Reviewed February 24, 2026
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Capacity Release
Frequently Asked Questions

What is Capacity Release?
Capacity release is a tool available for Northern's customers to maximize the use of their contracted firm transportation and storage capacity. Capacity release allows a customer that holds firm transportation or storage capacity on Northern to resell its capacity to another party on either a temporary or permanent basis.

Who is eligible to participate in the Capacity Release Program?
Transportation and storage customers holding firm capacity, except GS-T customers, can post offers to release all or a portion of their capacity.

Where are capacity release offers located on Northern's website?
Capacity release offers are posted on Northern's website under Customer Activities>Capacity Release. To access the Capacity Release System, you must have a security access user ID and password. The NNG Customer Activities Sign Up Form link can be used to sign up for Customer Activities.

What is the difference between a biddable and non-biddable capacity release?
The difference between a biddable and non-biddable capacity release is some releases are subject to an open season bidding process and others are not. A releasing shipper may enter into a prearranged capacity release transaction. If the prearranged release is for more than one year at the maximum tariff rate for the service, the advanced posting and bidding requirements are not applicable to the transaction. Prearranged deals for 31 days or less and releases to an asset manager or a marketer participating in a state regulated retail access program are also not subject to the posting and bidding procedures of the capacity release provisions of Northern's FERC Gas Tariff. Such prearranged capacity release transactions are called non-biddable capacity release transactions. All other capacity release transactions are subject to the posting and bidding procedures and are therefore, biddable capacity release transactions.

Biddable capacity releases can only be completed during a workday. Non-biddable capacity releases can be completed on workdays, weekends, and holidays.

Can a customer recall capacity that it has released?
If the conditions of a temporary capacity release transaction include recall provisions, the releasing shipper can recall its capacity. A recall is when the releasing shipper takes back its capacity. When capacity is recalled, it cannot be reput for the same gas day. Recalls must adhere to the timing deadlines that coincide with the North American Energy Standard Broad (NAESB) grid nomination cycles.

What is a reput?
Subject to the terms of the temporary capacity release, if the releasing shipper recalls its capacity but determines it no longer needs the capacity, the releasing shipper can reput the capacity back to the replacement shipper. Meaning the releasing shipper can give the recalled capacity back to the replacement shipper. Reputs can only be completed for the Timely nomination cycle for the next gas day.

Northern Natural Gas

Capacity Release Frequently Asked Questions

What are the rates for capacity release transactions?
The releasing and replacement shippers agree upon the reservation rate in a capacity release transaction. The releasing and replacement shippers can negotiate any reservation rate, up to the maximum tariff rate, for service under a capacity release with a term greater than one year. There is no rate limitation for a release of capacity with a term of one year or less. However, Federal Energy Regulatory Commission (FERC) policy prohibits parties from sequentially releasing a series of short-term releases to obtain greater than the maximum tariff rate for periods greater than one year. The commodity rate is the maximum tariff rate for the service, unless Northern and the replacement shipper agree to a discount.

What is an Asset Management Arrangement (AMA)?
In general, an AMA is a contractual relationship where a party agrees to manage gas supply and delivery arrangements, including transportation and storage capacity, for another party. The benefit of an AMA is that the parties to such an arrangement are exempt from the capacity release posting and bidding requirements of FERC's regulations.

Are there any requirements associated with an AMA?
Yes. FERC requires AMAs to obligate the replacement shipper to stand ready to deliver gas to, or purchase gas from, the releasing shipper for at least 5 months out of each 12-month period of a release. Short-term AMAs may be rolled over without bidding and the price ceiling does not apply to any consideration provided by an asset manager to the releasing shipper as part of an AMA. Northern's capacity release system includes an indicator for the releasing shipper to check a box if the release is for an AMA or state-approved retail program. If the release is related to an AMA, the releasing shipper is required to input the conditions of the release that qualify the release as an AMA transaction. For more information on the qualifications of an AMA, see Section 284.8(h) (3) of FERC's regulations.

Does Northern review the conditions of the AMA transactions?
No. Releasing shippers are responsible for ensuring that the conditions input in the condition box qualify the release as an AMA transaction. In Order No. 712[1] FERC clarified that, "It is incumbent upon the releasing shipper to include the details discussed above to qualify the release as an AMA. The Commission further clarifies that the pipeline has no obligation to act on any information other than is provided to it by its customers."[2]

If I release firm storage capacity under my Firm Deferred Delivery Service, can I require the replacement shipper to purchase the inventory?
Yes. A condition to the release can be that title to the gas in inventory transfers with the released capacity at the time the release takes effect and/or to return the storage capacity to the releasing shipper at the end of the release with a specified amount of gas in storage.

