securities.

(12) The execution, delivery and performance of the Underwriting Agreement and the consummation of the transactions contemplated in the Underwriting Agreement, the Registration Statement, the General Disclosure Package and the Prospectus (including the issuance and sale of the Securities by the Company and the use of the proceeds from the sale of the [Initial/Option] Securities

as described in the Pre-Pricing Prospectus and the Prospectus under the caption "Use of Proceeds") and compliance by the Company with its obligations under the Underwriting Agreement do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default, Termination Event or Repayment Event under, or result in the creation or imposition of any Lien upon any property or assets of the Company or any of its subsidiaries pursuant to, (x) any Subject Instrument or (y) any other

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Company Document, except for such conflicts, breaches, defaults or Liens that would not, individually or in the aggregate, result in a Material Adverse Effect, nor will such action result in any violation of the provisions of the Organizational Documents of the Company or any Subsidiary or any applicable law, statute, rule, regulation, judgment, order, writ or decree, known to me, of any government, government instrumentality or court having jurisdiction over the Company or any of its subsidiaries or any of their respective assets, properties or operations.

In connection with the transactions contemplated by the Underwriting Agreement, I have participated in conferences with officers and other representatives of the Company, representatives of the independent public accountants and counsel for the Company and representatives of the Underwriters, at which conferences the contents of the Registration Statement, the General Disclosure Package and the Prospectus, and any supplements or amendments to any of the foregoing, and related matters were discussed. Although, other than with respect to the opinions expressed in paragraphs (8) and (9), I am not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements in the Registration Statement, the General Disclosure Package, the Prospectus or any supplements and amendments to any of the foregoing, and have made no independent check or verification thereof, nothing has come to my attention that would lead me to believe that:

- (1) the Registration Statement or any post-effective amendments thereto, at the respective times they first were declared became effective or at any subsequent time that the Company filed an Annual Report on Form 10-K or any amendment thereto, or the Registration Statement (including the Rule 430B Information), at each deemed new effective date with respect to the Underwriters pursuant to Rule 430B(f)(2), contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading;
- (2) the General Disclosure Package, as of the Applicable Time, included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; or
- (3) the Prospectus and any supplements thereto, as of the date of the Prospectus, as of the date of any such supplement or the date of this letter, included or includes an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading,

except in each case that I make no statement nor express any belief with respect to financial statements and schedules and other financial or statistical data included or incorporated by reference in or omitted from the Registration Statement, the General Disclosure Package, or the Prospectus or any amendment or supplement to any of the foregoing, or as to any information contained therein furnished to the Company in writing by any of you expressly for use therein.

This opinion is limited to matters arising under the federal laws of the United States and the laws of the States of Oregon and Washington. As to all matters involving the application of the laws of the State of Washington, I have relied upon the opinion of even date herewith addressed to you of Stoel Rives LLP, Washington counsel to the Company.

This opinion is solely for your benefit and the benefit of the other Underwriters in connection with the Underwriting Agreement and the transactions contemplated thereunder and it may not be relied upon in any manner by any other person or for any other purpose, without my prior written consent, except that Morgan, Lewis & Bockius LLP may rely on this opinion as to all matters of Oregon law in rendering its

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opinion required to be delivered under the Underwriting Agreement. This opinion is expressed as of the date hereof, and I do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to my attention, or any change in law that hereafter occurs.

Very truly yours,

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EXHIBIT F

FORM OF OPINION OF MORGAN, LEWIS & BOCKIUS LLP

Wells Fargo Securities, LLC
J.P. Morgan Securities LLC
RBC Capital Markets, LLC
As Representatives of the several Underwriters

c/o Wells Fargo Securities, LLC
375 Park Avenue
New York, New York 10152

J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

RBC Capital Markets, LLC
Three World Financial Center
200 Vesey Street
New York, NY 10281

Ladies and Gentlemen:

We have acted as counsel to Northwest Natural Gas Company, an Oregon corporation (the "Company"), in connection with the issuance and sale by the Company of [•] shares of its Common Stock (the [Initial/Option] "Securities") pursuant to an Underwriting Agreement between the Company and the several underwriters named therein, for whom you are acting as representatives, dated [•], 2016 (the "Underwriting Agreement"). Capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Underwriting Agreement. This opinion is rendered to you pursuant to Section 5(b) of the Underwriting Agreement.

In our capacity as such counsel, we have either participated in the preparation of or have examined and are familiar with:

- (a) the Company's Amended and Restated Articles of Incorporation (the "Articles of Incorporation"), and the Company's Bylaws as amended through May 22, 2014 (the "Bylaws");
- (b) the Underwriting Agreement;
- (c) the Registration Statement;
- (d) the General Disclosure Package;
- (e) the Prospectus;

(f) a specimen of the Company's common stock certificate certified as a true and correct representation of the common stock certificate used by the Company when the Company elects pursuant to

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the Bylaws to issue certificates for some or all of any shares of the Common Stock (“Specimen Certificate”); and

(g) the records of various corporate proceedings relating to the authorization and issuance of the Securities by the Company and the authorization, execution and delivery by the Company of the Underwriting Agreement.

We have also examined or caused to be examined such other documents and have satisfied ourselves as to such other matters as we have deemed necessary in order to render this opinion. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity to the originals of the documents submitted to us as certified or photostatic copies and the authenticity of the originals of such latter documents. We have not examined the [Initial/Option] Securities, except a specimen thereof.

As to questions of fact material to the opinions expressed herein, we have relied upon certifications and representations of responsible officers of the Company, the Company’s transfer agent and registrar, you and appropriate public officials and upon information set forth in the Registration Statement, the General Disclosure Package or the Prospectus, in each case without independent verification of such matters, except as otherwise described herein.

Subject to the foregoing and to the further exceptions and qualifications set forth below, we are of the opinion that:

(1) The Company has been duly organized and is validly existing as a corporation under the laws of the State of Oregon.

(2) The Company has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and in the Prospectus and to enter into and perform its obligations under the Underwriting Agreement.

(3) The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

(4) (A) The Company has the authorized capitalization as set forth in the General Disclosure Package and the Prospectus, (B) the [Initial/Option] Securities have been duly authorized for issuance and sale to the Underwriters pursuant to the Underwriting Agreement and, when issued and delivered by the Company pursuant to the Underwriting Agreement against payment of the consideration set forth in the Underwriting Agreement, will be validly issued, fully paid and non-assessable; and (C) no holder of the [Initial/Option] Securities is or will be subject to personal liability by reason of being such a holder under the charter or by-laws of the Company, the laws of the State of Oregon or, to our knowledge, otherwise.

(5) The sale of the [Initial/Option] Securities to the Underwriters pursuant to the Underwriting Agreement is not subject to any preemptive rights, rights of first refusal or

other similar rights of any securityholder of the Company or any other person arising under the charter or bylaws of the Company, or the laws of the State of Oregon.

(6) Each of the Registration Statement and any post-effective amendments thereto has been declared effective under the 1933 Act; the Pre-Pricing Prospectus and the Prospectus and any

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amendments or supplements thereto have been filed with the Commission pursuant to Rule 424(b) in the manner and within the time period required by Rule 424(b) (without reference to Rule 424(b)(8)); any required filing of each Issuer Free Writing Prospectus pursuant to Rule 433 has been made in the manner and within the time period required by Rule 433(d); and, to our knowledge, no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act and no proceedings for that purpose have been instituted by or are pending before the Commission.

(7) The Registration Statement, any post-effective amendments thereto, as of their respective effective dates, and the Prospectus and any amendments or supplements thereto, as of their respective dates (in each case other than the financial statements and schedules and other financial and statistical data included therein or omitted therefrom, as to which we have not been called upon to express an opinion), complied as to form in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations.

(8) The documents incorporated or deemed to be incorporated by reference in the Pre-Pricing Prospectus and the Prospectus (other than the financial statements and schedules and other financial and statistical data included therein or omitted therefrom, as to which we have not been called upon to express an opinion), when they were filed with the Commission, complied as to form in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations.

(9) The form of certificate used to evidence the Common Stock complies in all material respects with all applicable requirements of the laws of the State of Oregon, and with any applicable requirements of the charter and by-laws of the Company.

(10) The statements set forth in the Pre-Pricing Prospectus and the Prospectus under the caption "Certain United States Federal Income Tax Considerations for Non-U.S. Holders", insofar as such statements purport to describe certain federal income or estate tax laws and regulations of the United States, are accurate in all material respects.

(11) (A) The OPUC has issued one or more orders authorizing, and the appropriate filing has been made with the WUTC to establish compliance with applicable statutory provisions with respect to, the issuance and sale by the Company of the [Initial/Option] Securities are in conformity with the terms of such orders and in compliance with such filing, (B) no filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency (other than under the 1933 Act, the 1933 Act Regulations, the 1934 Act and the 1934 Act Regulations, which have been obtained, or as may be required under the state securities or blue sky laws, as to which we have not been called upon to express an opinion), (C) no authorization, approval, vote or other consent of any stockholder of the Company, (D) no authorization, approval, waiver or consent under any Subject Instrument, and (E) to our knowledge, no other authorization, approval, vote or other consent of any other person or entity, is necessary or required for the authorization, execution or delivery of the Underwriting Agreement by the Company for the offering of the [Initial/Option] Securities as contemplated by the Underwriting Agreement or for the issuance, sale or delivery of the [Initial/Option] Securities.

(12) The Company is not and, upon the issuance and sale of the [Initial/Option] Securities to be sold by the Company as contemplated in the Underwriting Agreement and the receipt and application of the net proceeds therefrom as described in the Pre-Pricing Prospectus and the Prospectus under the caption "Use of Proceeds," will not be an "investment company" as such term is defined in the 1940 Act.

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In acting as counsel to the Company in connection with the transactions contemplated by the Underwriting Agreement, we have participated in conferences with officers and other representatives of the Company, representatives of the independent public accountants and counsel for the Company and representatives of the Underwriters, at which conferences the contents of the Registration Statement, the General Disclosure Package and the Prospectus, and any supplements or amendments to any of the foregoing, and related matters were discussed. Although, other than with respect to the opinions expressed in paragraph (10), we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements in the Registration Statement, the General Disclosure Package, the Prospectus or any supplements and amendments to any of the foregoing, and have made no independent check or verification thereof, nothing has come to our attention that would lead us to believe that:

(1) the Registration Statement or any post-effective amendments thereto, at the respective times they first were declared became effective or at any subsequent time that the Company filed an Annual Report on Form 10-K or any amendment thereto, or the Registration Statement (including the Rule 430B Information), at each deemed new effective date with respect to the Underwriters pursuant to Rule 430B(f)(2), contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading;

(2) the General Disclosure Package, as of the Applicable Time, included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(3) the Prospectus and any supplements thereto, as of the date of the Prospectus, as of the date of any such supplement or the date of this letter, included or includes an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading,

except in each case that we make no statement nor express any belief with respect to financial statements and schedules and other financial or statistical data included or incorporated by reference in or omitted from the Registration Statement, the General Disclosure Package, or the Prospectus or any amendment or supplement to any of the foregoing, or as to any information contained therein furnished to the Company in writing by any of you expressly for use therein.

This opinion is limited to matters arising under the federal laws of the United States and the laws of the States of Oregon and Washington. As to all matters involving the application of the laws of the State of Oregon, we have relied upon the opinion of even date herewith addressed to you of MardiLyn Saathoff, Senior Vice President, Regulation and General Counsel of the Company. As to all matters involving the application of the laws of the State of Washington, we have relied upon the opinion of even date herewith addressed to you of Stoel Rives LLP, Washington counsel to the Company.

This opinion is solely for your benefit and the benefit of the other Underwriters in connection with the Underwriting Agreement and the transactions contemplated thereunder and it may not be relied upon in any manner by any other person or for any other purpose, without our prior written consent. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

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EXHIBIT G

FORM OF OPINION OF STOEL RIVES LLP

Wells Fargo Securities, LLC
J.P. Morgan Securities LLC
RBC Capital Markets, LLC
As Representatives of the several Underwriters

c/o Wells Fargo Securities, LLC
375 Park Avenue
New York, New York 10152

J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

RBC Capital Markets, LLC
Three World Financial Center
200 Vesey Street
New York, NY 10281

Ladies and Gentlemen:

We have acted as special Washington counsel to Northwest Natural Gas Company, an Oregon corporation (the "Company"), in connection with the issuance and sale by the Company of [•] shares of its Common Stock (the [Initial/Option] "Securities") pursuant to an Underwriting Agreement between the Company and the several underwriters named therein, for whom you are acting as representative, dated November [•], 2016 (the "Underwriting Agreement"). Capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Underwriting Agreement. This opinion is rendered to you pursuant to Section 5(b) of the Underwriting Agreement.

In our capacity as special Washington counsel, we have reviewed the filings with the Washington Utilities and Transportation Commission (the "WUTC") with respect to the issuance and sale of the [Initial/Option] Securities and such other matters as we have deemed to be necessary to enable us to render the opinions expressed herein.

Based on the foregoing and subject to the qualifications set forth below, we are of the opinion that:

(1) The Company is authorized to transact business in the State of Washington.

(2) The Company has filed a statement, dated October 25, 2016, with the WUTC, which was entered by the WUTC in Docket UG-161164 on October 28, 2016, establishing compliance with applicable statutory provisions with respect to the issuance and sale by the

Company of the [Initial/Option] Securities; the statement complied with the terms of the Revised Code of Washington 80.08.040; the issuance and sale of the [Initial/Option] Securities in accordance with the Underwriting Agreement are in compliance with the statement; and under the laws of the State of Washington, no

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further approval, authorization, consent or other order of any public board or body is legally required for the issuance and sale of the [Initial/Option] Securities on the terms and conditions set forth in the Underwriting Agreement.

(3) The consummation of the transactions contemplated in the Underwriting Agreement and the fulfillment of the terms thereof will not violate the provisions of any applicable law, rule or regulation of the State of Washington.

The laws, rules and regulations referred to in Paragraph 3 above are those laws, rules and regulations of the State of Washington which, in our experience, are normally applicable to general business corporations that engage in transactions of the type contemplated by the Underwriting Agreement, except that we express no opinion as to (i) the securities or blue sky laws of any jurisdiction and (ii) the effect or applicability of the laws, rules and regulations of any other jurisdiction.

This opinion is limited to matters arising under the laws of the State of Washington.

This opinion is solely for your benefit and the benefit of the other Underwriters in connection with the Underwriting Agreement and the transactions contemplated thereunder and it may not be relied upon in any manner by any other person or for any other purpose, without our prior written consent, except that MardiLyn Saathoff, Senior Vice President, Regulation and General Counsel of the Company, and Morgan, Lewis & Bockius LLP may rely on this opinion as to all matters of Washington law in rendering their opinions required to be delivered under the Underwriting Agreement. This opinion is expressed as of the date hereof, and we do not assume any obligation to update or supplement it to reflect any fact or circumstance that hereafter comes to our attention, or any change in law that hereafter occurs.

Very truly yours,

STOEL RIVES LLP

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EXHIBIT H
PRICE-RELATED INFORMATION

Public offering price: \$54.63 per share

Net proceeds, before expenses, to the Company: \$52.58 per share

Settlement date: November 16, 2016

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EXHIBIT 1
ISSUER GENERAL USE FREE WRITING PROSPECTUSES

None

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AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON NOVEMBER 8, 2016
Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
Under
THE SECURITIES ACT OF 1933

NORTHWEST NATURAL GAS COMPANY
(Exact name of registrant as specified in its charter)

OREGON
(State or other jurisdiction of
incorporation or organization)

93-0256722
(I.R.S. Employer
Identification No.)

One Pacific Square, 220 N.W. Second Avenue
Portland, Oregon 97209
503-226-4211

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

MARDILYN SAATHOFF
Senior Vice President, Regulation and General Counsel
One Pacific Square, 220 N.W. Second Avenue
Portland, Oregon 97209
503-226-4211

BRODY J. WILSON
Chief Financial Officer and Treasurer
One Pacific Square, 220 N.W. Second Avenue
Portland, Oregon 97209
503-226-4211

(Names, addresses, including zip codes, and telephone numbers, including area codes, of agents for service)

JOHN T. HOOD, Esq.
Morgan, Lewis & Bockius LLP
101 Park Avenue
New York, New York 10178
212-309-6281

Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective as determined by market conditions.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this Form is a registration statement pursuant to General Instruction I.D. or a post effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
 Accelerated filer (Do not check if smaller reporting company) Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
Debt Securities, Junior Subordinated Debentures, Preferred Stock, Common Stock		(1)(2)(3)		(4)
Common Stock (for issuance under the NW Natural Dividend Reinvestment and Direct Stock Purchase Plan)	541,526 Shares	\$56.31(3)(5)	\$30,493,329.06(5)	\$1,957.90(6)

- (1) Omitted pursuant to Form S-3, General Instruction II.E.
- (2) An unspecified aggregate initial offering of the securities of each identified class is being registered as may from time to time be offered by Northwest Natural Gas Company ("NW Natural") at unspecified prices, along with an indeterminate number of securities that may be issued upon exercise, settlement, exchange or conversion of securities offered hereunder. Separate consideration may or may not be received for securities that are issuable upon exercise, settlement, conversion or exchange of other securities.
- (3) Pursuant to Rule 416(a) of the Securities Act of 1933, as amended (the "Securities Act"), this registration statement also covers such indeterminable number of additional securities as may become deliverable as a result of stock splits, stock dividends or similar transactions.
- (4) In accordance with Rules 456(b) and 457(r) under the Securities Act, NW Natural is deferring payment of all of the registration fee. In connection with the securities offered hereby, NW Natural will pay "pay as you go registration fees" in accordance with Rule 456(b).
- (5) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(c) under the Securities Act on the basis of the average of the high and low prices of the registrant's common stock on the New York Stock Exchange composite tape on November 3, 2016.
- (6) Pursuant to Rule 415(a)(6) under the Securities Act, 241,526 shares of NW Natural's common stock registered hereunder are unsold securities previously registered on Registration Statement No. 333-192641 filed on December 3, 2013 (the "Prior Registration Statement"). Pursuant to Rule 415(a)(6) under the Securities Act, the \$1,311 filing fee previously paid in connection with such unsold securities will continue to be applied to such unsold securities. The amount of the registration fee in the "Calculation of Registration Fee" table relates to the additional 300,000 shares of NW Natural's common stock being registered hereunder. As a result, a filing fee of \$1,957.90 is being paid herewith. Pursuant to Rule 415(a)(6) under the Securities Act, the offering of unsold securities under the Prior Registration Statement will be deemed terminated as of the date of effectiveness of this registration statement.

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EXPLANATORY NOTE

This registration statement contains two (2) separate prospectuses:

1. The first prospectus relates to the offering by Northwest Natural Gas Company of Debt Securities, Junior Subordinated Debentures, Preferred Stock and Common Stock.
2. The second prospectus relates to the offering by Northwest Natural Gas Company of its Common Stock under its Dividend Reinvestment and Direct Stock Purchase Plan.

Each offering of securities made under this registration statement will be made pursuant to one of these prospectuses, with the specific terms of the securities offered thereby, other than Common Stock offered under the Dividend Reinvestment and Direct Stock Purchase Plan, set forth in an accompanying prospectus supplement.

Table of Contents**PROSPECTUS****NORTHWEST NATURAL GAS COMPANY****DEBT SECURITIES****JUNIOR SUBORDINATED DEBENTURES****PREFERRED STOCK****COMMON STOCK**

Northwest Natural Gas Company, or NW Natural, may offer any combination of the securities described in this prospectus in one or more offerings from time to time and in amounts authorized from time to time. NW Natural will provide specific terms of its securities, including their offering prices, in supplements to this prospectus. The supplements may also add, update or change information contained in this prospectus. You should read this prospectus and any supplements carefully before you invest.

NW Natural's common stock is listed on the New York Stock Exchange and trades under the symbol "NWN."

NW Natural may offer these securities directly or through underwriters, agents or dealers. The supplements to this prospectus will describe the terms of any particular plan of distribution, including any underwriting arrangements. The "Plan of Distribution" section on page 20 of this prospectus also provides more information on this topic.

See the discussion of **risk factors** on page 2 of this prospectus and as contained in NW Natural's annual, quarterly and current reports filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, which are incorporated by reference into this prospectus, to read about certain factors you should consider before purchasing any of the securities being offered.

NW Natural's principal executive offices are located at One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209, and its telephone number is (503) 226-4211.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 8, 2016.

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Table of Contents**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that NW Natural filed with the Securities and Exchange Commission, or SEC, utilizing a “shelf” registration, or continuous offering, process. Under this shelf registration process, NW Natural, from time to time, may sell any combination of the securities described in this prospectus in one or more offerings. NW Natural may offer any of the following securities: Debt Securities, Junior Subordinated Debentures, Common Stock or Preferred Stock.

This prospectus provides you with a general description of the securities that NW Natural may offer. Each time NW Natural sells securities, it will provide a prospectus supplement that will contain specific information about the terms of that offering. Material United States federal income tax considerations applicable to the offered securities will be discussed in the applicable prospectus supplement, if necessary. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the heading “Where You Can Find More Information.”

For more detailed information about the securities, you can read the exhibits to the registration statement. Those exhibits have been either filed with the registration statement or incorporated by reference to earlier SEC filings listed in the registration statement.

WHERE YOU CAN FIND MORE INFORMATION

NW Natural files annual, quarterly and other reports and other information with the SEC. Reports, proxy statements and other information filed by NW Natural can be read and copied at the public reference room of the SEC, 100 F Street, N.E., Washington, D.C. 20549. You can obtain additional information about the Public Reference Room by calling the SEC at 1-800-SEC-0330.

In addition, the SEC maintains a Web site (<http://www.sec.gov>) that contains reports, proxy statements and other information filed electronically by NW Natural. NW Natural also maintains a Web site (<http://www.nwnatural.com>). Information contained on NW Natural’s Web site does not constitute part of this prospectus.

The SEC allows NW Natural to “incorporate by reference” the information that NW Natural files with the SEC, which means that NW Natural may, in this prospectus, disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. NW Natural is incorporating by reference the documents listed below (other than any portions of such documents that are deemed to be furnished and not filed) and any future filings NW Natural makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (Exchange Act), until NW Natural sells all of the securities described in this prospectus. Information that NW Natural files in the future with the SEC will automatically update and supersede this information.

We hereby incorporate by reference into this prospectus the following documents that we have filed with the SEC under the Securities Exchange Act File No. 001-15973:

- NW Natural’s Annual Report on Form 10-K for the fiscal year ended December 31, 2015.
- NW Natural’s Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30 and September 30, 2016.
- NW Natural’s Current Reports on Form 8-K filed with the SEC on February 5, 2016, March 21, 2016, June 2, 2016, July 29, 2016 and September 2, 2016 (as amended on September 23, 2016).

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You may request a copy of these documents, at no cost to you, by writing or calling Shareholder Services, Northwest Natural Gas Company, One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209, telephone 503-226-4211, extension 2402.

You should rely only on the information contained, or incorporated by reference, in this prospectus and any prospectus supplement. NW Natural has not, and any underwriters, agents or dealers have not, authorized anyone else to provide you with different information. NW Natural is not, and any underwriters, agents or dealers are not, making an offer of these securities or soliciting offers to buy these securities in any jurisdiction where the offer or solicitation is not permitted. You should not assume that the information contained in this prospectus and any prospectus supplement is accurate as of any date other than the date on the front of such document or that the information incorporated by reference in this prospectus or any prospectus supplement is accurate as of any date other than the date of the document incorporated by reference.

FORWARD-LOOKING STATEMENTS

This document does, and the documents incorporated herein by reference may, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Exchange Act. Although NW Natural believes these statements are based on reasonable assumptions, no assurance can be given that actual results will not differ from those in the forward-looking statements contained herein and in the incorporated documents. The forward-looking statements contained herein and in the incorporated documents may be affected by various uncertainties. For a further discussion of forward-looking statements and of factors which may affect forward-looking statements contained herein and in the incorporated documents, see NW Natural's most recent Annual Report on Form 10-K and any of its Quarterly Reports on Form 10-Q filed after that Annual Report on Form 10-K.

NW NATURAL

NW Natural is principally engaged in the distribution of natural gas in Oregon and southwest Washington. NW Natural and its predecessors have supplied gas service to the public since 1859. NW Natural's executive offices are located at One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209. Its telephone number is 503-226-4211.

RISK FACTORS

Investing in the securities involves certain risks. You are urged to read and consider the risk factors described in NW Natural's annual, quarterly and current reports filed with the SEC under the Exchange Act, which are incorporated by reference into this prospectus. Before making an investment decision, you should carefully consider these risks as well as other information NW Natural includes or incorporates by reference in this prospectus. You should also be aware that new risks may emerge in the future at any time, and NW Natural cannot predict such risks or estimate the extent to which they may affect NW Natural's financial condition or performance. The prospectus supplement applicable to each type or series of securities NW Natural offers may contain a discussion of additional risks applicable to an investment in NW Natural and the particular type of securities NW Natural is offering under that prospectus supplement.

USE OF PROCEEDS

Unless otherwise stated in a prospectus supplement, the net proceeds to be received by NW Natural from the sale of these securities will be added to the general funds of NW Natural and used for corporate purposes, primarily to fund, in part, NW Natural's ongoing utility construction program and for general corporate purposes.

The prospectus supplement relating to a particular offering of securities will identify the use of proceeds for that offering.

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**RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERENCE DIVIDENDS**

The ratios of earnings to fixed charges and ratios of earnings to combined fixed charges and preference dividends, calculated according to the rules set forth under the Securities Act, for the following periods were:

<u>Period</u>	<u>Ratios(1)</u>
Twelve Months Ended September 30, 2016	3.36
Nine Months Ended September 30, 2016(2)	2.67
Year Ended December 31, 2015	3.00
Year Ended December 31, 2014	3.13
Year Ended December 31, 2013	3.16
Year Ended December 31, 2012	3.26
Year Ended December 31, 2011	3.38

Earnings consist of net income to which has been added taxes on income and fixed charges. Fixed charges consist of interest on all indebtedness, amortization of debt expense and discount or premium, and the estimated interest portion of rentals charged to income. Preference dividends are the amounts of pre-tax earnings that would be required to pay dividends on any outstanding preference equity securities (which could include any NW Natural preferred stock outstanding for the period).

- (1) NW Natural had no preference equity securities outstanding for any of the periods presented; therefore, the ratios of earnings to fixed charges are the same as the ratios of earnings to combined fixed charges and preference dividends.
- (2) A significant part of the businesses of NW Natural is seasonal in nature; therefore, the ratio of earnings to fixed charges and the ratio of earnings to combined fixed charges and preference dividends for the interim period are not necessarily indicative of the results for a full year.

DESCRIPTION OF DEBT SECURITIES

General

The following sections set forth certain general terms and provisions of NW Natural's secured, unsecured and junior subordinated debt securities, consisting of first mortgage bonds and debentures, notes or other debt, that NW Natural may offer by this prospectus. NW Natural will describe the particular terms of the debt securities, and provisions that vary from those described below, in one or more prospectus supplements.

DESCRIPTION OF THE BONDS

General

NW Natural will issue its first mortgage bonds, in one or more series, under the Mortgage and Deed of Trust, dated as of July 1, 1946, to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) (the Corporate Trustee), as trustee (the Mortgage Trustee), which has been amended and supplemented in the past and which may be supplemented again by one or more supplemental indentures relating to these securities. This Mortgage and Deed of Trust, as amended and supplemented, is referred to in this prospectus as the "Mortgage." All first mortgage bonds issued or to be issued under the Mortgage, including the first mortgage bonds offered by this prospectus, are referred to herein as "First Mortgage Bonds."

This section briefly summarizes some of the provisions of the First Mortgage Bonds and some of the provisions of the Mortgage and uses some terms that are not defined in this prospectus but that are defined in the

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Mortgage. This summary is not complete and is qualified in its entirety by reference to the Mortgage which is on file with the SEC. You should read the Mortgage for a complete understanding of the provisions that may be important to you and for the definitions of some terms used in this summary.

Each series of First Mortgage Bonds may have different terms. NW Natural will include some or all of the following information about a specific series of First Mortgage Bonds in the prospectus supplement relating to those First Mortgage Bonds:

- the designation of the series and the aggregate principal amount of those First Mortgage Bonds,
- the interest rate(s) for those First Mortgage Bonds,
- the currency or currencies in which payment of the principal of and interest on those First Mortgage Bonds may be made,
- the date(s) on which those First Mortgage Bonds will mature,
- the dates on which NW Natural will pay the interest on those First Mortgage Bonds and the date from which interest will accrue,
- the place(s) where the principal of and interest on those First Mortgage Bonds will be payable,
- whether all or any portion of those First Mortgage Bonds will be issued to a designated depository,
- the additional place(s) for the payment of principal or interest or for the registration or transfer of those First Mortgage Bonds,
- any terms or obligations of NW Natural relating to creation of a sinking fund with respect to those First Mortgage Bonds or permitting conversion of those First Mortgage Bonds into capital stock of NW Natural or another entity,
- any terms permitting bondholders to exchange those First Mortgage Bonds for other securities,
- any terms pursuant to which NW Natural may redeem any of those First Mortgage Bonds, and
- any other terms or provisions relating to those First Mortgage Bonds that are not inconsistent with the provisions of the Mortgage.

Except as may otherwise be described in a prospectus supplement, the covenants contained in the Mortgage will not afford holders of the First Mortgage Bonds protection in the event of a highly-leveraged or similar transaction involving NW Natural or in the event of a change in control.

