

RUE CJ  
Form 4  
December 30, 2004

**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 \*  
RUE CJ

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 N.W. SECOND AVENUE  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/30/2004

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

PORTLAND, OR 97209-3991

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 (A) or (D) Price		
Common Stock, \$3-1/6 par value	12/30/2004		F		5,114 D \$ 33.84	2,154	D
Common Stock, \$3-1/6 par value	12/30/2004		M		3,000 A \$ 27.875	5,154	D
Common Stock, \$3-1/6 par value	12/30/2004		M		3,400 A \$ 26.3	8,554	D

Common Stock, \$3-1/6 par value	12/30/2004	S	200	D	\$ 33.79	8,354	D	
Common Stock, \$3-1/6 par value	12/30/2004	S	300	D	\$ 33.78	8,054	D	
Common Stock, \$3-1/6 par value						2,911.9952	I	See footnote <u>(1)</u>

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**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. Derivative Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	Amount or Number of Shares
Option to buy	\$ 27.875	12/30/2004		M	3,000	<u>(2)</u> 03/04/2008	Common Stock	3,000
Option to buy	\$ 26.3	12/30/2004		M	3,400	<u>(3)</u> 03/05/2012	Common Stock	3,400

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
RUE CJ 220 N.W. SECOND AVENUE PORTLAND, OR 97209-3991			Secretary	

## Signatures

C.J. Rue

12/30/2004

\*\*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) Held in reporting person's account under the issuer's Retirement K Savings Plan as of November 30, 2004.

Option was granted for 3000 shares pursuant to the Northwest Natural Gas Company 1985 Stock Option Plan (now the Restated Stock

(2) Option Plan). Option on 1,000 shares became exercisable on February 25, 1999, option on 1,000 shares became exercisable on 1/1/2000 and option on 1,000 shares became exercisable on 1/1/2001.

Option was granted for 5000 shares pursuant to the Northwest Natural Gas Company 1985 Stock Option Plan (now the Restated Stock

(3) Option Plan). Option on 1,700 shares became exercisable on February 27, 2003, option on 1,700 shares became exercisable on 1/1/2004 and option on 1,600 shares will become exercisable on 1/1/2005.

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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