



# ***Southwest Gas Corporation***

DOCKET NO. G-01551A-19-0055

2019 General Rate Case

Supporting Schedules

Vol. 3 of 3

May 1, 2019

**SOUTHWEST GAS CORPORATION  
ARIZONA  
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# **SCHEDULE A**

**SOUTHWEST GAS CORPORATION  
ARIZONA  
INCREASE IN GROSS REVENUE REQUIREMENT  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Original Cost (c)	Reproduction Cost New Less Depreciation (d)	Fair Value (e) [(c) + (d)] / 2	Line No.
1	Adjusted Rate Base	Sch B-1, Sh 1, Ln 15	\$ 1,991,543,072	\$ 3,234,113,450	\$ 2,612,828,261	1
2	Adjusted Operating Income	Sch C-1, Sh 1, Ln 19(e)	113,509,228	113,509,228	113,509,228	2
3	Current Rate of Return	Ln 2 / Ln 1	5.70%	3.51%	4.34%	3
4	Required Operating Income	Sch A-1, Sh 2, Ln 19(g)	\$ 156,251,187	\$ 156,251,187	\$ 156,251,187	4
5	Required Rate of Return	Ln 4 / Ln 1	7.85%	4.83%	5.98%	5
6	Operating Income Deficiency	Ln 4 - Ln 2			\$ 42,741,958	6
7	Gross Revenue Conversion Factor	Sch C-3, Sh 1, Ln 8(c)			1,3336	7
8	Increase in Gross Revenue Requirements	Ln 6 * Ln 7			<u>\$ 57,001,443</u>	8

Note: Spread of revenue increase by customer classification is shown on Schedule A-1, Sheet 3.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**SUMMARY OF THE OVERALL RESULTS OF OPERATIONS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Reference	Recorded 1/31/2019 (c) Sch C-1, Sh 1, Col (c)	Adjustments (d) Sch C-1, Sh 1, Col (d)	Adjusted 1/31/2019 (e) (c) + (d)	Deficiency (f)	Adjusted for Deficiency (g) (e) + (f)	Line No.
1	Operating Revenue		\$ 701,861,440	\$ (183,643,076)	\$ 518,218,363	\$ 57,001,443	\$ 575,219,806	1
2	Gas Cost		201,173,630	(201,173,630)	0	0	0	2
3	Operating Margin	Ln 1 - Ln 2	\$ 500,687,809	\$ 17,530,554	\$ 518,218,363	\$ 57,001,443	\$ 575,219,806	3
<u>Operating Expenses</u>								
4	Other Gas Costs		\$ 1,267,230	\$ 90,917	\$ 1,358,147	\$ 0	\$ 1,358,147	4
5	Storage		0	1,470,088	1,470,088	0	1,470,088	5
6	Distribution		106,965,636	1,996,392	108,962,028	0	108,962,028	6
7	Customer Accounts		24,864,595	783,894	25,648,489	110,019	25,758,507	7
8	Customer Service & Info.		424,773	(45,406)	379,366	0	379,366	8
9	Sales		12,629	(5,050)	7,579	0	7,579	9
<u>Administrative &amp; General</u>								
10	Direct		5,152,768	874,447	6,027,215	0	6,027,215	10
11	System Allocable		88,354,236	(572,485)	87,781,751	0	87,781,751	11
<u>Depreciation &amp; Amortization</u>								
12	Direct		90,541,589	10,835,680	101,377,269	0	101,377,269	12
13	System Allocable		11,134,978	3,544,503	14,679,481	0	14,679,481	13
14	Regulatory Amortizations		6,769,642	(10,198,917)	(3,429,275)	0	(3,429,275)	14
15	Taxes Other Than Income		42,244,348	15,911,411	58,155,759	0	58,155,759	15
16	Interest on Customer Deposits		2,180,878	(1,222,444)	958,434	0	958,434	16
17	Income Taxes		19,091,352	(17,758,548)	1,332,804	14,149,466	15,482,271	17
18	Total Operating Expenses	Sum Lns 4-17	\$ 399,004,654	\$ 5,704,481	\$ 404,709,135	\$ 14,259,485	\$ 418,968,620	18
19	Net Operating Income	Ln 3 - Ln 18	\$ 101,683,155	\$ 11,826,073	\$ 113,509,228	\$ 42,741,958	\$ 156,251,187	19
<u>Rate Base</u>								
<u>Gross Plant in Service</u>								
20	Direct	Sch B-1	\$ 3,704,575,635	\$ 179,464,406	\$ 3,884,040,042	\$ 1,117,314,537	\$ 5,001,354,579	20
21	System Allocable	Sch B-1	180,871,777	34,281,176	215,152,953	5,670,419	220,823,372	21
22	Total Gross Plant in Service	Ln 20 + Ln 21	\$ 3,885,447,413	\$ 213,745,582	\$ 4,099,192,995	\$ 1,122,984,955	\$ 5,222,177,950	22
<u>Accumulated Depreciation</u>								
23	Direct	Sch B-1	\$ 1,416,558,591	\$ (104,738)	\$ 1,416,453,853	\$ 428,925,164	\$ 1,845,379,017	23
24	System Allocable	Sch B-1	123,855,015	(527,791)	123,327,224	1,870,843	125,198,067	24
25	Total Accumulated Depreciation	Ln 23 + Ln 24	\$ 1,540,413,606	\$ (632,529)	\$ 1,539,781,077	\$ 430,796,007	\$ 1,970,577,084	25
26	Net Plant in Service	Ln 22 - Ln 25	\$ 2,345,033,807	\$ 214,378,112	\$ 2,559,411,918	\$ 692,188,948	\$ 3,251,600,866	26
<u>Other Rate Base</u>								
<u>Allowance for Working Capital</u>								
27	Cash Working Capital	Sch B-1, Sh 2, Ln 8	\$ (10,297,032)	\$ 0	\$ (10,297,032)	\$ 0	\$ (10,297,032)	27
28	Materials and Supplies	Sch B-1, Sh 2, Ln 9	34,013,908	2,800,000	36,813,908	0	36,813,908	28
29	Prepayments	Sch B-1, Sh 2, Ln 10	7,721,011	0	7,721,011	0	7,721,011	29
30	Customer Deposits	Sch B-1, Sh 2, Ln 11	(36,862,844)	0	(36,862,844)	0	(36,862,844)	30
31	Customer Advances	Sch B-1, Sh 2, Ln 12	(41,613,406)	0	(41,613,406)	0	(41,613,406)	31
32	Deferred Taxes	Sch B-1, Sh 2, Ln 13	(525,148,656)	1,518,173	(523,630,483)	(70,903,759)	(594,534,243)	32
33	Total Other Rate Base	Sum Lns 27-32	\$ (572,187,019)	\$ 4,318,173	\$ (567,868,846)	\$ (70,903,759)	\$ (638,772,605)	33
34	Total Rate Base	Ln 26 + Ln 33	\$ 1,772,846,788	\$ 218,696,285	\$ 1,991,543,072	\$ 621,285,189	\$ 2,612,828,261	34
35	Rate of Return	Ln 19 / Ln 34	5.74%		5.70%		5.98%	35

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SPREAD OF REVENUE INCREASE BY CUSTOMER CLASS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Present Schedule Number (b)	Increase/(Decrease) [1]		Line No.
			Dollars (c)	Percent (d)	
<u>Residential Service</u>					
1	Single-Family Residential Gas Service	G-5	\$ 41,294,573	9.44%	1
2	Multi-Family Residential Gas Service	G-6	1,379,657	12.29%	2
3	Single-Family Low Income Residential Gas Service	G-10	1,074,886	7.19%	3
4	Multi-Family Low Income Residential Gas Service	G-11	98,372	10.26%	4
5	Special Residential Gas Service for Air Conditioning	G-15	16,358	27.22%	5
6	Master-Metered Mobile Home Park Gas Service	G-20	52,577	4.21%	6
<u>General Gas Service</u>					
7	Small	G-25(S)	838,183	7.62%	7
8	Medium	G-25(M)	4,199,463	10.01%	8
9	Large-1	G-25(L1)	3,713,221	4.20%	9
10	Large-2	G-25(L2)	1,322,057	5.56%	10
11	Transportation Eligible	G-25(TE)	2,391,970	6.64%	11
12	Optional Gas Service	G-30	0	0.00%	12
13	Air Conditioning Gas Service	G-40	3,398	2.77%	13
14	Street Lighting Gas Service	G-45	1,606	13.28%	14
<u>Gas Service for Compression on Customer's Premises</u>					
15	Residential	G-55 (R)	461	2.59%	15
16	Small	G-55 (S)	428	2.87%	16
17	Large	G-55 (L)	213,316	6.01%	17
18	Electric Generation Gas Service	G-60	208,018	6.63%	18
19	Small Essential Agriculture User Gas Service	G-75	80,706	3.49%	19
20	Natural Gas Engine Gas Service	G-80	112,449	1.97%	20
21	Total Sales and Full Margin Transportation		\$ 57,001,699	8.31%	21
22	Potential Bypass/Standby Gas Service	B-1	0	0.00%	22
23	Other Operating Revenue		0	0.00%	23
24	Total Arizona Revenue		\$ 57,001,699	8.15%	24

[1] Schedule H-1, Sheet 1.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
SUMMARY RESULTS OF OPERATIONS**

Line No.	Description (a)	Prior Years		Test Year		Projected Year		Line No.
		Year Ended 2017 (b)	Year Ended 2018 (c)	Actual 01/31/19 (d)	Adjusted 01/31/19 (e)	Present Rates 01/31/20 (f)	Proposed Rates 01/31/20 (g)	
		Sch E-2, Sh 1	Sch E-2, Sh 1	Sch E-2, Sh 1	Sch A-1, Sh 2 Sch C-1, Sh 16	Sch A-1, Sh 2 Sch F-1, Sh 1	Sch A-1, Sh 2 Sch F-1, Sh 1	
1	Operating Revenues	\$ 698,283,506	\$ 703,154,972	\$ 701,861,439	\$ 719,391,994	\$ 706,868,318	\$ 776,393,437	1
2	Operating Expenses and Taxes	600,070,532	600,533,882	600,178,284	605,882,765	615,075,791	620,142,250	2
3	Net Operating Income	\$ 98,212,974	\$ 102,621,090	\$ 101,683,155	\$ 113,509,228	\$ 91,792,526	\$ 156,251,187	3
4	Other Income and Deductions	0	0	0	0	0	0	4
5	Interest Expense	35,887,107	43,133,574	42,132,413	47,329,818	42,132,413	47,329,818	5
6	Net Income	\$ 62,325,867	\$ 59,487,516	\$ 59,550,742	\$ 66,179,411	\$ 49,660,113	\$ 108,921,369	6



**SOUTHWEST GAS CORPORATION  
TOTAL SYSTEM  
SUMMARY RESULTS OF OPERATIONS [1]**

Line No.	Description (a)	Prior Years		Test Year	Line No.
		Year Ended 2017 (b) Sch E-2, Sh 2	Year Ended 2018 (c) Sch E-2, Sh 2	12 Months Ended 1/31/2019 (d) Sch E-2, Sh 2	
1	Gross Revenues	\$ 1,302,308,138	\$ 1,357,727,493	\$ 1,369,234,730	1
2	Revenue Deductions & Operating Expenses	1,094,097,856	1,137,078,410	1,145,925,001	2
3	Operating Income	\$ 208,210,282	\$ 220,649,084	\$ 223,309,728	3
4	Other Income and (Deductions)	213,227,113	366,286	961,021	4
5	Income Before Interest Deductions	\$ 421,437,395	\$ 221,015,370	\$ 224,270,749	5
6	Interest Expense	\$ 72,443,727	\$ 85,437,138	\$ 86,970,616	6
	Allowance for Debt Funds Used				
7	During Construction	(1,666,170)	(3,263,782)	(3,420,448)	7
8	Net Interest Expense	\$ 70,777,557	\$ 82,173,356	\$ 83,550,168	8
9	Net Income	\$ 350,659,838	\$ 138,842,014	\$ 140,720,581	9
	Preferred and Preference Dividend Requirements	0	0	0	10
11	Net Income Applicable to Common Stock	\$ 350,659,838	\$ 138,842,014	\$ 140,720,581	11
	Weighted Average Shares of Common Stock Outstanding	47,965,243	49,418,549	49,838,144	12
13	Earnings per Common Share	\$ 7.31	\$ 2.81	\$ 2.82	13
14	Dividends Paid per Common Share	1.98	2.08	2.11	14
15	Dividend Pay-Out Ratio	27.08%	74.03%	74.55%	15
16	Return on Average Invested Capital	15.45%	5.89%	7.33%	16
17	Return on Year-End Invested Capital	12.42%	7.34%	7.22%	17
18	Return on Average Common Equity	15.45%	5.89%	7.33%	18
19	Return on Year-End Common Equity	12.42%	7.34%	7.22%	19
	Times Bond Interest Earned- Before Income Taxes	8.42	4.13	4.11	20
21	Times Total Interest and Preferred Dividend Earned - After Income Taxes	2.41	1.81	2.68	21

[1] In this proceeding, the Company is requesting rate relief for the Arizona rate jurisdiction of its system only. Projections for the total Company's financial position are not compiled or available.

**SOUTHWEST GAS CORPORATION  
TOTAL SYSTEM  
SUMMARY OF CAPITAL STRUCTURE**

Line No.	Description (a)	Prior Years			Test Year At 01/31/2019 (d)	Projected At 01/31/2020 [1] (e)	Line No.
		At 12/31/2017 (b)	At 12/31/2018 (c)				
	<u>Capital Amounts</u>						
1	Short-Term Debt	\$ 191,000,000	\$ 152,000,000	\$ 169,000,000	\$ 167,000,000	1	
2	Long-Term Debt[2]	1,521,031,253	1,818,669,292	1,800,299,986	2,101,499,731	2	
3	Total Debt	1,712,031,253	1,970,669,292	1,969,299,986	2,268,499,731	3	
4	Preferred Equity	-	-	-	-	4	
5	Common Equity[3]	1,657,072,174	1,831,508,420	1,881,310,331	2,120,630,331	5	
6	Total Capital	\$ 3,369,103,427	\$ 3,802,177,712	\$ 3,850,610,317	\$ 4,389,130,062	6	
	<u>Capitalization Ratios</u>						
7	Short-Term Debt	5.67%	4.00%	4.39%	3.80%	7	
8	Long-Term Debt	45.15%	47.83%	46.75%	47.88%	8	
9	Total Debt	50.82%	51.83%	51.14%	51.68%	9	
10	Preferred Equity	0.00%	0.00%	0.00%	0.00%	10	
11	Common Equity	49.18%	48.17%	48.86%	48.32%	11	
12	Total	100.00%	100.00%	100.00%	100.00%	12	
	<u>Weighted Cost of Capital</u>						
13	Short-Term Debt	0.14%	0.14%	0.16%	0.14%	13	
14	Long-Term Debt	2.09%	2.21%	2.15%	2.20%	14	
15	Preferred Equity	0.00%	0.00%	0.00%	0.00%	15	
16	Common Equity	4.67%	4.58%	5.03%	4.98%	16	
17	Total Weighted Cost of Capital	6.91%	6.92%	7.33%	7.33%	17	

[1] Estimated

[2] Includes current maturities of long-term debt

[3] Common equity does not reflect accumulated other comprehensive income balances

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**HISTORICAL AND PROJECTED**  
**CONSTRUCTION EXPENDITURES, PLANT PLACED IN SERVICE, AND GROSS PLANT**

Line No.	Description (a)	Actual			Projected			Line No.
		Year Ended 2017 (b)	Year Ended 2018 (c)	Test Year Ended 1/31/2019 (d)	Year Ending 1/31/2020 (e)	Year Ending 1/30/2021 (f)	Year Ending 1/30/2022 (g)	
		Company Records	Company Records	Company Records	Company Records	Company Records	Company Records	
	<u>Construction Expenditures</u>							
1	Arizona Direct	\$ 275,921,621	\$ 341,696,553	\$ 348,102,935	\$ 309,373,320	\$ 309,670,496	\$ 309,670,496	
2	System Allocable [1]	9,202,188	8,777,783	7,392,419	58,777,942	46,874,832	46,874,832	
3	Total Construction Expenditures	\$ 285,123,809	\$ 350,474,336	\$ 355,495,353	\$ 368,151,262	\$ 356,545,328	\$ 356,545,328	
	<u>Net Plant Placed in Service</u>							
4	Arizona Direct	\$ 233,667,311	\$ 299,776,830	\$ 17,258,782	\$ 269,373,320	\$ 269,670,496	\$ 269,670,496	
5	System Allocable [1]	5,694,843	2,872,493	1,126,772	53,210,173	41,307,062	41,307,062	
6	Total Net Plant Placed in Service	\$ 239,362,154	\$ 302,649,323	\$ 18,385,554	\$ 322,583,493	\$ 310,977,558	\$ 310,977,558	
	<u>Gross Utility Plant in Service</u>							
7	Arizona Direct	\$ 3,387,540,023	\$ 3,687,316,853	\$ 3,704,575,635	\$ 3,973,948,955	\$ 4,243,619,451	\$ 4,513,289,947	
8	System Allocable [1]	176,872,513	179,745,006	180,871,777	234,081,950	275,389,013	316,696,075	
9	Total Gross Utility Plant in Service	\$ 3,564,412,536	\$ 3,867,061,859	\$ 3,885,447,413	\$ 4,208,030,906	\$ 4,519,008,464	\$ 4,829,986,022	

[1] After 4-Factor allocation to AZ. Schedule C-1, Sheet 17, Ln 9(c)

**SOUTHWEST GAS CORPORATION**  
**TOTAL SYSTEM**  
**SUMMARY STATEMENT OF CASH FLOWS**  
**CHANGES IN FINANCIAL POSITION**  
**(\$ THOUSANDS)**

Line No.	Description (a)	Prior Years		Test Year 12 Months Ended 1/31/2019 (d) Sch E-3, Sh 1	Projected Year		Line No.
		Year Ended 2017 (b) Sch E-3, Sh 1	Year Ended 2018 (c) Sch E-3, Sh 1		Year Ended 1/31/20 At Present Rates (e) Sch F-2, Sh 1	Year Ended 1/31/20 At Proposed Rates (f) Sch F-2, Sh 1	
1	Cash Flows from Operating Activities	\$ 306,640	\$ 382,513	\$ 387,457	\$ 397,205	\$ 434,949	1
2	Cash Flows from Investing Activities	(554,850)	(669,384)	(667,749)	(309,601)	(309,601)	2
3	Cash Flows from Financing Activities	267,090	280,906	266,866	390,017	390,017	3
4	Increase (Decrease) in Cash and Cash Equivalents	\$ 18,880	\$ (5,965)	\$ (13,426)	\$ 477,621	\$ 515,365	4

# **SCHEDULE B**

**SOUTHWEST GAS CORPORATION  
ARIZONA  
SUMMARY OF ADJUSTED ORIGINAL COST AND RCND RATE BASE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Adjusted Original Cost Rate Base (c) <small>Sch B-1, Sh 2, Col (e)</small>	Adjusted RCND Rate Base (d) <small>Net Plant: Sch B-3, Sh 1, Col (e)</small>	Fair Value [1] Rate Base (e) <small>[(c) + (d)] / 2</small>	Line No.
<u>Gross Plant in Service</u>						
1	Direct		\$ 3,884,040,042	\$ 6,118,669,115	\$ 5,001,354,579	1
2	System Allocable		215,152,953	226,493,790	220,823,372	2
3	Total Gross Plant in Service	Ln 1 + Ln 2	<u>\$ 4,099,192,995</u>	<u>\$ 6,345,162,906</u>	<u>\$ 5,222,177,950</u>	3
<u>Accumulated Depreciation</u>						
4	Direct		\$ 1,416,453,853	\$ 2,274,304,182	\$ 1,845,379,017	4
5	System Allocable		123,327,224	127,068,910	125,198,067	5
6	Total Accumulated Depreciation	Ln 4 + Ln 5	<u>\$ 1,539,781,077</u>	<u>\$ 2,401,373,091</u>	<u>\$ 1,970,577,084</u>	6
7	Net Plant in Service	Ln 3 - Ln 6	<u>\$ 2,559,411,918</u>	<u>\$ 3,943,789,814</u>	<u>\$ 3,251,600,866</u>	7
<u>Other Rate Base</u>						
<u>Allowance for Working Capital</u>						
8	Cash Working Capital		\$ (10,297,032)	\$ (10,297,032)	\$ (10,297,032)	8
9	Materials and Supplies		36,813,908	36,813,908	36,813,908	9
10	Prepayments		7,721,011	7,721,011	7,721,011	10
11	Customer Deposits		(36,862,844)	(36,862,844)	(36,862,844)	11
12	Customer Advances		(41,613,406)	(41,613,406)	(41,613,406)	12
13	Deferred Taxes		(523,630,483)	(665,438,002)	(594,534,243)	13
14	Total Other Rate Base	Sum Lns 8-13	<u>\$ (567,868,846)</u>	<u>\$ (709,676,365)</u>	<u>\$ (638,772,605)</u>	14
15	Total Rate Base	Ln 7 + Ln 14	<u>\$ 1,991,543,072</u>	<u>\$ 3,234,113,450</u>	<u>\$ 2,612,828,261</u>	15
			<small>Sch A-1, Sh 1, Ln 1(c)</small>	<small>Sch A-1, Sh 1, Ln 1(d)</small>	<small>Sch A-1, Sh 1, Ln 1(e)</small>	

[1] 50/50 weighting of original cost rate base and reproduction cost new less depreciation (RCND) rate base.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
RECORDED RATE BASE, AS ADJUSTED  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Recorded at 1/31/2019 (c)	Adjustments (d)	Adjusted at 1/31/2019 (e) (c) + (d)	Line No.
<u>Gross Plant in Service</u>						
1	Direct	Sch B-2, Sh 1, Ln 5	\$ 3,704,575,635	\$ 179,464,406	\$ 3,884,040,042	1
2	System Allocable	Sch B-2, Sh 1, Ln 20	180,871,777	34,281,176	215,152,953	2
3	Total Gross Plant in Service	Ln 1 + Ln 2	<u>\$ 3,885,447,413</u>	<u>\$ 213,745,582</u>	<u>\$ 4,099,192,995</u>	3
<u>Accumulated Depreciation</u>						
4	Direct	Sch B-2, Sh 1, Ln 10	\$ 1,416,558,591	\$ (104,738)	\$ 1,416,453,853	4
5	System Allocable	Sch B-2, Sh 1, Ln 21	123,855,015	(527,791)	123,327,224	5
6	Total Accumulated Depreciation	Ln 4 + Ln 5	<u>\$ 1,540,413,606</u>	<u>\$ (632,529)</u>	<u>\$ 1,539,781,077</u>	6
7	Net Plant in Service	Ln 3 - Ln 6	<u>\$ 2,345,033,807</u>	<u>\$ 214,378,112</u>	<u>\$ 2,559,411,918</u>	7
<u>Other Rate Base</u>						
<u>Allowance for Working Capital</u>						
8	Cash Working Capital	Sch B-5, Sh 1	\$ (10,297,032)	\$ 0	\$ (10,297,032)	8
9	Materials and Supplies	Sch B-5, Sh 1	34,013,908	2,800,000	36,813,908	9
10	Prepayments	Sch B-5, Sh 1	7,721,011	0	7,721,011	10
11	Customer Deposits	Sch B-6, Sh 1	(36,862,844)	0	(36,862,844)	11
12	Customer Advances	Sch B-6, Sh 2	(41,613,406)	0	(41,613,406)	12
13	Deferred Taxes	Sch B-6, Sh 3	(525,148,656)	1,518,173	(523,630,483)	13
14	Total Other Rate Base	Sum Lns 8-13	<u>\$ (572,187,019)</u>	<u>\$ 4,318,173</u>	<u>\$ (567,868,846)</u>	14
15	Total Rate Base	Ln 7 + Ln 14	<u>\$ 1,772,846,787</u>	<u>\$ 218,696,285</u>	<u>\$ 1,991,543,072</u>	15
			Sch A-1, Sh 2, Col (c)		Sch B-1, Sh 1, Col (c)	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**SUMMARY OF ORIGINAL COST OF GAS PLANT BY FUNCTION**  
**AT JANUARY 31, 2019**  
**AS ADJUSTED FOR THE TEST YEAR**

Line No.	Description	Reference	Recorded at 1/31/2019	Adjustments	Adjusted at 1/31/2019	Allocation of System Allocable Plant	Adjusted after Allocation at 1/31/2019	Line No.
	(a)	(b)	(c) WP B-2, Sh 1, 3, 5, 7 Col (c)	(d) WP B-2, Sh 1, 3, 5, 7 Col (d)	(e) (c) + (d)	(f) Lns 12-17(e) * Ln 19	(g) (e) + (f)	
<u>Direct Gross Plant in Service (GPIS)</u>								
1	Intangible Plant		\$ 4,219,850	\$ 0	\$ 4,219,850	\$ 148,564,500	\$ 152,784,350	1
2	Storage Plant		1,772,673	76,200,000	77,972,673	0	77,972,673	2
3	Distribution Plant		3,532,384,830	80,980,126	3,613,364,956	0	3,613,364,956	3
4	General Plant		166,198,282	22,284,281	188,482,563	66,588,453	255,071,016	4
5	Total Direct Gross Plant in Service	Sum Lns 1-4	\$ 3,704,575,635	\$ 179,464,406	\$ 3,884,040,042	\$ 215,152,953	\$ 4,099,192,995	5
<u>Direct Accumulated Depreciation</u>								
6	Intangible Plant		\$ 3,009,220	\$ 0	\$ 3,009,220	\$ 107,824,595	\$ 110,833,815	6
7	Storage Plant		0	0	0	0	0	7
8	Distribution Plant		1,358,231,289	0	1,358,231,289	0	1,358,231,289	8
9	General Plant		55,318,083	(104,738)	55,213,345	15,502,628	70,715,973	9
10	Total Direct Accumulated Depreciation	Sum Lns 6-9	\$ 1,416,558,591	\$ (104,738)	\$ 1,416,453,853	\$ 123,327,224	\$ 1,539,781,077	10
11	Total Direct Net Plant in Service	Ln 5 - Ln 10	\$ 2,288,017,044	\$ 179,569,145	\$ 2,467,586,189	\$ 91,825,730	\$ 2,559,411,918	11
<u>System Allocable GPIS</u>								
12	Intangible Plant		\$ 237,589,747	\$ 29,239,725	\$ 266,829,471			12
13	General Plant		87,265,254	32,331,028	119,596,281			13
14	Total System Allocable GPIS	Ln 12 + Ln 13	\$ 324,855,000	\$ 61,570,752	\$ 386,425,753			14
<u>System Allocable Accumulated Depreciation</u>								
15	Intangible Plant		\$ 193,658,510	\$ 0	\$ 193,658,510			15
16	General Plant		28,791,456	(947,940)	27,843,517			16
17	Total Sys. Alloc. Accumulated Depreciation	Ln 15 + Ln 16	\$ 222,449,966	\$ (947,940)	\$ 221,502,026			17
18	Total System Allocable Net Plant in Service	Ln 14 - Ln 17	\$ 102,405,034	\$ 62,518,692	\$ 164,923,726			18
19	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)	55.68%	55.68%	55.68%			19
20	Sys. Alloc. GPIS Allocated to AZ	Ln 14 * Ln 19	\$ 180,871,777	\$ 34,281,176	\$ 215,152,953			20
21	Sys. Alloc. Accum. Depreciation Allocated to AZ	Ln 17 * Ln 19	123,855,015	(527,791)	123,327,224			21
22	System Allocable Net Plant Allocated to AZ	Ln 20 - Ln 21	\$ 57,016,763	\$ 34,808,967	\$ 91,825,730			22



**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 POST-TEST YEAR PLANT  
 ADJUSTMENT NO. 17**

Line No.	Description (a)	Reference (b)	Account Number (c)	Amount (d)	Line No.
<u>Distribution Plant</u>					
1	Land and Land Rights	n/a	374.1	\$ 0	1
2	Mains	WP B-2, Adj. 17, Sh 2, Col (d)	376	58,770,958	2
3	Measuring and Reg. Stations	WP B-2, Adj. 17, Sh 2, Col (e)	378	1,190,887	3
4	Services	WP B-2, Adj. 17, Sh 2, Col (f)	380	21,018,281	4
5	Industrial Measuring and Reg. Sta.	n/a	385	0	5
6	Total Distribution Plant	Sum Lns 1-5		\$ <u>80,980,126</u>	6
<u>General Plant</u>					
7	Structures and Improv - Co. Owned	WP B-2, Adj. 17, Sh 2, Col (g)	390.1	\$ 13,745,000	7
8	Office Furniture and Fixtures	WP B-2, Adj. 17, Sh 2, Col (h)	391	575,000	8
9	Computer Software and Hardware	WP B-2, Adj. 17, Sh 2, Col (i)	391.1	2,634,235	9
10	Transportation Equipment - Light	n/a	392.11	0	10
11	Stores Equipment	n/a	393	0	11
12	Tool, Shop, and Garage Equip.	WP B-2, Adj. 17, Sh 2, Col (j)	394	4,375,650	12
13	Communication Equipment	WP B-2, Adj. 17, Sh 2, Col (k)	397	1,134,000	13
14	Misc. Equipment	WP B-2, Adj. 17, Sh 2, Col (l)	398	50,000	14
15	Total General Plant	Sum Lns 7-14		\$ <u>22,513,885</u>	15
16	Total Arizona	Ln 6 + Ln 15		\$ <u>103,494,011</u>	16

Sch C-2, Sh 2,  
 Col (h)

Explanation: to include direct Arizona non-revenue producing plant projects with an in-service date by July 31, 2019

**SOUTHWEST GAS CORPORATION  
 SYSTEM ALLOCABLE  
 POST-TEST YEAR PLANT  
 ADJUSTMENT NO. 17**

Line No.	Description (a)	Reference (b)	Account Number (c)	Amount (d)	Line No.
<u>Intangible Plant</u>					
1	Miscellaneous Intangible	WP B-2, Adj. 17, Sh 3, Col (e)	303	\$ 29,239,725	1
2	Total Intangible Plant	Ln 1		<u>\$ 29,239,725</u>	2
<u>General Plant</u>					
3	Land and Land Rights	WP B-2, Adj. 17, Sh 4, Col (d)	389.0	\$ 2,007,241	3
4	Structures and Improv - Co. Owned	WP B-2, Adj. 17, Sh 4, Col (e)	390.1	18,806,237	4
5	Structures and Improv - Leasehold	WP B-2, Adj. 17, Sh 4, Col (f)	390.2	1,850,000	5
6	Office Furniture and Fixtures	WP B-2, Adj. 17, Sh 4, Col (g)	391	1,000,000	6
7	Computer Software and Hardware	WP B-2, Adj. 17, Sh 4, Col (h)	391.1	5,803,640	7
8	Transportation Equip - Light	WP B-2, Adj. 17, Sh 4, Col (i)	392.11	1,621,360	8
9	Laboratory Equipment	WP B-2, Adj. 17, Sh 4, Col (j)	395	150,000	9
10	Communication Equipment	WP B-2, Adj. 17, Sh 4, Col (k)	397	1,438,000	10
11	Miscellaneous Equipment	WP B-2, Adj. 17, Sh 4, Col (l)	398	1,729,740	11
12	Total General Plant	Sum Lns 3-11		<u>\$ 34,406,219</u>	12
13	Total System Allocable Plant	Ln 2 + Ln 12		\$ 63,645,943	13
14	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)		55.68%	14
15	Amount Allocated to AZ	Ln 13 * Ln 14		<u>\$ 35,436,594</u>	15
				Sch C-2, Sh 2, Col (h)	

Explanation: to include estimated System Allocable general plant additions with an in-service date by July 31, 2019 and Account 303 additions through December 31, 2019.

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 LIQUIFIED NATURAL GAS (LNG) STORAGE FACILITY  
 ADJUSTMENT NO. 18**

Line No.	Description (a)	Account Number (b)	Estimated Amount (c)	Line No.
1	Land	360	\$ 0	1
2	Structures and Improvements	361	76,200,000	2
3	Liquefaction Equipment	363.1	[1]	3
4	Vaporizing Equipment	363.2	[1]	4
5	Compressor Equipment	363.3	[1]	5
6	Other Equipment	363.5	[1]	6
7	Total Gas Plant in Service		<u>\$ 76,200,000</u>	7
8	LNG Inventory [2]	164.2	<u>\$ 2,800,000</u>	8
	<u>Incremental O&amp;M</u>			
9	Labor [3]	Various	\$ 642,214	9
10	Labor Loading	Various	310,449	10
11	Other O&M	Various	517,425	11
12	Total O&M		<u>\$ 1,470,088</u>	12

Sch C-2, Sh 2,  
Col (i)

Explanation: to include the plant, inventory and annualized incremental O&M related to the new LNG storage facility expected to be placed into service during the third quarter of 2019.

[1] The LNG facility was bid as a lump sum. When the various assets are unitized, the amounts in the individual FERC accounts will be known. All have the same depreciation rate.

The land was included in the test year recorded amount.

[2] See footnote [1] in Schedule B-5, M&S.

[3] Total of eight incremental employees, two were on the payroll at the end of the test year.

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 DEFERRED TAXES ADJUSTMENT  
 ADJUSTMENT NO. 19**

Line No.	Description (a)	Reference (b)	AZ Direct (c) Company Records	System Allocable (d) Company Records	Line No.
<u>Tie Deferred Taxes to Recorded Plant at End of Test Year</u>					
1	Deferred Tax Liability - State	Account 282	\$ 61,193	\$ (99,358)	1
2	Deferred Tax Liability - Federal	Account 282	(1,203,053)	(528,079)	2
3	Excess Deferred Income Taxes	Account 254	0	0	3
4	Alternative Minimum Tax	Account 190	0	0	4
5	Subtotal	Sum Lns 1 - 4	<u>\$ (1,141,860)</u>	<u>\$ (627,437)</u>	5
<u>Company-Owned Vehicles - Adjustment No. 6</u>					
6	Deferred Tax Liability - State	Account 282	\$ (1,116)	\$ (5,535)	6
7	Deferred Tax Liability - Federal	Account 282	(6,053)	(30,030)	7
8	Excess Deferred Income Taxes	Account 254	0	0	8
9	Alternative Minimum Tax	Account 190	0	0	9
10	Subtotal	Sum Lns 6 - 9	<u>\$ (7,169)</u>	<u>\$ (35,565)</u>	10
<u>Total Deferred Tax Adjustments</u>					
11	Deferred Tax Liability - State	Ln 1 + Ln 6	\$ 60,077	\$ (104,893)	11
12	Deferred Tax Liability - Federal	Ln 2 + Ln 7	(1,209,106)	(558,109)	12
13	Excess Deferred Income Taxes	Ln 3 + Ln 8	0	0	13
14	Alternative Minimum Tax	Ln 4 + Ln 9	0	0	14
15	Total	Sum Lns 11 - 14	<u>\$ (1,149,029)</u>	<u>\$ (663,002)</u>	15
			Sch B-6, Sh 4	Sch B-6, Sh 4	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**SUMMARY OF REPRODUCTION COST NEW LESS DEPRECIATION (RCND) OF GAS PLANT BY FUNCTION**  
**AT JANUARY 31, 2019**  
**AS ADJUSTED FOR THE TEST YEAR**

Line No.	Description (a)	Reference (b)	RCND 1/31/2019 (c)	Adjustments (d) Sch B-2, Sh 1, Col (d)	Adjusted at 1/31/2019 (e) (c) + (d)	Allocation of System Allocable Plant (f) Lns 12-17(e) * Ln 19	Adjusted after Allocation at 1/31/2019 (g) (e) + (f)	Line No.
<u>Direct Gross Plant in Service (GPIS)</u>								
1	Intangible Plant	Sch B-4, Sh 41	\$ 4,219,850	\$ 0	\$ 4,219,850	\$ 148,564,500	\$ 152,784,350	1
2	Storage Plant	Sch B-4, Sh 41	1,772,673	76,200,000	77,972,673	0	77,972,673	2
3	Distribution Plant	Sch B-4, Sh 2-26	5,740,243,053	80,980,126	5,821,223,179	0	5,821,223,179	3
4	General Plant	Sch B-4, Sh 2-26	192,969,133	22,284,281	215,253,414	77,929,290	293,182,704	4
5	Total Direct Gross Plant in Service	Sum Lns 1-4	\$ 5,939,204,709	\$ 179,464,406	\$ 6,118,669,115	\$ 226,493,790	\$ 6,345,162,906	5
<u>Direct Accumulated Depreciation</u>								
6	Intangible Plant	Sch B-4, Sh 41	\$ 3,009,220	\$ 0	\$ 3,009,220	\$ 107,824,595	\$ 110,833,815	6
7	Storage Plant	Sch B-4, Sh 41	0	0	0	0	0	7
8	Distribution Plant	Ln 3 * Sch B-4, Sh 41, Ln 13(b)	2,207,171,103	0	2,207,171,103	0	2,207,171,103	8
9	General Plant	Ln 4 * Sch B-4, Sh 41, Ln 14(b)	64,228,597	(104,738)	64,123,859	19,244,314	83,368,173	9
10	Total Direct Accumulated Depreciation	Sum Lns 6-9	\$ 2,274,408,920	\$ (104,738)	\$ 2,274,304,182	\$ 127,068,910	\$ 2,401,373,091	10
11	Total Direct Net Plant in Service	Ln 5 - Ln 10	\$ 3,664,795,789	\$ 179,569,145	\$ 3,844,364,934	\$ 99,424,881	\$ 3,943,789,814	11
Sch B-1, Sh 1, Col (d)								
<u>System Allocable GPIS</u>								
12	Intangible Plant	Sch B-4, Sh 41	\$ 237,589,747	\$ 29,239,725	\$ 266,829,472			12
13	General Plant	Sch B-4, Sh 27-40	107,633,979	32,331,028	139,965,007			13
14	Total System Allocable GPIS	Ln 12 + Ln 13	\$ 345,223,726	\$ 61,570,752	\$ 406,794,478			14
<u>System Allocable Accumulated Depreciation</u>								
15	Intangible Plant	Sch B-4, Sh 41	\$ 193,658,510	\$ 0	\$ 193,658,510			15
16	General Plant	Ln 13 * Sch B-4, Sh 41, Ln 14(c)	35,511,717	(947,940)	34,563,777			16
17	Total Sys. Alloc. Accumulated Depreciation	Ln 15 + Ln 16	\$ 229,170,227	\$ (947,940)	\$ 228,222,287			17
18	Total System Allocable Net Plant in Service	Ln 14 - Ln 17	\$ 116,053,499	\$ 62,518,692	\$ 178,572,192			18
19	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)	55.68%	55.68%	55.68%			19
20	Sys. Alloc. GPIS Allocated to AZ	Ln 14 * Ln 19	\$ 192,212,615	\$ 34,281,176	\$ 226,493,790			20
21	Sys. Alloc. Accum. Depreciation Allocated to AZ	Ln 17 * Ln 19	127,596,701	(527,791)	127,068,910			21
22	System Allocable Net Plant Allocated to AZ	Ln 20 - Ln 21	\$ 64,615,914	\$ 34,808,967	\$ 99,424,881			22
Sch B-1, Sh 1, Col (d)								



**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 360.0 - Land and Land Rights			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	2015	\$ 1,702,773	1	1.00	\$ 1,702,773	1
2	2016	69,900	1	1.00	69,900	2
3	Total	<u>\$ 1,772,673</u>			<u>\$ 1,772,673</u>	3

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Account 374.1 - Land and Land Rights						
Line No.	Year Installed	Original Cost Total Arizona	H - W Index	Ratio To Current Index	RCN Total Arizona	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	1	1.00	\$ 0	1
2	1931	0	1	1.00	0	2
3	1932	0	1	1.00	0	3
4	1933	0	1	1.00	0	4
5	1934	0	1	1.00	0	5
6	1935	0	1	1.00	0	6
7	1936	0	1	1.00	0	7
8	1937	0	1	1.00	0	8
9	1938	0	1	1.00	0	9
10	1939	0	1	1.00	0	10
11	1940	0	1	1.00	0	11
12	1941	0	1	1.00	0	12
13	1942	0	1	1.00	0	13
14	1943	0	1	1.00	0	14
15	1944	0	1	1.00	0	15
16	1945	0	1	1.00	0	16
17	1946	0	1	1.00	0	17
18	1947	0	1	1.00	0	18
19	1948	0	1	1.00	0	19
20	1949	0	1	1.00	0	20
21	1950	0	1	1.00	0	21
22	1951	0	1	1.00	0	22
23	1952	0	1	1.00	0	23
24	1953	0	1	1.00	0	24
25	1954	0	1	1.00	0	25
26	1955	0	1	1.00	0	26
27	1956	0	1	1.00	0	27
28	1957	0	1	1.00	0	28
29	1958	9,746	1	1.00	9,746	29
30	1959	0	1	1.00	0	30
31	1960	0	1	1.00	0	31
32	1961	0	1	1.00	0	32
33	1962	0	1	1.00	0	33
34	1963	0	1	1.00	0	34
35	1964	0	1	1.00	0	35
36	1965	0	1	1.00	0	36
37	1966	0	1	1.00	0	37
38	1967	0	1	1.00	0	38
39	1968	0	1	1.00	0	39
40	1969	0	1	1.00	0	40
41	1970	0	1	1.00	0	41
42	1971	0	1	1.00	0	42
43	1972	0	1	1.00	0	43
44	1973	0	1	1.00	0	44
45	1974	0	1	1.00	0	45
46	1975	254	1	1.00	254	46
47	1976	0	1	1.00	0	47
48	1977	0	1	1.00	0	48
49	1978	0	1	1.00	0	49
50	1979	0	1	1.00	0	50
51	1980	0	1	1.00	0	51
52	1981	0	1	1.00	0	52
53	1982	0	1	1.00	0	53
54	1983	0	1	1.00	0	54
55	1984	0	1	1.00	0	55
56	1985	331,290	1	1.00	331,290	56
57	1986	0	1	1.00	0	57
58	1987	0	1	1.00	0	58
59	1988	0	1	1.00	0	59
60	1989	0	1	1.00	0	60
61	1990	0	1	1.00	0	61
62	1991	0	1	1.00	0	62
63	1992	0	1	1.00	0	63
64	1993	2,500	1	1.00	2,500	64
65	1994	0	1	1.00	0	65
66	1995	0	1	1.00	0	66
67	1996	0	1	1.00	0	67
68	1997	0	1	1.00	0	68
69	1998	0	1	1.00	0	69
70	1999	0	1	1.00	0	70
71	2000	0	1	1.00	0	71
72	2001	0	1	1.00	0	72
73	2002	0	1	1.00	0	73
74	2003	0	1	1.00	0	74
75	2004	0	1	1.00	0	75
76	2005	0	1	1.00	0	76
77	2006	0	1	1.00	0	77
78	2007	0	1	1.00	0	78
79	2008	0	1	1.00	0	79
80	2009	12,113	1	1.00	12,113	80
81	2010	10,139	1	1.00	10,139	81
82	2011	22,262	1	1.00	22,262	82
83	2012	17,362	1	1.00	17,362	83
84	2013	0	1	1.00	0	84
85	2014	0	1	1.00	0	85
86	2015	0	1	1.00	0	86
87	2016	0	1	1.00	0	87
88	2017	0	1	1.00	0	88
89	2018	0	1	1.00	0	89
90	2019	0	1	1.00	0	90
91	Total	\$ 405,666			\$ 405,666	91