Reserved Amendment Rights

NW Natural has reserved the right to amend the Mortgage, without the consent or other action of the holders of any series of First Mortgage Bonds created after November 1, 2016 or Secured Medium-Term Notes, Series B with an issue date after November 1, 2016, to make the changes described below in this "Description of First Mortgage Bonds." Holders of any series of First Mortgage Bonds created after November 1, 2016 and Secured Medium-Term Notes, Series B with an issue date after November 1, 2016, including First Mortgage Bonds that NW Natural may offer by this prospectus, are deemed to have consented to these amendments. This section briefly summarizes the reserved amendment rights. This summary is not complete. You should read this summary together with the twenty-second supplemental indenture, dated as of November 1, 2016, which has been filed with the SEC and is an exhibit to the registration statement filed with the SEC of which this prospectus is a part, together with the Mortgage for a complete understanding of the reserved amendment rights.

Form, Exchange and Payment

Unless otherwise specified in the prospectus supplement relating to First Mortgage Bonds, First Mortgage Bonds will be (1) issued in fully registered form in denominations of \$1,000 or any amount in excess thereof that

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is an integral multiple of \$1,000 and (2) exchangeable at the office of Deutsche Bank Trust Company Americas in New York City, without charge other than taxes or other governmental charges incident thereto, and principal, premium, if any, and interest will be payable at such office.

Security

First Mortgage Bonds issued or to be issued under the Mortgage are or will be secured by the Mortgage, which constitutes a first mortgage lien on certain gas utility properties owned from time to time by NW Natural (except as stated below).

The lien of the Mortgage is or may be subject to the following Excepted Encumbrances:

- liens for taxes, assessments or governmental charges which are not delinquent or the validity of which is being contested at the time by NW Natural in good faith; and liens for workmen's compensation awards and similar obligations which are not delinquent and undetermined liens or charges incidental to construction;
- liens securing indebtedness, neither assumed nor guaranteed by NW Natural nor on which it customarily pays interest, existing on real property or rights in or relating to real property acquired by NW Natural for transmission line, transportation line, distribution line or right of way purposes;
- rights of any municipality or public authority to terminate any right, power, franchise, grant, license or permit or to purchase or recapture or to designate a purchaser of any of the property of NW Natural or to control or regulate any property of NW Natural, or to use such property in a manner which does not materially impair the use of such property for the purposes for which it is held by NW Natural;
- rights of others to take or receive any part of the power, gas, oil or other minerals or timber generated, developed, produced, manufactured, pumped or stored by, or grown on, or acquired with, any property of NW Natural;
- easements, restrictions, exceptions or reservations in any property and/or rights of way of NW Natural for the purpose of roads, pipelines, transmission lines, distribution lines, removal of coal or other minerals or timber, and other like purposes, or for the joint or common use of real property, rights of way, facilities and/or equipment, and defects, irregularities and deficiencies in titles of any property and/or rights of way, which do not materially impair the use of such property and/or rights of way for the purposes for which such property and/or rights of way are held by NW Natural; or
- any obligations or duties, affecting the property of NW Natural, to any municipality or public authority with respect to any franchise, grant, license or permit.

In addition, the lien of the Mortgage is or may be subject to the following:

- vendors' liens, purchase money mortgages and liens on property that already exist at the time NW Natural acquires that property;
- liens for labor, materials, supplies or other objects given priority by law; and
- liens for taxes, assessments or other governmental charges given priority by law.

NW Natural has reserved the right to amend the Mortgage to restate the definition of Excepted Encumbrances to mean substantially the following:

- tax liens, assessments and other governmental charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to NW Natural's general counsel or to such other person designated by NW Natural to receive such notices;

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- mechanics', workmen's, repairmen's, materialmen's, warehousemen's and carriers' liens, other liens incident to construction, liens or privileges of any of NW Natural's employees for salary or wages earned, but not yet payable, and other liens, including without limitation liens for worker's compensation awards, arising in the ordinary course of business for charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to NW Natural's general counsel or to such other person designated by NW Natural to receive such notices;
- specified judgment liens;
- easements, leases, reservations or other rights of others (including governmental entities) in, and defects of title in, NW Natural's property;
- liens securing indebtedness or other obligations relating to real property NW Natural acquired for specified transmission, distribution or communication purposes or for the purpose of obtaining rights of way;
- specified leases and leasehold, license, franchise and permit interests;
- liens resulting from law, rules, regulations, orders or rights of governmental authorities and specified liens required by law or governmental regulations;
- liens to secure public obligations, rights of others to take minerals, timber, electric energy or capacity, gas, water, steam or other products produced by NW Natural or by others on NW Natural's property;
- rights and interests of persons other than NW Natural arising out of agreements relating to the common ownership or joint use of property, and liens on the interests of those persons in such property;
- restrictions on assignment and/or requirements of any assignee to qualify as a permitted assignee and/or public utility or public services corporation;
- liens which have been bonded for the full amount in dispute or for the payment of which other adequate security arrangements have been made;
- certain easements, ground leases and rights of way for the purpose of roads, pipelines, transmission lines, distribution lines, communication lines, railways, removal or transportation of coal, lignite, gas, oil or other minerals or timber, and other like purposes, or for the joint or common use of real property, rights of way, facilities and/or equipment, so long as such grant shall not materially impair the use of the property or rights of way for the purposes for which such property or rights of way are held by NW Natural; and
- certain prepaid liens. (See Twenty-second Supplemental Indenture, Section 2.17 and the definition of Permitted Liens in Section 1.07.)

The following are excepted from the lien of the Mortgage:

- (1) cash and securities,
- (2) certain equipment, apparatus, materials or supplies,
- (3) aircraft, automobiles and other vehicles,
- (4) receivables, contracts, leases and operating agreements,
- (5) timber, minerals, mineral rights and royalties, and
- (6) all Natural Gas and Oil Production Property (See Mortgage, pages 10-11 and Section 4).

No stock, properties or other assets of NW Natural subsidiaries are subject to the Mortgage.

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The Mortgage contains provisions that impose the lien of the Mortgage on property acquired by NW Natural after the date of the Mortgage, other than the excepted property described above and subject to pre-existing liens. However, if NW Natural consolidates, merges or sells substantially all of its assets to another entity, the lien created by the Mortgage will generally not cover the property of the successor, other than the mortgaged property it acquires from NW Natural and improvements, extensions, additions, renewals and replacements of that property. (See Mortgage, Article XVI.)

The Mortgage provides that the Mortgage Trustee shall have a lien upon the mortgaged property, prior to that of the First Mortgage Bonds, for the payment of its reasonable compensation and expenses and for indemnity against certain liabilities. This lien takes priority over the lien securing the First Mortgage Bonds. (See Mortgage, Section 96.)

NW Natural has reserved the right to amend the Mortgage to add any one or more of following types of property to the list of excepted property described above:

- (1) any vessels or marine equipment;
- (2) any personal property of such character that the perfection of a security interest therein or other lien thereon is not governed by the Uniform Commercial Code in effect where NW Natural is organized or the property is located;
- (3) any general intangibles, including computer software;
- (4) any intellectual property rights;
- (5) any governmental and other licenses, permits, or franchises (other than NW Natural's franchises, permits and licenses that are transferable and necessary for the operation of the mortgaged property); or
- (6) any unrecorded easements and rights of way.

NW Natural has also reserved the right to amend the Mortgage to subject any excepted property to the lien of the Mortgage and to define the term "mineral rights" for purposes of the Mortgage to exclude any rights or other property constructed, acquired or held primarily for the purpose of storing and withdrawing gas that has been injected into, or may from time to time may be injected into, storage reservoirs or other facilities located on or under real property, whether or not such rights or other property constitute "mineral rights" under applicable law. (See Twenty-second Supplemental Indenture, Sections 2.05, 2.08 and 2.23.)

Issuance of Additional First Mortgage Bonds

First Mortgage Bonds may be issued from time to time on the basis of:

- (1) 70% of property additions, after adjustments to offset retirements (See "Modification of the Mortgage—Issuance of Additional First Mortgage Bonds," below),
- (2) the retirement of First Mortgage Bonds or qualified lien bonds, or
- (3) the deposit of cash.

With certain exceptions in the case of (2) above, the issuance of First Mortgage Bonds must meet an earnings test. The adjusted net earnings before income taxes for 12 consecutive months out of the preceding 15 months must be at least twice the annual interest requirements on all First Mortgage Bonds at the time outstanding, including the First Mortgage Bonds being issued, and all indebtedness of prior rank.

For purposes of determining annual interest requirements, interest on First Mortgage Bonds or other indebtedness bearing interest at a variable interest rate shall be computed at the average of the interest rates borne by such First Mortgage Bonds or other indebtedness during the period of calculation or, if such First Mortgage Bonds or other indebtedness shall have been issued after such period or shall be the subject of pending applications, interest shall be computed at the initial rate borne upon issuance.

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Property additions generally include gas, electric, steam or hot water property or gas by-product property acquired after March 31, 1946, but will not include certain assets, including securities, airplanes, automobiles or other vehicles, or natural gas transmission lines or Natural Gas and Oil Production Property. As of September 30, 2016, approximately \$769.4 million of property additions were available for use as the basis for the issuance of First Mortgage Bonds. As of September 30, 2016, approximately \$298 million of retired First Mortgage Bonds were available for use as the basis for the issuance of First Mortgage Bonds.

The Mortgage contains certain restrictions upon the issuance of First Mortgage Bonds against property subject to liens.

(See Mortgage, Sections 4-7, 20-30 and 46, Third Supplemental Indenture, Sections 3 and 4, Eighteenth Supplemental Indenture, Section 2.01, and Twenty-second Supplemental Indenture, Sections 1.03 and 1.04.)

NW Natural has reserved the right to amend the Mortgage (1) to delete the earnings test and (2) to modify the definition of property additions to mean all mortgaged property acquired or constructed by NW Natural after March 31, 1946. (See Twenty-second Supplemental Indenture, Sections 2.01 and 2.05.)

NW Natural has also reserved the right to amend the Mortgage to change the definition of funded property from time to time. To change the definition of funded property, NW Natural must deliver to the Corporate Trustee an independent engineer's certificate referred to as a "funded property certificate." This funded property certificate will describe all or a portion of mortgaged property which has a fair value not less than the sum of the principal amount of the First Mortgage Bonds outstanding and the principal amount of the First Mortgage Bonds that NW Natural is entitled to have authenticated on the basis of retired First Mortgage Bonds divided by 70%. Once this funded property certificate is delivered to the Corporate Trustee, the definition of "funded property" will mean any mortgaged property described in the funded property certificate. Property additions will become funded property when used under the Mortgage for the issuance of bonds, the release or retirement of funded property, or the withdrawal of cash deposited with the Corporate Trustee for the issuance of bonds or the release of Funded property. (See Twenty-second Supplemental Indenture, Section 2.03.)

Release and Substitution of Property

Property may be released from the lien of the Mortgage, at the lesser of its cost or its fair value at the time that such property became funded property, on the basis of:

- (1) the deposit of cash or, to a limited extent, purchase money mortgages,
- (2) property additions acquired by NW Natural in the last five years, or
- (3) the waiver of the right to issue First Mortgage Bonds on the basis of retired First Mortgage Bonds, in each case without applying an earnings test.

Cash so deposited as the basis for a release and cash deposited as the basis for the issuance of additional First Mortgage Bonds may be withdrawn upon the bases stated in (2) and (3) above without applying an earnings test. When property released is not funded property, property additions used to effect the release may again, in certain cases, become available as credits under the Mortgage, and the waiver of the right to issue First Mortgage Bonds to effect the release may, in certain cases, cease to be effective as such a waiver. Similar provisions are in effect as to cash proceeds of such property. The Mortgage contains special provisions with respect to qualified lien bonds pledged and the disposition of moneys received on pledged prior lien bonds. In addition, NW Natural may release unfunded mortgaged property if after such release at least one dollar of unfunded mortgaged property remains subject to the lien of the Mortgage. (See Mortgage, Sections 5, 31, 32, 37, 46 to 50, 59 to 61, 100 and 118, Eighteenth Supplemental Indenture, Section 2.03, and Twenty-second Supplemental Indenture, Sections 1.02 and 1.06.)

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NW Natural has reserved the right to amend the Mortgage as follows:

- to permit releases of property without the sale or disposition of such property;
- to eliminate the limit on purchase money mortgages referred to in clause (1) above;
- to eliminate the five-year limit on property additions referred to in clause (2) above; and
- to increase the amount of property that may be released on the basis of clause (3) above to 10/7ths of aggregate principal amount of First Mortgage Bonds so waived. (See Twenty-second Supplemental Indenture, Sections 2.02, 2.20, 2.21 and 2.22.)

Satisfaction and Discharge of Mortgage

The lien of the Mortgage may be canceled and discharged whenever all indebtedness secured by the Mortgage has been paid. First Mortgage Bonds, or any portion of the principal amount thereof, will, prior to the maturity thereof, be deemed to have been paid for purposes of satisfying the lien of the Mortgage and shall not be deemed to be outstanding for any other purpose of the Mortgage if there shall have been deposited with the Corporate Trustee either:

- (1) moneys in the necessary amount, or
- (2) (a) direct obligations of the government of the United States of America, or
(b) obligations guaranteed by the government of the United States of America, or
(c) securities that are backed by obligations of the government of the United States of America as collateral under an arrangement by which the interest and principal payments on the collateral generally flow immediately through to the holder of the security,

which in any case are not subject to redemption prior to maturity by anyone other than the holders, and the principal of and the interest on which when due, and without any regard to reinvestment thereof, shall be sufficient to pay when due the principal of, premium, if any, and interest due and to become due on said First Mortgage Bonds or portions thereof on the redemption date or maturity date thereof, as the case may be. (See Mortgage, Section 106 and Thirteenth Supplemental Indenture, Section 3.02.)

Defaults and Notice Thereof

Defaults are:

- (1) default in payment of principal,
- (2) default for 60 days in payment of interest or of installments of funds for the retirement of First Mortgage Bonds,
- (3) certain defaults with respect to qualified lien bonds,
- (4) certain events in bankruptcy, insolvency or reorganization, and
- (5) default for 90 days after notice in the case of a breach of certain other covenants.

The Mortgage Trustee may withhold notice of default (except in payment of principal, interest or any fund for the retirement of First Mortgage Bonds) if it thinks it is in the interest of the bondholders. (See Mortgage, Sections 65 and 66.)

Holders of 25% of the First Mortgage Bonds may declare the principal and the interest due on default, but a majority may annul such declaration if such default has been cured. There is no automatic acceleration even in the event of NW Natural's bankruptcy, insolvency or reorganization. No holder of First Mortgage Bonds may enforce the lien of the Mortgage without giving the Mortgage Trustee written notice of a default and unless

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holders of 25% of the First Mortgage Bonds have requested the Mortgage Trustee to act and offered it reasonable opportunity to act and the Mortgage Trustee has failed to act. The Mortgage Trustee is not required to risk its funds or incur personal liability if there is reasonable ground for believing that the repayment is not reasonably assured. Holders of a majority of the First Mortgage Bonds may direct the time, method and place of conducting any proceedings for any remedy available to the Mortgage Trustee, or exercising any trust or power conferred upon the Mortgage Trustee, but the Mortgage Trustee is not required to follow such direction if not sufficiently indemnified for expenditures. (See Mortgage, Sections 67, 71, 80 and 94.)

Evidence to be Furnished to the Mortgage Trustee

Compliance with the Mortgage provisions is evidenced by written statements of NW Natural's officers or persons selected by NW Natural. In certain major matters the accountant, engineer, appraiser or other expert must be independent. Various certificates and other papers, including an annual certificate with reference to compliance with the terms of the Mortgage and absence of defaults, are required to be filed annually and upon the occurrence of certain events. (See Mortgage, Sections 38, 41-46 and 121.)

Modification of the Mortgage

The rights of the bondholders may be modified with the consent of holders of 66 2/3% of the First Mortgage Bonds and, if less than all series of First Mortgage Bonds are affected, the consent also of holders of 66 2/3% of First Mortgage Bonds of each series affected. In general, no modification of the terms of payment of principal and interest, permitting liens prior or equal to the lien of the Mortgage, depriving a non-assenting bondholder of the benefit of a lien on the mortgaged property or reducing the percentage required for modification (except as provided above) will be effective against any bondholder without his or her consent. (See Ninth Supplemental Indenture, Section 6, and Twenty-second Supplemental Indenture, Section 1.01.)

NW Natural has reserved the right to amend the Mortgage to provide that the rights of the bondholders (other than those described above that require the consent of each affected bondholder) may be modified with the consent of the holders of a majority in aggregate principal amount of then outstanding First Mortgage Bonds, considered as one class, or if less than all of the series of First Mortgage Bonds outstanding are directly affected by a proposed amendment or modification, then the consent of the holders of only a majority in aggregate principal amount of the outstanding First Mortgage Bonds of all series that are directly affected, considered as one class. (See Twenty-second Supplemental Indenture, Section 2.15.)

NW Natural has reserved the right to amend the Mortgage to permit NW Natural and the Corporate Trustee, without the consent of any holder of First Mortgage Bonds, to enter into one or more supplemental indentures for any of the following purposes:

- to evidence the assumption by any permitted successor of NW Natural's covenants in the Mortgage and in the First Mortgage Bonds;
- to add one or more covenants or other provisions for the benefit of the holders of all or any series of First Mortgage Bonds, or to surrender any right or power conferred upon NW Natural and to make an occurrence of a default in performance of any such additional covenants, an additional "default";
- to correct or amplify the description of any property at any time subject to the lien of the Mortgage, or better to assure, convey and confirm unto the Mortgage Trustee any property subject or required to be subjected to the lien of the Mortgage, or to subject to the lien of the Mortgage additional property;
- to change or eliminate or add any new provision to the Mortgage; provided, however, that no such change, elimination or addition will adversely affect the interests of the holders of First Mortgage Bonds of any series in any material respect;
- to establish the form or terms of First Mortgage Bonds of any other series as permitted by the Mortgage;

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- to provide for the procedures required to permit NW Natural to utilize, at its option, a non-certificated system of registration for all or any series of First Mortgage Bonds;
- to change any place where principal, premium, if any, and interest shall be payable, First Mortgage Bonds may be surrendered for registration of transfer or exchange, and notices and demands to NW Natural may be served; and
- to cure any ambiguity or inconsistency or to make any other changes or additions to the provisions of the Mortgage if such changes or additions will not adversely affect the interests of the holders of First Mortgage Bonds of any series in any material respect. (See Twenty-second Supplemental Indenture, Section 2.16.)

Consolidation, Merger and Conveyance of Assets

The Mortgage provides that NW Natural may consolidate with or merge into any other entity or convey, transfer or lease as, or substantially as, an entirety to any entity the mortgaged property, if:

- such merger, consolidation, conveyance, transfer or lease is upon such terms as to preserve, and in no respect impair, the lien and security of the Mortgage and the rights and powers of the Mortgage Trustee and the holders of First Mortgage Bonds;
- the survivor or successor corporation expressly assumes by supplemental indenture NW Natural's obligations on all First Mortgage Bonds then outstanding and under the Mortgage; and
- in the case of a lease, such lease is made expressly subject to termination by NW Natural or by the Mortgage Trustee and by the purchaser of the property so leased at any sale thereof at any time during the continuance of a default under the Mortgage.

In the case of the conveyance or other transfer of the mortgaged property as, or substantially as, an entirety to another corporation, upon the satisfaction of all the conditions described above, such corporation would succeed and be substituted for NW Natural under the Mortgage.

The Mortgage does not prevent or restrict any conveyance or other transfer, or lease, of any part of the mortgaged property that does not constitute the entirety, or substantially the entirety, of the mortgaged property.

Although NW Natural's successor may, in its sole discretion, subject to the lien of the Mortgage any property then owned or thereafter acquired by the successor, the lien of the Mortgage generally will not cover the property of the successor other than the mortgaged property it acquires from NW Natural and improvements, extensions and additions to such property and renewals, replacements and substitutions thereof, within the meaning of the Mortgage.

The terms of the Mortgage do not restrict mergers in which NW Natural is the surviving entity. (See Mortgage, Sections 85, 86 and 87.)

NW Natural has reserved the right to amend the Mortgage as follows:

- to provide that, in the case of a consolidation or merger after the consummation of which NW Natural would be the surviving or resulting entity, unless NW Natural otherwise provides in a supplemental indenture to the Mortgage, the lien of the Mortgage will generally not cover any of the properties acquired by NW Natural in or as a result of such transaction or any improvements, extensions or additions to those properties;
- to provide that any conveyance, transfer or lease of any of NW Natural's properties where NW Natural retains mortgaged property with a fair value in excess of 10/7ths of the aggregate principal amount of all outstanding First Mortgage Bonds, and any other outstanding debt secured by a purchase money

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lien that ranks equally with, or senior to, the First Mortgage Bonds with respect to the mortgaged property, shall not be deemed to be a conveyance, transfer or lease of all or substantially all of the mortgaged property. This fair value will be determined within 90 days of the conveyance, transfer or lease by an independent expert that NW Natural selects; and

- to provide that if NW Natural transfers all or substantially all of the mortgaged property as an entirety to a successor entity as described above, NW Natural may be released of all of its obligations under the Mortgage or any First Mortgage Bonds assumed by such successor. (See Twenty-second Supplemental Indenture, Sections 2.09, 2.10 and 2.18.)

The Corporate Trustee

Deutsche Bank Trust Company Americas also serves as the Indenture Trustee under the Indenture under which the Indenture Securities, as defined below, are issued.

NW Natural has reserved the right to amend the Mortgage without the consent or other action by the holders of First Mortgage Bonds to provide that, so long as no default has occurred and is continuing and except with respect to a Corporate Trustee appointed by act of the bondholders, if NW Natural has delivered to the Corporate Trustee a board resolution appointing a successor Corporate Trustee and the successor has accepted the appointment in accordance with the terms of the Mortgage, the Corporate Trustee will be deemed to have resigned and the successor will be deemed to have been appointed as Corporate Trustee in accordance with the Mortgage. (See Twenty-second Supplemental Indenture, Section 2.11.)

DESCRIPTION OF THE UNSECURED DEBT SECURITIES**General**

NW Natural will issue its unsecured debt securities, in one or more series, under an Indenture, dated as of June 1, 1991, between NW Natural and Deutsche Bank Trust Company Americas, as trustee (Indenture Trustee). This Indenture, as it may be amended and supplemented from time to time, is referred to in this prospectus as the "Indenture." These unsecured debt securities offered by this prospectus are referred to in this prospectus as the "Unsecured Debt Securities."

The Indenture provides for the issuance of debentures, notes or other debt by NW Natural in an unlimited amount from time to time. The Unsecured Debt Securities and all other debentures, notes or other debt of NW Natural issued or to be issued under the Indenture are collectively referred to in this prospectus as the "Indenture Securities."

The Indenture does not limit the amount of debt, secured or unsecured, which may be issued by NW Natural.

Indenture Securities will rank equally with all other unsecured and unsubordinated indebtedness of NW Natural. Substantially all of the gas plants, distribution systems and certain other materially important physical properties of NW Natural are subject to the lien of the Mortgage securing the First Mortgage Bonds. (See "Description of the Bonds—Security" and "—Issuance of Additional First Mortgage Bonds", above.)

This section briefly summarizes some of the provisions of the Unsecured Debt Securities and some of the provisions of the Indenture and uses some terms that are not defined in this prospectus but that are defined in the Indenture. This summary is not complete and is qualified in its entirety by the Indenture which is on file with the SEC. You should read the Indenture for a complete understanding of the provisions that may be important to you and for the definitions of some terms used in this summary.

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Each series of Unsecured Debt Securities may have different terms. NW Natural will include some or all of the following information about a specific series of Unsecured Debt Securities in the prospectus supplement(s) relating to those Unsecured Debt Securities:

- the title of those Unsecured Debt Securities,
- any limit upon the aggregate principal amount of those Unsecured Debt Securities,
- whether those Unsecured Debt Securities will be offered on a periodic basis, with the specific terms of such Unsecured Debt Securities to be determined upon their issuance.
- the date(s) on which, and the manner in which, NW Natural will pay the principal of those Unsecured Debt Securities,
- the rate(s) of interest on those Unsecured Debt Securities, or how the rate(s) of interest will be determined, the date(s) from which interest will accrue, the dates on which NW Natural will pay interest, the record date for any interest payable on any interest payment date, the manner in which such interest shall be payable, and the basis of computation of interest,
- the place(s) at which or methods by which the registered owners of those Unsecured Debt Securities may transfer or exchange those Unsecured Debt Securities and serve notices and demands to or upon NW Natural,
- any date(s) on which, the price(s) at which and the terms and conditions upon which those Unsecured Debt Securities may be redeemed, in whole or in part, at the option of NW Natural,
- any obligation of NW Natural, and the terms and conditions thereof, to redeem or repurchase those Unsecured Debt Securities, pursuant to any sinking fund or other provisions that would obligate NW Natural to repurchase or redeem those Unsecured Debt Securities,
- the denominations in which NW Natural may issue those Unsecured Debt Securities, if other than denominations of \$1,000 and any integral multiple of \$1,000,
- whether the amount of payments of principal of, or premium, if any, or interest on those Unsecured Debt Securities, may be determined with reference to an index, and, if so the manner in which such amounts shall be determined,
- the portion of the principal amount of those Unsecured Debt Securities that NW Natural will pay upon declaration of acceleration of the maturity of those Unsecured Debt Securities, if other than the entire principal amount of those Unsecured Debt Securities,
- any events of default with respect to those Unsecured Debt Securities and any covenants of NW Natural for the benefit of the registered owners of those Unsecured Debt Securities, other than those specified in this prospectus,
- the terms, if any, pursuant to which those Unsecured Debt Securities may be converted into or exchanged for shares of capital stock or other securities of NW Natural or any other entity,
- the person to whom NW Natural will pay interest on those Unsecured Debt Securities on any interest payment date, if other than the person in whose name those Unsecured Debt Securities are registered at the close of business on the record date for that interest payment,
- the amount and terms of a service charge, if any, for the registration of transfer or exchange of those Unsecured Debt Securities,
- any exceptions to the definition of Legal Holiday or variation in the definition of Business Day under the Indenture with respect to those Unsecured Debt Securities,

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- the terms, if any, required to permit those Unsecured Debt Securities to be registered pursuant to a non-certificated system of registration, and
- any other terms of those Unsecured Debt Securities that are not inconsistent with the provisions of the Indenture.

Except as may otherwise be described in a prospectus supplement, the covenants contained in the Indenture will not afford holders of the Unsecured Debt Securities protection in the event of a highly-leveraged or similar transaction involving NW Natural or in the event of a change in control.

Form, Exchange and Payment

Unless otherwise specified in the prospectus supplement relating to the Unsecured Debt Securities, the Unsecured Debt Securities will be (1) issued in fully registered form in denominations of \$1,000 or any amount in excess thereof that is an integral multiple of \$1,000 and (2) exchangeable at the office of Deutsche Bank Trust Company Americas in New York City, without charge other than taxes or other governmental charges incident thereto, and principal, premium, if any, and interest will be payable at such office.

Defeasance

The principal amount of the Unsecured Debt Securities of any series issued under the Indenture will be deemed to have been paid for purposes of the Indenture and the entire indebtedness of NW Natural in respect thereof will be deemed to have been satisfied and discharged, if there shall have been irrevocably deposited with the Indenture Trustee, in trust:

- (1) money in an amount which will be sufficient, or
- (2) in the case of a deposit made prior to the maturity of those Unsecured Debt Securities, Government Obligations (as defined below), which do not contain provisions permitting the redemption or other prepayment thereof at the option of the issuer thereof, the principal of and the interest on which when due, without any regard to reinvestment thereof, will provide moneys which, together with the money, if any, deposited with or held by the Indenture Trustee, will be sufficient, or
- (3) a combination of (1) and (2) which will be sufficient,

to pay when due the principal of and premium, if any, and interest, if any, due and to become due on the Unsecured Debt Securities of that series that are outstanding. For this purpose, Government Obligations include direct obligations of, or obligations unconditionally guaranteed by, the United States of America entitled to the benefit of the full faith and credit thereof and certificates, depositary receipts or other instruments which evidence a direct ownership interest in such obligations or in any specific interest or principal payments due in respect thereof. (See Indenture, Sections 101, 701.)

If NW Natural deposits any money and/or Government Obligations with respect to the Unsecured Debt Securities of any series, or any portion of the principal amount thereof, prior to the maturity or redemption of such Unsecured Debt Securities or such portion of the principal amount thereof, for the satisfaction or discharge of the indebtedness of NW Natural in respect to such Unsecured Debt Securities or such portion thereof as described in Section 701 of the Indenture, NW Natural shall deliver to the Indenture Trustee either:

- (1) an instrument wherein NW Natural, notwithstanding such satisfaction and discharge, shall assume the obligation to irrevocably deposit with the Indenture Trustee such additional sums of money, if any, or additional Government Obligations, if any, or any combination thereof, at such time or times, as shall be necessary, together with the money and/or Government Obligations previously deposited, to pay when due the principal of and premium, if any, and interest due and to become due on such Unsecured Debt Securities or such portions thereof, all in accordance with and subject to the provisions of said

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Section 701; provided, however, that such instrument may state that the obligation of NW Natural to make additional deposits as described above shall be subject to the delivery to NW Natural by the Indenture Trustee of a notice asserting the amount of such deficiency accompanied by an opinion of an independent public accountant of nationally recognized standing, selected by the Indenture Trustee, showing the calculation thereof, or

- (2) an opinion of counsel to the effect that the holders of such Unsecured Debt Securities, or such portions of the principal amount thereof, will not recognize income, gain or loss for United States federal income tax purposes as a result of such satisfaction and discharge and will be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such satisfaction and discharge had not been effected.

