

137 FERC ¶ 61,002
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 3, 2011

In Reply Refer To:
Northern Natural Gas Company
Docket No. RP11-2383-000

Northern Natural Gas Company
1111 South 103rd Street
Omaha, NE 68124-1000

Attention: Dari R. Dornan, Senior Counsel

Reference: Limited Waiver Request

Ladies and Gentlemen:

1. On August 16, 2011, Northern Natural Gas Company (Northern) submitted a request for limited waiver of the General Terms and Conditions (GT&C) of its Tariff to resolve a prior period imbalance with Tenaska Marketing Ventures (Tenaska). As discussed below, the Commission grants Northern Natural's request for limited waiver.
2. Section 32 of Northern's GT&C states that the monthly index price (MIP) applied to imbalances shall be tiered based upon the monthly imbalance level of the supplier. Section 32 also allows shippers until the 12th business day of the month to access Northern's website to elect which imbalance resolution mechanisms they will use and the volume associated with each imbalance mechanism. If no election is made, imbalances are resolved via the cash-out mechanism by default. In February of 2011, Tenaska was erroneously assessed an imbalance volume (supposedly owed to Northern) of 1,439 Dth, as a result of a billing error by Northern, even though Tenaska's actual imbalance volume for February was 0 Dth. Tenaska was charged for the erroneous imbalance at the Market Area High Weekly Index Price. In March of 2011, Northern issued a prior period adjustment (PPA) to credit the erroneous imbalance back to Tenaska, but did so at the Market Area Average Weekly Index Price. Tenaska subsequently requested that Northern issue another PPA for the month of February to ensure that the 1,439 Dth credit to Tenaska would be at the Market Area High Weekly Index Price.
3. Given these circumstances, Northern is requesting a limited waiver of its Tariff to resolve the February imbalance using the High MIP, because Tenaska, through no fault of its own, would otherwise be subject to a different cash-out valuation under Section 32.

4. Public notice of the filing was issued on August 18, 2011. Interventions and protests were due as provided in Section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2011)). Pursuant to Rule 214, 18 C.F.R. § 385.214 (2011), all timely filed motions to intervene and any unopposed 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 the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

5. For good cause shown, we grant Northern a limited waiver of the imbalance resolution provisions set forth in section 32 of its GT&C. Granting this limited waiver will not adversely impact other shippers on Northern's system, and will allow Northern to fully correct the February 2011 billing error that gave rise to the erroneous imbalance, which was beyond Tenaska's control.

By direction of the Commission.

Kimberly D. Bose,
Secretary.