

126 FERC ¶ 61,067  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

January 27, 2009

In Reply Refer To:  
Northern Natural Gas Company  
Docket No. RP09-137-000

Northern Natural Gas Company  
1111 South 103rd Street  
Omaha, NE 68124

Attention: Dari R. Dornan, Senior Counsel

Reference: Waiver Request

Ladies and Gentlemen:

1. On December 5, 2008, Northern Natural Gas Company (Northern) filed a petition for limited waiver of its General Terms and Conditions (GT&C) to resolve a prior period imbalance with Southwestern Public Service Company (SPS) using the imbalance-to-storage method rather than the cash-out method as provided by Northern's tariff.
2. Northern states that during the months of August and September 2008, Northern received inaccurate third party measurement information from the operator of the SPS end-use point in Lubbock, Texas. Northern's tariff uses a cash-out/in mechanism to resolve imbalances. For the purposes of this method, section 32(H) of Northern's GT&C states that any transportation imbalance in a given month created by throughput in a previous month will be assigned a dollar valuation based on the applicable average weekly index price without tiering for the month in which the throughput occurred.
3. Northern requests a waiver of these provisions in order to use the imbalance-to-storage method. Northern states that granting the waiver will allow SPS to resolve its August and September 2008 imbalance volumes as it would have if Northern had received the correct measurement information from the end-use point operator. Northern further states that SPS has consistently used the imbalance-to-storage method to resolve its imbalance volumes, and has requested to do the same with its prior period volumes from August and September 2008, instead of using Northern's default methodology (the "cash-out/in mechanism"). Northern states that the waiver will result in a total prior period imbalance quantity of 58,921 Dth, which will be added to the SPS storage balance as an injection.

4. The Commission noticed Northern's filing on December 10, 2008, allowing for protests as provided by section 154.210 of the Commission's regulations. Pursuant to Rule 214, 18 C.F.R. § 385.214 (2008), all timely filed motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties. No party filed a protest or adverse comments.

5. For good cause shown, we grant Northern a limited waiver to resolve account imbalances using the imbalance-to-storage option. Granting this waiver will allow Northern to complete its prior period imbalance with SPS and to credit SPS the imbalance volume amount for August and September 2008.

By direction of the Commission. Commissioner Kelliher is not participating.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

cc: All Parties

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