In the event that NW Natural shall elect to deliver to the Indenture Trustee an instrument as described in clause (1) of the preceding paragraph in connection with any such deposit of money and/or Government Obligations with the Indenture Trustee, under current applicable United States federal income tax regulations, the holders of such Unsecured Debt Securities, or such portions thereof, will not recognize income, gain or loss for United States federal income tax purposes as a result of such satisfaction and discharge and will be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such deposit had not been effected. There can be no assurance that such United States federal income tax regulations will not change such that, as a result of such deposit and delivery by NW Natural of such instrument, holders of Unsecured Debt Securities may recognize income, gain or loss for United States federal income tax purposes and may not be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such deposit had not been made.

Events of Default and Notice Thereof

Events of default are:

- (1) default for three business days in payment of principal,
- (2) default for 60 days in payment of interest,
- (3) certain events in bankruptcy, insolvency or reorganization,
- (4) default for 90 days after notice in the case of a breach of any other covenant, and
- (5) any other event of default specified with respect to the Indenture Securities of a particular series.

No event of default with respect to a series of Indenture Securities necessarily constitutes an event of default with respect to the Indenture Securities of any other series.

The Indenture Trustee may withhold notice of default (except in payment of principal, interest or any funds for the retirement of Indenture Securities) if it, in good faith, determines that withholding of such notice is in the interest of the holders of the Indenture Securities. (See Indenture, Sections 801 and 903.)

Either the Indenture Trustee or the holders of not less than 33% in principal amount (or such lesser amount as may be provided in the case of discount Indenture Securities) of the outstanding Indenture Securities of all defaulted series, considered as one class, may declare the principal and interest on such series due on default, but NW Natural may annul such default by effecting its cure and paying overdue interest and principal. There is no automatic acceleration even in the event of NW Natural's bankruptcy, insolvency or reorganization. No holder of Indenture Securities may enforce the Indenture without having given the Indenture Trustee written notice of default, and unless the holders of a majority of the Indenture Securities of all defaulted series, considered as one class, shall have requested the Indenture Trustee to act and offered reasonable indemnity, and for 60 days the Indenture Trustee shall have failed to act. But, each holder has an absolute right to receive payment of principal and interest when due and to institute suit for the enforcement of such payment. The Indenture Trustee is not required to risk its funds or incur any financial liability if it has reasonable grounds to believe that repayment is not reasonably assured.

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The holders of a majority of the Indenture Securities of all defaulted series, considered as one class, may direct the time, method and place of conducting any proceedings for any remedy available to the Indenture Trustee, or exercising any trust or power conferred on the Indenture Trustee, with respect to the Indenture Securities of such series, but the Indenture Trustee is not required to follow such direction if not sufficiently indemnified and the Indenture Trustee may take any other action it deems proper which is not inconsistent with such direction. (See Indenture, Sections 802, 807, 808, 812 and 902.)

Evidence to be Furnished to the Indenture Trustee

Compliance with the Indenture provisions will be evidenced by written statements of NW Natural's officers. An annual certificate with reference to compliance with the covenants and conditions of the Indenture and the absence of defaults is required to be filed with the Indenture Trustee. (See Indenture, Section 1004.)

Modification of the Indenture

The rights of the holders of the Indenture Securities may be modified with the consent of the holders of a majority of the Indenture Securities of all series or Tranches, as defined below, affected, considered as one class. However, certain specified rights of the holders of Indenture Securities may be modified without the consent of the holders if such modification would not be deemed to adversely affect their interests in any material respect.

In general, no modification of the terms of payment of principal and interest, no reduction of the percentage in principal amount of the Indenture Securities outstanding under such series required to consent to any supplemental indenture or waiver under the Indenture, no reduction of such percentage necessary for quorum and voting, and no modification of certain of the provisions in the Indenture relating to supplemental indentures, waivers of certain covenants and waivers of past defaults is effective against any holder of Indenture Securities without the consent of such holder. "Tranche" means a group of Indenture Securities which are of the same series and have identical terms except as to principal amount and/or date of issuance. (See Indenture, Article Twelve.)

The Indenture Trustee

Deutsche Bank Trust Company Americas also serves as the Corporate Trustee under the Mortgage under which the First Mortgage Bonds are issued.

DESCRIPTION OF JUNIOR SUBORDINATED DEBENTURES

NW Natural may issue junior subordinated debentures, in one or more series, under an indenture, between NW Natural and the trustee specified therein. The terms of any junior subordinated debentures will be described in a prospectus supplement.

DESCRIPTION OF PREFERRED STOCK**General**

The following is a summary of certain rights and privileges of NW Natural's preferred stock, none of which is currently outstanding. This summary description does not purport to be complete. Reference is made to NW Natural's Amended and Restated Articles of Incorporation, amended as of June 3, 2008, and Bylaws, as amended through May 22, 2014, and any articles of amendment to the Amended and Restated Articles of Incorporation establishing a particular series of preferred stock, which are filed as exhibits to this registration statement, or in the case of any articles of amendment relating to a future series of preferred stock, will be filed with the SEC prior to the issuance of such series, and incorporated herein by reference. The following statements are qualified in their entirety by such references.

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The Board of Directors is authorized under NW Natural's Amended and Restated Articles of Incorporation to provide for the issuance from time to time of preferred stock in one or more series, and as to each series to fix and determine the relative rights and preferences, serial designation, dividend rate, redemption prices, voluntary and involuntary liquidation prices, sinking fund provisions for the redemption or purchase of shares, if any, and conversion provisions, if any, applicable to shares of such series. NW Natural will include some or all of this information about a specific series of preferred stock being offered in the prospectus supplement(s) relating to such series. As used herein, the term "preferred stock" includes all series.

Under NW Natural's Amended and Restated Articles of Incorporation, NW Natural is authorized to issue 100,000,000 shares of common stock and 3,500,000 shares of preferred stock. At October 21, 2016, 27,557,756 shares of common stock were outstanding and no shares of preferred stock were outstanding.

Dividends

Each series of the preferred stock shall be entitled in preference to the common stock to dividends cumulative from the date of issue, at the rate fixed by the Board of Directors, payable quarterly on February 15, May 15, August 15 and November 15 in each year or on such other date or dates as the Board of Directors shall determine.

Voting Rights

Generally, only NW Natural's common stock has voting rights. The common stock has cumulative voting rights with respect to the election of directors. The preferred stock shall have no right to vote in the election of directors or for any other purpose, except as may be otherwise provided by law or by resolutions establishing any series of preferred stock in accordance with NW Natural's Amended and Restated Articles of Incorporation.

Certain terms relating to NW Natural's preferred stock in respect of dividends, liquidation rights, limitations on payment of dividends and voting are discussed below in "Description of Common Stock—Dividends and Liquidation Rights" and "—Dividend Limitations".

DESCRIPTION OF COMMON STOCK

General

The following is a summary of certain rights and privileges of NW Natural's common stock. This summary description does not purport to be complete. Reference is made to NW Natural's Amended and Restated Articles of Incorporation, amended as of June 3, 2008, and Bylaws, as amended through May 22, 2014, which are incorporated herein by reference. The following statements are qualified in their entirety by such references.

Under NW Natural's Amended and Restated Articles of Incorporation, NW Natural is authorized to issue 100,000,000 shares of common stock and 3,500,000 shares of preferred stock. At October 21, 2016, 27,557,756 shares of common stock were outstanding and no shares of preferred stock were outstanding.

Dividends and Liquidation Rights

Except as hereinafter stated, the common stock is entitled to receive such dividends as are declared by the Board of Directors and to receive ratably on liquidation any assets which remain after payment of liabilities. NW Natural has an authorized class of senior capital stock, referred to as preferred stock, none of which is currently outstanding. NW Natural's preferred stock is entitled in preference to the common stock (1) to cumulative dividends at the annual rate fixed for each series by the Board of Directors, and (2) in voluntary and involuntary liquidation, to the amounts fixed for each series by the Board of Directors, plus in each case, unpaid accumulated dividends.

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Dividend Limitations

Should dividends on the preferred stock be in arrears, no dividends on the common stock may be paid or declared. Future series of the preferred stock could contain sinking fund, purchase or redemption obligations under which no dividends on the common stock may be paid or declared while such obligations are in default. Common stock dividends also may be restricted by the provisions of future instruments pursuant to which NW Natural may issue long-term debt.

Voting Rights

Except as provided by law or by resolutions establishing any series of preferred stock, only the common stock has voting rights. Cumulative voting is permitted by the Amended and Restated Articles of Incorporation to holders of common stock at elections of directors.

Classification of the Board of Directors

The Board of Directors of NW Natural may consist of not less than 9 nor more than 13 persons, as determined by the Board, divided into three classes as nearly equal in number as possible. The number of directors as of the date of this prospectus is 10. One class is elected for a three-year term at each annual meeting of shareholders. Vacancies, including those resulting from an increase in the size of the Board, may be filled by a majority vote of the directors then in office, to serve until the next annual meeting of shareholders. One or more of the directors may be removed, with or without cause, by the affirmative vote of the holders of not less than two-thirds of the shares entitled to vote thereon; provided, however, that if fewer than all of the directors should be candidates for removal, no one of them shall be removed if the votes cast against such director's removal would be sufficient to elect such director if then cumulatively voted at an election of the class of directors of which such director shall be a part. Except for those persons nominated by the Board, no person shall be eligible for election as a director unless a request from a shareholder entitled to vote in the election of directors that such person be nominated and such person's consent thereto shall be delivered to the Secretary of NW Natural within the time period specified in advance of the meeting at which such election shall be held. The foregoing provisions may not be amended or repealed except by the affirmative vote of the holders of not less than two-thirds of the shares entitled to vote at an election of directors.

Business Transactions with Related Persons

NW Natural shall not enter into any business transaction with a related person or in which a related person shall have an interest (except proportionately as a shareholder of NW Natural) without first obtaining both (1) the affirmative vote of the holders of not less than two-thirds of the outstanding shares of the capital stock of NW Natural not held by such related person, and (2) the determination of a majority of the continuing directors that the cash or fair market value of the property, securities or other consideration to be received per share by the holders, other than such related person, of the shares of each class or series of the capital stock of NW Natural in such business transaction shall not be less than the highest purchase price paid by such related person in acquiring any of its holdings of shares of the same class or series, unless the continuing directors by a majority vote shall either (a) have expressly approved the acquisition of the shares of the capital stock of NW Natural that caused such related person to become a related person, or (b) have expressly approved such business transaction. As used in this paragraph: a "business transaction" includes a merger, consolidation, plan of exchange or recapitalization, a purchase, sale, lease, exchange, transfer, mortgage or other disposition of all or a substantial part (10% or more of the fair market value of the assets) of the property and assets of NW Natural or a related person, an issuance, sale, exchange or other disposition of securities of NW Natural and a liquidation, spin-off or dissolution; a "related person" includes a person, organization or group thereof owning 10% or more of the capital stock of NW Natural; "continuing directors" are those whose nominations for directorship shall have been approved by a majority of the directors in office on April 9, 1984 or by a majority of the then continuing directors. The foregoing provisions may not be amended or repealed except by the affirmative vote of the holders of not less than two-thirds of the shares of the capital stock of NW Natural (other than shares held by related persons).

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Preemptive Rights

The holders of the common stock have no preemptive rights.

Other Provisions

The issued and outstanding shares of NW Natural's common stock are, and the common stock offered hereby will be, fully paid and nonassessable.

Certain Anti-Takeover Matters

NW Natural's Amended and Restated Articles of Incorporation and Bylaws include a number of provisions that may have the effect of discouraging persons from acquiring large blocks of its stock or delaying or preventing a change in its control. The material provisions that may have such an effect include:

- establishment of a classified Board of Directors, whereby approximately only one-third of the board stands for election each year;
- limitations on certain business transactions (including mergers, consolidations, plans of exchange) with any person or entity and any persons or entities related thereto who beneficially own 10 percent or more of the capital stock of NW Natural;
- authorization for NW Natural's Board of Directors (subject to any applicable law) to issue preferred stock in series and to fix rights and preferences of the series;
- advance notice procedures with respect to nominations of directors or proposals other than those adopted or recommended by NW Natural's Board of Directors; and
- requirement that holders of not less than two-thirds of the shares entitled to vote are required to remove directors or to amend certain provisions of NW Natural's Amended and Restated Articles of Incorporation.

NW Natural is subject to the provisions of sections 60.825 to 60.845 of the Oregon Business Corporation Act (the "Oregon Business Combinations Act") which generally provide that in the event a person or entity acquires 15% or more of NW Natural's voting stock ("interested shareholder"), NW Natural and such interested shareholder and any affiliate may not engage in the following business combinations for a period of three years following the date that person became an interested shareholder:

- a merger or plan of share exchange;
- any sale, lease, mortgage or other disposition of the assets of the corporation where the assets have an aggregate market value equal to 10% or more of the aggregate market value of NW Natural's assets or outstanding capital stock; and
- transactions that result in the issuance of capital stock to the shareholder that acquired 15% or more of the voting stock.

These restrictions do not apply if:

- the Board of Directors approved either the business combination or the share acquisition that resulted in the person becoming an interested shareholder before the time such person became an interested shareholder;
- as a result of the share acquisition, the person became an interested shareholder and 85% owner of the outstanding voting stock, excluding shares owned by persons who are directors and also officers and shares owned by certain employee benefit plans; or
- on or after the date the person became an interested shareholder, the business combination transaction is approved by the Board of Directors and authorized by the affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested shareholder.

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NW Natural is also subject to the provisions of Sections 60.801 to 60.816 of the Oregon Business Corporation Act (the "Oregon Control Share Act"), which generally provide that a person who acquires voting stock in a transaction which results in such person holding more than 20%, 33-1/3% or 50% of the total voting power cannot vote the shares it acquires in the acquisition unless voting rights are accorded to such control shares by the holders of a majority of the outstanding voting shares, excluding the control shares held by such person and shares held by officers and inside directors, and by the holders of a majority of the outstanding voting shares, including the control shares held by such person and shares held by officers and inside directors. This vote would be required at the time an acquiring person's holdings exceed 20% of the total voting power, and again at the time the acquiring person's holdings exceed 33-1/3% and 50%, respectively. The acquiring person may, but is not required to, submit to NW Natural an "acquiring person statement" setting forth certain information about the acquiring person and its plans with respect to NW Natural. The acquiring person statement may also request that NW Natural call a special meeting of shareholders to determine whether the control shares will be allowed to retain voting rights. If the acquiring person does not request a special meeting of shareholders, the issue of voting rights of control shares will be considered at the next annual meeting or special meeting of shareholders that is held more than 60 days after the date of the acquisition of control shares. Shares are not deemed to be acquired in a control share acquisition if, among other things, they are acquired from the issuing corporation, or are issued pursuant to a plan of merger or exchange effected in compliance with the Oregon Business Corporation Act and the issuing corporation is a party to the merger or exchange agreement.

The Oregon Control Share Act and the Oregon Business Combinations Act have anti-takeover effects because they will encourage any potential acquirer to negotiate with NW Natural's Board of Directors and will also discourage potential acquirers unwilling to comply with the provisions of these laws. An Oregon corporation may provide in its articles of incorporation or bylaws that the laws described above do not apply to its shares. NW Natural has not adopted such a provision.

NW Natural is also subject to Oregon Revised Statutes Chapter 757.511 which generally provides that no person, directly or indirectly, shall acquire the power to exercise any substantial influence over the policies and actions of a public utility without first securing from the Oregon Public Utility Commission ("OPUC") an order authorizing such acquisition if such person is, or by such acquisition would become, an "affiliated interest" with such public utility as defined by Oregon law. Any applicant requesting such an order bears the burden of showing that granting the application is in the public interest. This provision of Oregon law may have anti-takeover effects by subjecting potential acquisitions to OPUC review and approval.

PLAN OF DISTRIBUTION

NW Natural may sell the securities offered pursuant to this prospectus and one or more prospectus supplements (Offered Securities) in one or more series in any of three ways: (1) through underwriters or dealers; (2) through agents; or (3) directly to a limited number of purchasers or to a single purchaser.

Through Underwriters or Dealers

If underwriters are used in the sale, the Offered Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at the initial public offering price or at varying prices determined at the time of the sale. The Offered Securities may be offered to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more managing underwriters. The underwriter or underwriters with respect to the Offered Securities will be named in the prospectus supplement relating to such offering and, if an underwriting syndicate is used, the managing underwriter or underwriters will be set forth on the cover page of such prospectus supplement. Unless otherwise set forth in such prospectus supplement, the obligations of the underwriters to purchase the Offered Securities offered by such prospectus supplement will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all of such Offered Securities if any are purchased.

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Through Agents

The Offered Securities may be sold through agents designated by NW Natural from time to time. A prospectus supplement will set forth the name of any agent involved in the offer or sale of the Offered Securities in respect of which such prospectus supplement is delivered as well as any commissions payable by NW Natural to such agent. Unless otherwise indicated in such prospectus supplement, any such agent will be acting on a reasonable best efforts basis for the period of its appointment.

Directly to One or More Purchasers

NW Natural may sell the Offered Securities directly to one or more purchasers. In this case, no underwriters or agents would be involved.

General Information

The prospectus supplement with respect to the Offered Securities will set forth the terms of the offering of such Offered Securities, including:

- the name or names of any underwriters, dealers or agents;
- the purchase price of such Offered Securities and the proceeds to NW Natural from such sale;
- any underwriting discounts, agents' commissions and other items constituting underwriting compensation;
- any initial public offering price; and
- any discounts or concessions allowed or reallocated or paid to dealers.

Any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

If so indicated in the prospectus supplement with respect to the Offered Securities, NW Natural may authorize agents, underwriters or dealers to solicit offers by certain specified institutions to purchase the Offered Securities from NW Natural at the initial public offering price set forth in the prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. Such contracts will be subject to those conditions set forth in such prospectus supplement, and such prospectus supplement will set forth the commission payable for solicitation of such contracts.

Agents, underwriters and dealers may be entitled under agreements entered into with NW Natural to indemnification by NW Natural against certain civil liabilities, including certain liabilities under the Securities Act or to contribution by NW Natural with respect to payments which such agents, underwriters and dealers may be required to make in respect thereof.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2015 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

Table of Contents**LEGALITY**

The legality of the securities will be passed upon for NW Natural by MardiLyn Saathoff, Esquire, Senior Vice President, Regulation and General Counsel of NW Natural, and by Morgan, Lewis & Bockius LLP, New York, New York. Ms. Saathoff may rely upon the opinion of Morgan, Lewis & Bockius LLP as to certain legal matters arising under New York law. Morgan, Lewis & Bockius LLP may rely upon the opinion of Ms. Saathoff as to certain legal matters arising under Oregon law. Ms. Saathoff is regularly employed by NW Natural, participates in various NW Natural employee benefit plans under which she may receive shares of common stock and currently beneficially owns less than one percent of the outstanding shares of common stock of NW Natural.

NW Natural's principal executive offices are located at One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209, and its telephone number is (503) 226-4211.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 8, 2016.

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PROSPECTUS



NORTHWEST NATURAL GAS COMPANY

DIVIDEND REINVESTMENT AND DIRECT STOCK PURCHASE PLAN

Common Stock

Northwest Natural Gas Company (NW Natural) has established its Dividend Reinvestment and Direct Stock Purchase Plan (Plan) to provide participants with a convenient way to purchase shares of common stock and reinvest all or a portion of the cash dividends paid on common stock in additional shares of NW Natural's common stock.

Participants in the Plan may:

- Reinvest cash dividends paid on the participants' shares of NW Natural's common stock in additional shares of common stock;
- Increase their investment in NW Natural's common stock by making optional cash payments of not less than \$50 per investment and not more than \$250,000 per calendar year, which maximum amount may be waived at our discretion, and continue to receive cash dividends on shares registered in their names or held in certificate form;
- Make an initial investment in NW Natural's common stock with a cash investment of at least \$250;
- Deposit certificates representing common stock into their Plan accounts for safekeeping;
- Sell shares of common stock credited to their Plan accounts;
- Request that any number of whole shares credited to their Plan accounts be moved to NW Natural's direct registration system or that certificates be issued to them for such shares; and
- Withdraw from the Plan at any time.

Shares purchased under the Plan will, at NW Natural's option, be (i) authorized but unissued shares purchased directly from NW Natural, (ii) shares purchased in the open market or in privately negotiated transactions, or (iii) any combination of the foregoing. Any open market or privately negotiated purchases will be made through an independent agent. This prospectus relates to the offer and sale of up to 541,526 shares of common stock offered under the Plan.

Investors currently participating in the Plan will remain enrolled in the Plan and do not have to take any action unless they wish to terminate participation or change an election in the Plan.

NW Natural's common stock is listed on the New York Stock Exchange and trades under the ticker symbol "NWN."

To the extent required by applicable law in certain jurisdictions, shares of common stock offered under the Plan to certain persons are offered only through a registered broker/dealer in such jurisdictions.

See the discussion of [risk factors](#) on page 2 of this prospectus and as contained in NW Natural's annual, quarterly and current reports filed with the Securities and Exchange Commission under the Securities

Exchange Act of 1934, which are incorporated by reference into this prospectus, to read about certain factors you should consider before purchasing any of the securities being offered.

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You should rely only on the information contained in this prospectus and the documents that have been incorporated by reference. NW Natural has not authorized anyone else to provide you with different information. NW Natural is not making an offer of the common stock in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus, as well as the information NW Natural has previously filed with the Securities and Exchange Commission that NW Natural incorporates by reference, is accurate as of any date other than the date thereof.

Table of Contents**WHERE YOU CAN FIND MORE INFORMATION**

NW Natural files annual, quarterly and other reports and other information with the SEC. Reports, proxy statements and other information filed by NW Natural can be read and copied at the public reference room of the SEC, 100 F Street, N.E., Washington, D.C. 20549. You can obtain additional information about the Public Reference Room by calling the SEC at 1-800-SEC-0330.

In addition, the SEC maintains a Web site (<http://www.sec.gov>) that contains reports, proxy statements and other information filed electronically by NW Natural. NW Natural also maintains a Web site (<http://www.nwnatural.com>). Information contained on NW Natural's Web site does not constitute part of this prospectus.

The SEC allows NW Natural to "incorporate by reference" the information that NW Natural files with the SEC, which means that NW Natural may, in this prospectus, disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. NW Natural is incorporating by reference the documents listed below (other than any portions of such documents that are deemed to be furnished and not filed) and any future filings NW Natural makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (Exchange Act), until NW Natural sells all of the common stock described in this prospectus. Information that NW Natural files in the future with the SEC will automatically update and supersede this information.

We hereby incorporate by reference into this prospectus the following documents that we have filed with the SEC under the Securities Exchange Act File No. 001-15973:

- NW Natural's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.
- NW Natural's Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30, and September 30, 2016.
- NW Natural's Current Reports on Form 8-K filed with the SEC on February 5, 2016, March 21, 2016, June 2, 2016, July 29, 2016 and September 2, 2016 (as amended on September 23, 2016).
- The description of our common stock as set forth in our Registration Statement on Form 8-A/A filed with the SEC on October 26, 2016.

You may request a copy of these documents, at no cost to you, by writing or calling Shareholder Services, Northwest Natural Gas Company, One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209, telephone 503-226-4211, extension 2402.

FORWARD-LOOKING STATEMENTS

This document does, and the documents incorporated herein by reference may, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Exchange Act. Although NW Natural believes these statements are based on reasonable assumptions, no assurance can be given that actual results will not differ from those in the forward-looking statements contained herein and in the incorporated documents. The forward-looking statements contained herein and in the incorporated documents may be affected by various uncertainties. For a further discussion of forward-looking statements and of factors which may affect forward-looking statements contained herein and in the incorporated documents, see NW Natural's most recent Annual Report on Form 10-K and any of its Quarterly Reports on Form 10-Q filed after that Annual Report on Form 10-K.

NW NATURAL

NW Natural is principally engaged in the distribution of natural gas in Oregon and southwest Washington. NW Natural and its predecessors have supplied gas service to the public since 1859. NW Natural's executive offices are located at One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209. Its telephone number is 503-226-4211.

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Table of Contents**RISK FACTORS**

Investing in the common stock involves certain risks. You are urged to read and consider the risk factors described in NW Natural's annual, quarterly and current reports filed with the SEC under the Exchange Act, which are incorporated by reference into this prospectus. Before making an investment decision, you should carefully consider these risks as well as other information NW Natural includes or incorporates by reference in this prospectus. You should also be aware that new risks may emerge in the future at any time, and NW Natural cannot predict such risks or estimate the extent to which they may affect NW Natural's financial condition or performance.

You should also consider specific risk factors such as:

The price of NW Natural's common stock may rise during the period between making an optional cash payment, receipt of the payment by the Plan administrator and the actual purchase of the stock.

Participants in the Plan have no control over or authority to direct the timing or price at which shares of common stock are purchased for their accounts. You bear this risk by participating in the Plan. You will not earn interest on funds held by the Plan administrator pending their investment in common stock.

The price of NW Natural common stock may fall during the period between a request for sale, receipt of the request by the Plan administrator and the sale in the open market.

Participants should be aware that the price of NW Natural common stock may fall during the period between a request for sale, receipt of the request by the Plan administrator and the sale of the stock in the open market. You bear this risk by participating in the Plan. Therefore, you should evaluate this possibility when deciding whether and when to sell any shares through the Plan.

THE PLAN**DESCRIPTION OF THE PLAN**

The provisions of the Plan in effect on and after the date hereof are presented in the following questions and answers.

Purpose**1. WHAT IS THE PURPOSE OF THE PLAN?**

The Plan provides interested investors with a convenient method of purchasing NW Natural's common stock directly through the Plan administrator and provides current shareholders with a convenient method of investing cash dividends on their NW Natural shares in additional shares of common stock. At NW Natural's option, shares purchased under the Plan will be (a) authorized but unissued shares purchased directly from NW Natural, (b) shares purchased in the open market or in privately negotiated transactions, or (c) any combination of the foregoing. When shares purchased under the Plan are acquired directly from NW Natural, NW Natural will receive additional equity funds which will be added to its general funds and used for its continuing construction program and general corporate purposes as described in "Use of Proceeds."

Advantages**2. WHAT ARE THE ADVANTAGES OF THE PLAN?**

- Investors who are not shareholders may enroll in the Plan by making an initial cash investment of at least \$250.

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- Participants in the Plan may elect to have cash dividends on all or a portion of the shares of common stock registered in their names (Registered Shares) and cash dividends on all the shares of common stock in their Plan accounts (Plan Shares) automatically reinvested. All shares purchased under the Plan will be credited to and, unless otherwise requested, held in participant's accounts under the Plan. Cash dividends which are not reinvested will be paid to participants by check or through electronic direct deposit.
- Participants in the Plan may make optional cash payments (including payments made by authorizing direct debit from their personal bank accounts), after the initial investment, of up to a maximum amount of \$250,000 per calendar year, which maximum amount may be waived at our discretion.
- Full investment of funds is possible under the Plan because both full and fractional shares will be credited to participants' Plan accounts.
- Participants may enroll and manage their Plan accounts through the Agent's website at <http://www.amstock.com>.
- Personal recordkeeping is simplified by the issuance of statements showing account activity. Statements of account are a participant's continuing record of transactions and should be retained for tax purposes.
- Participants may sell shares of common stock held or deposited in their Plan accounts.

Disadvantages

3. WHAT ARE THE DISADVANTAGES OF THE PLAN?

- A participant will have no control over the prices at which shares are purchased or sold for his or her account, because:
 - purchases for the participant's account will be made during periods prescribed under the Plan. See Questions 10 and 15; and
 - participants cannot designate a specific price or a specific date at which to sell shares or select the broker through which sales will be made. See Question 20.Therefore, the participant will bear the risk of fluctuations in the market price of NW Natural's common stock. See "Risk Factors."
- A participant will not receive any interest on dividends or optional cash payments held by the Plan administrator before the investment date.
- In the event that shares purchased under the Plan will be purchased in the open market or in privately negotiated transactions, participants in the Plan will pay a pro rata share of any brokerage fees and transaction costs incurred in connection with purchases of shares.

Other Features

4. WHAT ARE OTHER FEATURES OF THE PLAN?

- Non-shareholders of legal age may participate in the Plan by making a minimum initial cash investment of \$250 to purchase NW Natural's common stock under the terms of the Plan.
- For each meeting of shareholders, participants will receive proxies that will enable them to vote both Registered Shares and Plan Shares.

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Administration

5. WHO ADMINISTERS THE PLAN?

By participating in the Plan, each participant designates American Stock Transfer & Trust Company, LLC (AST) (or a successor thereto) as his or her Agent under the Plan. The Agent will administer the Plan, receive and hold participants' funds pending investment in additional shares of common stock, effect transfers of common stock, keep a continuous record of participation and prepare and send to each participant statements of the participant's Plan account. Shares purchased under the Plan will be registered in the name of the Agent (or its nominee) and held by the Agent for each participant in the Plan. In the event that AST ceases to act as the Plan administrator, NW Natural will appoint a new Plan administrator to act as Agent and administer the Plan.

The Agent will use a broker-dealer registered under the Securities Exchange Act of 1934, as amended (Purchasing Representative) to act as an independent agent on behalf of Plan participants in purchasing and selling shares for participants in the open market or in privately negotiated transactions. Subject to the objective of obtaining the lowest over-all costs of shares purchased, the Purchasing Representative will have full discretion as to all matters relating to purchases of shares.

The law in some jurisdictions requires NW Natural to offer shares through this Plan only through a registered broker/dealer. In those instances, the Purchasing Representative will also act as the registered broker/dealer.

