

RULE NO. 1

DEFINITIONS

For the purpose of these Tariff Schedules, the terms and expressions listed below shall have the meanings set forth opposite:

- Adult: A person 18 years of age or older.
- Agent: Any party a customer may contract with for purposes of administering the customer's service agreement with the Utility. An Agent has only those rights designated in writing by such customer for the effective time period, excluding the right for the Agent to be directly billed by the Utility.
- Applicant: A person or agency requesting the Utility to supply gas service.
- Application: A request to the Utility for gas service, as distinguished from an inquiry as to the availability or charges for such service.
- Average Month: 30.4 days.
- Basic Service Charge: An amount the customer must pay the Utility for the availability of gas service, irrespective of whether any gas is used, as specified by the applicable rate schedule.
- Billing Period: The time interval between two consecutive meter readings that are taken for billing purposes.
- British Thermal Unit: The amount of heat required to raise the temperature of one pound of water from 59EF to 60EF at constant pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia).
- Btu: British Thermal Unit.
- Ccf: 100 cubic feet.

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DEFINITIONS
(Continued)

- Cogeneration: The sequential production of electricity (or mechanical shaft power) and some useful form of thermal energy from a single input energy source.
- Commercial Customer: A customer who is engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation.
- Commission: Refers to either the Public Service Commission of Nevada, or its successor, the Public Utilities Commission of Nevada.
- Cubic Foot:
 1. In cases where gas is supplied to customers at the standard delivery pressure, as specified in Rule No. 2, the volume of gas which, at the temperature and pressure existing in the meter, occupies one cubic foot.
 2. In cases where gas is supplied to customers through positive displacement meters at other than standard delivery pressure, the volume of gas which, at 60°F and an absolute pressure of 14.73 pounds per square inch, occupies one cubic foot.
- Curtailement Priority: As defined in the Nevada Administrative Code.
- Customer: The person or entity who receives or applies to receive service from the Utility, as evidenced by the signature on the application or contract for that service, or, in the absence of a signed instrument, by the receipt and payment of bills regularly issued in the name of the service.

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DEFINITIONS
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Daily Nomination: A Nomination submitted to the Utility for one or more Gas Days. Daily Nominations must be submitted at least one calendar day prior to the effective Gas Day, subject to the provisions outlined in Section 6.1 of Schedule Nos. ST-1 and NT-1.

Date of Presentation: The date upon which a bill or notice is mailed (as postmarked) or delivered to the customer by the Utility.

Day: Calendar day.

Delinquent Bill: A bill for service which is not paid prior to issuance of the next regular billing.

Deposit: Security provided by a customer to ensure payment for service provided by the Utility.

Disabled: A person who (1) is affected by any physical or mental disability as described in NRS 615.110 or a substantial limitation to employment as defined in NRS 615.130; or (2) receives disability benefits from the Social Security Administration.

Discontinuance of Service: Cessation of service by the Utility at the request of the customer.

Distribution Main: A gas main of the Utility from which service lines are extended to customers and which normally operates at a pressure of 60 psi or less.

Elderly: 62 years of age or older.

Electric Generation Customer: A customer who is engaged solely in the generation of electric power for resale to its customers.

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Electronic Billing: A billing option customers may elect whereby the customer receives, views, and pays his/her gas bill electronically.

Electronic Billing Service Provider: An agent of the Utility that provides electronic bill presentment payment service for the Utility and serves as a common link between the Utility and the customer.

Electronic Transfer: Paperless exchange of data and/or funds.

Especially Dangerous to Health: A condition or event likely to cause serious impairment to the health of a person who appears to be unable, without assistance, to manage his/her own resources, carry out the activities of daily living or protect himself/herself from neglect or a hazardous situation.

Excess Flow Valve: A device designed to restrict the flow of gas in a customer's natural gas service line by automatically closing in the event of a service line break, thus mitigating the consequences of service line failures.

FERC: Federal Energy Regulatory Commission.

Gas Day: A period of 24 consecutive hours, except for those days that are adjusted for Daylight Savings Time, commencing and ending at 7:00 a.m. Pacific Clock Time (PCT). Clock Time indicates that the Utility will adjust its Gas Day to reflect changes for Daylight Savings Time.

