

NORTHWEST NATURAL GAS CO  
 Form 4  
 February 25, 2011

**FORM 4**

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

OMB APPROVAL

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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 \*  
 Williams David R

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 AVE  
 (Street)

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 02/23/2011

\_\_\_\_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock	02/23/2011		A	479 <sup>(1)</sup> A \$ 0	2,156.247	D	
Common Stock					1,648.0593	I	See Footnote <sup>(2)</sup>
Common Stock					1,385.521	I	See Footnote <sup>(3)</sup>

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	\$ 34.29					(4) 02/29/2016	Common Stock	2,500
Employee Stock Option to Buy	\$ 44.48					(5) 02/28/2017	Common Stock	2,000
Employee Stock Option to Buy	\$ 43.29					(6) 03/06/2018	Common Stock	2,000
Employee Stock Option to Buy	\$ 41.15					(7) 03/04/2019	Common Stock	2,000
Employee Stock Option to Buy	\$ 44.25					(8) 03/02/2020	Common Stock	2,000
Employee Stock Option to Buy	\$ 45.74	02/23/2011		A	3,500	(9) 03/02/2021	Common Stock	3,500

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Williams David R  
220 NW SECOND AVE  
PORTLAND, OR 97209

VP

## Signatures

Shawn M. Filippi,  
Attorney-in-Fact

02/25/2011

\_\_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) Shares are issuable as a result of satisfaction of performance goals for 2008-2010 under a performance share award. Organization and Executive Compensation Committee certification of the award payout level occurred on the transaction date.
- (2) Shares were held in the reporting person's account under Northwest Natural Gas Company's Retirement K Savings Plan as of January 31, 2011.
- (3) Credited to reporting person's account under issuer's Deferred Compensation Plan for Directors and Executives.
- (4) 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.
- (5) Option was granted for 2,000 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option fully vested on January 1, 2011.
- (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 27, 2009 and January 1, 2010, 2011 and 2012.
- (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 25, 2010 and January 1, 2011, 2012 and 2013.
- (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 24, 2011 and January 1, 2012, 2013 and 2014.
- (9) Option was granted for 3,500 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option vests in installments of 875 shares on each February 23, 2012 and January 1, 2013, 2014 and 2015.

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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