NW Natural reserves the right to interpret and administer the Plan as deemed necessary or desirable, including the right to limit or deny participation in the Plan where circumstances warrant. The terms and conditions of the Plan and its operation shall be governed by and construed in accordance with the laws of the State of Oregon. None of NW Natural, AST, or its Purchasing Representative will be liable for any act done in good faith or for any omission to act in good faith, provided that NW Natural shall not be relieved from any liability imposed under any federal, state or other applicable securities law which cannot be waived. You should recognize that NW Natural cannot assure you of a profit or protect you against a loss on shares purchased or sold under the Plan. A participant participates in the Plan at his or her sole discretion, risk and responsibility. See "Risk Factors."

6. WHO SHOULD I CONTACT WITH QUESTIONS CONCERNING THE PLAN AND ITS ADMINISTRATION?

Participants may contact the Agent:

- by writing to:

For inquiries:
American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219

For transaction processing:
American Stock Transfer & Trust Company, LLC
P.O. Box 922
Wall Street Station
New York, NY 10269-0560

- by calling 1-888-777-0321 from 8 a.m. to 8 p.m. ET, Monday through Friday. The interactive voice response is available 24 hours a day, 7 days per week.
- by email at info@amstock.com, or
- by visiting the Agent's website at <http://www.amstock.com>.

Existing shareholders may log into their accounts at www.amstock.com by clicking on "Shareholder Account Access" and following the instructions.

Non-shareholders may enroll in and purchase shares under the Plan at www.amstock.com by clicking on "Invest Online" and following the instructions.

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7. MAY THE PLAN BE SUSPENDED, MODIFIED OR DISCONTINUED?

The Board of Directors of NW Natural reserves the right to amend, suspend, modify or terminate the Plan at any time, including, but not limited to, the right to modify the fees and commissions charged to participants. Notice of any such amendment, suspension, major modification or termination of the Plan would be provided to all participants. Upon termination of the Plan, the Agent will send you a certificate or a statement evidencing electronically issued shares credited to your account for whole Plan Shares held in your account at the time of termination and a check for the cash value of any fractional Plan Shares held at such time.

Eligibility

8. WHO IS ELIGIBLE TO PARTICIPATE IN THE PLAN?

The Plan is available to any person of legal age or entity, whether or not a holder of NW Natural's common stock, provided that such person or entity fulfills the prerequisites for participation described under Question 9 and participation would not violate the securities or other laws of the state, territory or country where the participant resides that are applicable to NW Natural, the Plan or the participant. Shares for which dividends are reinvested by the Plan must be Registered Shares or Plan Shares. Beneficial owners of NW Natural common stock are owners whose shares are held in a brokerage account by a bank, broker or other custodial institution in "street name." In order to participate in the Plan, such beneficial owners must request the bank, broker or other custodial institution to have such shares registered in the owner's name. Alternatively, such beneficial owners may participate in the Plan indirectly by requesting the bank, broker or custodial institution to participate on the owner's behalf.

In certain jurisdictions, applicable laws require NW Natural to use a registered broker-dealer to offer common stock under the Plan to persons not presently shareholders of record. No offers or sales will be effected in those jurisdictions unless NW Natural has satisfied the requirements of the state securities laws applicable to the operation of the Plan. To the extent required by applicable law in certain jurisdictions, NW Natural will offer shares of common stock under the Plan to persons not presently shareholders of record of common stock only through a registered broker/dealer in those jurisdictions. The Agent will select a registered broker/dealer through whom NW Natural will offer shares in those instances and for all Plan trading activity.

A Plan prospectus and enrollment or application information will be furnished upon request made to the Agent or it may be obtained from the Agent's website at <http://www.amstock.com>.

Participation

9. HOW DO I ENROLL IN THE PLAN OR CHANGE MY METHOD OF PARTICIPATION?

Current participants will automatically be participants in the Plan as amended to date, and need do nothing to continue their participation.

After receiving a copy of this prospectus, shareholders may become participants in the Plan by completing and signing an enrollment form (Enrollment Form) and non-shareholders may become participants by completing and signing an application (Application).

An Enrollment Form or Application may be obtained by contacting the Agent at 1-888-777-0321 or by visiting their website at www.amstock.com and downloading the forms.

The Enrollment Form and Application require a participant to choose a reinvestment option for participation in the Plan. By checking the appropriate box a participant may select:

- **Full Dividend Reinvestment**—Automatic reinvestment of cash dividends on all of the participant's shares of common stock.

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- **Partial Dividend Reinvestment**—Cash dividends received on that portion of Registered Shares you specify for reinvestment will be reinvested, and you will receive cash dividends on any remaining Registered Shares that are not specified for reinvestment. Any Plan Shares will be reinvested.
- **Full Cash Payments Only**—All cash dividends on all of the participant's shares of common stock will be paid to participants by check or through electronic deposit.
- **Optional Cash Purchases Only**—Cash dividends on all Registered Shares and Plan Shares will be paid to participants by check or through electronic deposit. The amount of optional cash payments which may be made by a participant may not exceed \$250,000 per calendar year, which maximum amount may be waived at our discretion.

Under any of the investment options, a participant may make optional cash investments of a minimum of \$50 (or a minimum of \$250 for the initial investment by a non-shareholder) and a maximum of \$250,000 per calendar year (including the initial investment) towards the purchase of additional shares of common stock, which maximum amount may be waived at our discretion.

If participants do not indicate an investment option on the enrollment form, their account will automatically be enrolled in the "Full Dividend Reinvestment" option.

Participants may change their reinvestment options by completing the tear-off portion of their Investment Statement of account or an enrollment form and sending it to the Agent. Changes will become effective as soon as practicable after they are received. Any change in reinvestment options must be received by the dividend record date (see Question 10, below) in order to be effective on the related payment date.

Dividend Reinvestment

10. HOW AND WHEN WILL CASH DIVIDENDS BE REINVESTED?

Each cash dividend payment date on the common stock will be an Investment Date under the Plan; which means that, for participants who choose to reinvest dividends, the dividend payments on such payment date will be used to purchase additional shares of common stock as of such payment date. Common stock cash dividend payment dates are specified by the Board and are ordinarily the fifteenth day of February, May, August and November and corresponding record dates normally precede payment dates by approximately 15 days.

If NW Natural is meeting the requirements of the Plan with common stock purchased in the open market or in privately negotiated transactions, the Purchasing Representative will determine the exact timing of such purchases and the number of shares to be purchased, depending on the amount of reinvested dividends, market conditions and the requirements of federal securities laws, and the purchased shares will be credited to a participant's Plan account as of the applicable Investment Date. If NW Natural elects to issue authorized but unissued shares of common stock directly to the Agent, these shares will be issued by NW Natural and credited to a participant's Plan account as of the applicable Investment Date. The determination of the price for purchases of Plan Shares is explained in Question 17. In any case, dividends not invested in shares of common stock within 30 days of the dividend payment date will be returned, without interest, to the participant.

If a participant's Enrollment Form is received by the Agent on or before the record date for a dividend payment, the dividend payable on such Investment Date will be used to purchase additional shares of common stock as of such Investment Date, unless the Enrollment Form indicates "Optional Cash Purchases Only." If the Enrollment Form is received after the record date for any such cash dividend payment date, the reinvestment of dividends will start with the next dividend payment date. If a certificate representing Registered Shares to be deposited for safekeeping, together with a completed Safekeeping Authorization Instruction, is received on or before the record date for a dividend payment, reinvestment of dividends on such shares will begin with that dividend. If such certificate and Instruction are received after the record date for a dividend payment, reinvestment of dividends will begin with the next dividend payment date unless a participant already has elected "Full Dividend Reinvestment" for such shares.

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For example, a dividend payable February 15 will be reinvested if a completed Enrollment Form, or a certificate and a completed Safekeeping Authorization Instruction, is received by the Agent on or before the record date of January 31. If the Enrollment Form, or such certificate and Instruction, is received after January 31, but on or before the record date for the next dividend payment, the first dividend reinvested will be the dividend payable May 15.

Optional Cash Payments**11. WHO IS ELIGIBLE TO MAKE OPTIONAL CASH PAYMENTS?**

All Plan participants, whether or not they have authorized the reinvestment of dividends, are eligible to make optional cash payments.

12. HOW ARE OPTIONAL CASH PAYMENTS MADE?

A Plan participant may make an initial cash investment when enrolling by enclosing a check with the Enrollment Form or Application. Checks should be made payable to "American Stock Transfer & Trust Co., LLC" and returned to the address specified or in the envelope provided. Thereafter, optional cash payments may be made by using the cash payment form attached to the statement of account, or through the Automatic Monthly Deduction Form (see Question 13). If a participant uses the cash payment form, the same amount of money need not be sent each month and there is no obligation to make an optional cash purchase each month. Participants may also elect to make optional cash payments by accessing their participant accounts at www.amstock.com.

13. WHAT IS THE AUTOMATIC MONTHLY DEDUCTIONS PROGRAM AND HOW DOES IT WORK?

The Plan offers a program which allows participants to make optional cash purchases by authorizing automatic payments from bank accounts designated by the participants. Payments made through this method which must be the same amount each month as designated by the participant, are deducted on or about the 10th of each month and are invested on or about the 15th of each month. For an Automatic Monthly Deduction Form, please contact the Agent.

14. WHAT ARE THE LIMITATIONS ON MAKING OPTIONAL CASH PAYMENTS?

There is a \$50 minimum amount required for optional cash payments by shareholders, except as provided in Question 20. In case of an initial optional cash payment by a non-shareholder, such optional cash payments cannot be less than \$250. The maximum aggregate optional cash payment that may be made by a participant in any calendar year cannot exceed \$250,000, which maximum amount may be waived at our discretion.

15. WHEN WILL OPTIONAL CASH PAYMENTS BE INVESTED?

Investment Dates for optional cash payments will occur monthly, usually on or about the 15th day of each month. Purchases may be made over a period of several days in the case of market purchases. All such purchases will be aggregated and credited to participants' accounts on the Investment Date occurring on or after receipt of the optional cash payment.

The Agent must receive optional cash payments at least three business days prior to an Investment Date to be invested on that Investment Date. Otherwise, the Agent will hold the optional cash payments for investment until the next Investment Date. Optional cash payments which remain uninvested more than 35 days following receipt by the Agent will be returned, without interest, to the participant. Optional cash payments received by the Agent will be returned to the participants upon written request received by the Agent at least three business days prior to the Investment Date following their receipt. No interest will be paid by NW Natural or the Agent on any cash investments received by the Agent pending investment.

Table of Contents**Purchases****16. HOW MANY SHARES OF COMMON STOCK WILL BE PURCHASED?**

The number of shares to be purchased under a Plan depends on the amount of a participant's funds available for investment and the price of the shares. The funds available for investment depend on what has been authorized in regard to dividend reinvestment, plus any optional cash payments made. In every case, available funds will be fully invested in both whole and fractional shares of common stock (computed to three decimal places). No one can predict the number of shares that will be purchased for Plan participants during a particular purchase period, and Plan participants cannot direct the purchase of a specific number of shares.

17. WHAT IS THE PRICE OF SHARES PURCHASED FOR THE PLAN?

If the Agent purchases authorized but unissued shares of common stock directly from NW Natural, the price of such shares will be the average of the high and low sales prices of NW Natural's common stock on the trading day preceding the applicable Investment Date reported on the consolidated tape for the NYSE listed companies administered by the Consolidated Tape Association.

The purchase price of shares purchased in respect of any Investment Date on the NYSE or through privately negotiated transactions will be the average price (including brokerage fees) paid by the Purchasing Representative to obtain such shares.

The Purchasing Representative may offset purchases of shares against sales of shares to be made for participants under the Plan with respect to an Investment Date, resulting in a net purchase or a net sale of shares.

18. WHAT IS THE SOURCE OF SHARES PURCHASED FOR THE PLAN?

NW Natural, at its discretion, may elect to satisfy the requirements of the Plan with either (i) authorized but unissued shares of common stock, (ii) shares of common stock purchased in the open market or in privately negotiated transactions, or (iii) any combination of the foregoing. If NW Natural elects to purchase shares of common stock in the open market or in privately negotiated transactions, the Purchasing Representative will make all such purchases necessary to meet the requirements of the Plan. Shares purchased in any month on the NYSE or through privately negotiated transactions will be purchased, at the discretion of the Purchasing Representative, during the period beginning on the third trading day prior to the Investment Date for that month and typically ending by the fifth trading day after the Investment Date. Other than establishing the length of any such investment period incorporated into the Plan, NW Natural does not exercise any direct or indirect control over the timing or price of purchases made by the Purchasing Representative.

NW Natural cannot change its determination that shares will be purchased on the open market or in privately negotiated transactions or directly from NW Natural more frequently than once every three months.

19. ARE ANY FEES OR EXPENSES INCURRED BY PARTICIPANTS?

In most cases, NW Natural will pay the fees and expenses to operate the Plan. However, there are some service fees and brokerage commissions which will be charged directly to participants. Participants will incur no broker fees, commissions or other charges for authorized but unissued shares purchased directly from NW Natural. Participants in the Plan will bear the cost of brokerage fees and commissions, any service charges and applicable taxes related to shares purchased or sold on the open market or in privately negotiated transactions.

A service fee of up to \$30 will be assessed for each item that is returned for insufficient funds. The Agent may place a hold on the account until the "insufficient funds" fee is received, sell shares from the account to collect the "insufficient funds" fee, or withhold the amount of the "insufficient funds" fee from future optional cash investments.

See Question 24 for fees associated with Safekeeping and Question 20 for service fees associated with the sale of shares.

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NW Natural reserves the right at any time to change fees or to charge participants (including those who do not reinvest dividends) other fees, including but not limited to administrative, setup and handling fees. Notice of such future changes or additional fees will be sent to participants at least 30 days prior to their effective date.

Sales and Termination from the Plan**20. MAY PARTICIPANTS SELL OR WITHDRAW ALL OR A PORTION OF THEIR SHARES FROM THE PLAN?**

Yes. Any participant may withdraw from the Plan, request that Plan Shares be moved to NW Natural's direct registration system (DRS), request that a certificate be issued for Plan Shares, or request that all or a portion of the whole Plan Shares be sold and that the cash proceeds, less any fees discussed below, be forwarded to the participant. Participation in the Plan is entirely voluntary. In order to withdraw shares from the Plan, a participant must notify the Agent either in writing by using the transaction request form attached to the bottom of the statement or through the website at www.amstock.com that the participant wishes to withdraw.

A stock certificate for any whole number of shares may be issued from a Plan account or any whole number of shares can be moved to the DRS as soon as practicable after it is requested by a participant or upon termination of the Plan by NW Natural. Certificates for whole shares withdrawn from the Plan will be registered under the name in which the participant's certificates were registered upon entering the Plan. A cash payment will be made for any fraction of a share.

If a termination request does not specify the manner of distribution of shares, we will move the whole number of shares in that account to the DRS and issue a check for the value of any remaining fractional shares. The Plan administrator will only issue certificates for whole shares.

Except as otherwise provided in the following paragraph, any sale of whole shares will be made within two business days after receipt of the request by the Agent. The participant will receive the proceeds of the sale, less a service charge of \$15, and any applicable brokerage fees or commissions and any withholding required under applicable tax laws, from the sale of the whole shares sold at the participant's request, and a cash payment for any fraction of a share credited to the participant's account.

A participant may withdraw from the Plan at any time if notice is received at least three business days prior to a payable date, in such case the dividend will be paid in cash. If a participant's request is received less than three business days prior to the payable date, then the immediate dividend will be reinvested and all subsequent dividends will be paid in cash.

If a participant disposes of all Registered Shares, NW Natural, at its option, either may treat such disposal as a notice of withdrawal or may continue to reinvest the dividends on Plan Shares.

Reports to Participants**21. HOW WILL PARTICIPANTS BE ADVISED OF THEIR PURCHASE OF SHARES OF COMMON STOCK AND OTHER ACTIVITY IN THEIR PLAN ACCOUNTS?**

As soon as practicable after purchases for their accounts, statements will be mailed to participants advising them of their investments. The statements are participants' continuing record of the cost of their purchases and should be retained for income tax purposes. In addition, participants will receive copies of the same communications sent to every other holder of shares of common stock, including NW Natural's annual report, notice of annual meeting and proxy statement, and income tax information form reporting dividends paid.

Table of Contents**Certificates for Shares; Direct Registration System****22. WILL STOCK CERTIFICATES AUTOMATICALLY BE ISSUED FOR SHARES OF COMMON STOCK ACQUIRED UNDER THE PLAN?**

No. Unless requested otherwise as described below or the account is terminated, the number of shares purchased under the Plan and any shares deposited with the Agent for safekeeping will be held by the Agent or its nominee for the participants. At any time, a participant may request the Agent to send him a certificate for any whole shares credited to the participant's account. Any remaining whole shares and fraction of a share will continue to be credited to the participant's account. This service protects against loss, theft or destruction of stock certificates.

Certificates for fractional shares will not be issued under any circumstances.

Shares credited to Plan accounts may not be used as collateral. To use Plan shares as collateral, participants must request that a certificate be issued in their name or request the Agent to move the Plan shares to book-entry form under the DRS.

A participant's Plan account is maintained in the same name in which the participant's certificates were registered when he or she entered the Plan or if a participant enrolled in the Plan directly, the account is maintained in the name as shown on NW Natural's records at the time the participant enrolled.

A participant can request stock certificates or can request to move to the DRS any number of whole shares credited to its Plan account, and may make such request without withdrawing from the Plan. There is no charge for this service. The DRS permits an investor to hold NW Natural common stock as the registered owner in book-entry registration form on the stock transfer books of NW Natural, with no need for a physical stock certificate.

A participant must make a written request to the Agent by:

- 1) completing the transaction request form attached to the bottom of its statement or
- 2) submitting a letter of instruction indicating the Plan account number and registration.

The request should indicate the number of shares to be certificated or moved to DRS and must be signed by all Plan account owners. A participant must make a separate request each time a certificate or movement to DRS is requested. We process requests as soon as practicable after we receive them. We will continue to hold any remaining full and fractional shares in the participant's Plan account. Fractional shares cannot be issued in certificate form or moved to DRS.

Certificating a participant's Plan shares or moving them to DRS does not automatically stop dividend reinvestment. We will continue to follow existing instructions regarding payment or reinvestment of dividends on shares moved to certificate form or DRS until we receive new instructions. To make a change in method of dividend payment, a participant must make a request in writing as more fully described under "Dividend Reinvestment".

Transfer of Shares Held in the Plan**23. CAN PLAN SHARES BE TRANSFERRED?**

Upon written request, Plan shares can be transferred into names other than the account name, subject to compliance with any applicable laws and the payment by the participant of any applicable taxes, provided that

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the request is accompanied by a duly executed stock power that bears the signature(s) of the participant(s) and the signature(s) is/are Medallion Guaranteed by a financial institution, such as a commercial bank or a brokerage firm, that is a member of either the STAMP, SEMP or MSP Medallion Guarantee programs. Unless instructed otherwise, the Agent will hold the transferred shares in an account in the transferee's name in the Plan and apply the same dividend reinvestment options as existed with respect to the transferred account.

Safekeeping Service for Common Stock Certificates**24. WHAT IS THE PLAN'S SAFEKEEPING SERVICE AND HOW DOES IT WORK?**

A participant may elect to deposit Registered Shares into his or her Plan account for safekeeping as Plan Shares. Any lost certificates must be replaced before a participant may deposit the shares represented by such certificate. A participant may elect to have cash dividends on shares deposited for safekeeping reinvested under the Plan.

Certificates representing Registered Shares to be deposited for safekeeping should be sent, together with a completed Safekeeping Authorization Instruction, by registered mail to the Agent. Certificates should not be endorsed. A Safekeeping Authorization Instruction may be obtained from the Agent at any time. The participant will incur a service fee of \$7.50 for the handling of each safekeeping request.

It is suggested that participants use registered mail when sending stock certificates, declaring a value equal to 3% of the market value of the shares on the date of mailing. This amount would be the approximate cost of replacing the certificates should they be lost in the mail.

It is the responsibility of the participant to retain his or her records relative to the cost of any shares represented by certificates deposited for safekeeping.

Minimum Share Ownership**25. IS THERE A MINIMUM SHARE OWNERSHIP REQUIREMENT?**

A participant must continue to own at least one share of our common stock or the participant's account will be closed. Any fractional shares will be liquidated at our expense and the proceeds mailed to the participant at the address on file. At our discretion, we may waive this requirement.

Other Information**26. WHAT HAPPENS IF NW NATURAL ISSUES A STOCK DIVIDEND OR DECLARES A STOCK SPLIT?**

Any dividend payable in stock or split shares distributed by NW Natural on Plan Shares, both full and fractional, will be credited to the participant's account. Such stock dividends or split shares distributed on Registered Shares will be mailed directly to the participant in the same manner as to the shareholders who are not participating in the Plan.

Transaction processing may be curtailed or suspended until the completion of any stock dividend, stock split or other corporate action.

27. HOW WILL A PARTICIPANT'S PLAN SHARES BE VOTED AT A MEETING OF SHAREHOLDERS?

Participants will be sent notices of meetings, proxy statements and proxy forms for each shareholder's meeting. Plan Shares, including fractional Plan Shares, will be voted as the participant directs. Registered Shares will be voted directly by the participant.

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The proxy card sent to each participant in connection with any annual or special meeting of shareholders will represent all Registered Shares, if any, and all Plan Shares owned by such participant.

As in the case of non-participating shareholders, if no instructions are indicated on the properly signed and returned proxy card, all of the participant's shares—Registered Shares, if any, and Plan Shares—will be voted as provided on the proxy card. If the proxy card is not returned or if the participant does not grant a proxy by voting by telephone or the Internet, the participant's shares may be voted only if the participant or a duly appointed representative votes in person at the meeting.

28. WHAT ARE NW NATURAL'S AND THE AGENT'S RESPONSIBILITIES UNDER THE PLAN?

Neither NW Natural nor the Agent administering the Plan will be liable for any act done in good faith or for any good faith omission to act including, without limitation, any claim of liability arising out of failure to terminate a participant's account upon such participant's death or with respect to the prices at which shares of common stock are purchased or sold for the participant's account and the times when such purchases or sales are made or with respect to any fluctuation in the market value after the purchase or sale of shares.

Participants should recognize that NW Natural cannot assure a profit or protect against a loss on the shares purchased or sold under the Plan.

USE OF PROCEEDS

NW Natural will receive proceeds from the purchase of its common stock pursuant to the Plan only to the extent that those purchases are of newly issued shares of its common stock made directly from NW Natural, and not from open market purchases. Any proceeds that NW Natural receives from purchases of newly issued shares will be added to NW Natural's general funds and used to finance, in part, its continuing utility construction program and for general corporate purposes. NW Natural cannot estimate the amount of any such proceeds at this time.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

NW Natural believes the following is an accurate summary of certain United States federal income tax consequences of participation in the Plan. This summary does not describe all of the material United States federal income tax considerations that may be relevant to participants in light of their particular circumstances or to participants that are subject to special rules, such as certain financial institutions, banks, insurance companies, tax-exempt entities, certain former citizens or residents of the United States, dealers in securities, traders in securities that elect to use a mark-to-market method of accounting for federal income tax purposes, partnerships and other pass through entities and persons that would hold common stock as part of a hedge, straddle, constructive sale, conversion transaction or other integrated transaction and participants whose functional currency is not the U.S. dollar. This summary applies to U.S. taxpayers only, except where otherwise stated. In addition, this summary does not address the effect of any state, local or other tax laws, including non-U.S. tax laws, or any U.S. federal estate, gift or alternative minimum tax considerations. This summary is based upon the Internal Revenue Code of 1986, as amended, administrative pronouncements, judicial decisions and final, temporary and proposed regulations, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. You are urged to consult your tax or financial advisor with respect to federal, state, local, and other tax laws which apply to your specific situation.

Dividend Reinvestment

With respect to reinvested cash dividends used to purchase shares in the open market, a participant will be treated for federal income tax purposes as having received on the dividend payment date a distribution in an amount equal to the cash reinvested, plus any brokerage fees paid by the Purchasing Agent to obtain the shares.

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That amount will be treated as dividend income to the participant to the extent of NW Natural's current or accumulated earnings and profits, as determined for federal income tax purposes. To the extent that such distribution exceeds NW Natural's current or accumulated earnings and profits, the excess will constitute a return of capital that will reduce your basis in NW Natural common stock, but not below zero, and will then be treated as capital gain. The initial tax basis of the shares so purchased will be equal to the amount of the cash reinvested, plus any brokerage fees paid by the Purchasing Agent.

With respect to reinvested cash dividends that are used to acquire shares of common stock directly from NW Natural, a participant will be treated for federal income tax purposes as having received on the dividend payment date a distribution in an amount equal to the fair market value on that date of the full number of shares and any fractional shares purchased with the reinvested dividends. The fair market value of those shares on the dividend payment date will be treated as dividend income to the participant to the extent of the current and accumulated earnings and profits of NW Natural, as determined for federal income tax purposes. To the extent that such distribution exceeds NW Natural's current or accumulated earnings and profits, the excess will constitute a return of capital that will reduce your basis in NW Natural common stock, but not below zero, and will then be treated as capital gain. The initial tax basis of the shares so purchased will be equal to the fair market value of those shares on the dividend payment date.

Certain dividends, as qualified dividend income to you, are currently eligible for the reduced maximum tax rate to individuals of 20% (lower rates apply to individuals in lower tax brackets). A dividend will not be treated as qualified dividend income to the extent that: (i) the shareholder has not held the shares on which the dividend was paid for more than 60 days during the 121-day period that begins on the date that is 60 days before the ex-dividend date; ii) the shareholder is under an obligation (whether pursuant to a short sale or otherwise) to make related payments with respect to substantially similar or related property; or (iii) the shareholder elects to treat such dividend as investment income under section 163(d)(4)(B) of the Code. If such dividends do not qualify for the reduced rates, they will be taxable at regular ordinary income tax rates (at a maximum rate of 39.6%).

In the case of corporate shareholders, dividends received under the Plan as described above will generally, and subject to certain limitations (including certain holding period limitations), be treated as a qualifying dividend. Corporate shareholders are generally entitled to a dividends-received deduction if certain conditions are satisfied. All qualifying dividends (including the deducted portion) must be included in the corporate shareholder's alternative minimum taxable income calculation.

In addition, investment earnings, such as dividends and gains from the sale or exchange of our common stock, will be subject to a 3.8% Medicare tax in the hands of individuals having adjusted gross income in excess of \$200,000 (\$250,000 if married and filing jointly) (the "Medicare Tax"). The same tax will apply in the case of certain trusts and estates.

Other Purchases

Participants who purchase common stock through voluntary payments to the Plan are not treated for federal income tax purposes as recognizing income by virtue of the voluntary payment. A participant's share of any brokerage commissions paid by the Purchasing Agent in respect of such purchases will constitute taxable income to such participant. The tax basis of shares of common stock purchased with optional cash payments will equal the amount invested, plus the amount included in income as a result of brokerage commissions paid by the Purchasing Agent in respect of such purchases.

Sales

Gain or loss will be recognized by a participant when whole and fractional shares are sold pursuant to the participant's request to sell shares held in the Plan and when whole shares are sold by the participant. A participant who receives on termination of participation or termination of the Plan a cash adjustment for a

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fractional share interest will recognize gain or loss with respect to such fraction. Such gain or loss will be measured by the difference between the amount the participant receives and his or her tax basis for the shares, or fraction of a share, sold. Any gain or loss so recognized by a shareholder who is not a dealer in securities will generally, for individual shareholders, be treated as a long-term capital gain or loss if the shares have been held for more than twelve months and otherwise will be treated as a short-term capital gain or loss. Note that the Medicare Tax will apply to gains from the sale of our common stock.

Cost Basis

The statements you receive from the Plan administrator are your continuing record of the cost of your purchases and should be retained for tax purposes.

Treasury Regulations require dividend reinvestment plan participants to reinvest at least 10 percent of all dividends (if any) paid on each share they hold in the Plan in order for the participants to use the "average basis method" when determining the tax basis of any shares sold. NW Natural's Plan has not adopted this requirement because it would force participants to reinvest dividends. Consequently, participants will not be able to use the "average basis method" in determining the tax basis of any shares they sell under the Plan. The Plan has adopted the first-in, first-out "FIFO" method as its default method when determining the tax basis of any shares sold. Participants may designate their preference for "specific identification" cost basis at the time of the request for the sale by identifying this preference in writing to the Plan administrator.

Tax Reporting

The Internal Revenue Service (IRS) Form 1099-DIV mailed to each participant with respect to each year will report the dividend income realized by the participant during the year, including such participant's share of brokerage fees paid by NW Natural in respect of reinvested dividends or optional cash investments. That income may differ from the total of the reinvested dividends. An IRS Form 1099-B will be furnished to the participant in respect of any sales of shares through the Plan.

Withholding

NW Natural will be required in certain cases to withhold in the form of backup withholding at a 28% withholding rate and remit to the U.S. Treasury the amount withheld on amounts payable to any shareholder who: (i) has provided NW Natural either an incorrect tax identification number or no number at all; (ii) is subject to backup withholding by the IRS for failure to properly report payments of interest or dividends; (iii) has failed to certify to NW Natural that such shareholder is not subject to backup withholding; or (iv) has failed to certify to NW Natural that the shareholder is a U.S. person (including a resident alien). Participants who are not U.S. persons (i.e., nonresident alien individuals and foreign corporations, partnerships, trusts and estates) are generally subject to U.S. withholding tax with respect to dividends on shares held in their accounts. The amount of withholding is determined in accordance with U.S. Treasury Regulations (which may, among other things, permit withholding from the gross amount of a dividend, without regard to earnings and profits) and is imposed at a 30 percent rate, unless a lower rate is provided for in an applicable income tax treaty. Other participants may be subject to U.S. backup withholding.