**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 374.2 - Rights of Way			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	1	1.00	\$ 0	1
2	1931	0	1	1.00	0	2
3	1932	0	1	1.00	0	3
4	1933	0	1	1.00	0	4
5	1934	0	1	1.00	0	5
6	1935	0	1	1.00	0	6
7	1936	0	1	1.00	0	7
8	1937	0	1	1.00	0	8
9	1938	0	1	1.00	0	9
10	1939	0	1	1.00	0	10
11	1940	111	1	1.00	111	11
12	1941	14	1	1.00	14	12
13	1942	0	1	1.00	0	13
14	1943	160	1	1.00	160	14
15	1944	0	1	1.00	0	15
16	1945	2	1	1.00	2	16
17	1946	0	1	1.00	0	17
18	1947	0	1	1.00	0	18
19	1948	952	1	1.00	952	19
20	1949	139	1	1.00	139	20
21	1950	101	1	1.00	101	21
22	1951	667	1	1.00	667	22
23	1952	183	1	1.00	183	23
24	1953	124	1	1.00	124	24
25	1954	104	1	1.00	104	25
26	1955	121	1	1.00	121	26
27	1956	116	1	1.00	116	27
28	1957	138	1	1.00	138	28
29	1958	146	1	1.00	146	29
30	1959	75	1	1.00	75	30
31	1960	164	1	1.00	164	31
32	1961	178	1	1.00	178	32
33	1962	896	1	1.00	896	33
34	1963	2,944	1	1.00	2,944	34
35	1964	2,322	1	1.00	2,322	35
36	1965	849	1	1.00	849	36
37	1966	1,145	1	1.00	1,145	37
38	1967	664	1	1.00	664	38
39	1968	896	1	1.00	896	39
40	1969	4,059	1	1.00	4,059	40
41	1970	20,184	1	1.00	20,184	41
42	1971	18,376	1	1.00	18,376	42
43	1972	11,259	1	1.00	11,259	43
44	1973	16,606	1	1.00	16,606	44
45	1974	29,634	1	1.00	29,634	45
46	1975	8,365	1	1.00	8,365	46
47	1976	15,469	1	1.00	15,469	47
48	1977	13,306	1	1.00	13,306	48
49	1978	12,233	1	1.00	12,233	49
50	1979	5,998	1	1.00	5,998	50
51	1980	3,835	1	1.00	3,835	51
52	1981	69,501	1	1.00	69,501	52
53	1982	21,828	1	1.00	21,828	53
54	1983	13,467	1	1.00	13,467	54
55	1984	5,304	1	1.00	5,304	55
56	1985	56,285	1	1.00	56,285	56
57	1986	20,552	1	1.00	20,552	57
58	1987	8,770	1	1.00	8,770	58
59	1988	3,206	1	1.00	3,206	59
60	1989	3,127	1	1.00	3,127	60
61	1990	0	1	1.00	0	61
62	1991	0	1	1.00	0	62
63	1992	0	1	1.00	0	63
64	1993	2,250	1	1.00	2,250	64
65	1994	6,025	1	1.00	6,025	65
66	1995	0	1	1.00	0	66
67	1996	0	1	1.00	0	67
68	1997	44,591	1	1.00	44,591	68
69	1998	1,768	1	1.00	1,768	69
70	1999	0	1	1.00	0	70
71	2000	39,620	1	1.00	39,620	71
72	2001	15,864	1	1.00	15,864	72
73	2002	36,423	1	1.00	36,423	73
74	2003	12,148	1	1.00	12,148	74
75	2004	104,102	1	1.00	104,102	75
76	2005	78,132	1	1.00	78,132	76
77	2006	284,871	1	1.00	284,871	77
78	2007	745,071	1	1.00	745,071	78
79	2008	196,021	1	1.00	196,021	79
80	2009	14,416	1	1.00	14,416	80
81	2010	155,388	1	1.00	155,388	81
82	2011	18,196	1	1.00	18,196	82
83	2012	37,200	1	1.00	37,200	83
84	2013	31,066	1	1.00	31,066	84
85	2014	192,215	1	1.00	192,215	85
86	2015	167,804	1	1.00	167,804	86
87	2016	148,089	1	1.00	148,089	87
88	2017	526,016	1	1.00	526,016	88
89	2018	80,584	1	1.00	80,584	89
90	2019	0	1	1.00	0	90
91	Total	\$ 3,312,435			\$ 3,312,435	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 375 - Structures and Improvements			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	19	25.68	\$ 0	1
2	1931	0	17	28.71	0	2
3	1932	0	16	30.50	0	3
4	1933	0	17	28.71	0	4
5	1934	0	19	25.68	0	5
6	1935	0	18	27.11	0	6
7	1936	0	19	25.68	0	7
8	1937	197	20	24.40	4,807	8
9	1938	94	20	24.40	2,294	9
10	1939	1,659	20	24.40	40,480	10
11	1940	373	20	24.40	9,101	11
12	1941	2,797	22	22.18	62,037	12
13	1942	0	23	21.22	0	13
14	1943	0	23	21.22	0	14
15	1944	0	24	20.33	0	15
16	1945	5,437	24	20.33	110,534	16
17	1946	2,032	27	18.07	36,718	17
18	1947	895	32	15.25	13,649	18
19	1948	4,989	36	13.56	67,651	19
20	1949	6,441	37	13.19	84,957	20
21	1950	8,724	39	12.51	109,137	21
22	1951	21,212	42	11.62	246,483	22
23	1952	1,568	44	11.09	17,389	23
24	1953	4,318	44	11.09	47,887	24
25	1954	2,625	46	10.61	27,851	25
26	1955	959	48	10.17	9,753	26
27	1956	4,816	52	9.38	45,174	27
28	1957	0	55	8.87	0	28
29	1958	0	57	8.56	0	29
30	1959	0	58	8.41	0	30
31	1960	0	59	8.27	0	31
32	1961	0	58	8.41	0	32
33	1962	0	59	8.27	0	33
34	1963	0	60	8.13	0	34
35	1964	0	61	8.00	0	35
36	1965	394	64	7.63	3,006	36
37	1966	0	65	7.51	0	37
38	1967	0	67	7.28	0	38
39	1968	0	71	6.87	0	39
40	1969	0	75	6.51	0	40
41	1970	0	79	6.18	0	41
42	1971	0	87	5.61	0	42
43	1972	0	93	5.25	0	43
44	1973	23,733	100	4.88	115,817	44
45	1974	8,122	118	4.14	33,625	45
46	1975	0	133	3.67	0	46
47	1976	0	138	3.54	0	47
48	1977	437	148	3.30	1,442	48
49	1978	674	161	3.03	2,042	49
50	1979	0	177	2.76	0	50
51	1980	0	194	2.52	0	51
52	1981	0	204	2.39	0	52
53	1982	0	207	2.36	0	53
54	1983	0	215	2.27	0	54
55	1984	0	224	2.18	0	55
56	1985	0	226	2.16	0	56
57	1986	0	231	2.11	0	57
58	1987	0	232	2.10	0	58
59	1988	0	233	2.09	0	59
60	1989	0	232	2.10	0	60
61	1990	2,068	237	2.06	4,261	61
62	1991	2,033	233	2.09	4,249	62
63	1992	0	238	2.05	0	63
64	1993	0	250	1.95	0	64
65	1994	0	261	1.87	0	65
66	1995	3,960	265	1.84	7,286	66
67	1996	0	176	2.77	0	67
68	1997	0	282	1.73	0	68
69	1998	0	285	1.71	0	69
70	1999	0	287	1.70	0	70
71	2000	0	295	1.65	0	71
72	2001	0	303	1.61	0	72
73	2002	0	310	1.57	0	73
74	2003	0	320	1.53	0	74
75	2004	0	342	1.43	0	75
76	2005	0	355	1.37	0	76
77	2006	0	364	1.34	0	77
78	2007	0	382	1.28	0	78
79	2008	0	398	1.23	0	79
80	2009	0	389	1.25	0	80
81	2010	0	399	1.22	0	81
82	2011	0	411	1.19	0	82
83	2012	0	422	1.16	0	83
84	2013	0	431	1.13	0	84
85	2014	0	440	1.11	0	85
86	2015	0	442	1.10	0	86
87	2016	0	447	1.09	0	87
88	2017	0	465	1.05	0	88
89	2018	0	481	1.01	0	89
90	2019	0	488	1.00	0	90
91	Total	\$ 110,557			\$ 1,107,630	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 376 - Mains - Steel			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 62,194	19	45.26	\$ 2,814,900	1
2	1931	2,455	18	47.78	117,300	2
3	1932	0	18	47.78	0	3
4	1933	0	17	50.59	0	4
5	1934	2,213	18	47.78	105,737	5
6	1935	7,492	19	45.26	339,088	6
7	1936	0	18	47.78	0	7
8	1937	13,923	20	43.00	598,689	8
9	1938	19,751	20	43.00	849,293	9
10	1939	0	20	43.00	0	10
11	1940	90	20	43.00	3,870	11
12	1941	26,467	20	43.00	1,138,081	12
13	1942	16,128	21	40.95	660,442	13
14	1943	22,408	21	40.95	917,608	14
15	1944	11,830	21	40.95	484,439	15
16	1945	45,235	22	39.09	1,768,236	16
17	1946	829	24	35.83	29,703	17
18	1947	189,599	27	31.85	6,038,728	18
19	1948	594,962	31	27.74	16,504,246	19
20	1949	480,016	33	26.06	12,509,217	20
21	1950	686,118	35	24.57	16,857,919	21
22	1951	636,712	37	23.24	14,797,187	22
23	1952	597,213	39	22.05	13,168,547	23
24	1953	392,751	41	20.98	8,239,916	24
25	1954	559,817	44	19.55	10,944,422	25
26	1955	2,433,446	46	18.70	45,505,440	26
27	1956	992,562	48	17.92	17,786,711	27
28	1957	890,076	52	16.54	14,721,857	28
29	1958	1,603,928	54	15.93	25,550,573	29
30	1959	1,469,694	57	15.09	22,177,682	30
31	1960	1,454,842	58	14.83	21,575,307	31
32	1961	1,480,053	61	14.10	20,868,747	32
33	1962	1,532,354	63	13.65	20,916,632	33
34	1963	1,030,699	64	13.44	13,852,595	34
35	1964	1,418,756	66	13.03	18,486,391	35
36	1965	1,613,934	68	12.65	20,416,265	36
37	1966	1,403,862	69	12.46	17,492,121	37
38	1967	932,664	73	11.78	10,986,782	38
39	1968	600,821	75	11.47	6,891,417	39
40	1969	1,380,594	80	10.75	14,841,386	40
41	1970	798,875	84	10.24	8,180,480	41
42	1971	1,778,066	90	9.56	16,998,311	42
43	1972	3,067,322	96	8.96	27,483,205	43
44	1973	2,425,649	100	8.60	20,860,581	44
45	1974	2,575,239	117	7.35	18,928,007	45
46	1975	1,310,335	133	6.47	8,477,867	46
47	1976	597,295	142	6.06	3,619,608	47
48	1977	1,147,927	155	5.55	6,370,995	48
49	1978	1,118,928	171	5.03	5,628,208	49
50	1979	1,081,955	187	4.60	4,976,993	50
51	1980	1,303,068	200	4.30	5,603,192	51
52	1981	2,886,302	219	3.93	11,343,167	52
53	1982	1,520,695	239	3.60	5,474,502	53
54	1983	2,156,183	246	3.50	7,546,641	54
55	1984	2,220,926	251	3.43	7,617,776	55
56	1985	1,888,744	245	3.51	6,629,491	56
57	1986	2,795,656	233	3.69	10,315,971	57
58	1987	2,642,833	241	3.57	9,434,914	58
59	1988	2,080,371	258	3.33	6,927,635	59
60	1989	1,802,346	270	3.19	5,749,484	60
61	1990	2,858,595	276	3.12	8,918,816	61
62	1991	4,105,213	283	3.04	12,479,848	62
63	1992	4,883,296	286	3.01	14,698,721	63
64	1993	5,015,758	294	2.93	14,696,171	64
65	1994	6,479,391	315	2.73	17,688,737	65
66	1995	8,334,530	317	2.71	22,586,576	66
67	1996	6,612,391	319	2.70	17,853,456	67
68	1997	6,744,673	327	2.63	17,738,490	68
69	1998	6,916,054	330	2.61	18,050,901	69
70	1999	6,318,969	341	2.52	15,923,802	70
71	2000	8,931,590	356	2.42	21,614,448	71
72	2001	12,319,237	362	2.38	29,319,784	72
73	2002	13,738,828	367	2.34	32,148,858	73
74	2003	12,982,890	385	2.23	28,951,845	74
75	2004	21,724,433	470	1.83	39,755,712	75
76	2005	27,773,561	568	1.51	41,938,077	76
77	2006	16,103,905	580	1.48	23,833,779	77
78	2007	29,921,876	560	1.54	46,079,689	78
79	2008	13,668,029	602	1.43	19,545,281	79
80	2009	13,785,370	632	1.36	18,748,103	80
81	2010	18,566,186	657	1.31	24,321,704	81
82	2011	51,627,214	741	1.16	59,887,568	82
83	2012	43,259,467	805	1.07	46,287,630	83
84	2013	22,885,702	790	1.09	24,945,415	84
85	2014	41,485,186	787	1.09	45,218,853	85
86	2015	44,303,334	771	1.12	49,619,734	86
87	2016	20,973,364	747	1.15	24,119,369	87
88	2017	55,170,873	788	1.09	60,136,252	88
89	2018	59,691,211	828	1.04	62,078,859	89
90	2019	4,538,687	860	1.00	4,538,687	90
91	Total	\$ 653,525,016			\$ 1,462,849,667	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 376 - Mains - Plastic			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	0	0.00	\$ 0	1
2	1931	0	0	0.00	0	2
3	1932	0	0	0.00	0	3
4	1933	0	0	0.00	0	4
5	1934	0	0	0.00	0	5
6	1935	0	0	0.00	0	6
7	1936	0	0	0.00	0	7
8	1937	0	0	0.00	0	8
9	1938	0	0	0.00	0	9
10	1939	0	0	0.00	0	10
11	1940	0	0	0.00	0	11
12	1941	188	0	0.00	0	12
13	1942	0	0	0.00	0	13
14	1943	0	0	0.00	0	14
15	1944	0	0	0.00	0	15
16	1945	0	0	0.00	0	16
17	1946	8,678	0	0.00	0	17
18	1947	0	0	0.00	0	18
19	1948	0	0	0.00	0	19
20	1949	0	0	0.00	0	20
21	1950	0	0	0.00	0	21
22	1951	9	0	0.00	0	22
23	1952	0	0	0.00	0	23
24	1953	64	0	0.00	0	24
25	1954	0	0	0.00	0	25
26	1955	265	0	0.00	0	26
27	1956	4,564	0	0.00	0	27
28	1957	7,777	0	0.00	0	28
29	1958	13,487	0	0.00	0	29
30	1959	9,006	0	0.00	0	30
31	1960	21,408	0	0.00	0	31
32	1961	94,029	0	0.00	0	32
33	1962	298,985	71	7.30	2,182,591	33
34	1963	320,693	72	7.19	2,305,783	34
35	1964	373,790	73	7.10	2,653,909	35
36	1965	247,169	74	7.00	1,730,183	36
37	1966	821,616	76	6.82	5,603,421	37
38	1967	939,552	79	6.56	6,163,461	38
39	1968	440,231	81	6.40	2,817,478	39
40	1969	869,736	84	6.17	5,366,271	40
41	1970	529,060	87	5.95	3,147,907	41
42	1971	1,243,304	92	5.63	6,999,802	42
43	1972	1,754,242	96	5.40	9,472,907	43
44	1973	1,057,961	100	5.18	5,480,238	44
45	1974	1,342,594	112	4.63	6,216,210	45
46	1975	824,966	130	3.98	3,283,365	46
47	1976	348,669	137	3.78	1,317,969	47
48	1977	413,735	147	3.52	1,456,347	48
49	1978	211,050	158	3.28	692,244	49
50	1979	580,315	174	2.98	1,729,339	50
51	1980	895,231	193	2.68	2,399,219	51
52	1981	1,442,557	209	2.48	3,577,541	52
53	1982	1,257,288	224	2.31	2,904,335	53
54	1983	3,442,621	232	2.23	7,677,045	54
55	1984	5,584,214	236	2.19	12,229,429	55
56	1985	4,283,151	235	2.20	9,422,932	56
57	1986	15,277,918	238	2.18	33,305,861	57
58	1987	16,448,406	245	2.11	34,706,137	58
59	1988	19,008,384	256	2.02	38,396,936	59
60	1989	14,933,596	273	1.90	28,373,832	60
61	1990	20,283,417	281	1.84	37,321,487	61
62	1991	6,283,942	288	1.80	11,311,096	62
63	1992	9,164,736	290	1.79	16,404,877	63
64	1993	21,926,798	297	1.74	38,152,629	64
65	1994	25,918,082	302	1.72	44,579,101	65
66	1995	32,518,029	305	1.70	55,280,649	66
67	1996	31,204,305	313	1.65	51,487,103	67
68	1997	27,303,438	319	1.62	44,231,570	68
69	1998	31,958,370	324	1.60	51,133,392	69
70	1999	40,244,058	329	1.57	63,183,171	70
71	2000	42,279,544	336	1.54	65,110,498	71
72	2001	44,308,755	344	1.51	66,906,220	72
73	2002	46,977,423	350	1.48	69,526,586	73
74	2003	40,253,504	356	1.46	58,770,116	74
75	2004	47,915,139	368	1.41	67,560,346	75
76	2005	35,432,662	391	1.32	46,771,114	76
77	2006	41,212,054	411	1.26	51,927,188	77
78	2007	38,651,258	431	1.20	46,381,510	78
79	2008	34,245,160	451	1.15	39,381,934	79
80	2009	26,017,382	468	1.11	28,879,294	80
81	2010	42,265,066	460	1.13	47,759,525	81
82	2011	68,062,164	475	1.09	74,187,759	82
83	2012	41,979,517	492	1.05	44,078,493	83
84	2013	65,234,873	494	1.05	68,496,617	84
85	2014	84,234,871	497	1.04	87,604,266	85
86	2015	91,775,488	502	1.03	94,528,753	86
87	2016	86,908,870	510	1.02	88,647,047	87
88	2017	103,086,108	516	1.00	103,086,108	88
89	2018	123,709,062	520	1.00	123,709,062	89
90	2019	1,288,588	518	1.00	1,288,588	90
91	Total	\$ 1,447,993,172			\$ 1,929,298,791	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Account 378 - Measuring and Regulating Equipment - Gen.						
Line No.	Year Installed	Original Cost Total Arizona	H - W Index	Ratio To Current Index	RCN Total Arizona	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	24	30.42	\$ 0	1
2	1931	0	24	30.42	0	2
3	1932	0	23	31.74	0	3
4	1933	0	22	33.18	0	4
5	1934	0	22	33.18	0	5
6	1935	0	22	33.18	0	6
7	1936	0	22	33.18	0	7
8	1937	0	24	30.42	0	8
9	1938	0	24	30.42	0	9
10	1939	0	24	30.42	0	10
11	1940	0	26	28.08	0	11
12	1941	0	26	28.08	0	12
13	1942	0	26	28.08	0	13
14	1943	0	26	28.08	0	14
15	1944	0	26	28.08	0	15
16	1945	0	26	28.08	0	16
17	1946	0	29	25.17	0	17
18	1947	0	34	21.47	0	18
19	1948	0	37	19.73	0	19
20	1949	0	39	18.72	0	20
21	1950	0	40	18.25	0	21
22	1951	0	44	16.59	0	22
23	1952	0	45	16.22	0	23
24	1953	0	46	15.87	0	24
25	1954	0	47	15.53	0	25
26	1955	0	49	14.90	0	26
27	1956	936	54	13.52	12,655	27
28	1957	0	57	12.81	0	28
29	1958	2,492	60	12.17	30,328	29
30	1959	9,479	62	11.77	111,568	30
31	1960	702	64	11.41	8,010	31
32	1961	1,566	64	11.41	17,868	32
33	1962	594	66	11.06	6,570	33
34	1963	329	67	10.90	3,586	34
35	1964	3,436	68	10.74	36,903	35
36	1965	8,224	68	10.74	88,326	36
37	1966	16,845	70	10.43	175,693	37
38	1967	1,213	72	10.14	12,300	38
39	1968	5,822	73	10.00	58,220	39
40	1969	9,130	76	9.61	87,739	40
41	1970	6,393	83	8.80	56,258	41
42	1971	20,140	90	8.11	163,335	42
43	1972	99,462	97	7.53	748,949	43
44	1973	2,273	100	7.30	16,593	44
45	1974	21,401	116	6.29	134,612	45
46	1975	8,724	135	5.41	47,197	46
47	1976	0	148	4.93	0	47
48	1977	6,752	158	4.62	31,194	48
49	1978	46,157	173	4.22	194,783	49
50	1979	19,178	187	3.90	74,794	50
51	1980	38,905	203	3.60	140,058	51
52	1981	7,960	224	3.26	25,950	52
53	1982	57,805	246	2.97	171,681	53
54	1983	48,323	246	2.97	143,519	54
55	1984	134,635	248	2.94	395,827	55
56	1985	7,674	243	3.00	23,022	56
57	1986	131,658	243	3.00	394,974	57
58	1987	61,078	250	2.92	178,348	58
59	1988	158,270	267	2.73	432,077	59
60	1989	43,252	278	2.63	113,753	60
61	1990	122,292	276	2.64	322,851	61
62	1991	76,255	279	2.62	199,788	62
63	1992	216,737	288	2.53	548,345	63
64	1993	317,973	298	2.45	779,034	64
65	1994	671,896	310	2.35	1,578,956	65
66	1995	817,501	313	2.33	1,904,777	66
67	1996	999,174	323	2.26	2,258,133	67
68	1997	461,159	332	2.20	1,014,550	68
69	1998	1,737,827	335	2.18	3,788,463	69
70	1999	3,746,193	342	2.13	7,979,391	70
71	2000	848,705	352	2.07	1,756,819	71
72	2001	1,386,585	358	2.04	2,828,633	72
73	2002	2,764,005	363	2.01	5,555,650	73
74	2003	1,319,831	365	2.00	2,639,662	74
75	2004	2,352,864	422	1.73	4,070,455	75
76	2005	1,799,539	480	1.52	2,735,299	76
77	2006	3,449,015	494	1.48	5,104,542	77
78	2007	5,516,544	497	1.47	8,109,320	78
79	2008	2,799,605	544	1.34	3,751,471	79
80	2009	4,158,447	544	1.34	5,572,319	80
81	2010	9,490,984	556	1.31	12,433,189	81
82	2011	5,066,962	632	1.16	5,877,676	82
83	2012	4,072,242	663	1.10	4,479,466	83
84	2013	2,980,758	650	1.12	3,338,449	84
85	2014	3,254,190	664	1.10	3,579,609	85
86	2015	11,845,568	659	1.11	13,148,580	86
87	2016	2,334,155	657	1.11	2,590,912	87
88	2017	3,195,004	684	1.07	3,418,654	88
89	2018	4,480,294	712	1.03	4,614,703	89
90	2019	222,782	730	1.00	222,782	90
91	Total	\$ 83,485,894			\$ 120,339,168	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 380 - Services - Steel			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 7,161	16	39.31	\$ 281,499	1
2	1931	0	15	41.93	0	2
3	1932	85	15	41.93	3,564	3
4	1933	0	14	44.93	0	4
5	1934	9	15	41.93	377	5
6	1935	0	15	41.93	0	6
7	1936	0	16	39.31	0	7
8	1937	0	17	37.00	0	8
9	1938	32	17	37.00	1,184	9
10	1939	693	17	37.00	25,641	10
11	1940	42	18	34.94	1,467	11
12	1941	4,176	18	34.94	145,909	12
13	1942	10,408	19	33.11	344,609	13
14	1943	721	19	33.11	23,872	14
15	1944	14,927	19	33.11	494,233	15
16	1945	30,374	19	33.11	1,005,683	16
17	1946	64,254	22	28.59	1,837,022	17
18	1947	121,613	25	25.16	3,059,783	18
19	1948	212,279	28	22.46	4,767,786	19
20	1949	41,949	30	20.97	879,671	20
21	1950	271,327	32	19.66	5,334,289	21
22	1951	383,096	33	19.06	7,301,810	22
23	1952	448,592	35	17.97	8,061,198	23
24	1953	329,248	37	17.00	5,597,216	24
25	1954	313,787	39	16.13	5,061,384	25
26	1955	920,349	41	15.34	14,118,154	26
27	1956	540,956	45	13.98	7,562,565	27
28	1957	564,890	48	13.10	7,400,059	28
29	1958	554,520	50	12.58	6,975,862	29
30	1959	203,519	53	11.87	2,415,771	30
31	1960	8,619	54	11.65	100,411	31
32	1961	26,221	58	10.84	284,236	32
33	1962	23,813	60	10.48	249,560	33
34	1963	16,610	60	10.48	174,073	34
35	1964	7,200	63	9.98	71,856	35
36	1965	34,640	64	9.83	340,511	36
37	1966	10,821	66	9.53	103,124	37
38	1967	4,574	69	9.12	41,715	38
39	1968	5,279	72	8.74	46,138	39
40	1969	1,488	77	8.17	12,157	40
41	1970	9,955	84	7.49	74,563	41
42	1971	5,325	90	6.99	37,222	42
43	1972	31,166	95	6.62	206,319	43
44	1973	23,091	100	6.29	145,242	44
45	1974	51,122	113	5.57	284,750	45
46	1975	5,293	129	4.88	25,830	46
47	1976	6,301	138	4.56	28,733	47
48	1977	9,562	149	4.22	40,352	48
49	1978	2,958	161	3.91	11,566	49
50	1979	94,261	176	3.57	336,512	50
51	1980	197,790	192	3.28	648,751	51
52	1981	216,195	208	3.02	652,909	52
53	1982	17,011	226	2.78	47,291	53
54	1983	361,216	232	2.71	976,895	54
55	1984	186,660	237	2.65	494,649	55
56	1985	18,541	234	2.69	49,875	56
57	1986	22,675	233	2.70	61,223	57
58	1987	9,211	241	2.61	24,041	58
59	1988	11,914	246	2.56	30,500	59
60	1989	6,115	251	2.51	15,349	60
61	1990	86,210	262	2.40	206,904	61
62	1991	90,575	272	2.31	209,228	62
63	1992	75,603	278	2.26	170,863	63
64	1993	1,110,810	285	2.21	2,454,890	64
65	1994	394,024	293	2.15	847,152	65
66	1995	655,819	292	2.15	1,410,011	66
67	1996	206,105	296	2.13	439,004	67
68	1997	278,379	301	2.09	581,812	68
69	1998	429,014	306	2.06	883,769	69
70	1999	221,704	313	2.01	445,625	70
71	2000	181,989	323	1.95	354,879	71
72	2001	218,664	331	1.90	415,462	72
73	2002	291,827	338	1.86	542,798	73
74	2003	244,016	347	1.81	441,669	74
75	2004	387,270	382	1.65	638,996	75
76	2005	180,807	426	1.48	267,594	76
77	2006	78,661	436	1.44	113,272	77
78	2007	310,256	435	1.45	449,871	78
79	2008	208,587	473	1.33	277,421	79
80	2009	292,704	485	1.30	380,515	80
81	2010	121,719	502	1.25	152,149	81
82	2011	151,210	541	1.16	175,404	82
83	2012	141,811	575	1.09	154,574	83
84	2013	222,625	576	1.09	242,661	84
85	2014	347,594	582	1.08	375,402	85
86	2015	118,554	578	1.09	129,224	86
87	2016	422,650	577	1.09	460,689	87
88	2017	392,206	598	1.05	411,816	88
89	2018	1,801,637	618	1.02	1,837,670	89
90	2019	259,508	629	1.00	259,508	90
91	Total	\$ 16,387,172			\$ 104,049,793	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 380 - Services - Plastic			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 1	0	0.00	\$ 0	1
2	1931	0	0	0.00	0	2
3	1932	0	0	0.00	0	3
4	1933	0	0	0.00	0	4
5	1934	0	0	0.00	0	5
6	1935	92	0	0.00	0	6
7	1936	2	0	0.00	0	7
8	1937	77	0	0.00	0	8
9	1938	57	0	0.00	0	9
10	1939	3	0	0.00	0	10
11	1940	343	0	0.00	0	11
12	1941	0	0	0.00	0	12
13	1942	11	0	0.00	0	13
14	1943	0	0	0.00	0	14
15	1944	1	0	0.00	0	15
16	1945	0	0	0.00	0	16
17	1946	0	0	0.00	0	17
18	1947	5	0	0.00	0	18
19	1948	127	0	0.00	0	19
20	1949	13,308	0	0.00	0	20
21	1950	0	0	0.00	0	21
22	1951	329	0	0.00	0	22
23	1952	0	0	0.00	0	23
24	1953	7,774	45	11.40	88,624	24
25	1954	18,386	46	11.15	205,004	25
26	1955	90,860	47	10.91	991,283	26
27	1956	63,142	49	10.47	661,097	27
28	1957	135,991	52	9.87	1,342,231	28
29	1958	171,774	54	9.50	1,631,853	29
30	1959	421,291	56	9.16	3,859,026	30
31	1960	161,836	57	9.00	1,456,524	31
32	1961	197,004	59	8.69	1,711,965	32
33	1962	365,939	61	8.41	3,077,547	33
34	1963	380,675	62	8.27	3,148,182	34
35	1964	327,404	64	8.02	2,625,780	35
36	1965	354,878	65	7.89	2,799,987	36
37	1966	286,972	68	7.54	2,163,769	37
38	1967	322,484	71	7.23	2,331,559	38
39	1968	204,032	74	6.93	1,413,942	39
40	1969	3,375	78	6.58	22,208	40
41	1970	56,566	84	6.11	345,618	41
42	1971	105,690	89	5.76	608,774	42
43	1972	237,405	95	5.40	1,281,987	43
44	1973	116,016	100	5.13	595,162	44
45	1974	640,941	111	4.62	2,961,147	45
46	1975	145,488	127	4.04	587,772	46
47	1976	147,598	134	3.83	565,300	47
48	1977	94,451	144	3.56	336,246	48
49	1978	31,320	155	3.31	103,669	49
50	1979	872,898	170	3.02	2,636,152	50
51	1980	1,214,675	184	2.79	3,388,943	51
52	1981	1,506,041	197	2.60	3,915,707	52
53	1982	931,999	218	2.35	2,190,198	53
54	1983	13,852,040	227	2.26	31,305,610	54
55	1984	14,715,552	230	2.23	32,815,681	55
56	1985	7,533,854	226	2.27	17,101,849	56
57	1986	15,581,898	230	2.23	34,747,633	57
58	1987	14,829,987	236	2.17	32,181,072	58
59	1988	13,795,708	240	2.14	29,522,815	59
60	1989	10,748,288	247	2.08	22,356,439	60
61	1990	14,394,296	256	2.00	28,788,592	61
62	1991	6,205,006	265	1.94	12,037,712	62
63	1992	10,737,711	269	1.91	20,509,028	63
64	1993	13,499,268	277	1.85	24,973,646	64
65	1994	20,572,320	281	1.83	37,647,346	65
66	1995	22,924,459	279	1.84	42,181,005	66
67	1996	27,407,170	287	1.79	49,058,834	67
68	1997	24,400,944	292	1.76	42,945,661	68
69	1998	25,159,881	297	1.73	43,526,594	69
70	1999	31,813,231	304	1.69	53,764,360	70
71	2000	28,951,622	312	1.64	47,480,660	71
72	2001	29,878,771	323	1.59	47,507,246	72
73	2002	30,685,944	333	1.54	47,256,354	73
74	2003	29,931,832	339	1.51	45,197,066	74
75	2004	29,932,608	348	1.47	44,000,934	75
76	2005	27,828,750	364	1.41	39,238,538	76
77	2006	36,497,584	377	1.36	49,636,714	77
78	2007	29,413,695	392	1.31	38,531,940	78
79	2008	28,447,159	411	1.25	35,558,949	79
80	2009	21,292,121	432	1.19	25,337,624	80
81	2010	26,150,788	440	1.17	30,596,422	81
82	2011	20,570,174	454	1.13	23,244,297	82
83	2012	25,294,882	469	1.09	27,571,421	83
84	2013	27,042,824	473	1.08	29,206,250	84
85	2014	31,474,387	481	1.07	33,677,594	85
86	2015	42,691,485	486	1.06	45,252,974	86
87	2016	51,969,043	497	1.03	53,528,114	87
88	2017	75,797,515	507	1.01	76,555,490	88
89	2018	108,916,411	514	1.00	108,916,411	89
90	2019	6,167,781	513	1.00	6,167,781	90
91	Total	\$ 1,006,736,250			\$ 1,458,973,912	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 381 - Meters, Regulators, and Installations			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 36,706	27	17.67	\$ 648,595	1
2	1931	61	26	18.35	1,119	2
3	1932	82	25	19.08	1,565	3
4	1933	61	25	19.08	1,164	4
5	1934	82	25	19.08	1,565	5
6	1935	80	25	19.08	1,526	6
7	1936	69,796	25	19.08	1,331,708	7
8	1937	10,559	26	18.35	193,758	8
9	1938	4,973	26	18.35	91,255	9
10	1939	2,149	26	18.35	39,434	10
11	1940	3,739	26	18.35	68,611	11
12	1941	9,893	26	18.35	181,537	12
13	1942	10,625	26	18.35	194,969	13
14	1943	10,723	26	18.35	196,767	14
15	1944	5,266	26	18.35	96,631	15
16	1945	5,902	26	18.35	108,302	16
17	1946	17,413	33	14.45	251,618	17
18	1947	33,623	41	11.63	391,035	18
19	1948	70,338	42	11.36	799,040	19
20	1949	57,171	45	10.60	606,013	20
21	1950	43,012	48	9.94	427,539	21
22	1951	78,207	55	8.67	678,055	22
23	1952	45,137	55	8.67	391,338	23
24	1953	64,168	55	8.67	556,337	24
25	1954	31,716	55	8.67	274,978	25
26	1955	32,364	56	8.52	275,741	26
27	1956	56,766	63	7.57	429,719	27
28	1957	53,270	66	7.23	385,142	28
29	1958	79,613	71	6.72	534,999	29
30	1959	87,805	71	6.72	590,050	30
31	1960	91,164	71	6.72	612,622	31
32	1961	86,700	73	6.53	566,151	32
33	1962	80,950	79	6.04	488,938	33
34	1963	99,879	79	6.04	603,269	34
35	1964	70,893	79	6.04	428,194	35
36	1965	60,589	79	6.04	365,958	36
37	1966	30,912	86	5.55	171,562	37
38	1967	78,323	88	5.42	424,511	38
39	1968	95,065	88	5.42	515,252	39
40	1969	81,817	89	5.36	438,539	40
41	1970	138,013	94	5.07	699,726	41
42	1971	244,201	100	4.77	1,164,839	42
43	1972	324,956	100	4.77	1,550,040	43
44	1973	375,076	100	4.77	1,789,113	44
45	1974	404,354	111	4.30	1,738,722	45
46	1975	269,326	128	3.73	1,004,586	46
47	1976	208,911	131	3.64	760,436	47
48	1977	276,528	136	3.51	970,613	48
49	1978	195,379	139	3.43	670,150	49
50	1979	462,025	143	3.34	1,543,164	50
51	1980	837,128	149	3.20	2,678,810	51
52	1981	571,916	158	3.02	1,727,186	52
53	1982	713,980	158	3.02	2,156,220	53
54	1983	1,784,556	146	3.27	5,835,498	54
55	1984	1,140,637	147	3.24	3,695,664	55
56	1985	2,048,947	158	3.02	6,187,820	56
57	1986	995,051	166	2.87	2,855,796	57
58	1987	1,180,752	165	2.89	3,412,373	58
59	1988	2,460,145	170	2.81	6,913,007	59
60	1989	2,671,265	177	2.69	7,185,703	60
61	1990	1,934,602	185	2.58	4,991,273	61
62	1991	3,154,529	190	2.51	7,917,868	62
63	1992	1,822,511	192	2.48	4,519,827	63
64	1993	206,131	191	2.50	515,328	64
65	1994	5,418,864	189	2.52	13,655,537	65
66	1995	4,371,713	190	2.51	10,973,000	66
67	1996	4,252,550	192	2.48	10,546,324	67
68	1997	4,154,762	196	2.43	10,096,072	68
69	1998	4,584,050	196	2.43	11,139,242	69
70	1999	9,102,404	193	2.47	22,482,938	70
71	2000	6,603,038	202	2.36	15,583,170	71
72	2001	7,593,287	209	2.28	17,312,694	72
73	2002	9,012,632	203	2.35	21,179,685	73
74	2003	10,202,432	191	2.50	25,506,080	74
75	2004	13,335,792	183	2.61	34,806,417	75
76	2005	12,556,865	186	2.56	32,145,574	76
77	2006	33,012,917	197	2.42	79,891,259	77
78	2007	25,761,869	226	2.11	54,357,544	78
79	2008	12,566,995	251	1.90	23,877,291	79
80	2009	5,110,523	257	1.86	9,505,573	80
81	2010	3,546,567	254	1.88	6,667,546	81
82	2011	3,670,084	256	1.86	6,826,356	82
83	2012	14,756,609	268	1.78	26,266,764	83
84	2013	13,646,106	295	1.62	22,106,692	84
85	2014	10,476,727	352	1.36	14,248,349	85
86	2015	26,236,693	372	1.28	33,582,967	86
87	2016	9,668,876	388	1.23	11,892,717	87
88	2017	11,711,783	442	1.08	12,648,726	88
89	2018	17,821,670	476	1.00	17,821,670	89
90	2019	2,257,108	477	1.00	2,257,108	90
91	Total	\$ 307,551,427			\$ 634,226,163	91



**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Account 385 - Measuring and Regulating Equipment - Ind.						
Line No.	Year Installed	Original Cost Total Arizona	H - W Index	Ratio To Current Index	RCN Total Arizona	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	24	30.42	\$ 0	1
2	1931	0	24	30.42	0	2
3	1932	0	23	31.74	0	3
4	1933	0	22	33.18	0	4
5	1934	0	22	33.18	0	5
6	1935	0	22	33.18	0	6
7	1936	0	22	33.18	0	7
8	1937	0	24	30.42	0	8
9	1938	0	24	30.42	0	9
10	1939	0	24	30.42	0	10
11	1940	0	26	28.08	0	11
12	1941	0	26	28.08	0	12
13	1942	0	26	28.08	0	13
14	1943	0	26	28.08	0	14
15	1944	0	26	28.08	0	15
16	1945	0	26	28.08	0	16
17	1946	0	29	25.17	0	17
18	1947	0	34	21.47	0	18
19	1948	0	37	19.73	0	19
20	1949	0	39	18.72	0	20
21	1950	0	40	18.25	0	21
22	1951	0	44	16.59	0	22
23	1952	0	45	16.22	0	23
24	1953	0	46	15.87	0	24
25	1954	0	47	15.53	0	25
26	1955	0	49	14.90	0	26
27	1956	0	54	13.52	0	27
28	1957	0	57	12.81	0	28
29	1958	0	60	12.17	0	29
30	1959	0	62	11.77	0	30
31	1960	0	64	11.41	0	31
32	1961	0	64	11.41	0	32
33	1962	0	66	11.06	0	33
34	1963	0	67	10.90	0	34
35	1964	0	68	10.74	0	35
36	1965	0	68	10.74	0	36
37	1966	0	70	10.43	0	37
38	1967	0	72	10.14	0	38
39	1968	53,003	73	10.00	530,030	39
40	1969	0	76	9.61	0	40
41	1970	0	83	8.80	0	41
42	1971	0	90	8.11	0	42
43	1972	21,891	97	7.53	164,839	43
44	1973	32,288	100	7.30	235,702	44
45	1974	103,218	116	6.29	649,241	45
46	1975	76,790	135	5.41	415,434	46
47	1976	45,302	148	4.93	223,339	47
48	1977	16,356	158	4.62	75,565	48
49	1978	17,162	173	4.22	72,424	49
50	1979	31,941	187	3.90	124,570	50
51	1980	123,098	203	3.60	443,153	51
52	1981	102,045	224	3.26	332,667	52
53	1982	140,659	246	2.97	417,757	53
54	1983	172,078	246	2.97	511,072	54
55	1984	350,379	248	2.94	1,030,114	55
56	1985	61,717	243	3.00	185,151	56
57	1986	156,319	243	3.00	468,957	57
58	1987	14,460	250	2.92	42,223	58
59	1988	164,131	267	2.73	448,078	59
60	1989	89,818	278	2.63	236,221	60
61	1990	52,403	276	2.64	138,344	61
62	1991	61,230	279	2.62	160,423	62
63	1992	35,239	288	2.53	89,155	63
64	1993	190,450	298	2.45	466,603	64
65	1994	231,812	310	2.35	544,758	65
66	1995	326,694	313	2.33	761,197	66
67	1996	461,199	323	2.26	1,042,310	67
68	1997	546,746	332	2.20	1,202,841	68
69	1998	675,648	335	2.18	1,472,913	69
70	1999	521,190	342	2.13	1,110,135	70
71	2000	191,839	352	2.07	397,107	71
72	2001	289,260	358	2.04	590,090	72
73	2002	347,407	363	2.01	698,288	73
74	2003	231,876	365	2.00	463,752	74
75	2004	344,321	422	1.73	595,675	75
76	2005	402,876	480	1.52	612,372	76
77	2006	335,049	494	1.48	495,873	77
78	2007	460,539	497	1.47	676,992	78
79	2008	618,826	544	1.34	829,227	79
80	2009	2,161,353	544	1.34	2,896,213	80
81	2010	300,863	556	1.31	394,131	81
82	2011	246,214	632	1.16	285,608	82
83	2012	165,580	663	1.10	182,138	83
84	2013	302,603	650	1.12	338,915	84
85	2014	338,672	664	1.10	372,539	85
86	2015	164,175	659	1.11	182,234	86
87	2016	159,896	657	1.11	177,485	87
88	2017	102,997	684	1.07	110,207	88
89	2018	356,489	712	1.03	367,184	89
90	2019	49,041	730	1.00	49,041	90
91	Total	\$ 12,445,142			\$ 24,310,287	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 387 - Other Distribution Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	24	30.42	\$ 0	1
2	1931	0	24	30.42	0	2
3	1932	0	23	31.74	0	3
4	1933	0	22	33.18	0	4
5	1934	0	22	33.18	0	5
6	1935	0	22	33.18	0	6
7	1936	0	22	33.18	0	7
8	1937	0	24	30.42	0	8
9	1938	0	24	30.42	0	9
10	1939	0	24	30.42	0	10
11	1940	0	26	28.08	0	11
12	1941	0	26	28.08	0	12
13	1942	0	26	28.08	0	13
14	1943	0	26	28.08	0	14
15	1944	0	26	28.08	0	15
16	1945	0	26	28.08	0	16
17	1946	0	29	25.17	0	17
18	1947	0	34	21.47	0	18
19	1948	0	37	19.73	0	19
20	1949	0	39	18.72	0	20
21	1950	0	40	18.25	0	21
22	1951	0	44	16.59	0	22
23	1952	0	45	16.22	0	23
24	1953	0	46	15.87	0	24
25	1954	0	47	15.53	0	25
26	1955	0	49	14.90	0	26
27	1956	0	54	13.52	0	27
28	1957	0	57	12.81	0	28
29	1958	0	60	12.17	0	29
30	1959	0	62	11.77	0	30
31	1960	0	64	11.41	0	31
32	1961	0	64	11.41	0	32
33	1962	0	66	11.06	0	33
34	1963	0	67	10.90	0	34
35	1964	0	68	10.74	0	35
36	1965	0	68	10.74	0	36
37	1966	0	70	10.43	0	37
38	1967	0	72	10.14	0	38
39	1968	0	73	10.00	0	39
40	1969	0	76	9.61	0	40
41	1970	0	83	8.80	0	41
42	1971	0	90	8.11	0	42
43	1972	0	97	7.53	0	43
44	1973	0	100	7.30	0	44
45	1974	0	116	6.29	0	45
46	1975	2,619	135	5.41	14,169	46
47	1976	0	148	4.93	0	47
48	1977	0	158	4.62	0	48
49	1978	0	173	4.22	0	49
50	1979	35,268	187	3.90	137,545	50
51	1980	34,199	203	3.60	123,116	51
52	1981	88,691	224	3.26	289,133	52
53	1982	254,179	246	2.97	754,912	53
54	1983	0	246	2.97	0	54
55	1984	12,674	248	2.94	37,262	55
56	1985	0	243	3.00	0	56
57	1986	4,468	243	3.00	13,404	57
58	1987	0	250	2.92	0	58
59	1988	0	267	2.73	0	59
60	1989	0	278	2.63	0	60
61	1990	0	276	2.64	0	61
62	1991	0	279	2.62	0	62
63	1992	0	288	2.53	0	63
64	1993	0	298	2.45	0	64
65	1994	0	310	2.35	0	65
66	1995	0	313	2.33	0	66
67	1996	0	323	2.26	0	67
68	1997	0	332	2.20	0	68
69	1998	0	335	2.18	0	69
70	1999	0	342	2.13	0	70
71	2000	0	352	2.07	0	71
72	2001	0	358	2.04	0	72
73	2002	0	363	2.01	0	73
74	2003	0	365	2.00	0	74
75	2004	0	422	1.73	0	75
76	2005	0	480	1.52	0	76
77	2006	0	494	1.48	0	77
78	2007	0	497	1.47	0	78
79	2008	0	544	1.34	0	79
80	2009	0	544	1.34	0	80
81	2010	0	556	1.31	0	81
82	2011	0	632	1.16	0	82
83	2012	0	663	1.10	0	83
84	2013	0	650	1.12	0	84
85	2014	0	664	1.10	0	85
86	2015	0	659	1.11	0	86
87	2016	0	657	1.11	0	87
88	2017	0	684	1.07	0	88
89	2018	0	712	1.03	0	89
90	2019	0	730	1.00	0	90
91	Total	\$ 432,098			\$ 1,369,541	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 389 - Land and Land Rights			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	1	1.00	\$ 0	1
2	1931	0	1	1.00	0	2
3	1932	0	1	1.00	0	3
4	1933	0	1	1.00	0	4
5	1934	0	1	1.00	0	5
6	1935	0	1	1.00	0	6
7	1936	0	1	1.00	0	7
8	1937	0	1	1.00	0	8
9	1938	0	1	1.00	0	9
10	1939	0	1	1.00	0	10
11	1940	0	1	1.00	0	11
12	1941	0	1	1.00	0	12
13	1942	0	1	1.00	0	13
14	1943	0	1	1.00	0	14
15	1944	0	1	1.00	0	15
16	1945	0	1	1.00	0	16
17	1946	0	1	1.00	0	17
18	1947	0	1	1.00	0	18
19	1948	0	1	1.00	0	19
20	1949	0	1	1.00	0	20
21	1950	0	1	1.00	0	21
22	1951	0	1	1.00	0	22
23	1952	0	1	1.00	0	23
24	1953	0	1	1.00	0	24
25	1954	0	1	1.00	0	25
26	1955	0	1	1.00	0	26
27	1956	0	1	1.00	0	27
28	1957	0	1	1.00	0	28
29	1958	0	1	1.00	0	29
30	1959	0	1	1.00	0	30
31	1960	0	1	1.00	0	31
32	1961	0	1	1.00	0	32
33	1962	0	1	1.00	0	33
34	1963	0	1	1.00	0	34
35	1964	0	1	1.00	0	35
36	1965	0	1	1.00	0	36
37	1966	0	1	1.00	0	37
38	1967	0	1	1.00	0	38
39	1968	0	1	1.00	0	39
40	1969	0	1	1.00	0	40
41	1970	2,027	1	1.00	2,027	41
42	1971	0	1	1.00	0	42
43	1972	0	1	1.00	0	43
44	1973	0	1	1.00	0	44
45	1974	0	1	1.00	0	45
46	1975	0	1	1.00	0	46
47	1976	0	1	1.00	0	47
48	1977	0	1	1.00	0	48
49	1978	0	1	1.00	0	49
50	1979	0	1	1.00	0	50
51	1980	573,337	1	1.00	573,337	51
52	1981	0	1	1.00	0	52
53	1982	0	1	1.00	0	53
54	1983	0	1	1.00	0	54
55	1984	792,870	1	1.00	792,870	55
56	1985	895,545	1	1.00	895,545	56
57	1986	288,000	1	1.00	288,000	57
58	1987	0	1	1.00	0	58
59	1988	0	1	1.00	0	59
60	1989	3,091,145	1	1.00	3,091,145	60
61	1990	0	1	1.00	0	61
62	1991	0	1	1.00	0	62
63	1992	0	1	1.00	0	63
64	1993	0	1	1.00	0	64
65	1994	0	1	1.00	0	65
66	1995	0	1	1.00	0	66
67	1996	0	1	1.00	0	67
68	1997	173,927	1	1.00	173,927	68
69	1998	0	1	1.00	0	69
70	1999	0	1	1.00	0	70
71	2000	0	1	1.00	0	71
72	2001	0	1	1.00	0	72
73	2002	0	1	1.00	0	73
74	2003	0	1	1.00	0	74
75	2004	0	1	1.00	0	75
76	2005	0	1	1.00	0	76
77	2006	0	1	1.00	0	77
78	2007	1,963,827	1	1.00	1,963,827	78
79	2008	6,724,780	1	1.00	6,724,780	79
80	2009	49,980	1	1.00	49,980	80
81	2010	19,406	1	1.00	19,406	81
82	2011	0	1	1.00	0	82
83	2012	0	1	1.00	0	83
84	2013	0	1	1.00	0	84
85	2014	1,507,492	1	1.00	1,507,492	85
86	2015	0	1	1.00	0	86
87	2016	509,933	1	1.00	509,933	87
88	2017	421,201	1	1.00	421,201	88
89	2018	199,187	1	1.00	199,187	89
90	2019	0	1	1.00	0	90
91	Total	\$ 17,212,657			\$ 17,212,657	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 390.1 - Structures and Improvements			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	19	25.68	\$ 0	1
2	1931	0	17	28.71	0	2
3	1932	0	16	30.50	0	3
4	1933	0	17	28.71	0	4
5	1934	0	19	25.68	0	5
6	1935	0	18	27.11	0	6
7	1936	0	19	25.68	0	7
8	1937	0	20	24.40	0	8
9	1938	0	20	24.40	0	9
10	1939	0	20	24.40	0	10
11	1940	0	20	24.40	0	11
12	1941	0	22	22.18	0	12
13	1942	0	23	21.22	0	13
14	1943	0	23	21.22	0	14
15	1944	0	24	20.33	0	15
16	1945	0	24	20.33	0	16
17	1946	0	27	18.07	0	17
18	1947	0	32	15.25	0	18
19	1948	0	36	13.56	0	19
20	1949	0	37	13.19	0	20
21	1950	0	39	12.51	0	21
22	1951	0	42	11.62	0	22
23	1952	0	44	11.09	0	23
24	1953	0	44	11.09	0	24
25	1954	0	46	10.61	0	25
26	1955	0	48	10.17	0	26
27	1956	0	52	9.38	0	27
28	1957	0	55	8.87	0	28
29	1958	0	57	8.56	0	29
30	1959	0	58	8.41	0	30
31	1960	0	59	8.27	0	31
32	1961	0	58	8.41	0	32
33	1962	0	59	8.27	0	33
34	1963	0	60	8.13	0	34
35	1964	0	61	8.00	0	35
36	1965	0	64	7.63	0	36
37	1966	0	65	7.51	0	37
38	1967	0	67	7.28	0	38
39	1968	0	71	6.87	0	39
40	1969	0	75	6.51	0	40
41	1970	0	79	6.18	0	41
42	1971	0	87	5.61	0	42
43	1972	0	93	5.25	0	43
44	1973	0	100	4.88	0	44
45	1974	0	118	4.14	0	45
46	1975	0	133	3.67	0	46
47	1976	0	138	3.54	0	47
48	1977	310,920	148	3.30	1,026,036	48
49	1978	2,837	161	3.03	8,596	49
50	1979	0	177	2.76	0	50
51	1980	3,210,683	194	2.52	8,090,921	51
52	1981	28,662	204	2.39	68,502	52
53	1982	0	207	2.36	0	53
54	1983	0	215	2.27	0	54
55	1984	2,259,388	224	2.18	4,925,466	55
56	1985	1,355,801	226	2.16	2,928,530	56
57	1986	979,247	231	2.11	2,066,211	57
58	1987	7,122	232	2.10	14,956	58
59	1988	4,672,049	233	2.09	9,764,582	59
60	1989	2,615,976	232	2.10	5,493,550	60
61	1990	152,713	237	2.06	314,589	61
62	1991	831,926	233	2.09	1,738,725	62
63	1992	17,942	238	2.05	36,781	63
64	1993	20,803	250	1.95	40,566	64
65	1994	0	261	1.87	0	65
66	1995	282,554	265	1.84	519,899	66
67	1996	39,764	176	2.77	110,146	67
68	1997	5,477	282	1.73	9,475	68
69	1998	178,764	285	1.71	305,686	69
70	1999	751,319	287	1.70	1,277,242	70
71	2000	228,993	295	1.65	377,838	71
72	2001	133,330	303	1.61	214,661	72
73	2002	171,939	310	1.57	269,944	73
74	2003	182,899	320	1.53	279,835	74
75	2004	303,320	342	1.43	433,748	75
76	2005	50,059	355	1.37	68,581	76
77	2006	97,332	364	1.34	130,425	77
78	2007	405,096	382	1.28	518,523	78
79	2008	792,951	398	1.23	975,330	79
80	2009	536,325	389	1.25	670,406	80
81	2010	843,268	399	1.22	1,028,787	81
82	2011	827,878	411	1.19	985,175	82
83	2012	6,184,289	422	1.16	7,173,775	83
84	2013	4,414,353	431	1.13	4,988,219	84
85	2014	10,784,115	440	1.11	11,970,368	85
86	2015	4,396,643	442	1.10	4,836,307	86
87	2016	5,763,078	447	1.09	6,281,755	87
88	2017	970,673	465	1.05	1,019,207	88
89	2018	4,841,900	481	1.01	4,890,319	89
90	2019	0	488	1.00	0	90
91	Total	\$ 59,652,388			\$ 85,853,662	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Account 390.2 - Leasehold Structures and Improvements						
Line No.	Year Installed	Original Cost Total Arizona	H - W Index	Ratio To Current Index	RCN Total Arizona	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	19	25.68	\$ 0	1
2	1931	0	17	28.71	0	2
3	1932	0	16	30.50	0	3
4	1933	0	17	28.71	0	4
5	1934	0	19	25.68	0	5
6	1935	0	18	27.11	0	6
7	1936	0	19	25.68	0	7
8	1937	0	20	24.40	0	8
9	1938	0	20	24.40	0	9
10	1939	0	20	24.40	0	10
11	1940	0	20	24.40	0	11
12	1941	0	22	22.18	0	12
13	1942	0	23	21.22	0	13
14	1943	0	23	21.22	0	14
15	1944	0	24	20.33	0	15
16	1945	0	24	20.33	0	16
17	1946	0	27	18.07	0	17
18	1947	0	32	15.25	0	18
19	1948	0	36	13.56	0	19
20	1949	0	37	13.19	0	20
21	1950	0	39	12.51	0	21
22	1951	0	42	11.62	0	22
23	1952	0	44	11.09	0	23
24	1953	0	44	11.09	0	24
25	1954	0	46	10.61	0	25
26	1955	0	48	10.17	0	26
27	1956	0	52	9.38	0	27
28	1957	0	55	8.87	0	28
29	1958	0	57	8.56	0	29
30	1959	0	58	8.41	0	30
31	1960	0	59	8.27	0	31
32	1961	0	58	8.41	0	32
33	1962	0	59	8.27	0	33
34	1963	0	60	8.13	0	34
35	1964	0	61	8.00	0	35
36	1965	0	64	7.63	0	36
37	1966	0	65	7.51	0	37
38	1967	0	67	7.28	0	38
39	1968	0	71	6.87	0	39
40	1969	0	75	6.51	0	40
41	1970	0	79	6.18	0	41
42	1971	0	87	5.61	0	42
43	1972	0	93	5.25	0	43
44	1973	0	100	4.88	0	44
45	1974	0	118	4.14	0	45
46	1975	0	133	3.67	0	46
47	1976	0	138	3.54	0	47
48	1977	0	148	3.30	0	48
49	1978	0	161	3.03	0	49
50	1979	19,087	177	2.76	52,680	50
51	1980	0	194	2.52	0	51
52	1981	0	204	2.39	0	52
53	1982	0	207	2.36	0	53
54	1983	0	215	2.27	0	54
55	1984	0	224	2.18	0	55
56	1985	0	226	2.16	0	56
57	1986	0	231	2.11	0	57
58	1987	0	232	2.10	0	58
59	1988	0	233	2.09	0	59
60	1989	0	232	2.10	0	60
61	1990	0	237	2.06	0	61
62	1991	0	233	2.09	0	62
63	1992	0	238	2.05	0	63
64	1993	0	250	1.95	0	64
65	1994	0	261	1.87	0	65
66	1995	0	265	1.84	0	66
67	1996	0	176	2.77	0	67
68	1997	9,419	282	1.73	16,295	68
69	1998	0	285	1.71	0	69
70	1999	0	287	1.70	0	70
71	2000	0	295	1.65	0	71
72	2001	0	303	1.61	0	72
73	2002	0	310	1.57	0	73
74	2003	0	320	1.53	0	74
75	2004	0	342	1.43	0	75
76	2005	0	355	1.37	0	76
77	2006	0	364	1.34	0	77
78	2007	0	382	1.28	0	78
79	2008	0	398	1.23	0	79
80	2009	0	389	1.25	0	80
81	2010	0	399	1.22	0	81
82	2011	0	411	1.19	0	82
83	2012	0	422	1.16	0	83
84	2013	0	431	1.13	0	84
85	2014	0	440	1.11	0	85
86	2015	0	442	1.10	0	86
87	2016	0	447	1.09	0	87
88	2017	21,000	465	1.05	22,050	88
89	2018	78,545	481	1.01	79,330	89
90	2019	0	488	1.00	0	90
91	Total	\$ 128,051			\$ 170,355	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 391 - Office Furniture and Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	11	42.55	\$ 0	1
2	1931	0	11	42.55	0	2
3	1932	0	11	42.55	0	3
4	1933	0	11	42.55	0	4
5	1934	0	11	42.55	0	5
6	1935	0	11	42.55	0	6
7	1936	0	12	39.00	0	7
8	1937	0	13	36.00	0	8
9	1938	0	13	36.00	0	9
10	1939	0	13	36.00	0	10
11	1940	0	13	36.00	0	11
12	1941	0	13	36.00	0	12
13	1942	0	15	31.20	0	13
14	1943	0	15	31.20	0	14
15	1944	0	15	31.20	0	15
16	1945	0	16	29.25	0	16
17	1946	0	20	23.40	0	17
18	1947	0	23	20.35	0	18
19	1948	0	26	18.00	0	19
20	1949	0	26	18.00	0	20
21	1950	0	27	17.33	0	21
22	1951	0	29	16.14	0	22
23	1952	0	31	15.10	0	23
24	1953	0	33	14.18	0	24
25	1954	0	34	13.76	0	25
26	1955	0	36	13.00	0	26
27	1956	0	39	12.00	0	27
28	1957	0	41	11.41	0	28
29	1958	0	42	11.14	0	29
30	1959	0	45	10.40	0	30
31	1960	0	46	10.17	0	31
32	1961	0	51	9.18	0	32
33	1962	0	53	8.83	0	33
34	1963	0	55	8.51	0	34
35	1964	0	57	8.21	0	35
36	1965	0	60	7.80	0	36
37	1966	0	62	7.55	0	37
38	1967	0	66	7.09	0	38
39	1968	0	70	6.69	0	39
40	1969	0	74	6.32	0	40
41	1970	0	81	5.78	0	41
42	1971	0	87	5.38	0	42
43	1972	0	94	4.98	0	43
44	1973	0	100	4.68	0	44
45	1974	0	109	4.29	0	45
46	1975	0	123	3.80	0	46
47	1976	0	130	3.60	0	47
48	1977	0	141	3.32	0	48
49	1978	0	151	3.10	0	49
50	1979	0	164	2.85	0	50
51	1980	0	178	2.63	0	51
52	1981	0	186	2.52	0	52
53	1982	0	203	2.31	0	53
54	1983	0	209	2.24	0	54
55	1984	0	212	2.21	0	55
56	1985	0	211	2.22	0	56
57	1986	0	218	2.15	0	57
58	1987	0	226	2.07	0	58
59	1988	0	219	2.14	0	59
60	1989	0	213	2.20	0	60
61	1990	0	228	2.05	0	61
62	1991	0	242	1.93	0	62
63	1992	0	249	1.88	0	63
64	1993	0	260	1.80	0	64
65	1994	0	257	1.82	0	65
66	1995	0	246	1.90	0	66
67	1996	0	250	1.87	0	67
68	1997	0	251	1.86	0	68
69	1998	0	254	1.84	0	69
70	1999	0	261	1.79	0	70
71	2000	0	268	1.75	0	71
72	2001	0	280	1.67	0	72
73	2002	495,406	289	1.62	802,558	73
74	2003	12,036	293	1.60	19,258	74
75	2004	187,663	298	1.57	294,631	75
76	2005	8,828	303	1.54	13,595	76
77	2006	140,745	305	1.53	215,340	77
78	2007	1,193,984	317	1.48	1,767,096	78
79	2008	206,478	337	1.39	287,004	79
80	2009	555,580	359	1.30	722,254	80
81	2010	266,230	375	1.25	332,788	81
82	2011	570,548	387	1.21	690,363	82
83	2012	3,136	405	1.16	3,638	83
84	2013	94,153	412	1.14	107,334	84
85	2014	322,072	427	1.10	354,279	85
86	2015	630,206	429	1.09	686,925	86
87	2016	222,188	440	1.06	235,519	87
88	2017	102,534	449	1.04	106,635	88
89	2018	349,411	468	1.00	349,411	89
90	2019	0	468	1.00	0	90
91	Total	\$ 5,361,198			\$ 6,988,628	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 391.1 - Computer Equipment			RCN		Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index	Total Arizona	Total Arizona	
	(a)	(b)	(c)	(d)	(e)		
1	1930	\$ 0	11	42.55	\$ 0	1	
2	1931	0	11	42.55	0	2	
3	1932	0	11	42.55	0	3	
4	1933	0	11	42.55	0	4	
5	1934	0	11	42.55	0	5	
6	1935	0	11	42.55	0	6	
7	1936	0	12	39.00	0	7	
8	1937	0	13	36.00	0	8	
9	1938	0	13	36.00	0	9	
10	1939	0	13	36.00	0	10	
11	1940	0	13	36.00	0	11	
12	1941	0	13	36.00	0	12	
13	1942	0	15	31.20	0	13	
14	1943	0	15	31.20	0	14	
15	1944	0	15	31.20	0	15	
16	1945	0	16	29.25	0	16	
17	1946	0	20	23.40	0	17	
18	1947	0	23	20.35	0	18	
19	1948	0	26	18.00	0	19	
20	1949	0	26	18.00	0	20	
21	1950	0	27	17.33	0	21	
22	1951	0	29	16.14	0	22	
23	1952	0	31	15.10	0	23	
24	1953	0	33	14.18	0	24	
25	1954	0	34	13.76	0	25	
26	1955	0	36	13.00	0	26	
27	1956	0	39	12.00	0	27	
28	1957	0	41	11.41	0	28	
29	1958	0	42	11.14	0	29	
30	1959	0	45	10.40	0	30	
31	1960	0	46	10.17	0	31	
32	1961	0	51	9.18	0	32	
33	1962	0	53	8.83	0	33	
34	1963	0	55	8.51	0	34	
35	1964	0	57	8.21	0	35	
36	1965	0	60	7.80	0	36	
37	1966	0	62	7.55	0	37	
38	1967	0	66	7.09	0	38	
39	1968	0	70	6.69	0	39	
40	1969	0	74	6.32	0	40	
41	1970	0	81	5.78	0	41	
42	1971	0	87	5.38	0	42	
43	1972	0	94	4.98	0	43	
44	1973	0	100	4.68	0	44	
45	1974	0	109	4.29	0	45	
46	1975	0	123	3.80	0	46	
47	1976	0	130	3.60	0	47	
48	1977	0	141	3.32	0	48	
49	1978	0	151	3.10	0	49	
50	1979	0	164	2.85	0	50	
51	1980	0	178	2.63	0	51	
52	1981	0	186	2.52	0	52	
53	1982	0	203	2.31	0	53	
54	1983	0	209	2.24	0	54	
55	1984	0	212	2.21	0	55	
56	1985	0	211	2.22	0	56	
57	1986	0	218	2.15	0	57	
58	1987	0	226	2.07	0	58	
59	1988	0	219	2.14	0	59	
60	1989	0	213	2.20	0	60	
61	1990	0	228	2.05	0	61	
62	1991	0	242	1.93	0	62	
63	1992	0	249	1.88	0	63	
64	1993	0	260	1.80	0	64	
65	1994	0	257	1.82	0	65	
66	1995	0	246	1.90	0	66	
67	1996	0	250	1.87	0	67	
68	1997	0	251	1.86	0	68	
69	1998	0	254	1.84	0	69	
70	1999	0	261	1.79	0	70	
71	2000	0	268	1.75	0	71	
72	2001	0	280	1.67	0	72	
73	2002	0	289	1.62	0	73	
74	2003	0	293	1.60	0	74	
75	2004	0	298	1.57	0	75	
76	2005	0	303	1.54	0	76	
77	2006	0	305	1.53	0	77	
78	2007	0	317	1.48	0	78	
79	2008	0	337	1.39	0	79	
80	2009	0	359	1.30	0	80	
81	2010	0	375	1.25	0	81	
82	2011	0	387	1.21	0	82	
83	2012	0	405	1.16	0	83	
84	2013	0	412	1.14	0	84	
85	2014	696,353	427	1.10	765,988	85	
86	2015	2,144,844	429	1.09	2,337,880	86	
87	2016	3,771,894	440	1.06	3,998,208	87	
88	2017	4,438,873	449	1.04	4,616,428	88	
89	2018	3,991,101	468	1.00	3,991,101	89	
90	2019	0	468	1.00	0	90	
91	Total	\$ 15,043,065			\$ 15,709,605	91	

