

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

September 24, 2007

In Reply Refer To:
Northern Natural Gas Company
Docket No. RP07-539-000

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

Attention: Dari R. Dornan, Senior Counsel

Reference: Limited Waiver Request

Ladies and Gentlemen:

1. On July 31, 2007, Northern Natural Gas Company (Northern) filed a petition for a limited waiver of section 32 of the General Terms and Conditions (GT&C) of its FERC Gas Tariff to resolve prior period imbalances with Adams Resources Marketing, LTD (Adams), Anglo-Suisse Texas Offshore Partners, LLC (Anglo-Suisse), EOG Resources, Inc. (EOG), Louis Dreyfus Energy Services, LP (Louis Dreyfus) and Superior Natural Gas Corporation (Superior). Northern requests the Commission waive section 32 to allow it to resolve the imbalances without the required tiering of the applicable Monthly Index Price (MIP). The Commission grants Northern's waiver request to resolve these imbalances without applying the tiering penalties, as further discussed below.

2. Northern states that during June 2007, an unanticipated outage caused reduced deliveries from the Matagorda Offshore Pipeline System (MOPS). This occurred before MOPS shippers could be given sufficient notification to allow them to change their nominations on a timely basis to reflect the lower than anticipated flows. Consequently, Adams, Anglo-Suisse, EOG, Louis Dreyfus and Superior all incurred higher MIP tiering than normal and beyond Northern's Tier 1 category. Consequently, Northern states that because circumstances beyond each customer's control caused the imbalance, it requests permission to cash out the customer's imbalance amounts at the Tier 1 level rather than at the higher Tier 2 through Tier 6 levels incurred by each. Northern states that this will result in the following billing adjustments to the shippers: Adams: \$1,523.19; Anglo: \$3,645.37; EOG: \$4,653.90; Louis Dreyfus: \$1,058.26; and, Superior: \$818.96.

3. The Commission noticed Northern's filing on August 3, 2007, with protests due as provided by section 154.210 of the Commission's regulations. Pursuant to Rule 214, 18 C.F.R. § 385.214 (2007), 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.

4. For good cause shown, we grant waiver of section 32 of Northern's GT&C. Granting this waiver is reasonable given the circumstances and will allow Northern to resolve the prior-period imbalances with Adams, Anglo-Suisse, EOG, Louis Dreyfus and Superior.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties

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