For participants who are subject to U.S. withholding tax or backup withholding, NW Natural or the applicable withholding agent will withhold the required taxes from the gross dividends or proceeds from the sale of the shares. The dividends or proceeds of a sale received by the participant, or dividends reinvested on behalf of the participant, will be net of the withheld amounts. Additionally, dividends received by shareholders who own their shares through foreign accounts or foreign intermediaries will be subject to withholding tax at a 30% rate if certain disclosure requirements related to U.S. accounts or ownership are not satisfied (the FATCA rules). Beginning after December 31, 2018, the FATCA rules will also apply to proceeds of sales in respect of NW Natural shares.

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The information explained above is only a summary and does not purport to be a complete description of all tax consequences of participation in the Plan. The description may be affected by future legislation, IRS rulings and regulations, or court decisions. In addition, the taxation of foreign shareholders, except as noted, is not discussed in this prospectus. Accordingly, you are urged to consult your own tax advisors with respect to the federal, state, local and foreign tax consequences of your participation in the Plan.

DESCRIPTION OF COMMON STOCK**General**

The following is a summary of certain rights and privileges of NW Natural's common stock. This summary description does not purport to be complete. Reference is made to NW Natural's Amended and Restated Articles of Incorporation, amended as of June 3, 2008, and Bylaws, as amended through May 22, 2014, which are incorporated herein by reference. The following statements are qualified in their entirety by such references.

Under NW Natural's Amended and Restated Articles of Incorporation, NW Natural is authorized to issue 100,000,000 shares of common stock and 3,500,000 shares of preferred stock. At October 21, 2016, 27,557,756 shares of common stock were outstanding and no shares of preferred stock were outstanding.

The Board of Directors is authorized under NW Natural's Amended and Restated Articles of Incorporation to provide for the issuance from time to time of preferred stock in one or more series, and as to each series to fix and determine the relative rights and preferences, serial designation, dividend rate, redemption prices, voluntary and involuntary liquidation prices, sinking fund provisions for the redemption or purchase of shares, if any, and conversion provisions, if any, applicable to shares of such series.

Dividends and Liquidation Rights

Except as hereinafter stated, the common stock is entitled to receive such dividends as are declared by the Board of Directors and to receive ratably on liquidation any assets which remain after payment of liabilities. NW Natural has an authorized class of senior capital stock, referred to as preferred stock, none of which is currently outstanding. NW Natural's preferred stock is entitled in preference to the common stock (1) to cumulative dividends at the annual rate fixed for each series by the Board of Directors, and (2) in voluntary and involuntary liquidation, to the amounts fixed for each series by the Board of Directors, plus in each case, unpaid accumulated dividends.

Dividend Limitations

Should dividends on the preferred stock be in arrears, no dividends on the common stock may be paid or declared. Future series of the preferred stock could contain sinking fund, purchase or redemption obligations under which no dividends on the common stock may be paid or declared while such obligations are in default. Common stock dividends also may be restricted by the provisions of future instruments pursuant to which NW Natural may issue long-term debt.

Voting Rights

Except as provided by law or by resolutions establishing any series of preferred stock, only the common stock has voting rights. Cumulative voting is permitted by the Amended and Restated Articles of Incorporation to holders of common stock at elections of directors.

Classification of the Board of Directors

The Board of Directors of NW Natural may consist of not less than 9 nor more than 13 persons, as determined by the Board, divided into three classes as nearly equal in number as possible. The number of

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directors as of the date of this prospectus is 10. One class is elected for a three-year term at each annual meeting of shareholders. Vacancies, including those resulting from an increase in the size of the Board, may be filled by a majority vote of the directors then in office, to serve until the next annual meeting of shareholders. One or more of the directors may be removed, with or without cause, by the affirmative vote of the holders of not less than two-thirds of the shares entitled to vote thereon; provided, however, that if fewer than all of the directors should be candidates for removal, no one of them shall be removed if the votes cast against such director's removal would be sufficient to elect such director if then cumulatively voted at an election of the class of directors of which such director shall be a part. Except for those persons nominated by the Board, no person shall be eligible for election as a director unless a request from a shareholder entitled to vote in the election of directors that such person be nominated and such person's consent thereto shall be delivered to the Secretary of NW Natural within the time period specified in advance of the meeting at which such election shall be held. The foregoing provisions may not be amended or repealed except by the affirmative vote of the holders of not less than two-thirds of the shares entitled to vote at an election of directors.

Business Transactions with Related Persons

NW Natural shall not enter into any business transaction with a related person or in which a related person shall have an interest (except proportionately as a shareholder of NW Natural) without first obtaining both (1) the affirmative vote of the holders of not less than two-thirds of the outstanding shares of the capital stock of NW Natural not held by such related person, and (2) the determination of a majority of the continuing directors that the cash or fair market value of the property, securities or other consideration to be received per share by the holders, other than such related person, of the shares of each class or series of the capital stock of NW Natural in such business transaction shall not be less than the highest purchase price paid by such related person in acquiring any of its holdings of shares of the same class or series, unless the continuing directors by a majority vote shall either (a) have expressly approved the acquisition of the shares of the capital stock of NW Natural that caused such related person to become a related person, or (b) have expressly approved such business transaction. As used in this paragraph: a "business transaction" includes a merger, consolidation, plan of exchange or recapitalization, a purchase, sale, lease, exchange, transfer, mortgage or other disposition of all or a substantial part (10% or more of the fair market value of the assets) of the property and assets of NW Natural or a related person, an issuance, sale, exchange or other disposition of securities of NW Natural and a liquidation, spin-off or dissolution; a "related person" includes a person, organization or group thereof owning 10% or more of the capital stock of NW Natural; "continuing directors" are those whose nominations for directorship shall have been approved by a majority of the directors in office on April 9, 1984 or by a majority of the then continuing directors. The foregoing provisions may not be amended or repealed except by the affirmative vote of the holders of not less than two-thirds of the shares of the capital stock of NW Natural (other than shares held by related persons).

Preemptive Rights

The holders of the common stock have no preemptive rights.

Other Provisions

The issued and outstanding shares of NW Natural's common stock are, and the common stock offered hereby will be, fully paid and nonassessable.

Certain Anti-Takeover Matters

NW Natural's Amended and Restated Articles of Incorporation and Bylaws include a number of provisions that may have the effect of discouraging persons from acquiring large blocks of its stock or delaying or preventing a change in its control. The material provisions that may have such an effect include:

- establishment of a classified Board of Directors, whereby approximately only one-third of the board stands for election each year;

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- limitations on certain business transactions (including mergers, consolidations, plans of exchange) with any person or entity and any persons or entities related thereto who beneficially own 10 percent or more of the capital stock of NW Natural;
- authorization for NW Natural's Board of Directors (subject to any applicable law) to issue preferred stock in series and to fix rights and preferences of the series;
- advance notice procedures with respect to nominations of directors or proposals other than those adopted or recommended by NW Natural's Board of Directors; and
- requirement that holders of not less than two-thirds of the shares entitled to vote are required to remove directors or to amend certain provisions of NW Natural's Amended and Restated Articles of Incorporation.

NW Natural is subject to the provisions of sections 60.825 to 60.845 of the Oregon Business Corporation Act (the "Oregon Business Combinations Act") which generally provide that in the event a person or entity acquires 15% or more of NW Natural's voting stock ("interested shareholder"), NW Natural and such interested shareholder and any affiliate, may not engage in the following business combinations for a period of three years following the date that person became an interested shareholder:

- a merger or plan of share exchange;
- any sale, lease, mortgage or other disposition of the assets of the corporation where the assets have an aggregate market value equal to 10% or more of the aggregate market value of NW Natural's assets or outstanding capital stock; and
- transactions that result in the issuance of capital stock to the shareholder that acquired 15% or more of the voting stock.

These restrictions do not apply if:

- the Board of Directors approved either the business combination or the share acquisition that resulted in the person becoming an interested shareholder before the time such person became an interested shareholder;
- as a result of the share acquisition, the person became an interested shareholder and 85% owner of the outstanding voting stock, excluding shares owned by persons who are directors and also officers and shares owned by certain employee benefit plans; or
- on or after the date the person became an interested shareholder, the business combination transaction is approved by the Board of Directors and authorized by the affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested shareholder.

NW Natural is also subject to the provisions of Sections 60.801 to 60.816 of the Oregon Business Corporation Act (the "Oregon Control Share Act"), which generally provide that a person who acquires voting stock in a transaction which results in such person holding more than 20%, 33-1/3% or 50% of the total voting power cannot vote the shares it acquires in the acquisition unless voting rights are accorded to such control shares by the holders of a majority of the outstanding voting shares, excluding the control shares held by such person and shares held by officers and inside directors, and by the holders of a majority of the outstanding voting shares, including the control shares held by such person and shares held by officers and inside directors. This vote would be required at the time an acquiring person's holdings exceed 20% of the total voting power, and again at the time the acquiring person's holdings exceed 33-1/3% and 50%, respectively. The acquiring person may, but is not required to, submit to NW Natural an "acquiring person statement" setting forth certain information about the acquiring person and its plans with respect to NW Natural. The acquiring person statement may also request that NW Natural call a special meeting of shareholders to determine whether the control shares will be allowed to retain voting rights. If the acquiring person does not request a special meeting of shareholders, the issue of voting rights of control shares will be considered at the next annual meeting or special meeting of shareholders that is held more than 60 days after the date of the acquisition of control shares. Shares are not deemed to be acquired in

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a control share acquisition if, among other things, they are acquired from the issuing corporation, or are issued pursuant to a plan of merger or exchange effected in compliance with the Oregon Business Corporation Act and the issuing corporation is a party to the merger or exchange agreement.

The Oregon Control Share Act and the Oregon Business Combinations Act have anti-takeover effects because they will encourage any potential acquirer to negotiate with NW Natural's Board of Directors and will also discourage potential acquirers unwilling to comply with the provisions of these laws. An Oregon corporation may provide in its articles of incorporation or bylaws that the laws described above do not apply to its shares. NW Natural has not adopted such a provision.

NW Natural is also subject to Oregon Revised Statutes Chapter 757.511 which generally provides that no person, directly or indirectly, shall acquire the power to exercise any substantial influence over the policies and actions of a public utility without first securing from the Oregon Public Utility Commission ("OPUC") an order authorizing such acquisition if such person is, or by such acquisition would become, an "affiliated interest" with such public utility as defined by Oregon law. Any applicant requesting such an order bears the burden of showing that granting the application is in the public interest. This provision of Oregon law may have anti-takeover effects by subjecting potential acquisitions to OPUC review and approval.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2015 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

LEGALITY

The legality of the common stock will be passed upon for NW Natural by MardiLyn Saathoff, Esquire, Senior Vice President, Regulation and General Counsel of NW Natural, and by Morgan, Lewis & Bockius LLP, New York, New York. Ms. Saathoff is regularly employed by NW Natural, participates in various NW Natural employee benefit plans under which she may receive shares of common stock and currently beneficially owns less than one percent of the outstanding shares of common stock of NW Natural.

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PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

Filing Fee-Securities and Exchange Commission*	
Fees of Trustee, including counsel and authentication fees**	
Legal fees**	
Accounting fees and expenses**	
Rating Agencies' fees**	
Printing and engraving**	
Listing fees***	
Miscellaneous expense**	
Total expenses**	\$ _____

- * Under Rules 456(b) and 457(r) under the Securities Act of 1933, the SEC registration fee will be paid at the time of any particular offering of securities under this registration statement, and, except with respect to common stock issuable under the Dividend Reinvestment and Direct Stock Purchase Plan, is therefore not currently determinable. The registration fee is therefore deferred in accordance with Rules 456(b) and 457(r), other than as set forth on the cover page to this Registration Statement.
- ** Because an indeterminate amount of securities is covered by this registration statement, the expenses in connection with the issuance and distribution of the securities are therefore not currently determinable.
- *** The listing fee is based upon the principal amount of securities listed, if any, and is therefore not currently determinable.

Item 15. Indemnification of Directors and Officers.

The Oregon Business Corporation Act (the "Act") provides, in general, that a director or officer of a corporation who has been or is threatened to be made a defendant in a legal proceeding because that person is or was a director or officer of the corporation:

(1) shall be indemnified by the corporation for all expenses of such litigation when the director or officer is wholly successful on the merits or otherwise;

(2) may be indemnified by the corporation for the expenses, judgments, fines and amounts paid in settlement of such litigation (other than a derivative lawsuit) if he or she acted in good faith and in a manner reasonably believed to be in, or at least not opposed to, the best interests of the corporation (and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct was unlawful); and

(3) may be indemnified by the corporation for expenses of a derivative lawsuit (a suit by a shareholder alleging a breach by a director or officer of a duty owed to the corporation) if he or she acted in good faith and in a manner reasonably believed to be in, or at least not opposed to, the best interests of the corporation, provided the director or officer is not adjudged liable to the corporation.

The Act also authorizes the advancement of litigation expenses to a director or officer upon receipt of a written affirmation of the director's or officer's good faith belief that the standard of conduct in Section (2) or (3) above has been met and an undertaking by such director or officer to repay such expenses if it is ultimately determined that he or she did not meet that standard and, therefore, is not entitled to be indemnified. The Act also provides that the indemnification provided thereunder shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise.

NW Natural's Bylaws provide that NW Natural shall indemnify directors and officers to the fullest extent permitted under the Act, thus making mandatory the discretionary indemnification authorized by the Act.

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NW Natural's Amended and Restated Articles of Incorporation provide that NW Natural shall indemnify its officers and directors to the fullest extent permitted by law, which may be broader than the indemnification authorized by the Act.

NW Natural's shareholders have approved and NW Natural has entered into indemnity agreements with its directors and officers which provide for indemnity to the fullest extent permitted by law and also alter or clarify the statutory indemnity in the following respects:

- (1) prompt advancement of litigation expenses is provided if the director or officer makes the required affirmation and undertaking;
- (2) the director or officer is permitted to enforce the indemnity obligation in court and the burden is on NW Natural to prove that the director or officer is not entitled to indemnification;
- (3) indemnity is explicitly provided for judgments and settlements in derivative actions;
- (4) prompt indemnification is provided unless a determination is made that the director or officer is not entitled to indemnification; and
- (5) partial indemnification is permitted if the director or officer is not entitled to full indemnification.

NW Natural maintains in effect a policy of insurance providing for reimbursement to NW Natural of payments made to directors and officers as indemnity for damages, judgments, settlements, costs and expenses incurred by them which NW Natural may be required or permitted to make according to applicable law, common or statutory, or under provisions of its Amended and Restated Articles of Incorporation, Bylaws or agreements effective under such laws.

Item 16. List of Exhibits.

Reference is made to the Exhibit Index on page II-7 hereof.

Item 17. Undertakings.

The undersigned registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and
 - (iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement,

provided, however, that subsections (i), (ii) and (iii) above do not apply if the information required to be included in a post-effective amendment by those subsections is contained in reports filed with or furnished to the SEC by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

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- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:
- (i) each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and
 - (ii) each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.
- (5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:
- (i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
 - (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
 - (iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
 - (iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.
- (6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's Annual Report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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(7) To file, if applicable, an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act of 1939 in accordance with the rules and regulations prescribed by the SEC under Section 305(b)(2) of the Trust Indenture Act of 1939.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described under Item 15 of this registration statement, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

Table of Contents**POWER OF ATTORNEY**

Each director and/or officer of the registrant whose signature appears hereinafter hereby appoints David H. Anderson, Brody J. Wilson, MardiLyn Saathoff and Shawn M. Filippi the Agents for Service named in this registration statement, and each of them severally, as his or her attorney-in-fact to sign in his or her name and behalf, in any and all capacities stated below, and to file with the Securities and Exchange Commission any and all amendments, including post-effective amendments, to this registration statement, and the registrant hereby also appoints each such Agent for Service as its attorney-in-fact with like authority to sign and file any such amendments in its name and behalf.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Portland, and State of Oregon, on the 8th day of November, 2016.

NORTHWEST NATURAL GAS COMPANY

By: /s/ David H. Anderson

David H. Anderson
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ David H. Anderson</u> David H. Anderson, President and Chief Executive Officer	Principal Executive Officer and Director	November 8, 2016
<u>/s/ Brody J. Wilson</u> Brody J. Wilson, Chief Financial Officer, Treasurer, Chief Accounting Officer, and Controller	Principal Financial Officer and Principal Accounting Officer	November 8, 2016
<u>/s/ Timothy P. Boyle</u> Timothy P. Boyle	Director	November 8, 2016
<u>/s/ Martha L. Byorum</u> Martha L. Byorum	Director	November 8, 2016
<u>/s/ John D. Carter</u> John D. Carter	Director	November 8, 2016
<u>/s/ Mark S. Dodson</u> Mark S. Dodson	Director	November 8, 2016

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<u>/s/ C. Scott Gibson</u> C. Scott Gibson	Director	November 8, 2016
<u>/s/ Tod R. Hamachek</u> Tod R. Hamachek	Director	November 8, 2016
<u>/s/ Jane L. Peverett</u> Jane L. Peverett	Director	November 8, 2016
<u>/s/ Kenneth Thrasher</u> Kenneth Thrasher	Director	November 8, 2016
<u>/s/ Malia H. Wasson</u> Malia H. Wasson	Director	November 8, 2016

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<u>Exhibit No.</u>	<u>Description</u>
+1(a)	Form of Underwriting Agreement relating to the debt securities.
+1(b)	Form of Underwriting Agreement relating to the common stock.
+1(c)	Form of Underwriting Agreement relating to the preferred stock.
*1(d)	Distribution Agreement, dated March 18, 2009, among Banc of America Securities LLC, UBS Securities LLC, J.P. Morgan Securities Inc., Piper Jaffray and Co. and Wells Fargo Bank, National Association (incorporated herein by reference to Exhibit 1.1 to Form 8-K dated March 23, 2009, File No. 1-15973).
*4(a)	Amended and Restated Articles of Incorporation, dated June 3, 2008 (incorporated herein by reference to Exhibit 3.1 to Form 10-Q for the quarter ended June 30, 2008, File No. 1-15973).
*4(b)	Bylaws as amended May 22, 2014 (incorporated herein by reference to Exhibit 3.1 to Form 8-K filed May 29, 2014, File No. 1-15973).
*4(c)	Copy of Mortgage and Deed of Trust, dated as of July 1, 1946, to Bankers Trust Company (now Deutsche Bank Trust Company Americas), Trustee (filed as Exhibit 7(j) in File No. 2-6494), together with Indentures supplemental thereto Nos. 1 through 14, dated, respectively, as of June 1, 1949, March 1, 1954, April 1, 1956, February 1, 1959, July 1, 1961, January 1, 1964, March 1, 1966, December 1, 1969, April 1, 1971, January 1, 1975, December 1, 1975, July 1, 1981, June 1, 1985, and November 1, 1985 (filed as Exhibit 4(d) in File No. 33-1929); No. 15, dated as of July 1, 1986 (filed as Exhibit (4)(c) in File No. 33-24168); Nos. 16, 17 and 18, dated, respectively, as of November 1, 1988, October 1, 1989 and July 1, 1990 (filed as Exhibit (4)(c) in File No. 33-40482); No. 19, dated as of June 1, 1991 (filed as Exhibit 4(c) in File No. 33-64014; No. 20, dated as of June 1, 1993 (filed as Exhibit 4(c) in File No. 33-53795); No. 21, dated as of October 15, 2012 (filed as Exhibit 4.1 to Form 8-K dated October 31, 2012, File No. 1-15973); and No. 22, dated as of November 1, 2016 (filed as Exhibit 4.1 to Form 10-Q for quarter ended September 30, 2016, File No. 1-15973).
*4(d)	Form of Supplemental Indenture relating to First Mortgage Bonds (incorporated by reference to Exhibit 4(f) to Form S-3 filed with the SEC on February 9, 2004, File No. 333-112604).
*4(e)	Form of First Mortgage Bond (incorporated by reference to Exhibit 4(g) to Form S-3 filed with the SEC on February 9, 2004, File No. 333-112604).
*4(f)	Copy of Indenture, dated as of June 1, 1991, to Bankers Trust Company (now Deutsche Bank Trust Company Americas), Trustee, relating to the Unsecured Debt Securities (incorporated by reference to Exhibit 4(e) in File No. 33-64014).
*4(g)	Form of Officers' Certificate, together with form of fixed rate unsecured note, establishing the issuance of one or more series of Unsecured Debt Securities (including the form of Unsecured Debt Security) (incorporated by reference to Exhibit 4(j) to Form S-3 filed with the SEC on February 9, 2004, File No. 333-112604).
*4(h)	Form of Indenture relating to junior subordinated debentures (incorporated by reference to Exhibit 4 (l) to Form S-3 filed with the SEC on January 8, 2008, File No. 333-148527).
*4(i)	Form of Officers' Certificate, together with form of junior subordinated debentures (incorporated by reference to Exhibit 4(m) to Form S-3 filed with the SEC on January 8, 2008, File No. 333-148527).
5(a)	Opinion of MardiLyn Saathoff, Esquire, regarding the validity of the securities.
5(b)	Opinion of Morgan, Lewis & Bockius LLP, regarding the validity of the securities.

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*12	Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Combined Fixed Charges and Preference Dividends (incorporated by reference to Exhibit 12 to Form 10-Q for quarter ended September 30, 2016).
23(a)	Consent of PricewaterhouseCoopers LLP.
23(b)	The consents of MardiLyn Saathoff, Esquire, and of Morgan, Lewis & Bockius LLP are included in their opinions filed, respectively, as Exhibits 5(a) and 5(b).
24	Power of attorney (see page II-5).
25(a)	Statement of Eligibility of the Corporate Trustee on Form T-1 related to the first mortgage bonds.
25(b)	Statement of Eligibility of the Indenture Trustee on Form T-1 related to the unsecured debt securities.
++25(c)	Statement of Eligibility of the Indenture Trustee on Form T-1 related to the junior subordinated debentures.

* Incorporated by reference herein as indicated.

+ To be filed by amendment or pursuant to a report to be filed pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 if applicable.

++ To be filed by amendment or pursuant to Section 305(b)(2) of the Trust Indenture Act of 1939 if applicable.

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Registration No. 333-214496

CALCULATION OF REGISTRATION FEE

Title of each class of securities offered	Amount to be registered	Offering price per unit	Aggregate offering price	Amount of registration fee
Common Stock	1,012,000 (1)	\$54.63	\$55,285,560	\$6407.60(2)

(1) Assumes that overallotment amount of 132,000 shares of common stock is exercised.

(2) Calculated in accordance with Rule 457(r) of the Securities Act of 1933.

[Table of Contents](#)**PROSPECTUS SUPPLEMENT**

(to Prospectus Dated November 8, 2016)

880,000 Shares**NW Natural****NORTHWEST NATURAL GAS COMPANY****Common Stock**

Northwest Natural Gas Company (NW Natural) is offering 880,000 shares of its common stock. Our common stock is traded on the New York Stock Exchange under the symbol "NWN." The last reported sale price of our common stock on the New York Stock Exchange on November 10, 2016 was \$56.20 per share.

Investing in our common stock involves risks. See "[Risk Factors](#)" beginning on page S-5 of this prospectus supplement.

	<u>Per Share</u>	<u>Total</u>
Initial price to public	\$54.63	\$48,074,400
Underwriting discounts and commissions	\$2.05	\$1,804,000
Proceeds, before expenses, to NW Natural	\$52.58	\$46,270,400

We have granted the underwriters a 30-day option to purchase up to an additional 132,000 shares of common stock from us at the initial public offering price less the underwriting discount if the underwriters sell more than 880,000 shares of common stock in this offering.

None of the Securities and Exchange Commission, any state securities commission or any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares on or about November 16, 2016.

Wells Fargo Securities**J.P. Morgan****RBC Capital
Markets**

U.S. Capital Advisors

Sidoti & Company, LLC

Prospectus dated November 10, 2016.

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You may rely on the information contained in this prospectus. Neither we nor any of the underwriters have authorized anyone to provide information different from that contained in this prospectus. When you make a decision about whether to invest in our common stock, you should not rely upon any information other than the information in this prospectus. Neither the delivery of this prospectus nor sale of common stock means that information contained in this prospectus is correct after the date of this prospectus. This prospectus is not an offer to sell or solicitation of an offer to buy these shares of common stock in any circumstances under which the offer of solicitation is unlawful.

Table of Contents**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the common stock we are offering. The second part, the accompanying prospectus, gives more general information, some of which may not apply to the common stock we are offering in this prospectus supplement. See “Description of Common Stock” in the accompanying prospectus. If the description of the common stock varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. The accompanying prospectus also includes information about certain other securities that we may offer from time to time, which information does not apply to our common stock.

This prospectus supplement and the accompanying prospectus are part of a registration statement that was filed by us with the SEC using a “shelf” registration process. Under the shelf registration process, we may, from time to time, issue and sell to the public the securities described in the accompanying prospectus, including the common stock, of which this offering is a part. In this prospectus supplement, we provide you with specific information about the terms of the common stock and this offering.

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SUMMARY

This summary highlights certain information contained elsewhere, or incorporated by reference, in this prospectus supplement and the accompanying prospectus. As a result, it does not contain all of the information that you should consider before investing in NW Natural's common stock. You should read the entire prospectus supplement, including the accompanying prospectus and the documents incorporated by reference, which are described under "Where You Can Find More Information" in this prospectus supplement. This prospectus supplement and the accompanying prospectus contain or incorporate forward-looking statements. Forward-looking statements should be read with the cautionary statements and important factors included under "Forward-Looking Statements."

NW Natural

NW Natural was incorporated under the laws of Oregon in 1910. NW Natural and its predecessors have supplied gas service to the public since 1859, and we have been doing business as NW Natural since 1997. We maintain operations in Oregon, Washington, and California and conduct business through NW Natural and its subsidiaries.

We have two core businesses: our regulated local gas distribution business, which serves residential, commercial, and industrial customers in Oregon and southwest Washington; and our gas storage businesses, which provides storage services for utilities, gas marketers, electric generators, and large industrial users from storage facilities located in Oregon and California.

The utility business is our largest segment, while our gas storage businesses account for the majority of our remaining net income. The following table reflects the percentage allocation between segments and other as of December 31, 2015:

	Utility	Non- Utility(1)		Total
		Gas Storage(2)	Other	
Assets	91.0%	8.5%	0.5%	100.0%
Net Income	99.4%	0.3%	0.3%	100.0%

(1) We refer to our gas storage segment and other as non- utility as they are not included in our regulated gas distribution business; however, certain aspects of the gas storage segment and other may be regulated by the OPUC, WUTC, CPUC, or FERC.

(2) Gas Storage segment includes asset management services for both the utility and non- utility portion of our Mist gas storage facility.

Local Gas Distribution "Utility"

The utility is principally engaged in the regulated distribution of natural gas in Oregon and southwest Washington to more than 718,000 customers with approximately 89% of our customers located in Oregon and 11% located in Washington. In total, we provide natural gas service to over 100 cities in 18 counties with an estimated population of 3.5 million in our service territory.

We serve residential, commercial and industrial customers with no individual customer or industry accounting for more than 10% of our utility revenues. On an annual basis, residential and commercial customers typically account for around 60% of our utility's total volumes delivered and 90% of our utility's margin. Industrial customers largely account for the remaining volumes and utility margin.

Gas Storage

Our gas storage segment includes the non- utility portion of the Mist gas storage facility near Mist, Oregon, our Gill Ranch gas storage facility near Fresno, California, and asset management services provided by an independent energy marketing company.

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In general, the supply of natural gas remains relatively stable over the course of a year, while the demand for natural gas typically fluctuates seasonally. Storage facilities allow customers to purchase and inject natural gas supplies during periods of low demand and withdraw these supplies for use or resale during periods of higher demand. These facilities allow us to capitalize on the imbalance of supply and demand and price volatility for natural gas. The following table provides information concerning the Company's non-utility gas storage facilities as of December 31, 2015:

	<u>Designed Storage Capacity (Bcf)</u>	<u>Maximum</u>	
		<u>Deliverability (Therms in millions/ day)(3)</u>	<u>Injection (Therms in millions/ day)(3)</u>
Mist Storage(1)	5.4	2.1	0.8
Gill Ranch Storage (2)	15.0	4.9	2.4

(1) Approximately 5.4 Bcf of a total 16 Bcf at Mist is currently available to our gas storage segment. The remaining 10.6 Bcf is used to provide gas storage for our local distribution business and its utility customers. All storage capacity and daily deliverability currently developed for the gas storage segment at Mist is available for recall by the utility. In May 2015, the utility recalled approximately 0.3 million therms per day of deliverability and 0.7 Bcf of capacity for core utility customer use.

(2) Our share of the Gill Ranch facility is currently 15 Bcf out of a total capacity of 20 Bcf.

(3) Our share of the expected daily maximum injection and deliverability rates.

The Mist storage facility began operations in 1989 and currently consists of seven depleted natural gas reservoirs, 22 injection and withdrawal wells, a compressor station, dehydration and control equipment, gathering lines and other related facilities. Mist provides multi-cycle gas storage services to customers in the interstate and intrastate markets from the facility located in Columbia County, Oregon, near the town of Mist. The Mist field was initially converted to storage operations for our utility customers. Since 2001, gas storage capacity at Mist has also been made available to interstate customers by developing new incremental capacity in advance of core utility customer requirements to meet the demands for interstate storage service.