If I'm looking to purchase capacity, will Northern post a notice on its website for me?
Yes. Northern will post wanted notices for capacity for prospective shippers. The Request to Purchase Releasable Capacity link can be used to request a notice.

[1] 123 FERC ¶61,286
[2] Refer to paragraph nos. 172 - 177 of the Order for more information on posting and reporting requirements.

Northern Natural Gas

Capacity Release Frequently Asked Questions

Where are the rules, timelines and restrictions that apply to capacity release found in the Tariff?
Northern's FERC Gas Tariff, Part 8, Section 47 sets forth Northern's capacity release provisions. See also the summary and screen prints attached hereto.

Capacity Release Term Requirements

The following includes references to the Final Rule under Order No. 712 in Docket No. RM08-1-000.

Releases for 31 days or less

- No maximum tariff rate limitation (¶30 & ¶134 of Final Rule, & revised §284.8(b))
- Can include prearranged non-biddable capacity releases (revised §284.8(h)(1))
- Can rollover AMA capacity releases without competitive bidding (¶ 27, ¶109, ¶134, ¶135)
- Can rollover state-approved retail choice capacity releases without competitive bidding (¶199)

Releases for 32 days up to and including 1 year

- No maximum tariff rate limitation (¶30, ¶134, revised §284.8(b))
- Non-biddable for AMA capacity releases (¶109, ¶134, revised §284.8(h)(1))
- Non-biddable for retail choice capacity releases (¶199, revised §284.8(h)(1))
- Biddable for all other capacity releases (¶73, ¶195)
- Can rollover AMA capacity releases without competitive bidding (¶ 27, ¶109, ¶134, ¶135)
- Can rollover retail choice capacity releases without competitive bidding (¶199)
- Cannot rollover other biddable capacity releases (¶80, ¶134) except a rollover or extension into a long-term release (>12 months) at maximum rates would not require bidding