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 392.1 - Transportation Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	22	23.55	\$ 0	1
2	1931	0	20	25.90	0	2
3	1932	0	19	27.26	0	3
4	1933	0	19	27.26	0	4
5	1934	0	20	25.90	0	5
6	1935	0	21	24.67	0	6
7	1936	0	21	24.67	0	7
8	1937	0	23	22.52	0	8
9	1938	0	23	22.52	0	9
10	1939	0	23	22.52	0	10
11	1940	0	24	21.58	0	11
12	1941	0	25	20.72	0	12
13	1942	0	28	18.50	0	13
14	1943	0	29	17.86	0	14
15	1944	0	29	17.86	0	15
16	1945	0	29	17.86	0	16
17	1946	0	34	15.24	0	17
18	1947	0	37	14.00	0	18
19	1948	0	39	13.28	0	19
20	1949	0	40	12.95	0	20
21	1950	0	42	12.33	0	21
22	1951	0	45	11.51	0	22
23	1952	0	46	11.26	0	23
24	1953	0	49	10.57	0	24
25	1954	0	49	10.57	0	25
26	1955	0	51	10.16	0	26
27	1956	0	55	9.42	0	27
28	1957	0	59	8.78	0	28
29	1958	0	62	8.35	0	29
30	1959	0	64	8.09	0	30
31	1960	0	65	7.97	0	31
32	1961	0	67	7.73	0	32
33	1962	0	67	7.73	0	33
34	1963	0	68	7.62	0	34
35	1964	0	70	7.40	0	35
36	1965	0	71	7.30	0	36
37	1966	0	73	7.10	0	37
38	1967	0	76	6.82	0	38
39	1968	0	80	6.48	0	39
40	1969	0	84	6.17	0	40
41	1970	0	88	5.89	0	41
42	1971	0	93	5.57	0	42
43	1972	0	95	5.45	0	43
44	1973	0	100	5.18	0	44
45	1974	0	117	4.43	0	45
46	1975	0	141	3.67	0	46
47	1976	0	153	3.39	0	47
48	1977	0	164	3.16	0	48
49	1978	0	178	2.91	0	49
50	1979	0	197	2.63	0	50
51	1980	0	222	2.33	0	51
52	1981	0	246	2.11	0	52
53	1982	0	263	1.97	0	53
54	1983	0	269	1.93	0	54
55	1984	0	273	1.90	0	55
56	1985	0	276	1.88	0	56
57	1986	0	280	1.85	0	57
58	1987	0	286	1.81	0	58
59	1988	0	295	1.76	0	59
60	1989	0	281	1.84	0	60
61	1990	0	298	1.74	0	61
62	1991	0	320	1.62	0	62
63	1992	0	316	1.64	0	63
64	1993	0	324	1.60	0	64
65	1994	0	331	1.56	0	65
66	1995	0	333	1.56	0	66
67	1996	0	336	1.54	0	67
68	1997	0	351	1.48	0	68
69	1998	0	380	1.36	0	69
70	1999	0	385	1.35	0	70
71	2000	0	389	1.33	0	71
72	2001	0	390	1.33	0	72
73	2002	0	395	1.31	0	73
74	2003	0	401	1.29	0	74
75	2004	0	414	1.25	0	75
76	2005	0	439	1.18	0	76
77	2006	0	457	1.13	0	77
78	2007	568,627	469	1.10	625,490	78
79	2008	1,397,576	485	1.07	1,495,406	79
80	2009	2,700,769	501	1.03	2,781,792	80
81	2010	1,200,738	503	1.03	1,236,760	81
82	2011	5,060,886	516	1.00	5,060,886	82
83	2012	3,037,568	538	0.96	2,916,065	83
84	2013	4,444,643	551	0.94	4,177,964	84
85	2014	4,071,679	560	0.93	3,786,661	85
86	2015	4,370,262	567	0.91	3,976,938	86
87	2016	4,424,190	573	0.90	3,981,771	87
88	2017	4,656,517	578	0.90	4,190,865	88
89	2018	5,942,208	576	0.90	5,347,987	89
90	2019	0	518	1.00	0	90
91	Total	\$ 41,875,663			\$ 39,578,585	91



**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 393 - Stores Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	22	23.55	\$ 0	1
2	1931	0	20	25.90	0	2
3	1932	0	19	27.26	0	3
4	1933	0	19	27.26	0	4
5	1934	0	20	25.90	0	5
6	1935	0	21	24.67	0	6
7	1936	0	21	24.67	0	7
8	1937	0	23	22.52	0	8
9	1938	0	23	22.52	0	9
10	1939	0	23	22.52	0	10
11	1940	0	24	21.58	0	11
12	1941	0	25	20.72	0	12
13	1942	0	28	18.50	0	13
14	1943	0	29	17.86	0	14
15	1944	0	29	17.86	0	15
16	1945	0	29	17.86	0	16
17	1946	0	34	15.24	0	17
18	1947	0	37	14.00	0	18
19	1948	0	39	13.28	0	19
20	1949	0	40	12.95	0	20
21	1950	0	42	12.33	0	21
22	1951	0	45	11.51	0	22
23	1952	0	46	11.26	0	23
24	1953	0	49	10.57	0	24
25	1954	0	49	10.57	0	25
26	1955	0	51	10.16	0	26
27	1956	0	55	9.42	0	27
28	1957	0	59	8.78	0	28
29	1958	0	62	8.35	0	29
30	1959	0	64	8.09	0	30
31	1960	0	65	7.97	0	31
32	1961	0	67	7.73	0	32
33	1962	0	67	7.73	0	33
34	1963	0	68	7.62	0	34
35	1964	0	70	7.40	0	35
36	1965	0	71	7.30	0	36
37	1966	0	73	7.10	0	37
38	1967	0	76	6.82	0	38
39	1968	0	80	6.48	0	39
40	1969	0	84	6.17	0	40
41	1970	0	88	5.89	0	41
42	1971	0	93	5.57	0	42
43	1972	0	95	5.45	0	43
44	1973	0	100	5.18	0	44
45	1974	0	117	4.43	0	45
46	1975	0	141	3.67	0	46
47	1976	0	153	3.39	0	47
48	1977	0	164	3.16	0	48
49	1978	0	178	2.91	0	49
50	1979	0	197	2.63	0	50
51	1980	0	222	2.33	0	51
52	1981	0	246	2.11	0	52
53	1982	0	263	1.97	0	53
54	1983	0	269	1.93	0	54
55	1984	0	273	1.90	0	55
56	1985	0	276	1.88	0	56
57	1986	0	280	1.85	0	57
58	1987	0	286	1.81	0	58
59	1988	0	295	1.76	0	59
60	1989	0	281	1.84	0	60
61	1990	0	298	1.74	0	61
62	1991	0	320	1.62	0	62
63	1992	0	316	1.64	0	63
64	1993	0	324	1.60	0	64
65	1994	17,116	331	1.56	26,701	65
66	1995	0	333	1.56	0	66
67	1996	0	336	1.54	0	67
68	1997	41,959	351	1.48	62,099	68
69	1998	0	380	1.36	0	69
70	1999	50,326	385	1.35	67,940	70
71	2000	10,930	389	1.33	14,537	71
72	2001	4,375	390	1.33	5,819	72
73	2002	73,300	395	1.31	96,023	73
74	2003	0	401	1.29	0	74
75	2004	26,256	414	1.25	32,820	75
76	2005	64,821	439	1.18	76,489	76
77	2006	11,760	457	1.13	13,289	77
78	2007	0	469	1.10	0	78
79	2008	81,414	485	1.07	87,113	79
80	2009	0	501	1.03	0	80
81	2010	27,374	503	1.03	28,195	81
82	2011	45,503	516	1.00	45,503	82
83	2012	1,940	538	0.96	1,862	83
84	2013	41,240	551	0.94	38,766	84
85	2014	49,821	560	0.93	46,334	85
86	2015	69,873	567	0.91	63,584	86
87	2016	192,568	573	0.90	173,311	87
88	2017	11,437	578	0.90	10,293	88
89	2018	117,113	576	0.90	105,402	89
90	2019	0	518	1.00	0	90
91	Total	\$ 939,126			\$ 996,080	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 394 - Tools, Shop and Garage Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	22	23.55	\$ 0	1
2	1931	0	20	25.90	0	2
3	1932	0	19	27.26	0	3
4	1933	0	19	27.26	0	4
5	1934	0	20	25.90	0	5
6	1935	0	21	24.67	0	6
7	1936	0	21	24.67	0	7
8	1937	0	23	22.52	0	8
9	1938	0	23	22.52	0	9
10	1939	0	23	22.52	0	10
11	1940	0	24	21.58	0	11
12	1941	0	25	20.72	0	12
13	1942	0	28	18.50	0	13
14	1943	0	29	17.86	0	14
15	1944	0	29	17.86	0	15
16	1945	0	29	17.86	0	16
17	1946	0	34	15.24	0	17
18	1947	0	37	14.00	0	18
19	1948	0	39	13.28	0	19
20	1949	0	40	12.95	0	20
21	1950	0	42	12.33	0	21
22	1951	0	45	11.51	0	22
23	1952	0	46	11.26	0	23
24	1953	0	49	10.57	0	24
25	1954	0	49	10.57	0	25
26	1955	0	51	10.16	0	26
27	1956	0	55	9.42	0	27
28	1957	0	59	8.78	0	28
29	1958	0	62	8.35	0	29
30	1959	0	64	8.09	0	30
31	1960	0	65	7.97	0	31
32	1961	0	67	7.73	0	32
33	1962	0	67	7.73	0	33
34	1963	0	68	7.62	0	34
35	1964	0	70	7.40	0	35
36	1965	0	71	7.30	0	36
37	1966	0	73	7.10	0	37
38	1967	0	76	6.82	0	38
39	1968	0	80	6.48	0	39
40	1969	0	84	6.17	0	40
41	1970	0	88	5.89	0	41
42	1971	0	93	5.57	0	42
43	1972	0	95	5.45	0	43
44	1973	0	100	5.18	0	44
45	1974	0	117	4.43	0	45
46	1975	0	141	3.67	0	46
47	1976	0	153	3.39	0	47
48	1977	0	164	3.16	0	48
49	1978	0	178	2.91	0	49
50	1979	0	197	2.63	0	50
51	1980	0	222	2.33	0	51
52	1981	0	246	2.11	0	52
53	1982	0	263	1.97	0	53
54	1983	0	269	1.93	0	54
55	1984	0	273	1.90	0	55
56	1985	0	276	1.88	0	56
57	1986	0	280	1.85	0	57
58	1987	0	286	1.81	0	58
59	1988	0	295	1.76	0	59
60	1989	0	281	1.84	0	60
61	1990	0	298	1.74	0	61
62	1991	0	320	1.62	0	62
63	1992	0	316	1.64	0	63
64	1993	0	324	1.60	0	64
65	1994	0	331	1.56	0	65
66	1995	0	333	1.56	0	66
67	1996	0	336	1.54	0	67
68	1997	0	351	1.48	0	68
69	1998	0	380	1.36	0	69
70	1999	0	385	1.35	0	70
71	2000	0	389	1.33	0	71
72	2001	0	390	1.33	0	72
73	2002	0	395	1.31	0	73
74	2003	0	401	1.29	0	74
75	2004	225,246	414	1.25	281,558	75
76	2005	422,568	439	1.18	498,630	76
77	2006	422,962	457	1.13	477,947	77
78	2007	423,466	469	1.10	465,813	78
79	2008	343,920	485	1.07	367,994	79
80	2009	1,461,053	501	1.03	1,504,885	80
81	2010	395,084	503	1.03	406,937	81
82	2011	626,663	516	1.00	626,663	82
83	2012	481,562	538	0.96	462,300	83
84	2013	754,983	551	0.94	709,684	84
85	2014	1,043,422	560	0.93	970,382	85
86	2015	1,302,683	567	0.91	1,185,442	86
87	2016	1,188,647	573	0.90	1,069,782	87
88	2017	1,708,014	578	0.90	1,537,213	88
89	2018	1,327,044	576	0.90	1,194,340	89
90	2019	26,903	518	1.00	26,903	90
91	Total	\$ 12,154,220			\$ 11,786,473	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 395 - Laboratory Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	11	42.55	\$ 0	1
2	1931	0	11	42.55	0	2
3	1932	0	11	42.55	0	3
4	1933	0	11	42.55	0	4
5	1934	0	11	42.55	0	5
6	1935	0	11	42.55	0	6
7	1936	0	12	39.00	0	7
8	1937	0	13	36.00	0	8
9	1938	0	13	36.00	0	9
10	1939	0	13	36.00	0	10
11	1940	0	13	36.00	0	11
12	1941	0	13	36.00	0	12
13	1942	0	15	31.20	0	13
14	1943	0	15	31.20	0	14
15	1944	0	15	31.20	0	15
16	1945	0	16	29.25	0	16
17	1946	0	20	23.40	0	17
18	1947	0	23	20.35	0	18
19	1948	0	26	18.00	0	19
20	1949	0	26	18.00	0	20
21	1950	0	27	17.33	0	21
22	1951	0	29	16.14	0	22
23	1952	0	31	15.10	0	23
24	1953	0	33	14.18	0	24
25	1954	0	34	13.76	0	25
26	1955	0	36	13.00	0	26
27	1956	0	39	12.00	0	27
28	1957	0	41	11.41	0	28
29	1958	0	42	11.14	0	29
30	1959	0	45	10.40	0	30
31	1960	0	46	10.17	0	31
32	1961	0	51	9.18	0	32
33	1962	0	53	8.83	0	33
34	1963	0	55	8.51	0	34
35	1964	0	57	8.21	0	35
36	1965	0	60	7.80	0	36
37	1966	0	62	7.55	0	37
38	1967	0	66	7.09	0	38
39	1968	0	70	6.69	0	39
40	1969	0	74	6.32	0	40
41	1970	0	81	5.78	0	41
42	1971	0	87	5.38	0	42
43	1972	0	94	4.98	0	43
44	1973	0	100	4.68	0	44
45	1974	0	109	4.29	0	45
46	1975	0	123	3.80	0	46
47	1976	0	130	3.60	0	47
48	1977	0	141	3.32	0	48
49	1978	0	151	3.10	0	49
50	1979	0	164	2.85	0	50
51	1980	0	178	2.63	0	51
52	1981	0	186	2.52	0	52
53	1982	0	203	2.31	0	53
54	1983	0	209	2.24	0	54
55	1984	0	212	2.21	0	55
56	1985	0	211	2.22	0	56
57	1986	0	218	2.15	0	57
58	1987	0	226	2.07	0	58
59	1988	0	219	2.14	0	59
60	1989	0	213	2.20	0	60
61	1990	0	228	2.05	0	61
62	1991	0	242	1.93	0	62
63	1992	0	249	1.88	0	63
64	1993	0	260	1.80	0	64
65	1994	20,488	257	1.82	37,288	65
66	1995	0	246	1.90	0	66
67	1996	1,803	250	1.87	3,372	67
68	1997	0	251	1.86	0	68
69	1998	1,707	254	1.84	3,141	69
70	1999	142,885	261	1.79	255,764	70
71	2000	0	268	1.75	0	71
72	2001	0	280	1.67	0	72
73	2002	59,897	289	1.62	97,033	73
74	2003	1,552	293	1.60	2,483	74
75	2004	2,421	298	1.57	3,801	75
76	2005	0	303	1.54	0	76
77	2006	2,466	305	1.53	3,773	77
78	2007	42,853	317	1.48	63,422	78
79	2008	2,421	337	1.39	3,365	79
80	2009	336	359	1.30	437	80
81	2010	8,738	375	1.25	10,923	81
82	2011	32,281	387	1.21	39,060	82
83	2012	62,679	405	1.16	72,708	83
84	2013	0	412	1.14	0	84
85	2014	99,164	427	1.10	109,080	85
86	2015	0	429	1.09	0	86
87	2016	19,722	440	1.06	20,905	87
88	2017	52,425	449	1.04	54,522	88
89	2018	3,349	468	1.00	3,349	89
90	2019	0	468	1.00	0	90
91	Total	\$ 557,187			\$ 784,426	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 396 - Power Operated Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	22	23.55	\$ 0	1
2	1931	0	20	25.90	0	2
3	1932	0	19	27.26	0	3
4	1933	0	19	27.26	0	4
5	1934	0	20	25.90	0	5
6	1935	0	21	24.67	0	6
7	1936	0	21	24.67	0	7
8	1937	0	23	22.52	0	8
9	1938	0	23	22.52	0	9
10	1939	0	23	22.52	0	10
11	1940	0	24	21.58	0	11
12	1941	0	25	20.72	0	12
13	1942	0	28	18.50	0	13
14	1943	0	29	17.86	0	14
15	1944	0	29	17.86	0	15
16	1945	0	29	17.86	0	16
17	1946	0	34	15.24	0	17
18	1947	0	37	14.00	0	18
19	1948	0	39	13.28	0	19
20	1949	0	40	12.95	0	20
21	1950	0	42	12.33	0	21
22	1951	0	45	11.51	0	22
23	1952	0	46	11.26	0	23
24	1953	0	49	10.57	0	24
25	1954	0	49	10.57	0	25
26	1955	0	51	10.16	0	26
27	1956	0	55	9.42	0	27
28	1957	0	59	8.78	0	28
29	1958	0	62	8.35	0	29
30	1959	0	64	8.09	0	30
31	1960	0	65	7.97	0	31
32	1961	0	67	7.73	0	32
33	1962	0	67	7.73	0	33
34	1963	0	68	7.62	0	34
35	1964	0	70	7.40	0	35
36	1965	0	71	7.30	0	36
37	1966	0	73	7.10	0	37
38	1967	0	76	6.82	0	38
39	1968	0	80	6.48	0	39
40	1969	0	84	6.17	0	40
41	1970	0	88	5.89	0	41
42	1971	0	93	5.57	0	42
43	1972	0	95	5.45	0	43
44	1973	0	100	5.18	0	44
45	1974	0	117	4.43	0	45
46	1975	0	141	3.67	0	46
47	1976	0	153	3.39	0	47
48	1977	0	164	3.16	0	48
49	1978	0	178	2.91	0	49
50	1979	0	197	2.63	0	50
51	1980	0	222	2.33	0	51
52	1981	0	246	2.11	0	52
53	1982	0	263	1.97	0	53
54	1983	0	269	1.93	0	54
55	1984	0	273	1.90	0	55
56	1985	0	276	1.88	0	56
57	1986	0	280	1.85	0	57
58	1987	0	286	1.81	0	58
59	1988	0	295	1.76	0	59
60	1989	0	281	1.84	0	60
61	1990	0	298	1.74	0	61
62	1991	0	320	1.62	0	62
63	1992	0	316	1.64	0	63
64	1993	0	324	1.60	0	64
65	1994	0	331	1.56	0	65
66	1995	0	333	1.56	0	66
67	1996	0	336	1.54	0	67
68	1997	0	351	1.48	0	68
69	1998	0	380	1.36	0	69
70	1999	0	385	1.35	0	70
71	2000	0	389	1.33	0	71
72	2001	0	390	1.33	0	72
73	2002	0	395	1.31	0	73
74	2003	0	401	1.29	0	74
75	2004	0	414	1.25	0	75
76	2005	503,729	439	1.18	594,400	76
77	2006	843,457	457	1.13	953,106	77
78	2007	818,254	469	1.10	900,079	78
79	2008	1,204,692	485	1.07	1,289,020	79
80	2009	598,438	501	1.03	616,391	80
81	2010	1,032,051	503	1.03	1,063,013	81
82	2011	613,696	516	1.00	613,696	82
83	2012	388,221	538	0.96	372,692	83
84	2013	272,896	551	0.94	256,522	84
85	2014	235,577	560	0.93	219,087	85
86	2015	760,294	567	0.91	691,868	86
87	2016	608,650	573	0.90	547,785	87
88	2017	283,390	578	0.90	255,051	88
89	2018	836,655	576	0.90	752,990	89
90	2019	6,861	518	1.00	6,861	90
91	Total	\$ 9,006,861			\$ 9,132,561	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 397.1 - Communication Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	15	32.07	\$ 0	1
2	1931	0	15	32.07	0	2
3	1932	0	15	32.07	0	3
4	1933	0	15	32.07	0	4
5	1934	0	15	32.07	0	5
6	1935	0	15	32.07	0	6
7	1936	0	15	32.07	0	7
8	1937	0	17	28.29	0	8
9	1938	0	17	28.29	0	9
10	1939	0	17	28.29	0	10
11	1940	0	17	28.29	0	11
12	1941	0	18	26.72	0	12
13	1942	0	19	25.32	0	13
14	1943	0	19	25.32	0	14
15	1944	0	19	25.32	0	15
16	1945	0	19	25.32	0	16
17	1946	0	21	22.90	0	17
18	1947	0	24	20.04	0	18
19	1948	0	26	18.50	0	19
20	1949	0	28	17.18	0	20
21	1950	0	30	16.03	0	21
22	1951	0	31	15.52	0	22
23	1952	0	33	14.58	0	23
24	1953	0	34	14.15	0	24
25	1954	0	36	13.36	0	25
26	1955	0	37	13.00	0	26
27	1956	0	39	12.33	0	27
28	1957	0	41	11.73	0	28
29	1958	0	42	11.45	0	29
30	1959	0	45	10.69	0	30
31	1960	0	46	10.46	0	31
32	1961	0	49	9.82	0	32
33	1962	0	51	9.43	0	33
34	1963	0	52	9.25	0	34
35	1964	0	54	8.91	0	35
36	1965	0	57	8.44	0	36
37	1966	0	58	8.29	0	37
38	1967	0	62	7.76	0	38
39	1968	0	64	7.52	0	39
40	1969	0	69	6.97	0	40
41	1970	0	78	6.17	0	41
42	1971	0	88	5.47	0	42
43	1972	0	95	5.06	0	43
44	1973	0	100	4.81	0	44
45	1974	0	109	4.41	0	45
46	1975	0	122	3.94	0	46
47	1976	0	131	3.67	0	47
48	1977	0	142	3.39	0	48
49	1978	0	151	3.19	0	49
50	1979	0	160	3.01	0	50
51	1980	0	170	2.83	0	51
52	1981	0	185	2.60	0	52
53	1982	0	206	2.33	0	53
54	1983	0	218	2.21	0	54
55	1984	0	220	2.19	0	55
56	1985	0	214	2.25	0	56
57	1986	0	215	2.24	0	57
58	1987	0	216	2.23	0	58
59	1988	0	215	2.24	0	59
60	1989	0	214	2.25	0	60
61	1990	0	220	2.19	0	61
62	1991	0	225	2.14	0	62
63	1992	0	232	2.07	0	63
64	1993	0	236	2.04	0	64
65	1994	0	239	2.01	0	65
66	1995	0	247	1.95	0	66
67	1996	0	254	1.89	0	67
68	1997	0	257	1.87	0	68
69	1998	0	265	1.82	0	69
70	1999	0	275	1.75	0	70
71	2000	0	285	1.69	0	71
72	2001	0	299	1.61	0	72
73	2002	0	309	1.56	0	73
74	2003	0	318	1.51	0	74
75	2004	0	327	1.47	0	75
76	2005	0	337	1.43	0	76
77	2006	49,609	345	1.39	68,957	77
78	2007	16,728	354	1.36	22,750	78
79	2008	30,017	365	1.32	39,622	79
80	2009	16,980	382	1.26	21,395	80
81	2010	156,464	406	1.18	184,628	81
82	2011	260,259	416	1.16	301,900	82
83	2012	548,932	424	1.13	620,293	83
84	2013	22,458	429	1.12	25,153	84
85	2014	577,846	437	1.10	635,631	85
86	2015	60,221	445	1.08	65,039	86
87	2016	84,327	449	1.07	90,230	87
88	2017	107,006	473	1.02	109,146	88
89	2018	129,780	481	1.00	129,780	89
90	2019	0	481	1.00	0	90
91	Total	\$ 2,060,627			\$ 2,314,524	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 397.2 - Telemetering Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	15	32.07	\$ 0	1
2	1931	0	15	32.07	0	2
3	1932	0	15	32.07	0	3
4	1933	0	15	32.07	0	4
5	1934	0	15	32.07	0	5
6	1935	0	15	32.07	0	6
7	1936	0	15	32.07	0	7
8	1937	0	17	28.29	0	8
9	1938	0	17	28.29	0	9
10	1939	0	17	28.29	0	10
11	1940	0	17	28.29	0	11
12	1941	0	18	26.72	0	12
13	1942	0	19	25.32	0	13
14	1943	0	19	25.32	0	14
15	1944	0	19	25.32	0	15
16	1945	0	19	25.32	0	16
17	1946	0	21	22.90	0	17
18	1947	0	24	20.04	0	18
19	1948	0	26	18.50	0	19
20	1949	0	28	17.18	0	20
21	1950	0	30	16.03	0	21
22	1951	0	31	15.52	0	22
23	1952	0	33	14.58	0	23
24	1953	0	34	14.15	0	24
25	1954	0	36	13.36	0	25
26	1955	0	37	13.00	0	26
27	1956	0	39	12.33	0	27
28	1957	0	41	11.73	0	28
29	1958	0	42	11.45	0	29
30	1959	0	45	10.69	0	30
31	1960	0	46	10.46	0	31
32	1961	0	49	9.82	0	32
33	1962	0	51	9.43	0	33
34	1963	0	52	9.25	0	34
35	1964	0	54	8.91	0	35
36	1965	0	57	8.44	0	36
37	1966	0	58	8.29	0	37
38	1967	0	62	7.76	0	38
39	1968	0	64	7.52	0	39
40	1969	0	69	6.97	0	40
41	1970	0	78	6.17	0	41
42	1971	0	88	5.47	0	42
43	1972	0	95	5.06	0	43
44	1973	0	100	4.81	0	44
45	1974	0	109	4.41	0	45
46	1975	0	122	3.94	0	46
47	1976	0	131	3.67	0	47
48	1977	0	142	3.39	0	48
49	1978	0	151	3.19	0	49
50	1979	0	160	3.01	0	50
51	1980	0	170	2.83	0	51
52	1981	0	185	2.60	0	52
53	1982	0	206	2.33	0	53
54	1983	0	218	2.21	0	54
55	1984	0	220	2.19	0	55
56	1985	0	214	2.25	0	56
57	1986	0	215	2.24	0	57
58	1987	0	216	2.23	0	58
59	1988	0	215	2.24	0	59
60	1989	0	214	2.25	0	60
61	1990	0	220	2.19	0	61
62	1991	0	225	2.14	0	62
63	1992	0	232	2.07	0	63
64	1993	0	236	2.04	0	64
65	1994	0	239	2.01	0	65
66	1995	0	247	1.95	0	66
67	1996	0	254	1.89	0	67
68	1997	0	257	1.87	0	68
69	1998	0	265	1.82	0	69
70	1999	0	275	1.75	0	70
71	2000	0	285	1.69	0	71
72	2001	0	299	1.61	0	72
73	2002	0	309	1.56	0	73
74	2003	0	318	1.51	0	74
75	2004	0	327	1.47	0	75
76	2005	0	337	1.43	0	76
77	2006	0	345	1.39	0	77
78	2007	0	354	1.36	0	78
79	2008	0	365	1.32	0	79
80	2009	72,124	382	1.26	90,876	80
81	2010	51,393	406	1.18	60,644	81
82	2011	31,058	416	1.16	36,027	82
83	2012	0	424	1.13	0	83
84	2013	0	429	1.12	0	84
85	2014	0	437	1.10	0	85
86	2015	0	445	1.08	0	86
87	2016	9,312	449	1.07	9,964	87
88	2017	0	473	1.02	0	88
89	2018	0	481	1.00	0	89
90	2019	0	481	1.00	0	90
91	Total	\$ 163,887			\$ 197,511	91

**SOUTHWEST GAS CORPORATION**  
**TOTAL ARIZONA**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 398 - Miscellaneous Equipment			RCN Total Arizona	Line No.
		Original Cost Total Arizona	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	15	32.07	\$ 0	1
2	1931	0	15	32.07	0	2
3	1932	0	15	32.07	0	3
4	1933	0	15	32.07	0	4
5	1934	0	15	32.07	0	5
6	1935	0	15	32.07	0	6
7	1936	0	15	32.07	0	7
8	1937	0	17	28.29	0	8
9	1938	0	17	28.29	0	9
10	1939	0	17	28.29	0	10
11	1940	0	17	28.29	0	11
12	1941	0	18	26.72	0	12
13	1942	0	19	25.32	0	13
14	1943	0	19	25.32	0	14
15	1944	0	19	25.32	0	15
16	1945	0	19	25.32	0	16
17	1946	0	21	22.90	0	17
18	1947	0	24	20.04	0	18
19	1948	0	26	18.50	0	19
20	1949	0	28	17.18	0	20
21	1950	0	30	16.03	0	21
22	1951	0	31	15.52	0	22
23	1952	0	33	14.58	0	23
24	1953	0	34	14.15	0	24
25	1954	0	36	13.36	0	25
26	1955	0	37	13.00	0	26
27	1956	0	39	12.33	0	27
28	1957	0	41	11.73	0	28
29	1958	0	42	11.45	0	29
30	1959	0	45	10.69	0	30
31	1960	0	46	10.46	0	31
32	1961	0	49	9.82	0	32
33	1962	0	51	9.43	0	33
34	1963	0	52	9.25	0	34
35	1964	0	54	8.91	0	35
36	1965	0	57	8.44	0	36
37	1966	0	58	8.29	0	37
38	1967	0	62	7.76	0	38
39	1968	0	64	7.52	0	39
40	1969	0	69	6.97	0	40
41	1970	0	78	6.17	0	41
42	1971	0	88	5.47	0	42
43	1972	0	95	5.06	0	43
44	1973	0	100	4.81	0	44
45	1974	0	109	4.41	0	45
46	1975	0	122	3.94	0	46
47	1976	0	131	3.67	0	47
48	1977	0	142	3.39	0	48
49	1978	0	151	3.19	0	49
50	1979	0	160	3.01	0	50
51	1980	0	170	2.83	0	51
52	1981	0	185	2.60	0	52
53	1982	0	206	2.33	0	53
54	1983	0	218	2.21	0	54
55	1984	0	220	2.19	0	55
56	1985	0	214	2.25	0	56
57	1986	0	215	2.24	0	57
58	1987	0	216	2.23	0	58
59	1988	0	215	2.24	0	59
60	1989	0	214	2.25	0	60
61	1990	0	220	2.19	0	61
62	1991	0	225	2.14	0	62
63	1992	0	232	2.07	0	63
64	1993	0	236	2.04	0	64
65	1994	0	239	2.01	0	65
66	1995	0	247	1.95	0	66
67	1996	0	254	1.89	0	67
68	1997	0	257	1.87	0	68
69	1998	0	265	1.82	0	69
70	1999	0	275	1.75	0	70
71	2000	0	285	1.69	0	71
72	2001	0	299	1.61	0	72
73	2002	0	309	1.56	0	73
74	2003	0	318	1.51	0	74
75	2004	10,940	327	1.47	16,082	75
76	2005	37,775	337	1.43	54,018	76
77	2006	4,815	345	1.39	6,693	77
78	2007	46,258	354	1.36	62,911	78
79	2008	15,323	365	1.32	20,226	79
80	2009	27,715	382	1.26	34,921	80
81	2010	119,593	406	1.18	141,120	81
82	2011	103,655	416	1.16	120,240	82
83	2012	14,500	424	1.13	16,385	83
84	2013	66,876	429	1.12	74,901	84
85	2014	209,061	437	1.10	229,967	85
86	2015	132,791	445	1.08	143,414	86
87	2016	945,793	449	1.07	1,011,999	87
88	2017	146,606	473	1.02	149,538	88
89	2018	161,651	481	1.00	161,651	89
90	2019	0	481	1.00	0	90
91	Total	\$ 2,043,352			\$ 2,244,066	91
92	Grand Total	\$ 3,700,355,785			\$ 5,934,984,859	92

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 389 - Land and Land Rights					RCN Cost	Line No.
	Year Installed	Original Cost	H - W Index	Ratio To Current Index	RCN Cost		
	(a)	(b)	(c)	(d)	(e)		
1	1930	\$ 0	1	1.00	\$ 0	1	
2	1931	0	1	1.00	0	2	
3	1932	0	1	1.00	0	3	
4	1933	0	1	1.00	0	4	
5	1934	0	1	1.00	0	5	
6	1935	0	1	1.00	0	6	
7	1936	0	1	1.00	0	7	
8	1937	0	1	1.00	0	8	
9	1938	0	1	1.00	0	9	
10	1939	0	1	1.00	0	10	
11	1940	0	1	1.00	0	11	
12	1941	0	1	1.00	0	12	
13	1942	0	1	1.00	0	13	
14	1943	0	1	1.00	0	14	
15	1944	0	1	1.00	0	15	
16	1945	0	1	1.00	0	16	
17	1946	0	1	1.00	0	17	
18	1947	0	1	1.00	0	18	
19	1948	0	1	1.00	0	19	
20	1949	0	1	1.00	0	20	
21	1950	0	1	1.00	0	21	
22	1951	0	1	1.00	0	22	
23	1952	0	1	1.00	0	23	
24	1953	0	1	1.00	0	24	
25	1954	0	1	1.00	0	25	
26	1955	0	1	1.00	0	26	
27	1956	0	1	1.00	0	27	
28	1957	0	1	1.00	0	28	
29	1958	0	1	1.00	0	29	
30	1959	0	1	1.00	0	30	
31	1960	0	1	1.00	0	31	
32	1961	0	1	1.00	0	32	
33	1962	0	1	1.00	0	33	
34	1963	0	1	1.00	0	34	
35	1964	0	1	1.00	0	35	
36	1965	0	1	1.00	0	36	
37	1966	0	1	1.00	0	37	
38	1967	0	1	1.00	0	38	
39	1968	0	1	1.00	0	39	
40	1969	0	1	1.00	0	40	
41	1970	0	1	1.00	0	41	
42	1971	0	1	1.00	0	42	
43	1972	0	1	1.00	0	43	
44	1973	0	1	1.00	0	44	
45	1974	0	1	1.00	0	45	
46	1975	0	1	1.00	0	46	
47	1976	0	1	1.00	0	47	
48	1977	0	1	1.00	0	48	
49	1978	0	1	1.00	0	49	
50	1979	0	1	1.00	0	50	
51	1980	0	1	1.00	0	51	
52	1981	0	1	1.00	0	52	
53	1982	0	1	1.00	0	53	
54	1983	0	1	1.00	0	54	
55	1984	0	1	1.00	0	55	
56	1985	0	1	1.00	0	56	
57	1986	0	1	1.00	0	57	
58	1987	0	1	1.00	0	58	
59	1988	0	1	1.00	0	59	
60	1989	248,909	1	1.00	248,909	60	
61	1990	0	1	1.00	0	61	
62	1991	0	1	1.00	0	62	
63	1992	0	1	1.00	0	63	
64	1993	142,398	1	1.00	142,398	64	
65	1994	0	1	1.00	0	65	
66	1995	0	1	1.00	0	66	
67	1996	0	1	1.00	0	67	
68	1997	0	1	1.00	0	68	
69	1998	0	1	1.00	0	69	
70	1999	0	1	1.00	0	70	
71	2000	0	1	1.00	0	71	
72	2001	0	1	1.00	0	72	
73	2002	0	1	1.00	0	73	
74	2003	0	1	1.00	0	74	
75	2004	0	1	1.00	0	75	
76	2005	0	1	1.00	0	76	
77	2006	0	1	1.00	0	77	
78	2007	0	1	1.00	0	78	
79	2008	0	1	1.00	0	79	
80	2009	0	1	1.00	0	80	
81	2010	0	1	1.00	0	81	
82	2011	0	1	1.00	0	82	
83	2012	0	1	1.00	0	83	
84	2013	0	1	1.00	0	84	
85	2014	3,825,399	1	1.00	3,825,399	85	
86	2015	0	1	1.00	0	86	
87	2016	0	1	1.00	0	87	
88	2017	0	1	1.00	0	88	
89	2018	0	1	1.00	0	89	
90	2019	0	1	1.00	0	90	
91	Total	\$ 4,216,706			\$ 4,216,706	91	