Gill Ranch Storage, LLC (Gill Ranch), our subsidiary, has a joint project agreement with Pacific Gas and Electric Company (PG&E) to develop and own the Gill Ranch underground natural gas storage facility near Fresno, California. Currently, Gill Ranch is the sole operator of the facility. The facility began operations in 2010 and consists of three depleted natural gas reservoirs, 12 injection and withdrawal wells, a compressor station, dehydration and control equipment, gathering lines, an electric substation, a natural gas transmission pipeline extending 27 miles from the storage field to an interconnection with the PG&E transmission system, and other related facilities. Gill Ranch owns the rights to 75% of the available storage capacity at the facility. Gill Ranch's share of the facility currently provides 15 Bcf of working gas capacity.

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The Offering	
Company	Northwest Natural Gas Company or NW Natural
Securities offered	880,000 shares of common stock (plus an additional 132,000 shares if the underwriters exercise their option to purchase additional shares in full)
Shares to be outstanding after this offering	28,437,756 shares of common stock (or 28,569,756 shares if the underwriters exercise their option to purchase additional shares in full)
New York Stock Exchange symbol	NWN
Transfer agent and registrar	American Stock Transfer & Trust Company, LLC
Use of proceeds	The net proceeds to be received by NW Natural from this offering will be added to the general funds of NW Natural and used for corporate purposes, primarily to fund, in part, NW Natural's ongoing utility construction program.
Indicated current annual dividend rate	<p>We have increased annual dividend payments each year since 1956. Our current indicated dividend is \$1.88 per share¹.</p> <p>We declared a dividend of \$0.47 per share, payable on November 15, 2016 to holders of record on October 31, 2016. We will not pay this dividend with respect to any shares sold in this offering.</p>
<p>The number of shares of common stock that will be outstanding after this offering is based on the number of shares of our common stock outstanding as of November 7, 2016 and will not include any shares of our common stock issued after such date pursuant to employee benefit plans, or other employee, executive or directors compensation plans, or the NW Natural Dividend Reinvestment and Direct Stock Purchase Plan. As of November 7, 2016, the total number of shares of NW Natural common stock reserved for issuance is 241,526 shares under the NW Natural Dividend Reinvestment and Direct Stock Purchase Plan, 78,857 shares under the Employee Stock Purchase Plan, 816,038 shares under the Stock Option Plan, and 615,633 shares under the Long-Term Incentive Plan.</p>	
<p>¹ Based upon our most recent quarterly dividend of \$0.47 per share of our common stock. Future dividends, if any, may be declared and paid at the discretion of our board of directors and will depend on our future earnings, financial condition and other factors.</p>	

Table of Contents**Summary Consolidated Financial Information**

The summary historical consolidated financial data of NW Natural set forth below has been derived from (i) the annual consolidated financial statements of NW Natural for the years 2013-2015, which have been audited by NW Natural's independent accountants, and incorporated by reference in this prospectus supplement and the accompanying prospectus from NW Natural's Annual Report on Form 10-K for the year ended December 31, 2015 (2015 Form 10-K), and (ii) the unaudited consolidated financial statements of NW Natural as of and for the nine months ended September 30, 2015 and 2016, incorporated by reference in this prospectus supplement and the accompanying prospectus from NW Natural's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 (the Third Quarter 2016 Form 10-Q). This information is qualified in its entirety by, and should be read in conjunction with, the consolidated financial statements, the notes thereto, and "Management's Discussion and Analysis of Results of Operations and Financial Condition" in the 2015 Form 10-K and the Third Quarter 2016 Form 10-Q, incorporated by reference in this prospectus supplement and the accompanying prospectus. Our historical results are not necessarily indicative of the results expected for any future period. See "Where You Can Find More Information" in this prospectus supplement.

	Year Ended December 31			Nine Months Ended September 30	
	2013	2014	2015	2015	2016
	(all numbers in thousands, except per share data)				
Operating Revenues	\$ 758,518	\$ 754,037	\$ 723,791	\$ 493,073	\$ 442,439
Net Income	\$ 60,538	\$ 58,692	\$ 53,703	\$ 23,998	\$ 30,620
Earnings per share of common stock:					
Basic	\$ 2.24	\$ 2.16	\$ 1.96	\$ 0.88	\$ 1.11
Diluted	\$ 2.24	\$ 2.16	\$ 1.96	\$ 0.88	\$ 1.11
Dividends paid per share of common stock:					
	\$ 1.83	\$ 1.85	\$ 1.86	\$ 1.395	\$ 1.405
Total assets, end of period	\$2,970,911	\$3,064,945	\$3,069,410	\$ 2,970,718	\$2,959,884
Total equity	\$ 751,872	\$ 767,321	\$ 780,972	\$ 759,209	\$ 779,202
Short-term debt	\$ 188,200	\$ 234,700	\$ 270,035	\$ 225,200	\$ 194,900
Long-term debt (including current maturities)(1)	\$ 731,597	\$ 653,081	\$ 594,418	\$ 614,053	\$ 595,213

(1) During 2016, the Company adopted ASU 2015-03, "Simplifying the Presentation of Debt Issuance Costs," which required the presentation of debt issuance costs as a direct deduction from the associated debt liability. As a result, debt issuance costs of \$6.5 million, \$7.7 million, \$7.3 million, \$8.6 million and \$10.1 million are direct deductions of gross long-term debt for the nine months ended September 30, 2016 and 2015 and the years ended December 31, 2015, 2014 and 2013, respectively.

Table of Contents**RISK FACTORS**

Investing in the securities involves certain risks. You are urged to read and consider the risk factors described in NW Natural's annual, quarterly and current reports filed with the SEC under the Exchange Act, which are incorporated by reference into this prospectus supplement and the accompanying prospectus. Before making an investment decision, you should carefully consider these risks as well as other information NW Natural includes or incorporates by reference in this prospectus supplement and the accompanying prospectus. You should also be aware that new risks may emerge in the future at any time, and NW Natural cannot predict such risks or estimate the extent to which they may affect NW Natural's financial condition or performance.

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Table of Contents**FORWARD-LOOKING STATEMENTS**

This prospectus supplement and the accompanying prospectus do, and the documents incorporated by reference may, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). Although NW Natural believes these statements are based on reasonable assumptions, no assurance can be given that actual results will not differ from those in the forward-looking statements contained in this prospectus supplement and the accompanying prospectus and in the incorporated documents. The forward-looking statements contained in this prospectus supplement and the accompanying prospectus and in the incorporated documents may be affected by various uncertainties.

Forward-looking statements can be identified by words such as anticipates, assumes, intends, plans, seeks, believes, estimates, expects, and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements regarding the following:

- plans, projections, forecasts and predictions;
- objectives, goals and strategies;
- assumptions and estimates;
- future events or performance;
- trends, timing and cyclicalities;
- risks;
- earnings and dividends;
- capital and other expenditures and allocation;
- capital structure;
- growth and profitability;
- customer rates;
- commodity costs and volumes;
- gas reserves, volumes, investment and recovery;
- operational and maintenance performance and costs;
- energy policy and preferences;
- efficacy of and exposure under derivatives and hedges;
- liquidity, funding sources, and financial positions;
- project and program development, expansion, or investment;
- competition;
- costs of compliance;
- credit exposures;
- regulatory outcomes, prudence or recovery;
- impacts of laws, rules and regulations;
- tax positions, liabilities or refunds;
- levels and pricing of gas storage contracts and gas storage markets;
- outcomes and effects of potential claims, litigation, regulatory actions, and other administrative matters;

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- projected obligations and contributions under retirement plans;
- availability, adequacy, and shift in mix, of gas supplies;
- effects of new or anticipated changes in accounting standards or pronouncements;
- approval and adequacy of regulatory deferrals;
- local or national disasters, pandemic illness, terrorist activities, including cyber-attacks, explosions and other emergency or extreme events;
- effects and efficacy of regulatory mechanisms; and
- environmental, regulatory, litigation and insurance costs, allocations and recoveries, and timing thereof.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We therefore caution you against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future operational or financial performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements are discussed in our 2015 Annual Report on Form 10-K, Part I, Item 1A “Risk Factors” and Part II, Item 7 and Item 7A, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Quantitative and Qualitative Disclosures about Market Risk,” and in Part I, Items 2 and 3, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Quantitative and Qualitative Disclosures About Market Risk,” and Part II, Item 1A, “Risk Factors,” of our Quarterly Report for the Period Ended September 30, 2016 on Form 10-Q.

Any forward-looking statement made by us in this prospectus supplement and the accompanying prospectus speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

Table of Contents**WHERE YOU CAN FIND MORE INFORMATION**

NW Natural files annual, quarterly and other reports and other information with the SEC. Reports, proxy statements and other information filed by NW Natural can be read and copied at the public reference room of the SEC, 100 F Street, N.E., Washington, D.C. 20549. You can obtain additional information about the Public Reference Room by calling the SEC at 1-800-SEC-0330.

In addition, the SEC maintains a Web site (<http://www.sec.gov>) that contains reports, proxy statements and other information filed electronically by NW Natural. NW Natural also maintains a Web site (<http://www.nwnatural.com>). Information contained on NW Natural's Web site does not constitute part of this prospectus supplement.

The SEC allows NW Natural to "incorporate by reference" the information that NW Natural files with the SEC, which means that NW Natural may, in this prospectus supplement, disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement. NW Natural is incorporating by reference the documents listed below (other than any portions of such documents that are deemed to be furnished and not filed) and any future filings NW Natural makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act. Information that NW Natural files in the future with the SEC will automatically update and supersede this information.

We hereby incorporate by reference into this prospectus supplement the following documents that we have filed with the SEC under the Securities Exchange Act File No. 001-15973:

- NW Natural's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.
- NW Natural's Definitive Proxy Statement on Schedule 14A, filed on April 15, 2016 (solely those portions that were incorporated by reference into Part III of our Annual Report on Form 10-K for the fiscal year ended December 31, 2015);
- NW Natural's Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30, and September 30, 2016.
- NW Natural's Current Reports on Form 8-K filed with the SEC on February 5, 2016, March 21, 2016, June 2, 2016, July 29, 2016 (two filings) and September 2, 2016 (as amended on September 23, 2016).
- The description of our common stock as set forth in our Registration Statement on Form 8-A/A filed with the SEC on October 26, 2016.

You may request a copy of these documents, at no cost to you, by writing or calling Shareholder Services, Northwest Natural Gas Company, One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209, telephone 503-226-4211, extension 2402.

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CAPITALIZATION

The following table sets forth NW Natural's capitalization as of September 30, 2016 on an actual basis and as adjusted to give effect to the sale of the common stock in this offering. The information set forth in the table below is reported on a consolidated basis, is only a summary and is qualified in its entirety by, and should be read in conjunction with, the consolidated financial statements, the notes thereto, and "Management's Discussion and Analysis of Results of Operations and Financial Condition" in the 2015 Form 10-K and the Third Quarter 2016 Form 10-Q, incorporated by reference in this prospectus supplement and the accompanying prospectus. See "Where You Can Find More Information" in this prospectus supplement.

	September 30, 2016	
	Actual	As Adjusted ¹
	(in thousands)	
Long-term debt (including current maturities) ²	\$ 595,213	\$ 595,213
Total common stock equity	\$ 779,202	\$ 825,222
Total Capitalization	\$1,374,415	\$ 1,420,435

¹ As adjusted to reflect the net proceeds to NW Natural from this offering of common stock (assuming no exercise by the underwriters of the option to purchase an additional 132,000 shares of common stock from us), after deducting underwriting discounts and commissions and estimated expenses payable by NW Natural. If the underwriters exercise their option to purchase additional shares in full, Total common stock equity and Total Capitalization, each as adjusted, would be \$832.2 million and \$1,427.4 million, respectively.

² Includes debt issuance costs of \$6.5 million. In addition, as of September 30, 2016, we had \$194.9 million of short-term debt outstanding, which is excluded from the calculation of total capitalization.

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The net proceeds to be received by NW Natural from this offering, after deducting the underwriters' discounts and commissions and estimated expenses of \$250,000 payable by NW Natural, are estimated to be \$46.0 million, or \$53.0 million if the underwriters exercise their option to purchase additional shares in full. The net proceeds will be added to the general funds of NW Natural and will be used for general corporate purposes, primarily to fund, in part, NW Natural's ongoing utility construction program. A portion of the net proceeds may be used to reduce NW Natural's short-term indebtedness (commercial paper), which was generally incurred to fund the utility construction program. As of September 30, 2016, NW Natural had approximately \$194.9 million of short-term indebtedness outstanding, with a maximum maturity of 55 days and an average maturity of 28 days and bearing an effective interest rate of 0.7%.

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DIVIDENDS AND PRICE RANGE

The amount and timing of dividends payable on NW Natural's common stock are within the sole discretion of its Board of Directors. Cash dividends on NW Natural's common stock have been paid quarterly each year since 1951. It is the intention of the Board of Directors to continue to pay cash dividends on the common stock on a quarterly basis. However, future dividends will be dependent upon NW Natural's earnings, financial condition and other factors. See "Description of Common Stock —Dividend Limitations" in the accompanying prospectus for certain restrictions upon the payment of cash dividends.

NW Natural's Dividend Reinvestment and Stock Purchase Plan permits registered owners of common stock to reinvest all or a portion of their quarterly dividends in additional shares of NW Natural's common stock at the current market price. Shareholders also may invest cash on a monthly basis, up to \$250,000 per calendar year, in additional shares at the current market price. During 2015, dividend reinvestments and optional cash investments under the plan aggregated \$4.5 million and resulted in the issuance of 97,024 shares of common stock.

NW Natural's common stock is listed and traded on the New York Stock Exchange under the symbol "NWN". On November 7, 2016, NW Natural had 5,528 common shareholders of record. The range of high and low prices and dividends paid per share of the common stock are shown in the following table for the periods indicated:

	Quarterly Dividends	Common Stock Prices	
		High	Low
2014:			
First Quarter	\$ 0.4600	\$44.09	\$40.05
Second Quarter	0.4600	47.32	43.06
Third Quarter	0.4600	47.50	41.81
Fourth Quarter	0.4650	52.57	42.29
Total	<u>\$ 1.8450</u>		
2015:			
First Quarter	\$ 0.4650	\$52.25	\$43.35
Second Quarter	0.4650	49.77	41.32
Third Quarter	0.4650	46.74	42.00
Fourth Quarter	0.4675	51.85	45.03
Total	<u>\$ 1.8625</u>		
2016:			
First Quarter	\$ 0.4675	\$54.51	\$48.90
Second Quarter	0.4675	64.84	49.46
Third Quarter	0.4675	66.17	57.96
Fourth Quarter (through November 9, 2016)	0.4700 ¹	60.00	55.50
Total	<u>\$ 1.8725</u>		

¹ We declared this dividend of \$0.47 per share, payable on November 15, 2016 to holders of record on October 31, 2016. We will not pay this dividend with respect to any shares sold in this offering.

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CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following discussion summarizes certain United States (“U.S.”) federal income tax considerations relevant to the acquisition, ownership and disposition of shares of NW Natural’s common stock. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), Treasury regulations promulgated thereunder, administrative rulings and judicial decisions, all as in effect on the date hereof. These authorities may be changed, possibly retroactively, so as to result in U.S. federal income tax consequences different from those set forth below. We have not sought any ruling from the Internal Revenue Service (“IRS”) with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS will agree with such statements and conclusions.

This summary also does not address the tax considerations arising under the laws of any non-U.S., state, or local jurisdiction or under U.S. federal gift and estate tax laws. In addition, this discussion does not address tax considerations applicable to a non-U.S. holder’s particular circumstances or to non-U.S. holders that may be subject to special tax rules, including, without limitation:

- banks, insurance companies or other financial institutions;
- persons subject to the alternative minimum tax or the Medicare contribution tax on net investment income;
- tax-exempt organizations;
- controlled foreign corporations, passive foreign investment companies and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities treated as partnerships for U.S. federal income tax purposes;
- dealers in securities or currencies;
- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- persons that own, or are deemed to own, more than five percent of our common stock, except to the extent specifically set forth below;
- real estate investment trusts or regulated investment companies;
- certain former citizens or long-term residents of the U.S.;
- persons who hold our common stock as part of a straddle, hedge, conversion, constructive sale, or other integrated security transaction; or
- persons who do not hold our common stock as a capital asset (within the meaning of Section 1221 of the Code).

If a partnership or entity classified as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner or such partnership generally will depend on the status of the partner and upon the activities of the partnership. Accordingly, partnerships that hold our common stock, and partners in such partnerships, should consult their tax advisors.

You are urged to consult your tax advisor with respect to the application of the U.S. federal income tax laws to your particular situation, as well as any tax consequences of the purchase, ownership and disposition of our common stock arising under the U.S. federal estate or gift tax rules or under the laws of any state, local, non-U.S. or other taxing jurisdiction or under any applicable tax treaty.

For purposes of this summary, a “Non-U.S. Holder” means a beneficial owner of shares of NW Natural’s common stock (other than a partnership) that, for U.S. federal income tax purposes, is not (i) an individual that is a citizen or resident of the U.S.; (ii) a corporation or other entity treated as a corporation for U.S. federal income tax purposes that is created or organized under the laws of the U.S., any state thereof or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust if (A) a court within the U.S. is able to exercise primary

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control over its administration and one or more “United States persons” (as defined in the Code) have the authority to control all substantial decisions of such trust, or (B) the trust has made an election under the applicable Treasury regulations to be treated as a U.S. person.

Distributions

In general, if NW Natural makes a distribution to a Non-U.S. Holder with respect to NW Natural’s common stock, it will constitute a dividend for U.S. federal income tax purposes to the extent paid out of NW Natural’s current or accumulated earnings and profits as determined under the Code. If the amount of a distribution exceeds NW Natural’s current and accumulated earnings and profits, such excess first will be treated as a tax-free return of capital to the extent of the Non-U.S. Holder’s adjusted tax basis in our common shares and thereafter will be treated as capital gain subject to the tax treatment described below in “Sale or Other Disposition of Common Stock.” Dividends paid to a Non-U.S. Holder that are not effectively connected with the Non-U.S. Holder’s conduct of a trade or business within the United States will generally be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (unless such dividend is eligible for a reduced rate under an applicable income tax treaty). In order to obtain a reduced rate of withholding, a Non-U.S. Holder is generally required to provide to the applicable withholding agent an IRS Form W-8BEN or IRS Form W-8BEN-E (or a suitable substitute form) properly certifying such Non-U.S. Holder’s eligibility for the reduced rate. Non-U.S. Holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced withholding rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for a refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under an applicable income tax treaty and the timing and manner of claiming the benefits.

Dividends that are effectively connected with a Non-U.S. Holder’s conduct of a trade or business in the United States and, if an applicable income tax treaty so requires, are attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States, are taxed on a net-income basis at the regular graduated rates and in the manner applicable to United States persons. The Non-U.S. Holder is generally required to provide to the applicable withholding agent a properly executed IRS Form W-8ECI (or a suitable substitute form) in order to claim an exemption from, or reduction in, U.S. federal withholding. In addition, a “branch profits tax” may be imposed at a 30% rate (or a reduced rate under an applicable income tax treaty) on any effectively connected dividends received by a foreign corporation for the taxable year, as adjusted for certain items.

Sale or Other Taxable Disposition of Common Stock

A Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax with respect to gain, if any, recognized on the sale or other taxable disposition of shares of NW Natural’s common stock unless (i) the gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States, and, if certain tax treaties apply, is attributable to a permanent establishment or fixed base within the United States, (ii) in the case of an individual, such Non-U.S. Holder is present in the United States for 183 or more days in the taxable year of the disposition and certain other conditions are satisfied, or (iii) NW Natural’s common stock constitutes a U.S. real property interest by reason of NW Natural’s status as a U.S. real property holding corporation (a “USRPHC”) under the Foreign Investment in Real Property Tax Act (“FIRPTA”) for U.S. federal income tax purposes.

In the case described in (i) above, gain or loss recognized on the disposition of shares of NW Natural’s common stock generally will be subject to U.S. federal income taxation in the same manner as if such gain or loss were recognized by a U.S. person, and, in the case of a Non-U.S. Holder that is a foreign corporation, may also be subject to the branch profits tax at a rate of 30% (or a lower applicable treaty branch profits tax rate).

In the case described in (ii) above, the Non-U.S. Holder will be subject to a 30% tax on any capital gain recognized on the disposition of shares of NW Natural’s common stock (after being offset by certain U.S.-source capital losses).

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In the case described in (iii) above, a corporation is a USRPHC if the fair market value of its U.S. real property interests equals or exceeds 50 percent of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (all as determined for U.S. federal income tax purposes). Given the lack of clear guidance in this area, there can be no assurances that we are not or will not become a USRPHC. If, however, we were a USRPHC during the shorter of the five-year period preceding the disposition or the Non-U.S. Holder's holding period, Non-U.S. Holders owning (directly or indirectly) more than 5 percent of our common shares will be subject to different tax consequences and should consult their own tax advisers. U.S. federal income tax will not apply to gain realized on the sale or disposition of our common stock by a Non-U.S. Holder that owns (directly or indirectly at any time during the shorter of the five-year period preceding the date of disposition or the Non-U.S. Holder's holding period) 5 percent or less of our common stock so long as our common stock is "regularly traded on an established securities market" (such as the New York Stock Exchange) as defined under applicable Treasury regulations.

If gain on the sale or other taxable disposition of the common stock were subject to taxation under FIRPTA, a Non-U.S. Holder generally would be subject to U.S. federal income tax on the gain realized on a disposition of the common stock at the graduated U.S. federal income tax rates applicable to U.S. persons, generally would be required to file a U.S. federal income tax return, and, if the common stock was not then publicly traded, and certain other conditions were met, the purchaser would be required to withhold 15% of the sales proceeds.

Information Reporting and Backup Withholding

Information returns will be filed annually with the IRS in connection with any dividends paid on NW Natural's common stock to a Non-U.S. Holder. Copies of these information returns may also be made available under the provisions of a specific tax treaty or other agreement to the tax authorities of the country in which the Non-U.S. Holder resides. Unless the Non-U.S. Holder complies with certification procedures to establish that it is not a United States person, information returns may be filed with the IRS in connection with the proceeds from a sale or other disposition, and the Non-U.S. Holder may be subject to backup withholding (currently at a rate of 28%) on dividends paid on NW Natural's common stock or on the proceeds from a sale or other disposition of shares of NW Natural's common stock. The certification procedures required to claim a reduction or exemption from withholding tax on payments described above under "Distributions" will satisfy the certification requirements necessary to avoid backup withholding as well. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

Foreign Account Tax Compliance Act

Under the Foreign Account Tax Compliance Act ("FATCA") and additional guidance issued by the IRS, a U.S. federal withholding tax of 30% will generally apply to certain payments (including dividends paid on NW Natural's common stock and, after December 31, 2018, will include gross proceeds from the sale or other disposition of shares of NW Natural's common stock) paid to (i) a foreign financial institution (as a beneficial owner or as an intermediary), unless such institution enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which would include certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners), or (ii) a foreign entity that is not a financial institution (as a beneficial owner or as an intermediary), unless such entity provides the withholding agent with a certification identifying the substantial U.S. owners of the entity, which generally includes any U.S. person who directly or indirectly owns more than 10% of the entity. Non-U.S. Holders are encouraged to consult with their tax advisors regarding the possible implications of the FATCA withholding rules on their investment in NW Natural's common stock. If a dividend payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under "— Distributions," the withholding under FATCA may be credited against, and therefore reduce, such other withholding tax.

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UNDERWRITING

We have entered into an underwriting agreement, dated November 10, 2016, with the underwriters named below with respect to the shares of common stock to be offered pursuant to this prospectus supplement. Subject to the terms and conditions contained in the underwriting agreement, we have agreed to sell and the underwriters, for whom Wells Fargo Securities LLC, J.P. Morgan Securities LLC and RBC Capital Markets, LLC are acting as representatives, have agreed to purchase from us the number of shares of our common stock set forth opposite its name in the following table:

<u>Name of Underwriter</u>	<u>Number of Shares</u>
Wells Fargo Securities, LLC	352,000
J.P. Morgan Securities LLC	220,000
RBC Capital Markets, LLC	220,000
USCA Securities LLC	70,400
Sidoti & Company, LLC	17,600
Total	880,000

Option to Purchase Additional Shares

We have granted to the underwriters a 30-day option, exercisable from the date of the underwriting agreement, to purchase on a pro rata basis up to 132,000 additional shares of our common stock at the public offering price less the underwriting discounts and commissions.

We will be obligated to sell these shares of our common stock to the underwriters to the extent the option to purchase additional shares is exercised.

Underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the common stock offered by this prospectus supplement.

Discounts and Commissions

The underwriters propose to offer the shares of our common stock initially at the public offering price on the cover page of this prospectus supplement and to certain dealers at that price less a concession not in excess of \$1.23 per share. After the public offering, the underwriters may change the public offering price and concessions to dealers.

The following table summarizes the compensation to be paid to the underwriters. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	<u>Per Share</u>	<u>Total</u>	
		<u>Without Option</u>	<u>With Option</u>
Public offering price	\$54.63	\$48,074,400	\$55,285,560
Underwriting discounts and commissions payable by us	\$ 2.05	\$ 1,804,000	\$ 2,074,600
Proceeds, before expenses, to us	\$52.58	\$46,270,400	\$53,210,960

The underwriting fee will be an amount equal to the offering price per share to the public of our common stock, less the amount paid by the underwriters to us per share of common stock. The underwriters' compensation was determined through arms' length negotiations between the underwriters and us.

We estimate that the expenses payable by us in connection with this offering, other than the underwriting discounts and commissions referred to above, will be approximately \$250,000. Estimated expenses include SEC filing fees, New York Stock Exchange listing fees, printing, legal, accounting, transfer agent and registrar fees, and other miscellaneous fees and expenses.

Table of Contents**Lock-Up Arrangement**

We and our executive officers and directors have agreed not to sell, transfer, pledge, offer or contract to sell, transfer or pledge, or file with the SEC a registration statement under the Securities Act, relating to any additional shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock without the prior written consent of Wells Fargo Securities LLC for a period of 60 days after the date of the underwriting agreement. These restrictions will not apply to the issuance of shares pursuant to employee benefit plans or other employee, executive or director compensation plans, or the NW Natural Dividend Reinvestment and Direct Stock Purchase Plan.

Indemnity

We have agreed to indemnify the underwriters against certain liabilities arising out of this prospectus supplement, the accompanying prospectus and certain other materials in connection with this offering.

Our Relationship with the Underwriters

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include, among other activities, securities trading and underwriting, commercial and investment banking, financial advisory, corporate trust, investment management, investment research, principal investment, hedging, financing and brokerage activities. In the ordinary course of their respective businesses, certain of the underwriters and/or their respective affiliates have in the past and may in the future provide us and our affiliates with commercial banking, investment banking, financial advisory and other services for which they have and in the future will receive customary fees.

In particular, affiliates of Wells Fargo Securities, J.P. Morgan and RBC Capital Markets, LLC serve as lenders to the Company under its Credit Agreement dated as of December 20, 2012, as amended. None of the net proceeds of this offering will be used to repay any amounts due to such affiliates under the credit agreement.

Certain of the underwriters and their affiliates have engaged and in the future may engage in investment banking transactions with, and provide services to, NW Natural or its subsidiaries in the ordinary course of business. An affiliate of Wells Fargo Securities, LLC is the exclusive agent under NW Natural's commercial paper program.

In the ordinary course of their various business activities, the underwriters and certain of their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments issued by us and our affiliates. If the underwriters or their respective affiliates have a lending relationship with us, they routinely hedge their credit exposure to us consistent with their customary risk management policies. The underwriters and their respective affiliates may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities or the securities of our affiliates, including potentially the common stock offered hereby. Any such short positions could adversely affect future trading prices of the common stock offered hereby. The underwriters and certain of their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to customers that they acquire, long and/or short positions in such securities and instruments.

Stabilization

The underwriters may engage in over-allotment transactions, stabilizing transactions and syndicate covering transactions in accordance with Regulation M under the Exchange Act.

- Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates syndicate short positions.

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- Stabilizing transactions permit bids to purchase shares of our common stock so long as the stabilizing bids do not exceed a specified maximum.
- Syndicate covering transactions involve purchases of our common stock in the open market after the distribution has been completed to cover syndicate short positions.

These stabilizing transactions and syndicate covering transactions may cause the price of our common stock to be higher than the price that might otherwise exist in the open market. These transactions may be effected on the New York Stock Exchange or otherwise. Neither we nor any of the underwriters make any representation that the underwriters will engage in any of the transactions described above. If commenced, these transactions may be discontinued at any time without notice. Neither we nor any of the underwriters make any representation or prediction as to the effect that the transactions described above, if commenced, may have on the market price of our common stock.

Canada

The common stock may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the common stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus Supplement or the accompanying Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to Section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("NI 33-105"), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

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The financial statements, financial statement schedule and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2015 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

LEGALITY

The legality of the common stock offered by this prospectus supplement and the accompanying prospectus will be passed upon for NW Natural by MardiLyn Saathoff, Esquire, Senior Vice President, General Counsel and Regulation of NW Natural, and by Morgan, Lewis & Bockius LLP, New York, New York, and for the underwriters by Simpson Thacher & Bartlett LLP, New York, New York. Morgan, Lewis & Bockius LLP and Simpson Thacher & Bartlett LLP may rely upon the opinion of Ms. Saathoff as to certain legal matters arising under Oregon law, and Ms. Saathoff, Morgan, Lewis & Bockius LLP and Simpson Thacher & Bartlett LLP may rely upon the opinion of Stoel Rives LLP, Portland, Oregon, as to certain legal matters arising under Washington law.

