

Rates and Regulatory Affairs  
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May 1, 2008

**VIA ELECTRONIC FILING**

Public Utility Commission of Oregon  
550 Capitol Street, N.E. Suite 215  
P.O. Box 2148  
Salem, Oregon 97308-2148

Attention: Vikie Bailey-Goggins, Administrator  
Regulatory Operations Division

Re: Docket UG 143, OPUC Order No. 02-634  
2007 Annual Report of Customer Service Operating and Maintenance  
Expenditures

Northwest Natural Gas Company, dba NW Natural (NW Natural or Company), submits herewith its 2007 Annual Report of Customer Service Operating and Maintenance Expenditures, as directed by the above-referenced Order (see, Appendix A, § 5.1).

Should you have any questions about this report, please do not hesitate to contact me.

Sincerely,

/s/ Onita King

Onita King  
Rates & Regulatory Affairs

enclosure

cc: Bonnie Tatom, OPUC  
Dave Williams  
Lori Russell  
File

**Northwest Natural  
Operations & Maintenance Expenses (in 000's)  
Customer Service  
December-07**

Department	Year-to-Date			
	Actual (A)	Budget (B)	Variance (C)	Percent (D)
Call Centers	\$9,587	\$10,116	(\$529)	-5%
Customer Billing Services	\$3,444	\$3,509	(\$65)	-2%
Comm. & Network Serv.	\$2,518	\$2,286	\$232	10%
Customer Equip. Services-Field & Office	\$12,863	\$14,124	(\$1,261)	-9%
Meter Reading	\$3,537	\$3,898	(\$361)	-9%
<b>Total Customer Service</b>	<b>\$31,949</b>	<b>\$33,933</b>	<b>(\$1,984)</b>	<b>-6%</b>