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- Guarantor: A customer of the Utility currently receiving service under this Nevada Gas Tariff who assumes liability for the payment of the bill of another customer in an amount not to exceed the appropriate amount of the deposit for the account of the customer.
- Industrial Customer: A customer who is engaged primarily in a process which creates or changes raw or unfinished materials into another form or product.
- Inter-Divisional Capacity Transfer: A mechanism by which the unused off-peak interstate capacity of one of the Utility's divisions is utilized by another of the Utility's divisions to procure and transport otherwise inaccessible economically priced gas. The division owning the off-peak capacity receives benefit in the form of credits to its Deferred Energy Account. The division utilizing the off-peak capacity receives benefit through reduction in its purchased gas costs.
- Interruptible Gas Service: Gas service subject to interruption or curtailment.
- Intra-day Nomination: A Nomination submitted after the nominating deadline for Daily and Standing Nominations specified in Section 6.1 of Schedule Nos. ST-1 and NT-1 which has an effective time no earlier than the beginning of the next Gas Day, and which has an ending time no later than the end of that Gas Day.
- Law: A rule, or rules, established and enforced by federal, state, county or municipal authorities.

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DEFINITIONS
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Main Extension: The length of main and its related facilities required to transport gas from the existing distribution facilities of the Utility to the point of connecting with the service piping.

Margin: The currently effective tariff sales rate, less the average cost of purchased gas and the surcharge(s) to amortize the balancing account(s), if any, included in the sales rate, multiplied by the units of gas used, plus the basic service charge, demand charge and transportation service charge, calculated on an annual basis.

Master Meter Customer: A customer served by a master meter system.

Master Meter System: A pipeline system for distributing gas within, but not limited to, a definable area, such as a mobile home park, housing project, or apartment complex, where the operator purchases metered gas from an outside source for resale through a gas distribution pipeline system. The gas distribution pipeline system supplies the ultimate consumer who either purchases the gas directly through a meter or by other means, such as by rents.

Maximum Daily Quantity (MDQ): The maximum daily quantity of gas the Utility agrees to receive or deliver, in a twenty-four-hour period, at each receipt or Delivery point or in the aggregate as specified in the service agreement.

Mcf: 1,000 cubic feet.

Meter: A measuring device and its related facilities, if necessary, such as regulators and valves.

Mobile Home: A portable unit designed and built to be towed on its own chasis and connected to utilities. It is without a permanent foundation and is designed for year-round living.

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DEFINITIONS
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- Multi-Family Apartment: Apartment complexes where more than one permanent residential dwelling receives the benefits of natural gas service through individual meters.
- Multi-Family Complex: A location at which more than one dwelling unit receives the benefits of a natural gas service through a single meter including, without limitation, apartment complexes and mobile home parks.
- Normal Working Hours: Except for Utility-observed holidays, the period from 8 a.m. to 5 p.m., Monday through Friday.
- Ownership: The legal right of possession or proprietorship of the premise(s) where service is established.
- Pacific Clock Time (PCT): Pacific Standard Time or Pacific Daylight Time, whichever is currently in effect.
- Past Due Bill: A bill for service which is not paid within 15 days after issuance, or 19 days if payment is made by first-class mail.
- Permanent Service: Service which, in the opinion of the Utility, is of an enduring and established character. The use of gas may be continuous, intermittent or seasonal in nature.
- Person: Any individual, partnership, corporation, governmental agency or other organization operating as a single entity.
- Pipeline Supplier: An interstate natural gas pipeline company subject to the Federal Energy Regulatory Commission's jurisdiction under the Natural Gas Act.
- Point of Delivery: The point where pipes owned, leased or under license by a customer contact the Utility's pipes or outlet side at meter.

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DEFINITIONS
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Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided by public highways, streets, alleys or railways.

Priority: Classification of gas use as determined in the Nevada Administrative Code.

PSCN: Public Service Commission of Nevada

PUCN: Public Utilities Commission of Nevada.