**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 390.1 - General Plant Structures				RCN Cost (e)	Line No.
	Year Installed (a)	Original Cost (b)	H - W Index (c)	Ratio To Current Index (d)		
1	1930	\$ 0	19	25.68	\$ 0	1
2	1931	0	17	28.71	0	2
3	1932	0	16	30.50	0	3
4	1933	0	17	28.71	0	4
5	1934	0	19	25.68	0	5
6	1935	0	18	27.11	0	6
7	1936	0	19	25.68	0	7
8	1937	0	20	24.40	0	8
9	1938	0	20	24.40	0	9
10	1939	0	20	24.40	0	10
11	1940	0	20	24.40	0	11
12	1941	0	22	22.18	0	12
13	1942	0	23	21.22	0	13
14	1943	0	23	21.22	0	14
15	1944	0	24	20.33	0	15
16	1945	0	24	20.33	0	16
17	1946	0	27	18.07	0	17
18	1947	0	32	15.25	0	18
19	1948	0	36	13.56	0	19
20	1949	0	37	13.19	0	20
21	1950	0	39	12.51	0	21
22	1951	0	42	11.62	0	22
23	1952	0	44	11.09	0	23
24	1953	0	44	11.09	0	24
25	1954	0	46	10.61	0	25
26	1955	0	48	10.17	0	26
27	1956	0	52	9.38	0	27
28	1957	0	55	8.87	0	28
29	1958	0	57	8.56	0	29
30	1959	0	58	8.41	0	30
31	1960	0	59	8.27	0	31
32	1961	0	58	8.41	0	32
33	1962	0	59	8.27	0	33
34	1963	0	60	8.13	0	34
35	1964	0	61	8.00	0	35
36	1965	0	64	7.63	0	36
37	1966	0	65	7.51	0	37
38	1967	0	67	7.28	0	38
39	1968	0	71	6.87	0	39
40	1969	0	75	6.51	0	40
41	1970	0	79	6.18	0	41
42	1971	0	87	5.61	0	42
43	1972	0	93	5.25	0	43
44	1973	0	100	4.88	0	44
45	1974	0	118	4.14	0	45
46	1975	0	133	3.67	0	46
47	1976	0	138	3.54	0	47
48	1977	0	148	3.30	0	48
49	1978	0	161	3.03	0	49
50	1979	0	177	2.76	0	50
51	1980	0	194	2.52	0	51
52	1981	0	204	2.39	0	52
53	1982	0	207	2.36	0	53
54	1983	0	215	2.27	0	54
55	1984	0	224	2.18	0	55
56	1985	0	226	2.16	0	56
57	1986	0	231	2.11	0	57
58	1987	477,495	232	2.10	1,002,740	58
59	1988	0	233	2.09	0	59
60	1989	9,855,902	232	2.10	20,697,394	60
61	1990	0	237	2.06	0	61
62	1991	0	233	2.09	0	62
63	1992	0	238	2.05	0	63
64	1993	21,094	250	1.95	41,133	64
65	1994	0	261	1.87	0	65
66	1995	0	265	1.84	0	66
67	1996	0	176	2.77	0	67
68	1997	50,000	282	1.73	86,500	68
69	1998	4,191	285	1.71	7,167	69
70	1999	40,000	287	1.70	68,000	70
71	2000	0	295	1.65	0	71
72	2001	24,594	303	1.61	39,596	72
73	2002	0	310	1.57	0	73
74	2003	119,057	320	1.53	182,157	74
75	2004	265,902	342	1.43	380,240	75
76	2005	2,018,722	355	1.37	2,765,649	76
77	2006	143,605	364	1.34	192,431	77
78	2007	356,318	382	1.28	456,087	78
79	2008	435,364	398	1.23	535,498	79
80	2009	241,073	389	1.25	301,341	80
81	2010	546,888	399	1.22	667,203	81
82	2011	0	411	1.19	0	82
83	2012	476,843	422	1.16	553,138	83
84	2013	188,416	431	1.13	212,910	84
85	2014	13,225,201	440	1.11	14,679,973	85
86	2015	798,504	442	1.10	878,354	86
87	2016	1,437,730	447	1.09	1,567,126	87
88	2017	4,138,147	465	1.05	4,345,054	88
89	2018	147,495	481	1.01	148,970	89
90	2019	0	488	1.00	0	90
91	Total	\$ 35,012,541			\$ 49,808,661	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 390.2 - Leasehold Improvements					Line No.
	Year	Original	H - W	Ratio To	RCN	
	Installed	Cost	Index	Current Index	Cost	
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	19	25.68	\$ 0	1
2	1931	0	17	28.71	0	2
3	1932	0	16	30.50	0	3
4	1933	0	17	28.71	0	4
5	1934	0	19	25.68	0	5
6	1935	0	18	27.11	0	6
7	1936	0	19	25.68	0	7
8	1937	0	20	24.40	0	8
9	1938	0	20	24.40	0	9
10	1939	0	20	24.40	0	10
11	1940	0	20	24.40	0	11
12	1941	0	22	22.18	0	12
13	1942	0	23	21.22	0	13
14	1943	0	23	21.22	0	14
15	1944	0	24	20.33	0	15
16	1945	0	24	20.33	0	16
17	1946	0	27	18.07	0	17
18	1947	0	32	15.25	0	18
19	1948	0	36	13.56	0	19
20	1949	0	37	13.19	0	20
21	1950	0	39	12.51	0	21
22	1951	0	42	11.62	0	22
23	1952	0	44	11.09	0	23
24	1953	0	44	11.09	0	24
25	1954	0	46	10.61	0	25
26	1955	0	48	10.17	0	26
27	1956	0	52	9.38	0	27
28	1957	0	55	8.87	0	28
29	1958	0	57	8.56	0	29
30	1959	0	58	8.41	0	30
31	1960	0	59	8.27	0	31
32	1961	0	58	8.41	0	32
33	1962	0	59	8.27	0	33
34	1963	0	60	8.13	0	34
35	1964	0	61	8.00	0	35
36	1965	0	64	7.63	0	36
37	1966	0	65	7.51	0	37
38	1967	0	67	7.28	0	38
39	1968	0	71	6.87	0	39
40	1969	0	75	6.51	0	40
41	1970	0	79	6.18	0	41
42	1971	0	87	5.61	0	42
43	1972	0	93	5.25	0	43
44	1973	0	100	4.88	0	44
45	1974	0	118	4.14	0	45
46	1975	0	133	3.67	0	46
47	1976	0	138	3.54	0	47
48	1977	0	148	3.30	0	48
49	1978	0	161	3.03	0	49
50	1979	0	177	2.76	0	50
51	1980	0	194	2.52	0	51
52	1981	0	204	2.39	0	52
53	1982	0	207	2.36	0	53
54	1983	47,186	215	2.27	107,112	54
55	1984	3,685	224	2.18	8,033	55
56	1985	2,427	226	2.16	5,242	56
57	1986	1,880	231	2.11	3,967	57
58	1987	4,071	232	2.10	8,549	58
59	1988	0	233	2.09	0	59
60	1989	0	232	2.10	0	60
61	1990	0	237	2.06	0	61
62	1991	0	233	2.09	0	62
63	1992	0	238	2.05	0	63
64	1993	192,953	250	1.95	376,258	64
65	1994	0	261	1.87	0	65
66	1995	0	265	1.84	0	66
67	1996	0	176	2.77	0	67
68	1997	0	282	1.73	0	68
69	1998	0	285	1.71	0	69
70	1999	0	287	1.70	0	70
71	2000	20,560	295	1.65	33,924	71
72	2001	0	303	1.61	0	72
73	2002	0	310	1.57	0	73
74	2003	59,871	320	1.53	91,603	74
75	2004	60,915	342	1.43	87,108	75
76	2005	0	355	1.37	0	76
77	2006	0	364	1.34	0	77
78	2007	153,898	382	1.28	196,989	78
79	2008	6,504	398	1.23	8,000	79
80	2009	675	389	1.25	844	80
81	2010	0	399	1.22	0	81
82	2011	0	411	1.19	0	82
83	2012	296,119	422	1.16	343,498	83
84	2013	299,336	431	1.13	338,250	84
85	2014	665,766	440	1.11	739,000	85
86	2015	0	442	1.10	0	86
87	2016	185,781	447	1.09	202,501	87
88	2017	503,195	465	1.05	528,355	88
89	2018	0	481	1.01	0	89
90	2019	0	488	1.00	0	90
91	Total	\$ 2,504,822			\$ 3,079,233	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 391 - Office Furniture and Equipment					Line No.
	Year	Original Cost	H - W Index	Ratio To Current Index	RCN Cost	
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	11	42.55	\$ 0	1
2	1931	0	11	42.55	0	2
3	1932	0	11	42.55	0	3
4	1933	0	11	42.55	0	4
5	1934	0	11	42.55	0	5
6	1935	0	11	42.55	0	6
7	1936	0	12	39.00	0	7
8	1937	0	13	36.00	0	8
9	1938	0	13	36.00	0	9
10	1939	0	13	36.00	0	10
11	1940	0	13	36.00	0	11
12	1941	0	13	36.00	0	12
13	1942	0	15	31.20	0	13
14	1943	0	15	31.20	0	14
15	1944	0	15	31.20	0	15
16	1945	0	16	29.25	0	16
17	1946	0	20	23.40	0	17
18	1947	0	23	20.35	0	18
19	1948	0	26	18.00	0	19
20	1949	0	26	18.00	0	20
21	1950	0	27	17.33	0	21
22	1951	0	29	16.14	0	22
23	1952	0	31	15.10	0	23
24	1953	0	33	14.18	0	24
25	1954	0	34	13.76	0	25
26	1955	0	36	13.00	0	26
27	1956	0	39	12.00	0	27
28	1957	0	41	11.41	0	28
29	1958	0	42	11.14	0	29
30	1959	0	45	10.40	0	30
31	1960	0	46	10.17	0	31
32	1961	0	51	9.18	0	32
33	1962	0	53	8.83	0	33
34	1963	0	55	8.51	0	34
35	1964	0	57	8.21	0	35
36	1965	0	60	7.80	0	36
37	1966	0	62	7.55	0	37
38	1967	0	66	7.09	0	38
39	1968	0	70	6.69	0	39
40	1969	0	74	6.32	0	40
41	1970	0	81	5.78	0	41
42	1971	0	87	5.38	0	42
43	1972	0	94	4.98	0	43
44	1973	0	100	4.68	0	44
45	1974	0	109	4.29	0	45
46	1975	0	123	3.80	0	46
47	1976	0	130	3.60	0	47
48	1977	0	141	3.32	0	48
49	1978	0	151	3.10	0	49
50	1979	0	164	2.85	0	50
51	1980	0	178	2.63	0	51
52	1981	0	186	2.52	0	52
53	1982	0	203	2.31	0	53
54	1983	0	209	2.24	0	54
55	1984	0	212	2.21	0	55
56	1985	0	211	2.22	0	56
57	1986	0	218	2.15	0	57
58	1987	0	226	2.07	0	58
59	1988	0	219	2.14	0	59
60	1989	0	213	2.20	0	60
61	1990	0	228	2.05	0	61
62	1991	0	242	1.93	0	62
63	1992	0	249	1.88	0	63
64	1993	0	260	1.80	0	64
65	1994	0	257	1.82	0	65
66	1995	0	246	1.90	0	66
67	1996	0	250	1.87	0	67
68	1997	0	251	1.86	0	68
69	1998	0	254	1.84	0	69
70	1999	0	261	1.79	0	70
71	2000	0	268	1.75	0	71
72	2001	0	280	1.67	0	72
73	2002	0	289	1.62	0	73
74	2003	0	293	1.60	0	74
75	2004	218,068	298	1.57	342,367	75
76	2005	146,299	303	1.54	225,300	76
77	2006	1,382,849	305	1.53	2,115,759	77
78	2007	2,831,972	317	1.48	4,191,319	78
79	2008	125,388	337	1.39	174,289	79
80	2009	313,150	359	1.30	407,095	80
81	2010	222,355	375	1.25	277,944	81
82	2011	416,815	387	1.21	504,346	82
83	2012	281,912	405	1.16	327,018	83
84	2013	675,580	412	1.14	770,161	84
85	2014	364,405	427	1.10	400,846	85
86	2015	503,359	429	1.09	548,661	86
87	2016	653,396	440	1.06	692,600	87
88	2017	81,451	449	1.04	84,709	88
89	2018	136,664	468	1.00	136,664	89
90	2019	0	468	1.00	0	90
91	Total	\$ 8,353,663			\$ 11,199,078	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 391.1 - Computer Equipment					Line No.
	Year Installed (a)	Original Cost (b)	H - W Index (c)	Ratio To Current Index (d)	RCN Cost (e)	
1	1930	\$ 0	11	42.55	\$ 0	1
2	1931	0	11	42.55	0	2
3	1932	0	11	42.55	0	3
4	1933	0	11	42.55	0	4
5	1934	0	11	42.55	0	5
6	1935	0	11	42.55	0	6
7	1936	0	12	39.00	0	7
8	1937	0	13	36.00	0	8
9	1938	0	13	36.00	0	9
10	1939	0	13	36.00	0	10
11	1940	0	13	36.00	0	11
12	1941	0	13	36.00	0	12
13	1942	0	15	31.20	0	13
14	1943	0	15	31.20	0	14
15	1944	0	15	31.20	0	15
16	1945	0	16	29.25	0	16
17	1946	0	20	23.40	0	17
18	1947	0	23	20.35	0	18
19	1948	0	26	18.00	0	19
20	1949	0	26	18.00	0	20
21	1950	0	27	17.33	0	21
22	1951	0	29	16.14	0	22
23	1952	0	31	15.10	0	23
24	1953	0	33	14.18	0	24
25	1954	0	34	13.76	0	25
26	1955	0	36	13.00	0	26
27	1956	0	39	12.00	0	27
28	1957	0	41	11.41	0	28
29	1958	0	42	11.14	0	29
30	1959	0	45	10.40	0	30
31	1960	0	46	10.17	0	31
32	1961	0	51	9.18	0	32
33	1962	0	53	8.83	0	33
34	1963	0	55	8.51	0	34
35	1964	0	57	8.21	0	35
36	1965	0	60	7.80	0	36
37	1966	0	62	7.55	0	37
38	1967	0	66	7.09	0	38
39	1968	0	70	6.69	0	39
40	1969	0	74	6.32	0	40
41	1970	0	81	5.78	0	41
42	1971	0	87	5.38	0	42
43	1972	0	94	4.98	0	43
44	1973	0	100	4.68	0	44
45	1974	0	109	4.29	0	45
46	1975	0	123	3.80	0	46
47	1976	0	130	3.60	0	47
48	1977	0	141	3.32	0	48
49	1978	0	151	3.10	0	49
50	1979	0	164	2.85	0	50
51	1980	0	178	2.63	0	51
52	1981	0	186	2.52	0	52
53	1982	0	203	2.31	0	53
54	1983	0	209	2.24	0	54
55	1984	0	212	2.21	0	55
56	1985	0	211	2.22	0	56
57	1986	0	218	2.15	0	57
58	1987	0	226	2.07	0	58
59	1988	0	219	2.14	0	59
60	1989	0	213	2.20	0	60
61	1990	0	228	2.05	0	61
62	1991	0	242	1.93	0	62
63	1992	0	249	1.88	0	63
64	1993	0	260	1.80	0	64
65	1994	0	257	1.82	0	65
66	1995	0	246	1.90	0	66
67	1996	0	250	1.87	0	67
68	1997	0	251	1.86	0	68
69	1998	0	254	1.84	0	69
70	1999	0	261	1.79	0	70
71	2000	0	268	1.75	0	71
72	2001	0	280	1.67	0	72
73	2002	0	289	1.62	0	73
74	2003	0	293	1.60	0	74
75	2004	0	298	1.57	0	75
76	2005	0	303	1.54	0	76
77	2006	0	305	1.53	0	77
78	2007	0	317	1.48	0	78
79	2008	0	337	1.39	0	79
80	2009	0	359	1.30	0	80
81	2010	0	375	1.25	0	81
82	2011	0	387	1.21	0	82
83	2012	0	405	1.16	0	83
84	2013	0	412	1.14	0	84
85	2014	1,850,410	427	1.10	2,035,451	85
86	2015	1,520,345	429	1.09	1,657,176	86
87	2016	4,387,450	440	1.06	4,650,697	87
88	2017	5,726,511	449	1.04	5,955,571	88
89	2018	1,942,059	468	1.00	1,942,059	89
90	2019	549,456	468	1.00	549,456	90
91	Total	\$ 15,976,231			\$ 16,790,410	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Account 392.11 - Transportation Equip. - Light Vehicles						
Line No.	Year Installed	Original Cost	H - W Index	Ratio To Current Index	RCN Cost	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	22	23.55	\$ 0	1
2	1931	0	20	25.90	0	2
3	1932	0	19	27.26	0	3
4	1933	0	19	27.26	0	4
5	1934	0	20	25.90	0	5
6	1935	0	21	24.67	0	6
7	1936	0	21	24.67	0	7
8	1937	0	23	22.52	0	8
9	1938	0	23	22.52	0	9
10	1939	0	23	22.52	0	10
11	1940	0	24	21.58	0	11
12	1941	0	25	20.72	0	12
13	1942	0	28	18.50	0	13
14	1943	0	29	17.86	0	14
15	1944	0	29	17.86	0	15
16	1945	0	29	17.86	0	16
17	1946	0	34	15.24	0	17
18	1947	0	37	14.00	0	18
19	1948	0	39	13.28	0	19
20	1949	0	40	12.95	0	20
21	1950	0	42	12.33	0	21
22	1951	0	45	11.51	0	22
23	1952	0	46	11.26	0	23
24	1953	0	49	10.57	0	24
25	1954	0	49	10.57	0	25
26	1955	0	51	10.16	0	26
27	1956	0	55	9.42	0	27
28	1957	0	59	8.78	0	28
29	1958	0	62	8.35	0	29
30	1959	0	64	8.09	0	30
31	1960	0	65	7.97	0	31
32	1961	0	67	7.73	0	32
33	1962	0	67	7.73	0	33
34	1963	0	68	7.62	0	34
35	1964	0	70	7.40	0	35
36	1965	0	71	7.30	0	36
37	1966	0	73	7.10	0	37
38	1967	0	76	6.82	0	38
39	1968	0	80	6.48	0	39
40	1969	0	84	6.17	0	40
41	1970	0	88	5.89	0	41
42	1971	0	93	5.57	0	42
43	1972	0	95	5.45	0	43
44	1973	0	100	5.18	0	44
45	1974	0	117	4.43	0	45
46	1975	0	141	3.67	0	46
47	1976	0	153	3.39	0	47
48	1977	0	164	3.16	0	48
49	1978	0	178	2.91	0	49
50	1979	0	197	2.63	0	50
51	1980	0	222	2.33	0	51
52	1981	0	246	2.11	0	52
53	1982	0	263	1.97	0	53
54	1983	0	269	1.93	0	54
55	1984	0	273	1.90	0	55
56	1985	0	276	1.88	0	56
57	1986	0	280	1.85	0	57
58	1987	0	286	1.81	0	58
59	1988	0	295	1.76	0	59
60	1989	0	281	1.84	0	60
61	1990	0	298	1.74	0	61
62	1991	0	320	1.62	0	62
63	1992	0	316	1.64	0	63
64	1993	0	324	1.60	0	64
65	1994	0	331	1.56	0	65
66	1995	0	333	1.56	0	66
67	1996	0	336	1.54	0	67
68	1997	0	351	1.48	0	68
69	1998	0	380	1.36	0	69
70	1999	0	385	1.35	0	70
71	2000	0	389	1.33	0	71
72	2001	0	390	1.33	0	72
73	2002	0	395	1.31	0	73
74	2003	0	401	1.29	0	74
75	2004	0	414	1.25	0	75
76	2005	0	439	1.18	0	76
77	2006	0	457	1.13	0	77
78	2007	0	469	1.10	0	78
79	2008	0	485	1.07	0	79
80	2009	0	501	1.03	0	80
81	2010	0	503	1.03	0	81
82	2011	504,948	516	1.00	504,948	82
83	2012	271,760	538	0.96	260,890	83
84	2013	71,888	551	0.94	67,575	84
85	2014	1,022,743	560	0.93	951,151	85
86	2015	337,929	567	0.91	307,515	86
87	2016	278,379	573	0.90	250,541	87
88	2017	603,917	578	0.90	543,525	88
89	2018	206,876	576	0.90	186,188	89
90	2019	62,838	518	1.00	62,838	90
91	Total	\$ 3,361,276			\$ 3,135,171	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 392.21 - Transportation Equip - Aircraft					Line No.
	Year	Original	H - W	Ratio To	RCN	
	Installed	Cost	Index	Current Index	Cost	
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	22	23.55	\$ 0	1
2	1931	0	20	25.90	0	2
3	1932	0	19	27.26	0	3
4	1933	0	19	27.26	0	4
5	1934	0	20	25.90	0	5
6	1935	0	21	24.67	0	6
7	1936	0	21	24.67	0	7
8	1937	0	23	22.52	0	8
9	1938	0	23	22.52	0	9
10	1939	0	23	22.52	0	10
11	1940	0	24	21.58	0	11
12	1941	0	25	20.72	0	12
13	1942	0	28	18.50	0	13
14	1943	0	29	17.86	0	14
15	1944	0	29	17.86	0	15
16	1945	0	29	17.86	0	16
17	1946	0	34	15.24	0	17
18	1947	0	37	14.00	0	18
19	1948	0	39	13.28	0	19
20	1949	0	40	12.95	0	20
21	1950	0	42	12.33	0	21
22	1951	0	45	11.51	0	22
23	1952	0	46	11.26	0	23
24	1953	0	49	10.57	0	24
25	1954	0	49	10.57	0	25
26	1955	0	51	10.16	0	26
27	1956	0	55	9.42	0	27
28	1957	0	59	8.78	0	28
29	1958	0	62	8.35	0	29
30	1959	0	64	8.09	0	30
31	1960	0	65	7.97	0	31
32	1961	0	67	7.73	0	32
33	1962	0	67	7.73	0	33
34	1963	0	68	7.62	0	34
35	1964	0	70	7.40	0	35
36	1965	0	71	7.30	0	36
37	1966	0	73	7.10	0	37
38	1967	0	76	6.82	0	38
39	1968	0	80	6.48	0	39
40	1969	0	84	6.17	0	40
41	1970	0	88	5.89	0	41
42	1971	0	93	5.57	0	42
43	1972	0	95	5.45	0	43
44	1973	0	100	5.18	0	44
45	1974	0	117	4.43	0	45
46	1975	0	141	3.67	0	46
47	1976	0	153	3.39	0	47
48	1977	0	164	3.16	0	48
49	1978	0	178	2.91	0	49
50	1979	0	197	2.63	0	50
51	1980	0	222	2.33	0	51
52	1981	0	246	2.11	0	52
53	1982	0	263	1.97	0	53
54	1983	0	269	1.93	0	54
55	1984	0	273	1.90	0	55
56	1985	0	276	1.88	0	56
57	1986	0	280	1.85	0	57
58	1987	0	286	1.81	0	58
59	1988	0	295	1.76	0	59
60	1989	0	281	1.84	0	60
61	1990	0	298	1.74	0	61
62	1991	0	320	1.62	0	62
63	1992	0	316	1.64	0	63
64	1993	0	324	1.60	0	64
65	1994	0	331	1.56	0	65
66	1995	0	333	1.56	0	66
67	1996	0	336	1.54	0	67
68	1997	0	351	1.48	0	68
69	1998	0	380	1.36	0	69
70	1999	0	385	1.35	0	70
71	2000	0	389	1.33	0	71
72	2001	0	390	1.33	0	72
73	2002	0	395	1.31	0	73
74	2003	0	401	1.29	0	74
75	2004	0	414	1.25	0	75
76	2005	0	439	1.18	0	76
77	2006	0	457	1.13	0	77
78	2007	0	469	1.10	0	78
79	2008	0	485	1.07	0	79
80	2009	0	501	1.03	0	80
81	2010	0	503	1.03	0	81
82	2011	8,221,361	516	1.00	8,221,361	82
83	2012	0	538	0.96	0	83
84	2013	0	551	0.94	0	84
85	2014	0	560	0.93	0	85
86	2015	0	567	0.91	0	86
87	2016	0	573	0.90	0	87
88	2017	0	578	0.90	0	88
89	2018	0	576	0.90	0	89
90	2019	0	518	1.00	0	90
91	Total	\$ 8,221,361			\$ 8,221,361	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 393 - Stores Equipment					Line No.
	Year	Original	H - W	Ratio To	RCN	
	Installed	Cost	Index	Current Index	Cost	
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	22	23.55	\$ 0	1
2	1931	0	20	25.90	0	2
3	1932	0	19	27.26	0	3
4	1933	0	19	27.26	0	4
5	1934	0	20	25.90	0	5
6	1935	0	21	24.67	0	6
7	1936	0	21	24.67	0	7
8	1937	0	23	22.52	0	8
9	1938	0	23	22.52	0	9
10	1939	0	23	22.52	0	10
11	1940	0	24	21.58	0	11
12	1941	0	25	20.72	0	12
13	1942	0	28	18.50	0	13
14	1943	0	29	17.86	0	14
15	1944	0	29	17.86	0	15
16	1945	0	29	17.86	0	16
17	1946	0	34	15.24	0	17
18	1947	0	37	14.00	0	18
19	1948	0	39	13.28	0	19
20	1949	0	40	12.95	0	20
21	1950	0	42	12.33	0	21
22	1951	0	45	11.51	0	22
23	1952	0	46	11.26	0	23
24	1953	0	49	10.57	0	24
25	1954	0	49	10.57	0	25
26	1955	0	51	10.16	0	26
27	1956	0	55	9.42	0	27
28	1957	0	59	8.78	0	28
29	1958	0	62	8.35	0	29
30	1959	0	64	8.09	0	30
31	1960	0	65	7.97	0	31
32	1961	0	67	7.73	0	32
33	1962	0	67	7.73	0	33
34	1963	0	68	7.62	0	34
35	1964	0	70	7.40	0	35
36	1965	0	71	7.30	0	36
37	1966	0	73	7.10	0	37
38	1967	0	76	6.82	0	38
39	1968	0	80	6.48	0	39
40	1969	0	84	6.17	0	40
41	1970	0	88	5.89	0	41
42	1971	0	93	5.57	0	42
43	1972	0	95	5.45	0	43
44	1973	0	100	5.18	0	44
45	1974	0	117	4.43	0	45
46	1975	0	141	3.67	0	46
47	1976	0	153	3.39	0	47
48	1977	0	164	3.16	0	48
49	1978	0	178	2.91	0	49
50	1979	0	197	2.63	0	50
51	1980	0	222	2.33	0	51
52	1981	0	246	2.11	0	52
53	1982	0	263	1.97	0	53
54	1983	0	269	1.93	0	54
55	1984	0	273	1.90	0	55
56	1985	0	276	1.88	0	56
57	1986	0	280	1.85	0	57
58	1987	0	286	1.81	0	58
59	1988	0	295	1.76	0	59
60	1989	0	281	1.84	0	60
61	1990	0	298	1.74	0	61
62	1991	0	320	1.62	0	62
63	1992	0	316	1.64	0	63
64	1993	0	324	1.60	0	64
65	1994	0	331	1.56	0	65
66	1995	0	333	1.56	0	66
67	1996	0	336	1.54	0	67
68	1997	0	351	1.48	0	68
69	1998	0	380	1.36	0	69
70	1999	0	385	1.35	0	70
71	2000	0	389	1.33	0	71
72	2001	0	390	1.33	0	72
73	2002	0	395	1.31	0	73
74	2003	0	401	1.29	0	74
75	2004	0	414	1.25	0	75
76	2005	0	439	1.18	0	76
77	2006	0	457	1.13	0	77
78	2007	0	469	1.10	0	78
79	2008	31,617	485	1.07	33,830	79
80	2009	0	501	1.03	0	80
81	2010	0	503	1.03	0	81
82	2011	0	516	1.00	0	82
83	2012	0	538	0.96	0	83
84	2013	0	551	0.94	0	84
85	2014	0	560	0.93	0	85
86	2015	0	567	0.91	0	86
87	2016	31,420	573	0.90	28,278	87
88	2017	0	578	0.90	0	88
89	2018	0	576	0.90	0	89
90	2019	0	518	1.00	0	90
91	Total	\$ 63,037			\$ 62,108	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 394 - Tools, Shop, and Garage Equipment					Line No.
	Year	Original Cost	H - W Index	Ratio To Current Index	RCN Cost	
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	22	23.55	\$ 0	1
2	1931	0	20	25.90	0	2
3	1932	0	19	27.26	0	3
4	1933	0	19	27.26	0	4
5	1934	0	20	25.90	0	5
6	1935	0	21	24.67	0	6
7	1936	0	21	24.67	0	7
8	1937	0	23	22.52	0	8
9	1938	0	23	22.52	0	9
10	1939	0	23	22.52	0	10
11	1940	0	24	21.58	0	11
12	1941	0	25	20.72	0	12
13	1942	0	28	18.50	0	13
14	1943	0	29	17.86	0	14
15	1944	0	29	17.86	0	15
16	1945	0	29	17.86	0	16
17	1946	0	34	15.24	0	17
18	1947	0	37	14.00	0	18
19	1948	0	39	13.28	0	19
20	1949	0	40	12.95	0	20
21	1950	0	42	12.33	0	21
22	1951	0	45	11.51	0	22
23	1952	0	46	11.26	0	23
24	1953	0	49	10.57	0	24
25	1954	0	49	10.57	0	25
26	1955	0	51	10.16	0	26
27	1956	0	55	9.42	0	27
28	1957	0	59	8.78	0	28
29	1958	0	62	8.35	0	29
30	1959	0	64	8.09	0	30
31	1960	0	65	7.97	0	31
32	1961	0	67	7.73	0	32
33	1962	0	67	7.73	0	33
34	1963	0	68	7.62	0	34
35	1964	0	70	7.40	0	35
36	1965	0	71	7.30	0	36
37	1966	0	73	7.10	0	37
38	1967	0	76	6.82	0	38
39	1968	0	80	6.48	0	39
40	1969	0	84	6.17	0	40
41	1970	0	88	5.89	0	41
42	1971	0	93	5.57	0	42
43	1972	0	95	5.45	0	43
44	1973	0	100	5.18	0	44
45	1974	0	117	4.43	0	45
46	1975	0	141	3.67	0	46
47	1976	0	153	3.39	0	47
48	1977	0	164	3.16	0	48
49	1978	0	178	2.91	0	49
50	1979	0	197	2.63	0	50
51	1980	0	222	2.33	0	51
52	1981	0	246	2.11	0	52
53	1982	0	263	1.97	0	53
54	1983	0	269	1.93	0	54
55	1984	0	273	1.90	0	55
56	1985	0	276	1.88	0	56
57	1986	0	280	1.85	0	57
58	1987	0	286	1.81	0	58
59	1988	0	295	1.76	0	59
60	1989	0	281	1.84	0	60
61	1990	0	298	1.74	0	61
62	1991	0	320	1.62	0	62
63	1992	0	316	1.64	0	63
64	1993	0	324	1.60	0	64
65	1994	0	331	1.56	0	65
66	1995	0	333	1.56	0	66
67	1996	0	336	1.54	0	67
68	1997	0	351	1.48	0	68
69	1998	0	380	1.36	0	69
70	1999	0	385	1.35	0	70
71	2000	0	389	1.33	0	71
72	2001	0	390	1.33	0	72
73	2002	0	395	1.31	0	73
74	2003	0	401	1.29	0	74
75	2004	9,686	414	1.25	12,108	75
76	2005	26,730	439	1.18	31,541	76
77	2006	5,013	457	1.13	5,665	77
78	2007	80,661	469	1.10	88,727	78
79	2008	0	485	1.07	0	79
80	2009	17,816	501	1.03	18,350	80
81	2010	44,295	503	1.03	45,624	81
82	2011	149,171	516	1.00	149,171	82
83	2012	115,235	538	0.96	110,626	83
84	2013	87,743	551	0.94	82,478	84
85	2014	60,701	560	0.93	56,452	85
86	2015	45,484	567	0.91	41,390	86
87	2016	19,608	573	0.90	17,647	87
88	2017	324,144	578	0.90	291,730	88
89	2018	120,024	576	0.90	108,022	89
90	2019	0	518	1.00	0	90
91	Total	\$ 1,106,311			\$ 1,059,531	91



**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 395 - Laboratory Equipment					Line No.
	Year	Original	H - W	Ratio To	RCN	
	Installed	Cost	Index	Current Index	Cost	
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	11	42.55	\$ 0	1
2	1931	0	11	42.55	0	2
3	1932	0	11	42.55	0	3
4	1933	0	11	42.55	0	4
5	1934	0	11	42.55	0	5
6	1935	0	11	42.55	0	6
7	1936	0	12	39.00	0	7
8	1937	0	13	36.00	0	8
9	1938	0	13	36.00	0	9
10	1939	0	13	36.00	0	10
11	1940	0	13	36.00	0	11
12	1941	0	13	36.00	0	12
13	1942	0	15	31.20	0	13
14	1943	0	15	31.20	0	14
15	1944	0	15	31.20	0	15
16	1945	0	16	29.25	0	16
17	1946	0	20	23.40	0	17
18	1947	0	23	20.35	0	18
19	1948	0	26	18.00	0	19
20	1949	0	26	18.00	0	20
21	1950	0	27	17.33	0	21
22	1951	0	29	16.14	0	22
23	1952	0	31	15.10	0	23
24	1953	0	33	14.18	0	24
25	1954	0	34	13.76	0	25
26	1955	0	36	13.00	0	26
27	1956	0	39	12.00	0	27
28	1957	0	41	11.41	0	28
29	1958	0	42	11.14	0	29
30	1959	0	45	10.40	0	30
31	1960	0	46	10.17	0	31
32	1961	0	51	9.18	0	32
33	1962	0	53	8.83	0	33
34	1963	0	55	8.51	0	34
35	1964	0	57	8.21	0	35
36	1965	0	60	7.80	0	36
37	1966	0	62	7.55	0	37
38	1967	0	66	7.09	0	38
39	1968	0	70	6.69	0	39
40	1969	0	74	6.32	0	40
41	1970	0	81	5.78	0	41
42	1971	0	87	5.38	0	42
43	1972	0	94	4.98	0	43
44	1973	0	100	4.68	0	44
45	1974	0	109	4.29	0	45
46	1975	0	123	3.80	0	46
47	1976	0	130	3.60	0	47
48	1977	0	141	3.32	0	48
49	1978	0	151	3.10	0	49
50	1979	0	164	2.85	0	50
51	1980	0	178	2.63	0	51
52	1981	0	186	2.52	0	52
53	1982	0	203	2.31	0	53
54	1983	0	209	2.24	0	54
55	1984	0	212	2.21	0	55
56	1985	0	211	2.22	0	56
57	1986	0	218	2.15	0	57
58	1987	0	226	2.07	0	58
59	1988	0	219	2.14	0	59
60	1989	0	213	2.20	0	60
61	1990	0	228	2.05	0	61
62	1991	0	242	1.93	0	62
63	1992	0	249	1.88	0	63
64	1993	0	260	1.80	0	64
65	1994	0	257	1.82	0	65
66	1995	0	246	1.90	0	66
67	1996	0	250	1.87	0	67
68	1997	0	251	1.86	0	68
69	1998	0	254	1.84	0	69
70	1999	0	261	1.79	0	70
71	2000	0	268	1.75	0	71
72	2001	0	280	1.67	0	72
73	2002	46,970	289	1.62	76,091	73
74	2003	0	293	1.60	0	74
75	2004	15,738	298	1.57	24,709	75
76	2005	44,639	303	1.54	68,744	76
77	2006	0	305	1.53	0	77
78	2007	41,607	317	1.48	61,578	78
79	2008	15,774	337	1.39	21,926	79
80	2009	173,206	359	1.30	225,168	80
81	2010	0	375	1.25	0	81
82	2011	48,182	387	1.21	58,300	82
83	2012	4,376	405	1.16	5,076	83
84	2013	296,878	412	1.14	338,441	84
85	2014	224,898	427	1.10	247,388	85
86	2015	54,031	429	1.09	58,894	86
87	2016	13,913	440	1.06	14,748	87
88	2017	132,717	449	1.04	138,026	88
89	2018	0	468	1.00	0	89
90	2019	0	468	1.00	0	90
91	Total	\$ 1,112,929			\$ 1,339,089	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 396 - Power Operated Equipment					Line No.
	Year	Original	H - W	Ratio To	RCN	
	Installed	Cost	Index	Current Index	Cost	
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	22	23.55	\$ 0	1
2	1931	0	20	25.90	0	2
3	1932	0	19	27.26	0	3
4	1933	0	19	27.26	0	4
5	1934	0	20	25.90	0	5
6	1935	0	21	24.67	0	6
7	1936	0	21	24.67	0	7
8	1937	0	23	22.52	0	8
9	1938	0	23	22.52	0	9
10	1939	0	23	22.52	0	10
11	1940	0	24	21.58	0	11
12	1941	0	25	20.72	0	12
13	1942	0	28	18.50	0	13
14	1943	0	29	17.86	0	14
15	1944	0	29	17.86	0	15
16	1945	0	29	17.86	0	16
17	1946	0	34	15.24	0	17
18	1947	0	37	14.00	0	18
19	1948	0	39	13.28	0	19
20	1949	0	40	12.95	0	20
21	1950	0	42	12.33	0	21
22	1951	0	45	11.51	0	22
23	1952	0	46	11.26	0	23
24	1953	0	49	10.57	0	24
25	1954	0	49	10.57	0	25
26	1955	0	51	10.16	0	26
27	1956	0	55	9.42	0	27
28	1957	0	59	8.78	0	28
29	1958	0	62	8.35	0	29
30	1959	0	64	8.09	0	30
31	1960	0	65	7.97	0	31
32	1961	0	67	7.73	0	32
33	1962	0	67	7.73	0	33
34	1963	0	68	7.62	0	34
35	1964	0	70	7.40	0	35
36	1965	0	71	7.30	0	36
37	1966	0	73	7.10	0	37
38	1967	0	76	6.82	0	38
39	1968	0	80	6.48	0	39
40	1969	0	84	6.17	0	40
41	1970	0	88	5.89	0	41
42	1971	0	93	5.57	0	42
43	1972	0	95	5.45	0	43
44	1973	0	100	5.18	0	44
45	1974	0	117	4.43	0	45
46	1975	0	141	3.67	0	46
47	1976	0	153	3.39	0	47
48	1977	0	164	3.16	0	48
49	1978	0	178	2.91	0	49
50	1979	0	197	2.63	0	50
51	1980	0	222	2.33	0	51
52	1981	0	246	2.11	0	52
53	1982	0	263	1.97	0	53
54	1983	0	269	1.93	0	54
55	1984	0	273	1.90	0	55
56	1985	0	276	1.88	0	56
57	1986	0	280	1.85	0	57
58	1987	0	286	1.81	0	58
59	1988	0	295	1.76	0	59
60	1989	0	281	1.84	0	60
61	1990	0	298	1.74	0	61
62	1991	0	320	1.62	0	62
63	1992	0	316	1.64	0	63
64	1993	0	324	1.60	0	64
65	1994	0	331	1.56	0	65
66	1995	0	333	1.56	0	66
67	1996	0	336	1.54	0	67
68	1997	0	351	1.48	0	68
69	1998	0	380	1.36	0	69
70	1999	0	385	1.35	0	70
71	2000	0	389	1.33	0	71
72	2001	0	390	1.33	0	72
73	2002	0	395	1.31	0	73
74	2003	0	401	1.29	0	74
75	2004	0	414	1.25	0	75
76	2005	0	439	1.18	0	76
77	2006	0	457	1.13	0	77
78	2007	0	469	1.10	0	78
79	2008	0	485	1.07	0	79
80	2009	11,760	501	1.03	12,113	80
81	2010	0	503	1.03	0	81
82	2011	0	516	1.00	0	82
83	2012	0	538	0.96	0	83
84	2013	0	551	0.94	0	84
85	2014	0	560	0.93	0	85
86	2015	0	567	0.91	0	86
87	2016	0	573	0.90	0	87
88	2017	0	578	0.90	0	88
89	2018	0	576	0.90	0	89
90	2019	0	518	1.00	0	90
91	Total	\$ 11,760			\$ 12,113	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 397 - Communication Equipment					Line No.
	Year	Original	H - W	Ratio To	RCN	
	Installed	Cost	Index	Current Index	Cost	
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	15	32.07	\$ 0	1
2	1931	0	15	32.07	0	2
3	1932	0	15	32.07	0	3
4	1933	0	15	32.07	0	4
5	1934	0	15	32.07	0	5
6	1935	0	15	32.07	0	6
7	1936	0	15	32.07	0	7
8	1937	0	17	28.29	0	8
9	1938	0	17	28.29	0	9
10	1939	0	17	28.29	0	10
11	1940	0	17	28.29	0	11
12	1941	0	18	26.72	0	12
13	1942	0	19	25.32	0	13
14	1943	0	19	25.32	0	14
15	1944	0	19	25.32	0	15
16	1945	0	19	25.32	0	16
17	1946	0	21	22.90	0	17
18	1947	0	24	20.04	0	18
19	1948	0	26	18.50	0	19
20	1949	0	28	17.18	0	20
21	1950	0	30	16.03	0	21
22	1951	0	31	15.52	0	22
23	1952	0	33	14.58	0	23
24	1953	0	34	14.15	0	24
25	1954	0	36	13.36	0	25
26	1955	0	37	13.00	0	26
27	1956	0	39	12.33	0	27
28	1957	0	41	11.73	0	28
29	1958	0	42	11.45	0	29
30	1959	0	45	10.69	0	30
31	1960	0	46	10.46	0	31
32	1961	0	49	9.82	0	32
33	1962	0	51	9.43	0	33
34	1963	0	52	9.25	0	34
35	1964	0	54	8.91	0	35
36	1965	0	57	8.44	0	36
37	1966	0	58	8.29	0	37
38	1967	0	62	7.76	0	38
39	1968	0	64	7.52	0	39
40	1969	0	69	6.97	0	40
41	1970	0	78	6.17	0	41
42	1971	0	88	5.47	0	42
43	1972	0	95	5.06	0	43
44	1973	0	100	4.81	0	44
45	1974	0	109	4.41	0	45
46	1975	0	122	3.94	0	46
47	1976	0	131	3.67	0	47
48	1977	0	142	3.39	0	48
49	1978	0	151	3.19	0	49
50	1979	0	160	3.01	0	50
51	1980	0	170	2.83	0	51
52	1981	0	185	2.60	0	52
53	1982	0	206	2.33	0	53
54	1983	0	218	2.21	0	54
55	1984	0	220	2.19	0	55
56	1985	0	214	2.25	0	56
57	1986	0	215	2.24	0	57
58	1987	0	216	2.23	0	58
59	1988	0	215	2.24	0	59
60	1989	0	214	2.25	0	60
61	1990	0	220	2.19	0	61
62	1991	0	225	2.14	0	62
63	1992	0	232	2.07	0	63
64	1993	0	236	2.04	0	64
65	1994	0	239	2.01	0	65
66	1995	0	247	1.95	0	66
67	1996	0	254	1.89	0	67
68	1997	0	257	1.87	0	68
69	1998	0	265	1.82	0	69
70	1999	0	275	1.75	0	70
71	2000	0	285	1.69	0	71
72	2001	0	299	1.61	0	72
73	2002	0	309	1.56	0	73
74	2003	0	318	1.51	0	74
75	2004	53,733	327	1.47	78,988	75
76	2005	417,383	337	1.43	596,858	76
77	2006	41,782	345	1.39	58,077	77
78	2007	0	354	1.36	0	78
79	2008	405,459	365	1.32	535,206	79
80	2009	1,742,481	382	1.26	2,195,526	80
81	2010	193,611	406	1.18	228,461	81
82	2011	594,238	416	1.16	689,316	82
83	2012	919,185	424	1.13	1,038,679	83
84	2013	1,046,489	429	1.12	1,172,068	84
85	2014	259,365	437	1.10	285,302	85
86	2015	16,807	445	1.08	18,152	86
87	2016	47,258	449	1.07	50,566	87
88	2017	0	473	1.02	0	88
89	2018	292,545	481	1.00	292,545	89
90	2019	0	481	1.00	0	90
91	Total	\$ 6,030,336			\$ 7,239,744	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Year Installed	Account 397.2 - Telemetry Equipment			RCN Cost	Line No.
		Original Cost	H - W Index	Ratio To Current Index		
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	15	32.07	\$ 0	1
2	1931	0	15	32.07	0	2
3	1932	0	15	32.07	0	3
4	1933	0	15	32.07	0	4
5	1934	0	15	32.07	0	5
6	1935	0	15	32.07	0	6
7	1936	0	15	32.07	0	7
8	1937	0	17	28.29	0	8
9	1938	0	17	28.29	0	9
10	1939	0	17	28.29	0	10
11	1940	0	17	28.29	0	11
12	1941	0	18	26.72	0	12
13	1942	0	19	25.32	0	13
14	1943	0	19	25.32	0	14
15	1944	0	19	25.32	0	15
16	1945	0	19	25.32	0	16
17	1946	0	21	22.90	0	17
18	1947	0	24	20.04	0	18
19	1948	0	26	18.50	0	19
20	1949	0	28	17.18	0	20
21	1950	0	30	16.03	0	21
22	1951	0	31	15.52	0	22
23	1952	0	33	14.58	0	23
24	1953	0	34	14.15	0	24
25	1954	0	36	13.36	0	25
26	1955	0	37	13.00	0	26
27	1956	0	39	12.33	0	27
28	1957	0	41	11.73	0	28
29	1958	0	42	11.45	0	29
30	1959	0	45	10.69	0	30
31	1960	0	46	10.46	0	31
32	1961	0	49	9.82	0	32
33	1962	0	51	9.43	0	33
34	1963	0	52	9.25	0	34
35	1964	0	54	8.91	0	35
36	1965	0	57	8.44	0	36
37	1966	0	58	8.29	0	37
38	1967	0	62	7.76	0	38
39	1968	0	64	7.52	0	39
40	1969	0	69	6.97	0	40
41	1970	0	78	6.17	0	41
42	1971	0	88	5.47	0	42
43	1972	0	95	5.06	0	43
44	1973	0	100	4.81	0	44
45	1974	0	109	4.41	0	45
46	1975	0	122	3.94	0	46
47	1976	0	131	3.67	0	47
48	1977	0	142	3.39	0	48
49	1978	0	151	3.19	0	49
50	1979	0	160	3.01	0	50
51	1980	0	170	2.83	0	51
52	1981	0	185	2.60	0	52
53	1982	0	206	2.33	0	53
54	1983	0	218	2.21	0	54
55	1984	0	220	2.19	0	55
56	1985	0	214	2.25	0	56
57	1986	0	215	2.24	0	57
58	1987	0	216	2.23	0	58
59	1988	0	215	2.24	0	59
60	1989	0	214	2.25	0	60
61	1990	0	220	2.19	0	61
62	1991	0	225	2.14	0	62
63	1992	0	232	2.07	0	63
64	1993	0	236	2.04	0	64
65	1994	0	239	2.01	0	65
66	1995	0	247	1.95	0	66
67	1996	0	254	1.89	0	67
68	1997	0	257	1.87	0	68
69	1998	0	265	1.82	0	69
70	1999	0	275	1.75	0	70
71	2000	0	285	1.69	0	71
72	2001	0	299	1.61	0	72
73	2002	0	309	1.56	0	73
74	2003	0	318	1.51	0	74
75	2004	0	327	1.47	0	75
76	2005	0	337	1.43	0	76
77	2006	0	345	1.39	0	77
78	2007	0	354	1.36	0	78
79	2008	0	365	1.32	0	79
80	2009	0	382	1.26	0	80
81	2010	0	406	1.18	0	81
82	2011	0	416	1.16	0	82
83	2012	0	424	1.13	0	83
84	2013	0	429	1.12	0	84
85	2014	2,241	437	1.10	2,465	85
86	2015	0	445	1.08	0	86
87	2016	0	449	1.07	0	87
88	2017	0	473	1.02	0	88
89	2018	0	481	1.00	0	89
90	2019	0	481	1.00	0	90
91	Total	\$ 2,241			\$ 2,465	91

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**RCN COST OF GAS PLANT IN SERVICE AS OF JANUARY 31, 2019**

Line No.	Account 398 - Miscellaneous Equipment					Line No.
	Year	Original	H - W	Ratio To	RCN	
	Installed	Cost	Index	Current Index	Cost	
	(a)	(b)	(c)	(d)	(e)	
1	1930	\$ 0	15	32.07	\$ 0	1
2	1931	0	15	32.07	0	2
3	1932	0	15	32.07	0	3
4	1933	0	15	32.07	0	4
5	1934	0	15	32.07	0	5
6	1935	0	15	32.07	0	6
7	1936	0	15	32.07	0	7
8	1937	0	17	28.29	0	8
9	1938	0	17	28.29	0	9
10	1939	0	17	28.29	0	10
11	1940	0	17	28.29	0	11
12	1941	0	18	26.72	0	12
13	1942	0	19	25.32	0	13
14	1943	0	19	25.32	0	14
15	1944	0	19	25.32	0	15
16	1945	0	19	25.32	0	16
17	1946	0	21	22.90	0	17
18	1947	0	24	20.04	0	18
19	1948	0	26	18.50	0	19
20	1949	0	28	17.18	0	20
21	1950	0	30	16.03	0	21
22	1951	0	31	15.52	0	22
23	1952	0	33	14.58	0	23
24	1953	0	34	14.15	0	24
25	1954	0	36	13.36	0	25
26	1955	0	37	13.00	0	26
27	1956	0	39	12.33	0	27
28	1957	0	41	11.73	0	28
29	1958	0	42	11.45	0	29
30	1959	0	45	10.69	0	30
31	1960	0	46	10.46	0	31
32	1961	0	49	9.82	0	32
33	1962	0	51	9.43	0	33
34	1963	0	52	9.25	0	34
35	1964	0	54	8.91	0	35
36	1965	0	57	8.44	0	36
37	1966	0	58	8.29	0	37
38	1967	0	62	7.76	0	38
39	1968	0	64	7.52	0	39
40	1969	0	69	6.97	0	40
41	1970	0	78	6.17	0	41
42	1971	0	88	5.47	0	42
43	1972	0	95	5.06	0	43
44	1973	0	100	4.81	0	44
45	1974	0	109	4.41	0	45
46	1975	0	122	3.94	0	46
47	1976	0	131	3.67	0	47
48	1977	0	142	3.39	0	48
49	1978	0	151	3.19	0	49
50	1979	0	160	3.01	0	50
51	1980	0	170	2.83	0	51
52	1981	0	185	2.60	0	52
53	1982	0	206	2.33	0	53
54	1983	0	218	2.21	0	54
55	1984	0	220	2.19	0	55
56	1985	0	214	2.25	0	56
57	1986	0	215	2.24	0	57
58	1987	0	216	2.23	0	58
59	1988	0	215	2.24	0	59
60	1989	0	214	2.25	0	60
61	1990	0	220	2.19	0	61
62	1991	0	225	2.14	0	62
63	1992	0	232	2.07	0	63
64	1993	0	236	2.04	0	64
65	1994	0	239	2.01	0	65
66	1995	0	247	1.95	0	66
67	1996	0	254	1.89	0	67
68	1997	0	257	1.87	0	68
69	1998	0	265	1.82	0	69
70	1999	0	275	1.75	0	70
71	2000	0	285	1.69	0	71
72	2001	0	299	1.61	0	72
73	2002	0	309	1.56	0	73
74	2003	0	318	1.51	0	74
75	2004	7,002	327	1.47	10,293	75
76	2005	36,478	337	1.43	52,164	76
77	2006	88,395	345	1.39	122,869	77
78	2007	8,989	354	1.36	12,225	78
79	2008	42,617	365	1.32	56,254	79
80	2009	67,498	382	1.26	85,047	80
81	2010	83,004	406	1.18	97,945	81
82	2011	38,936	416	1.16	45,166	82
83	2012	32,528	424	1.13	36,757	83
84	2013	14,287	429	1.12	16,001	84
85	2014	315,147	437	1.10	346,662	85
86	2015	115,696	445	1.08	124,952	86
87	2016	272,684	449	1.07	291,772	87
88	2017	71,238	473	1.02	72,663	88
89	2018	97,539	481	1.00	97,539	89
90	2019	0	481	1.00	0	90
91	Total	\$ 1,292,036			\$ 1,468,309	91
92	Grand Total	\$ 87,265,254			\$ 107,633,979	92

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**ALLOCATION OF RCND RESERVE BASED ON GAS PLANT IN SERVICE**  
**AS OF JANUARY 31, 2019**

Line No.	Description (a)	Arizona (b) Company Records	System Allocable (c) Company Records	Line No.
<u>Gas Plant In Service</u>				
1	Intangible Plant	\$ 4,219,850	\$ 237,589,747	1
2	Storage Plant	1,772,673	0	2
3	Distribution Plant	3,532,384,830	0	3
4	General Plant	166,198,282	87,265,254	4
5	Total Gas Plant In Service	<u>\$ 3,704,575,635</u>	<u>\$ 324,855,001</u>	5
<u>Accumulated Provision</u>				
6	Intangible Plant	\$ 3,009,220	\$ 193,658,510	6
7	Storage Plant	0	0	7
8	Distribution Plant	1,358,231,289	0	8
9	General Plant	55,318,083	28,791,456	9
10	Total Accumulated Provision	<u>\$ 1,416,558,592</u>	<u>\$ 222,449,966</u>	10
<u>Percentage of Accumulated Reserve to Gas Plant In Service</u>				
11	Intangible Plant	71.31%	81.51%	11
12	Storage Plant	0.00%	N/A	12
13	Distribution Plant	38.45%	N/A	13
14	General Plant	33.28%	32.99%	14

Source: Company Records



**SOUTHWEST GAS CORPORATION  
ARIZONA  
WORKING CAPITAL ALLOWANCE COMPUTATION  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Amount (c)	Line No.
1	Cash Working Capital	Sch B-5, Sh 2, Ln 15(c)	\$ (10,297,032)	1
2	Materials and Supplies	Sch B-5, Sh 3, Ln 16(f)	34,013,908	2
3	Prepayments	Sch B-5, Sh 4, Ln 19(h)	<u>7,721,011</u>	3
4	Total Working Capital Allowance	Sum Lns 1-3	<u>\$ 31,437,887</u>	4
			Sch B-1, Sh 2, Lns 8-10	



**SOUTHWEST GAS CORPORATION  
ARIZONA  
CASH WORKING CAPITAL  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Cost (c)	Lag Days (d)	Dollar Days (e) (c) * (d)	Line No.
1	Cost of Gas	[1]	\$ 181,599,453	37.85	\$ 6,873,779,606	1
2	Labor and Benefits Expense	WP B-5, Sh 14	130,926,194	10.93	1,430,464,753	2
3	Prepayments Amortized to O&M	WP B-5, Sh 29	92,279,096	0.00	0	3
4	Uncollectibles Expense	WP B-5, Sh 28	1,350,724	90.83	122,690,764	4
5	Other O&M Expense	WP B-5, Sh 28	7,188,668	15.39	110,618,672	5
6	Total O&M Expense	Sum Lns 1-5	<u>\$ 413,344,135</u>	20.65	<u>\$ 8,537,553,794</u>	6
7	Interest	Sch C-1, Sh 16, Ln 21(e)	47,329,818	84.97	4,021,573,582	7
8	Taxes Other than Income Taxes	Sch A-1, Sh 2, Ln 15(g)	58,155,759	165.45	9,622,073,434	8
9	Income Taxes - Current	Sch C-1, Sh 16, Ln 18(e)	15,482,271	35.75	553,491,172	9
10	Total	Sum Lns 6-9	<u>\$ 534,311,983</u>	42.55	<u>\$ 22,734,691,982</u>	10
11	Number of Days in Test Period		365			11
12	Average Daily Operating Expenses	Ln 10 / Ln 11	\$ 1,463,868			12
13	Lag in Receipt of Revenue	WP B-5, Sh 93, Ln 4(c)		<u>35.52</u>		13
14	Net Revenue Lag (Expense Lead)	Ln 13(d) - Ln 10(d)		<u>(7.03)</u>		14
15	Cash Working Capital	Ln 12 * Ln 14	<u>\$ (10,297,032)</u>			15
			Sch B-5, Sh 1, Ln 1(c)			

[1] Gas Costs adjusted for present volumes and rates.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
MATERIALS AND SUPPLIES (M&S) [1]  
FOR THE THIRTEEN MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Account Number		System Allocable (e) WP B-5, Sh 1	Total (f) Sum (c)-(e)	Line No.
			154 (c) Company Records	163 (d) Company Records			
1	January 2018		\$ 25,276,794	\$ 709,217	\$ (7,846)	\$ 25,978,165	1
2	February 2018		28,230,028	760,325	(7,665)	28,982,689	2
3	March 2018		30,255,746	1,271,196	(7,475)	31,519,466	3
4	April 2018		32,079,212	981,737	(7,472)	33,053,477	4
5	May 2018		33,512,886	737,995	(6,601)	34,244,280	5
6	June 2018		34,927,370	581,162	(6,830)	35,501,703	6
7	July 2018		34,510,820	594,705	(44,382)	35,061,143	7
8	August 2018		33,344,490	557,227	(42,594)	33,859,123	8
9	September 2018		33,078,563	572,125	(42,487)	33,608,200	9
10	October 2018		34,201,178	481,222	17,567	34,699,966	10
11	November 2018		36,510,606	574,174	(42,120)	37,042,660	11
12	December 2018		37,988,061	529,886	(42,032)	38,475,915	12
13	January 2019		39,891,183	304,861	(42,032)	40,154,013	13
14	Thirteen Month Total	Sum Lns 1-13	<u>\$ 433,806,935</u>	<u>\$ 8,655,833</u>	<u>\$ (281,968)</u>	<u>\$ 442,180,800</u>	14
15	Thirteen Month Average	Ln 14 / 13	<u>\$ 33,369,764</u>	<u>\$ 665,833</u>	<u>\$ (21,690)</u>	<u>\$ 34,013,908</u>	15
16	Test Year M&S	Ln 15				<u>\$ 34,013,908</u>	16

