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January 30, 2009

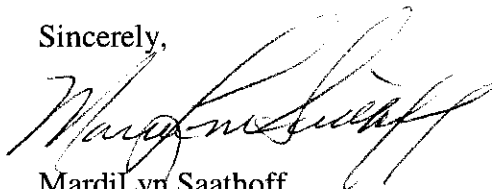
Oregon Public Utility Commission
550 Capitol Street N. E., Suite 215
Salem, Oregon 97301-2551

Ladies and Gentlemen:

Re: Docket UF 4235

Pursuant to the Commission's Order No. 07-032, in Docket No. UF 4235, authorizing the Company to enter into interest rate swaps, caps, floors, collars and other derivative products with financial institutions to manage exposure to interest rate fluctuations. We enclose herewith the Report of Interest Rate Hedge Products for the year ended December 31, 2008.

Sincerely,



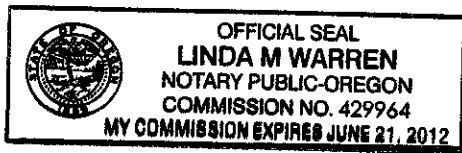
MardiLyn Saathoff

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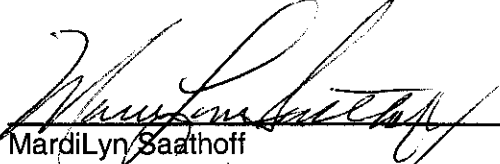
time extending the effective and maturity dates to April 1, 2009 and April 1, 2019 respectively. Fixed and floating payment dates changed correspondingly. The fixed rate was changed to 5.215. No other modifications were made. There were no fees or expenses related to these changes.

Fees for services, if any, are negotiated on a case-by-case basis at the time the Company enters into an Interest Rate Hedge Product. There were no fees and expenses related to the Forward Starting Interest Rate Swap dated October 24, 2007.


IN WITNESS WHEREOF, I have hereunto affixed my hand and the corporate seal of Northwest Natural Gas Company this 30th day of January 2009.



(S E A L)


MardiLyn Saathoff
Chief Compliance Officer and Corporate Secretary

Subscribed and sworn to before me this 30th day of January 2009.


Notary Public for Oregon
My Commission Expires 6/21/12