

2016 ANNUAL SHAREHOLDER MEETING

NW Natural®



GREGG KANTOR

CEO

NW Natural®

FORWARD LOOKING STATEMENTS

This presentation made by NW Natural contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects" and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements regarding the following: plans; objectives; goals; strategies; future events; business risk; goal achievement; system reliability; weather; safety and improvements; infrastructure investments and demands; customer commitments and growth; earthquake preparedness, cybersecurity resilience commodity costs; response time; economic and housing sector recovery; use of renewable resources and natural gas; timing or effects of future regulatory proceedings or future regulatory approvals, regulatory prudence reviews, availability and effects of regulatory mechanisms, including, but not limited to the recovery of environmental expenses; environmental cost amounts and recoveries; gas storage market pricing and trends; gas storage development and costs or timing related thereto; competitive positioning and marketing efforts; effects of legislation; Company value; revenues and earnings and timing thereof, margins, cost management, dividends, effects of regulatory disallowance, performance, and other statements that are other than statements of historical facts.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you therefore against relying on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements are discussed by reference to the factors described in the Company's most recent Annual Report on Form 10-K and in the Company's quarterly and periodic reports filed thereafter. All forward-looking statements, whether written or oral, are expressly qualified by these cautionary statements. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.



NW Natural®



TOD HAMACHEK

Chairman of the Board

NW Natural®



SHAWN FILIPPI

VP, Chief Compliance Officer, Corporate Secretary

NW Natural®



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CEO

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2015 OVERVIEW

- Experienced a record warm winter
- Began collecting on environmental costs
- Reduced expenses to mitigate disallowance
- 2015 earnings:
  - $1.96 per share GAAP
  - $2.29 per share excluding charge, non-GAAP*
- Paid dividend for 60th year

* Non-GAAP adjusted net income and EPS excludes the $15 million pre-tax or $9.1 million after-tax regulatory disallowance related to the OPUC's Feb. 2015 environmental order. Amounts per share are calculated using the combined federal and state statutory tax rate of 39.5% and divided by 27.4 million diluted shares.

NW Natural®







RESPONSE TIMES

- Answered 90% of emergency calls within 10 seconds
- Responded to damage and odor calls on-site within 30 minutes

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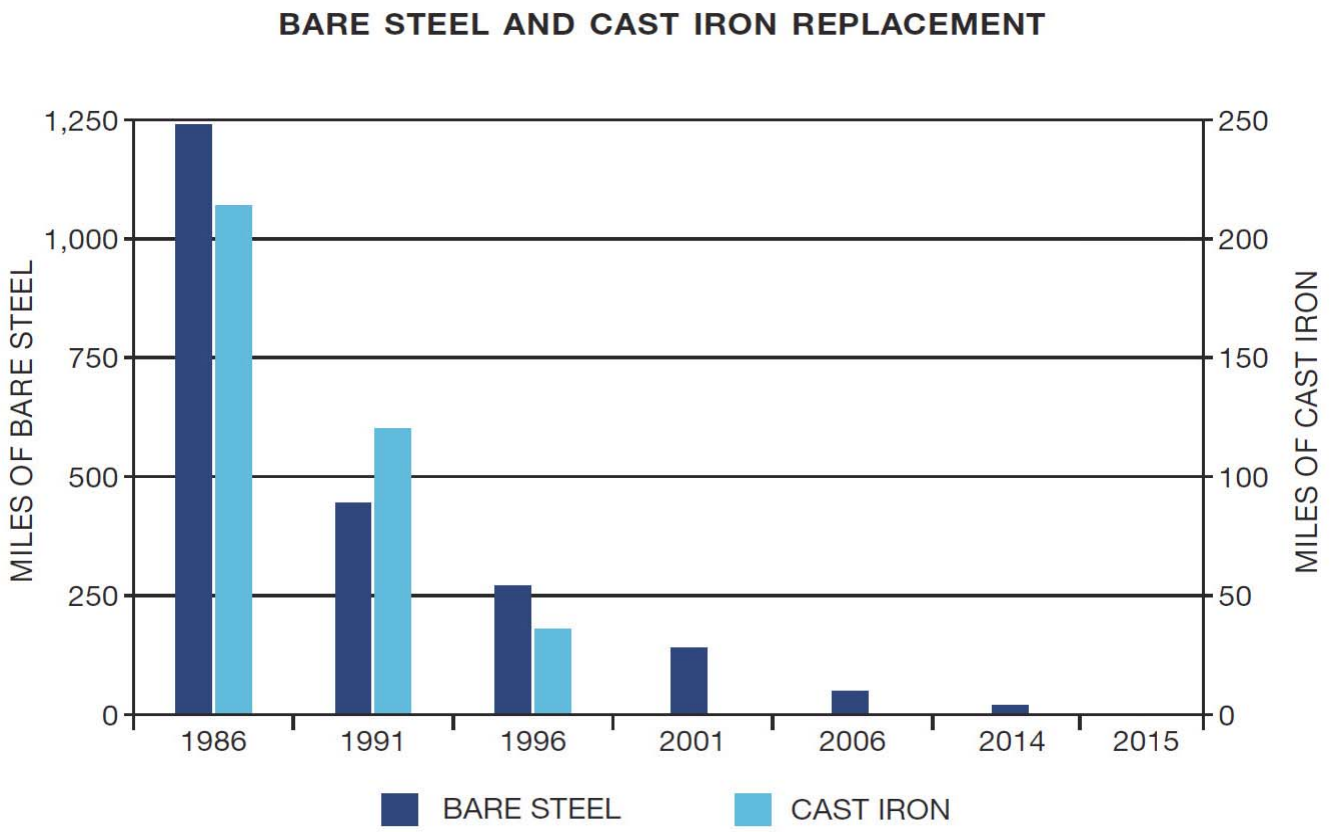
BARE STEEL REMOVAL



