

127 FERC ¶ 61,094
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

April 29, 2009

In Reply Refer To:
Northern Natural Gas Company
Docket No. RP09-495-000

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

Attention: Dari R. Dornan, Senior Counsel

Reference: Request for Limited Waiver of Tariff Provisions

Ladies and Gentlemen:

1. On April 1, 2009, Northern Natural Gas Company (Northern) filed a petition for limited waiver of its FERC Gas Tariff to resolve prior period billing discrepancies with Cedar Falls Utilities (Cedar Falls) and Northern States Power – Minnesota (NSP), which resulted from measurement errors beyond the shippers' control. Northern billed Cedar Falls and NSP for less transportation service than it actually provided in December 2008 and January 2009. At the shippers' request, Northern requests waiver to resolve the imbalance amounts in a manner that differs from sections 32(F) and 32(H) of its General Terms and Conditions.
2. Under sections 32(F) and 32(H), shipper imbalances incurred in one month are automatically cashed-out after the 12th business day of the next month. The cash-out value is based on the applicable Market Area, Field Area, or Gulf Coast Average Weekly Index Price. Had no measurement error occurred, Northern states Cedar Falls would have sourced its additional gas requirements from Northern's Demarc receipt point, and therefore would have paid the Demarc daily price as listed in Platts Gas Daily Report. Northern states that NSP would have utilized the imbalance-to-storage mechanism, as it has historically done.
3. Northern explains that granting a limited waiver would allow Northern to resolve the imbalance error with Cedar Falls by valuing the gas volume differential (18,254 Dth in December 2008 and 19,847 Dth in January 2009) at the

Demarc price. Northern further states that waiver would permit NSP to utilize the imbalance-to-storage mechanism to resolve its imbalance volumes (41,501 Dth for December 2008 and 42,457 Dth for January 2009). Northern asserts that approval of the limited waiver will not affect service to other transportation or storage customers in any way.

4. Public notice of Northern's filing was issued on April 6, 2009. Interventions and protests were due as provided in section 154.210 of the Commission's regulations, 18 C.F.R. § 154.210 (2008). Pursuant to Rule 214, 18 C.F.R. § 385.214 (2008), all timely filed motions to intervene and any motion 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 party filed a protest or adverse comments. NSP filed comments in support of Northern's waiver request.

5. For good cause shown, the Commission grants Northern's request for a limited waiver of its tariff. Granting this waiver will allow Cedar Falls to value the gas imbalance at the Demarc receipt point and will allow NSP to correct the imbalance using the imbalance-to-storage option, as intended; it will not affect other shippers on Northern's system.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

cc: All Parties

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