Sch B-5, Sh 1, Ln 2

[1] \$2.8M of LNG inventory is added to test year M&S in Adjustment No. 18.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
PREPAYMENTS  
FOR THE THIRTEEN MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Company Records		Company Records		Company Records		Company Records		Company Records		Total (h)	Line No.
			(c)	(d)	(e)	(f)	(g)	(g)	(g)	(g)	(g)	(g)		
1	January 2018		\$ 896,341	\$ 10,778,884	\$ 0	\$ 44,627	\$ 42,139	\$ 11,761,992	1					
2	February 2018		1,117,596	10,895,430	0	42,003	7,250	12,062,278	2					
3	March 2018		1,281,233	9,387,554	0	36,778	24,347	10,729,913	3					
4	April 2018		1,475,457	8,217,138	0	38,905	0	9,731,500	4					
5	May 2018		884,053	7,559,468	0	39,036	0	8,482,557	5					
6	June 2018		323,634	8,915,102	2,042,981	34,543	0	11,316,261	6					
7	July 2018		533,334	14,714,585	0	38,488	0	15,286,408	7					
8	August 2018		683,146	15,624,132	0	39,932	23,819	16,371,029	8					
9	September 2018		201,861	18,834,863	0	50,968	20,243	19,107,934	9					
10	October 2018		1,105,003	15,554,618	0	55,194	36,771	16,751,587	10					
11	November 2018		624,086	15,933,910	0	53,987	43,889	16,655,872	11					
12	December 2018		863,550	16,099,241	0	49,732	34,667	17,047,190	12					
13	January 2019		1,044,023	16,575,551	0	43,523	51,806	17,714,903	13					
14	Thirteen Month Total	Sum Lns 1-13	\$ 11,033,319	\$ 169,090,477	\$ 2,042,981	\$ 567,716	\$ 284,931	\$ 183,019,424	14					
15	Thirteen Month Average	Ln 14 / 13	\$ 848,717	\$ 13,006,960	\$ 157,152	\$ 43,670	\$ 21,918	\$ 14,078,417	15					
16	Deferred Taxes	Ln 15 * Sch C-3, Sh 2, Ln 4(c)	211,084	0	0	0	0	211,084	16					
17	Balance Net of Deferred Taxes	Ln 15 - Ln 16	\$ 637,632	\$ 13,006,960	\$ 157,152	\$ 43,670	\$ 21,918	\$ 13,867,333	17					
18	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)						55.68%	18					
19	Prepayments Allocated to AZ	Ln 17 * Ln 18					\$ 7,721,011		19					

Sch B-5, Sh 1, Ln 3

**SOUTHWEST GAS CORPORATION  
ARIZONA  
CUSTOMER DEPOSITS  
FOR THE THIRTEEN MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Account 235 Balance (c)	Line No.
			Company Records	
1	January 2018		\$ 37,419,164	1
2	February 2018		37,387,707	2
3	March 2018		37,219,341	3
4	April 2018		37,238,343	4
5	May 2018		37,190,473	5
6	June 2018		37,265,701	6
7	July 2018		37,019,683	7
8	August 2018		36,730,800	8
9	September 2018		36,490,283	9
10	October 2018		36,290,125	10
11	November 2018		36,213,466	11
12	December 2018		36,256,300	12
13	January 2019		<u>36,495,586</u>	13
14	Thirteen Month Total	Sum Lns 1-13	\$ <u>479,216,972</u>	14
15	Thirteen Month Average	Ln 14 / 13	\$ <u>36,862,844</u>	15
16	Test Year Customer Deposits	Ln 15	\$ <u>36,862,844</u>	16

Sch B-1, Sh 2, Ln 11(c)

**SOUTHWEST GAS CORPORATION  
ARIZONA  
CUSTOMER ADVANCES  
FOR THE THIRTEEN MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Account 252 Balance (c)	Line No.
			Company Records	
1	January 2018		\$ 37,265,177	1
2	February 2018		38,149,009	2
3	March 2018		38,553,917	3
4	April 2018		39,549,617	4
5	May 2018		41,085,784	5
6	June 2018		41,409,771	6
7	July 2018		41,043,929	7
8	August 2018		42,663,577	8
9	September 2018		44,165,493	9
10	October 2018		44,282,685	10
11	November 2018		43,999,864	11
12	December 2018		44,443,844	12
13	January 2019		44,361,607	13
14	Thirteen Month Total	Sum Lns 1-13	\$ <u>540,974,274</u>	14
15	Thirteen Month Average	Ln 14 / 13	\$ <u>41,613,406</u>	15
16	Test Year Customer Advances	Ln 15	\$ <u>41,613,406</u>	16

Sch B-1, Sh 2, Ln 12(c)

**SOUTHWEST GAS CORPORATION  
ARIZONA  
DEFERRED TAXES AS RECORDED  
AT JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	AZ Direct (c) Company Records	System Allocable (d) Company Records	After 4-Factor Allocation (e) Col (d) * Ln 6(e)	Total (f) (c) + (e)	Line No.
1	Deferred Tax Liability - State	Account 282	\$ 36,034,057	\$ 3,727,259	\$ 2,075,252	\$ 38,109,309	1
2	Deferred Tax Liability - Federal	Account 282	298,025,443	18,143,172	10,101,700	308,127,143	2
3	Excess Deferred Income Taxes	Account 254	186,630,306	8,744,231	4,850,425	191,480,731	3
4	Alternative Minimum Tax	Account 190	0	(22,573,720)	(12,568,527)	(12,568,527)	4
5	Total	Sum Lns 1 - 4	<u>\$ 520,689,806</u>	<u>\$ 8,040,942</u>	<u>\$ 4,458,850</u>	<u>\$ 525,148,656</u>	5
						Sch B-1, Sh 2, Ln 13(c)	
6	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)			55.68%		6

**SOUTHWEST GAS CORPORATION  
ARIZONA  
DEFERRED TAXES AS ADJUSTED  
AT JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	AZ Direct (c)	System Allocable (d)	After 4-Factor Allocation (e) Col (d) * Ln 16(e)	Total (f) (c) + (e)	Line No.
<u>As Recorded</u>							
1	Deferred Tax Liability - State	Sch B-6, Sh 3, Ln 1	\$ 36,034,057	\$ 3,727,259	\$ 2,075,252	\$ 38,109,309	1
2	Deferred Tax Liability - Federal	Sch B-6, Sh 3, Ln 2	298,025,443	18,143,172	10,101,700	308,127,143	2
3	Excess Deferred Income Taxes	Sch B-6, Sh 3, Ln 3	186,630,306	8,744,231	4,850,425	191,480,731	3
4	Alternative Minimum Tax	Sch B-6, Sh 3, Ln 4	0	(22,573,720)	(12,568,527)	(12,568,527)	4
5	Total	Sum Lns 1 - 4	<u>\$ 520,689,806</u>	<u>\$ 8,040,942</u>	<u>\$ 4,458,850</u>	<u>\$ 525,148,656</u>	5
<u>Adjustments</u>							
6	Deferred Tax Liability - State	B-2, Adj. 19, Sh 1	\$ 60,077	\$ (104,893)	\$ (58,402)	\$ 1,675	6
7	Deferred Tax Liability - Federal	B-2, Adj. 19, Sh 1	(1,209,106)	(558,109)	(310,742)	(1,519,848)	7
8	Excess Deferred Income Taxes	B-2, Adj. 19, Sh 1	0	0	0	0	8
9	Alternative Minimum Tax	B-2, Adj. 19, Sh 1	0	0	0	0	9
10	Total	Sum Lns 6 - 9	<u>\$ (1,149,029)</u>	<u>\$ (663,002)</u>	<u>\$ (369,144)</u>	<u>\$ (1,518,173)</u>	10
						Sch C-2, Sh 2, Col (j)	
<u>As Adjusted</u>							
11	Deferred Tax Liability - State	Ln 1 + Ln 6	\$ 36,094,134	\$ 3,622,366	\$ 2,016,850	\$ 38,110,984	11
12	Deferred Tax Liability - Federal	Ln 2 + Ln 7	296,816,337	17,585,063	9,790,958	306,607,295	12
13	Excess Deferred Income Taxes	Ln 3 + Ln 8	186,630,306	8,744,231	4,850,425	191,480,731	13
14	Alternative Minimum Tax	Ln 4 + Ln 9	0	(22,573,720)	(12,568,527)	(12,568,527)	14
15	Total	Sum Lns 11 - 14	<u>\$ 519,540,778</u>	<u>\$ 7,377,940</u>	<u>\$ 4,089,706</u>	<u>\$ 523,630,483</u>	15
16	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)			55.68%		16

**SOUTHWEST GAS CORPORATION  
ARIZONA  
EXCESS ACCUMULATED DEFERRED INCOME TAXES  
REGULATORY LIABILITY**

Line No.	Description (a)	Reference (b)	Plant Amount (c)	Non-Plant Amount (d)	Total (e) (c) + (d)	Line No.
1	Timing Differences at 12/31/2017	Company Records	\$ 1,351,653,336	\$ 13,780,775	\$ 1,365,434,111	1
2	Recorded Deferred Taxes	Ln 1 * 21%	\$ 283,847,201	\$ 2,893,963	\$ 286,741,163	2
3	Required Deferred Taxes at 35% Statutory Rate	Ln 1 * 35%	473,078,668	4,823,271	477,901,939	3
4	Excess Deferred Taxes Before State Adjustment	Ln 3 - Ln 2	\$ 189,231,467	\$ 1,929,309	\$ 191,160,776	4
5	State Adjustment (Federal Benefit of State Taxes)	Company Records	(2,601,161)	(55,796)	(2,656,957)	5
6	Excess Deferred Taxes	Ln 4 + Ln 5	\$ 186,630,306	\$ 1,873,513	\$ 188,503,819	6
7	Common Excess Deferred Taxes Allocated to Arizona	Ln 18	4,850,425	(2,903,739)	1,946,686	7
8	Total Arizona Excess Deferred Taxes [1]	Ln 6 + Ln 7	\$ 191,480,731	\$ (1,030,226)	\$ 190,450,505	8
9	Gross-up [2]	Company Records	58,117,877	(312,692)	57,805,185	9
10	Total Arizona Regulatory Liability	Ln 8 + Ln 9	\$ 249,598,609	\$ (1,342,918)	\$ 248,255,690	10
			Sch B-6, Sh 6, Ln 1(c)	Sch B-6, Sh 6, Ln 1(d)		

**SYSTEM ALLOCABLE**

11	Timing Differences at 12/31/2017	Company Records	\$ 65,175,852	\$ (38,504,933)	\$ 26,670,919	11
12	Recorded Deferred Taxes	Ln 11 * 21%	13,686,929	(8,086,036)	5,600,893	12
13	Required Deferred Taxes at 35% Statutory Rate	Ln 11 * 35%	22,811,548	(13,476,727)	9,334,822	13
14	Excess Deferred Taxes Before State Adjustment	Ln 13 - Ln 12	\$ 9,124,619	\$ (5,390,691)	\$ 3,733,929	14
15	State Adjustment (Federal Benefit of State Taxes)	Company Records	(380,388)	155,899	(224,489)	15
16	Excess Deferred Taxes	Ln 14 + Ln 15	\$ 8,744,231	\$ (5,234,791)	\$ 3,509,440	16
17	4-Factor at 12/31/17 [3]		55.47%	55.47%	55.47%	17
18	Excess Deferred Taxes Apportioned to Arizona	Ln 16 * Ln 17	\$ 4,850,425	\$ (2,903,739)	\$ 1,946,686	18

[1] Rate Base adjustment associated with plant-related excess deferred income tax

[2] Excess deferred taxes are grossed-up to reflect the future tax savings of reduced future revenue

[3] The 4-factor percentage used to establish the excess deferred liability is the percentage at 12/31/17



**SOUTHWEST GAS CORPORATION  
ARIZONA  
AMORTIZATION OF EXCESS ACCUMULATED DEFERRED INCOME TAXES (EADIT)**

Line No.	Description (a)	Reference (b)	Plant Amount (c)	Non-Plant Amount (d)	Total (e) (c) + (d)	Line No.
1	Total Arizona Regulatory Liability (Asset)	Sch B-6, Sh 5, Ln 10	\$ 249,598,609	\$ (1,342,918)	\$ 248,255,690	1
2	Amortization Period (Years)			3		2
3	Annual Amortization of EADIT	Company Records	\$ 14,914,416			3
4	Arizona Share of System Allocable EADIT	Ln 8	991,382			4
5	Total Arizona Annual Amortization of EADIT [1]	Ln 3 + Ln 4	<u>\$ 15,905,798</u>	<u>\$ (447,639)</u>	<u>15,458,159</u>	5
					Sch C-1, Sh 16, Ln 15(d)	

**SYSTEM ALLOCABLE**

6	Annual Amortization of EADIT	Company Records	\$ 1,787,240			6
7	4-Factor at 12/31/17	[2]	<u>55.47%</u>			7
8	Arizona Share of Annual Amortization of EADIT	Ln 6 * Ln 7	<u>\$ 991,382</u>			8

[1] The regulatory liability will be reduced by the grossed-up amount.

[2] The 4-factor used to establish the excess deferred liability is the percentage at 12/31/17

# **SCHEDULE C**

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**ADJUSTED TEST YEAR INCOME STATEMENT**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	Recorded 1/31/2019 (c)	Adjustments (d) Sch C-2, Sh 2, Col (k)	Adjusted 1/31/2019 (e) (c) + (d)	Line No.
1	Operating Revenue	Sch C-2, Adj 1, Sh 1	\$ 701,861,440	\$ (183,643,076)	\$ 518,218,363	1
2	Gas Cost	Sch C-1, Sh 3, Lns 6 and 9	201,173,630	(201,173,630)	0	2
3	Operating Margin	Ln 1 - Ln 2	<u>\$ 500,687,809</u>	<u>\$ 17,530,554</u>	<u>\$ 518,218,363</u>	3
	<u>Operating Expenses</u>					
4	Other Gas Costs	Sch C-1, Sh 3, Ln 7(c)	\$ 1,267,230	\$ 90,917	\$ 1,358,147	4
5	Storage	Sch C-1, Sh 3, Ln 8(c)	0	1,470,088	1,470,088	5
6	Distribution	Sch C-1, Sh 3, Ln 25(c)	106,965,636	1,996,392	108,962,028	6
7	Customer Accounts	Sch C-1, Sh 3, Ln 31(c)	24,864,595	783,894	25,648,489	7
8	Customer Service & Info.	Sch C-1, Sh 4, Ln 4(c)	424,773	(45,406)	379,366	8
9	Sales	Sch C-1, Sh 4, Ln 8(c)	12,629	(5,050)	7,579	9
	<u>Administrative &amp; General</u>					
10	Direct	Sch C-1, Sh 9, Ln 25(d)	5,152,768	874,447	6,027,215	10
11	System Allocable	Sch C-1, Sh 9, Ln 25(k)	88,354,236	(572,485)	87,781,751	11
	<u>Depreciation &amp; Amortization</u>					
12	Direct	Sch C-1, Sh 14, Ln 3(d)	90,541,589	10,835,680	101,377,269	12
13	System Allocable	Sch C-1, Sh 14, Ln 12(d)	11,134,978	3,544,503	14,679,481	13
14	Regulatory Amortizations	Sch C-1, Sh 14, Ln 6(d)	6,769,642	(10,198,917)	(3,429,275)	14
15	Taxes Other Than Income	Sch C-1, Sh 15, Ln 3(c)	42,244,348	15,911,411	58,155,759	15
16	Interest on Customer Deposits	Sch C-2, Adj. 15, Sh 1, Ln 4(c)	2,180,878	(1,222,444)	958,434	16
17	Income Taxes	Sch C-1, Sh 16, Ln 18(c)	19,091,352	(17,758,548)	1,332,804	17
18	Total Operating Expenses	Sum Lns 4-17	<u>\$ 399,004,654</u>	<u>\$ 5,704,481</u>	<u>\$ 404,709,135</u>	18
19	Net Operating Income	Ln 3 - Ln 18	<u>\$ 101,683,155</u>	<u>\$ 11,826,073</u>	<u>\$ 113,509,228</u>	19
			Sch A-1, Sh 2, Col (c)	Sch A-1, Sh 2, Col (d)	Sch A-1, Sh 2, Col (e)	

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
ADJUSTED SALES VOLUMES AND REVENUES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Recorded At 01/31/2019	Adjustment No. 1	Test Period Balance As Adjusted	Line No.
	(a)	(b)	(c)	(d)	
1	Sales Quantity (Therms) [1]	<u>529,437,882</u>	<u>(9,122,664)</u>	<u>520,315,218</u>	1
2	Revenue [1]	<u>\$ 701,861,440</u>	<u>\$ (183,643,076)</u>	<u>\$ 518,218,363</u>	2
3	Total Revenue Adjustment		<u>\$ (183,643,076)</u>		3

[1] Schedule C-2, Adjustment No. 1, Sheet 1.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
OPERATIONS AND MAINTENANCE EXPENSE SUMMARY  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
AS ADJUSTED FOR THE TEST YEAR**

Line No.	Description (a)	Account No./ Reference (b)	Recorded 1/31/2019 (c) <small>Sch C-1, Sh 5-8, Col (c)</small>	Adjustments (d) (e) - (c)	Adjusted 1/31/2019 (e) <small>Sch C-1, Sh 5-8, Col (k)</small>	Line No.
<u>Purchased Gas Costs</u>						
1	Natural Gas Transmission Line Purchases	803	\$ 116,448,762	\$ (116,448,762)	\$ 0	1
2	Purchased Gas Cost Adjustments	805	77,881,083	(77,881,083)	0	2
3	Gas Withdrawn From Storage	808	226,519	(226,519)	0	3
4	Gas Delivered To Storage	808	(16,523)	16,523	0	4
5	Gas Used for Compressor Station Fuel	810	0	0	0	5
6	Total Purchased Gas Costs	Sum Lns 1-5	<u>\$ 194,539,841</u>	<u>\$ (194,539,841)</u>	<u>\$ 0</u>	6
<u>Other Gas Costs</u>						
7	Other Gas Supply	813	\$ 1,267,230	\$ 90,917	\$ 1,358,147	7
<u>Storage</u>						
8	LNG Storage Facility	Various	\$ 0	\$ 1,470,088	\$ 1,470,088	8
<u>Transmission</u>						
9	Transmission and Compression of Gas by Others	858	\$ 6,633,789	\$ (6,633,789)	\$ 0	9
<u>Distribution</u>						
10	Operation Supervision and Engineering	870	\$ 11,312,091	\$ 144,185	\$ 11,456,277	10
11	Operation Distribution Load Dispatching	871	633,468	42,095	675,562	11
12	Operation Mains and Services	874	12,418,223	155,358	12,573,581	12
13	Operation Measuring and Regulation Station	875	2,444,742	60,383	2,505,125	13
14	Operation Meter and House Regulator	878	10,488,868	254,436	10,743,304	14
15	Customer Installation	879	12,022,337	458,427	12,480,763	15
16	Other	880	12,968,364	164,993	13,133,357	16
17	Rents	881	(634,635)	(89,800)	(724,435)	17
18	Maintenance Supervision and Engineering	885	2,452,396	71,088	2,523,484	18
19	Maintenance of Structures and Improvements	886	78,366	573	78,938	19
20	Maintenance of Mains	887	23,811,700	386,386	24,198,086	20
21	Maintenance of Measuring and Reg. Station Eq.	889	2,514,812	61,846	2,576,658	21
22	Maintenance of Services	892	12,692,799	194,991	12,887,790	22
23	Maintenance of Meters and House Regulators	893	3,411,116	81,788	3,492,904	23
24	Maintenance of Other Equipment	894	350,988	9,645	360,633	24
25	Total Distribution	Sum Lns 10-24	<u>\$ 106,965,636</u>	<u>\$ 1,996,392</u>	<u>\$ 108,962,028</u>	25
<u>Customer Accounts</u>						
26	Supervision	901	\$ 1,728,035	\$ 114,926	\$ 1,842,960	26
27	Meter Reading	902	1,516,106	41,194	1,557,300	27
28	Customer Records and Collection	903	20,070,871	704,938	20,775,809	28
29	Uncollectible Accounts	904	1,431,902	(81,178)	1,350,724	29
30	Miscellaneous	905	117,681	4,014	121,695	30
31	Total Customer Accounts	Sum Lns 26-30	<u>\$ 24,864,595</u>	<u>\$ 783,894</u>	<u>\$ 25,648,489</u>	31

**SOUTHWEST GAS CORPORATION  
ARIZONA  
OPERATIONS AND MAINTENANCE EXPENSE SUMMARY  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
AS ADJUSTED FOR THE TEST YEAR**

Line No.	Description (a)	Account No./ Reference (b)	Recorded 1/31/2019 (c) <small>Sch C-1, Sh 5-8, Col (c)</small>	Adjustments (d) <small>(e) - (c)</small>	Adjusted 1/31/2019 (e) <small>Sch C-1, Sh 5-8, Col (k)</small>	Line No.
<u>Customer Service and Information</u>						
1	Customer Assistance	908	\$ 24,142	\$ (24,163)	\$ (21)	1
2	Informational and Instructional Advertising	909	0	0	0	2
3	Miscellaneous	910	400,631	(21,243)	379,388	3
4	Total Customer Service and Information	Sum Lns 1-3	<u>\$ 424,773</u>	<u>\$ (45,406)</u>	<u>\$ 379,366</u>	4
<u>Sales</u>						
5	Supervision	911	\$ 0	\$ 0	\$ 0	5
6	Demonstration and Selling	912	0	0	0	6
7	Advertising	913	12,629	(5,050)	7,579	7
8	Total Sales	Sum Lns 5-7	<u>\$ 12,629</u>	<u>\$ (5,050)</u>	<u>\$ 7,579</u>	8
9	Total O&M		<u>\$ 334,708,493</u>	<u>\$ (196,882,796)</u>	<u>\$ 137,825,696</u>	9
<u>Administrative and General (A&amp;G)</u>						
			<small>Sch C-1, Sh 9, Col (l)</small>			<small>Sch C-1, Sh 13, Col (l)</small>
10	A&G Salaries	920	\$ 48,051,328	\$ 1,609,230	\$ 49,660,558	10
11	Office Supplies and Expenses	921	8,869,929	(215,871)	8,654,058	11
12	A&G Expenses Transferred (Credit)	922	(8,221,169)	(225,129)	(8,446,298)	12
13	Outside Services	923	14,730,167	(207,121)	14,523,045	13
14	Property Insurance	924	246,112	2,865	248,977	14
15	Injuries and Damages	925	7,393,088	548,550	7,941,638	15
16	Employee Pension and Benefits	926	10,996,799	(1,134,401)	9,862,398	16
17	Regulatory Commission Expenses	928	86,892	70,108	157,000	17
18	Safety Advertising	930.1	962,067	0	962,067	18
19	Miscellaneous General	930.2	4,313,280	(169,239)	4,144,041	19
20	Rents	931	1,888,613	(17,012)	1,871,601	20
21	Maintenance of General Plant	935	4,189,900	39,982	4,229,882	21
22	Total A&G	Sum Lns 10-21	<u>\$ 93,507,005</u>	<u>\$ 301,962</u>	<u>\$ 93,808,967</u>	22
23	Total O&M and A&G	Ln 9 + Ln 22	<u>\$ 428,215,498</u>	<u>\$ (196,580,834)</u>	<u>\$ 231,634,663</u>	23

SOUTHWEST GAS CORPORATION  
ARIZONA

OPERATIONS AND MAINTENANCE EXPENSE AS ADJUSTED  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019

Line No.	Description	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	Line No.
			Account No.	1/31/2019	Adj. No. 2	Adj. No. 3	Adj. No. 4	Adj. No. 5	Adj. No. 6	Adj. No. 7	Adj. No. 18	1/31/2019	
					Sch C-2, Adj. 3, Sh. 1	Sch C-2, Adj. 3, Sh. 1	Sch C-2, Adj. 4, Sh. 1	Sch C-2, Adj. 5, Sh. 1	Sch C-2, Adj. 6, Sh. 2	Sch C-2, Adj. 7, Sh. 1	Sch B-2, Adj. 18, Sh. 1		
					Cds (b)-(c)							Sum (a)-(j)	
	<b>Purchased Gas Costs</b>												
1	Natural Gas Transmission Line Purchases	\$ 116,448,762	803	\$ 116,448,762	(116,448,762)	0	0	0	0	0	0	0	1
2	Purchased Gas Cost Adjustments	77,881,083	805	77,881,083	(77,881,083)	0	0	0	0	0	0	0	2
3	Gas Withdrawn From Storage	226,519	808	226,519	(226,519)	0	0	0	0	0	0	0	3
4	Gas Delivered To Storage	16,523	808	(16,523)	16,523	0	0	0	0	0	0	0	4
5	Gas Used for Compressor Station Fuel	0	810	0	0	0	0	0	0	0	0	0	5
6	Total Purchased Gas Costs	\$ 194,539,841	Sum Lns 1-5	\$ 194,539,841	\$ (194,539,841)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	6
	<b>Other Gas Costs</b>												
7	Other Gas Supply	0	813	0	0	64,852	0	0	0	0	0	0	7
8	Labor Loadings	410,306		410,306	0	26,065	0	0	0	0	0	0	8
9	Materials and Expenses	144,118		144,118	0	0	0	0	0	0	0	0	9
10	Total Other Gas Supply	\$ 1,267,230	Sum Lns 7-9	\$ 1,267,230	\$ 0	\$ 90,917	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	10
11	LNG Storage Facility	0	Various	0	0	0	0	0	0	0	1,470,088	1,470,088	11
12	Transmission and Compression of Gas by Others	6,633,789	858	6,633,789	(6,633,789)	0	0	0	0	0	0	0	12
	<b>Distribution</b>												
13	Operation Supervision and Engineering	6,127,213	870	6,127,213	0	273,694	0	0	0	0	0	0	13
14	Labor Loadings	3,545,881		3,545,881	0	61,450	0	0	0	0	0	0	14
15	Materials and Expenses	1,638,988		1,638,988	0	0	0	(233,734)	42,775	0	0	1,448,039	15
16	Total Operation Supervision and Engineering	\$ 11,312,091	Sum Lns 13-15	\$ 11,312,091	\$ 0	\$ 335,144	\$ 0	\$ (233,734)	\$ 42,775	\$ 0	\$ 0	\$ 11,456,277	16
	<b>Operation Distribution Load Dispatching</b>												
17	Labor	301,833	871	301,833	0	29,631	0	0	0	0	0	0	17
18	Labor Loadings	174,155		174,155	0	12,463	0	0	0	0	0	0	18
19	Materials and Expenses	157,480		157,480	0	0	0	0	0	0	0	0	19
20	Total Operation Distribution Load Dispatching	\$ 633,468	Sum Lns 17-19	\$ 633,468	\$ 0	\$ 42,095	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	20
	<b>Operation Mains and Services</b>												
21	Labor	2,839,961	874	2,839,961	0	127,659	0	0	0	0	0	0	21
22	Labor Loadings	1,633,746		1,633,746	0	27,929	0	0	0	0	0	0	22
23	Materials and Expenses	7,944,516		7,944,516	0	0	0	(230)	0	0	0	7,944,286	23
24	Total Operation Mains and Services	\$ 12,418,223	Sum Lns 21-23	\$ 12,418,223	\$ 0	\$ 155,588	\$ 0	\$ (230)	\$ 0	\$ 0	\$ 0	\$ 12,573,581	24
	<b>Operation Measuring and Regulation Station</b>												
25	Labor	1,102,167	875	1,102,167	0	49,406	0	0	0	0	0	0	25
26	Labor Loadings	644,057		644,057	0	10,978	0	0	0	0	0	0	26
27	Materials and Expenses	698,517		698,517	0	0	0	0	0	0	0	698,517	27
28	Total Operation Measuring and Regulation Station	\$ 2,444,742	Sum Lns 25-27	\$ 2,444,742	\$ 0	\$ 60,383	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,505,125	28
	<b>Operation Meter and House Regulator</b>												
29	Labor	4,652,731	878	4,652,731	0	209,014	0	0	0	0	0	0	29
30	Labor Loadings	2,659,080		2,659,080	0	45,423	0	0	0	0	0	0	30
31	Materials and Expenses	3,177,057		3,177,057	0	0	0	0	0	0	0	3,177,057	31
32	Total Operation Meter and House Regulator	\$ 10,488,868	Sum Lns 29-31	\$ 10,488,868	\$ 0	\$ 254,436	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,743,304	32

SOUTHWEST GAS CORPORATION  
ARIZONA

OPERATIONS AND MAINTENANCE EXPENSE AS ADJUSTED  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019

Line No.	Description	Account No.	Recorded 1/31/2019	Purchased Gas Cost	Labor/Loading Amortization	Call Center & Customer Supp.	Cost of Service Analysis	Employee Vehicles	Uncollectibles Annualization	LNG	Adjusted 1/31/2019	Line No.
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
				Adj. No. 2	Adj. No. 3	Adj. No. 4	Adj. No. 5	Adj. No. 6	Adj. No. 7	Adj. No. 18		
				Sch C-2, Adj. 3, Sh. 1, Cds (b)-(c)	Sch C-2, Adj. 4, Sh. 1	Sch C-2, Adj. 5, Sh. 1	Sch C-2, Adj. 6, Sh. 2	Sch C-2, Adj. 7, Sh. 1	Sch B-2, Adj. 18, Sh. 1			
879	Customer Installation											
1	Labor		\$ 6,509,746	\$ 0	\$ 357,141	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,866,887	1
2	Labor Loadings		\$ 3,714,474	\$ 0	\$ 101,285	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,815,759	2
3	Materials and Expenses		\$ 1,798,117	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,798,117	3
4	Total Customer Installation	Sum Lns 1-3	\$ 12,022,337	\$ 0	\$ 458,427	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,480,763	4
880	Other											
5	Labor		\$ 3,961,719	\$ 0	\$ 207,052	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,168,772	5
6	Labor Loadings		\$ 2,316,560	\$ 0	\$ 56,903	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,373,463	6
7	Materials and Expenses		\$ 6,690,084	\$ 0	\$ 0	\$ 0	\$ (98,982)	\$ 0	\$ 0	\$ 0	\$ 6,591,102	7
8	Total Other	Sum Lns 5-7	\$ 12,968,364	\$ 0	\$ 263,955	\$ 0	\$ (98,982)	\$ 0	\$ 0	\$ 0	\$ 13,133,337	8
881	Rents		\$ (634,635)	\$ 0	\$ 0	\$ 0	\$ (89,800)	\$ 0	\$ 0	\$ 0	\$ (724,435)	9
885	Maintenance Supervision and Engineering											
10	Labor		\$ 1,385,693	\$ 0	\$ 62,278	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,447,971	10
11	Labor Loadings		\$ 796,816	\$ 0	\$ 13,698	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 810,514	11
12	Materials and Expenses		\$ 269,887	\$ 0	\$ 0	\$ 0	\$ (4,888)	\$ 0	\$ 0	\$ 0	\$ 264,999	12
13	Total Maintenance Supervision and Engineering	Sum Lns 10-12	\$ 2,452,396	\$ 0	\$ 75,976	\$ 0	\$ (4,888)	\$ 0	\$ 0	\$ 0	\$ 2,523,484	13
886	Maintenance of Structures and Improvements											
14	Labor		\$ 15,621	\$ 0	\$ 465	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,085	14
15	Labor Loadings		\$ 9,619	\$ 0	\$ 108	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,727	15
16	Materials and Expenses		\$ 53,126	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,126	16
17	Total Maintenance of Structures and Improvements	Sum Lns 14-16	\$ 78,366	\$ 0	\$ 573	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 78,938	17
887	Maintenance of Mains											
18	Labor		\$ 7,060,051	\$ 0	\$ 317,150	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,377,201	18
19	Labor Loadings		\$ 4,102,278	\$ 0	\$ 70,076	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,172,353	19
20	Materials and Expenses		\$ 12,649,372	\$ 0	\$ 0	\$ 0	\$ (840)	\$ 0	\$ 0	\$ 0	\$ 12,648,532	20
21	Total Maintenance of Mains	Sum Lns 18-20	\$ 23,811,700	\$ 0	\$ 387,226	\$ 0	\$ (840)	\$ 0	\$ 0	\$ 0	\$ 24,198,086	21
889	Maintenance of Measuring and Reg. Station Eq.											
22	Labor		\$ 1,128,474	\$ 0	\$ 50,693	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,179,167	22
23	Labor Loadings		\$ 652,882	\$ 0	\$ 11,153	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 664,034	23
24	Materials and Expenses		\$ 733,457	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 733,457	24
25	Total Maintenance of Measuring and Reg. Station Eq.	Sum Lns 22-24	\$ 2,514,812	\$ 0	\$ 61,846	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,576,656	25
892	Maintenance of Services											
26	Labor		\$ 3,548,600	\$ 0	\$ 159,533	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,708,133	26
27	Labor Loadings		\$ 2,073,986	\$ 0	\$ 35,468	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,109,444	27
28	Materials and Expenses		\$ 7,070,213	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,070,213	28
29	Total Maintenance of Services	Sum Lns 26-28	\$ 12,692,799	\$ 0	\$ 194,991	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,887,790	29



**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**OPERATIONS AND MAINTENANCE EXPENSE AS ADJUSTED**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Account No.	Recorded 1/31/2019	Purchased Gas Cost	Labor/Loading Amortization	Call Center & Customer Supp.	Cost of Service Analysis	Employee Vehicles	Uncollectibles Annualization	LNG	Adjusted 1/31/2019	Line No.
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
			Sch C-2, Adj. 3, Sh. 1, Cds (b)-(c)	Sch C-2, Adj. 4, Sh. 1	Sch C-2, Adj. 5, Sh. 1	Sch C-2, Adj. 6, Sh. 2	Sch C-2, Adj. 7, Sh. 1	Sch B2, Adj. 18, Sh. 1	Sum (a)-(l)			
883	Maintenance of Meters and House Regulators											
1	Labor		\$ 1,496,660	\$ 0	\$ 67,244	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,563,904	1
2	Labor Loadings		851,232	0	14,543	0	0	0	0	0	865,775	2
3	Materials and Expenses		1,063,225	0	0	0	0	0	0	0	1,063,225	3
4	Total Maintenance of Meters and House Regulators	Sum Lns 1-3	\$ 3,411,116	\$ 0	\$ 81,788	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,492,904	4
894	Maintenance of Other Equipment											
5	Labor		\$ 175,906	\$ 0	\$ 7,905	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 183,812	5
6	Labor Loadings		101,773	0	1,739	0	0	0	0	0	103,512	6
7	Materials and Expenses		73,309	0	0	0	0	0	0	0	73,309	7
8	Total Maintenance of Other Equipment	Sum Lns 5-7	\$ 350,988	\$ 0	\$ 9,645	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 360,633	8
9	Total Distribution		\$ 40,306,374	\$ 0	\$ 1,918,865	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 42,225,239	9
10	Labor Loadings		23,276,536	0	463,206	0	0	0	0	0	23,739,744	10
11	Materials and Expenses		45,382,724	0	0	0	(428,454)	42,775	0	0	45,382,724	11
12	Total Distribution	Sum Lns 9-11	\$ 108,965,636	\$ 0	\$ 2,382,071	\$ 0	\$ (428,454)	\$ 42,775	\$ 0	\$ 0	\$ 108,962,028	12
901	Customer Accounts											
13	Supervision		\$ 931,175	\$ 0	\$ 82,618	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,013,793	13
14	Labor Loadings		533,305	0	33,046	0	0	0	0	0	566,351	14
15	Materials and Expenses		263,555	0	0	0	(739)	0	0	0	262,816	15
16	Total Supervision	Sum Lns 13-15	\$ 1,728,035	\$ 0	\$ 115,664	\$ 0	\$ (739)	\$ 0	\$ 0	\$ 0	\$ 1,842,960	16
902	Meter Reading											
17	Labor		\$ 754,888	\$ 0	\$ 33,765	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 788,653	17
18	Labor Loadings		436,928	0	7,429	0	0	0	0	0	444,357	18
19	Materials and Expenses		324,290	0	0	0	0	0	0	0	324,290	19
20	Total Meter Reading	Sum Lns 17-19	\$ 1,516,106	\$ 0	\$ 41,194	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,557,300	20
903	Customer Records and Collection											
21	Labor		\$ 4,530,484	\$ 0	\$ 474,495	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,004,978	21
22	Labor Loadings		2,617,987	0	208,294	0	0	0	0	0	2,826,281	22
23	Materials and Expenses		12,922,401	0	0	73,158	(51,008)	0	0	0	12,944,550	23
24	Total Customer Records and Collection	Sum Lns 21-23	\$ 20,070,871	\$ 0	\$ 682,789	\$ 73,158	\$ (51,008)	\$ 0	\$ 0	\$ 0	\$ 20,775,809	24
904	Uncollectible Accounts											
25	Labor		\$ 1,431,902	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (81,178)	\$ 0	\$ 1,350,724	25
905	Miscellaneous											
26	Labor		\$ 72,703	\$ 0	\$ 3,272	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,975	26
27	Labor Loadings		43,337	0	742	0	0	0	0	0	44,079	27
28	Materials and Expenses		1,641	0	0	0	0	0	0	0	1,641	28
29	Total Miscellaneous	Sum Lns 26-28	\$ 117,681	\$ 0	\$ 4,014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 121,695	29
30	Total Customer Accounts											
30	Labor		\$ 6,288,250	\$ 0	\$ 594,150	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,882,400	30
31	Labor Loadings		3,631,557	0	249,511	0	0	0	0	0	3,881,068	31
32	Materials and Expenses		14,943,788	0	0	73,158	(51,747)	0	(81,178)	0	14,884,021	32
33	Total Customer Accounts	Sum Lns 30-32	\$ 24,864,595	\$ 0	\$ 843,661	\$ 73,158	\$ (51,747)	\$ 0	\$ (81,178)	\$ 0	\$ 25,648,489	33

SOUTHWEST GAS CORPORATION  
ARIZONA

OPERATIONS AND MAINTENANCE EXPENSE AS ADJUSTED  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019

Line No.	Description	Account No.	Recorded 1/31/2019	Purchased Gas Cost	Labor/Loading Amortization	Call Center & Customer Supp.	Cost of Service Analysis	Employee Vehicles	Uncollectibles Amortization	LNG	Adjusted 1/31/2019	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
				Adj. No. 2	Adj. No. 3	Adj. No. 4	Adj. No. 5	Adj. No. 6	Adj. No. 7	Adj. No. 18		
				Sch C-2, Adj. 3, Sh. 1, Cds (b)-(c)			Sch C-2, Adj. 4, Sh. 1	Sch C-2, Adj. 5, Sh. 1	Sch C-2, Adj. 6, Sh. 2	Sch C-2, Adj. 7, Sh. 1	Sch B2, Adj. 18, Sh. 1	Sum (a)-(j)
	Customer Service and Information											
	Customer Assistance											
1	Labor	908	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
2	Labor Loadings		0	0	0	0	0	0	0	0	0	
3	Materials and Expenses		24,142	0	0	(24,163)	0	0	0	0	(21)	
4	Total Customer Assistance	Sum Lns 1-3	\$ 24,142	\$ 0	\$ 0	\$ (24,163)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (21)	
5	Labor	909	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
6	Labor Loadings		0	0	0	0	0	0	0	0	0	
7	Materials and Expenses		0	0	0	0	0	0	0	0	0	
8	Total Informational and Instructional Advertising	Sum Lns 5-7	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
9	Miscellaneous	910	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
10	Labor		0	0	0	0	0	0	0	0	0	
11	Materials and Expenses		400,631	0	0	(21,243)	0	0	0	0	379,388	
12	Total Miscellaneous	Sum Lns 9-11	\$ 400,631	\$ 0	\$ 0	\$ (21,243)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 379,388	
13	Total Customer Service and Information		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
14	Labor Loadings		0	0	0	0	0	0	0	0	0	
15	Materials and Expenses		424,773	0	0	(45,406)	0	0	0	0	379,366	
16	Total Customer Service and Information	Sum Lns 13-15	\$ 424,773	\$ 0	\$ 0	\$ (45,406)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 379,366	
	Sales Supervision	911	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
17	Labor		0	0	0	0	0	0	0	0	0	
18	Labor Loadings		0	0	0	0	0	0	0	0	0	
19	Materials and Expenses		0	0	0	0	0	0	0	0	0	
20	Total Supervision	Sum Lns 17-19	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
	Demonstration and Selling	912	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
21	Labor		0	0	0	0	0	0	0	0	0	
22	Labor Loadings		0	0	0	0	0	0	0	0	0	
23	Materials and Expenses		0	0	0	0	0	0	0	0	0	
24	Total Demonstration and Selling	Sum Lns 21-23	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
	Advertising	913	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
25	Labor		0	0	0	0	0	0	0	0	0	
26	Labor Loadings		0	0	0	0	0	0	0	0	0	
27	Materials and Expenses		12,629	0	0	(5,050)	0	0	0	0	7,579	
28	Total Advertising	Sum Lns 25-27	\$ 12,629	\$ 0	\$ 0	\$ (5,050)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,579	
	Total Sales	913	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
29	Labor		0	0	0	0	0	0	0	0	0	
30	Labor Loadings		0	0	0	0	0	0	0	0	0	
31	Materials and Expenses		12,629	0	0	(5,050)	0	0	0	0	7,579	
32	Total Sales	Sum Lns 29-31	\$ 12,629	\$ 0	\$ 0	\$ (5,050)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,579	
	Total O&M		\$ 47,308,430	\$ 0	\$ 2,577,866	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 49,886,297	
33	Labor		27,318,401	0	738,782	0	0	0	0	0	28,057,183	
34	Labor Loadings		260,081,662	(201,173,630)	73,158	(50,658)	0	42,775	(81,178)	1,470,088	59,882,217	
35	Materials and Expenses		334,708,493	(201,173,630)	3,316,648	(73,158)	(530,658)	42,775	(81,178)	1,470,088	137,825,696	
36	Total O&M	Sum Lns 33-35	\$ 334,708,493	\$ (201,173,630)	\$ 3,316,648	\$ (73,158)	\$ (530,658)	\$ 42,775	\$ (81,178)	\$ 1,470,088	\$ 137,825,696	

**SOUTHWEST GAS CORPORATION  
ARIZONA  
RECORDED ADMINISTRATIVE AND GENERAL (A&G) EXPENSES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Account No./Reference (b)	Direct Charges		Total Company (c)	Total AZ (d)	Other Jurisdictions (e)	To Be Allocated to AZ (f)	AZ Allocation Factors				Total Allocation to AZ (k)	Total AZ (l)	Line No.
			Company Records (g)	Company Records (h)					4-Factor (g)	Factor II (h)	Factor III (i)	A&G Factor (j)			
	<u>Administrative and General (A&amp;G)</u>														
	A&G Salaries	920													
1	Labor		\$ 62,067,932	\$ 0	\$ 0	\$ 0	\$ 62,067,932	\$ 0	\$ 0	\$ 0	\$ 0	\$ 34,557,994	\$ 34,557,994	1	
2	Labor Loadings		27,924,040	0	0	0	27,924,040	0	0	0	0	15,547,462	15,547,462	2	
3	Materials and Expenses		(3,689,319)	0	0	0	(3,689,319)	0	0	0	0	(2,054,128)	(2,054,128)	3	
4	Total A&G Salaries	Sum Lns 1-3	\$ 86,302,652	\$ 0	\$ 0	\$ 0	\$ 86,302,652	\$ 0	\$ 0	\$ 0	\$ 0	\$ 48,051,328	\$ 48,051,328	4	
5	Office Supplies and Expenses	921	\$ 15,930,848	\$ 0	\$ 0	\$ 0	\$ 15,930,848	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,869,929	\$ 8,869,929	5	
6	A&G Expenses Transferred (Credit)	922	\$ (12,965,038)	\$ 0	\$ 0	\$ 0	\$ (12,965,038)	\$ 0	\$ 0	\$ 0	\$ (8,221,169)	\$ (8,221,169)	\$ (8,221,169)	6	
7	Outside Services	923	\$ 26,475,336	\$ 59,291	\$ 66,399	\$ 66,399	\$ 26,349,646	\$ 14,670,876	\$ 0	\$ 0	\$ 0	\$ 14,670,876	\$ 14,730,167	7	
8	Property Insurance	924	\$ 438,203	\$ 0	\$ 0	\$ 0	\$ 438,203	\$ 0	\$ 246,112	\$ 0	\$ 0	\$ 246,112	\$ 246,112	8	
9	Injuries and Damages	925	\$ 8,057,022	\$ 930,895	\$ (4,480,303)	\$ 11,606,430	\$ 6,462,193	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,462,193	\$ 7,393,088	9	
10	Employee Pension and Benefits	926	\$ 19,743,369	\$ 32,800	\$ 18,685	\$ 19,691,904	\$ 10,963,998	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,963,998	\$ 10,996,799	10	
11	Regulatory Commission Expenses	928	\$ 121,093	\$ 86,892	\$ 34,201	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 86,892	11	
12	Safety Advertising	930.1	\$ 1,791,911	\$ 960,146	\$ 828,315	\$ 3,450	\$ 1,921	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,921	\$ 962,067	12	
	Miscellaneous General	930.2													
13	Labor		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	13	
14	Labor Loadings		0	0	0	0	0	0	0	0	0	0	0	14	
15	Materials and Expenses		7,688,321	851,062	618,938	6,218,321	3,462,218	0	0	0	0	3,462,218	4,313,280	15	
16	Total Miscellaneous General	Sum Lns 13-15	\$ 7,688,321	\$ 851,062	\$ 618,938	\$ 6,218,321	\$ 3,462,218	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,462,218	\$ 4,313,280	16	
17	Rents	931	\$ 3,395,785	\$ 0	\$ 3,738	\$ 3,392,047	\$ 1,888,613	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,888,613	\$ 1,888,613	17	
	Maintenance of General Plant	935													
18	Labor		\$ 1,093,171	\$ 245,202	\$ 36,221	\$ 811,748	\$ 451,963	\$ 0	\$ 0	\$ 0	\$ 0	\$ 451,963	\$ 697,165	18	
19	Labor Loadings		632,878	148,781	21,467	462,630	257,582	0	0	0	0	257,582	406,363	19	
20	Materials and Expenses		4,586,985	1,837,699	506,605	2,242,681	1,248,673	0	0	0	0	1,248,673	3,086,373	20	
21	Total Maint. of General Plant	Sum Lns 18-20	\$ 6,313,034	\$ 2,231,682	\$ 564,292	\$ 3,517,060	\$ 1,958,218	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,958,218	\$ 4,189,900	21	
	Total A&G Expenses														
22	Labor		\$ 63,161,102	\$ 245,202	\$ 36,221	\$ 62,879,680	\$ 35,009,957	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,009,957	\$ 35,255,158	22	
23	Labor Loadings		28,556,918	148,781	21,467	28,386,670	15,805,044	0	0	0	0	15,805,044	15,953,825	23	
24	Materials and Expenses		71,574,536	4,759,786	(2,403,423)	69,219,173	45,514,293	246,112	0	0	(8,221,169)	37,539,236	42,299,022	24	
25	Total A&G Expenses	Sum Lns 22-24	\$ 163,292,556	\$ 5,152,768	\$ (2,345,735)	\$ 160,485,523	\$ 96,329,293	\$ 246,112	\$ 0	\$ 0	\$ (8,221,169)	\$ 88,354,236	\$ 93,507,005	25	

Sch C-1, Sh 4,  
Col (c)

Sch C-1, Sh 13,  
Col (e)

Sch C-1, Sh 13,  
Col (d)

Sch C-1, Sh 13,  
Col (c)

**SOUTHWEST GAS CORPORATION  
ARIZONA  
ADJUSTMENTS TO DIRECT ADMINISTRATIVE AND GENERAL (A&G) EXPENSES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Account No./ Reference (b)	Labor/Loading Annualization Adj. No. 3 (c) Sch C-2, Adj. 3, Sh 1, Ln 36	Cost of Service Analysis Adj. No. 5 (d) Sch C-2, Adj. 5, Sh 1 Lns 12-13	Self-Insured Retention Adj. No. 9 (e) Sch C-2, Adj. 9, Sh 1, Ln 1(d)	Rate Case Expense Adj. No. 12 (f) Sch C-2, Adj. 12, Sh 1, Ln 10(c)	Total AZ (g) Sum (c)-(f)	Line No.
<b>Administrative and General (A&amp;G)</b>								
<b>A&amp;G Salaries</b>								
		920						
1	Labor		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1
2	Labor Loadings		0	0	0	0	0	2
3	Materials and Expenses		0	0	0	0	0	3
4	Total A&G Salaries	Sum Lns 1-3	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	4
5	Office Supplies and Expenses	921	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	5
6	A&G Expenses Transferred (Credit)	922	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	6
7	Outside Services	923	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	7
8	Property Insurance	924	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	8
9	Injuries and Damages	925	\$ 0	\$ 0	790,608	\$ 0	790,608	9
10	Employee Pension and Benefits	926	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	10
11	Regulatory Commission Expenses	928	\$ 0	\$ 0	\$ 0	70,108	70,108	11
12	Safety Advertising	930.1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	12
<b>Miscellaneous General</b>								
		930.2						
13	Labor		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	13
14	Labor Loadings		0	0	0	0	0	14
15	Materials and Expenses		0	(904)	0	0	(904)	15
16	Total Miscellaneous General	Sum Lns 13-15	\$ 0	\$ (904)	\$ 0	\$ 0	\$ (904)	16
17	Rents	931	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	17
<b>Maintenance of General Plant</b>								
		935						
18	Labor		\$ 12,635	\$ 0	\$ 0	\$ 0	\$ 12,635	18
19	Labor Loadings		3,557	0	0	0	3,557	19
20	Materials and Expenses		0	(1,557)	0	0	(1,557)	20
21	Total Maint. of General Plant	Sum Lns 18-20	\$ 16,191	\$ (1,557)	\$ 0	\$ 0	\$ 14,635	21
<b>Total A&amp;G Expenses</b>								
22	Labor		\$ 12,635	\$ 0	\$ 0	\$ 0	\$ 12,635	22
23	Labor Loadings		3,557	0	0	0	3,557	23
24	Materials and Expenses		0	(2,460)	790,608	70,108	858,256	24
25	Total A&G Expenses	Sum Lns 22-24	\$ 16,191	\$ (2,460)	\$ 790,608	\$ 70,108	\$ 874,447	25

Sch C-1, Sh 12,  
Col (d)