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PROSPECTUS



NORTHWEST NATURAL GAS COMPANY

DEBT SECURITIES

JUNIOR SUBORDINATED DEBENTURES

PREFERRED STOCK

COMMON STOCK

Northwest Natural Gas Company, or NW Natural, may offer any combination of the securities described in this prospectus in one or more offerings from time to time and in amounts authorized from time to time. NW Natural will provide specific terms of its securities, including their offering prices, in supplements to this prospectus. The supplements may also add, update or change information contained in this prospectus. You should read this prospectus and any supplements carefully before you invest.

NW Natural's common stock is listed on the New York Stock Exchange and trades under the symbol "NWN."

NW Natural may offer these securities directly or through underwriters, agents or dealers. The supplements to this prospectus will describe the terms of any particular plan of distribution, including any underwriting arrangements. The "Plan of Distribution" section on page 20 of this prospectus also provides more information on this topic.

See the discussion of [risk factors](#) on page 2 of this prospectus and as contained in NW Natural's annual, quarterly and current reports filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, which are incorporated by reference into this prospectus, to read about certain factors you should consider before purchasing any of the securities being offered.

NW Natural's principal executive offices are located at One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209, and its telephone number is (503) 226-4211.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 8, 2016.

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This prospectus is part of a registration statement that NW Natural filed with the Securities and Exchange Commission, or SEC, utilizing a “shelf” registration, or continuous offering, process. Under this shelf registration process, NW Natural, from time to time, may sell any combination of the securities described in this prospectus in one or more offerings. NW Natural may offer any of the following securities: Debt Securities, Junior Subordinated Debentures, Common Stock or Preferred Stock.

This prospectus provides you with a general description of the securities that NW Natural may offer. Each time NW Natural sells securities, it will provide a prospectus supplement that will contain specific information about the terms of that offering. Material United States federal income tax considerations applicable to the offered securities will be discussed in the applicable prospectus supplement, if necessary. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the heading “Where You Can Find More Information.”

For more detailed information about the securities, you can read the exhibits to the registration statement. Those exhibits have been either filed with the registration statement or incorporated by reference to earlier SEC filings listed in the registration statement.

WHERE YOU CAN FIND MORE INFORMATION

NW Natural files annual, quarterly and other reports and other information with the SEC. Reports, proxy statements and other information filed by NW Natural can be read and copied at the public reference room of the SEC, 100 F Street, N.E., Washington, D.C. 20549. You can obtain additional information about the Public Reference Room by calling the SEC at 1-800-SEC-0330.

In addition, the SEC maintains a Web site (<http://www.sec.gov>) that contains reports, proxy statements and other information filed electronically by NW Natural. NW Natural also maintains a Web site (<http://www.nwnatural.com>). Information contained on NW Natural’s Web site does not constitute part of this prospectus.

The SEC allows NW Natural to “incorporate by reference” the information that NW Natural files with the SEC, which means that NW Natural may, in this prospectus, disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. NW Natural is incorporating by reference the documents listed below (other than any portions of such documents that are deemed to be furnished and not filed) and any future filings NW Natural makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (Exchange Act), until NW Natural sells all of the securities described in this prospectus. Information that NW Natural files in the future with the SEC will automatically update and supersede this information.

We hereby incorporate by reference into this prospectus the following documents that we have filed with the SEC under the Securities Exchange Act File No. 001-15973:

- NW Natural’s Annual Report on Form 10-K for the fiscal year ended December 31, 2015.
- NW Natural’s Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30 and September 30, 2016.
- NW Natural’s Current Reports on Form 8-K filed with the SEC on February 5, 2016, March 21, 2016, June 2, 2016, July 29, 2016 and September 2, 2016 (as amended on September 23, 2016).

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You may request a copy of these documents, at no cost to you, by writing or calling Shareholder Services, Northwest Natural Gas Company, One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209, telephone 503-226-4211, extension 2402.

You should rely only on the information contained, or incorporated by reference, in this prospectus and any prospectus supplement. NW Natural has not, and any underwriters, agents or dealers have not, authorized anyone else to provide you with different information. NW Natural is not, and any underwriters, agents or dealers are not, making an offer of these securities or soliciting offers to buy these securities in any jurisdiction where the offer or solicitation is not permitted. You should not assume that the information contained in this prospectus and any prospectus supplement is accurate as of any date other than the date on the front of such document or that the information incorporated by reference in this prospectus or any prospectus supplement is accurate as of any date other than the date of the document incorporated by reference.

FORWARD-LOOKING STATEMENTS

This document does, and the documents incorporated herein by reference may, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Exchange Act. Although NW Natural believes these statements are based on reasonable assumptions, no assurance can be given that actual results will not differ from those in the forward-looking statements contained herein and in the incorporated documents. The forward-looking statements contained herein and in the incorporated documents may be affected by various uncertainties. For a further discussion of forward-looking statements and of factors which may affect forward-looking statements contained herein and in the incorporated documents, see NW Natural's most recent Annual Report on Form 10-K and any of its Quarterly Reports on Form 10-Q filed after that Annual Report on Form 10-K.

NW NATURAL

NW Natural is principally engaged in the distribution of natural gas in Oregon and southwest Washington. NW Natural and its predecessors have supplied gas service to the public since 1859. NW Natural's executive offices are located at One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209. Its telephone number is 503-226-4211.

RISK FACTORS

Investing in the securities involves certain risks. You are urged to read and consider the risk factors described in NW Natural's annual, quarterly and current reports filed with the SEC under the Exchange Act, which are incorporated by reference into this prospectus. Before making an investment decision, you should carefully consider these risks as well as other information NW Natural includes or incorporates by reference in this prospectus. You should also be aware that new risks may emerge in the future at any time, and NW Natural cannot predict such risks or estimate the extent to which they may affect NW Natural's financial condition or performance. The prospectus supplement applicable to each type or series of securities NW Natural offers may contain a discussion of additional risks applicable to an investment in NW Natural and the particular type of securities NW Natural is offering under that prospectus supplement.

USE OF PROCEEDS

Unless otherwise stated in a prospectus supplement, the net proceeds to be received by NW Natural from the sale of these securities will be added to the general funds of NW Natural and used for corporate purposes, primarily to fund, in part, NW Natural's ongoing utility construction program and for general corporate purposes.

The prospectus supplement relating to a particular offering of securities will identify the use of proceeds for that offering.

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**RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERENCE DIVIDENDS**

The ratios of earnings to fixed charges and ratios of earnings to combined fixed charges and preference dividends, calculated according to the rules set forth under the Securities Act, for the following periods were:

<u>Period</u>	<u>Ratios(1)</u>
Twelve Months Ended September 30, 2016	3.36
Nine Months Ended September 30, 2016(2)	2.67
Year Ended December 31, 2015	3.00
Year Ended December 31, 2014	3.13
Year Ended December 31, 2013	3.16
Year Ended December 31, 2012	3.26
Year Ended December 31, 2011	3.38

Earnings consist of net income to which has been added taxes on income and fixed charges. Fixed charges consist of interest on all indebtedness, amortization of debt expense and discount or premium, and the estimated interest portion of rentals charged to income. Preference dividends are the amounts of pre-tax earnings that would be required to pay dividends on any outstanding preference equity securities (which could include any NW Natural preferred stock outstanding for the period).

- (1) NW Natural had no preference equity securities outstanding for any of the periods presented; therefore, the ratios of earnings to fixed charges are the same as the ratios of earnings to combined fixed charges and preference dividends.
- (2) A significant part of the businesses of NW Natural is seasonal in nature; therefore, the ratio of earnings to fixed charges and the ratio of earnings to combined fixed charges and preference dividends for the interim period are not necessarily indicative of the results for a full year.

DESCRIPTION OF DEBT SECURITIES

General

The following sections set forth certain general terms and provisions of NW Natural's secured, unsecured and junior subordinated debt securities, consisting of first mortgage bonds and debentures, notes or other debt, that NW Natural may offer by this prospectus. NW Natural will describe the particular terms of the debt securities, and provisions that vary from those described below, in one or more prospectus supplements.

DESCRIPTION OF THE BONDS

General

NW Natural will issue its first mortgage bonds, in one or more series, under the Mortgage and Deed of Trust, dated as of July 1, 1946, to Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) (the Corporate Trustee), as trustee (the Mortgage Trustee), which has been amended and supplemented in the past and which may be supplemented again by one or more supplemental indentures relating to these securities. This Mortgage and Deed of Trust, as amended and supplemented, is referred to in this prospectus as the "Mortgage." All first mortgage bonds issued or to be issued under the Mortgage, including the first mortgage bonds offered by this prospectus, are referred to herein as "First Mortgage Bonds."

This section briefly summarizes some of the provisions of the First Mortgage Bonds and some of the provisions of the Mortgage and uses some terms that are not defined in this prospectus but that are defined in the

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Mortgage. This summary is not complete and is qualified in its entirety by reference to the Mortgage which is on file with the SEC. You should read the Mortgage for a complete understanding of the provisions that may be important to you and for the definitions of some terms used in this summary.

Each series of First Mortgage Bonds may have different terms. NW Natural will include some or all of the following information about a specific series of First Mortgage Bonds in the prospectus supplement relating to those First Mortgage Bonds:

- the designation of the series and the aggregate principal amount of those First Mortgage Bonds,
- the interest rate(s) for those First Mortgage Bonds,
- the currency or currencies in which payment of the principal of and interest on those First Mortgage Bonds may be made,
- the date(s) on which those First Mortgage Bonds will mature,
- the dates on which NW Natural will pay the interest on those First Mortgage Bonds and the date from which interest will accrue,
- the place(s) where the principal of and interest on those First Mortgage Bonds will be payable,
- whether all or any portion of those First Mortgage Bonds will be issued to a designated depository,
- the additional place(s) for the payment of principal or interest or for the registration or transfer of those First Mortgage Bonds,
- any terms or obligations of NW Natural relating to creation of a sinking fund with respect to those First Mortgage Bonds or permitting conversion of those First Mortgage Bonds into capital stock of NW Natural or another entity,
- any terms permitting bondholders to exchange those First Mortgage Bonds for other securities,
- any terms pursuant to which NW Natural may redeem any of those First Mortgage Bonds, and
- any other terms or provisions relating to those First Mortgage Bonds that are not inconsistent with the provisions of the Mortgage.

Except as may otherwise be described in a prospectus supplement, the covenants contained in the Mortgage will not afford holders of the First Mortgage Bonds protection in the event of a highly-leveraged or similar transaction involving NW Natural or in the event of a change in control.

Reserved Amendment Rights

NW Natural has reserved the right to amend the Mortgage, without the consent or other action of the holders of any series of First Mortgage Bonds created after November 1, 2016 or Secured Medium-Term Notes, Series B with an issue date after November 1, 2016, to make the changes described below in this "Description of First Mortgage Bonds." Holders of any series of First Mortgage Bonds created after November 1, 2016 and Secured Medium-Term Notes, Series B with an issue date after November 1, 2016, including First Mortgage Bonds that NW Natural may offer by this prospectus, are deemed to have consented to these amendments. This section briefly summarizes the reserved amendment rights. This summary is not complete. You should read this summary together with the twenty-second supplemental indenture, dated as of November 1, 2016, which has been filed with the SEC and is an exhibit to the registration statement filed with the SEC of which this prospectus is a part, together with the Mortgage for a complete understanding of the reserved amendment rights.

Form, Exchange and Payment

Unless otherwise specified in the prospectus supplement relating to First Mortgage Bonds, First Mortgage Bonds will be (1) issued in fully registered form in denominations of \$1,000 or any amount in excess thereof that

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is an integral multiple of \$1,000 and (2) exchangeable at the office of Deutsche Bank Trust Company Americas in New York City, without charge other than taxes or other governmental charges incident thereto, and principal, premium, if any, and interest will be payable at such office.

Security

First Mortgage Bonds issued or to be issued under the Mortgage are or will be secured by the Mortgage, which constitutes a first mortgage lien on certain gas utility properties owned from time to time by NW Natural (except as stated below).

The lien of the Mortgage is or may be subject to the following Excepted Encumbrances:

- liens for taxes, assessments or governmental charges which are not delinquent or the validity of which is being contested at the time by NW Natural in good faith; and liens for workmen's compensation awards and similar obligations which are not delinquent and undetermined liens or charges incidental to construction;
- liens securing indebtedness, neither assumed nor guaranteed by NW Natural nor on which it customarily pays interest, existing on real property or rights in or relating to real property acquired by NW Natural for transmission line, transportation line, distribution line or right of way purposes;
- rights of any municipality or public authority to terminate any right, power, franchise, grant, license or permit or to purchase or recapture or to designate a purchaser of any of the property of NW Natural or to control or regulate any property of NW Natural, or to use such property in a manner which does not materially impair the use of such property for the purposes for which it is held by NW Natural;
- rights of others to take or receive any part of the power, gas, oil or other minerals or timber generated, developed, produced, manufactured, pumped or stored by, or grown on, or acquired with, any property of NW Natural;
- easements, restrictions, exceptions or reservations in any property and/or rights of way of NW Natural for the purpose of roads, pipelines, transmission lines, distribution lines, removal of coal or other minerals or timber, and other like purposes, or for the joint or common use of real property, rights of way, facilities and/or equipment, and defects, irregularities and deficiencies in titles of any property and/or rights of way, which do not materially impair the use of such property and/or rights of way for the purposes for which such property and/or rights of way are held by NW Natural; or
- any obligations or duties, affecting the property of NW Natural, to any municipality or public authority with respect to any franchise, grant, license or permit.

In addition, the lien of the Mortgage is or may be subject to the following:

- vendors' liens, purchase money mortgages and liens on property that already exist at the time NW Natural acquires that property;
- liens for labor, materials, supplies or other objects given priority by law; and
- liens for taxes, assessments or other governmental charges given priority by law.

NW Natural has reserved the right to amend the Mortgage to restate the definition of Excepted Encumbrances to mean substantially the following:

- tax liens, assessments and other governmental charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to NW Natural's general counsel or to such other person designated by NW Natural to receive such notices;

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- mechanics', workmen's, repairmen's, materialmen's, warehousemen's and carriers' liens, other liens incident to construction, liens or privileges of any of NW Natural's employees for salary or wages earned, but not yet payable, and other liens, including without limitation liens for worker's compensation awards, arising in the ordinary course of business for charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten business days' notice has not been given to NW Natural's general counsel or to such other person designated by NW Natural to receive such notices;
- specified judgment liens;
- easements, leases, reservations or other rights of others (including governmental entities) in, and defects of title in, NW Natural's property;
- liens securing indebtedness or other obligations relating to real property NW Natural acquired for specified transmission, distribution or communication purposes or for the purpose of obtaining rights of way;
- specified leases and leasehold, license, franchise and permit interests;
- liens resulting from law, rules, regulations, orders or rights of governmental authorities and specified liens required by law or governmental regulations;
- liens to secure public obligations, rights of others to take minerals, timber, electric energy or capacity, gas, water, steam or other products produced by NW Natural or by others on NW Natural's property;
- rights and interests of persons other than NW Natural arising out of agreements relating to the common ownership or joint use of property, and liens on the interests of those persons in such property;
- restrictions on assignment and/or requirements of any assignee to qualify as a permitted assignee and/or public utility or public services corporation;
- liens which have been bonded for the full amount in dispute or for the payment of which other adequate security arrangements have been made;
- certain easements, ground leases and rights of way for the purpose of roads, pipelines, transmission lines, distribution lines, communication lines, railways, removal or transportation of coal, lignite, gas, oil or other minerals or timber, and other like purposes, or for the joint or common use of real property, rights of way, facilities and/or equipment, so long as such grant shall not materially impair the use of the property or rights of way for the purposes for which such property or rights of way are held by NW Natural; and
- certain prepaid liens. (See Twenty-second Supplemental Indenture, Section 2.17 and the definition of Permitted Liens in Section 1.07.)

The following are excepted from the lien of the Mortgage:

- (1) cash and securities,
- (2) certain equipment, apparatus, materials or supplies,
- (3) aircraft, automobiles and other vehicles,
- (4) receivables, contracts, leases and operating agreements,
- (5) timber, minerals, mineral rights and royalties, and
- (6) all Natural Gas and Oil Production Property (See Mortgage, pages 10-11 and Section 4).

No stock, properties or other assets of NW Natural subsidiaries are subject to the Mortgage.

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The Mortgage contains provisions that impose the lien of the Mortgage on property acquired by NW Natural after the date of the Mortgage, other than the excepted property described above and subject to pre-existing liens. However, if NW Natural consolidates, merges or sells substantially all of its assets to another entity, the lien created by the Mortgage will generally not cover the property of the successor, other than the mortgaged property it acquires from NW Natural and improvements, extensions, additions, renewals and replacements of that property. (See Mortgage, Article XVI.)

The Mortgage provides that the Mortgage Trustee shall have a lien upon the mortgaged property, prior to that of the First Mortgage Bonds, for the payment of its reasonable compensation and expenses and for indemnity against certain liabilities. This lien takes priority over the lien securing the First Mortgage Bonds. (See Mortgage, Section 96.)

NW Natural has reserved the right to amend the Mortgage to add any one or more of following types of property to the list of excepted property described above:

- (1) any vessels or marine equipment;
- (2) any personal property of such character that the perfection of a security interest therein or other lien thereon is not governed by the Uniform Commercial Code in effect where NW Natural is organized or the property is located;
- (3) any general intangibles, including computer software;
- (4) any intellectual property rights;
- (5) any governmental and other licenses, permits, or franchises (other than NW Natural's franchises, permits and licenses that are transferable and necessary for the operation of the mortgaged property); or
- (6) any unrecorded easements and rights of way.

NW Natural has also reserved the right to amend the Mortgage to subject any excepted property to the lien of the Mortgage and to define the term "mineral rights" for purposes of the Mortgage to exclude any rights or other property constructed, acquired or held primarily for the purpose of storing and withdrawing gas that has been injected into, or may from time to time may be injected into, storage reservoirs or other facilities located on or under real property, whether or not such rights or other property constitute "mineral rights" under applicable law. (See Twenty-second Supplemental Indenture, Sections 2.05, 2.08 and 2.23.)

Issuance of Additional First Mortgage Bonds

First Mortgage Bonds may be issued from time to time on the basis of:

- (1) 70% of property additions, after adjustments to offset retirements (See "Modification of the Mortgage—Issuance of Additional First Mortgage Bonds," below),
- (2) the retirement of First Mortgage Bonds or qualified lien bonds, or
- (3) the deposit of cash.

With certain exceptions in the case of (2) above, the issuance of First Mortgage Bonds must meet an earnings test. The adjusted net earnings before income taxes for 12 consecutive months out of the preceding 15 months must be at least twice the annual interest requirements on all First Mortgage Bonds at the time outstanding, including the First Mortgage Bonds being issued, and all indebtedness of prior rank.

For purposes of determining annual interest requirements, interest on First Mortgage Bonds or other indebtedness bearing interest at a variable interest rate shall be computed at the average of the interest rates borne by such First Mortgage Bonds or other indebtedness during the period of calculation or, if such First Mortgage Bonds or other indebtedness shall have been issued after such period or shall be the subject of pending applications, interest shall be computed at the initial rate borne upon issuance.

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Property additions generally include gas, electric, steam or hot water property or gas by-product property acquired after March 31, 1946, but will not include certain assets, including securities, airplanes, automobiles or other vehicles, or natural gas transmission lines or Natural Gas and Oil Production Property. As of September 30, 2016, approximately \$769.4 million of property additions were available for use as the basis for the issuance of First Mortgage Bonds. As of September 30, 2016, approximately \$298 million of retired First Mortgage Bonds were available for use as the basis for the issuance of First Mortgage Bonds.

The Mortgage contains certain restrictions upon the issuance of First Mortgage Bonds against property subject to liens.

(See Mortgage, Sections 4-7, 20-30 and 46, Third Supplemental Indenture, Sections 3 and 4, Eighteenth Supplemental Indenture, Section 2.01, and Twenty-second Supplemental Indenture, Sections 1.03 and 1.04.)

NW Natural has reserved the right to amend the Mortgage (1) to delete the earnings test and (2) to modify the definition of property additions to mean all mortgaged property acquired or constructed by NW Natural after March 31, 1946. (See Twenty-second Supplemental Indenture, Sections 2.01 and 2.05.)

NW Natural has also reserved the right to amend the Mortgage to change the definition of funded property from time to time. To change the definition of funded property, NW Natural must deliver to the Corporate Trustee an independent engineer's certificate referred to as a "funded property certificate." This funded property certificate will describe all or a portion of mortgaged property which has a fair value not less than the sum of the principal amount of the First Mortgage Bonds outstanding and the principal amount of the First Mortgage Bonds that NW Natural is entitled to have authenticated on the basis of retired First Mortgage Bonds divided by 70%. Once this funded property certificate is delivered to the Corporate Trustee, the definition of "funded property" will mean any mortgaged property described in the funded property certificate. Property additions will become funded property when used under the Mortgage for the issuance of bonds, the release or retirement of funded property, or the withdrawal of cash deposited with the Corporate Trustee for the issuance of bonds or the release of Funded property. (See Twenty-second Supplemental Indenture, Section 2.03.)

Release and Substitution of Property

Property may be released from the lien of the Mortgage, at the lesser of its cost or its fair value at the time that such property became funded property, on the basis of:

- (1) the deposit of cash or, to a limited extent, purchase money mortgages,
- (2) property additions acquired by NW Natural in the last five years, or
- (3) the waiver of the right to issue First Mortgage Bonds on the basis of retired First Mortgage Bonds, in each case without applying an earnings test.

Cash so deposited as the basis for a release and cash deposited as the basis for the issuance of additional First Mortgage Bonds may be withdrawn upon the bases stated in (2) and (3) above without applying an earnings test. When property released is not funded property, property additions used to effect the release may again, in certain cases, become available as credits under the Mortgage, and the waiver of the right to issue First Mortgage Bonds to effect the release may, in certain cases, cease to be effective as such a waiver. Similar provisions are in effect as to cash proceeds of such property. The Mortgage contains special provisions with respect to qualified lien bonds pledged and the disposition of moneys received on pledged prior lien bonds. In addition, NW Natural may release unfunded mortgaged property if after such release at least one dollar of unfunded mortgaged property remains subject to the lien of the Mortgage. (See Mortgage, Sections 5, 31, 32, 37, 46 to 50, 59 to 61, 100 and 118, Eighteenth Supplemental Indenture, Section 2.03, and Twenty-second Supplemental Indenture, Sections 1.02 and 1.06.)

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NW Natural has reserved the right to amend the Mortgage as follows:

- to permit releases of property without the sale or disposition of such property;
- to eliminate the limit on purchase money mortgages referred to in clause (1) above;
- to eliminate the five-year limit on property additions referred to in clause (2) above; and
- to increase the amount of property that may be released on the basis of clause (3) above to 10/7ths of aggregate principal amount of First Mortgage Bonds so waived. (See Twenty-second Supplemental Indenture, Sections 2.02, 2.20, 2.21 and 2.22.)

Satisfaction and Discharge of Mortgage

The lien of the Mortgage may be canceled and discharged whenever all indebtedness secured by the Mortgage has been paid. First Mortgage Bonds, or any portion of the principal amount thereof, will, prior to the maturity thereof, be deemed to have been paid for purposes of satisfying the lien of the Mortgage and shall not be deemed to be outstanding for any other purpose of the Mortgage if there shall have been deposited with the Corporate Trustee either:

- (1) moneys in the necessary amount, or
- (2) (a) direct obligations of the government of the United States of America, or
 - (b) obligations guaranteed by the government of the United States of America, or
 - (c) securities that are backed by obligations of the government of the United States of America as collateral under an arrangement by which the interest and principal payments on the collateral generally flow immediately through to the holder of the security,

which in any case are not subject to redemption prior to maturity by anyone other than the holders, and the principal of and the interest on which when due, and without any regard to reinvestment thereof, shall be sufficient to pay when due the principal of, premium, if any, and interest due and to become due on said First Mortgage Bonds or portions thereof on the redemption date or maturity date thereof, as the case may be. (See Mortgage, Section 106 and Thirteenth Supplemental Indenture, Section 3.02.)

Defaults and Notice Thereof

Defaults are:

- (1) default in payment of principal,
- (2) default for 60 days in payment of interest or of installments of funds for the retirement of First Mortgage Bonds,
- (3) certain defaults with respect to qualified lien bonds,
- (4) certain events in bankruptcy, insolvency or reorganization, and
- (5) default for 90 days after notice in the case of a breach of certain other covenants.

The Mortgage Trustee may withhold notice of default (except in payment of principal, interest or any fund for the retirement of First Mortgage Bonds) if it thinks it is in the interest of the bondholders. (See Mortgage, Sections 65 and 66.)

Holders of 25% of the First Mortgage Bonds may declare the principal and the interest due on default, but a majority may annul such declaration if such default has been cured. There is no automatic acceleration even in the event of NW Natural's bankruptcy, insolvency or reorganization. No holder of First Mortgage Bonds may enforce the lien of the Mortgage without giving the Mortgage Trustee written notice of a default and unless

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holders of 25% of the First Mortgage Bonds have requested the Mortgage Trustee to act and offered it reasonable opportunity to act and the Mortgage Trustee has failed to act. The Mortgage Trustee is not required to risk its funds or incur personal liability if there is reasonable ground for believing that the repayment is not reasonably assured. Holders of a majority of the First Mortgage Bonds may direct the time, method and place of conducting any proceedings for any remedy available to the Mortgage Trustee, or exercising any trust or power conferred upon the Mortgage Trustee, but the Mortgage Trustee is not required to follow such direction if not sufficiently indemnified for expenditures. (See Mortgage, Sections 67, 71, 80 and 94.)

Evidence to be Furnished to the Mortgage Trustee

Compliance with the Mortgage provisions is evidenced by written statements of NW Natural's officers or persons selected by NW Natural. In certain major matters the accountant, engineer, appraiser or other expert must be independent. Various certificates and other papers, including an annual certificate with reference to compliance with the terms of the Mortgage and absence of defaults, are required to be filed annually and upon the occurrence of certain events. (See Mortgage, Sections 38, 41-46 and 121.)

Modification of the Mortgage

The rights of the bondholders may be modified with the consent of holders of 66 2/3% of the First Mortgage Bonds and, if less than all series of First Mortgage Bonds are affected, the consent also of holders of 66 2/3% of First Mortgage Bonds of each series affected. In general, no modification of the terms of payment of principal and interest, permitting liens prior or equal to the lien of the Mortgage, depriving a non-assenting bondholder of the benefit of a lien on the mortgaged property or reducing the percentage required for modification (except as provided above) will be effective against any bondholder without his or her consent. (See Ninth Supplemental Indenture, Section 6, and Twenty-second Supplemental Indenture, Section 1.01.)

NW Natural has reserved the right to amend the Mortgage to provide that the rights of the bondholders (other than those described above that require the consent of each affected bondholder) may be modified with the consent of the holders of a majority in aggregate principal amount of then outstanding First Mortgage Bonds, considered as one class, or if less than all of the series of First Mortgage Bonds outstanding are directly affected by a proposed amendment or modification, then the consent of the holders of only a majority in aggregate principal amount of the outstanding First Mortgage Bonds of all series that are directly affected, considered as one class. (See Twenty-second Supplemental Indenture, Section 2.15.)

NW Natural has reserved the right to amend the Mortgage to permit NW Natural and the Corporate Trustee, without the consent of any holder of First Mortgage Bonds, to enter into one or more supplemental indentures for any of the following purposes:

- to evidence the assumption by any permitted successor of NW Natural's covenants in the Mortgage and in the First Mortgage Bonds;
- to add one or more covenants or other provisions for the benefit of the holders of all or any series of First Mortgage Bonds, or to surrender any right or power conferred upon NW Natural and to make an occurrence of a default in performance of any such additional covenants, an additional "default";
- to correct or amplify the description of any property at any time subject to the lien of the Mortgage, or better to assure, convey and confirm unto the Mortgage Trustee any property subject or required to be subjected to the lien of the Mortgage, or to subject to the lien of the Mortgage additional property;
- to change or eliminate or add any new provision to the Mortgage; provided, however, that no such change, elimination or addition will adversely affect the interests of the holders of First Mortgage Bonds of any series in any material respect;
- to establish the form or terms of First Mortgage Bonds of any other series as permitted by the Mortgage;

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- to provide for the procedures required to permit NW Natural to utilize, at its option, a non-certificated system of registration for all or any series of First Mortgage Bonds;
- to change any place where principal, premium, if any, and interest shall be payable, First Mortgage Bonds may be surrendered for registration of transfer or exchange, and notices and demands to NW Natural may be served; and
- to cure any ambiguity or inconsistency or to make any other changes or additions to the provisions of the Mortgage if such changes or additions will not adversely affect the interests of the holders of First Mortgage Bonds of any series in any material respect. (See Twenty-second Supplemental Indenture, Section 2.16.)

Consolidation, Merger and Conveyance of Assets

The Mortgage provides that NW Natural may consolidate with or merge into any other entity or convey, transfer or lease as, or substantially as, an entirety to any entity the mortgaged property, if:

- such merger, consolidation, conveyance, transfer or lease is upon such terms as to preserve, and in no respect impair, the lien and security of the Mortgage and the rights and powers of the Mortgage Trustee and the holders of First Mortgage Bonds;
- the survivor or successor corporation expressly assumes by supplemental indenture NW Natural's obligations on all First Mortgage Bonds then outstanding and under the Mortgage; and
- in the case of a lease, such lease is made expressly subject to termination by NW Natural or by the Mortgage Trustee and by the purchaser of the property so leased at any sale thereof at any time during the continuance of a default under the Mortgage.

