

99406

BOOK 61 PAGE 583

Executed in 40 Counterparts
Of Which This is Counterpart No. 30



NORTHWEST NATURAL GAS COMPANY

TO

BANKERS TRUST COMPANY

AND

STANLEY BURG (SUCCESSOR TO R. G. PAGE AND J. C. KENNEDY),

As Trustees under the Mortgage and
Deed of Trust, dated as of July 1,
1946, of Portland Gas & Coke Company
(now Northwest Natural Gas Company)

THIRTEENTH SUPPLEMENTAL INDENTURE

providing among other things for

First Mortgage Bonds, 10 1/8% Series due 1995

Dated as of June 1, 1985

RECORDED IN SKAMANIA COUNTY WITH
JMC
at 11:00 a.m. JUN 19 1985

WIC 583

61

at 11:00 a.m. JUN 19 1985

NORTHWEST NATURAL GAS CO.
330 N.W. SECOND AVE.
PORTLAND, OR 97269

INSTRUMENT OF RECORD FILED BY

RECORDS & CLERK OF THE CO.

SKAMANIA COUNTY, WASH.

Registered	5
Indexed, air	5
Indexed	5
Filed	5
Noted	5

THIRTEENTH SUPPLEMENTAL INDENTURE

INDENTURE, dated as of the first day of June, 1985, made and entered into by and between NORTHWEST NATURAL GAS COMPANY (formerly Portland Gas & Coke Company), a corporation of the State of Oregon, whose post office address is One Pacific Square, 220 N.W. Second Avenue, Portland, Oregon 97209 (hereinafter, sometimes called the Company), party of the first part, and BANKERS TRUST COMPANY, a corporation of the State of New York, whose post office address is Four Albany Street, New York, New York 10015 (hereinafter sometimes called the Corporate Trustee) and STANLEY BURG (successor to R. G. PAGE and J. C. KENNEDY), whose post office address is 23 Dover Green, Staten Island, New York 10312 (hereinafter sometimes called the Co-Trustee), parties of the second part (the Corporate Trustee and the Co-Trustee being hereinafter together sometimes called the Trustees), as Trustees under the Mortgage and Deed of Trust, dated as of July 1, 1946 (hereinafter called the Mortgage), executed and delivered by Portland Gas & Coke Company (now Northwest Natural Gas Company) to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (hereinafter called Thirteenth Supplemental Indenture) being supplemental thereto;

WHEREAS the Mortgage was or is to be recorded in the official records of various counties in the States of Oregon and Washington which counties include or will include all counties in which this Thirteenth Supplemental Indenture is to be recorded; and

WHEREAS by the Mortgage the Company covenanted that it would execute and deliver such supplemental indenture or indentures and such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired, made or constructed and intended to be subject to the lien thereof; and

WHEREAS the Company executed and delivered to the Trustees its First Supplemental Indenture, dated as of June 1, 1949 (hereinafter called its First Supplemental Indenture), its Second Supplemental Indenture, dated as of March 1, 1954 (hereinafter called its Second Supplemental Indenture), its Third Supplemental Indenture, dated as of April 1, 1956 (hereinafter called its Third Supplemental Indenture), its Fourth Supplemental Indenture, dated as of February 1, 1959 (hereinafter called its Fourth Supple-

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mental Indenture), its Fifth Supplemental Indenture, dated as of July 1, 1961 (hereinafter called its Fifth Supplemental Indenture), its Sixth Supplemental Indenture, dated as of January 1, 1964 (hereinafter called its Sixth Supplemental Indenture), its Seventh Supplemental Indenture, dated as of March 1, 1966 (hereinafter called its Seventh Supplemental Indenture), its Eighth Supplemental Indenture, dated as of December 1, 1969 (hereinafter called its Eighth Supplemental Indenture), its Ninth Supplemental Indenture, dated as of April 1, 1971 (hereinafter called its Ninth Supplemental Indenture), its Tenth Supplemental Indenture, dated as of January 1, 1975 (hereinafter called its Tenth Supplemental Indenture), its Eleventh Supplemental Indenture, dated as of December 1, 1975 (hereinafter called its Eleventh Supplemental Indenture); and

WHEREAS said First through Eleventh Supplemental Indentures were filed for record, and were recorded and indexed, as a mortgage of both real and personal property, in the official records of various counties in the States of Oregon and Washington which counties include or will include all counties in which this Thirteenth Supplemental Indenture is to be recorded; and

