

125 FERC ¶ 61,142
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

November 5, 2008

In Reply Refer To:
Northern Natural Gas Company
Docket No. RP08-630-000

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 September 24, 2008, Northern Natural Gas Company (Northern) filed a petition for limited waiver of its tariff to resolve an imbalance error with Redfield Energy LLC (Redfield) for nominations made by Redfield's agent, U.S. Energy Services (USES), in August 2008. Northern states that a temperature probe malfunctioned in August 2008. Northern did not discover the faulty probe until September 4, 2008, and it repaired the probe on September 5, 2008. During that time, USES nominated daily volumes at the Redfield town border station based upon the incorrect electronic flow measurement data provided by Northern. Accordingly, USES overestimated usage for August and incurred imbalances.

2. Section 32 of Northern's tariff discusses, among other things, the valuation of volumetric imbalances. Based on the level of a customer's monthly imbalance, Northern's tariff requires the monthly index price to be tiered.¹ Northern requests waiver to allow it to cash-out Redfield's entire imbalance amount at the average Market Area monthly index price for August 2008 rather than applying the Tier 1 through Tier 3

¹ Eighth Revised Sheet No. 268 to its FERC Gas Tariff, Fifth Revised Volume No. 1. Tier 1 is equal to 100 percent of the monthly index price, Tier 2 is equal to 98 percent, and Tier 3 is equal to 90 percent.

penalty levels. Northern states that this waiver will allow Redfield to avoid the additional financial obligation of the tiering provision on an imbalance that resulted from circumstances beyond Redfield's control. The proposed waiver will result in a billing adjustment of \$12,880.07 to Redfield.

3. The Commission noticed Northern's filing on September 30, 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. For good cause shown, we grant Northern's request for a limited waiver of its tariff to allow Northern to cash-out Redfield's above-described imbalance at the average Market Area monthly index price for August 2008. Granting this limited waiver will result in a billing adjustment of \$12,880.07 to Redfield and will not adversely impact other shippers on Northern's system.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties

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