



Northern Natural Gas Company  
P.O. Box 3330  
Omaha, NE 68103-0330  
402 398-7200

December 23, 2020

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

RE: Northern Natural Gas Company  
Docket No. RP21-\_\_\_\_\_  
Negotiated Rate Transaction

Dear Ms. Bose:

Northern Natural Gas Company (“Northern”) hereby submits the following tariff sheet for filing as part of its F.E.R.C. Gas Tariff, Sixth Revised Volume No. 1 (the “Tariff”), to be effective December 29, 2020:

SIXTH REVISED VOLUME NO. 1  
Ninth Revised Sheet No. 66B.13

Reason for Filing

On June 7, 1996, in Docket No. RP96-272-000, Northern filed tariff sheets permitting it to negotiate rates in accordance with the Commission’s Policy Statement on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines, issued January 31, 1996, in Docket No. RM95-6-000 (the “Policy Statement”).<sup>1</sup> The Commission accepted the tariff sheets in an order issued July 5, 1996 (the “1996 Order”).

Northern submits this filing to reflect revisions in the negotiated rate transaction with Monolith Nebraska LLC (“Monolith”).

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<sup>1</sup> 74 FERC ¶ 61,076 (1996).

### Revised Transaction

Monolith – Contract 135517:  
Sheet No. 66B.13 is updated to reflect the revisions of the negotiated rate agreement beginning December 29, 2020. The negotiated rate provisions are set forth in footnote 237.

### Other Regulatory Requirements

The negotiated rate transaction shall be reflected on Northern’s transactional report.

In accordance with the Commission’s 1996 Order, Northern will keep separate and identifiable its negotiated rate information in such form that it can be filed and separately totaled, in particular, as part of and in the format of Statements G, I, and J in Northern’s future rate cases.

### Waivers

The Policy Statement provides: “the Commission will readily grant requests to waive the 30 day notice requirement” for negotiated rate filings.<sup>2</sup> Accordingly, Northern respectfully requests the Commission grant waiver of section 154.207 and any other waivers of its Regulations it deems necessary to allow this filing to become effective December 29, 2020.

### Posting

Northern has served an electronic copy of this filing upon its customers and interested state regulatory commissions.

### Marked Version

In accordance with section 154.201 of the Commission’s Regulations, Northern has submitted a marked version of the proposed tariff changes highlighting new additions and showing deletions by strikeout.

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<sup>2</sup> 74 FERC ¶ 61,076 at 61,241-2 (1996). *See NorAm Gas Transmission Company*, 77 FERC ¶ 61,011 at 61,034-5 (1996).

Kimberly D. Bose, Secretary  
December 23, 2020  
Page 3 of 3

Motion

In accordance with Sections 154.7(a)(9) and 154.206(c) of the Commission's Regulations, Northern hereby moves to place the tariff sheet referenced herein in effect as of the end of any suspension period ordered by the Commission.

Data Processing Requirements

Northern submits this filing through FERC's electronic tariff filing process in a FERC-approved format.

Communication

It is respectfully requested that all Commission orders and correspondence, as well as pleadings and correspondence from other persons concerning this filing, be served upon each of the following:

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Director, Rates and Tariffs  
Northern Natural Gas Company  
1111 South 103<sup>rd</sup> Street  
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Respectfully submitted,

/s/ Bambi Heckerman

Bambi Heckerman  
Director, Rates and Tariffs

Attachments

237/ For the period 12/29/2020 through 12/31/2021:

In the event Shipper provides the Notice to Proceed for Phase 2 by December 1, 2021, Shipper, in accordance with Contract 2 (TFX Service Agreement 135518), shall pay a monthly reservation charge equal to \$0.1562/Dth/day multiplied by the contract MDQ multiplied by 30.4 less the amount paid by Shipper for reservation charges under Northern's Rate Schedule SMS for up to ten percent (10%) of the Phase 1 Entitlement. In the event Shipper fails to provide the Notice to Proceed for Phase 2 by December 1, 2021, Shipper, at its sole option, shall pay Northern, in addition to the applicable Reservation Charge either (i) a lump sum amount, equal to the Actual Cost of the Phase 1 facilities, or (ii) an increased Reservation Rate in Contract No. 2 of \$0.2580/Dth/day as referenced below through June 30, 2039. Should the referenced reimbursement of Actual Cost of the Phase 1 facilities be received by Northern in full by January 1, 2022, Shipper's Reservation Rate for Contract No. 2 will be \$0.1562/Dth/day effective January 1, 2022, and if the referenced reimbursement is not received by Northern in full by January 1, 2022, Shipper's Reservation Rate for Contract No. 2 will automatically increase to \$0.2580/Dth/day effective January 1, 2022, with no additional notice.