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**ADJUSTMENTS TO ADMINISTRATIVE AND GENERAL (A&G) EXPENSES BEFORE ALLOCATION**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Account No./ Reference (b)	Labor/Loading Annualization Adj. No. 3 (c) <small>Sch C-2, Adj. 3, Sh 1, Sch C-2, Adj. 3, Sh 2</small>	Cost of Service Analysis Adj. No. 5 (d) <small>Sch C-2, Adj. 5, Sh 2, Sch C-2, Adj. 6, Sh 2, Sch C-2, Adj. 9, Sh 1, Sch C-2, Adj. 10, Sh 1, Ln 5(d)</small>	Employee Vehicles Adj. No. 6 (e) <small>Ln 4(e)</small>	Self-Insured Retention Adj. No. 9 (f) <small>Ln 4(d)</small>	AGA Dues Adj. No. 10 (g) <small>Ln 5(d)</small>	Patute Alloc. Annualization Adj. No. 11 (h) <small>Sch C-2, Adj. 11, Sh 1, Col (h)</small>	Total System Alloc. (i) <small>Sum (c)-(h)</small>	Line No.
<b>Administrative and General (A&amp;G)</b>										
920	A&G Salaries									
1	Labor		\$ 1,769,671	\$ (327,743)	\$ 517,678	\$ 0	\$ 0	\$ 0	\$ 1,959,606	1
2	Labor Loadings		1,148,216	0	0	0	0	0	1,148,216	2
3	Materials and Expenses		0	0	0	0	0	(217,563)	(217,563)	3
4	Total A&G Salaries	Sum Lns 1-3	\$ 2,917,887	\$ (327,743)	\$ 517,678	\$ 0	\$ 0	\$ (217,563)	\$ 2,890,260	4
5	Office Supplies and Expenses	921	\$ 0	\$ (357,868)	\$ 0	\$ 0	\$ 0	\$ (29,847)	\$ (387,715)	5
6	A&G Expenses Transferred (Credit)	922	\$ (379,325)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,291	\$ (355,035)	6
7	Outside Services	923	\$ 0	\$ (358,328)	\$ 0	\$ 0	\$ 0	\$ (13,673)	\$ (372,001)	7
8	Property Insurance	924	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,100	\$ 5,100	8
9	Injuries and Damages	925	\$ 0	\$ 0	\$ 0	\$ (428,898)	\$ 0	\$ (5,852)	\$ (434,749)	9
10	Employee Pension and Benefits	926	\$ (2,037,442)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (2,037,442)	10
11	Regulatory Commission Expenses	928	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	11
12	Safety Advertising	930.1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	12
<b>Miscellaneous General</b>										
13	Labor		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	13
14	Labor Loadings		0	0	0	0	0	0	0	14
15	Materials and Expenses		0	(2,850)	0	0	(21,572)	(277,916)	(302,338)	15
16	Total Miscellaneous General	Sum Lns 13-15	\$ 0	\$ (2,850)	\$ 0	\$ 0	\$ (21,572)	\$ (277,916)	\$ (302,338)	16
17	Rents	931	\$ 0	\$ (24,408)	\$ 0	\$ 0	\$ 0	\$ (6,147)	\$ (30,555)	17
<b>Maintenance of General Plant</b>										
18	Labor		\$ 29,736	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 29,736	18
19	Labor Loadings		19,074	0	0	0	0	0	19,074	19
20	Materials and Expenses		0	0	0	0	0	(3,285)	(3,285)	20
21	Total Maint. of General Plant	Sum Lns 18-20	\$ 48,810	\$ 0	\$ 0	\$ 0	\$ 0	\$ (3,285)	\$ 45,525	21
<b>Total A&amp;G Expenses</b>										
22	Labor		\$ 1,799,407	\$ (327,743)	\$ 517,678	\$ 0	\$ 0	\$ 0	\$ 1,989,342	22
23	Labor Loadings		1,167,291	0	0	0	0	0	1,167,291	23
24	Materials and Expenses		(2,416,767)	(743,454)	0	(428,898)	(21,572)	(524,892)	(4,135,582)	24
25	Total A&G Expenses	Sum Lns 22-24	\$ 549,931	\$ (1,071,197)	\$ 517,678	\$ (428,898)	\$ (21,572)	\$ (524,892)	\$ (978,949)	25

**SOUTHWEST GAS CORPORATION  
ARIZONA**  
**ALLOCATION OF ADMINISTRATIVE AND GENERAL (A&G) EXPENSE ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Account No./ Reference (b)	Direct Charges		To Be Allocated to AZ (f)	AZ Allocation Factors				Total Allocation to AZ (k)	Total AZ (d) + (k)	Line No.
			Total AZ (d)	Other Jurisdictions (e)		4-Factor (g)	Factor II (h)	Factor III (i)	A&G Factor (j)			
			(c)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
			(d) + (e) + (f)	(e)	Sch C-1, Sh 11, Col (f)	Sch C-1, Sh 17, Ln 9(c)	Sch C-1, Sh 17, Ln 4(c)	Sch C-1, Sh 17, Ln 6(c)	Sch C-1, Sh 17, Ln 10(c)	Sum (g)-(l)	(d) + (k)	
<b>Administrative and General (A&amp;G)</b>												
1	A&G Salaries	920										
1	Labor		\$ 1,959,606	\$ 0	\$ 1,959,606	\$ 1,091,063	\$ 0	\$ 0	\$ 0	\$ 1,091,063	\$ 1,091,063	1
2	Labor Loadings		1,148,216	0	1,148,216	639,300	0	0	0	639,300	639,300	2
3	Materials and Expenses		(217,563)	0	(217,563)	(121,134)	0	0	0	(121,134)	(121,134)	3
4	Total A&G Salaries	Sum Lns 1-3	\$ 2,890,260	\$ 0	\$ 2,890,260	\$ 1,609,230	\$ 0	\$ 0	\$ 0	\$ 1,609,230	\$ 1,609,230	4
5	Office Supplies and Expenses	921	\$ (387,715)	\$ 0	\$ (387,715)	\$ (215,871)	\$ 0	\$ 0	\$ 0	\$ (215,871)	\$ (215,871)	5
6	A&G Expenses Transferred (Credit)	922	\$ (355,035)	\$ 0	\$ (355,035)	\$ 0	\$ 0	\$ 0	\$ (225,129)	\$ (225,129)	\$ (225,129)	6
7	Outside Services	923	\$ (372,001)	\$ 0	\$ (372,001)	\$ (207,121)	\$ 0	\$ 0	\$ 0	\$ (207,121)	\$ (207,121)	7
8	Property Insurance	924	\$ 5,100	\$ 0	\$ 5,100	\$ 0	\$ 2,865	\$ 0	\$ 0	\$ 2,865	\$ 2,865	8
9	Injuries and Damages	925	\$ 355,859	\$ 790,608	\$ (434,749)	\$ (242,058)	\$ 0	\$ 0	\$ 0	\$ (242,058)	\$ 548,550	9
10	Employee Pension and Benefits	926	\$ (2,037,442)	\$ 0	\$ (2,037,442)	\$ (1,134,401)	\$ 0	\$ 0	\$ 0	\$ (1,134,401)	\$ (1,134,401)	10
11	Regulatory Commission Expenses	928	\$ 70,108	\$ 70,108	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 70,108	11
12	Safety Advertising	930.1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	12
<b>Miscellaneous General</b>												
13	Labor		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	13
14	Labor Loadings		0	0	0	0	0	0	0	0	0	14
15	Materials and Expenses		(303,242)	(904)	(302,338)	(168,335)	0	0	0	(168,335)	(169,239)	15
16	Total Miscellaneous General	Sum Lns 13-15	\$ (303,242)	\$ (904)	\$ (302,338)	\$ (168,335)	\$ 0	\$ 0	\$ 0	\$ (168,335)	\$ (169,239)	16
17	Rents	931	\$ (30,555)	\$ 0	\$ (30,555)	\$ (17,012)	\$ 0	\$ 0	\$ 0	\$ (17,012)	\$ (17,012)	17
<b>Maintenance of General Plant</b>												
18	Labor		\$ 42,370	\$ 12,635	\$ 29,736	\$ 16,556	\$ 0	\$ 0	\$ 0	\$ 16,556	\$ 29,191	18
19	Labor Loadings		22,631	3,557	19,074	10,620	0	0	0	10,620	14,177	19
20	Materials and Expenses		(4,842)	(1,557)	(3,285)	(1,829)	0	0	0	(1,829)	(3,386)	20
21	Total Maint. of General Plant	Sum Lns 18-20	\$ 60,160	\$ 14,635	\$ 45,525	\$ 25,347	\$ 0	\$ 0	\$ 0	\$ 25,347	\$ 39,982	21
<b>Total A&amp;G Expenses</b>												
22	Labor		\$ 2,001,976	\$ 12,635	\$ 1,989,342	\$ 1,107,620	\$ 0	\$ 0	\$ 0	\$ 1,107,620	\$ 1,120,254	22
23	Labor Loadings		1,170,847	3,557	1,167,291	649,921	0	0	0	649,921	653,477	23
24	Materials and Expenses		(3,277,326)	858,256	(4,135,582)	(2,107,761)	2,865	0	(225,129)	(2,330,025)	(1,471,770)	24
25	Total A&G Expenses	Sum Lns 22-24	\$ (104,502)	\$ 874,447	\$ (978,949)	\$ (350,221)	\$ 2,865	\$ 0	\$ (225,129)	\$ (572,485)	\$ 301,962	25

Col (d)

Col (e)

Col (d)

Col (e)

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**ALLOCATION OF ADJUSTED ADMINISTRATIVE AND GENERAL (A&G) EXPENSES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Account No./Reference (b)	Direct Charges		To Be Allocated to AZ (f)	AZ Allocation Factors			Total Allocation to AZ (k)	Total AZ (l) + (k)
			Total AZ (d)	Other Jurisdictions (e)		4-Factor (g)	Factor II (h)	Factor III (i)		
			Sch C-1, Sh 9, Col (c) Sch C-1, Sh 12, Col (e)	Sch C-1, Sh 9, Col (d) Sch C-1, Sh 12, Col (d)	(c) - (d) - (e)	55.88% Sch C-1, Sh 17, Ln 9(c)	56.16% Sch C-1, Sh 17, Ln 4(c)	55.70% Sch C-1, Sh 17, Ln 6(e)	63.41% Sch C-1, Sh 17, Ln 10(c)	(d) + (k)
<b>Administrative and General (A&amp;G)</b>										
1	A&G Salaries	920								
2	Labor		\$ 64,027,537	\$ 0	\$ 64,027,537	\$ 35,649,057	\$ 0	\$ 0	\$ 35,649,057	\$ 35,649,057
3	Labor Loadings		29,072,256	0	29,072,256	16,186,762	0	0	16,186,762	16,186,762
4	Materials and Expenses		(3,906,882)	0	(3,906,882)	(2,175,262)	0	0	(2,175,262)	(2,175,262)
4	Total A&G Salaries	Sum Lns 1-3	\$ 89,192,912	\$ 0	\$ 89,192,912	\$ 49,660,558	\$ 0	\$ 0	\$ 49,660,558	\$ 49,660,558
5	Office Supplies and Expenses	921	\$ 15,543,133	\$ 0	\$ 15,543,133	\$ 8,654,058	\$ 0	\$ 0	\$ 8,654,058	\$ 8,654,058
6	A&G Expenses Transferred (Credit)	922	\$ (13,320,072)	\$ 0	\$ (13,320,072)	\$ 0	\$ 0	\$ (8,446,298)	\$ (8,446,298)	\$ (8,446,298)
7	Outside Services	923	\$ 26,103,336	\$ 59,291	\$ 25,977,645	\$ 14,463,754	\$ 0	\$ 0	\$ 14,463,754	\$ 14,523,045
8	Property Insurance	924	\$ 443,303	\$ 0	\$ 443,303	\$ 0	\$ 248,977	\$ 0	\$ 248,977	\$ 248,977
9	Injuries and Damages	925	\$ 8,412,881	\$ 1,721,503	\$ 11,171,681	\$ 6,220,134	\$ 0	\$ 0	\$ 6,220,134	\$ 7,941,638
10	Employee Pension and Benefits	926	\$ 17,705,947	\$ 32,800	\$ 17,654,463	\$ 9,829,598	\$ 0	\$ 0	\$ 9,829,598	\$ 9,862,398
11	Regulatory Commission Expenses	928	\$ 191,201	\$ 157,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 157,000
12	Safety Advertising	930.1	\$ 1,791,911	\$ 960,146	\$ 3,450	\$ 1,921	\$ 0	\$ 0	\$ 1,921	\$ 962,067
<b>Miscellaneous General</b>										
13	Labor	930.2	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
14	Labor Loadings		0	0	0	0	0	0	0	0
15	Materials and Expenses		7,385,079	850,158	5,915,983	3,293,883	0	0	3,293,883	4,144,041
16	Total Miscellaneous General	Sum Lns 13-15	\$ 7,385,079	\$ 850,158	\$ 5,915,983	\$ 3,293,883	\$ 0	\$ 0	\$ 3,293,883	\$ 4,144,041
17	Rents	931	\$ 3,365,230	\$ 0	\$ 3,361,492	\$ 1,871,601	\$ 0	\$ 0	\$ 1,871,601	\$ 1,871,601
<b>Maintenance of General Plant</b>										
18	Labor	935	\$ 1,135,541	\$ 257,836	\$ 841,484	\$ 468,519	\$ 0	\$ 0	\$ 468,519	\$ 726,355
19	Labor Loadings		655,509	152,338	481,705	268,202	0	0	268,202	420,540
20	Materials and Expenses		4,582,143	1,836,143	2,239,396	1,246,844	0	0	1,246,844	3,082,987
21	Total Maint. of General Plant	Sum Lns 18-20	\$ 6,373,193	\$ 2,246,317	\$ 3,562,585	\$ 1,983,565	\$ 0	\$ 0	\$ 1,983,565	\$ 4,229,882
<b>Total A&amp;G Expenses</b>										
22	Labor		\$ 65,163,078	\$ 257,836	\$ 64,869,022	\$ 36,117,576	\$ 0	\$ 0	\$ 36,117,576	\$ 36,375,413
23	Labor Loadings		29,727,765	152,338	29,553,960	16,454,964	0	0	16,454,964	16,607,302
24	Materials and Expenses		68,297,210	5,617,041	65,083,592	43,406,532	248,977	0	(8,446,298)	40,826,252
25	Total A&G Expenses	Sum Lns 22-24	\$ 163,188,054	\$ 6,027,215	\$ 159,506,574	\$ 95,979,072	\$ 248,977	\$ 0	\$ (8,446,298)	\$ 93,808,967

Sch C-1, Sh 4.  
Col (e)

**SOUTHWEST GAS CORPORATION  
ARIZONA  
DEPRECIATION AND AMORTIZATION EXPENSE SUMMARY  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
AS ADJUSTED FOR THE TEST YEAR**

Line No.	Description (a)	Reference (b)	Acct. No. (c)	Recorded 1/31/2019 (d)	Adjustments (e) (f) - (d)	Adjusted 1/31/2019 (f)	Line No.
	<u>AZ Direct Depreciation &amp; Amort.</u>			Sch C-2, Adj. 13, Sh 1		Sch C-2, Adj. 13, Sh 1	
1	Depreciation		403	\$ 90,461,589	\$ 10,835,680	\$ 101,297,269	1
2	Amortization		404	80,000	0	80,000	2
3	Total AZ Direct Deprec. & Amort.	Ln 1 + Ln 2		<u>\$ 90,541,589</u>	<u>\$ 10,835,680</u>	<u>\$ 101,377,269</u>	3
	<u>AZ Regulatory Amortizations</u>						
4	Amort. Of Gas Plant Acq.	Sch C-2, Adj. 16, Sh 1	406	\$ (52,943)	\$ 49,800	\$ (3,143)	4
5	Regulatory Amortizations	Sch C-2, Adj. 16, Sh 1	407.3	6,822,585	(10,248,717)	(3,426,132)	5
6	Total AZ Regulatory Amortizations	Ln 4 + Ln 5		<u>\$ 6,769,642</u>	<u>\$ (10,198,917)</u>	<u>\$ (3,429,275)</u>	6
7	Total AZ Depreciation & Amorts.	Ln 3 + Ln 6		\$ 97,311,231	\$ 636,763	\$ 97,947,994	7
	<u>System Allocable</u>			Sch C-2, Adj. 13, Sh 2		Sch C-2, Adj. 13, Sh 2	
8	Depreciation			\$ 6,376,178	\$ 1,236,300	\$ 7,612,478	8
9	Amortization			13,622,814	5,129,809	18,752,623	9
10	Total System Allocable	Ln 8 + Ln 9		<u>\$ 19,998,992</u>	<u>\$ 6,366,109</u>	<u>\$ 26,365,101</u>	10
11	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)		<u>55.68%</u>	<u>55.68%</u>	<u>55.68%</u>	11
12	Allocation to AZ	Ln 10 * Ln 11		<u>\$ 11,134,978</u>	<u>\$ 3,544,503</u>	<u>\$ 14,679,481</u>	12
13	Total Depreciation and Amortization	Ln 7 + Ln 12		<u>\$ 108,446,208</u>	<u>\$ 4,181,266</u>	<u>\$ 112,627,474</u>	13



**SOUTHWEST GAS CORPORATION  
ARIZONA  
TAXES OTHER THAN INCOME TAXES SUMMARY  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
AS ADJUSTED FOR THE TEST YEAR**

Line No.	Description (a)	Reference (b)	Recorded 1/31/2019 (c) Company Records	Adjustments (d) Sch C-2, Adj. 14, Sh 1	Adjusted 1/31/2019 (e) (c) + (d)	Line No.
1	Property Taxes	408.1	\$ 41,737,847	\$ 15,929,637	\$ 57,667,484	1
2	Miscellaneous Taxes [1]	408.1	506,501	(18,226)	488,275	2
3	Total Taxes Other than Income	Ln 1 + Ln 2	<u>\$ 42,244,348</u>	<u>\$ 15,911,411</u>	<u>\$ 58,155,759</u>	3
			Sch C-1, Sh 1, Ln 15(c)		Sch C-1, Sh 1, Ln 15(e)	

[1] Allocation of System Allocable Miscellaneous Taxes

Modified Business Tax	Company Records	\$ 805,730
AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)	55.68%
Adjustment Allocated to AZ		<u>\$ 448,612</u>
		added to Ln 2(c)

**SOUTHWEST GAS CORPORATION  
ARIZONA  
INCOME TAXES ON OPERATIONS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
AS ADJUSTED FOR THE TEST YEAR**

Line No.	Description (a)	Reference (b)	Recorded 1/31/2019 (c)	Adjusted 1/31/2019 (d)	After Rate Relief (e)	Line No.
<u>State Income Tax</u>						
1	Margin	Sch A-1, Sh 2, Ln 3	\$ 500,687,809	\$ 518,218,363	\$ 575,219,806	1
2	Expenses	Sch A-1, Sh 2, Lns 4-16	<u>379,913,302</u>	<u>403,376,330</u>	<u>403,486,349</u>	2
3	Taxable Income Before Interest	Ln 1 - Ln 2	\$ 120,774,507	\$ 114,842,033	\$ 171,733,457	3
4	Interest Expense	Ln 21	<u>42,132,413</u>	<u>47,329,818</u>	<u>47,329,818</u>	4
5	State Taxable Income	Ln 3 - Ln 4	\$ 78,642,094	\$ 67,512,215	\$ 124,403,639	5
6	Effective State Income Tax Rate	Sch C-3, Sh 2, Ln 1	4.900%	4.900%	4.900%	6
7	State Income Tax Expense	Ln 5 * Ln 6	<u>\$ 3,853,463</u>	<u>\$ 3,308,099</u>	<u>\$ 6,095,778</u>	7
<u>Federal Income Tax</u>						
8	Margin	Ln 1	\$ 500,687,809	\$ 518,218,363	\$ 575,219,806	8
9	Expenses	Ln 2	<u>379,913,302</u>	<u>403,376,330</u>	<u>403,486,349</u>	9
10	Taxable Income Before Interest	Ln 8 - Ln 9	\$ 120,774,507	\$ 114,842,033	\$ 171,733,457	10
11	Interest Expense	Ln 21	<u>42,132,413</u>	<u>47,329,818</u>	<u>47,329,818</u>	11
12	Federal Taxable Income	Ln 10 - Ln 11	\$ 78,642,094	\$ 67,512,215	\$ 124,403,639	12
13	Federal Income Tax Rate	Sch C-3, Sh 2, Ln 3	19.971%	19.971%	19.971%	13
14	Federal Income Tax Expense	Ln 12 * Ln 13	\$ 15,705,613	\$ 13,482,864	\$ 24,844,651	14
15	ARAM Amortization	Sch B-6, Sh 6	0	(15,458,159)	(15,458,159)	15
16	Investment Tax Credit	Company Records	(467,723)	0	0	16
17	Federal Income Tax Expense	Sum Lns 14-16	<u>\$ 15,237,890</u>	<u>\$ (1,975,294)</u>	<u>\$ 9,386,492</u>	17
18	Total Federal and State Income Tax	Ln 7 + Ln 17	<u>\$ 19,091,352</u>	<u>\$ 1,332,804</u>	<u>\$ 15,482,271</u>	18
			Sch A-1, Sh 2 Ln 17(c)	Sch A-1, Sh 2 Ln 17(e)	Sch A-1, Sh 2 Ln 17(g)	
<u>Interest Calculation</u>						
19	Rate Base	Sch A-1, Sh 2, Ln 34	\$ 1,772,846,788	\$ 1,991,543,072	\$ 2,612,828,261	19
20	Weighted Cost of Debt	Sch D-1, Sh 1	2.38%	2.38%	1.81%	20
21	Interest Expense	Ln 19 * Ln 20	<u>\$ 42,132,413</u>	<u>\$ 47,329,818</u>	<u>\$ 47,329,818</u>	21
			Lns 4 and 11	Lns 4 and 11	Lns 4 and 11	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**COMPUTATION OF 4-FACTOR AND A&G ALLOCATION RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	AZ (c)	SCA (d)	NCA (e)	SLT (f)	SNV (g)	NNV (h)	Total (i)	Line No.
									Sum (c)-(h)	
	<u>Factor I</u>									
1	Direct Operating Expenses	Company Records	\$ 137,255,730	\$ 19,312,811	\$ 2,906,286	\$ 3,213,364	\$ 61,314,837	\$ 14,124,723	\$ 238,127,751	1
2	Percent of Total	Ln 1 / Ln 1(i)	57.64%	8.11%	1.22%	1.35%	25.75%	5.93%	100.00%	2
	<u>Factor II</u>									
3	Avg Direct Gross Plant in Service	Company Records	\$ 3,533,032,235	\$ 450,798,901	\$ 146,804,871	\$ 68,403,713	\$ 1,814,150,030	\$ 277,373,727	\$ 6,290,563,477	3
4	Percent of Total	Ln 3 / Ln 3(i)	56.16%	7.17%	2.33%	1.09%	28.84%	4.41%	100.00%	4
	<u>Factor III</u>									
5	Direct Labor	Company Records	\$ 47,553,630	\$ 7,916,298	\$ 1,073,123	\$ 1,255,809	\$ 21,493,636	\$ 6,085,670	\$ 85,378,166	5
6	Percent of Total	Ln 5 / Ln 5(i)	55.70%	9.27%	1.26%	1.47%	25.17%	7.13%	100.00%	6
	<u>Factor IV</u>									
7	Average Number of Customers	Company Records	\$ 1,075,077	\$ 147,500	\$ 27,106	\$ 20,037	\$ 654,191	\$ 96,546	\$ 2,020,457	7
8	Percent of Total	Ln 7 / Ln 7(i)	53.21%	7.30%	1.34%	0.99%	32.38%	4.78%	100.00%	8
9	4-Factor	(Ln 2+ Ln 4+ Ln 6 + Ln 8) / 4	<b>55.68%</b>	7.96%	1.54%	1.22%	28.04%	5.56%	100.00%	9
	<u>A&amp;G Transfer Rate</u>									
10	SWG A&G Overheads	Company Records	63.41%	4.66%	0.78%	0.97%	28.51%	1.66%	100.00%	10

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**COMPUTATION OF THE MODIFIED MASSACHUSETTS FORMULA (MMF)**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Reference (b)	AZ (c)	NCA (d)	SCA (e)	SLT (f)	NNV (g)	SNV (h)	Paute (i)	SGTC (j)	Total (k) Sum (c-i)	Line No.
1	Total Direct Labor	Sch C-1, Sh 17, Ln 5	\$ 47,553,630	\$ 1,073,123	\$ 7,916,298	\$ 1,255,809	\$ 6,085,670	\$ 21,493,636	\$ 4,230,386	\$ 14,183	\$ 89,622,736	1
2	Percent of Total	Ln 1 / Ln 1(k)	53.06%	1.20%	8.83%	1.40%	6.79%	23.98%	4.72%	0.02%	100.00%	2
3	Margin	Company Records	\$ 500,687,812	\$ 20,257,074	\$ 74,364,640	\$ 10,460,952	\$ 44,141,627	\$ 247,209,655	\$ 43,043,260	\$ 425,945	\$ 940,590,965	3
4	Percent of Total	Ln 3 / Ln 3(k)	53.23%	2.15%	7.91%	1.11%	4.69%	26.28%	4.58%	0.05%	100.00%	4
5	Gross Plant	Company Records	\$ 3,704,575,635	\$ 147,697,855	\$ 464,296,640	\$ 71,047,200	\$ 283,142,922	\$ 1,874,463,394	\$ 280,752,703	\$ 2,426,992	\$ 6,828,403,341	5
6	Percent of Total	Ln 5 / Ln 5(k)	54.25%	2.16%	6.80%	1.04%	4.15%	27.45%	4.11%	0.04%	100.00%	6
7	MMF	(Ln 2+ Ln 4 + Ln 6) / 3	53.51%	1.84%	7.85%	1.18%	5.21%	25.91%	4.47%	0.03%	100.00%	7

**SOUTHWEST GAS CORPORATION  
ARIZONA  
ITEMIZATION OF PRO FORMA ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Revenues & Volumes Adj. No. 1 (b)	Purchased Gas Cost Adj. No. 2 (c)	Labor/Loading Annualization Adj. No. 3 (d)	Call Center & Customer Supp. Adj. No. 4 (e)	Cost of Service Analysis Adj. No. 5 (f)	Employee Vehicles Adj. No. 6 (g)	Uncollectibles Annualization Adj. No. 7 (h)	Self-Insured Retention Adj. No. 9 (i)	AGA Dues Adj. No. 10 (j)	Line No.
		Sch C-2, Adj. 1, Sh 1	Sch C-2, Adj. 2, Sh 1	Sch C-2, Adj. 3, Sh 1	Sch C-2, Adj. 4, Sh 1	Sch C-2, Adj. 5, Sh 1	Sch C-2, Adj. 6, Sh 1	Sch C-2, Adj. 7, Sh 1	Sch C-2, Adj. 9, Sh 1	Sch C-2, Adj. 10, Sh 1	
1	Operating Revenue	\$ (183,643,076)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1
2	Gas Cost	0	(201,173,630)	0	0	0	0	0	0	0	2
3	Operating Margin	\$ (183,643,076)	\$ 201,173,630	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	3
4	Operating Expenses	\$ 0	\$ 0	\$ 90,917	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	4
5	Other Gas Costs	0	0	0	0	0	0	0	0	0	5
6	Storage	0	0	0	0	0	0	0	0	0	6
7	Distribution	0	0	2,382,071	0	(428,454)	42,775	0	0	0	7
8	Customer Accounts	0	0	843,661	73,158	(51,747)	0	(81,178)	0	0	8
9	Customer Service & Info.	0	0	0	0	(45,406)	0	0	0	0	9
10	Sales	0	0	0	0	(5,050)	0	0	0	0	10
11	Administrative & General	0	0	0	0	(2,460)	0	0	790,608	(12,011)	11
12	Direct System Allocable	0	0	16,191	0	(596,418)	288,231	0	(238,800)	0	12
13	Depreciation & Amortization	0	0	276,857	0	0	0	0	0	0	13
14	Direct System Allocable	0	0	0	0	0	0	0	0	0	14
15	Regulatory Amortizations	0	0	0	0	0	0	0	0	0	15
16	Taxes Other Than Income	0	0	0	0	0	0	0	0	0	16
17	Interest on Customer Deposits	0	0	0	0	0	0	0	0	0	17
18	Total Operating Expenses	\$ 0	\$ 3,609,697	\$ (3,609,697)	\$ (73,158)	\$ (1,129,536)	\$ 331,007	\$ (81,178)	\$ 551,808	\$ (12,011)	18
19	Net Operating Income	\$ (183,643,076)	\$ 201,173,630	\$ (3,609,697)	\$ (73,158)	\$ 1,129,536	\$ (331,007)	\$ 81,178	\$ (551,808)	\$ 12,011	19
20	Rate Base	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	20
21	Gas Plant in Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (229,604)	\$ 0	\$ 0	\$ 0	21
22	Direct System Allocable	0	0	0	0	0	(1,155,419)	0	0	0	22
23	Total Gas Plant in Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,385,023)	\$ 0	\$ 0	\$ 0	23
24	Accumulated Provision for Depr. and Amorts	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (104,738)	\$ 0	\$ 0	\$ 0	24
25	Direct System Allocable	0	0	0	0	0	(527,791)	0	0	0	25
26	Total Accumulated Provision	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (632,529)	\$ 0	\$ 0	\$ 0	26
27	Net Plant in Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (752,493)	\$ 0	\$ 0	\$ 0	27
28	Other Rate Base	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	28
29	Allowance for Working Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	29
30	Cash Working Capital	0	0	0	0	0	0	0	0	0	30
31	Materials and Supplies	0	0	0	0	0	0	0	0	0	31
32	Prepayments	0	0	0	0	0	0	0	0	0	32
33	Customer Deposits	0	0	0	0	0	0	0	0	0	33
34	Customer Advances	0	0	0	0	0	0	0	0	0	34
35	Customer Service	0	0	0	0	0	0	0	0	0	35
36	Deferred Taxes	0	0	0	0	0	0	0	0	0	36
37	Total Other Rate Base	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	37
38	Total Rate Base	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (752,493)	\$ 0	\$ 0	\$ 0	38

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**ITEMIZATION OF PRO FORMA ADJUSTMENTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Paute Alloc. Annualization Adj. No. 11 (b)	Rate Case Expense Adj. No. 12 (c)	Dep/Amort Expense Adj. No. 13 (d)	Taxes Other Than Income Adj. No. 14 (e)	Interest on Customer Dep. Adj. No. 15 (f)	Regulatory Amortizations Adj. No. 16 (g)	Post-Test Year Plant Adj. No. 17 (h)	LNG Adj. No. 18 (i)	Deferred Taxes Adj. No. 19 (j)	Total of Adjustments (k)	Line No.
		Sch C-2, Adj. 11, Sh 1	Sch C-2, Adj. 12, Sh 1	Sch C-2, Adj. 13, Sh 1-4	Sch C-2, Adj. 14, Sh 1	Sch C-2, Adj. 15, Sh 1	Sch C-2, Adj. 16, Sh 1	Sch B-2, Adj. 17, Sh 1	Sch B-2, Adj. 18, Sh 1	B-2, Adj. 19, Sh 1		
1	Operating Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1
2	Gas Cost	0	0	0	0	0	0	0	0	0	(183,643,076)	2
3	Operating Margin	0	0	0	0	0	0	0	0	0	(201,173,630)	3
	<b>Operating Expenses</b>										17,530,554	
4	Other Gas Costs	0	0	0	0	0	0	0	0	0	0	4
5	Storage	0	0	0	0	0	0	0	1,470,088	0	90,917	5
6	Distribution	0	0	0	0	0	0	0	0	0	1,470,088	6
7	Customer Accounts	0	0	0	0	0	0	0	0	0	1,996,392	7
8	Customer Service & Info.	0	0	0	0	0	0	0	0	0	783,894	8
9	Sales	0	0	0	0	0	0	0	0	0	(45,406)	9
10	Administrative & General	0	0	0	0	0	0	0	0	0	(5,050)	10
11	Direct System Allocable (290,345)	0	70,108	0	0	0	0	0	0	0	874,447	11
12	Depreciation & Amortization	0	0	0	0	0	0	0	0	0	(572,485)	12
13	System Allocable	0	0	10,835,680	0	0	0	0	0	0	10,835,680	13
14	Regulatory Amortizations	0	0	3,544,503	0	0	0	0	0	0	3,544,503	14
15	Taxes Other Than Income	0	0	0	0	0	(10,198,917)	0	0	0	(10,198,917)	15
16	Interest on Customer Deposits	0	0	0	15,911,411	0	0	0	0	0	15,911,411	16
17	Total Operating Expenses	(290,345)	70,108	14,380,183	15,911,411	(1,222,444)	(10,198,917)	0	1,470,088	0	23,463,029	17
18	Net Operating Income	290,345	(70,108)	(14,380,183)	(15,911,411)	1,222,444	10,198,917	0	(1,470,088)	0	(5,932,475)	18
	<b>Rate Base</b>											
19	Gas Plant in Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 103,494,011	\$ 76,200,000	\$ 0	\$ 179,464,406	19
20	Direct System Allocable	0	0	0	0	0	0	35,436,594	0	0	34,281,176	20
21	Total Gas Plant in Service	0	0	0	0	0	0	138,930,605	76,200,000	0	213,745,582	21
	<b>Accumulated Provision for Depn and Amorts</b>											
22	Direct System Allocable	0	0	0	0	0	0	0	0	0	(104,738)	22
23	Total Accumulated Provision	0	0	0	0	0	0	0	0	0	(527,791)	23
24	Net Plant in Service	0	0	0	0	0	0	0	0	0	(632,529)	24
25	Other Rate Base	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 138,930,605	\$ 76,200,000	\$ 0	\$ 214,378,112	25
	<b>Allowance for Working Capital</b>											
26	Cash Working Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	26
27	Materials and Supplies	0	0	0	0	0	0	0	2,800,000	0	2,800,000	27
28	Prepayments	0	0	0	0	0	0	0	0	0	0	28
29	Customer Deposits	0	0	0	0	0	0	0	0	0	0	29
30	Customer Advances	0	0	0	0	0	0	0	0	0	0	30
31	Deferred Taxes	0	0	0	0	0	0	0	0	1,518,173	1,518,173	31
32	Total Other Rate Base	0	0	0	0	0	0	0	2,800,000	1,518,173	4,318,173	32
33	Total Rate Base	0	0	0	0	0	0	138,930,605	79,000,000	1,518,173	218,696,285	33

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SALES, TRANSPORTATION QUANTITY AND REVENUES - ADJUSTMENT NO. 1**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Recorded At 01/31/2019	Adjustment No. 1	Test Period		Line No.
				(a)	(b)	
1	Sales Quantity (Therms)	529,437,882	(9,122,664)		520,315,218	1
2	Transportation Quantity (Therms)	176,295,686	(138,283)		176,157,403	2
3	Total Quantity	<u>705,733,568</u>	<u>(9,260,947)</u>		<u>696,472,621</u>	3
4	Revenue	<u>\$ 701,861,440</u>	<u>\$ (183,643,076)</u>		<u>\$ 518,218,363</u>	4
5	Total Revenue Adjustment		<u>\$ (183,643,076)</u>			5

Explanation:  
 To adjust for changes in number of bills and sales volumes, to adjust revenues to authorized levels, to reverse unbilled revenues, and to remove gas cost from the cost of service.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
PURCHASED GAS COST - ADJUSTMENT NO. 2  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description  (a)	FERC Account Number  (b)	Amount  (c)	Line No.
1	Natural Gas Transmission Line Purchases	803.00	\$ 116,448,762	1
2	Purchased Gas Cost Adjustments	805.10	77,881,083	2
3	Gas Withdrawn from Storage	808.10	226,519	3
4	Gas Delivered to Storage	808.20	(16,523)	4
5	Gas Used for Compressor Station Fuel	810.00	0	5
6	Transmission and Compression of Gas	858.00	6,633,789	6
7	Total Adjustment No. 2 - Recorded Cost of Purchased Gas		<u>\$ 201,173,630</u>	7
8	Present Volume Adjustment		(3,466,393)	8
9	Present Rate Adjustment		<u>(16,107,784)</u>	9
10	Subtotal of Adjustments		<u>(19,574,177)</u>	10
11	Total Cost of Purchased Gas Adjusted at Present Rates		<u><u>\$ 181,599,453</u></u>	11

Explanation:

To adjust for changes in sales volumes and to adjust the average cost of purchased gas to match the average cost of purchased gas included in currently effective base tariff sales rates.



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**COST OF PURCHASED GAS - ADJUSTED AT PRESENT RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Recorded Total (b)		Volume Adjustment		Rate Adjustment		Adjusted Total (i)	Line No.	
		Sales (c)	Gas Engines (d)	Optional (e)	Sales (f)	Gas Engines (g)	Optional (h)			
1	Sales Volumes (Therms)	529,437,882	(9,121,641)	(1,023)	0	497,583,394	13,307,582	9,424,242	520,315,218	1
2	Recorded Average Cost of Purchased Gas	\$ 0.37998	\$ 0.37998	\$ 0.37998	\$ 0.37998	\$ 0.37998	\$ 0.37998	\$ 0.37998		2
3	Cost of Purchased Gas [1]					\$ 0.35399	\$ 0.18273	\$ 0.32132		3
4	Change in Average Cost of Purchased Gas					\$ (0.02599)	\$ (0.19725)	\$ (0.05865)		4
5	Cost of Purchased Gas	\$ 201,173,630	\$ (3,466,004)	\$ (389)	\$ 0	\$ (12,930,147)	\$ (2,624,866)	\$ (552,771)	\$ 181,599,453	5

[1] Cost of gas effective on January 31, 2019 excluding surcharges. Optional cost of purchased gas is average cost during test year.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
LABOR AND LABOR LOADING ANNUALIZATION  
ADJUSTMENT NO. 3**

Line No.	Description (a)	Labor (b) WP C-2 Adj 3, Sh 1 thru 3, Col (h)	Labor Loading (c) WP C-2 Adj 3, Sh 1 thru 3, Col (i)	Total (d) (b) + (c)	Line No.
<u>Operations</u>					
1	Account 813	\$ 64,852	\$ 26,065	\$ 90,917	1
2	Account 840	0	0	0	2
3	Account 841	0	0	0	3
4	Account 850	0	0	0	4
5	Account 851	0	0	0	5
6	Account 852	0	0	0	6
7	Account 853	0	0	0	7
8	Account 856	0	0	0	8
9	Account 857	0	0	0	9
10	Account 859	0	0	0	10
11	Account 870	273,694	61,450	335,144	11
12	Account 871	29,631	12,463	42,095	12
13	Account 874	127,659	27,929	155,588	13
14	Account 875	49,406	10,978	60,383	14
15	Account 878	209,014	45,423	254,436	15
16	Account 879	357,141	101,285	458,427	16
17	Account 880	207,052	56,903	263,955	17
18	Account 901	82,618	33,046	115,664	18
19	Account 902	33,765	7,429	41,194	19
20	Account 903	474,495	208,294	682,789	20
21	Account 905	3,272	742	4,014	21
22	Account 908	0	0	0	22
23	Account 910	0	0	0	23
24	Account 920	985,312	639,300	1,624,612	24
25	Account 922	(145,880)	(94,651)	(240,531)	25
26	Account 930.2	0	0	0	26
27	Total Operations	<u>\$ 2,752,030</u>	<u>\$ 1,136,656</u>	<u>\$ 3,888,686</u>	27
<u>Maintenance</u>					
28	Account 863	\$ 0	\$ 0	0	28
29	Account 885	62,278	13,698	75,976	29
30	Account 886	465	108	573	30
31	Account 887	317,150	70,076	387,226	31
32	Account 889	50,693	11,153	61,846	32
33	Account 892	159,533	35,458	194,991	33
34	Account 893	67,244	14,543	81,788	34
35	Account 894	7,905	1,739	9,645	35
36	Account 935 - Direct	12,635	3,557	16,191	36
37	Account 935 - System Alloc.	16,556	10,620	27,176	37
38	Total Maintenance	<u>\$ 694,459</u>	<u>\$ 160,952</u>	<u>\$ 855,411</u>	38
39	Total O&M	<u>\$ 3,446,489</u>	<u>\$ 1,297,608</u>	<u>\$ 4,744,097</u>	39
Sch C-2, Sh 1, Col (d)					
<u>Functionalization</u>					
40	Other Gas Supply	\$ 64,852	\$ 26,065	\$ 90,917	40
41	Storage	0	0	0	41
42	Transmission	0	0	0	42
43	Distribution	1,918,865	463,206	2,382,071	43
44	Customer Accounts	594,150	249,511	843,661	44
45	Customer Service & Info.	0	0	0	45
46	Sales	0	0	0	46
47	A&G - Direct	12,635	3,557	16,191	47
48	A&G - Sys. Alloc.	855,988	555,269	1,411,257	48
49	Total	<u>\$ 3,446,489</u>	<u>\$ 1,297,608</u>	<u>\$ 4,744,097</u>	49

To annualize labor and labor-related loadings as of January 31, 2019 to reflect within-grade increases through February 01, 2020 and a 2.7% general wage increase effective June 2019.

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 ALLOCATION OF NON-SERVICE RETIREMENT BENEFITS COSTS  
 LABOR AND BENEFITS ANNUALIZATION  
 ADJUSTMENT NO. 3**

Line No.	Description (a)	Reference (b)	Pension (c)	PBOP (d)	SERP (e)	Total (f) (c)+(d)+(e)	Line No.
1	Normalized Total Retirement Benefits Cost	Actuarial Studies	\$ 40,451,002	\$ 2,317,151	\$ 3,361,807		1
2	Normalized Current Service Cost	WP C-2 Adj 3, Sh 43	<u>25,936,943</u>	<u>1,405,396</u>	<u>273,341</u>		2
3	Normalized Non-Service Cost	Ln 1 - Ln 2	\$ 14,514,059	\$ 911,756	\$ 3,088,466	\$ 18,514,280	3
4	Recorded Non-Service Cost	Company Records				<u>20,647,761</u>	4
5	Adjustment	Ln 3 - Ln 4				\$ (2,133,481)	5
6	Less: MMF Allocation	Sch C-1, Sh 18, Ln 7(i)+(j)				<u>4.50%</u>	6
7	Adjustment after MMF Allocation	Ln 5 * (1 - Ln 6)				\$ (2,037,442)	7
8	Allocation to Arizona	Sch C-1, Sh 17, Ln 9(c)				<u>55.68%</u>	8
9	Amount After Allocation	Ln 7 * Ln 8				<u>\$ (1,134,401)</u>	9
						Sch C-2, Sh 1, Col (d)	

**SOUTHWEST GAS CORPORATION  
 SYSTEM ALLOCABLE  
 CALL CENTER AND SUPPORT FUNCTION ALLOCATION  
 FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
 ADJUSTMENT NO. 4**

Line No.	Description (a)	Reference (b)	AZ (c)	SCA (d)	NCA (e)	SLT (f)	SNV (g)	NNV (h)	Total (i) Sum (c)-(h)	Line No.
<b>Account 903</b>										
1	903001777 - Call Center	Company Records	3,838,967 \$	497,348 \$	91,474 \$	67,759 \$	2,183,952 \$	325,919 \$	7,005,418	1
2	903001778 - Support Function	Company Records	1,345,434	197,588	34,097	94,403	814,029	389,878	2,875,430	2
3	Total as Recorded	Ln 1 + Ln 2	5,184,401 \$	694,936 \$	125,571 \$	162,162 \$	2,997,981 \$	715,796 \$	9,880,848	3
4	Factor IV	Sch C-1, Sh 17, Ln 8	53.21%	7.30%	1.34%	0.99%	32.38%	4.78%	100.00%	4
5	Total as Allocated	Ln 4 * Ln 3(i)	5,257,559 \$	721,334 \$	132,559 \$	97,989 \$	3,199,257 \$	472,149 \$	9,880,848	5
6	Adjustment	Ln 5 - Ln 3	73,158 \$	26,398 \$	6,988 \$	(64,173) \$	201,276 \$	(243,648) \$	0	6

Sch C-2, Sh 1  
 Col (e)

**SOUTHWEST GAS CORPORATION  
ARIZONA  
COST OF SERVICE ANALYSIS  
ADJUSTMENT NO. 5**

Line No.	Account Number	Reference	Donation/ Civic Activity	Employee Events	Employee Recognition	Expenses Removed				Non-Utility Expense	Non-Recurring Expense	Out of Period Expenses	Expense Annualization	Total	Line No.
						Other Emp. Welfare	Sponsorships, Ads, Promo.	Retirement Gift/Meals	Non-Utility Expense						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)		
1	870	WP C-2, Adj. 5, Sh 1	\$ (82)	0	0	0	(1,636)	0	(23,767)	(208,074)	0	0	0	1	
2	874	WP C-2, Adj. 5, Sh 18	0	0	0	0	0	0	(230)	0	0	0	(230)	2	
3	880	WP C-2, Adj. 5, Sh 3	(10,209)	(5,712)	0	0	(6,702)	(2,835)	(86,436)	0	0	15,256	(96,638)	3	
4	881	WP C-2, Adj. 5, Sh 4	0	0	0	0	0	0	0	0	0	(89,800)	(89,800)	4	
5	885	WP C-2, Adj. 5, Sh 18	0	0	0	0	0	0	(4,888)	0	0	0	(4,888)	5	
6	887	WP C-2, Adj. 5, Sh 18	0	0	0	0	0	0	(840)	0	0	0	(840)	6	
7	901	WP C-2, Adj. 5, Sh 18	0	0	0	0	0	0	(44)	0	0	0	(44)	7	
8	903	WP C-2, Adj. 5, Sh 5	0	0	0	0	(16,750)	(2,500)	(22,847)	0	0	0	(42,097)	8	
9	908	WP C-2, Adj. 5, Sh 6	0	0	0	0	0	0	(24,142)	0	0	0	(24,142)	9	
10	910	WP C-2, Adj. 5, Sh 7	(1,000)	0	0	0	(700)	0	0	0	0	(5,017)	(6,717)	10	
11	913	WP C-2, Adj. 5, Sh 8	(5,050)	0	0	0	0	0	0	0	0	0	(5,050)	11	
12	930.1	WP C-2, Adj. 5, Sh 18	0	0	0	0	0	0	(904)	0	0	0	(904)	12	
13	935	WP C-2, Adj. 5, Sh 18	0	0	0	0	0	0	(1,557)	0	0	0	(1,557)	13	
14	Total	Sum Lns 1-13	<u>\$(16,341)</u>	<u>\$(5,712)</u>	<u>0</u>	<u>0</u>	<u>\$(25,788)</u>	<u>\$(5,335)</u>	<u>\$(165,654)</u>	<u>\$(208,074)</u>	<u>0</u>	<u>0</u>	<u>\$(79,561)</u>	<u>\$(506,467)</u>	14

Sum (c)-(l)  
Sch C-2, Sh 1,  
Col (f)

SOUTHWEST GAS CORPORATION  
 SYSTEM ALLOCABLE  
 COST OF SERVICE ANALYSIS  
 ADJUSTMENT NO. 5

Line No.	Account Number	Reference	Expenses Removed													Total	MMF	Amount Before Alloc. to AZ	AZ Alloc. Factor	Amount After Alloc. to AZ
			(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)					
			Donation/ Civic Activity	Employee Events	Employee Recognition	Other Emp. Welfare	Sponsorships, Ads, Promo.	Retirement Gift/Meals	Non-Utility Expense	Non-Recuring Expense	Out of Period Expenses	Expense Amortization		Sch C-1, Sh 18	(m) * [1-(n)]	Sch C-1, Sh 17	(o) * (p)			
1	870	WP C-2, Adj. 5, Sh 18	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (326)	\$ 0	\$ 0	\$ 0	\$ 0	n/a	(326)	53.21%	(174)			
2	880	WP C-2, Adj. 5, Sh 9	(950)	0	0	0	0	0	(3,417)	0	0	0	0	n/a	(4,367)	53.21%	(2,324)			
3	901	WP C-2, Adj. 5, Sh 18	0	0	0	0	0	0	(1,306)	0	0	0	0	n/a	(1,306)	53.21%	(695)			
4	903	WP C-2, Adj. 5, Sh 10	0	0	0	0	(14,048)	(2,700)	0	0	0	0	0	n/a	(16,748)	53.21%	(8,911)			
5	908	WP C-2, Adj. 5, Sh 18	0	0	0	0	0	0	(40)	0	0	0	0	n/a	(40)	53.21%	(21)			
6	910	WP C-2, Adj. 5, Sh 11	0	0	0	0	0	0	(27,300)	0	0	0	0	n/a	(27,300)	53.21%	(14,526)			
7	920	Company Records [1]	0	0	0	0	0	0	(343,192)	0	0	0	0	4.50%	(343,192)	55.68%	(182,480)			
8	921	WP C-2, Adj. 5, Sh 14	(1,000)	0	(2,980)	0	(65,725)	0	(260,374)	0	(4,483)	(40,165)	(374,737)	4.50%	(357,868)	55.68%	(199,253)			
9	923	WP C-2, Adj. 5, Sh 15	0	0	0	0	0	0	(39,854)	0	(405,443)	70,078	(375,218)	4.50%	(358,328)	55.68%	(199,509)			
10	930 2	WP C-2, Adj. 5, Sh 16	0	0	0	0	0	0	(2,984)	0	0	0	0	4.50%	(2,984)	55.68%	(1,587)			
11	931	WP C-2, Adj. 5, Sh 17	0	0	0	0	0	0	(32,292)	0	0	6,733	(25,559)	4.50%	(24,408)	55.68%	(13,590)			
12	Total	Sum Lns 1-11	\$ (1,950)	\$ 0	\$ (2,990)	\$ 0	\$ (79,773)	\$ (5,684)	\$ (708,101)	\$ 0	\$ (409,926)	\$ 36,646	\$ (1,171,777)	\$ (1,121,284)	\$ (623,069)					

[1] Removes the non-utility portion certain compensation for Strategy Executives.

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 EMPLOYEE VEHICLE COMPENSATION  
 RATE BASE  
 ADJUSTMENT NO. 6**

Line No.	Description (a)	Reference (b)	Remove Company-Owned Vehicles					Amortization Expense [1] (g)	Line No.
			Original Cost (c)	Accum. Reserve (d)	Deferred Taxes (e)	Rate Base (f)	(c) + (d) + (e)		
1	Arizona	Company Records	\$ (229,604)	\$ 104,738	\$ 7,169	\$ (117,697)	\$ (32,994)	1	
2	System Allocable	Company Records	\$ (2,075,191)	\$ 947,940	\$ 35,565	\$ (1,091,686)	\$ (215,197)	2	
3	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)	55.68%	55.68%	55.68%	55.68%	55.68%	3	
4	Adjustment Allocated to AZ	Ln 2 * Ln 3	\$ (1,155,419)	\$ 527,791	\$ 19,802	\$ (607,826)	\$ (119,817)	4	
5	Total Adjustment	Ln 1 + Ln 4	\$ (1,385,023)	\$ 632,529	\$ 26,971	\$ (725,523)	\$ (152,811)	5	

Sch C-2, Sh 1,  
Col (g)

**Explanation:**

To remove company-owned vehicles used by Directors and above and include annualized stipend portion of compensation per current Company policy.

[1] Removed automatically in the Company's depreciation and annualization adjustment as a result of the adjustment to rate base.

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 EMPLOYEE VEHICLE COMPENSATION  
 OPERATING EXPENSES  
 ADJUSTMENT NO. 6**

Line No.	Description (a)	Reference (b)	Remove Vehicle O&M (c)	Add Stipend (d)	Total Adjustment (e) Sum (c)-(d)	Line No.
1	Arizona	Company Records	\$ (31,625)	\$ 74,400	\$ 42,775	1
2	System Allocable	Company Records	\$ (109,520)	\$ 651,600	\$ 542,080	2
3	Less: MMF Allocation	Sch C-1, Sh 18, Ln 7(i)+(j)	4.50%	4.50%	4.50%	3
4	Adjustment after MMF Allocation	Ln 2 * Ln 3	\$ (104,590)	\$ 622,268	\$ 517,678	4
5	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)	55.68%	55.68%	55.68%	5
6	Adjustment Allocated to AZ	Ln 4 * Ln 5	\$ (58,233)	\$ 346,464	\$ 288,231	6
7	Total Adjustment	Ln 1 + Ln 6	\$ (89,858)	\$ 420,864	\$ 331,007	7

Sch C-2, Sh 1,  
Col (g)

Explanation:

To remove company-owned vehicles used by Directors and above and include annualized stipend portion of compensation per current Company policy.