WHEREAS the Company executed and delivered to the Trustees its Twelfth Supplemental Indenture, dated as of July 1, 1981 (hereinafter called its Twelfth Supplemental Indenture); and

WHEREAS said Twelfth Supplemental Indenture was filed for record, and was recorded and indexed, as a mortgage of both real and personal property, and financing statements were filed, in the official records of the several counties and other offices in the States of Oregon and Washington listed below, as follows:

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Oregon
Real Property Mortgage Records

<u>County</u>	<u>Date Recorded</u>	<u>Book, Film or Reel</u>	<u>Page</u>
Benton	July 7, 1981	M-30015-81	--
Clackamas	July 6, 1981	81 23737	--
Clatsop	July 7, 1981	556	477
Columbia	July 7, 1981	170	663
Coos	July 7, 1981	81 3-1370	--
Douglas	July 7, 1981	793	409
Hood River	July 7, 1981	811211	--
Lane	July 7, 1981	8129229	--
Lincoln	July 7, 1981	125	1053
Linn	July 7, 1981	292	461
Marion	July 6, 1981	254	1835
Multnomah	July 6, 1981	1535	1455
Polk	July 6, 1981	158	1137
Tillamook	July 7, 1981	276	963
Wasco	July 7, 1981	811 735	--
Washington	July 7, 1981	81023623	--
Yamhill	July 7, 1981	162	0861

Filed as a Financing Statement

<u>Office</u>	<u>Date Filed for Record</u>	<u>File Number</u>
Secretary of State	July 6, 1981	G 49291

Washington
Real Property Mortgage Records

<u>County</u>	<u>Date Recorded</u>	<u>Book, Film or Reel</u>	<u>Page</u>
Clark	July 7, 1981	81-07070027	--
Klickitat	July 7, 1981	126	511
Skamania	July 7, 1981	57	957

Filed as a Financing Statement

<u>Office</u>	<u>Date Filed for Record</u>	<u>File Number</u>
Secretary of State	July 6, 1981	81188012

; and

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WHEREAS an instrument dated as of June 14, 1951, was executed by the Company appointing J. C. KENNEDY as Co-Trustee in succession to said R. G. PAGE (resigned) under the Mortgage and by J. C. KENNEDY accepting the appointment as Co-Trustee under the Mortgage in succession to the said R. G. PAGE, which instrument was recorded in various counties in the States of Oregon and Washington; and

WHEREAS, in the Ninth Supplemental Indenture STANLEY BURG was appointed by the Company as Co-Trustee under the Mortgage in succession to said J. C. KENNEDY (resigned) and in the Ninth Supplemental Indenture STANLEY BURG accepted such appointment as Co-Trustee under the Mortgage in succession to said J. C. KENNEDY; and

WHEREAS in addition to the property described in the Mortgage, as heretofore supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS, the Company has heretofore issued, in accordance with the provisions of the Mortgage, as supplemented, the following series of First Mortgage Bonds:

<u>Series</u>	<u>Principal Amount Outstanding</u>
3-1/8% Series due 1976.....	None
3-7/8% Series due 1974.....	None
4 % Series due 1974.....	None
4-3/8% Series due 1976.....	None
5-1/8% Series due 1984.....	None
5-1/8% Series due 1986.....	\$ 3,898,000
4-3/4% Series due 1989.....	\$ 4,255,000
5-3/4% Series due 1991.....	\$10,330,000
9-3/8% Series due 1974.....	None
8-5/8% Series due 1996.....	\$13,697,000
12 % Series due 1984.....	None
10-1/2% Series due 1986.....	\$20,000,000
14-3/4% Series due 1989.....	\$30,000,000

; and

WHEREAS Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder shall be established by Resolution of the Board of Directors of the Company; that the form of such series, as established by said Board of Di-

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rectors, shall specify the descriptive title of the bonds and various other terms thereof; and that such Series may also contain such provisions not inconsistent with the provisions of the Mortgage as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage; and

WHEREAS Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, whether such power, privilege or right is in any way restricted or is unrestricted, may (to the extent permitted by law) be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein or in any supplemental indenture or may (in lieu of establishment by Resolution as provided in Section 8 of the Mortgage) establish the terms and provisions of any series of bonds other than said First Series, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS the Company now desires to create a new series of bonds and (pursuant to the provisions of Section 120 of the Mortgage) to add to its covenants and agreements contained in the Mortgage, as heretofore supplemented, certain other covenants and agreements to be observed by it and to alter and amend in certain respects the covenants and provisions contained in the Mortgage, as heretofore supplemented and amended; and

