FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Letter Order Pursuant to § 375.307
Northern Natural Gas Company
Docket No. CP26-130-000

July 17, 2026

Northern Natural Gas Company
P.O. Box 3330
Omaha, NE 68103-0330

Attention: Donna Martens
Senior Regulatory Analyst

Reference: Data Request

Dear Ms. Martens:

Please provide the information described in the enclosure to assist in our analysis of Northern Natural Gas Company (Northern) proposal in the above certificate application. File your response in accordance with the provisions of the Commission's Rules of Practice and Procedure. In particular, 18 C.F.R. § 385.2010 (Rule 2010) requires that you serve a copy of the response to each person whose name appears on the official service list for this proceeding.

All responses should be filed with the Secretary of the Commission by no later than seven (7) business days from the date of the issuance of this letter. The response should be filed electronically via the eFiling link on the Commission's web site at http://www.ferc.gov. Please file all responses under oath (18 C.F.R. § 385.2005) by an authorized Northern representative and include the name, position, and telephone number of the respondent to each item. If you have any questions regarding this data request, please contact Emily Murphy at emily.murphy@ferc.gov or (202) 502-6315.

Issued by: Marsha K. Palazzi, Director, Division of Pipeline Regulation, Office of Energy Market Regulation

<u>Enclosure</u>
Instructions for any spreadsheets to be provided in response to this data request: All workpapers must be submitted, with formulas, in spreadsheet format acceptable under the Commission's eFiling rules, such as Microsoft Excel. All spreadsheets must contain all the formulas necessary to calculate the requested rates. If the spreadsheets use macros, functions or other techniques to perform iterative functions, Northern should provide an explanation of the macros or functions used, where they are located, and how to initiate those functions. All macros and functions should not be set at a default state to run upon opening the spreadsheet. All formulas, variables and results should be visible and not hidden. The spreadsheets should not use security features that prevent copying, modification, or printing – although Northern may provide separate spreadsheets that do have these features activated. The spreadsheets should not contain any links to sources outside the spreadsheet document. Northern should provide a version for presentation purposes, such as in PDF.

1. Please specify what rates Northern intends to charge for the Northern Lights 2027 Expansion project and specify what rate schedules service will be provided under on the project.

2. In Exhibit N, Page 2 of 7, Northern provides an estimated Total O&M Expenses of $116,129 for Year 1. Please provide a breakdown of these expenses by (1) FERC account number and (2) labor and non-labor costs.

3. Commission policy requires that a pipeline's cost-based recourse rate for incrementally priced expansion capacity be designed using the Rate of Return (ROR) from its most recent general rate case approved by the Commission under section 4 of the NGA in which a specified return was used to calculate rates.[1] The Stipulation and Settlement agreement for Docket No. RP22-1033-005 did not state the ROR. Therefore, in order to properly determine the appropriate rate to use as the recourse rate for the Northern Lights 2027 Expansion project and to make a determination on the roll-in of the costs, please provide a revised Exhibit N based on the last stated and approved ROR from an NGA section 4 rate proceeding. In addition, please provide the calculation for the illustrative initial recourse reservation and usage charges, based on the fixed and variable costs, using the revised Exhibit N.

4. In Exhibit N, Page 7 of 7, lines 7, 11 and 14, Northern states "taxable income after adjustments" of $7,798,191, and "other tax adjustments" of $40,094 for Federal Income Tax and $12,460 for State Income Tax. Please define and explain what these adjustments are.

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[1] See*, e.g., Gulf South Pipeline Company, LP,* 166 FERC ¶ 61,089 at P 27 (2019).

5. With regards to a pre-determination of rolled-in rate treatment for the Northern Lights 2027 Expansion project, Commission policy requires the use of the existing applicable maximum recourse rate when the negotiated rate is greater than the existing applicable maximum recourse rate and the use of the negotiated rate if it is lower than the maximum recourse rate when calculating revenues during a rolled-in rate analysis.[2] Please confirm whether the incremental revenues on Schedule 1 of Exhibit N were calculated in accordance with Commission policy, and if not, please recalculate the revenues in accordance with this policy.

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[2] *Tennessee Gas Pipeline Co., L.L.C.*, 144 FERC ¶ 61,219, P 22 (2014).