OPERATIONAL EXCELLENCE











PREPARING FOR EMERGENCIES







CYBERSECURITY





EXCEPTIONAL CUSTOMER SERVICE



ECONOMIC GAINS

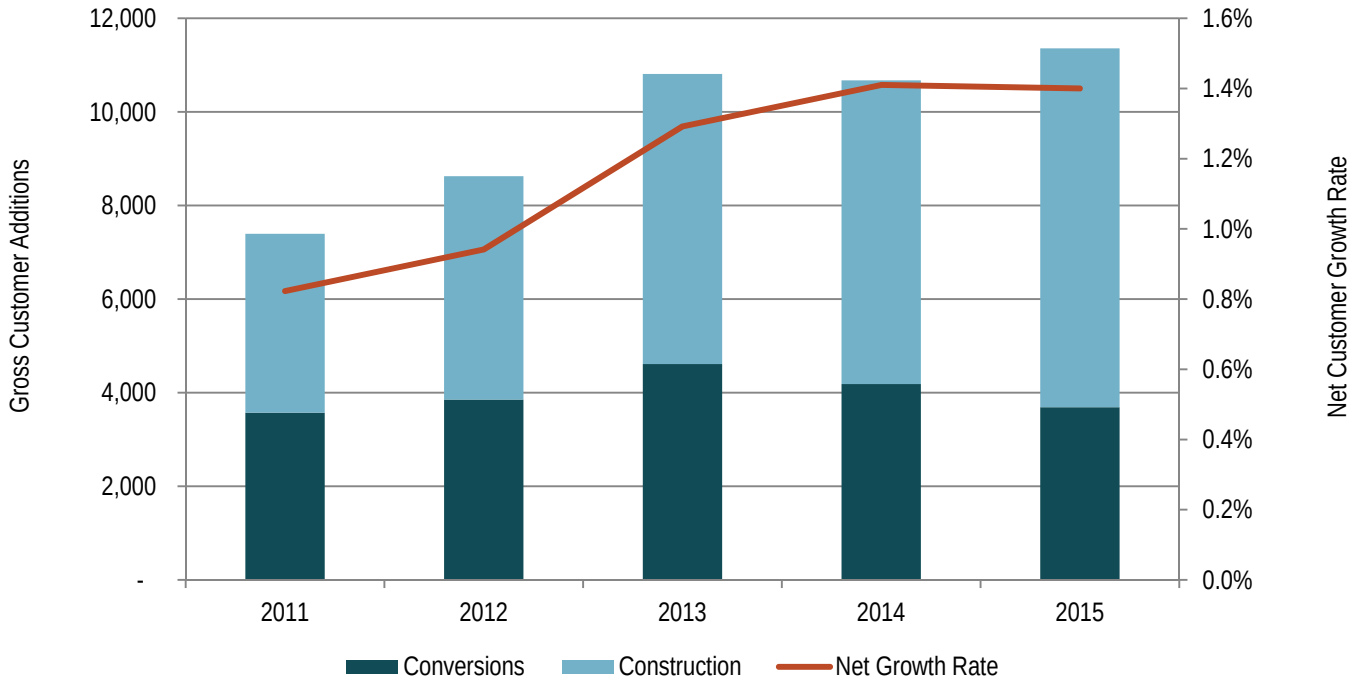








ECONOMIC GAINS



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COMPETITIVE STRENGTHS

- Reduced customer rates
- Paying less for gas than 15 years ago
- Pursuing multifamily opportunities
- Renters prefer gas amenities

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GAS STORAGE

- Mist storage strong performance
- Gill Ranch affected by low storage values