For the period January 1, 2020 through December 31, 2020, Shipper shall pay a monthly reservation charge equal to \$0.2580/Dth/day multiplied by the contract MDQ multiplied by 30.4 less the amount paid by Shipper for reservation charges under Northern's Rate Schedule SMS for up to ten percent (10%) of the Phase 1 Entitlement (Period 2 Reservation Charge).

For the period January 1, 2021 through December 31, 2021, Shipper shall pay a monthly reservation charge equal to \$0.5211/Dth/day multiplied by the contract MDQ multiplied by 30.4 less the amount paid by Shipper for reservation charges under Northern's Rate Schedule SMS for up to ten percent (10%) of the Phase 1 Entitlement (Period 3 Reservation Charge).

The Period 1 Reservation Charge, Period 2 Reservation Charge, and Period 3 Reservation Charge are collectively referred as "Reservation Charges."

In addition to the Reservation Charges above, Shipper shall (i) pay a commodity rate equal to the minimum commodity rates provided in Northern's FERC Gas Tariff; (ii) provide any applicable fuel use and unaccounted for gas in accordance with Northern's FERC Gas Tariff; and (iii) pay all FERC-approved charges and surcharges applicable to the service provided herein; provided, however, to the extent such surcharges are discountable by Northern, Shipper shall not be responsible for surcharges related to (1) greenhouse gas or carbon mitigation; or (2) surcharges related to cost recovery mechanisms for modernization of natural gas facilities.

The Reservation Charges above are applicable to all Market Area receipt points on a primary and alternate basis, the Monolith Nebraska (POI 79318) plant and the NPPD Beatrice Power Station TBS (POI 78444) on an alternate basis. If any other delivery points are used either on a primary or alternate basis in any month, Shipper shall pay a reservation rate equal to the greater of (i) the then applicable Reservation Charge or (ii) Maximum Reservation Rate set forth in Northern's FERC Gas Tariff for the highest daily quantity used at the points not listed in this paragraph during the month that such points are used.

237/ For the period ~~12/07/2001/202019~~ through 12/31/2021:19, ~~Shipper shall pay a monthly reservation charge equal to \$0.3312/Dth/day multiplied by the contract MDQ multiplied by 30.4, less the amount paid by Shipper for reservation charges under Northern's Rate Schedule SMS for up to ten percent (10%) of the Phase 1 Entitlement (Period 1 Reservation Charge).~~

~~In the event the beginning date of service is later than April 1, 2020, Northern will calculate and increase the Reservation Rate by an amount needed to recover the increase in Actual Costs for Phase 1 facilities associated with the delayed beginning date.~~

In the event Shipper provides the Notice to Proceed for Phase 2 by December 31, 2021~~0~~, Shipper, in accordance with Contract 2 (TFX Service Agreement 135518), shall pay a monthly reservation charge equal to \$0.1562/Dth/day multiplied by the contract MDQ multiplied by 30.4 less the amount paid by Shipper for reservation charges under Northern's Rate Schedule SMS for up to ten percent (10%) of the Phase 1 Entitlement. In the event Shipper fails to provide the Notice to Proceed for Phase 2 by December 31, 2021~~0~~, Shipper, at its sole option, shall pay Northern, in addition to the applicable Reservation Charge either (i) a lump sum amount, equal to the Actual Cost of the Phase 1 facilities, or (ii) an increased Reservation Rate in Contract No. 2 of \$0.2580/Dth/day as referenced below through June 30, 2039. Should the referenced reimbursement of Actual Cost of the Phase 1 facilities be received by Northern in full by January 31, 2022~~1~~, Shipper's Reservation Rate for Contract No. 2 will be \$0.1562/Dth/day effective January 1, 2022, and if the referenced reimbursement is not received by Northern in full by January 31, 2022~~1~~, Shipper's Reservation Rate for Contract No. 2 will automatically increase to \$0.2580/Dth/day effective January 1, 2022, with no additional notice.

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For the period January 1, 2021 through December 31, 2021, Shipper shall pay a monthly reservation charge equal to \$0.5211/Dth/day multiplied by the contract MDQ multiplied by 30.4 less the amount paid by Shipper for reservation charges under Northern's Rate Schedule SMS for up to ten percent (10%) of the Phase 1 Entitlement (Period 3 Reservation Charge).

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