**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 UNCOLLECTIBLES EXPENSE ANNUALIZATION  
 ADJUSTMENT NO. 7**

Line No.	Description (a)	Reference (b)	Account Number (c)	Amount (d)	Line No.
1	Revenue at Present Rates	Sch H-2, Sh 4		\$ 699,817,817	1
2	Write-Off Percent of Revenue	WP Sch C-2, Adj. 7, Sh 1		<u>0.1930%</u>	2
3	Annualized Uncollectible Expense	Ln 1 * Ln 2		\$ 1,350,724	3
4	Less: Recorded Uncollectible Expense	Sch C-1, Sh 3, Ln 29(c)	904	<u>1,431,902</u>	4
5	Adjustment	Ln 3 - Ln 4	904	<u><u>\$ (81,178)</u></u>	5

Sch C-2, Sh 1,  
Col (h)

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 SELF-INSURED RETENTION NORMALIZATION  
 ADJUSTMENT NO. 9**

Line No.	Description (a)	Reference (b)	Account Number (c)	Amount (d)	Line No.
1	Arizona	Sch C-2, Adj. 9, Sh 2, Ln 7(c)	925	\$ <u>790,608</u>	1
2	System Allocable	Sch C-2, Adj. 9, Sh 2, Ln 7(d)	925	\$ (449,115)	2
3	Less: MMF Allocation	Sch C-1, Sh 18, Ln 7(i)+(j)		<u>4.50%</u>	3
4	Adjustment after MMF Allocation	Ln 2 * (1 - Ln 3)		\$ <u>(428,898)</u>	4
5	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)		<u>55.68%</u>	5
6	Adjustment Allocated to AZ	Ln 4 * Ln 5		\$ <u>(238,800)</u>	6
7	Total Adjustment	Ln 1 + Ln 6		\$ <u><u>551,808</u></u>	7
				Sch C-2, Sh 1, Col (i)	

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 SELF-INSURED RETENTION NORMALIZATION  
 ADJUSTMENT NO. 9**

Line No.	Description (a)	Reference (b)	AZ Direct (c)	System Allocable (d)	Line No.
	<u>Claims Paid</u>				
1	< \$1,000,000	WP C-2, Adj. 9, Sh 1, Ln 11	\$ 2,906,080	\$ 1,508,854	1
2	at \$1,000,000	WP C-2, Adj. 9, Sh 1, Ln 22	1,000,000	0	2
3	\$4,000,000 Aggregate	WP C-2, Adj. 9, Sh 1, Ln 33	4,000,000	0	3
4	Total Claims Paid	Sum Ln 1 - Ln 3	<u>\$ 7,906,080</u>	<u>\$ 1,508,854</u>	4
5	10-Year Average	Ln 4 /10	\$ 790,608	\$ 150,885	5
6	Recorded During Test Year	Company Records	<u>0</u>	<u>600,000</u>	6
7	Adjustment	Ln 5 - Ln 6	<u>\$ 790,608</u>	<u>\$ (449,115)</u>	7
			Sch C-2, Adj. 9, Sh 1, Ln 1(d)	Sch C-2, Adj. 9, Sh 1, Ln 2(d)	

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 AMERICAN GAS ASSOCIATION DUES  
 REMOVE LOBBYING PERCENTAGE OF DUES  
 ADJUSTMENT NO. 10**

Line No.	Description (a)	Reference (b)	Account Number (c)	Amount (d)	Line No.
1	2018 AGA Dues	Company Records	930.2	\$ 607,215	1
2	Lobbying Percentage	AGA Records		-3.72%	2
3	Lobbying Portion of AGA Dues	Ln 1 * Ln 2		\$ (22,588)	3
4	Less: MMF Allocation	Sch C-1, Sh 18, Ln 7(i)+(j)		4.50%	4
5	Adjustment after MMF Allocation	Ln 3 * Ln 4		\$ (21,572)	5
6	AZ 4-Factor	Sch C-1, Sh 17, Ln 9(c)		55.68%	6
7	Adjustment Allocated to AZ	Ln 5 * Ln 6		\$ (12,011)	7
				Sch C-2, Sh 1, Col (j)	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**PAIUTE ALLOCATION ANNUALIZATION**  
**ADJUSTMENT NO. 11**

Line No.	Description (a)	Ref/ Account Number (b)	For The Twelve Months Ended January 31, 2019		Paiute MMF Allocation [1] (f)	Paiute Annualized (g)	Change to Alloc. of Paiute's A&G Expenses (h)	AZ Allocation Factor [2] (i)	Amount Allocated to AZ (j)	Line No.
			Net Recorded (c)	Charged to Paiute (d)						
1	A&G Salaries	920	\$ 86,302,652	\$ 3,809,851	\$ 90,112,503	4.47%	\$ 4,027,413	\$ (217,563)	55.68%	1
2	Office Supplies and Expenses	921	15,930,848	714,067	16,644,915	4.47%	743,914	(29,847)	55.68%	2
3	A&G Expenses Transferred (Credit)	922	(12,965,038)	(581,131)	(13,546,168)	4.47%	(605,421)	24,291	63.41%	3
4	Outside Services	923	26,349,646	1,218,432	27,568,078	4.47%	1,232,105	(13,673)	55.68%	4
5	Property Insurance	924	438,203	93,661	531,864	16.65%	88,561	5,100	56.16%	5
6	Injuries and Damages	925	11,606,430	536,871	12,143,301	4.47%	542,723	(5,852)	55.68%	6
7	Misc. General Expenses	930.2	6,218,321	0	6,218,321	4.47%	277,916	(277,916)	55.68%	7
8	Rents	931	3,392,047	152,260	3,544,306	4.47%	158,406	(6,147)	55.68%	8
9	Maint. Of General Plant	935	3,517,060	161,104	3,678,163	4.47%	164,389	(3,285)	55.68%	9
10	Total	Sum Lns 1-9	\$ 140,790,169	\$ 6,105,114	\$ 146,895,283		\$ 6,630,006	\$ (524,892)	\$	10

[1] Account 924 is allocated using the insurable property factor calculated on WP C-2, Adj. 11, Sh 3.

[2] All accounts are allocated using the 4-Factor except Account 924, which is allocated using Factor II.

Note: Account 493, Rent from Gas Property, changed by \$139,962 due to annualizing the Paiute rental charge at 1/31/2019 as calculated on WP C-2, Adj. 11, Sh 1.

Sch C-2, Sh 2,  
Col (b)

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 INCREMENTAL RATE CASE EXPENSE  
 ADJUSTMENT NO. 12**

Line No.	Description (a)	Ref/ Account Number (b)	Amount (c)	Line No.
1	Printing/Copying/Postage/Freight	Estimate	\$ 150,000	1
2	Professional Services	Estimate	160,000	2
3	Notice/Publication	Estimate	35,000	3
4	Court Reporting	Estimate	1,000	4
5	Travel/Transportation/Misc.	Estimate	125,000	5
6	Total Rate Case Expense	Sum Lns 1-5	<u>\$ 471,000</u>	6
7	Amortization Period (Years)	[1]	<u>3</u>	7
8	Annual Rate Case Expense	928	<u>\$ 157,000</u>	8
9	Test Year Recorded Rate Case Expense	Sch C-1, Sh 9, Ln 11(d)	<u>86,892</u>	9
10	Adjustment	Ln 8 - Ln 9	<u><u>\$ 70,108</u></u>	10
			Sch C-2, Sh 2, Col (c)	

[1] The Company proposes to amortize rate case expense over a typical rate case cycle.

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 DEPRECIATION AND AMORTIZATION EXPENSE  
 FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
 ADJUSTMENT NO. 13**

Line No.	Description (a)	Account Number (b)	Gas Plant as Adjusted at 1/31/2019 (c)	Depreciation/Amortization Rate (d)	Annualized Depreciation/Amortization (e)	Recorded Depreciation/Amortization (f)	Adjustment (g)	Line No.
			WP B-2, Sh 1, Col (e)	Company Records	(c) * (d)	Company Records	(e) - (f)	
<b>Intangible Plant</b>								
1	Organization	301	\$ 42,653	Amortized	\$ 0	\$ 0	\$ 0	1
2	Franchise and Consents	302	2,208,574	Amortized	71,779 [1]	71,779	0	2
3	Miscellaneous Intangible	303	1,968,623	Amortized	0	0	0	3
4	Total Intangible Plant		\$ 4,219,850		\$ 71,779	\$ 71,779	\$ 0	4
<b>Storage Plant</b>								
5	Land and Land Rights	360	\$ 1,772,673	N/A	\$ 0	\$ 0	\$ 0	5
6	Structures and Improvements	361	76,200,000	4.75%	3,619,500	0	3,619,500	6
7	Liquifaction Equipment	363.1	0	4.75%	0	0	0	7
8	Vaporizing Equipment	363.2	0	4.75%	0	0	0	8
9	Compressor Maintenance	363.3	0	4.75%	0	0	0	9
10	Other Equipment	363.5	0	4.75%	0	0	0	10
11	Total Storage Plant		\$ 77,972,673		\$ 3,619,500	\$ 0	\$ 3,619,500	11
<b>Distribution Plant</b>								
12	Land and Land Rights	374.1	\$ 405,666	N/A	\$ 0	\$ 0	\$ 0	12
13	Rights of Way	374.2	3,312,434	1.37%	45,380	44,679	701	13
14	Structures and Improvements	375	110,557	3.35%	3,704	3,704	(0)	14
15	Mains	376	2,160,289,144	1.81%	39,101,233	35,599,210	3,502,023	15
16	Measuring and Reg. Stations	378	84,676,781	3.87%	3,276,991	3,150,223	126,769	16
17	Services	380	1,044,141,707	2.82%	29,444,796	27,537,490	1,907,306	17
18	Meters	381	307,551,428	4.15%	12,763,384	12,381,919	381,465	18
19	Industrial Measuring and Reg. Sta.	385	12,445,142	1.78%	221,524	222,651	(1,127)	19
20	Miscellaneous Equipment	387	432,098	0.00%	0	22,728	(22,728)	20
21	Total Distribution Plant		\$ 3,613,364,956		\$ 84,857,013	\$ 78,962,604	\$ 5,894,409	21
<b>General Plant</b>								
22	Land and Land Rights	389	\$ 17,212,657	N/A	\$ 0	\$ 0	\$ 0	22
23	Structures and Improv - Co. Owned	390.1	73,397,387	2.79%	2,047,787	1,576,801	470,986	23
24	Structures and Improv - Leasehold	390.2	128,051	Amortized	8,221	8,221	0	24
25	Office Furniture and Fixtures	391	5,936,198	7.29%	432,749	389,829	42,919	25
26	Computer Software and Hardware	391.1	17,677,300	21.94%	3,878,400	3,804,451	73,948	26
27	Transportation Equipment - Light	392.11	24,641,620	14.37%	3,541,001	3,377,899	163,102	27
28	Transportation Equipment - Heavy	392.12	17,004,439	4.07%	692,081	647,457	44,624	28
29	Stores Equipment	393	939,126	3.73%	35,029	31,993	3,036	29
30	Tool, Shop, and Garage Equip.	394	16,529,870	10.39%	1,717,453	1,192,789	524,664	30
31	Laboratory Equipment	395	557,187	5.48%	30,534	30,743	(209)	31
32	Power-Operated Equipment	396	9,006,861	3.46%	311,637	299,515	12,123	32
33	Communication Equipment	397	3,194,627	-1.11%	(35,460)	(22,683)	(12,777)	33
34	Telemetry Equipment	397.2	163,887	21.96%	35,990	42,716	(6,726)	34
35	Miscellaneous Equipment	398	2,093,352	6.38%	133,556	127,475	6,081	35
36	Total General Plant		\$ 188,482,563		\$ 12,828,977	\$ 11,507,206	\$ 1,321,771	36
37	Total Depreciation		\$ 3,879,692,140		\$ 101,297,269	\$ 90,461,589	\$ 10,835,680	37
38	Total Amortization		4,347,901		80,000	80,000	0	38
39	Total Depreciation and Amortization		\$ 3,884,040,042		\$ 101,377,269	\$ 90,541,589	\$ 10,835,680	39

Sch C-2, Sh 2,  
Col (d)

[1] Annualized amortization expense in Acct 302 based on January 2019 amortization \* 12.

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**DEPRECIATION AND ANNUALIZATION EXPENSE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**  
**ADJUSTMENT NO. 13**

Line No.	Description	Account Number	Gas Plant as Adjusted at 1/31/2019	Depreciation/ Amortization Rate	Annualized Depreciation/ Amortization	Recorded Depreciation/ Amortization	Adjustment before Alloc. to AZ	Adjustment after Alloc. to AZ	Line No.
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
			WP B-2, Sh 5, Col (e)	Company Records	(c) * (d)	Company Records	(e) - (f)	(g) * Ln 23(c)	
<b>Intangible Plant</b>									
1	Organization	301	\$ 61,816	Amortized	\$ 0	\$ 0	\$ 0	\$ 0	1
2	Miscellaneous Intangible	303	266,767,655	Amortized	18,216,545	13,382,745	4,833,800 [1]	2,691,348	2
3	Total Intangible Plant		\$ 266,829,471		\$ 18,216,545	\$ 13,382,745	\$ 4,833,800	\$ 2,691,348	3
<b>General Plant</b>									
4	Land and Land Rights	389	\$ 6,223,947	N/A	\$ 0	\$ 0	\$ 0	\$ 0	4
5	Structures and Improv - Co. Owned	390.1	53,818,778	2.30%	1,237,832	802,938	434,894	242,139	5
6	Structures and Improv - Leasehold	390.2	4,354,821	Amortized	536,078	240,069	296,009	164,811	6
7	Office Furniture and Fixtures	391	9,353,663	6.67%	623,889	560,179	63,710	35,472	7
8	Computer Software and Hardware	391.1	21,779,871	20.00%	4,355,974	3,698,713	657,261	365,948	8
9	Transportation Equipment - Light	392.11	2,907,447	10.37%	301,502	357,308	(55,806)	(31,071)	9
10	Transportation Equipment - Heavy	392.12	0	10.37%	0	0	0	0	10
11	Transportation Equipment - Aircraft	392.21	8,221,361	4.00%	328,854	328,854	(0)	(0)	11
12	Stores Equipment	393	63,037	6.67%	4,205	4,205	0	0	12
13	Tool, Shop, and Garage Equip.	394	1,106,311	6.67%	73,791	72,044	1,747	973	13
14	Laboratory Equipment	395	1,262,929	5.00%	63,146	55,646	7,500	4,176	14
15	Power-Operated Equipment	396	11,760	5.66%	666	666	(0)	(0)	15
16	Communication Equipment	397	7,468,337	6.67%	498,138	408,930	89,209	49,669	16
17	Telemetry Equipment	397.2	2,241	16.66%	373	373	(0)	(0)	17
18	Miscellaneous Equipment	398	3,021,779	6.67%	201,553	86,322	115,231	64,158	18
19	Total General Plant		\$ 119,596,281		\$ 8,226,002	\$ 6,616,247	\$ 1,609,755	\$ 896,275	19
20	Total Depreciation		\$ 115,241,460		\$ 7,689,924	\$ 6,376,178	\$ 1,313,746	\$ 731,463	20
21	Total Amortization		271,184,292		18,752,623	13,622,814	5,129,809	2,856,160	21
22	Total Depreciation and Amortization		\$ 386,425,753		\$ 26,442,547	\$ 19,998,992	\$ 6,443,555	\$ 3,587,623	22
23	AZ 4-Factor		55.68%					Sch C-2, Sh 2, Col (d)	23

[1] WP B-2, Adj. 13, Sh 7, Ln 499(n) + WP B-2, Adj. 17, Sh 3, Ln 34(f)



**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 DEPRECIATION AND ANNUALIZATION EXPENSE AT NEW RATES  
 FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
 ADJUSTMENT NO. 13**

Line No.	Description (a)	Account Number (b)	Gas Plant as Adjusted at 1/31/2019 (c) WP B-2, Sh 1, Col (e)	Depreciation/Amortization New Rates (d) No study filed	Adjusted Depreciation/Amortization (e) (c) * (d)	Annualized Depreciation/Amortization (f) Sch C-2, Adj. 13, Sh 1 Col(e)	Adjustment (g) (e) - (f)	Line No.
<u>Intangible Plant</u>								
1	Organization	301	\$ 42,653	Amortized	\$ 0	\$ 0	0	1
2	Franchise and Consents	302	2,208,574	Amortized	71,779	71,779	0	2
3	Miscellaneous Intangible	303	1,968,623	Amortized	0	0	0	3
4	Total Intangible Plant		\$ 4,219,850		\$ 71,779	\$ 71,779	\$ 0	4
<u>Storage Plant</u>								
5	Land and Land Rights	360	\$ 1,772,673	N/A	\$ 0	\$ 0	0	5
6	Structures and Improvements	361	76,200,000	4.75%	3,619,500	3,619,500	0	6
7	Liquifaction Equipment	363.1	0	4.75%	0	0	0	7
8	Vaporizing Equipment	363.2	0	4.75%	0	0	0	8
9	Compressor Maintenance	363.3	0	4.75%	0	0	0	9
10	Other Equipment	363.5	0	4.75%	0	0	0	10
11	Total Storage Plant		\$ 77,972,673		\$ 3,619,500	\$ 3,619,500	\$ 0	11
<u>Distribution Plant</u>								
12	Land and Land Rights	374.1	\$ 405,666	N/A	\$ 0	\$ 0	0	12
13	Rights of Way	374.2	3,312,434	1.37%	45,380	45,380	0	13
14	Structures and Improvements	375	110,557	3.35%	3,704	3,704	0	14
15	Mains	376	2,160,289,144	1.81%	39,101,233	39,101,233	0	15
16	Measuring and Reg. Stations	378	84,676,781	3.87%	3,276,991	3,276,991	0	16
17	Services	380	1,044,141,707	2.82%	29,444,796	29,444,796	0	17
18	Meters	381	307,551,428	4.15%	12,763,384	12,763,384	0	18
19	Industrial Measuring and Reg. Sta.	385	12,445,142	1.78%	221,524	221,524	0	19
20	Miscellaneous Equipment	387	432,098	0.00%	0	0	0	20
21	Total Distribution Plant		\$ 3,613,364,956		\$ 84,857,013	\$ 84,857,013	\$ 0	21
<u>General Plant</u>								
22	Land and Land Rights	389	\$ 17,212,657	N/A	\$ 0	\$ 0	0	22
23	Structures and Improv - Co. Owned	390.1	73,397,387	2.79%	2,047,787	2,047,787	0	23
24	Structures and Improv - Leasehold	390.2	128,051	Amortized	8,221	8,221	0	24
25	Office Furniture and Fixtures	391	5,936,198	7.29%	432,749	432,749	0	25
26	Computer Software and Hardware	391.1	17,677,300	21.94%	3,878,400	3,878,400	0	26
27	Transportation Equipment - Light	392.11	24,641,620	14.37%	3,541,001	3,541,001	0	27
28	Transportation Equipment - Heavy	392.12	17,004,439	4.07%	692,081	692,081	0	28
29	Stores Equipment	393	939,126	3.73%	35,029	35,029	0	29
30	Tool, Shop, and Garage Equip.	394	16,529,870	10.39%	1,717,453	1,717,453	0	30
31	Laboratory Equipment	395	557,187	5.48%	30,534	30,534	0	31
32	Power-Operated Equipment	396	9,006,861	3.46%	311,637	311,637	0	32
33	Communication Equipment	397	3,194,627	-1.11%	(35,460)	(35,460)	0	33
34	Telemetry Equipment	397.2	163,887	21.96%	35,990	35,990	0	34
35	Miscellaneous Equipment	398	2,093,352	6.38%	133,556	133,556	0	35
36	Total General Plant		\$ 188,482,563		\$ 12,828,977	\$ 12,828,977	\$ 0	36
37	Total Depreciation		\$ 3,879,692,140		\$ 101,297,269	\$ 101,297,269	\$ 0	37
38	Total Amortization		4,347,901		80,000	80,000	0	38
39	Total Depreciation and Amortization		\$ 3,884,040,042		\$ 101,377,269	\$ 101,377,269	\$ 0	39

Sch C-2, Sh 2,  
Col (d)

**SOUTHWEST GAS CORPORATION  
SYSTEM ALLOCABLE  
DEPRECIATION AND ANNUALIZATION EXPENSE AT NEW RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
ADJUSTMENT NO. 13**

Line No.	Description	Account Number	Gas Plant as Adjusted at 1/31/2019	Depreciation/Amortization New Rates	Adjusted Depreciation/Amortization	Annualized Depreciation/Amortization	Adjustment before Alloc. to AZ	Adjustment after Alloc. to AZ	Line No.
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
		WP B-2, Sh 5, Col (e)	Company Records	(c) * (d)	Sch C-2, Adj. 13, Sh 1 Col(e)	(e) - (f)	(g) * Ln 23(c)		
<u>Intangible Plant</u>									
1	Organization	301	\$ 61,816	N/A	\$ 0	\$ 0	\$ 0	\$ 0	1
2	Miscellaneous Intangible	303	266,767,655	Amortized	18,216,545	18,216,545	0	0	2
3	Total Intangible Plant		\$ 266,829,471		\$ 18,216,545	\$ 18,216,545	\$ 0	\$ 0	3
<u>General Plant</u>									
4	Land and Land Rights	389	\$ 6,223,947	N/A	\$ 0	\$ 0	\$ 0	\$ 0	4
5	Structures and Improv - Co. Owned	390.1	53,818,778	2.25%	1,210,923	1,237,832	(26,909)	(14,983)	5
6	Structures and Improv - Leasehold	390.2	4,354,821	12.31%	536,078	536,078	0	0	6
7	Office Furniture and Fixtures	391	9,353,663	6.67%	623,889	623,889	0	0	7
8	Computer Software and Hardware	391.1	21,779,871	19.80%	4,312,414	4,355,974	(43,560)	(24,253)	8
9	Transportation Equipment - Light	392.11	2,907,447	10.13%	294,524	301,502	(6,978)	(3,885)	9
10	Transportation Equipment - Heavy	392.12	0	6.00%	0	0	0	0	10
11	Transportation Equipment - Aircraft	392.21	8,221,361	4.00%	328,854	328,854	0	0	11
12	Stores Equipment	393	63,037	6.67%	4,205	4,205	0	0	12
13	Tool, Shop, and Garage Equip.	394	1,106,311	6.67%	73,791	73,791	0	0	13
14	Laboratory Equipment	395	1,262,929	5.00%	63,146	63,146	0	0	14
15	Power-Operated Equipment	396	11,760	5.67%	667	666	1	1	15
16	Communication Equipment	397	7,468,337	6.67%	498,138	498,138	0	0	16
17	Telemetry Equipment	397.2	2,241	16.67%	374	373	0	0	17
18	Miscellaneous Equipment	398	3,021,779	6.67%	201,553	201,553	0	0	18
19	Total General Plant		\$ 119,596,281		\$ 8,148,557	\$ 8,226,002	\$ (77,446)	\$ (43,120)	19
20	Total Depreciation		\$ 115,241,460		\$ 7,612,478	\$ 7,689,924	\$ (77,446)	\$ (43,120)	20
21	Total Amortization		271,184,292		18,752,623	18,752,623	0	0	21
22	Total Depreciation and Amortization		\$ 386,425,753		\$ 26,365,101	\$ 26,442,547	\$ (77,446)	\$ (43,120)	22
23	AZ 4-Factor		55.68%					Sch C-2, Sh 2, Col (d)	23

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 TAXES OTHER THAN INCOME ADJUSTMENT  
 ADJUSTMENT NO. 14**

Line No.	Description (a)	Reference (b)	Amount (c)	Line No.
1	Adjusted Net Plant in Service	Sch B-2, Sh 1, Ln 11(e)	\$ 2,467,586,189	1
2	Add: Materials and Supplies	Sch B-5, Sh 3, Ln 16(f)	34,013,908	2
3	Less: Transportation Equipment	[1]	(24,859,419)	3
4	Less: Land Rights	[2]	(17,618,322)	4
5	Estimated Full Cash Value	Sum Lns 1-4	\$ 2,459,122,354	5
6	2019 Assessment Ratio	Company Records	18.00%	6
7	Assessed Value	Ln 5 * Ln 6	\$ 442,642,024	7
8	Composite Property Tax Rate	Company Records	13.66%	8
9	Annualized Property Taxes	Ln 7 * Ln 8	\$ 60,467,556	9
10	Capitalized Property Taxes	Company Records	(2,834,330)	10
11	Annualized Property Tax Expense after Cap.	Ln 9 + Ln 10	\$ 57,633,226	11
12	Add: Salt River Tribe Assessment	Company Records	34,258	12
13	Adjusted Annualized Property Tax Expense	Ln 11 + Ln 12	\$ 57,667,484	13
14	Recorded Property Tax Expense	Sch C-1, Sh 15, Ln 1(c)	41,737,847	14
15	Adjustment	Ln 13 - Ln 14	\$ 15,929,637	15
16	Recorded Miscellaneous Taxes	Company Records	\$ 57,889	16
17	Adjusted Miscellaneous Taxes	Company Records	39,663	17
18	Adjustment	Ln 17 - Ln 16	\$ (18,226)	18
19	Total Taxes Other Than Income Adjustment	Ln 15 + Ln 18	\$ 15,911,411	19

Sch C-2, Sh 2,  
Col (e)

Explanation:

To annualize Property Tax Expense to reflect adjusted investment requested in this GRC and to adjust misc. taxes to remove items expensed during the test year that should not be collected through base rates.

[1] Adjusted balance of Accounts 392.11 and 392.12 net of accumulated depreciation.

[2] Adjusted balance of Accounts 374.1 and 389.

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 INTEREST ON CUSTOMER DEPOSITS  
 ADJUSTMENT NO. 15**

Line No.	Description (a)	Reference (b)	Amount (c)	Line No.
1	Customer Deposits in Rate Base	Sch B-6, Sh 1, Ln 16(c)	\$ 36,862,844	1
2	Customer Deposits Interest Rate	US Treasury 1Y CMT at 1/2/19	2.60%	2
3	Adjusted Interest on Customer Deposits	Ln 1 * Ln 2	\$ 958,434	3
4	Recorded Interest on Customer Deposits	Company Records	2,180,878	4
5	Adjustment	Ln 3 - Ln 4	\$ (1,222,444)	5
			Sch C-2, Sh 2, Col (f)	

Explanation:

The Company is proposing to modify Rule 3 to have customer deposit interest rate be more in line with other Arizona utilities and to update it annually. This adjustment also synchronizes interest on customer deposits expense with the balance of customer deposits included as a rate base reduction.

**SOUTHWEST GAS CORPORATION  
 ARIZONA  
 REGULATORY AMORTIZATIONS AND ACQUISITION ADJUSTMENT  
 ADJUSTMENT NO. 16**

Line No.	Description (a)	Reference (b)	Account Number (c)	Amount (d)	Line No.
1	Recorded Regulatory Amortization	Company Records	407.3	\$ 6,822,585	1
	<u>Add Items To Be Amortized</u>				
2	Property Tax Mechanism	WP C-2, Adj. 16, Sh 1		\$ (2,249,147)	2
3	Tax Reform Surcredit	WP C-2, Adj. 16, Sh 1		(609,234)	3
4	Demand Side Management (DSM) Surcharge Overcollection	WP C-2, Adj. 16, Sh 1		(567,751)	4
5	Subtotal New Amortizations	Sum Lns 2-4		<u>\$ (3,426,132)</u>	5
	<u>Remove Test Year Expense Collected Through a Surcharge</u>				
6	TRIMP/DOT	Company Records		\$ (1,960,518)	6
7	DSM	Company Records		(4,862,067)	7
8	Subtotal Items to be Removed	Ln 6 + Ln 7	407.3	<u>\$ (6,822,585)</u>	8
9	Adjustment	Ln 5 + Ln 8	407.3	<u>\$ (10,248,717)</u>	9
				Sch C-2, Sh 2, Col (g)	
10	Adjusted Regulatory Amortizations	Ln 1 + Ln 9	407.3	<u>\$ (3,426,132)</u>	10
11	Reamortize Ajo Acquisition Amortization	WP C-2, Adj. 16, Sh 1	406	<u>\$ 49,800</u>	11
				Sch C-2, Sh 2, Col (g)	

Explanation:

To adjust regulatory amortizations by removing the portion of expense related to surcharges since the offsetting revenues are not included in revenue at present rates, add new regulatory amortizations. Also reamortizes an acquisition adjustment that would have otherwise expired in 2020.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
COMPUTATION OF GROSS REVENUE CONVERSION FACTOR**

Line No.	Description (a)	Reference (b)	Amount (c)	Line No.
1	Gross Operating Revenues		\$ 1,000.00	1
2	Less: Uncollectibles	Sch C-2, Adj. 7, Sh 1	0.1930%	2
3	Subtotal	Ln 1 * (1 - Ln 2)	\$ 998.07	3
4	Less: State Income Tax	Sch C-3, Sh 2, Ln 1(c)	4.9000%	4
5	Subtotal	Ln 3 * (1 - Ln 4)	\$ 949.16	5
6	Less: Federal Income Tax	Sch C-3, Sh 2, Ln 3(c)	19.9710%	6
7	Total	Ln 5 - (Ln 3 * Ln 6)	\$ 749.84	7
8	Gross Revenue Conversion Factor	Ln 1 / Ln 7	1.3336	8
			Sch A-1, Sh 1, Ln 7(e)	

**SOUTHWEST GAS CORPORATION  
ARIZONA  
COMPUTATION OF STATE AND FEDERAL INCOME TAX RATES**

Line No.	Description (a)	Reference (b)	Amount (c)	Line No.
1	State Income Tax Rate	Current Statutory Rate	4.9000% Sch C-1, Sh 16, Ln 6	1
2	Federal Income Tax Rate	Current Statutory Rate	21.0000%	2
3	Effective Federal Income Tax Rate	Ln 2 * (1 - Ln 1)	19.9710% Sch C-1, Sh 16, Ln 13	3
4	Total Effective Income Tax Rate	Ln 1 + Ln 3	<u>24.8710%</u>	4

# **SCHEDULE D**



**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
COST OF CAPITAL AT JANUARY 31, 2019**

**ORIGINAL COST RATE BASE (OCRB) COST OF CAPITAL**

Line No.	Description (a)	Capital Ratio (b)	Capital Cost (c)		Weighted Cost of Capital (d)	Line No.
1	Long-Term Debt	48.90%	4.86%	[1]	2.38%	1
2	Common Equity	<u>51.10%</u>	10.30%	[2]	<u>5.26%</u>	2
3	Total	<u>100.00%</u>			<u>7.64%</u>	3

[1] Reference Schedule D-2, Sheet 1 of 6

[2] Reference Schedule D-4, Sheet 1 of 1

**FAIR VALUE RATE OF RETURN [3]**

Line No.	Description (a)	Capital Ratio (b)	Capital Cost (c)		Weighted Cost of Capital (d)	Line No.
1	Long-Term Debt	37.27%	4.86%	[1]	1.81%	1
2	Common Equity	38.95%	10.30%	[2]	4.01%	2
3	FVRB Increment Above OCRB	<u>23.78%</u>	0.66%	[2]	<u>0.16%</u>	3
4	Total	<u>100.00%</u>			<u>5.98%</u>	4

[1] Reference Schedule D-2, Sheet 1 of 6

[2] Reference Schedule D-4, Sheet 1 of 1

[3] FVROR is based on FVRB/OCRB = 1.31

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
NET CAPITAL AT JANUARY 31, 2019**

Line No.	Description (a)	Net System Balance at 01/31/2019 (b)	Adjustments (c)	Pro Forma Net Capital Amounts (d)	Capital Ratio (e)	Line No.
	<u>Debt</u>					
	<u>Long-Term Debt:</u>					
1	Debentures & Medium Term Notes	\$ 1,454,395,239	-	\$ 1,454,395,239	39.50%	1
2	Term Facilities	149,456,269	-	149,456,269	4.06%	2
3	Clark County IDRB's	146,868,038		146,868,038	3.99%	3
4	Big Bear IDRB's	49,580,440		49,580,440	1.35%	4
5	Total Long-Term Debt	<u>\$ 1,800,299,986</u>	<u>-</u>	<u>\$ 1,800,299,986</u>	<u>48.90%</u>	5
	<u>Equity</u>					
6	Preferred Equity	-	-	-	0.00%	6
7	Common Equity	1,881,310,331	-	1,881,310,331	51.10%	7
8	Total Equity	<u>\$ 1,881,310,331</u>	<u>-</u>	<u>\$ 1,881,310,331</u>	<u>51.10%</u>	8
9	Total Capital	<u>\$ 3,681,610,317</u>	<u>-</u>	<u>\$ 3,681,610,317</u>	<u>100.00%</u>	9

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
PROJECTED COST OF CAPITAL AT JANUARY 31, 2020**

**ORIGINAL COST RATE BASE (OCRB) COST OF CAPITAL**

Line No.	Description (a)	Capital Ratio (b)	Capital Cost (c)	Weighted Cost of Capital (d)	Line No.
1	Long-Term Debt	49.77%	4.80% [1]	2.39%	1
2	Common Equity	<u>50.23%</u>	10.30% [2]	<u>5.17%</u>	2
3	Total	<u><u>100.00%</u></u>		<u><u>7.56%</u></u>	3

[1] Reference Schedule D-2, Sheet 4 of 6

[2] Reference Schedule D-4, Sheet 1 of 1

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
PROJECTED NET CAPITAL AT JANUARY 31, 2020**

Line No.	Description (a)	Net System Balance at 01/31/2020 (b)	Adjustments (c)	Pro Forma Net Capital Amounts (d)	Capital Ratio (e)	Line No.
	<b>Debt</b>					
	<b>Long-Term Debt:</b>					
1	Debentures & Medium Term Notes	\$ 1,755,770,010	-	\$ 1,755,770,010	41.58%	1
2	Term Facilities	149,456,269	-	149,456,269	3.54%	2
3	Clark County IDRB's	146,693,012		146,693,012	3.47%	3
4	Big Bear IDRB's	49,580,440		49,580,440	1.17%	4
5	Total Long-Term Debt	<u>\$ 2,101,499,731</u>	<u>-</u>	<u>\$ 2,101,499,731</u>	<u>49.77%</u>	5
	<b>Equity</b>					
6	Preferred Equity	-	-	-	0.00%	6
7	Common Equity	2,120,630,331	-	2,120,630,331	50.23%	7
8	Total Equity	<u>\$ 2,120,630,331</u>	<u>-</u>	<u>\$ 2,120,630,331</u>	<u>50.23%</u>	8
9	Total Capital	<u>\$ 4,222,130,062</u>	<u>-</u>	<u>\$ 4,222,130,062</u>	<u>100.00%</u>	9

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
COST OF DEBT AT JANUARY 31, 2019**

Line No.	Description (a)	Net Principal Amount Outstanding (b)	Interest Rate (c)	Cost of Debt (d)	Line No.
1	Fixed Rate Debt [1]	\$ 1,454,395,239	5.00%	\$ 72,741,085	1
2	Variable Rate Debt [2]	149,456,269	3.50%	5,229,641	2
3	Total Long-Term Debt	<u>\$ 1,603,851,508</u>	<u>4.86%</u>	<u>\$ 77,970,726</u>	3

[1] Reference Schedule D-2, Sheet 2 of 6

[2] Reference Schedule D-2, Sheet 3 of 6

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
COST OF LONG-TERM FIXED RATE DEBT  
AT JANUARY 31, 2019**

Line No.	Description (a)	Principal Amount Outstanding (b)	Unamortized Debt Expense and Discount (c)	Net Proceeds (d)	Effective Interest Rate (e)	Cost of Debt (f)
	<b>Debentures</b>					
1	4.45% Notes, Due 2020	\$ 125,000,000	\$ 2,506,456	\$ 122,493,544	5.65%	\$ 6,920,413
2	3.875% Notes, Due 2022	250,000,000	7,669,286	242,330,714	4.99%	12,089,373
3	8.0% Debenture, Due 2026	75,000,000	3,590,921	71,409,079	8.89%	6,346,993
4	3.70% Notes, Due 2028	300,000,000	3,109,006	296,890,994	3.84%	11,400,614
5	6.1% Notes, Due 2043	125,000,000	146,995	124,853,005	6.11%	7,628,256
6	4.875% Notes, Due 2022	250,000,000	2,545,774	247,454,226	4.95%	12,241,369
7	3.80% Notes, Due 2046	300,000,000	4,119,774	295,880,226	3.88%	11,484,313
8	Total Debentures	\$ 1,425,000,000	\$ 23,688,212	\$ 1,401,311,788	4.86%	\$ 68,111,331
	<b>Medium Term Notes</b>					
9	7.78% MTN, Due 2022	\$ 25,000,000	\$ 53,539	\$ 24,946,461	7.86%	\$ 1,960,792
10	7.92% MTN, Due 2027	25,000,000	123,753	24,876,247	8.00%	1,990,100
11	6.76% MTN, Due 2027	7,500,000	-	7,500,000	6.76%	507,000
12	Total Medium Term Notes	\$ 57,500,000	\$ 177,292	\$ 57,322,708	7.78%	\$ 4,457,892
13	Unamortized Loss on Reacquired Debt <sup>[1]</sup>	\$ -	\$ 4,239,257	\$ (4,239,257)	-4.05%	\$ 171,862
14	Total Debentures and MTNs	\$ 1,482,500,000	\$ 28,104,761	\$ 1,454,395,239	5.00%	\$ 72,741,085
	<b>Tax Exempt Clark County Amortization of Loss/(Gain) from:</b>					
15	1999 Clark County, Series A	\$ -	\$ 371,250	\$ (371,250)	-5.04%	\$ 18,718
16	1999 Clark County, Series C	-	506,055	(506,055)	-5.04%	25,515
17	1999 Clark County, Series D	-	292,913	(292,913)	-5.04%	14,769
18	2003 Clark County, Series C	-	939,474	(939,474)	-5.24%	49,230
19	2003 Clark County, Series D	-	1,121,466	(1,121,466)	-5.24%	58,767
20	2003 Clark County, Series E	-	148,132	(148,132)	-5.24%	7,762
21	2004 Clark County, Series A	-	924,268	(924,268)	-6.49%	59,952
22	2004 Clark County, Series B	-	(3,333,576)	3,333,576	-6.74%	(224,736)
23	2005 Series A, Due 2034	-	994,115	(994,115)	-6.00%	59,647
24	2006 Clark County, Series A	-	(4,301,833)	4,301,833	-5.69%	(244,654)
	<b>Total Amortization of Loss/(Gain) from retirement of Industrial Revenue Bonds</b>	\$ -	\$ (2,337,736)	\$ 2,337,736	-7.49%	\$ (175,030)
25	Total Fixed-Rate Debt	\$ 1,482,500,000	\$ 25,767,025	\$ 1,456,732,975	4.98%	\$ 72,566,055

Sch D-2, Sheet 1

[1] In March 2010, the Company redeemed the \$100 million, 7.70% Subordinated Debentures (Trust Originated Preferred Securities), due 9/15/2043, at par. The unamortized debt expenses were recorded as a reacquisition loss and will be amortized over the remaining life of the retired securities.

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
VARIABLE RATE DEBT COST OF DEBT  
AT JANUARY 31, 2019**

Line No.	Description (a)	Principal Amount Outstanding (b)	Unamortized Debt Expense and Discount (c)	Net Proceeds (d)	Interest Rate (e)	Cost of Debt (f)	Line No.
1	Term Facility[1]	\$ 150,000,000	\$ 543,731	\$ 149,456,269	3.50%	\$ 5,229,641	1
					Sch D-2, Sheet 1		
2	Big Bear 1993 Series A IDRB	\$ 50,000,000	\$ 419,560	\$ 49,580,440	2.46%	\$ 1,218,228	2
3	Clark Co.2003 Series A IDRB	\$ 50,000,000	\$ 1,667,352	\$ 48,332,648	2.57%	1,242,224	3
4	Clark Co.2008 Series A IDRB	50,000,000	3,257,880	46,742,120	2.75%	1,284,778	4
5	Clark Co.2009 Series A IDRB	50,000,000	544,466	49,455,534	2.18%	1,076,631	5
6	Total Clark Co. Tax Exempt	\$ 150,000,000	\$ 5,469,698	\$ 144,530,302	2.49%	\$ 3,603,633	6

[1] Based on \$150 million designated long-term of the \$400 million Bank Facility

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
PROJECTED COST OF DEBT AT JANUARY 31, 2020**

Line No.	Description (a)	Net Principal Amount Outstanding (b)	Interest Rate (c)	Cost of Debt (d)	Line No.
1	Fixed Rate Debt [1]	\$ 1,454,395,239	4.91%	\$ 71,372,640	1
2	Variable Rate Debt [2]	149,456,269	3.75%	5,603,282	2
3	Total Long-Term Debt	<u>\$ 1,603,851,508</u>	<u>4.80%</u>	<u>\$ 76,975,922</u>	3

[1] Reference Schedule D-2, Sheet 5 of 6

[2] Reference Schedule D-2, Sheet 6 of 6



**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
PROJECTED COST OF LONG-TERM FIXED RATE DEBT  
AT JANUARY 31, 2020**

Line No.	Description (a)	Principal Amount Outstanding (b)	Unamortized Debt Expense and Discount (c)	Net Proceeds (d)	Effective Interest Rate (e)	Cost of Debt (f)	Line No.
<b>Debentures</b>							
1	4.45% Notes, Due 2020	\$ 125,000,000	\$ 1,143,899	\$ 123,856,101	5.60%	\$ 6,932,226	1
2	3.875% Notes, Due 2022	250,000,000	5,260,618	244,739,382	4.94%	12,099,915	2
3	8.0% Debenture, Due 2026	75,000,000	3,236,218	71,763,782	8.89%	6,378,520	3
4	3.70% Notes, Due 2028	300,000,000	2,819,981	297,180,019	3.84%	11,411,713	4
5	6.1% Notes, Due 2043	125,000,000	143,690	124,856,310	6.11%	7,628,458	5
6	4.875% Notes, Due 2022	250,000,000	2,490,239	247,509,761	4.95%	12,244,116	6
7	3.80% Notes, Due 2046	300,000,000	4,034,643	295,965,357	3.88%	11,487,617	7
8	4.43% Notes, Due 2049[1]	300,000,000	3,383,383	296,616,617	4.50%	13,347,748	8
9	Total Debentures	\$ 1,725,000,000	\$ 22,512,671	\$ 1,702,487,329	4.79%	\$ 81,530,313	9
<b>Medium Term Notes</b>							
10	7.78% MTN, Due 2022	\$ 25,000,000	\$ 37,109	\$ 24,962,891	7.86%	\$ 1,962,083	10
11	7.92% MTN, Due 2027	25,000,000	112,815	24,887,185	8.00%	1,990,975	11
12	6.76% MTN, Due 2027	7,500,000	-	7,500,000	6.76%	507,000	12
13	Total Medium Term Notes	\$ 57,500,000	\$ 149,924	\$ 57,350,076	7.78%	\$ 4,460,058	13
14	Unamortized Loss on Reacquired Debt[2]	\$ -	\$ 4,067,395	\$ (4,067,395)	-4.23%	\$ 171,862	14
15	Total Debentures and MTNs	\$ 1,782,500,000	\$ 26,729,990	\$ 1,755,770,010	4.91%	\$ 86,162,233	15
<b>Tax Exempt Clark County Amortization of Loss/(Gain) from:</b>							
16	1999 Clark County, Series A	\$ -	\$ 352,531	\$ (352,531)	-5.31%	\$ 18,718	16
17	1999 Clark County, Series C	-	480,539	(480,539)	-5.31%	25,515	17
18	1999 Clark County, Series D	-	278,144	(278,144)	-5.31%	14,769	18
19	2003 Clark County, Series C	-	890,244	(890,244)	-5.53%	49,230	19
20	2003 Clark County, Series D	-	1,062,699	(1,062,699)	-5.53%	58,767	20
21	2003 Clark County, Series E	-	140,370	(140,370)	-5.53%	7,762	21
22	2004 Clark County, Series A	-	864,315	(864,315)	-6.94%	59,952	22
23	2004 Clark County, Series B	-	(3,108,841)	3,108,841	-7.23%	(224,736)	23
24	2005 Series A, Due 2034	-	934,468	(934,468)	-6.38%	59,647	24
25	2006 Clark County, Series A	-	(4,057,179)	4,057,179	-6.03%	(244,654)	25
<b>Total Amortization of Loss/(Gain) from retirement of Industrial Revenue Bonds</b>							
26		\$ -	\$ (2,162,710)	\$ 2,162,710	-8.09%	\$ (175,030)	26
27	Total Fixed-Rate Debt	\$ 1,782,500,000	\$ 24,567,280	\$ 1,757,932,720	4.89%	\$ 85,987,203	27

Sch D-2, Sheet 4

[1] Projected issuance

[2] In March 2010, the Company redeemed the \$100 million, 7.70% Subordinated Debentures (Trust Originated Preferred Securities), due 9/15/2043, at par. The unamortized debt expenses were recorded as a reacquisition loss and will be amortized over the remaining life of the retired securities.

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
PROJECTED VARIABLE RATE DEBT COST OF DEBT  
AT JANUARY 31, 2020**

Line No.	Description (a)	Principal Amount Outstanding (b)	Unamortized Debt Expense and Discount (c)	Net Proceeds (d)	Interest Rate (e)	Cost of Debt (f)	Line No.
1	Term Facility[1]	\$ 150,000,000	\$ 289,369	\$ 149,456,269	3.75%	\$ 5,603,282	1
					Sch D-2, Sheet 4		
2	Big Bear 1993 Series A IDRB	\$ 50,000,000	\$ 338,594	\$ 49,580,440	2.63%	\$ 1,304,994	2
3	Clark Co.2003 Series A IDRB	\$ 50,000,000	\$ 1,535,273	\$ 48,332,648	2.75%	1,326,806	3
4	Clark Co.2008 Series A IDRB	50,000,000	3,066,948	46,742,120	2.92%	1,366,577	4
5	Clark Co.2009 Series A IDRB	50,000,000	496,681	49,455,534	2.35%	1,163,178	5
6	Total Clark Co. Tax Exempt	\$ 150,000,000	\$ 5,098,903	\$ 144,530,302	2.67%	\$ 3,856,561	6

[1] Based on \$150 million designated long-term of the \$400 million Bank Facility

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
COST OF PREFERRED SECURITIES[1]  
AT JANUARY 31, 2019**

Line No.	Description (a)	Net Proceeds Per Security (b)	Number of Securities (c)	Net Proceeds (d)	Effective Cost (e)	Annual Cost (f)	Line No.

[1] The Company has no outstanding preferred securities

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
PROJECTED COST OF PREFERRED SECURITIES[1]  
AT JANUARY 31, 2020**

Line No.	Description (a)	Net Proceeds Per Security (b)	Number of Securities (c)	Net Proceeds (d)	Effective Cost (e)	Annual Cost (f)	Line No.

[1] The Company has no outstanding preferred securities and has no plan to issue preferred securities

**SOUTHWEST GAS CORPORATION  
TOTAL ARIZONA  
COST OF COMMON EQUITY**

<u>Line No.</u>	<u>Description</u>	<u>Line No.</u>
1	(a) The cost of common equity requested is 10.30% [1]	1
	[1] Prepared Direct Testimony of Southwest Gas witness Robert B. Hevert	

# **SCHEDULE E**

**SOUTHWEST GAS CORPORATION  
COMPARATIVE BALANCE SHEETS [1]**

Line No.	Description (a)	Balance at 01/31/2019		Balance at 12/31/2018		Balance at 12/31/2017		Line No.		
		Arizona (b) Company Records	Other (c) (d) - (b)	Total (d)	Arizona (e) Company Records	Other (f) (g) - (e)	Total (g)		Arizona (h) Company Records	Other (i) (j) - (h)
<b>Assets and Other Debits</b>										
<b>Utility Plant</b>										
1	Utility Plant (101, 105, 114, 118)	\$ 3,477,953,285	\$ 3,339,204,260	\$ 6,817,157,545	\$ 3,445,717,122	\$ 3,320,561,635	\$ 6,766,278,757	\$ 3,176,594,076	\$ 3,102,369,135	\$ 6,278,963,211
2	Completed Construction Not Classified (106)	226,564,390	109,118,617	335,683,008	241,537,359	115,032,259	356,569,618	210,830,632	128,459,236	339,289,868
3	Construction Work in Progress (107)	118,183,026	64,784,951	182,967,978	127,716,234	65,311,981	193,028,215	73,311,572	51,930,649	125,242,221
4	Total Utility Plant	\$ 3,822,700,701	\$ 3,513,107,829	\$ 7,335,808,530	\$ 3,814,970,715	\$ 3,500,905,875	\$ 7,315,876,590	\$ 3,460,736,280	\$ 3,282,759,020	\$ 6,743,495,300
5	Less: Accumulated Provision for Depreciation and Amortization (108, 111, 119)	1,405,620,040	1,210,064,430	2,615,684,470	1,401,966,273	1,203,672,037	2,605,638,311	1,387,804,914	1,147,046,687	2,534,851,601
6	Net Utility Plant	\$ 2,417,080,661	\$ 2,303,043,399	\$ 4,720,124,060	\$ 2,413,004,441	\$ 2,297,233,838	\$ 4,710,238,280	\$ 2,072,931,366	\$ 2,135,712,333	\$ 4,208,643,699
<b>Other Property and Investments</b>										
7	Northern California Surcharge (120)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
8	Non-Utility Property (121)	0	201,337	201,337	0	201,337	201,337	0	201,337	201,337
9	Non-Utility Accumulated Depreciation (122)	0	0	0	0	0	0	0	0	0
10	Investment in Subsidiary and Associated Companies (123, 123.1)	0	120,784,478	120,784,478	0	119,103,531	119,103,531	0	1,390,302,235	1,390,302,235
11	Other Investments (124)	0	0	0	0	0	0	0	0	0
12	Special Funds (125, 128)	0	114,416,674	114,416,674	0	114,404,719	114,404,719	0	117,340,673	117,340,673
13	Total Other Property and Investments	\$ 0	\$ 235,402,490	\$ 235,402,490	\$ 0	\$ 233,709,587	\$ 233,709,587	\$ 0	\$ 1,507,844,246	\$ 1,507,844,246
<b>Current and Accrued Assets</b>										
14	Cash (131)	\$ 0	\$ 16,712,336	\$ 16,712,336	\$ 0	\$ (12,999,141)	\$ (12,999,141)	\$ 0	\$ (6,806,507)	\$ (6,806,507)
15	Working Funds (135)	0	789,887	789,887	0	535,941	535,941	0	548,918	548,918
16	Temporary Cash Investments (136)	0	4,068,672	4,068,672	0	18,080,913	18,080,913	0	22,224,867	22,224,867
17	Notes and Accounts Receivables Less Accumulated Provision for Uncollectible Accounts (141-144)	9,520,976	157,985,923	167,506,900	9,826,094	130,478,163	140,304,257	9,234,792	111,323,610	120,558,402
18	Receivables from Associated Companies (145-146)	0	21,016,444	21,016,444	0	20,713,932	20,713,932	0	35,964,580	35,964,580
19	Materials and Supplies (151, 154, 155, 163)	40,196,044	17,724,057	57,920,101	38,517,947	17,634,510	56,152,456	21,526,670	11,719,176	33,245,846
20	Liquefied Natural Gas Stored (164.1, 164.2)	1,934,798	7,037,478	8,972,276	2,161,318	7,866,756	10,048,073	2,144,795	8,419,915	10,564,710
21	Prepayments (165)	0	17,714,903	17,714,903	0	17,047,190	17,047,190	0	15,655,061	15,655,061
22	Interest and Dividends Receivable (171)	0	0	0	0	0	0	0	0	0
23	Accrued Utility Revenue (173)	0	68,800,000	68,800,000	0	77,200,000	77,200,000	0	78,200,000	78,200,000
24	Miscellaneous Current and Accrued Assets (174)	0	4,931,026	4,931,026	0	7,666,366	7,666,366	0	(2,051,808)	(2,051,808)
25	Total Current and Accrued Assets	\$ 51,651,819	\$ 316,780,726	\$ 368,432,545	\$ 50,505,359	\$ 284,244,629	\$ 334,749,988	\$ 32,906,257	\$ 275,197,811	\$ 308,104,067
<b>Deferred Debits</b>										
26	Unamortized Debt Discount and Expenses (181)	\$ 0	\$ 8,675,984	\$ 8,675,984	\$ 0	\$ 8,741,570	\$ 8,741,570	\$ 0	\$ 6,941,213	\$ 6,941,213
27	Other Regulatory Assets (182)	81,972,066	406,975,333	488,947,400	86,036,469	431,502,901	517,539,370	54,214,448	410,243,576	464,458,024
28	Preliminary Survey and Investigative Charges (183)	0	2,084,879	2,084,879	0	2,084,879	2,084,879	0	867,390	867,390
29	Clearing Accounts (184)	99,036	653,415	752,451	68,309	565,998	634,307	61,224	121,249	182,474
30	Miscellaneous Deferred Debits (186)	6,056,927	5,857,357	11,914,285	5,829,973	5,406,682	11,236,656	5,787,946	5,375,771	11,163,717
31	Research and Development (188)	0	0	0	0	0	0	0	0	0
32	Loss on Recaptured Debt (189)	0	19,488,857	19,488,857	0	19,599,333	19,599,333	0	20,913,382	20,913,382
33	Accumulated Deferred Income Taxes (190)	0	22,573,720	22,573,720	0	22,573,720	22,573,720	0	5,459,713	5,459,713
34	Unrecovered Purchased Gas Costs (191)	(69,697,749)	22,641,690	(47,056,059)	(72,878,319)	(1,955,670)	(74,833,989)	5,068,683	2,671,493	7,740,176
35	Total Deferred Debits	\$ 18,430,280	\$ 488,951,234	\$ 507,381,515	\$ 19,056,432	\$ 488,519,413	\$ 507,575,845	\$ 65,132,302	\$ 452,593,786	\$ 517,726,089
36	Total Assets and Other Debits	\$ 2,487,162,760	\$ 3,344,177,849	\$ 5,831,340,609	\$ 2,482,566,232	\$ 3,303,707,467	\$ 5,786,273,699	\$ 2,170,969,925	\$ 4,371,348,176	\$ 6,542,318,101

NOTE: The Arizona columns above reflect only those amounts separately identified in the Southwest Gas general ledger as pertaining solely to Arizona. Allocations are not included, thus the debits and credits in the Arizona columns do not balance. The financial statements appearing herein are unaudited, and were prepared solely for the purposes of complying with the filing requirements for this general rate case.

