



Press Release

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NORTHWEST NATURAL ANNOUNCES PARR LUMBER'S ENROLLMENT IN "SMART ENERGY" CIRCLE PROGRAM 78 YEAR-OLD COMPANY CONTINUES ITS GREEN EFFORTS

HILLSBORO, OR (January 2, 2009)—NW Natural announced today that Parr Lumber has enrolled in the “Smart Energy Circle Program.” Each of Parr’s 17 locations in the Portland Metro area will participate in the Program.

The Smart Energy Circle Program was developed by NW Natural as an effort to stop climate change and offset carbon emissions from the use of natural gas. Parr Lumber will receive “carbon offsets”, or credit for offsetting of 100% of their greenhouse gasses and CO2 emissions.

In exchange for Parr’s enrollment in the program, the Company will receive a report each year, documenting how many tons of greenhouse gas emissions are being prevented by Smart Energy investments. Additionally, the Company will be listed on NW Natural’s Smart Energy Circle webpage, appear in a newspaper ad listing all Smart Energy Circle members, receive “We Got Smart” window decals for display in each store, be sent customized press releases to contribute to a media list and have access to the Smart Energy Circle logo for use in the Company’s marketing materials.

NW Natural is the first local gas distribution company in the nation to launch a carbon offset program. By teaming up with The Climate Trust (a Portland non-profit organization that is focused on reducing greenhouse gas emissions), NW Natural was able to launch “Smart Energy”, a program designed to support projects that reduce greenhouse gas emissions. These projects include inventive initiatives such as capturing methane gas from cow manure to keep it out of the atmosphere (where it is a 23 times more potent greenhouse gas than carbon dioxide). The captured methane can also be used as a renewable energy source.

“Parr Lumber is a leader in minimizing the environmental impact of the building industry; we are pleased to have them as a partner in our effort to reduce greenhouse gases,” said Bill Edmonds, Director Environmental Policy & Sustainability at NW Natural.

Oregon customers can participate in Smart Energy for either \$6 per month or for a fee based on the amount of gas used that month (\$0.1049



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per therm). The \$6 flat fee is based on offsetting approximately four tons of carbon dioxide emissions annually, the amount generated by a typical home served by NW Natural. The money raised through the program will then be used to fund greenhouse gas reduction projects and to educate customers about the program and for the administration of this project.

About NW Natural: NW Natural is headquartered in Portland, Oregon and serves about 655,000 residential and business customers in Oregon and Southwest Washington. It is the largest independent natural gas utility in the Pacific Northwest and is one of the fastest-growing local distribution companies in the nation. For more information about NW Natural, please visit www.nwnatural.com.

About The Parr Company: The Parr Company consists of six distinct companies providing building solutions and services: Parr Lumber Company, Parr Cabinet Outlet, Cascade Wholesale Hardware, NSC, NSCi and Parr Marketing Group.

Parr Lumber Company was established in 1930 by Dwight Parr Sr., in the Pacific Northwest and remains a locally owned family business today. Michael Parr and Brad Farmer, both grandsons of the founder, play an active role within The Parr Company and continue the proud family ownership. Headquartered in Hillsboro Oregon, Parr is ranked as the 14th largest building material supplier in the nation. Parr proudly operates 41 facilities in Oregon, Washington, California, Arizona and Utah which include pro/retail building material yards, contractor focused facilities and cabinet outlets.