



Hartree's Billing Dispute Complaint Against Northern — Frequently Asked Questions

On April 7, 2021, Hartree Partners filed a complaint at the Federal Energy Regulatory Commission (FERC) related to Hartree's failure to pay its bill for a portion of reservation charges owed to Northern for activity during the February 2021 cold weather period. In anticipation of questions from customers, Northern provides answers below. Northern believes accuracy and full disclosure of information is especially important following the severe weather events in February 2021.

What was the FERC's response to Hartree's complaint?

On July 15, 2021, the Federal Energy Regulatory Commission dismissed Hartree's pending complaint against Northern, a positive outcome for Northern and its other customers.

The Commission declined to exercise jurisdiction over Hartree's dispute of its invoice for certain reservation charges incurred in February 2021, finding that a determination of the parties' rights under the transportation service agreement will not broadly apply to other customers or pipelines. The Commission also found that the dispute does not raise any Commission policy issues. A link to the order is located on Northern's [Regulatory and Rate Proceedings](#) webpage.

Northern agrees with the Commission's determination that the matter presents a straightforward contractual dispute that may be properly addressed in state court. Hartree's complaint was wholly without merit, and Northern will pursue collection of the unpaid charges in the currently pending Nebraska state court action. The dismissal of Hartree's complaint reinforces the sound business judgment of customers with similar contract terms who timely paid their invoices.

What is Northern's view on the complaint?

The complaint contains significant errors, omissions, misrepresentations, and half-truths. Northern will demonstrate that Hartree lost its supply and could not find replacement supply. As customers are aware, simply nominating gas is not sufficient; gas must come into Northern's system for it to be scheduled. Northern did not cut Hartree's confirmed nominations as Hartree alleges; rather, Northern properly used the North American Energy Standards Board processes to allocate for underperformance when upstream parties failed to deliver gas into Northern. Hartree states that Northern was turning gas away from its system; this is simply not true and does not make any sense when that supply was critically needed.

Northern honors its commitments and expects its business partners to do the same. As Hartree notes, there are similarly situated customers of Northern that were able to realize the value of their agreements; those customers have paid their February invoices in full.

Was there an outage on Northern during the February cold weather event?

No, Northern did not have an outage on its system during the February cold spell as alleged by Hartree. Northern's system and its employees performed exceptionally well during the February cold spell enabling Northern to meet all of its commitments to provide service. Regarding the February cold weather event in general, Northern previously posted a summary ([link](#)) and answers to frequently asked questions ([link](#)).

What is next?

Northern has pending litigation that it believes is the appropriate venue to resolve this straightforward contract dispute.

Where can I find the complaint?

A ([link](#)) to the FERC docket is here.