In the case of the conveyance or other transfer of the mortgaged property as, or substantially as, an entirety to another corporation, upon the satisfaction of all the conditions described above, such corporation would succeed and be substituted for NW Natural under the Mortgage.

The Mortgage does not prevent or restrict any conveyance or other transfer, or lease, of any part of the mortgaged property that does not constitute the entirety, or substantially the entirety, of the mortgaged property.

Although NW Natural's successor may, in its sole discretion, subject to the lien of the Mortgage any property then owned or thereafter acquired by the successor, the lien of the Mortgage generally will not cover the property of the successor other than the mortgaged property it acquires from NW Natural and improvements, extensions and additions to such property and renewals, replacements and substitutions thereof, within the meaning of the Mortgage.

The terms of the Mortgage do not restrict mergers in which NW Natural is the surviving entity. (See Mortgage, Sections 85, 86 and 87.)

NW Natural has reserved the right to amend the Mortgage as follows:

- to provide that, in the case of a consolidation or merger after the consummation of which NW Natural would be the surviving or resulting entity, unless NW Natural otherwise provides in a supplemental indenture to the Mortgage, the lien of the Mortgage will generally not cover any of the properties acquired by NW Natural in or as a result of such transaction or any improvements, extensions or additions to those properties;
- to provide that any conveyance, transfer or lease of any of NW Natural's properties where NW Natural retains mortgaged property with a fair value in excess of 10/7ths of the aggregate principal amount of all outstanding First Mortgage Bonds, and any other outstanding debt secured by a purchase money

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lien that ranks equally with, or senior to, the First Mortgage Bonds with respect to the mortgaged property, shall not be deemed to be a conveyance, transfer or lease of all or substantially all of the mortgaged property. This fair value will be determined within 90 days of the conveyance, transfer or lease by an independent expert that NW Natural selects; and

- to provide that if NW Natural transfers all or substantially all of the mortgaged property as an entirety to a successor entity as described above, NW Natural may be released of all of its obligations under the Mortgage or any First Mortgage Bonds assumed by such successor. (See Twenty-second Supplemental Indenture, Sections 2.09, 2.10 and 2.18.)

The Corporate Trustee

Deutsche Bank Trust Company Americas also serves as the Indenture Trustee under the Indenture under which the Indenture Securities, as defined below, are issued.

NW Natural has reserved the right to amend the Mortgage without the consent or other action by the holders of First Mortgage Bonds to provide that, so long as no default has occurred and is continuing and except with respect to a Corporate Trustee appointed by act of the bondholders, if NW Natural has delivered to the Corporate Trustee a board resolution appointing a successor Corporate Trustee and the successor has accepted the appointment in accordance with the terms of the Mortgage, the Corporate Trustee will be deemed to have resigned and the successor will be deemed to have been appointed as Corporate Trustee in accordance with the Mortgage. (See Twenty-second Supplemental Indenture, Section 2.11.)

DESCRIPTION OF THE UNSECURED DEBT SECURITIES

General

NW Natural will issue its unsecured debt securities, in one or more series, under an Indenture, dated as of June 1, 1991, between NW Natural and Deutsche Bank Trust Company Americas, as trustee (Indenture Trustee). This Indenture, as it may be amended and supplemented from time to time, is referred to in this prospectus as the "Indenture." These unsecured debt securities offered by this prospectus are referred to in this prospectus as the "Unsecured Debt Securities."

The Indenture provides for the issuance of debentures, notes or other debt by NW Natural in an unlimited amount from time to time. The Unsecured Debt Securities and all other debentures, notes or other debt of NW Natural issued or to be issued under the Indenture are collectively referred to in this prospectus as the "Indenture Securities."

The Indenture does not limit the amount of debt, secured or unsecured, which may be issued by NW Natural.

Indenture Securities will rank equally with all other unsecured and unsubordinated indebtedness of NW Natural. Substantially all of the gas plants, distribution systems and certain other materially important physical properties of NW Natural are subject to the lien of the Mortgage securing the First Mortgage Bonds. (See "Description of the Bonds—Security" and "—Issuance of Additional First Mortgage Bonds", above.)

This section briefly summarizes some of the provisions of the Unsecured Debt Securities and some of the provisions of the Indenture and uses some terms that are not defined in this prospectus but that are defined in the Indenture. This summary is not complete and is qualified in its entirety by the Indenture which is on file with the SEC. You should read the Indenture for a complete understanding of the provisions that may be important to you and for the definitions of some terms used in this summary.

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Each series of Unsecured Debt Securities may have different terms. NW Natural will include some or all of the following information about a specific series of Unsecured Debt Securities in the prospectus supplement(s) relating to those Unsecured Debt Securities:

- the title of those Unsecured Debt Securities,
- any limit upon the aggregate principal amount of those Unsecured Debt Securities,
- whether those Unsecured Debt Securities will be offered on a periodic basis, with the specific terms of such Unsecured Debt Securities to be determined upon their issuance.
- the date(s) on which, and the manner in which, NW Natural will pay the principal of those Unsecured Debt Securities,
- the rate(s) of interest on those Unsecured Debt Securities, or how the rate(s) of interest will be determined, the date(s) from which interest will accrue, the dates on which NW Natural will pay interest, the record date for any interest payable on any interest payment date, the manner in which such interest shall be payable, and the basis of computation of interest,
- the place(s) at which or methods by which the registered owners of those Unsecured Debt Securities may transfer or exchange those Unsecured Debt Securities and serve notices and demands to or upon NW Natural,
- any date(s) on which, the price(s) at which and the terms and conditions upon which those Unsecured Debt Securities may be redeemed, in whole or in part, at the option of NW Natural,
- any obligation of NW Natural, and the terms and conditions thereof, to redeem or repurchase those Unsecured Debt Securities, pursuant to any sinking fund or other provisions that would obligate NW Natural to repurchase or redeem those Unsecured Debt Securities,
- the denominations in which NW Natural may issue those Unsecured Debt Securities, if other than denominations of \$1,000 and any integral multiple of \$1,000,
- whether the amount of payments of principal of, or premium, if any, or interest on those Unsecured Debt Securities, may be determined with reference to an index, and, if so the manner in which such amounts shall be determined,
- the portion of the principal amount of those Unsecured Debt Securities that NW Natural will pay upon declaration of acceleration of the maturity of those Unsecured Debt Securities, if other than the entire principal amount of those Unsecured Debt Securities,
- any events of default with respect to those Unsecured Debt Securities and any covenants of NW Natural for the benefit of the registered owners of those Unsecured Debt Securities, other than those specified in this prospectus,
- the terms, if any, pursuant to which those Unsecured Debt Securities may be converted into or exchanged for shares of capital stock or other securities of NW Natural or any other entity,
- the person to whom NW Natural will pay interest on those Unsecured Debt Securities on any interest payment date, if other than the person in whose name those Unsecured Debt Securities are registered at the close of business on the record date for that interest payment,
- the amount and terms of a service charge, if any, for the registration of transfer or exchange of those Unsecured Debt Securities,
- any exceptions to the definition of Legal Holiday or variation in the definition of Business Day under the Indenture with respect to those Unsecured Debt Securities,

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- the terms, if any, required to permit those Unsecured Debt Securities to be registered pursuant to a non-certificated system of registration, and
- any other terms of those Unsecured Debt Securities that are not inconsistent with the provisions of the Indenture.

Except as may otherwise be described in a prospectus supplement, the covenants contained in the Indenture will not afford holders of the Unsecured Debt Securities protection in the event of a highly-leveraged or similar transaction involving NW Natural or in the event of a change in control.

Form, Exchange and Payment

Unless otherwise specified in the prospectus supplement relating to the Unsecured Debt Securities, the Unsecured Debt Securities will be (1) issued in fully registered form in denominations of \$1,000 or any amount in excess thereof that is an integral multiple of \$1,000 and (2) exchangeable at the office of Deutsche Bank Trust Company Americas in New York City, without charge other than taxes or other governmental charges incident thereto, and principal, premium, if any, and interest will be payable at such office.

Defeasance

The principal amount of the Unsecured Debt Securities of any series issued under the Indenture will be deemed to have been paid for purposes of the Indenture and the entire indebtedness of NW Natural in respect thereof will be deemed to have been satisfied and discharged, if there shall have been irrevocably deposited with the Indenture Trustee, in trust:

- (1) money in an amount which will be sufficient, or
- (2) in the case of a deposit made prior to the maturity of those Unsecured Debt Securities, Government Obligations (as defined below), which do not contain provisions permitting the redemption or other prepayment thereof at the option of the issuer thereof, the principal of and the interest on which when due, without any regard to reinvestment thereof, will provide moneys which, together with the money, if any, deposited with or held by the Indenture Trustee, will be sufficient, or
- (3) a combination of (1) and (2) which will be sufficient,

to pay when due the principal of and premium, if any, and interest, if any, due and to become due on the Unsecured Debt Securities of that series that are outstanding. For this purpose, Government Obligations include direct obligations of, or obligations unconditionally guaranteed by, the United States of America entitled to the benefit of the full faith and credit thereof and certificates, depositary receipts or other instruments which evidence a direct ownership interest in such obligations or in any specific interest or principal payments due in respect thereof. (See Indenture, Sections 101, 701.)

If NW Natural deposits any money and/or Government Obligations with respect to the Unsecured Debt Securities of any series, or any portion of the principal amount thereof, prior to the maturity or redemption of such Unsecured Debt Securities or such portion of the principal amount thereof, for the satisfaction or discharge of the indebtedness of NW Natural in respect to such Unsecured Debt Securities or such portion thereof as described in Section 701 of the Indenture, NW Natural shall deliver to the Indenture Trustee either:

- (1) an instrument wherein NW Natural, notwithstanding such satisfaction and discharge, shall assume the obligation to irrevocably deposit with the Indenture Trustee such additional sums of money, if any, or additional Government Obligations, if any, or any combination thereof, at such time or times, as shall be necessary, together with the money and/or Government Obligations previously deposited, to pay when due the principal of and premium, if any, and interest due and to become due on such Unsecured Debt Securities or such portions thereof, all in accordance with and subject to the provisions of said

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Section 701; provided, however, that such instrument may state that the obligation of NW Natural to make additional deposits as described above shall be subject to the delivery to NW Natural by the Indenture Trustee of a notice asserting the amount of such deficiency accompanied by an opinion of an independent public accountant of nationally recognized standing, selected by the Indenture Trustee, showing the calculation thereof, or

- (2) an opinion of counsel to the effect that the holders of such Unsecured Debt Securities, or such portions of the principal amount thereof, will not recognize income, gain or loss for United States federal income tax purposes as a result of such satisfaction and discharge and will be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such satisfaction and discharge had not been effected.

In the event that NW Natural shall elect to deliver to the Indenture Trustee an instrument as described in clause (1) of the preceding paragraph in connection with any such deposit of money and/or Government Obligations with the Indenture Trustee, under current applicable United States federal income tax regulations, the holders of such Unsecured Debt Securities, or such portions thereof, will not recognize income, gain or loss for United States federal income tax purposes as a result of such satisfaction and discharge and will be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such deposit had not been effected. There can be no assurance that such United States federal income tax regulations will not change such that, as a result of such deposit and delivery by NW Natural of such instrument, holders of Unsecured Debt Securities may recognize income, gain or loss for United States federal income tax purposes and may not be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such deposit had not been made.

Events of Default and Notice Thereof

Events of default are:

- (1) default for three business days in payment of principal,
- (2) default for 60 days in payment of interest,
- (3) certain events in bankruptcy, insolvency or reorganization,
- (4) default for 90 days after notice in the case of a breach of any other covenant, and
- (5) any other event of default specified with respect to the Indenture Securities of a particular series.

No event of default with respect to a series of Indenture Securities necessarily constitutes an event of default with respect to the Indenture Securities of any other series.

The Indenture Trustee may withhold notice of default (except in payment of principal, interest or any funds for the retirement of Indenture Securities) if it, in good faith, determines that withholding of such notice is in the interest of the holders of the Indenture Securities. (See Indenture, Sections 801 and 903.)

Either the Indenture Trustee or the holders of not less than 33% in principal amount (or such lesser amount as may be provided in the case of discount Indenture Securities) of the outstanding Indenture Securities of all defaulted series, considered as one class, may declare the principal and interest on such series due on default, but NW Natural may annul such default by effecting its cure and paying overdue interest and principal. There is no automatic acceleration even in the event of NW Natural's bankruptcy, insolvency or reorganization. No holder of Indenture Securities may enforce the Indenture without having given the Indenture Trustee written notice of default, and unless the holders of a majority of the Indenture Securities of all defaulted series, considered as one class, shall have requested the Indenture Trustee to act and offered reasonable indemnity, and for 60 days the Indenture Trustee shall have failed to act. But, each holder has an absolute right to receive payment of principal and interest when due and to institute suit for the enforcement of such payment. The Indenture Trustee is not required to risk its funds or incur any financial liability if it has reasonable grounds to believe that repayment is not reasonably assured.

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The holders of a majority of the Indenture Securities of all defaulted series, considered as one class, may direct the time, method and place of conducting any proceedings for any remedy available to the Indenture Trustee, or exercising any trust or power conferred on the Indenture Trustee, with respect to the Indenture Securities of such series, but the Indenture Trustee is not required to follow such direction if not sufficiently indemnified and the Indenture Trustee may take any other action it deems proper which is not inconsistent with such direction. (See Indenture, Sections 802, 807, 808, 812 and 902.)

Evidence to be Furnished to the Indenture Trustee

Compliance with the Indenture provisions will be evidenced by written statements of NW Natural's officers. An annual certificate with reference to compliance with the covenants and conditions of the Indenture and the absence of defaults is required to be filed with the Indenture Trustee. (See Indenture, Section 1004.)

Modification of the Indenture

The rights of the holders of the Indenture Securities may be modified with the consent of the holders of a majority of the Indenture Securities of all series or Tranches, as defined below, affected, considered as one class. However, certain specified rights of the holders of Indenture Securities may be modified without the consent of the holders if such modification would not be deemed to adversely affect their interests in any material respect.

In general, no modification of the terms of payment of principal and interest, no reduction of the percentage in principal amount of the Indenture Securities outstanding under such series required to consent to any supplemental indenture or waiver under the Indenture, no reduction of such percentage necessary for quorum and voting, and no modification of certain of the provisions in the Indenture relating to supplemental indentures, waivers of certain covenants and waivers of past defaults is effective against any holder of Indenture Securities without the consent of such holder. "Tranche" means a group of Indenture Securities which are of the same series and have identical terms except as to principal amount and/or date of issuance. (See Indenture, Article Twelve.)

The Indenture Trustee

Deutsche Bank Trust Company Americas also serves as the Corporate Trustee under the Mortgage under which the First Mortgage Bonds are issued.

DESCRIPTION OF JUNIOR SUBORDINATED DEBENTURES

NW Natural may issue junior subordinated debentures, in one or more series, under an indenture, between NW Natural and the trustee specified therein. The terms of any junior subordinated debentures will be described in a prospectus supplement.

DESCRIPTION OF PREFERRED STOCK

General

The following is a summary of certain rights and privileges of NW Natural's preferred stock, none of which is currently outstanding. This summary description does not purport to be complete. Reference is made to NW Natural's Amended and Restated Articles of Incorporation, amended as of June 3, 2008, and Bylaws, as amended through May 22, 2014, and any articles of amendment to the Amended and Restated Articles of Incorporation establishing a particular series of preferred stock, which are filed as exhibits to this registration statement, or in the case of any articles of amendment relating to a future series of preferred stock, will be filed with the SEC prior to the issuance of such series, and incorporated herein by reference. The following statements are qualified in their entirety by such references.

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The Board of Directors is authorized under NW Natural's Amended and Restated Articles of Incorporation to provide for the issuance from time to time of preferred stock in one or more series, and as to each series to fix and determine the relative rights and preferences, serial designation, dividend rate, redemption prices, voluntary and involuntary liquidation prices, sinking fund provisions for the redemption or purchase of shares, if any, and conversion provisions, if any, applicable to shares of such series. NW Natural will include some or all of this information about a specific series of preferred stock being offered in the prospectus supplement(s) relating to such series. As used herein, the term "preferred stock" includes all series.

Under NW Natural's Amended and Restated Articles of Incorporation, NW Natural is authorized to issue 100,000,000 shares of common stock and 3,500,000 shares of preferred stock. At October 21, 2016, 27,557,756 shares of common stock were outstanding and no shares of preferred stock were outstanding.

Dividends

Each series of the preferred stock shall be entitled in preference to the common stock to dividends cumulative from the date of issue, at the rate fixed by the Board of Directors, payable quarterly on February 15, May 15, August 15 and November 15 in each year or on such other date or dates as the Board of Directors shall determine.

Voting Rights

Generally, only NW Natural's common stock has voting rights. The common stock has cumulative voting rights with respect to the election of directors. The preferred stock shall have no right to vote in the election of directors or for any other purpose, except as may be otherwise provided by law or by resolutions establishing any series of preferred stock in accordance with NW Natural's Amended and Restated Articles of Incorporation.

Certain terms relating to NW Natural's preferred stock in respect of dividends, liquidation rights, limitations on payment of dividends and voting are discussed below in "Description of Common Stock—Dividends and Liquidation Rights" and "—Dividend Limitations".

DESCRIPTION OF COMMON STOCK

General

The following is a summary of certain rights and privileges of NW Natural's common stock. This summary description does not purport to be complete. Reference is made to NW Natural's Amended and Restated Articles of Incorporation, amended as of June 3, 2008, and Bylaws, as amended through May 22, 2014, which are incorporated herein by reference. The following statements are qualified in their entirety by such references.

Under NW Natural's Amended and Restated Articles of Incorporation, NW Natural is authorized to issue 100,000,000 shares of common stock and 3,500,000 shares of preferred stock. At October 21, 2016, 27,557,756 shares of common stock were outstanding and no shares of preferred stock were outstanding.

Dividends and Liquidation Rights

Except as hereinafter stated, the common stock is entitled to receive such dividends as are declared by the Board of Directors and to receive ratably on liquidation any assets which remain after payment of liabilities. NW Natural has an authorized class of senior capital stock, referred to as preferred stock, none of which is currently outstanding. NW Natural's preferred stock is entitled in preference to the common stock (1) to cumulative dividends at the annual rate fixed for each series by the Board of Directors, and (2) in voluntary and involuntary liquidation, to the amounts fixed for each series by the Board of Directors, plus in each case, unpaid accumulated dividends.

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Dividend Limitations

Should dividends on the preferred stock be in arrears, no dividends on the common stock may be paid or declared. Future series of the preferred stock could contain sinking fund, purchase or redemption obligations under which no dividends on the common stock may be paid or declared while such obligations are in default. Common stock dividends also may be restricted by the provisions of future instruments pursuant to which NW Natural may issue long-term debt.

Voting Rights

Except as provided by law or by resolutions establishing any series of preferred stock, only the common stock has voting rights. Cumulative voting is permitted by the Amended and Restated Articles of Incorporation to holders of common stock at elections of directors.

Classification of the Board of Directors

The Board of Directors of NW Natural may consist of not less than 9 nor more than 13 persons, as determined by the Board, divided into three classes as nearly equal in number as possible. The number of directors as of the date of this prospectus is 10. One class is elected for a three-year term at each annual meeting of shareholders. Vacancies, including those resulting from an increase in the size of the Board, may be filled by a majority vote of the directors then in office, to serve until the next annual meeting of shareholders. One or more of the directors may be removed, with or without cause, by the affirmative vote of the holders of not less than two-thirds of the shares entitled to vote thereon; provided, however, that if fewer than all of the directors should be candidates for removal, no one of them shall be removed if the votes cast against such director's removal would be sufficient to elect such director if then cumulatively voted at an election of the class of directors of which such director shall be a part. Except for those persons nominated by the Board, no person shall be eligible for election as a director unless a request from a shareholder entitled to vote in the election of directors that such person be nominated and such person's consent thereto shall be delivered to the Secretary of NW Natural within the time period specified in advance of the meeting at which such election shall be held. The foregoing provisions may not be amended or repealed except by the affirmative vote of the holders of not less than two-thirds of the shares entitled to vote at an election of directors.

Business Transactions with Related Persons

NW Natural shall not enter into any business transaction with a related person or in which a related person shall have an interest (except proportionately as a shareholder of NW Natural) without first obtaining both (1) the affirmative vote of the holders of not less than two-thirds of the outstanding shares of the capital stock of NW Natural not held by such related person, and (2) the determination of a majority of the continuing directors that the cash or fair market value of the property, securities or other consideration to be received per share by the holders, other than such related person, of the shares of each class or series of the capital stock of NW Natural in such business transaction shall not be less than the highest purchase price paid by such related person in acquiring any of its holdings of shares of the same class or series, unless the continuing directors by a majority vote shall either (a) have expressly approved the acquisition of the shares of the capital stock of NW Natural that caused such related person to become a related person, or (b) have expressly approved such business transaction. As used in this paragraph: a "business transaction" includes a merger, consolidation, plan of exchange or recapitalization, a purchase, sale, lease, exchange, transfer, mortgage or other disposition of all or a substantial part (10% or more of the fair market value of the assets) of the property and assets of NW Natural or a related person, an issuance, sale, exchange or other disposition of securities of NW Natural and a liquidation, spin-off or dissolution; a "related person" includes a person, organization or group thereof owning 10% or more of the capital stock of NW Natural; "continuing directors" are those whose nominations for directorship shall have been approved by a majority of the directors in office on April 9, 1984 or by a majority of the then continuing directors. The foregoing provisions may not be amended or repealed except by the affirmative vote of the holders of not less than two-thirds of the shares of the capital stock of NW Natural (other than shares held by related persons).

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Preemptive Rights

The holders of the common stock have no preemptive rights.

Other Provisions

The issued and outstanding shares of NW Natural's common stock are, and the common stock offered hereby will be, fully paid and nonassessable.

Certain Anti-Takeover Matters

NW Natural's Amended and Restated Articles of Incorporation and Bylaws include a number of provisions that may have the effect of discouraging persons from acquiring large blocks of its stock or delaying or preventing a change in its control. The material provisions that may have such an effect include:

- establishment of a classified Board of Directors, whereby approximately only one-third of the board stands for election each year;
- limitations on certain business transactions (including mergers, consolidations, plans of exchange) with any person or entity and any persons or entities related thereto who beneficially own 10 percent or more of the capital stock of NW Natural;
- authorization for NW Natural's Board of Directors (subject to any applicable law) to issue preferred stock in series and to fix rights and preferences of the series;
- advance notice procedures with respect to nominations of directors or proposals other than those adopted or recommended by NW Natural's Board of Directors; and
- requirement that holders of not less than two-thirds of the shares entitled to vote are required to remove directors or to amend certain provisions of NW Natural's Amended and Restated Articles of Incorporation.

NW Natural is subject to the provisions of sections 60.825 to 60.845 of the Oregon Business Corporation Act (the "Oregon Business Combinations Act") which generally provide that in the event a person or entity acquires 15% or more of NW Natural's voting stock ("interested shareholder"), NW Natural and such interested shareholder and any affiliate may not engage in the following business combinations for a period of three years following the date that person became an interested shareholder:

- a merger or plan of share exchange;
- any sale, lease, mortgage or other disposition of the assets of the corporation where the assets have an aggregate market value equal to 10% or more of the aggregate market value of NW Natural's assets or outstanding capital stock; and
- transactions that result in the issuance of capital stock to the shareholder that acquired 15% or more of the voting stock.

These restrictions do not apply if:

- the Board of Directors approved either the business combination or the share acquisition that resulted in the person becoming an interested shareholder before the time such person became an interested shareholder;
- as a result of the share acquisition, the person became an interested shareholder and 85% owner of the outstanding voting stock, excluding shares owned by persons who are directors and also officers and shares owned by certain employee benefit plans; or
- on or after the date the person became an interested shareholder, the business combination transaction is approved by the Board of Directors and authorized by the affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested shareholder.

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NW Natural is also subject to the provisions of Sections 60.801 to 60.816 of the Oregon Business Corporation Act (the "Oregon Control Share Act"), which generally provide that a person who acquires voting stock in a transaction which results in such person holding more than 20%, 33-1/3% or 50% of the total voting power cannot vote the shares it acquires in the acquisition unless voting rights are accorded to such control shares by the holders of a majority of the outstanding voting shares, excluding the control shares held by such person and shares held by officers and inside directors, and by the holders of a majority of the outstanding voting shares, including the control shares held by such person and shares held by officers and inside directors. This vote would be required at the time an acquiring person's holdings exceed 20% of the total voting power, and again at the time the acquiring person's holdings exceed 33-1/3% and 50%, respectively. The acquiring person may, but is not required to, submit to NW Natural an "acquiring person statement" setting forth certain information about the acquiring person and its plans with respect to NW Natural. The acquiring person statement may also request that NW Natural call a special meeting of shareholders to determine whether the control shares will be allowed to retain voting rights. If the acquiring person does not request a special meeting of shareholders, the issue of voting rights of control shares will be considered at the next annual meeting or special meeting of shareholders that is held more than 60 days after the date of the acquisition of control shares. Shares are not deemed to be acquired in a control share acquisition if, among other things, they are acquired from the issuing corporation, or are issued pursuant to a plan of merger or exchange effected in compliance with the Oregon Business Corporation Act and the issuing corporation is a party to the merger or exchange agreement.

The Oregon Control Share Act and the Oregon Business Combinations Act have anti-takeover effects because they will encourage any potential acquirer to negotiate with NW Natural's Board of Directors and will also discourage potential acquirers unwilling to comply with the provisions of these laws. An Oregon corporation may provide in its articles of incorporation or bylaws that the laws described above do not apply to its shares. NW Natural has not adopted such a provision.

NW Natural is also subject to Oregon Revised Statutes Chapter 757.511 which generally provides that no person, directly or indirectly, shall acquire the power to exercise any substantial influence over the policies and actions of a public utility without first securing from the Oregon Public Utility Commission ("OPUC") an order authorizing such acquisition if such person is, or by such acquisition would become, an "affiliated interest" with such public utility as defined by Oregon law. Any applicant requesting such an order bears the burden of showing that granting the application is in the public interest. This provision of Oregon law may have anti-takeover effects by subjecting potential acquisitions to OPUC review and approval.

PLAN OF DISTRIBUTION

NW Natural may sell the securities offered pursuant to this prospectus and one or more prospectus supplements (Offered Securities) in one or more series in any of three ways: (1) through underwriters or dealers; (2) through agents; or (3) directly to a limited number of purchasers or to a single purchaser.

Through Underwriters or Dealers

If underwriters are used in the sale, the Offered Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at the initial public offering price or at varying prices determined at the time of the sale. The Offered Securities may be offered to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more managing underwriters. The underwriter or underwriters with respect to the Offered Securities will be named in the prospectus supplement relating to such offering and, if an underwriting syndicate is used, the managing underwriter or underwriters will be set forth on the cover page of such prospectus supplement. Unless otherwise set forth in such prospectus supplement, the obligations of the underwriters to purchase the Offered Securities offered by such prospectus supplement will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all of such Offered Securities if any are purchased.

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Through Agents

The Offered Securities may be sold through agents designated by NW Natural from time to time. A prospectus supplement will set forth the name of any agent involved in the offer or sale of the Offered Securities in respect of which such prospectus supplement is delivered as well as any commissions payable by NW Natural to such agent. Unless otherwise indicated in such prospectus supplement, any such agent will be acting on a reasonable best efforts basis for the period of its appointment.

Directly to One or More Purchasers

NW Natural may sell the Offered Securities directly to one or more purchasers. In this case, no underwriters or agents would be involved.

General Information

The prospectus supplement with respect to the Offered Securities will set forth the terms of the offering of such Offered Securities, including:

- the name or names of any underwriters, dealers or agents;
- the purchase price of such Offered Securities and the proceeds to NW Natural from such sale;
- any underwriting discounts, agents' commissions and other items constituting underwriting compensation;
- any initial public offering price; and
- any discounts or concessions allowed or reallocated or paid to dealers.

Any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

If so indicated in the prospectus supplement with respect to the Offered Securities, NW Natural may authorize agents, underwriters or dealers to solicit offers by certain specified institutions to purchase the Offered Securities from NW Natural at the initial public offering price set forth in the prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. Such contracts will be subject to those conditions set forth in such prospectus supplement, and such prospectus supplement will set forth the commission payable for solicitation of such contracts.

Agents, underwriters and dealers may be entitled under agreements entered into with NW Natural to indemnification by NW Natural against certain civil liabilities, including certain liabilities under the Securities Act or to contribution by NW Natural with respect to payments which such agents, underwriters and dealers may be required to make in respect thereof.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2015 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

Table of Contents**LEGALITY**

The legality of the securities will be passed upon for NW Natural by MardiLyn Saathoff, Esquire, Senior Vice President, Regulation and General Counsel of NW Natural, and by Morgan, Lewis & Bockius LLP, New York, New York. Ms. Saathoff may rely upon the opinion of Morgan, Lewis & Bockius LLP as to certain legal matters arising under New York law. Morgan, Lewis & Bockius LLP may rely upon the opinion of Ms. Saathoff as to certain legal matters arising under Oregon law. Ms. Saathoff is regularly employed by NW Natural, participates in various NW Natural employee benefit plans under which she may receive shares of common stock and currently beneficially owns less than one percent of the outstanding shares of common stock of NW Natural.

NW Natural's principal executive offices are located at One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209, and its telephone number is (503) 226-4211.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 8, 2016.

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NORTHWEST NATURAL GAS COMPANY

**880,000 Shares
Common Stock**

Wells Fargo Securities

J.P. Morgan

RBC Capital Markets

U.S. Capital Advisors

Sidoti & Company, LLC