WHEREAS the execution and delivery by the Company of this Thirteenth Supplemental Indenture, and the terms of the bonds of the Fourteenth Series hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate resolutions of said Board of Directors;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That Northwest Natural Gas Company, in consideration of the premises and of One Dollar to it duly paid

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by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees, and in order further to secure the payment both of the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, according to their tenor and effect, and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of said bonds, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms (subject, however, to Excepted Encumbrances, as defined in Section 6 of the Mortgage) unto Stanley Burg and (to the extent of its legal capacity to hold the same for the purposes hereof) to Bankers Trust Company, as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Trustees and their successors and assigns forever, all property, real, personal and mixed, acquired by the Company after the date of the Mortgage, of the kind or nature specifically mentioned in Article XXI of the Mortgage or of any other kind or nature (except any herein or in the Mortgage expressly excepted) now owned or, subject to the provisions of subsection (I) of Section 87 of the Mortgage, hereafter acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) and wheresoever situated, including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing) all lands, gas plants, by-product plants, gas holders, gas mains and pipes; all power sites, water rights, reservoirs, canals, raceways, dams, aqueducts, and all other rights or means for appropriating, conveying, storing and supplying water; all rights of way and roads; all plants for the generation of electricity by steam, water and/or other power; all power houses, street lighting systems, standards and other equipment incidental thereto, telephone, radio, television and air-conditioning systems and equipment incidental thereto, water works, water systems, steam heat and hot water plants, substations, lines, service and supply systems, bridges, culverts, tracts, ice or refrigeration plants and equipment, offices, buildings and other structures and the equipment thereof; all machinery, engines, boilers, dynamos, gas, electric and other machines, regulators, meters, transformers, generators, motors, gas, electrical and mechanical appliances, conduits, cables, gas, water, steam heat or other pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, tools, implements, apparatus, furniture and chattels; all franchises, consents or permits; all lines for the trans-

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mission and distribution of gas, electric current, steam heat or water for any purpose including mains, pipes, conduits, towers, poles, wires, cables, ducts and all apparatus for use in connection therewith; all real estate, lands, easements, servitudes, licenses, permits, franchises, privileges, rights of way and other rights in or relating to public or private property, real or personal, or the occupancy of such property and (except as herein or in the Mortgage, as heretofore supplemented, expressly excepted) all right, title and interest the Company may now have or may hereafter acquire in and to any and all property of any kind or nature wheresoever situated.

TOGETHER WITH all and singular the tenements, hereditaments, prescriptions, servitudes and appurtenances belonging or in anywise appertaining to the aforementioned property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforementioned property and franchises and every part and parcel thereof,

IT IS HEREBY AGREED by the Company that, subject to the provisions of subsection (I) of Section 87 of the Mortgage, all the property, rights, and franchises acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) after the date hereof, except any herein or in the Mortgage, as heretofore supplemented, expressly excepted, shall be and are as fully granted and conveyed hereby and by the Mortgage, and as fully embraced within the lien hereof and the lien of the Mortgage, as supplemented, as if such property, rights and franchises were now owned by the Company and were specifically described herein or in the Mortgage, as heretofore supplemented, and conveyed hereby or thereby. Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Thirteenth Supplemental Indenture and from the lien and operation of the Mortgage, as heretofore supplemented, viz: (1) cash, shares of stock, bonds, notes and other obligations and other securities not hereafter specifically pledged, paid, deposited, delivered or held under the Mortgage, as heretofore supplemented, or covenanted so to be; (2) merchandise, equipment, apparatus,

