

e-FILING REPORT COVER SHEET

REPORT NAME: Seventh Report of Sales, Issues and Expenses

COMPANY NAME: Northwest Natural Gas Company

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation: RE (Electric) RG (Gas) RW (Water)
 RO (Other)

Report is required by: OAR Enter Rule number; e.g., 860-039-0070
 Statute Enter Statute; e.g., ORS 757.135
 Order Enter Commission Order No.; e.g., 95-1335
 Other Enter reason; e.g., at Request of Lee Sparling

Is this report associated with a specific docket/case? No Yes

If Yes, enter docket number: UF-4232; Order 06-662

Key words: NW Natural; ESPP; Employee Stock Purchase Plan

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

- Corporate Analysis and Water Regulation
- Economic and Policy Analysis
- Electric and Natural Gas Revenue Requirements
- Electric Rates and Planning
- Natural Gas Rates and Planning
- Utility Safety, Reliability & Security
- Administrative Hearings Division
- Consumer Services Section

PLEASE NOTE: Do NOT use this form or e-filing with the PUC Filing Center for:

- **Annual Fee Statement form and payment remittance or**
- **OUS or RSPF Surcharge form or surcharge remittance or**
- **Any other Telecommunications Reporting or**
- **Any daily safety or safety incident reports or**
- **Accident reports required by ORS 654.715.**

Shawn M. Filippi
Vice President and Corporate Secretary
Tel: 503.220.2410
Fax: 503.220.2584
Toll Free: 1.800.422.4012
e-mail: shawn.filippi@nwnatural.com



March 2, 2015

Via Electronic Filing

Oregon Public Utility Commission
3930 Fairview Industrial Dr SE
Salem, Oregon 97302-1166

Ladies and Gentlemen:

Re: Docket No. UF-4232

Pursuant to the Commission's Order No. 06-662, in Docket UF-4232, authorizing the issuance and sale of the Company's Common Stock to its employees under the Employee Stock Purchase Plan, we enclose herewith the Ninth Report of Sales, Issues and Expenses, for the year ended December 31, 2014.

Sincerely,

/s/ Shawn M. Filippi

Shawn M. Filippi

SMF:nkb
Encl.

BEFORE THE OREGON PUBLIC UTILITY COMMISSION

In the Matter of the Application of)	
)	
NORTHWEST NATURAL GAS COMPANY)	Docket UF-4232
)	
for Authorization to Issue and Sell)	Ninth Report of Sales, Issues
up to an Additional 200,000 Shares of Common Stock)	and Expenses
)	

This Report is filed pursuant to the Commission’s Order No. 06-662 in Docket UF-4232 dated December 8, 2006, in which the Company was authorized to issue and sell up to 200,000 shares of its Common Stock pursuant to the terms of its Employee Stock Purchase Plan, as amended (the Plan). 24,263 shares were issued under the Order in this Docket in 2014.

The Company made its fifteenth offering to its employees under the terms and conditions set forth in the Plan. During 2014, the Company completed an offering to its employees that was made during the period October 1, 2013 through October 31, 2013 (the 2013 Offering) and made a new offering under the Plan during the period October 27, 2014 through November 14, 2014 (the 2014 Offering). Certain administrative terms of the Plan were amended in 2003. The 2013 and 2014 offerings were made at a price determined to be 85% (to the next full penny) of the closing price quoted for the Common Stock on the New York Stock Exchange on the business day before the initial date of the offering.

During the 2013 Offering, the Company offered to its employees not to exceed 120,628 shares of its Common Stock, at a price of \$35.69 per share. The Company received subscriptions for 26,191 shares, of which subscriptions for 1,928 shares were cancelled. During the 2014 Offering, the Company offered to its employees not to exceed 97,800 shares of its Common Stock, at a price of \$38.90 per share. As of December 31, 2014, the Company received subscriptions for 22,596 shares, with no cancellations. Payroll deductions taken by the Company in payment of the subscribed shares are held on behalf of the employee until the shares are to be purchased on the purchase date in December 2015.

Pursuant to the Commission’s authorization in this Docket UF-4232, at December 31, 2014, the Company had received from the seven offerings subscriptions totaling 139,834 shares, cancellations totaling 14,704 shares of such subscribed shares and cash in the amount of \$3,926,386.06 in full payment for 102,534 of the shares, and had issued certificates or authorized book-entry positions for the 102,534 shares to the respective employee purchasers as follows:

Offering Period	Price	Shares Subscribed			Shares Issued		Balance Subscribed
		Initial	Canceled	Total	Number	Gross Proceeds	
11/1/08 – 11/30/08 ¹	\$43.25	9,813	4,276	5,537	5,537	\$239,475.25	0
11/1/09 – 11/30/09	\$35.54	24,530	871	23,659	23,659	\$840,840.86	0
11/1/10 – 11/30/10	\$41.90	18,936	3,632	15,304	15,304	\$641,237.60	0
11/1/11 – 11/30/11	\$39.72	19,917	1,760	18,157	18,157	\$721,196.04	0
11/1/12 – 11/30/12	\$39.56	17,851	2,237	15,614	15,614	\$617,689.84	0
10/1/13 – 10/31/13	\$35.69	26,191	1,928	24,263	24,263	\$865,946.47	0
10/27/14 – 11/14/14	\$38.90	22,596	0	22,596	0	0	22,596
Total		139,834	14,704	125,130	102,534	\$3,926,386.06	22,596

¹ 3,078 of the 8,615 shares issued under the Plan in 2009 were issued under the authorization of Docket No. UF-4172. The subscriptions and cancellations are prorated between the two Dockets.

REPORT OF SECURITIES ISSUED UNDER PLAN, 2014

	Amount
Total Value of Common Stock Issued	\$1,018,560.74 ¹
Plus premium or less discount	(\$152,614.27) ²
Gross proceeds	\$865,946.47
Underwriter's spread or commission	-
Securities and Exchange Commission registration fee	-
State mortgage registration tax	-
State commission fee	-
Fee for recording indenture	-
United States document tax	-
Printing and postage expenses	-
Trustee's charges	-
Counsel fees	-
Accountant's fees	-
Cost of listing	-
Miscellaneous expense of issue (describe large items)	
Total Deductions	\$0
Net Amount Realized	\$865,946.47

¹ Based on a fair market value of \$41.98, based on the closing price of the shares as reported on the New York Stock Exchange on September 30, 2013.

² Employees purchased stock at \$35.69, reflecting a 15% discount of the fair market value.

DISPOSITION OF NET PROCEEDS:

In 2014, the Company issued 24,263 shares of its Common Stock under this Docket. The employee purchase price per share was \$35.69, with gross proceeds of \$865,946.47. There were no expenses associated with the Plan in 2014. The net proceeds of \$865,946.47 were applied towards the acquisition of property, the construction, completion, extension or improvement of the Company's facilities, the improvement or maintenance of the Company's service, or the discharge or lawful refunding of the Company's obligations, pursuant to ORS 757.415(1).

IN WITNESS WHEREOF, I have hereunto affixed my signature this 2nd day of March, 2015.

/s/ Shawn M. Filippi

Shawn M. Filippi
Vice President and Corporate Secretary
Northwest Natural Gas Company