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GEM STATE WATER COMPANY

PRESS RELEASE

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NW Natural Water Signs Agreements to Purchase Water Companies in Idaho and Washington

Company Release - 3/22/2019 4:26 PM ET

PORTLAND, Ore., March 22, 2019 (GLOBE NEWSWIRE) – NW Natural Water Company, LLC (NW Natural Water), a subsidiary of Northwest Natural Holding Company (NYSE:NWN) (NW Natural Holdings), has signed agreements through its subsidiaries to acquire six water utility systems and one water and wastewater management company, together serving nearly 1,200 water distribution connections and managing another 1,000 water and wastewater customers.

The acquisitions include the water systems of Spirit Lake East, Lynnwood, Diamond Bar Estates, and Bar Circle "S", as well as Water Works Management, all located in or around Coeur d'Alene, Idaho. In addition, agreements have been signed to acquire the water systems of Estates and Monterra in Sequim, Washington.

"In this latest round of purchase agreements, we're acquiring well-managed, well-positioned water systems in strategic locations with key expertise," said David H. Anderson, NW Natural Holdings president and CEO. "Coeur d'Alene is ranked the fastest-growing metropolitan area in the fastest-growing state, and the Sequim acquisitions build on our existing footprint in Washington's Puget Sound region. We're excited to serve these communities and look forward to providing them safe, reliable and affordable service, just like we do every day for our other natural gas and water utility customers."

The transactions are subject to certain conditions, including approval by the Washington Utilities and Transportation Commission and the Idaho Public Utilities Commission, and are expected to close in the summer of 2019.

ABOUT NW NATURAL HOLDINGS

Northwest Natural Holding Company, (NYSE: NWN) (NW Natural Holdings), is headquartered in Portland, Oregon, and through its subsidiaries has been doing business for 160 years in the Pacific Northwest. It owns NW Natural Gas Company (NW Natural), NW Natural Water Company (NW Natural Water), and other business interests and activities.

NW Natural currently provides natural gas service to approximately two million people in more than 140 communities through more than 750,000 meters in Oregon and Southwest Washington with one of the most modern pipeline systems in the nation. NW Natural consistently leads the industry with high J.D. Power & Associates customer satisfaction scores.

NW Natural is currently constructing a 2.5 Bcf regulated gas storage expansion of its 16 Bcf facility in Oregon to support renewables. NW Holdings' subsidiaries own and operate 31 Bcf of underground gas storage capacity.

NW Water currently provides water distribution service to approximately 22,000 people through 7,400 connections. To date, NW Water has acquired four water distribution systems with additional acquisitions pending. Upon closing all outstanding transactions, cumulatively, NW Water will serve approximately 45,000 people through about 18,000 connections in the Pacific Northwest with total investments of nearly \$70 million.

Additional information is available at nwnaturalholdings.com.

FORWARD LOOKING STATEMENTS This report, and other presentations made by NW Natural Holdings from time to time, may contain 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, assumptions, estimates, expectations, expenses, future events, investments, customer growth, the likelihood, timing, and success associated with any transaction, financial results, accretion or financial projections, strategic fit, financial position, revenues and earnings, performance, timing or effects of future regulatory proceedings or future regulatory approvals, 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. They are neither statements of historical fact nor guarantees or assurances of future performance. 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 Part I, Item 1A "Risk Factors," and Part II, Item 7 and Item 7A "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosure about Market Risk" in Northwest Natural Gas Company's most recent Annual Report on Form 10-K, as updated by subsequent filed reports, and in Part I, Items 2 and 3 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk," and Part II, Item 1A, "Risk Factors," in such company's quarterly reports filed thereafter.

All forward-looking statements made in this report and all subsequent forward-looking statements, whether written or oral and whether made by or on behalf of NW Natural Holdings, 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.

New factors emerge from time to time and it is not possible for the company to predict all such factors, nor can it assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statements.

Investor Contact: Nikki Sparley, 503-721-2530, nikki.sparley@nwnatural.com
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GEM STATE WATER COMPANY

CUSTOMER NOTICE

DIAMOND BAR ESTATES & BAR CIRCLE "S" CUSTOMER INFORMATION

Dear customers,

In March 2019, Gem State Water Company, a subsidiary of NW Natural Water, entered into an agreement to acquire the water utilities of Diamond Bar Estates and Bar Circle "S".

After the sale is approved, the utilities will continue to be operated locally with the oversight of Gem State's North Idaho team made up of professionals from the Coeur d'Alene area. Gem State Water, Diamond Bar Estates and Bar Circle "S" expect that the transition will be seamless to customers.

The Idaho Public Utilities Commission (IPUC) is currently reviewing the filing. To follow the regulatory process, check the Commission's website at www.puc.idaho.gov or use the contact information listed below.

About NW Natural Water

NW Natural Water currently provides water distribution service to approximately 22,000 people through 7,400 connections. Since 2018, NW Natural Water has acquired a number of water distribution systems and has additional acquisitions pending. Upon closing all outstanding transactions, cumulatively, NW Natural Water will serve approximately 45,000 people through about 18,000 connections in the Pacific Northwest. NW Natural Water is a subsidiary of NW Natural Holdings (NYSE:NWN) and is headquartered in Portland, Oregon.

More information

If you have questions about the transaction and transition to Gem State Water, contact Diamond Bar Estates, Bar Circle "S", NW Natural Water, or the IPUC using the following information. *(Note: this is for information about the transaction. Please continue to contact Diamond Bar or Bar Circle "S" for customer billing and service information.)*

Diamond Bar Estates, Bar Circle "S"

Attn: Robert N. Turnipseed
2953 N. Government Way, Coeur D'Alene, ID 83815
avondalecon@frontier.com
208-665-9200

NW Natural Water

Attn: Melissa Moore
220 N.W. Second Ave., Portland, OR 97209
melissa.moore@nwnatural.com
503-226-4211
www.nwnaturalwater.com

Idaho Public Utilities Commission

Attn: Matt Evans, Public Information Officer
472 W. Washington, Boise, ID 83702
Matt.Evans@puc.idaho.gov
208-334-0339
www.puc.idaho.gov



Gem State
WATER™

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GEM STATE WATER

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