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materials or supplies held for the purpose of sale or other disposition in the usual course of business; fuel, oil and similar materials and supplies consumable in the operation of any of the properties of the Company; all aircraft, tractors, rolling stock, trolley coaches, buses, motor coaches, automobiles, motor trucks, and other vehicles and materials and supplies held for the purpose of repairing or replacing (in whole or in part) any of the same; (3) bills, notes and accounts receivable, judgments, demands and choses in action, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as heretofore supplemented, or covenanted so to be; (4) the last day of the term of any lease or leasehold which may be or become subject to the lien of the Mortgage; (5) gas, petroleum, carbon, chemicals, light oils, tar products, electric energy, steam, water, ice, and other materials or products, manufactured, stored, generated, produced, purchased or acquired by the Company for sale, distribution or use in the ordinary course of its business; all timber, minerals, mineral rights and royalties and all Natural Gas and Oil Production Property, as defined in Section 4 of the Mortgage; and (6) the Company's franchise to be a corporation; provided, however, that the property and rights expressly excepted from the lien and operation of this Thirteenth Supplemental Indenture and from the lien and operation of the Mortgage, as heretofore supplemented, in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event and as of the date that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XIII of the Mortgage by reason of the occurrence of a Default as defined in Section 65 thereof.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto Stanley Burg and (to the extent of its legal capacity to hold the same for the purposes hereof) to Bankers Trust Company, as Trustees, and their successors and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as heretofore supplemented, this Thirteenth Supplemental Indenture being supplemental thereto,

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AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as heretofore supplemented, shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustees by the Mortgage as a part of the property therein stated to be conveyed, //

The Company further covenants and agrees to and with the Trustees and their successors in said trust under the Mortgage, as follows:

ARTICLE I.

Fourteenth Series of Bonds.

SECTION 1.01. There shall be a series of bonds designated "10 1/8% Series due 1995" (herein sometimes referred to as the "Fourteenth Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters herein after in this Section specified. Bonds of the Fourteenth Series shall be limited to \$15,000,000 in aggregate principal amount at any one time Outstanding except as provided in Section 16 of the Mortgage and shall mature on June 1, 1995, and shall be issued as fully registered bonds in denominations of One Thousand Dollars and, at the option of the Company, in any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof). Bonds of the Fourteenth Series shall bear interest at the rate of 10 1/8% per annum, payable semi-annually on December 1 and June 1 of each year; and the principal of, premium, if any, and interest on each said bond shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. Bonds of the //

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Fourteenth Series shall be dated as in Section 10 of the Mortgage provided.

Bonds of the Fourteenth Series shall be redeemable either at the option of the Company or pursuant to the requirements of the Mortgage in whole at any time, or in part from time to time, prior to maturity, upon notice, as provided in Section 52 of the Mortgage, mailed at least thirty (30) days prior to the date fixed for redemption, at the following general redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

GENERAL REDEMPTION PRICES

If redeemed during the 12 months period ending May 31,

1986.....	109.50%	1991.....	104.23%
1987.....	108.45%	1992.....	103.17%
1988.....	107.39%	1993.....	102.12%
1989.....	106.34%	1994.....	101.06%
1990.....	105.28%	1995.....	100.00%

in each case, together with accrued interest to the date fixed for redemption; provided, however, that no bonds of the Fourteenth Series may be redeemed at said general redemption prices prior to June 1, 1990, as part of any refunding operation involving, directly or indirectly, the incurring of indebtedness by the Company having a cost (calculated in accordance with acceptable financial practice) lower than 10.289% per annum.

Bonds of the Fourteenth Series shall also be redeemable in whole at any time, or in part from time to time, prior to maturity, upon like notice, by the application (either at the option of the Company or pursuant to the requirements of the Mortgage) of cash deposited with the Corporate Trustee pursuant to the provisions of Section 64 of the Mortgage (so long as any bonds of the Sixth, Seventh, Eighth or Tenth Series remain Outstanding) or with the Proceeds of Released Property, at the following special redemption prices, expressed in percentages of the principal amount of the bonds to be redeemed:

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SPECIAL REDEMPTION PRICES

If redeemed during the 12 months period ending May 31,

1986.....	100.00%	1991.....	100.00%
1987.....	100.00%	1992.....	100.00%
1988.....	100.00%	1993.....	100.00%
1989.....	100.00%	1994.....	100.00%
1990.....	100.00%	1995.....	100.00%

in each case, together with accrued interest to the date fixed for redemption.

ARTICLE II.

Exchanges and Transfers of Bonds of the Fourteenth Series.

SECTION 2.01. At the option of the registered owner, any bonds of the Fourteenth Series, upon surrender thereof, for cancellation, at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall (subject to the provisions of Section 12 of the Mortgage) be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

Transfers of bonds of the Fourteenth Series may be registered (subject to the provisions of Section 12 of the Mortgage) at the office or agency of the Company in the Borough of Manhattan, The City of New York or such other locations as the Company may designate from time to time.

