

NORTHWEST NATURAL GAS CO
Form 424B3
December 13, 2006
Pricing Supplement No. 3

Filing under Rule 424(b)(3)

dated December 12, 2006

Registration No. 333-112604

(To prospectus dated February 18, 2004 and
prospectus supplement dated September 28, 2004)

\$160,000,000

NORTHWEST NATURAL GAS COMPANY

Secured Medium-Term Notes, Series B

(A Series of First Mortgage Bonds)

and

Unsecured Medium-Term Notes, Series B

Due from Nine Months to 30 Years from Date of Issue

CUSIP No.: 66765R BW5

Stated interest rate (%): 5.150%

Secured Unsecured

Maturity date: December 15, 2016

Principal amount (\$): \$25,000,000

Original issue date: December 15, 2006

Issue price (%): 100.000%

Interest payment dates: June 1 and December 1,
commencing June 1, 2007

Selling Agent's commission (%): .625%

Regular record dates: May 15 and November 15

Proceeds to Company (%): 99.375%

Redeemable: Yes No

Repayable at the option of holder: Yes No

In whole

Edgar Filing: NORTHWEST NATURAL GAS CO - Form 424B3

Repayment Date: Not Applicable

In whole or in part X

Repayment Price: Not Applicable

Fixed redemption price: Yes ___ No X

Election Period: Not Applicable

Initial redemption date: Not Applicable

Other Terms: Not Applicable

Initial redemption price: Not Applicable

Selling Agent(s):

Reduction Percentage: Not Applicable

Merrill Lynch, Pierce, Fenner & Smith Incorporated. ___

Redemption limitation date: Not Applicable

UBS Securities LLC X

Make-Whole Redemption Price: Yes X No ___

J.P. Morgan Securities Inc. ___

Make-Whole Spread: 0.15%

Piper Jaffray & Co. ___

Agency Transaction *

or

Principal Transaction *

Name of Principal(s): UBS Securities LLC

*If the Agency Transaction box is checked, the notes are being offered directly by Northwest Natural Gas Company through any Agent, acting as agent for Northwest Natural Gas Company. If the Principal Transaction box is checked, however, the notes have been sold to the Agent(s), as principal, for resale to purchasers upon terms described in the prospectus, dated September 28, 2004 and this pricing supplement. If the Principal Transaction box is checked, the notes are being offered by the Agent(s), as principal, at a price to the public set forth above under Issue price (%); the notes were purchased by the Agent(s), as principal, from Northwest Natural Gas Company at the price set forth above under Proceeds to Company (%); and the Agent(s) received a fee equal to the difference, which is set forth above under Selling Agent's commission (%) as a percentage of the principal amount of the notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this pricing supplement or the accompanying prospectus or prospectus supplement is truthful or complete. Any

representation to the contrary is a criminal offense.