Residential Dwelling: A house, apartment, townhouse or any other permanent residential unit that is used as a permanent home.

Rule: A provision included herein which establishes the application of all rates, charges and standards for service when such applicability is not set forth in, and as a part of, a rate schedule.

Satisfactory Credit: The payment of bills for utility service for 12 consecutive months, without a termination of service and with not more than three delinquent payments made during that period. Any history of payment that does not meet these requirements is unsatisfactory credit.

Service Area: Territory in which the Utility has the right to supply or make available gas service and is ready and willing to do so.

Service Line: All pipes, valves and fittings from the service main to and including the stop cock on the riser(s).

Service Line Extension: Service line as above defined when constructed for a new customer at a premise not heretofore served in accordance with the service line extension rule.

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- Shrinkage: The difference between the amount of gas received by the Company and the amount of gas delivered to the Company's customers over the same time period.
- Shrinkage Rate: The rate used to recover the cost of shrinkage from non-exempt transportation customers. In Southern Nevada, the high pressure shrinkage rate will be calculated using the ratio of the high-pressure-system miles of pipe to the system total miles of pipe for both the high and low pressure systems, consistent with the calculation approved by the Commission in Docket No. 09-03012. High pressure includes all pipe systems that have a Maximum Allowable Operating Pressure (MAOP) of 125 psig or greater. Low pressure includes all pipe systems that have a MAOP of less than 125 psig. Customers receiving service off of a high pressure system will pay the high pressure shrinkage rate for all applicable therms. Customers receiving service off of a low pressure system will pay the low pressure shrinkage rate for all applicable therms.
- Single-Family Residential: A detached house or any other permanent residential dwelling, excluding multi-family apartments, that receives the benefits of natural gas service through an individual meter.
- Standing Nomination: A Daily Nomination which is effective for multiple Gas Days. Standing Nominations cannot exceed the term of the customer's Transportation Service Agreement. A Standing Nomination can be replaced by a new Daily Nomination or Intra-day Nomination; however, upon the expiration of such replacement Nomination, the Standing Nomination becomes effective again.
- Subdivision: An area for single-family dwellings which may be identified by filed plans.
- Summer Season: The 6-month period beginning May 1 and ending October 31.
- Tariff: The entire body of effective rates, charges and rules, collectively, of the Utility, as set forth herein.

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DEFINITIONS
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Tariff Sheet:	An individual sheet of the tariff schedules.
Temporary Service:	Service to premises, enterprises or activities which are provisional or interim in nature, or where it is known in advance that the service will be of limited duration. Service which, in the opinion of the Utility, is for operations of a speculative character, or the permanency of which has not been established, is also considered temporary service.
Termination of Service:	The intentional cessation of service by the Utility to a customer which has not been requested by the customer and which occurs pursuant to the tariff of the Utility.
Therm:	A unit of heating value equivalent to 100,000 British Thermal Units (Btu).
Third Person:	Any person or public agency willing to receive notification of the pending termination of service of a residential customer, who assumes no liability for the payment of the customer's bill.
Timely Payment:	The payment of a bill for service prior to the date the bill is past due, unless otherwise specified.
Transmission Main:	A pipeline installed for the purpose of transmitting gas from a source of supply to distribution center, storage facility or large volume customer(s).
Transportation Billing Quantity:	A customer's monthly scheduled transportation quantity or, if transportation service is provided at separate premises under a single service agreement, the sum of a customer's metered quantities, including the effect of any adjustment for cycle billing.
Utility:	Southwest Gas Corporation.

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DEFINITIONS
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Utility's Operating Convenience:	The term refers to the utilization, under certain circumstances of facilities or practices not ordinarily employed which contribute to the overall efficiency of the Utility's operations; it does not refer to customer convenience nor to the use of facilities or adoption of practices required to comply with applicable laws, ordinances, rules or regulations, or similar requirements of public authorities.
Weighted Average Cost:	(WACOG) The unit price of gas including the actual cost of the gas and delivery charges.
Winter Season:	The 6-month period beginning November 1 and ending April 30.

All Definitions are subject to interpretation by the Commission from time to time as the case for such interpretation may arise.

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