Upon any registration of transfer or exchange of bonds of the Fourteenth Series, the Company may make a charge therefor sufficient to reimburse it for any tax or taxes required to be paid solely by virtue of such transfer by the Company, as provided in Section 12 of the Mortgage, but the Company hereby waives any right to make a charge in addition thereto for any registration or exchange or transfer of bonds of the Fourteenth Series.

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ARTICLE III.

Miscellaneous Provisions.

SECTION 3.01. Subject to the amendments provided for in this Thirteenth Supplemental Indenture, the terms defined in the Mortgage, as heretofore supplemented, shall, for all purposes of this Thirteenth Supplemental Indenture, have the meanings specified in the Mortgage, as heretofore supplemented.

SECTION 3.02. The third paragraph of Section 106 of the Mortgage is amended to read in its entirety as follows, such amendment to take effect immediately for the Fourteenth Series of bonds and all future series of bonds to be issued under the Mortgage:

"Bonds and interest obligations for the payment of which and bonds for the redemption of which either (i) moneys in the necessary amount or (ii) (a) direct obligations of the government of the United States of America or (b) obligations guaranteed by the government of the United States of America or (c) securities that are backed by obligations of the government of the United States of America as collateral under an arrangement by which the interest and principal payments on the collateral generally flow immediately through to the holder of the security, which in any case are not subject to redemption prior to maturity by anyone other than the holders the principal of and the interest on which when due, and without any regard to reinvestment thereof, in the opinion of an independent accountant, and, in the opinion of the officers of the Company executing an Officers' Certificate to that effect, will provide moneys, which, together with the moneys, if any, deposited with or held by the Corporate Trustee, shall be sufficient to pay when due the principal of, premium, if any, and interest due and to become due on said bonds or portions thereof on the redemption date or maturity date thereof, as the case may be, shall have been set apart by or deposited with the Corporate Trustee, with irrevocable direction so to apply the same, subject to the provisions of Section 119 hereof (with or without any additional right given to the holders to surrender their bonds or obtain therefrom payment therefor prior to the redemption date) shall for purposes of satisfying the Lien of this Indenture be deemed to have been paid and for any other purpose under this Indenture be deemed not to be Outstanding; provided that in case of redemption the notice requisite to the validity of such redemption shall have been given or arrangements shall have been made in-

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suring to the satisfaction of the Corporate Trustee that the same will be given."

SECTION 3.03. When all bonds of the Sixth through Thirteenth Series are no longer Outstanding, the first paragraph of Section 99 of the Mortgage is amended to read as follows:

"Section 99. (a) If any Trustee has or acquires any conflicting interest, as defined by subdivision (d) of this Section, such Trustee shall within ninety (90) days after ascertaining that it has such conflicting interest, either eliminate such conflicting interest or resign by giving written notice to the Company, but such resignation shall not become effective until the appointment of a successor trustee and such successor's acceptance of such appointment. The Company covenants to take prompt steps to have a successor appointed in the manner hereinafter provided in Section 102 hereof. Upon giving such notice of resignation, the resigning Trustee shall publish notice thereof, once in one newspaper printed in the English language and of general circulation in the Borough of Manhattan, The City of New York, on any business day of the week. If the resigning Trustee fails to publish such notice within ten (10) days after giving written notice of resignation to the Company, the Company shall publish such notice."

SECTION 3.04. When all bonds of the Sixth through Thirteenth Series are no longer Outstanding, the first paragraph of Section 101 of the Mortgage is amended to read as follows:

"Section 101. Any Trustee may at any time resign and be discharged of the trusts hereby created by giving written notice to the Company specifying the day upon which such resignation shall take effect and thereafter publishing notice thereof, once in one newspaper printed in the English language and of general circulation in the Borough of Manhattan, The City of New York, on any business day of the week, and such resignation shall take effect upon the day specified in such notice unless previously a successor trustee shall have been appointed by the bondholders or the Company in the manner hereinafter provided in Section 102 and in such event such resignation shall take effect immediately on the appointment of such successor trustee. This Section shall not be

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applicable to resignations pursuant to Section 99 hereof."

