

NORTHWEST NATURAL GAS CO  
 Form 4  
 September 21, 2010

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Yoshihara Grant M

2. Issuer Name and Ticker or Trading Symbol  
 NORTHWEST NATURAL GAS CO  
 [NWN]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 220 NW SECOND AVENUE  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 09/17/2010

\_\_\_\_ Director  
 Officer (give title below)  
 \_\_\_\_ 10% Owner  
 \_\_\_\_ Other (specify below)  
 VP

PORTLAND, OR 97209

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  | Code                           | V Amount (D) Price  |   |  |                                   |
| Common Stock                    | 09/17/2010                           |  | M                              | 2,500 A \$ 26.3   | 9,304   | D  |                                   |
| Common Stock                    | 09/17/2010                           |  | S                              | 2,500 D \$ 46.0264 (1)  | 6,804   | D  |                                   |
| Common Stock                    |                                      |  |                                |   | 1,604.9037  | I  | See Footnote (2)                  |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Employee Stock Option to Buy               | \$ 26.3  | 09/17/2010                           |  | M                              | 2,500   | (3) 03/05/2012   | Common Stock  | 2,500                         |
| Employee Stock Option to Buy               | \$ 31.34   |                                      |  |                                |   | (4) 03/04/2014   | Common Stock  | 3,000                         |
| Employee Stock Option to Buy               | \$ 34.29   |                                      |  |                                |   | (5) 02/29/2016   | Common Stock  | 2,500                         |
| Employee Stock Option to Buy               | \$ 44.48   |                                      |  |                                |   | (6) 02/28/2017   | Common Stock  | 2,000                         |
| Employee Stock Option to Buy               | \$ 43.29   |                                      |  |                                |   | (7) 03/06/2018   | Common Stock  | 2,000                         |
| Employee Stock Option to Buy               | \$ 41.15   |                                      |  |                                |   | (8) 03/04/2019   | Common Stock  | 2,000                         |
| Employee Stock Option to Buy               | \$ 44.25   |                                      |  |                                |   | (9) 03/02/2020   | Common Stock  | 2,000                         |

## Reporting Owners

| Reporting Owner Name / Address                                  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| Yoshihara Grant M<br>220 NW SECOND AVENUE<br>PORTLAND, OR 97209 |               |           | VP      |       |

## Signatures

|                                       |            |
|---------------------------------------|------------|
| Shawn M. Filippi,<br>Attorney-in-Fact | 09/21/2010 |
|---------------------------------------|------------|

        Signature of Reporting Person

        Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) The sale of Northwest Natural Gas Company stock took place in 29 separate broker transactions occurring on 9/17/2010. The price in column 4 represents the weighted average sale price for the transactions reported on this line. The range of prices for these transactions was \$46.00 - \$46.03. Northwest Natural Gas Company will provide upon request by the Commission staff or a security holder of Northwest Natural Gas Company full information regarding the number of shares purchased or sold at each separate price.
- (2) Shares held in reporting person's account under Northwest Natural Gas Company's Retirement K Savings Plan as of August 31, 2010.
- (3) Option was granted for 2,500 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option fully vested on January 1, 2005.
- (4) Option was granted for 3,000 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option fully vested on January 1, 2007.
- (5) Option was granted for 2,500 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option fully vested on January 1, 2010.
- (6) Option was granted for 2,000 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option vests in installments of 500 shares on each February 21, 2008 and January 1, 2009, 2010 and 2011.
- (7) Option was granted for 2,000 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option vests in installments of 500 shares on each February 27, 2009 and January 1, 2010, 2011 and 2012.
- (8) Option was granted for 2,000 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option vests in installments of 500 shares on each February 25, 2010 and January 1, 2011, 2012 and 2013.
- (9) Option was granted for 2,000 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option vests in installments of 500 shares on each February 24, 2011 and January 1, 2012, 2013 and 2014.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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