- California's new RPS requires renewables
- Presents market opportunities for us

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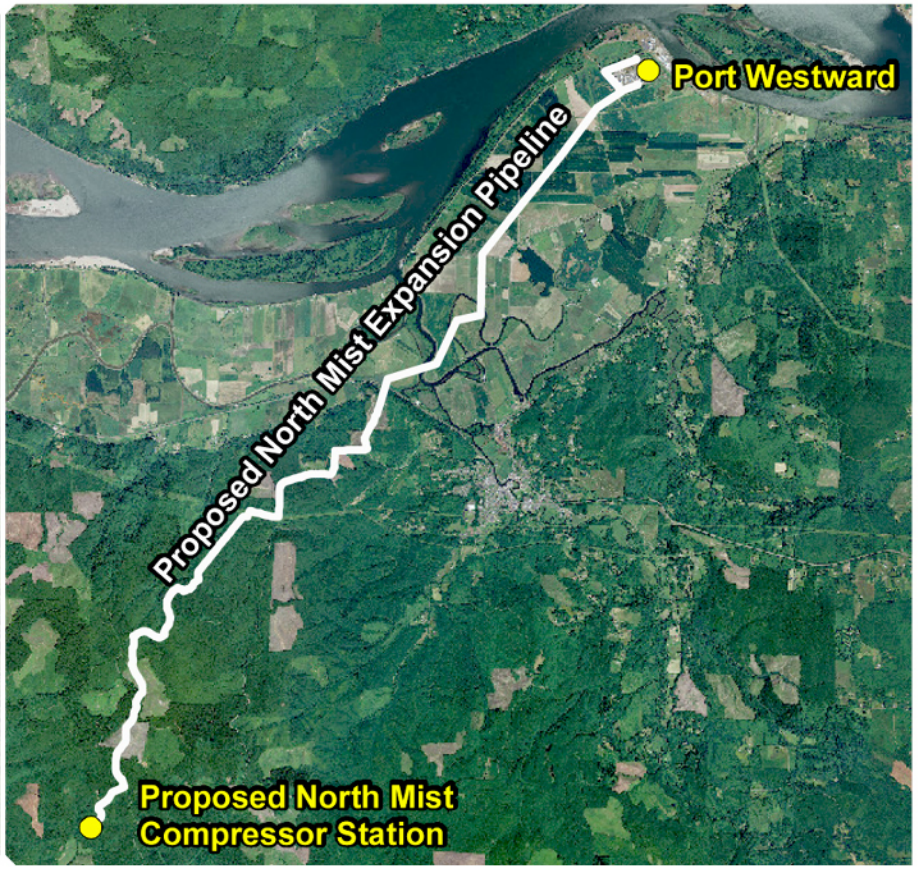
NORTH MIST EXPANSION





SUCCESSION



Hired Greg Hazelton, SVP, CFO & Treasurer



Promoted David Anderson to President in addition to COO



CEO transition in August

NW Natural®


OUR MISSION
We provide safe, reliable and affordable energy in an environmentally responsible way to better the lives of the public we serve.
OUR CORE VALUES
Integrity
Safety
Service Ethic
Caring
Environmental Stewardship

THANK YOU