Section 3.05. All bonds of the First through Third Series being no longer Outstanding, Section 5 of the Mortgage is amended to add the following proviso at the end of clause (4) thereof:

"provided, however, that when no bonds of the First, Second or Third Series remain Outstanding, Property Additions of a Cost not in excess of \$1,100,000 so substituted at any time under subdivision (B) of subsection (II) of Section 4 hereof for Funded Property used primarily and principally in the handling and processing of carbon owned at April 1, 1956 and retired subsequent to April 1, 1956 shall cease to be or to be deemed to have been Funded Property;"

SECTION 3.06. The Trustees hereby accept the trusts hereby declared, provided, created or supplemented, and agree to perform the same upon the terms and conditions herein and in the Mortgage, as heretofore supplemented, set forth, including the following:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Thirteenth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. In general each and every term and condition contained in Article XVII of the Mortgage shall apply to and form part of this Thirteenth Supplemental Indenture with the same force and effect as if the same were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of the Thirteenth Supplemental Indenture.

SECTION 3.07. Whenever in this Thirteenth Supplemental Indenture any of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XVI and XVII of the Mortgage, be deemed to include the successors or assigns of such party, and all the covenants and agreements in this Thirteenth Supplemental Indenture contained by or on behalf of the Company or by or on behalf of the Trustees shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

SECTION 3.08. Nothing in this Thirteenth Supplemental Indenture, expressed or implied, is intended, or

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shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons outstanding under the Mortgage, any right, remedy, or claim under or by reason of this Thirteenth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements by or on behalf of the Company as set forth in this Thirteenth Supplemental Indenture shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons outstanding under the Mortgage.

SECTION 3.09. This Thirteenth Supplemental Indenture has been executed in several identical counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Northwest Natural Gas Company, party hereto of the first part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf on the 7th day of June 1985, as of June 1, 1985 in Portland, Oregon; Bankers Trust Company, one of the parties hereto of the second part, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Vice Presidents or one of its Assistant Vice Presidents and its corporate seal to be attested by one of its Assistant Secretaries; and Stanley Burg, one of the parties hereto of the second

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part, has hereunto set his hand and affixed his seal, all in The City of New York, on the 11th day of June, 1985, as of June 1, 1985.

NORTHWEST NATURAL GAS COMPANY

By

Robert T. Ruggly
President



C. J. Rine
Secretary

Executed, sealed and delivered by NORTHWEST NATURAL GAS COMPANY in the presence of:

W. H. Radford
Leslie K. Audrin

BANKERS TRUST COMPANY, as Trustee,

By

Stanley Burg
Vice President

Attest:

Sam
Assistant Secretary

Stanley Burg
STANLEY BURG, as Trustee

Executed, sealed and delivered by BANKERS TRUST COMPANY and STANLEY BURG in the presence of:

Marian A. Cline
Arthur C. Vinton

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STATE OF OREGON)
 : ss.:
COUNTY OF MULTNOMAH)

June 7, A.D. 1985.

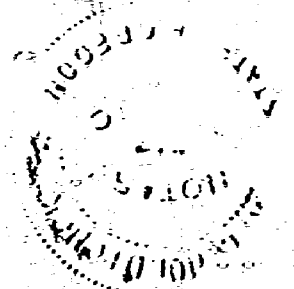
Before me personally appeared ROBERT L. RIDGLEY, who, being duly sworn, did say that he is President of NORTHWEST NATURAL GAS COMPANY and that the seal affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors; and he acknowledged said instrument to be its voluntary act and deed,

On this 7th day of June, before me personally appeared ROBERT L. RIDGLEY, to me known to be President of NORTHWEST NATURAL GAS COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation,

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

R. L. Hordichok

R. L. HORDICHOK
Notary Public, State of Oregon
My Commission Expires 10/9/88



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STATE OF NEW YORK)
 : ss.:
 COUNTY OF NEW YORK)

June 11, A.D. 1985.

Before me personally appeared T. J. MOSKIE, who, being duly sworn, did say that he is a Vice President of BANKERS TRUST COMPANY and that the seal affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors; and he acknowledged said instrument to be its voluntary act and deed.

On this 11th day of June, 1985, before me personally, appeared T. J. MOSKIE, to me known to be a Vice President of BANKERS TRUST COMPANY, one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said Corporation,

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written,


 HELMUT F. LEUFFEN
 Notary Public, State of New York
 No. 31-4657770
 Qualified in New York County
 Commission Expires March 30, 1987



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STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

June 11th, A.D. 1985.

Before me personally appeared the above-named STANLEY BURG and acknowledged the foregoing instrument to be his voluntary act and deed.

On this day personally appeared before me STANLEY BURG to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 11th day of June, 1985.

Helmut F. Leuffen

HELMUT F. LEUFFEN

Notary Public, State of New York

No. 31-4657770

Qualified in New York County

Commission Expires March 30, 1987