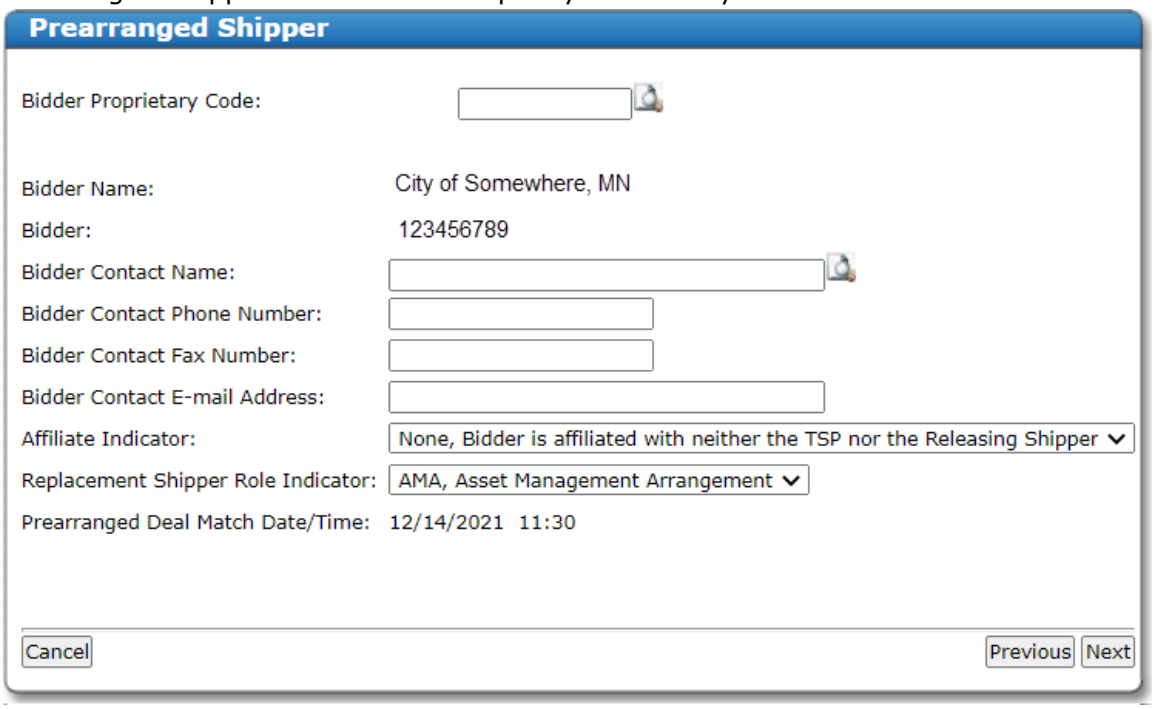
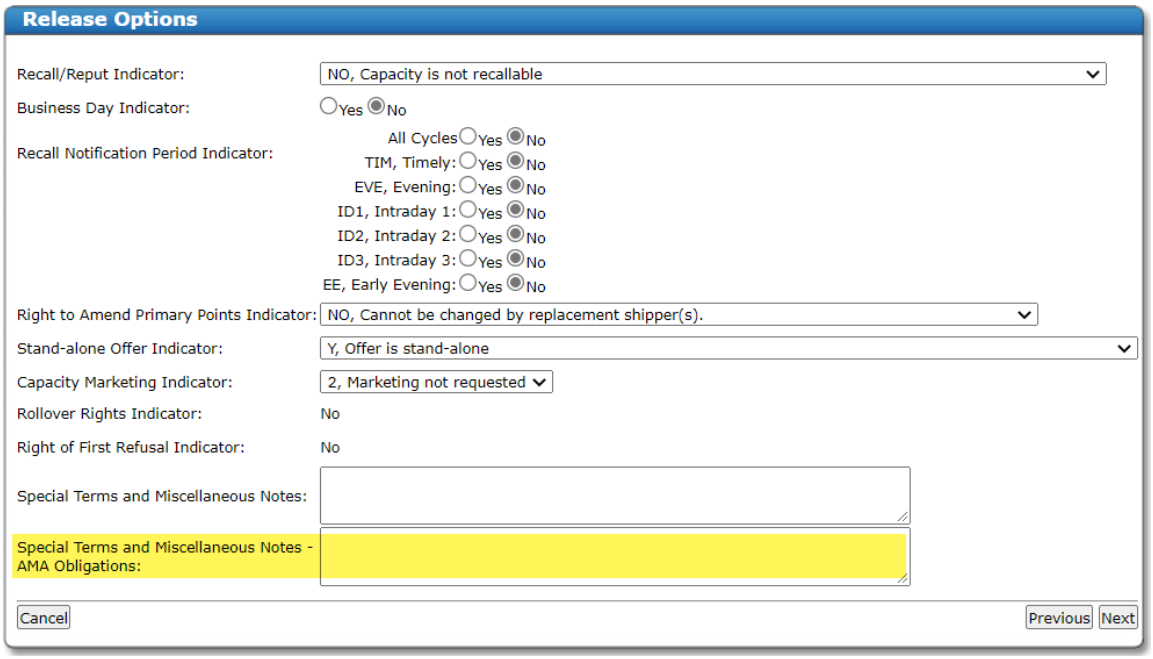
Releases more than 1 year

- Cannot exceed the maximum tariff rate (¶78, ¶134, revised §284.8(b))
- Can include prearranged, non-biddable capacity releases at maximum rate (revised §284.8(h)(1))
- Non-biddable for AMA capacity releases at any rate (not to exceed maximum) (¶134, revised §284.8(h)(1))
- Non-biddable for retail choice capacity releases at any rate (not to exceed maximum) (¶199, revised §284.8(h)(1))
- Biddable if less than maximum rate for other capacity releases
- Can rollover AMA capacity releases at any rate (not to exceed maximum) (¶134, ¶135)
- Can rollover retail choice capacity releases at any rate (not to exceed maximum) (¶199)
- Can rollover other capacity releases if at maximum rate and the rollover period is greater than 1 year
- Cannot rollover other biddable capacity releases if less than maximum rate

Northern Natural Gas

Capacity Release
Frequently Asked Questions

The Asset Management Arrangement and Retail Choice Marketer selections are located on the Prearranged Shipper screen of the Capacity Release System:



If the pre-arranged shipper has been designated as an Asset Manager, Special Terms and Miscellaneous Notes – AMA Obligations are required.