

Saathoff MardiLyn  
 Form 4  
 February 23, 2012

**FORM 4**

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

OMB APPROVAL

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**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 \*  
 Saathoff MardiLyn

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)  
 02/22/2012

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
 CGO & Corporate Secretary

PORTLAND, OR 97209

(City) (State) (Zip)

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

**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	02/22/2012		A	326 <sup>(1)</sup> A \$ 0	442.7885	D	
Common Stock					210.1966	I	See Footnote <sup>(2)</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. Price or Value of Underlying Securities (Instr. 3 and 4)
Employee Stock Option to Buy	\$ 51.09					(3) 09/29/2018	Common Stock 5,000	
Employee Stock Option to Buy	\$ 41.15					(4) 03/04/2019	Common Stock 2,000	
Employee Stock Option to Buy	\$ 44.25					(5) 03/02/2020	Common Stock 2,000	
Employee Stock Option to Buy	\$ 45.74					(6) 03/02/2021	Common Stock 3,000	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Saathoff MardiLyn 220 NW SECOND AVENUE PORTLAND, OR 97209			CGO & Corporate Secretary	

## Signatures

Shawn M. Fillipi,  
Attorney-in-Fact

02/23/2012

\*\*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 2009-2011 under a performance share award. Organization and Executive Compensation Committee certification of the award payout level occurred on the transaction date.
- (2) Shares held in reporting person's account under Northwest Natural Gas Company's Retirement K Savings Plan as of January 31, 2012.
- (3) Option was granted for 5,000 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option fully vested on January 1, 2012.
- (4) 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 of February 25, 2010 and January 1, 2011, 2012 and 2013.
- (5) 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 of February 24, 2011 and January 1, 2012, 2013 and 2014.
- (6) Option was granted for 3,000 shares pursuant to Northwest Natural Gas Company's Restated Stock Option Plan (the "Plan"). The option vests in installments of 750 shares on each of 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.