[1] Includes Southwest Gas Holdings

**SOUTHWEST GAS CORPORATION  
COMPARATIVE BALANCE SHEETS [1]**

Line No.	Description (a)	Balance at 01/31/2019		Balance at 12/31/2018		Balance at 12/31/2017		Line No.		
		Arizona (b) Company Records	Other (c) (d) - (b)	Total (d) Company Records	Arizona (e) Company Records	Other (f) (g) - (e)	Total (g) Company Records		Arizona (h) Company Records	Other (i) (j) - (h)
<b>Liabilities and Other Credits</b>										
<b>Proprietary Capital</b>										
1	Common Stock Issued (201)	\$ 0	\$ 49,111,954	\$ 49,111,954	\$ 0	\$ 49,111,954	\$ 0	\$ 98,832,310	\$ 98,832,310	1
2	Preferred Stock Issued (204)	0	0	0	0	0	0	0	0	2
3	Premium on Capital Stock (207)	0	1,090,389,677	1,090,389,677	0	1,091,820,314	0	1,921,609,618	1,921,609,618	3
4	Other Paid in Capital (208-211)	0	0	0	0	0	0	0	0	4
5	Reacquired Capital Stock (217)	0	0	0	0	0	0	0	0	5
6	Capital Stock Expense (214)	0	(11,333,051)	(11,333,051)	0	(11,333,051)	0	(23,287,812)	(23,287,812)	6
7	Retained Earnings (216)	0	819,751,614	819,751,614	0	761,425,343	0	827,147,512	827,147,512	7
8	Total Proprietary Capital	\$ 0	\$ 1,947,920,194	\$ 1,947,920,194	\$ 0	\$ 1,891,024,559	\$ 0	\$ 2,824,301,628	\$ 2,824,301,628	8
<b>Long-Term Debt</b>										
9	Bonds and Swaps (219, 221, 222)	\$ 0	\$ 1,633,662,612	\$ 1,633,662,612	\$ 0	\$ 1,633,450,794	\$ 0	\$ 1,335,426,714	\$ 1,335,426,714	9
10	Other Long-Term Debt (223, 224, 226)	0	144,598,882	144,598,882	0	144,556,923	0	159,878,852	159,878,852	10
11	Other Preferred Securities (224, 1)	0	0	0	0	0	0	0	0	11
12	Total Long-Term Debt	\$ 0	\$ 1,778,261,494	\$ 1,778,261,494	\$ 0	\$ 1,778,007,717	\$ 0	\$ 1,495,305,567	\$ 1,495,305,567	12
<b>Current and Accrued Liabilities</b>										
13	Notes Payable (231)	\$ 0	\$ 169,000,000	\$ 169,000,000	\$ 0	\$ 152,000,000	\$ 0	\$ 214,500,000	\$ 214,500,000	13
14	Accounts Payable (232)	0	136,899,009	136,899,009	0	158,666,315	0	135,251,560	135,251,560	14
15	Payables to Associated Companies (233, 234)	0	21,369,981	21,369,981	0	21,342,534	0	14,884,225	14,884,225	15
16	Customer Deposits (235)	36,495,586	31,779,530	68,275,116	36,256,300	67,939,720	37,444,662	32,336,022	69,780,684	16
17	Taxes Accrued (236)	23,693,634	1,686,596	25,380,230	18,903,121	(5,197,709)	13,705,412	19,668,256	31,838,987	17
18	Interest Accrued (237)	1,149,019	24,766,380	25,915,399	1,138,453	19,104,446	1,190,476	15,985,326	17,175,802	18
19	Dividends Declared (238)	0	23,500,000	23,500,000	0	23,500,000	0	44,804,759	44,804,759	19
20	Tax Collections Payable (241)	13,839,961	5,887,730	19,727,691	11,090,842	6,275,212	9,388,223	8,589,957	17,978,180	20
21	Miscellaneous Current and Accrued Liabilities (242)	1,484,762	(28,537,574)	(27,052,812)	(6,303,393)	9,425,071	(6,034,056)	5,061,723	(972,333)	21
22	Obligations Under Capital Leases (243)	0	580,886	580,886	0	0	0	0	0	22
23	Total Current and Accrued Liabilities	\$ 76,662,962	\$ 386,351,653	\$ 463,014,615	\$ 61,085,323	\$ 416,799,291	\$ 61,657,561	\$ 483,584,303	\$ 545,241,864	23
<b>Deferred Credits</b>										
24	Customer Advances for Construction (252)	\$ 44,361,607	\$ 47,968,849	\$ 92,330,457	\$ 44,443,844	\$ 47,510,476	\$ 37,844,181	\$ 42,000,629	\$ 79,844,810	24
25	Other Deferred Credits (253)	0	503,865,408	503,865,408	0	503,859,627	0	521,219,428	521,219,428	25
26	Other Regulatory Liabilities (254)	1,514,787	458,948,132	460,462,919	1,890,123	458,772,074	72,463	433,669,533	433,741,996	26
27	Accumulated Deferred Investment Tax Credit (255)	177,671	169,715	347,387	193,823	174,033	661,547	319,543	981,090	27
28	Unamortized Gain on Reacquired Debt (257)	0	8,672,096	8,672,096	0	8,716,780	0	9,252,982	9,252,982	28
29	Accumulated Deferred Income Taxes (282, 283)	339,713,050	178,015,477	517,728,527	339,965,949	171,463,809	310,804,516	136,961,832	447,766,348	29
30	Total Deferred Credits	\$ 385,767,115	\$ 1,197,639,678	\$ 1,583,406,793	\$ 386,493,739	\$ 1,190,496,799	\$ 349,382,707	\$ 1,143,423,947	\$ 1,492,806,654	30
<b>Other Long-Term Liabilities</b>										
31	Obligations Under Leases (277)	\$ 0	\$ 1,218,609	\$ 1,218,609	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	31
32	Injuries and Damages Reserve (228)	0	4,040,000	4,040,000	0	4,040,000	0	2,550,000	2,550,000	32
33	Provision for Rate Refunds (229)	0	0	0	0	0	0	0	0	33
34	Total Other Long-Term Liabilities	\$ 0	\$ 5,258,609	\$ 5,258,609	\$ 0	\$ 4,040,000	\$ 0	\$ 2,550,000	\$ 2,550,000	34
35	Total Liabilities and Other Credits	\$ 462,430,076	\$ 5,315,431,627	\$ 5,778,442,589	\$ 447,579,062	\$ 5,280,368,366	\$ 411,040,267	\$ 5,949,165,444	\$ 6,360,205,712	35

NOTE: The Arizona columns above reflect only those amounts separately identified in the Southwest Gas general ledger as pertaining solely to Arizona. Allocations are not included, thus the debits and credits in the Arizona columns do not balance. The financial statements appearing herein are unaudited, and were prepared solely for the purposes of complying with the filing requirements for this general rate case.

[1] Includes Southwest Gas Holdings



**SOUTHWEST GAS CORPORATION  
ARIZONA  
COMPARATIVE INCOME STATEMENTS**

Line No.	Description (a)	Test Year Ended 1/31/2019 (b) Sch E-6, Sh 1	Year Ended 12/31/2018 (c) Sch E-6, Sh 1	Year Ended 12/31/2017 (d) Sch E-6, Sh 1	Line No.
1	Operating Revenue	\$ 701,861,439	\$ 703,154,972	\$ 698,283,506	1
2	Operating Expenses and Taxes	<u>600,178,265</u>	<u>600,533,882</u>	<u>600,070,532</u>	2
3	Operating Income	\$ 101,683,174	\$ 102,621,090	\$ 98,212,974	3
4	Other Income and Deductions	<u>0</u>	<u>0</u>	<u>0</u>	4
5	Income Before Interest Deductions	\$ 101,683,174	\$ 102,621,090	\$ 98,212,974	5
6	Net Interest Deductions	<u>42,132,493</u>	<u>43,133,574</u> [1]	<u>35,887,107</u> [1]	6
7	Net Income	<u>\$ 59,550,682</u> Sch A-2, Sh 1	<u>\$ 59,487,516</u> Sch A-2, Sh 1	<u>\$ 62,325,867</u> Sch A-2, Sh 1	7

[1] Source: Company Records

**SOUTHWEST GAS CORPORATION**  
**TOTAL SYSTEM**  
**STATEMENTS OF INCOME [1]**

Line No.	Description (a)	Year Ended 1/31/2019 (b)	Year Ended 12/31/2018 (c)	Year Ended 12/31/2017 (d)	Line No.
	Utility Operating Income				
1	Operating Revenues (400)	\$ 1,369,234,730	\$ 1,357,727,493	\$ 1,302,308,138	1
	Operating Expenses:				
2	Operating Expenses (401)	\$ 766,494,048	\$ 759,465,807	\$ 681,621,732	2
3	Maintenance Expenses (402)	85,134,939	85,795,368	85,610,298	3
4	Depreciation Expense (403)	172,541,807	171,704,195	172,383,364	4
5	Amortization of Other Limited Term Gas Plant (404.3)	13,817,406	13,910,608	14,538,188	5
6	Amortization of Utility Plant Acquisition Adjustment (406)	87,398	104,634	153,886	6
7	Amortization of Property Losses (407.1)	0	0	0	7
8	Amortization of Regulatory Assets (407.3)	7,296,808	6,096,354	14,847,035	8
9	Amortization of Regulatory Liabilities (407.4)	0	0	0	9
10	Taxes Other than Income Taxes (408.1)	60,234,566	59,898,302	57,945,866	10
11	Income Taxes - Federal (409.1)	(18,082,445)	(25,679,874)	(106,587)	11
12	Income Taxes - Other (409.1)	(498,315)	(1,277,522)	1,393,084	12
13	Provision for Deferred Income Taxes (410.1)	432,964,568	439,118,985	440,307,853	13
14	Provision for Deferred Income Taxes - Credit (411.1)	(373,483,179)	(371,445,214)	(373,867,564)	14
15	Investment Tax Credit Adjustment - Net (411.4)	(582,601)	(613,234)	(729,298)	15
16	Total Operating Expenses	\$ 1,145,925,001	\$ 1,137,078,410	\$ 1,094,097,856	16
17	Net Utility Operating Income	\$ 223,309,728	\$ 220,649,084	\$ 208,210,282	17
	Other Income and Deductions				
	Other Income:				
18	Non-Utility Operating Income (415-418)	\$ 0	\$ 0	\$ 0	18
19	Equity in Earnings of Subsidiary Companies (418.1)	139,758	139,538	195,295,554	19
20	Interest and Dividend Income (419)	6,664,097	6,453,645	3,497,223	20
21	Allowance for Equity Funds Used During Construction (419.1)	3,899,336	3,626,653	2,296,479	21
22	Amortization of Investment Tax Credits (420)	0	0	0	22
23	Miscellaneous Non-Operating Income (421)	682,926	348,382	654,257	23
24	Gain on Disposition of Property (421.1)	0	0	0	24
25	Total Other Income	\$ 11,386,117	\$ 10,568,218	\$ 201,743,514	25
	Other (Income) Deductions				
26	Miscellaneous Amortizations (425)	\$ 0	\$ 0	\$ 0	26
27	Miscellaneous (Income) Deductions (426)	6,377,330	6,342,721	(7,132,239)	27
28	Total Other (Income) Deductions	\$ 6,377,330	\$ 6,342,721	\$ (7,132,239)	28
	Taxes Applicable to Other Income and Deductions				
29	Taxes Other than Income Taxes (408.2)	\$ 11,318	\$ 11,318	\$ 15,017	29
30	Income Taxes (409.2)	2,726,241	2,539,958	350,748	30
31	Provision for Deferred Income Taxes (410.2, 411.2)	1,310,207	1,307,935	(4,717,126)	31
32	Investment Tax Credit Adjustment - Net (411.5)	0	0	0	32
33	Total Taxes Applicable to Other Income and Deductions	\$ 4,047,766	\$ 3,859,211	\$ (4,351,360)	33
34	Net Other Income and (Deductions)	\$ 961,021	\$ 366,286	\$ 213,227,113	34
	Interest Charges				
35	Interest on Long-Term Debt (427)	\$ 77,607,886	\$ 76,233,410	\$ 64,094,580	35
36	Amortization of Debt Discount and Expense (428)	2,627,575	2,609,594	2,442,562	36
37	Amortization of Gain on Reacquired Debt (429)	(536,203)	(536,203)	(536,203)	37
38	Other Interest Expense (430-431)	7,271,358	7,130,338	6,442,787	38
39	Total Interest Charges	\$ 86,970,616	\$ 85,437,138	\$ 72,443,727	39
40	Allowance for Borrowed Funds Used During Construction (432)	(3,420,448)	(3,263,782)	(1,666,170)	40
41	Interest and Dividends (438)	90,180,164	90,180,164	177,235,358	41
42	Net Interest Charges	\$ 83,550,168	\$ 172,353,521	\$ 248,012,915	42
43	Net Income	\$ 140,720,581	\$ 48,661,850	\$ 173,424,480	43

[1] Includes Southwest Gas Holdings

**SOUTHWEST GAS CORPORATION**  
**TOTAL SYSTEM**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**(\$ THOUSANDS)**

Line No.	Description (a)	Test Year Ended	Year Ended		Line No.
		01/31/2019 (b)	12/31/2018 (c)	12/31/2017 (d)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
1	Net Income	\$ 140,721	\$ 138,842	\$ 156,818	1
2	Adjustments to reconcile net income to net cash				2
3	provided by operating activities:				3
4	Depreciation and amortization	193,743	191,816	201,922	4
5	Other Amortization	5,436	5,418	5,167	5
6	Change in deferred charges	(9,149)	(15,318)	(14,536)	6
7	Change in deferred credits	26,991	37,428	1,259	7
8	Change in deferred taxes	35,286	43,250	67,140	8
9	Change in accrued taxes	(6,709)	(18,733)	10,382	9
10	Undistributed earnings of subsidiaries	(140)	(140)	(117)	10
11	Allowance for funds used during construction	(3,899)	(3,627)	(2,296)	11
12	Change in deferred purchased gas costs	71,700	82,574	(95,608)	12
13	Change in receivable and payables	(12,422)	5,331	(8,097)	13
14	Other	(54,101)	(84,328)	(15,394)	14
15	Net cash provided by operating activities	\$ 387,457	\$ 382,513	\$ 306,640	15
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
16	Construction expenditures	\$ (683,078)	\$ (682,847)	\$ (560,433)	16
17	Investment in SWGT/UFCO	0	0	2,500	17
18	Change in customer advances	15,400	13,463	323	18
19	Miscellaneous inflows	(71)	0	2,760	19
20	Net cash used in investing activities	\$ (667,749)	\$ (669,384)	\$ (554,850)	20
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>					
21	Change in notes payable	\$ (54,000)	\$ (39,000)	\$ 191,000	21
22	Dividends paid	(87,000)	(87,000)	(81,497)	22
23	Withholding remittance - share-based compensation	(2,157)	(3,110)	(3,176)	23
24	Issuance of long-term debt, net	297,495	297,495	0	24
25	Retirement of long-term debt	0	0	(25,000)	25
26	Change in credit facility	0	0	145,000	26
27	Capital contribution from parent	113,549	113,549	41,359	27
28	Other	(1,021)	(1,028)	(596)	28
29	Net cash provided by (used in) financing activities	\$ 266,866	\$ 280,906	\$ 267,090	29
30	Change in cash and cash equivalents	\$ (13,426)	\$ (5,965)	\$ 18,880	30
31	Cash at beginning of period	49,086	37,899	19,019	31
32	Cash at end of period	\$ 35,660	\$ 31,934	\$ 37,899	32

Sch A-5, Sh 1

Sch A-5, Sh 1

Sch A-5, Sh 1

**SOUTHWEST GAS CORPORATION  
TOTAL SYSTEM  
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY AND PREFERRED SECURITIES**

Line No.	Description (a)	Preferred Securities		Common		Additional Paid-In Capital (f)	Retained Earnings (g)	Capital Stock Expense/AOCI (h)	Line No.
		Shares/Units (b)	Amount (c)	# Shares (d)	Amount (e)				
1	Balance December 31, 2016 [1]	0	\$ 0	47,482,068	\$ 49,111,944	\$ 908,679,403	\$ 767,061,448	\$ (21,252,928)	1
2	Net Earnings	0	0				156,818,382		2
3	Equity Adjustment	0	0				(182,773,329)		3
4	Cash Dividend Declared - Common	0	0				(81,913,256)		4
5	Common Stock Issue	0	0	0	0	51,420,633	0	(37,153,409)	5
6	Balance December 31, 2017	0	\$ 0	47,482,068	\$ 49,111,944	\$ 960,100,036	\$ 659,193,245	\$ (58,406,337)	6
7	Net Earnings	0	0				138,842,014		7
8	Equity Adjustment	0	0				9,299,742		8
9	Cash Dividend Declared - Common	0	0				(90,180,164)		9
10	Common Stock Issue	0	0	0	0	116,474,654	0	(1,975,921)	10
11	Balance December 31, 2018	0	\$ 0	47,482,068	\$ 49,111,944	\$ 1,076,574,690	\$ 717,154,837	\$ (60,382,258)	11
12	Net Earnings	0	0				51,232,549		12
13	Cash Dividend Declared - Common	0	0				(1)		13
14	Common Stock Issue	0	0	0	0	(1,430,637)	0	211,819	14
15	Balance January 31, 2019	0	\$ 0	47,482,068	\$ 49,111,944	\$ 1,075,144,053	\$ 768,387,385	\$ (60,170,439)	15

[1] Beginning in 2017, shares of Common Stock were distributed at the Holding Company level and not the Southwest Gas level. Common Stock shares issued at the Holding Company level for 2017 were 608,402 shares, in 2018 was 4,936,378 shares and for January 31, 2019, 50,425 shares.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
DETAIL OF UTILITY PLANT - NET ADDITIONS  
FOR THE YEAR ENDED JANUARY 31, 2019**

Line No.	Description (a)	Account Number (b)	Balance at 1/31/2019 (c) WP B-2, Sh 1, Col (c)	Net Plant Additions (Deletions) (d) (c) - (e)	Balance at 12/31/2018 (e) Company Records	Line No.
<u>Intangible Plant</u>						
1	Organization	301	\$ 42,653	\$ 0	\$ 42,653	1
2	Franchise and Consents	302	2,208,574	0	2,208,574	2
3	Miscellaneous Intangible	303	1,968,623	0	1,968,623	3
4	Total Intangible Plant		<u>\$ 4,219,850</u>	<u>\$ 0</u>	<u>\$ 4,219,850</u>	4
<u>Storage Plant</u>						
5	Land and Land Rights	360	\$ 1,772,673	\$ 0	\$ 1,772,673	5
6	Total Storage Plant		<u>\$ 1,772,673</u>	<u>\$ 0</u>	<u>\$ 1,772,673</u>	6
<u>Distribution Plant</u>						
7	Land and Land Rights	374.1	\$ 405,666	\$ 0	\$ 405,666	7
8	Rights of Way	374.2	3,312,434	0	3,312,434	8
9	Structures and Improvements	375	110,557	0	110,557	9
10	Mains	376	2,101,518,186	12,915,731	2,088,602,455	10
11	Measuring and Reg. Stations	378	83,485,894	240,108	83,245,787	11
12	Services	380	1,023,123,426	1,995,687	1,021,127,738	12
13	Meters	381	307,551,428	1,945,878	305,605,550	13
14	Industrial Measuring and Reg. Sta.	385	12,445,142	151,593	12,293,548	14
15	Miscellaneous Equipment	387	432,098	0	432,098	15
16	Total Distribution Plant		<u>\$ 3,532,384,830</u>	<u>\$ 17,248,997</u>	<u>\$ 3,515,135,833</u>	16
<u>General Plant</u>						
17	Land and Land Rights	389	\$ 17,212,657	\$ 0	\$ 17,212,657	17
18	Structures and Improv - Co. Owned	390.1	59,652,387	0	59,652,387	18
19	Structures and Improv - Leasehold	390.2	128,051	0	128,051	19
20	Office Furniture and Fixtures	391	5,361,198	(4,490)	5,365,689	20
21	Computer Software and Hardware	391.1	15,043,065	(19,612)	15,062,677	21
22	Transportation Equipment - Light	392.11	24,871,224	304,287	24,566,937	22
23	Transportation Equipment - Heavy	392.12	17,004,439	(296,696)	17,301,135	23
24	Stores Equipment	393	939,126	54,429	884,697	24
25	Tool, Shop, and Garage Equip.	394	12,154,220	(62,750)	12,216,970	25
26	Laboratory Equipment	395	557,187	(3,416)	560,603	26
27	Power-Operated Equipment	396	9,006,861	34,119	8,972,742	27
28	Communication Equipment	397	2,060,627	0	2,060,627	28
29	Telemetry Equipment	397.2	163,887	0	163,887	29
30	Miscellaneous Equipment	398	2,043,352	3,915	2,039,437	30
31	Total General Plant		<u>\$ 166,198,282</u>	<u>\$ 9,785</u>	<u>\$ 166,188,497</u>	31
32	Total Plant in Service		\$ 3,704,575,635	\$ 17,258,782	\$ 3,687,316,853	32
33	Construction Work in Progress		118,183,026	(9,533,207)	127,716,234	33
34	Less: Accumulated Depreciation/Amort.		<u>1,416,558,591</u>	<u>17,629,420</u>	<u>1,398,929,172</u>	34
35	Total Net Plant		<u>\$ 2,406,200,070</u>	<u>\$ (9,903,845)</u>	<u>\$ 2,416,103,915</u>	35

**SOUTHWEST GAS CORPORATION**  
**SYSTEM ALLOCABLE**  
**DETAIL OF UTILITY PLANT - NET ADDITIONS**  
**FOR THE YEAR ENDED JANUARY 31, 2019**

Line No.	Description (a)	Account Number (b)	Balance at 1/31/2019 (c) <small>WP B-2, Sh 5, Col (c)</small>	Net Plant Additions (Deletions) (d) <small>(c) - (e)</small>	Balance at 12/31/2018 (e) <small>Company Records</small>	Line No.
<u>Intangible Plant</u>						
1	Organization	301	\$ 61,816	\$ 0	\$ 61,816	1
2	Miscellaneous Intangible	303	237,527,930	1,460,925	236,067,006	2
3	Total Intangible Plant		<u>\$ 237,589,747</u>	<u>\$ 1,460,925</u>	<u>\$ 236,128,822</u>	3
<u>General Plant</u>						
4	Land and Land Rights	389	\$ 4,216,706	\$ 0	\$ 4,216,706	4
5	Structures and Improv - Co. Owned	390.1	35,012,541	(25)	35,012,566	5
6	Structures and Improv - Leasehold	390.2	2,504,821	0	2,504,821	6
7	Office Furniture and Fixtures	391	8,353,663	0	8,353,663	7
8	Computer Software and Hardware	391.1	15,976,231	549,456	15,426,775	8
9	Transportation Equipment - Light	392.11	3,361,278	(17,788)	3,379,066	9
10	Transportation Equipment - Heavy	392.12	0	0	0	10
11	Transportation Equipment - Aircraft	392.21	8,221,361	0	8,221,361	11
12	Stores Equipment	393	63,037	0	63,037	12
13	Tool, Shop, and Garage Equip.	394	1,106,311	0	1,106,311	13
14	Laboratory Equipment	395	1,112,929	0	1,112,929	14
15	Power-Operated Equipment	396	11,760	0	11,760	15
16	Communication Equipment	397	6,030,337	0	6,030,337	16
17	Telemetry Equipment	397.2	2,241	0	2,241	17
18	Miscellaneous Equipment	398	1,292,038	31,172	1,260,866	18
19	Total General Plant		<u>\$ 87,265,254</u>	<u>\$ 562,815</u>	<u>\$ 86,702,439</u>	19
20	Total Plant in Service		\$ 324,855,000	\$ 2,023,739	\$ 322,831,261	20
21	Construction Work in Progress		22,482,629	(1,596,344)	24,078,973	21
22	Less: Accumulated Depreciation/Amort.		<u>222,449,966</u>	<u>195,708,418</u>	<u>26,741,548</u>	22
23	Total Net Plant		<u>\$ 124,887,663</u>	<u>\$ (195,281,022)</u>	<u>\$ 320,168,686</u>	23

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**COMPARATIVE DEPARTMENTAL OPERATING INCOME STATEMENTS**

Line No.	Description	Test Year Ended 1/31/2019	Year Ended 12/31/2018	Year Ended 12/31/2017	Line No.
	(a)	(b)	(c)	(d)	
		Company Records	Company Records	Company Records	
<u>Revenues</u>					
1	Residential	\$ 450,096,071	\$ 434,598,290	\$ 418,880,044	1
2	Small Commercial	143,936,158	144,205,349	141,971,465	2
3	Large Commercial	25,787,920	26,166,723	25,812,246	3
4	Small Industrial	9,851,333	10,038,167	9,735,420	4
5	Commercial-Compressed Nat. Gas	2,133,793	2,134,072	1,846,311	5
6	Irrigation/Water Pumping	5,831,285	5,946,124	8,029,083	6
7	Industrial-Essential Agriculture	2,225,750	2,257,662	2,254,453	7
8	Procurement Sales	1,652,473	1,640,846	794,796	8
9	Other Gas Sales	458	466	1,056	9
10	Miscellaneous Service Revenues	9,901,276	9,941,220	9,586,655	10
11	Transportation of Gas for Others	37,561,477	37,727,251	38,407,820	11
12	Rent from Gas Property	0	0	0	12
13	Accrued Unbilled Revenues	(2,039,000)	(2,445,000)	1,245,000	13
14	AZ Enabling Provision	16,344,086	32,254,274	38,832,135	14
15	LIRA Program Recovery	40,768	517,230	887,022	15
16	Tax Reform Savings	(1,462,407)	(1,827,702)	0	16
17	Total Revenues	<u>\$ 701,861,439</u>	<u>\$ 703,154,972</u>	<u>\$ 698,283,506</u>	17
<u>Operating Expenses</u>					
18	Other Gas Supply and Gas Cost	\$ 202,440,861	\$ 203,024,687	\$ 187,205,169	18
19	Storage	0	0	0	19
20	Distribution	106,965,636	107,013,501	110,113,204	20
21	Customer Accounts	24,864,595	25,049,462	25,044,040	21
22	Customer Service & Info.	424,773	431,197	588,871	22
23	Sales	12,629	13,524	12,363	23
24	Administrative and General	93,507,005	92,827,980	83,510,781	24
25	Depreciation and Amortization	108,446,208	107,699,781	112,445,254	25
26	Interest on Customer Deposits	2,180,878	3,312,535	2,324,060	26
27	Taxes Other than Income	42,244,348	42,090,794	41,107,387	27
28	Income Taxes - Federal	15,237,890	15,221,082	32,817,185	28
29	Income Taxes - State	3,853,463	3,849,339	4,902,218	29
30	Total Operating Expenses	<u>\$ 600,178,284</u>	<u>\$ 600,533,882</u>	<u>\$ 600,070,532</u>	30
31	Operating Income	<u>\$ 101,683,155</u>	<u>\$ 102,621,090</u>	<u>\$ 98,212,974</u>	31
		Sch E-2, Sh 1,	Sch E-2, Sh 1,	Sch E-2, Sh 1,	

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
OPERATING STATISTICS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Schedule Number (b)	Average Customers [1] (c)	Sales (Therms) [1] (d)	Average per Customer (e)	Line No.
1	Single-Family Residential Gas Service	G-5	968,714	275,092,822	284	1
2	Multi-Family Residential Gas Service	G-6	36,311	5,941,870	164	2
3	Single-Family Low Income Residential Gas Service	G-10	34,289	9,012,432	263	3
4	Multi-Family Low Income Residential Gas Service	G-11	2,824	516,375	183	4
5	Special Residential Gas Service for Air Conditioning	G-15	63	59,201	940	5
6	Master-Metered Mobile Home Park Gas Service	G-20	104	1,395,734	13,421	6
	<u>General Gas Service</u>	G-25				
7	Small		17,683	4,372,324	247	7
8	Medium		14,754	45,323,399	3,072	8
9	Large-1		6,903	105,796,067	15,326	9
10	Large-2		358	29,636,311	82,860	10
11	Transportation Eligible		63	20,659,072	327,922	11
12	Optional Gas Service	G-30	2	9,424,242	4,712,121	12
13	Air Conditioning Gas Service	G-40	18	228,512	12,695	13
14	Street Lighting Gas Service	G-45	5	11,108	2,222	14
15	Compression Gas Service	G-50	0	0		15
	<u>Gas Service for Compression on Customer's Premises</u>	G-55				
16	Residential		41	21,845	533	16
17	Small		10	20,267	2,027	17
18	Large		15	3,552,853	236,857	18
19	Electric Generation Gas Service	G-60	18	2,092,925	116,274	19
20	Biogas and Renewable Natural Gas Service	G-65	0	0		20
21	Small Essential Agriculture User Gas Service	G-75	66	2,747,497	41,734	21
22	Natural Gas Engine Gas Service	G-80	380	13,307,582	35,020	22
23	Total Gas Sales		1,082,620	529,212,438	489	23
24	Transportation Service	B-1/T-1	534	176,157,403	329,883	24
25	Total Arizona		1,083,154	705,369,841	651	25

[1] Workpapers, Schedule H-2, Sheets 5-7.



**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
OPERATING STATISTICS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017**

Line No.	Description (a)	Schedule Number (b)	Average Customers [1] (c)	Sales (Therms) [1] (d)	Average per Customer (e)	Line No.
1	Single-Family Residential Gas Service	G-5	943,407	239,880,730	254	1
2	Multi-Family Residential Gas Service	G-6	35,627	5,555,892	156	2
3	Single-Family Low Income Residential Gas Service	G-10	34,578	8,276,019	239	3
4	Multi-Family Low Income Residential Gas Service	G-11	2,884	514,498	178	4
5	Special Residential Gas Service for Air Conditioning	G-15	69	63,652	922	5
6	Master-Metered Mobile Home Park Gas Service	G-20	112	1,298,040	11,616	6
	<u>General Gas Service</u>	G-25				
7	Small		16,854	3,200,411	190	7
8	Medium		15,256	42,459,805	2,783	8
9	Large-1		6,901	102,651,515	14,874	9
10	Large-2		368	29,820,277	81,015	10
11	Transportation Eligible		57	18,090,881	319,251	11
12	Optional Gas Service	G-30	2	6,748,351	3,374,176	12
13	Air Conditioning Gas Service	G-40	21	237,804	11,415	13
14	Street Lighting Gas Service	G-45	7	15,650	2,408	14
	<u>Gas Service for Compression on Customer's Premises</u>	G-55				
15	Residential		46	24,988	547	15
16	Small		16	49,800	3,145	16
17	Large		17	2,703,755	159,044	17
18	Electric Generation Gas Service	G-60	16	418,907	26,457	18
19	Small Essential Agriculture User Gas Service	G-75	68	2,867,693	42,328	19
20	Natural Gas Engine Gas Service	G-80	382	14,563,094	38,157	20
21	Total Gas Sales		1,056,687	479,441,762	454	21
22	Transportation Service	B-1/T-1	511	173,473,746	339,534	22
23	Total Arizona		<u>1,057,198</u>	<u>652,915,508</u>	<u>618</u>	23

[1] Workpapers, Schedule H-2, Sheets 59-66.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
OPERATING STATISTICS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2016**

Line No.	Description (a)	Schedule Number (b)	Average Customers [1] (c)	Sales (Therms) [1] (d)	Average per Customer (e)	Line No.
1	Single-Family Residential Gas Service	G-5	925,574	259,043,588	280	1
2	Multi-Family Residential Gas Service	G-6	34,940	5,792,310	166	2
3	Single-Family Low Income Residential Gas Service	G-10	37,284	9,990,435	268	3
4	Multi-Family Low Income Residential Gas Service	G-11	3,231	625,179	193	4
5	Special Residential Gas Service for Air Conditioning	G-15	75	65,092	870	5
6	Master-Metered Mobile Home Park Gas Service	G-20	115	1,453,900	12,615	6
	<u>General Gas Service</u>	G-25				
7	Small		16,444	4,125,356	251	7
8	Medium		15,535	43,247,101	2,784	8
9	Large-1		6,878	103,367,789	15,028	9
10	Large-2		352	28,562,473	81,067	10
11	Transportation Eligible		62	19,251,711	310,929	11
12	Optional Gas Service	G-30	2	6,422,397	3,211,199	12
13	Air Conditioning Gas Service	G-40	21	239,346	11,263	13
14	Street Lighting Gas Service	G-45	7	13,305	2,021	14
	<u>Gas Service for Compression on Customer's Premises</u>	G-55				
15	Residential		52	28,007	536	15
16	Small		15	43,140	2,829	16
17	Large		16	2,053,436	125,721	17
18	Electric Generation Gas Service	G-60	16	248,790	15,713	18
19	Small Essential Agriculture User Gas Service	G-75	74	3,099,070	41,927	19
20	Natural Gas Engine Gas Service	G-80	378.33	11,899,146.00	31,451	20
21	Total Gas Sales		1,041,072	499,571,571	480	21
22	Transportation Service	B-1/T-1	496	169,530,230	341,565	22
23	Total Arizona		1,041,568	669,101,801	642	23

[1] Workpapers, Schedule H-2, Sheets 67-78.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
TAXES CHARGED TO OPERATIONS  
AS RECORDED AT JANUARY 31, 2019**

Line No.	Description (a)	Year Ended 12/31/2017 (b) <small>Sch E-6, Sh 1, Col (d), Lns 27-29</small>	Year Ended 12/31/2018 (c) <small>Sch E-6, Sh 1, Col (c), Lns 27-29</small>	Test Year Ended 1/31/2019 (d) <small>Sch E-6, Sh 1, Col (b), Lns 27-29</small>	Line No.
	<u>Federal Taxes</u>				
1	Federal Income Tax	\$ 32,817,185	\$ 15,221,082	\$ 15,237,874	1
	<u>State Taxes</u>				
2	State Income Tax	\$ 4,902,218	\$ 3,849,339	\$ 3,853,459	2
	<u>Local Taxes</u>				
3	Property and Miscellaneous	\$ 41,107,387	\$ 42,090,794	\$ 42,244,348	3

**SOUTHWEST GAS CORPORATION  
ARIZONA  
NOTES TO FINANCIAL STATEMENTS**

1. The Company uses the accrual method of accounting as prescribed by the Uniform System of Accounts.
2. The Company uses the straight-line method for calculating depreciation expense. Depreciation rates by major classification can be found in the Workpapers, Schedule C-2.
3. The Allowance for Funds Used During Construction (AFUDC) rate used in 2018 was 5.85%.
4. The Notes to the Financial Statements included in the 2018 Annual Report can be found at the following location on the Company's website:

<http://investors.southwestgas.com/phoenix.zhtml?c=117697&p=irol-reportsannual>

# **SCHEDULE F**

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**PROJECTED INCOME STATEMENTS - PRESENT AND PROPOSED RATES**

Line No.	Description (a)	Test Year Ended 1/31/2019 (b)  Sch A-1, Sh 2, Col (c)	Projected Year		Line No.
			Present Rates 1/31/2020 (c)	Proposed Rates 1/31/2020 (d)  Sch A-1, Sh 2, Col (g)	
1	<u>Operating Margin</u>	\$ 500,687,809	\$ 505,694,687	\$ 575,219,806	1
	<u>Operating Expenses</u>				
2	Other Gas Supply Expenses	\$ 1,267,230	\$ 1,360,309	\$ 1,358,147	2
3	Storage	0	1,492,139	1,470,088	3
4	Distribution Expenses	106,965,636	109,606,983	108,962,028	4
5	Customer Accounts Expenses	24,864,595	25,871,749	25,758,507	5
6	Customer Service & Info. Expenses	424,773	385,057	379,366	6
7	Sales Expenses	12,629	7,465	7,579	7
8	Administrative and General Expenses	93,507,005	94,421,360	93,808,967	8
9	Depreciation and Amortization Expenses	108,446,208	119,258,528	112,627,474	9
10	Taxes Other than Income	42,244,348	42,878,013	58,155,759	10
11	Interest on Customer Deposits	2,180,878	2,180,878	958,434	11
12	Federal Income Taxes	15,237,890	13,200,790	9,386,492	12
13	State Income Taxes	3,853,463	3,238,890	6,095,778	13
14	Total Operating Expenses	\$ 399,004,654	\$ 413,902,161	\$ 418,968,620	14
15	Operating Income	\$ 101,683,155	\$ 91,792,526	\$ 156,251,187	15
16	Less: Interest Expense	42,132,413	42,132,413	47,329,818	16
17	Net Income	\$ 59,550,742	\$ 49,660,113	\$ 108,921,369	17
			Sch A-2, Sh 1, Ln 5(f)	Sch A-2, Sh 1, Ln 5(g)	
18	Earnings per Share of Average Common Stock Outstanding [1]	N/A	N/A	N/A	18
19	Percent Return on Common Equity [1]	N/A	N/A	N/A	19

[1] Projections of earnings per share and return on common equity were not performed because these statistics do not pertain solely to Arizona.

**SOUTHWEST GAS CORPORATION**  
**TOTAL SYSTEM**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**PROJECTED CHANGES IN FINANCIAL POSITION**  
**(\$ THOUSANDS)**

Line No.	Description	Test Year Ended 1/31/2019	Projected Year		Line No.
			At Present Rates Year Ending [1] 1/31/2020	At Proposed Rates Year Ending [1] 1/31/2020	
	(a)	(b)	(c)	(d)	
		Sch E-3, Sh 1 Col (b)			
	<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
1	Net Income	\$ 140,721	\$ 140,721	\$ 183,463	1
2	Adjustments to reconcile net income to net cash provided by operating activities:				2
3					3
4	Depreciation and amortization	193,743	203,491	203,491	4
5	Other Amortization	5,436	5,436	5,436	5
6	Change in deferred charges	(9,149)	(9,149)	(9,149)	6
7	Change in deferred credits	26,991	26,991	26,991	7
8	Change in deferred taxes	35,286	35,286	35,286	8
9	Change in accrued taxes	(6,709)	(6,709)	(6,709)	9
10	Undistributed earnings of subsidiaries	(140)	(140)	(140)	10
11	Allowance for funds used during construction	(3,899)	(3,899)	(3,899)	11
12	Change in deferred purchased gas costs	71,700	71,700	71,700	12
13	Change in receivable and payables	(12,422)	(12,422)	(12,422)	13
14	Other	(54,101)	(54,101)	(54,101)	14
15	Net cash provided by operating activities	\$ 387,457	\$ 397,205	\$ 439,947	15
			Sch A-5, Sh 1, Ln 1(e)	Sch A-5, Sh 1, Ln 1(f)	
	<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
16	Construction expenditures	\$ (683,078)	\$ (324,930)	\$ (324,930)	16
17	Investment in SWGT/JFCO	0	0	0	17
18	Change in customer advances	15,400	15,400	15,400	18
19	Miscellaneous inflows	(71)	(71)	(71)	19
20	Net cash used in investing activities	\$ (667,749)	\$ (309,601)	\$ (309,601)	20
			Sch A-5, Sh 1, Ln 2(e)	Sch A-5, Sh 1, Ln 2(f)	
	<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
21	Change in notes payable	\$ (54,000)	\$ (2,000)	\$ (2,000)	21
22	Dividends paid	(87,000)	(91,900)	(91,900)	22
23	Withholding remittance - share-based compensation	(2,157)	0	0	23
24	Issuance of long-term debt, net	297,495	300,000	300,000	24
25	Retirement of long-term debt	0	0	0	25
26	Change in credit facility	0	0	0	26
27	Capital contribution from parent	113,549	186,120	186,120	27
28	Other	(1,021)	(2,203)	(2,203)	28
29	Net cash provided by (used in) financing activities	\$ 266,866	\$ 390,017	\$ 390,017	29
			Sch A-5, Sh 1, Ln 3(e)	Sch A-5, Sh 1, Ln 3(f)	
30	Change in cash and cash equivalents	\$ (13,426)	\$ 477,621	\$ 520,363	30
31	Cash at beginning of period	49,086	35,660	35,660	31
32	Cash at end of period	\$ 35,660	\$ 513,281	\$ 556,023	32

[1] Prepared based on year ended December 31 consistent with historical cash flows provided on Schedule E-3.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA**  
**CONSTRUCTION EXPENDITURES BY PROPERTY CLASSIFICATION**  
**TEST YEAR AND PROJECTED YEARS**

Line No.	Description (a)	Test Year	Projected [2]			Line No.
		Ended 1/31/2019 (b)	Year Ending 1/31/2020 (c)	Year Ending 1/30/2021 (d)	Year Ending 1/30/2022 (e)	
	<u>Intangible Plant</u>					
1	Arizona Direct	\$ 0	\$ 50,000	\$ 350,000	\$ 350,000	1
2	System Allocable [1]	5,600,892	35,904,319	22,616,280	22,616,280	2
3	Total Intangible Plant	\$ 5,600,892	\$ 35,954,319	\$ 22,966,280	\$ 22,966,280	3
	<u>Distribution Plant</u>					
4	Arizona Direct	\$ 329,295,111	\$ 289,480,729	\$ 283,643,077	\$ 283,643,077	4
5	System Allocable [1]	0	125,275	125,275	125,275	5
6	Total Distribution Plant	\$ 329,295,111	\$ 289,606,004	\$ 283,768,352	\$ 283,768,352	6
	<u>General Plant</u>					
7	Arizona Direct	\$ 18,807,824	\$ 12,518,582	\$ 18,014,702	\$ 18,014,702	7
8	System Allocable [1]	1,791,527	10,334,497	11,404,892	11,404,892	8
9	Total General Plant	\$ 20,599,351	\$ 22,853,079	\$ 29,419,594	\$ 29,419,594	9
10	Total Arizona Plant Construction	\$ 355,495,353	\$ 348,413,401	\$ 336,154,226	\$ 336,154,226	10

[1] After 4-Factor allocation to AZ. Schedule C-1, Sheet 17, Ln 9(c)

[2] Projections are based on budgets which are compiled on an annual basis.



**SOUTHWEST GAS CORPORATION  
ARIZONA  
ASSUMPTIONS USED IN DEVELOPING PROJECTIONS**

1. Customer Growth  
Margin related to customer growth is anticipated to increase by 1% in the year following the test year.
2. Growth in Consumption and Customer Demand  
Margin related to growth in consumption is anticipated to increase by 1% in the year following the test year.
3. Changes in Expenses  
Operation and Maintenance Expenses – The actual amounts for the recorded test year were adjusted to give the annual effect for known and measurable changes occurring during the test year. The operation and maintenance expenses for the projected year were calculated by taking the adjusted test year and generally increasing the non-labor expenses by 1.5%.

Depreciation and Amortization Expenses – The actual amounts for the recorded test year were adjusted to annualize depreciation expense at the end of the test period plant balances, and to reflect depreciation expense on projected construction expenditures.

4. Construction Requirements, Including Production  
Reserves and Changes in Plant Capacity Additions to gas plant were based upon anticipated construction expenditures.

# **SCHEDULE G**

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**CLASS COST OF SERVICE STUDY SUMMARY - PRESENT RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Allocation Factor (b)	Total Amount (c)	Single-Family Residential (d)	Multi-Family Residential (e)	Master-Metered Mobile Home Park (MMHP) (f)	Small General (g)	Medium General (h)	Large-1 General (i)	Large-2 General (j)
	<b>Rate Base</b>									
1	Total Direct Net Plant		\$ 3,155,975,561	\$ 2,382,867,602	\$ 85,768,433	\$ 3,244,561	\$ 47,482,723	\$ 193,001,167	\$ 197,420,544	\$ 66,868,825
2	Total Common Systems Allocable Net Plant		\$ 95,625,305	\$ 72,758,129	\$ 2,640,527	\$ 95,163	\$ 1,452,392	\$ 5,836,444	\$ 5,782,498	\$ 1,961,994
3	Cash Working Capital	1.1	(10,297,032)	(7,578,663)	(284,962)	(7,259)	(145,520)	(915,380)	(670,537)	(254,757)
4	Materials & Supplies	1.1	36,813,908	28,010,484	1,016,552	36,636	559,143	2,246,919	2,226,151	755,330
5	Prepayments	1.1	7,721,011	5,874,662	213,202	7,684	117,270	471,248	466,892	158,416
6	Other	1.1	0	0	0	0	0	0	0	0
7	Customer Deposits	8.0	(36,862,844)	(32,667,363)	(3,007,397)	(4,457)	(521,720)	(470,236)	(167,303)	(10,995)
8	Customer Advances	8.0	(41,613,406)	(36,877,248)	(3,394,964)	(5,032)	(588,854)	(530,836)	(188,864)	(12,412)
9	Deferred Taxes	1.1	(594,534,243)	(452,361,423)	(16,417,032)	(591,662)	(9,030,003)	(36,287,109)	(35,951,708)	(12,198,369)
10	Other	1.1	0	0	0	0	0	0	0	0
11	Total Rate Base		\$ 2,612,828,261	\$ 1,960,028,180	\$ 66,534,359	\$ 2,775,634	\$ 39,325,331	\$ 163,352,217	\$ 188,917,674	\$ 57,268,033
	<b>Margin</b>									
12	Net Operating Margin	Direct	\$ 483,951,321	\$ 335,014,130	\$ 9,419,074	\$ 754,847	\$ 9,318,018	\$ 26,495,367	\$ 48,738,803	\$ 13,002,722
13	Special Contract & Optional Margin	Net Op Margin	\$ 5,008,186	\$ 3,466,905	\$ 97,474	\$ 7,812	\$ 96,428	\$ 274,188	\$ 504,375	\$ 134,559
14	Other Revenue	Various	\$ 9,673,541	\$ 8,417,490	\$ 731,315	\$ 1,481	\$ 128,056	\$ 172,278	\$ 135,088	\$ 33,035
15	Total Revenue		\$ 498,633,048	\$ 346,898,525	\$ 10,247,863	\$ 764,140	\$ 9,542,502	\$ 26,941,833	\$ 49,378,266	\$ 13,170,316
	<b>Operating Expenses</b>									
16	Operations & Maintenance Expense		\$ (137,825,696)	\$ (101,413,575)	\$ (3,814,219)	\$ (97,156)	\$ (1,947,787)	\$ (12,252,352)	\$ (8,975,128)	\$ (3,409,915)
17	Administrative & General Expense		(93,808,997)	(69,025,609)	(2,596,090)	(66,128)	(1,325,732)	(8,339,377)	(6,108,784)	(2,320,907)
18	Depreciation Expense		(112,627,474)	(84,839,935)	(3,046,029)	(116,903)	(1,689,674)	(6,891,697)	(7,115,955)	(2,409,063)
19	Interest on Customer Deposits	8.0	(958,434)	(694,432)	(34,897)	(93)	(15,774)	(19,239)	0	0
20	Taxes Other Than Income	1.1	(58,155,759)	(44,248,792)	(1,605,870)	(57,875)	(883,291)	(3,549,509)	(3,516,701)	(1,193,212)
21	Total Operating Deductions		\$ (403,376,330)	\$ (300,422,344)	\$ (11,097,104)	\$ (338,154)	\$ (5,882,257)	\$ (31,046,174)	\$ (25,716,567)	\$ (9,333,097)
	<b>Taxable Income</b>									
22	Taxable Income before Interest Expense		\$ 95,256,717	\$ 46,476,181	\$ (849,241)	\$ 425,986	\$ 3,680,244	\$ (4,104,342)	\$ 23,661,698	\$ 3,837,219
23	Interest Expense	1.1	(47,329,818)	(36,011,691)	(1,306,931)	(47,101)	(718,863)	(2,888,752)	(2,862,052)	(971,091)
24	Total Taxable Income		\$ 47,926,899	\$ 10,464,489	\$ (2,156,172)	\$ 378,885	\$ 2,961,382	\$ (6,993,094)	\$ 20,799,647	\$ 2,866,128
	<b>State Income Tax</b>									
25	State Income Tax	4.90%	\$ 2,348,418	\$ 512,760	\$ (105,652)	\$ 18,565	\$ 145,108	\$ (342,662)	\$ 1,019,183	\$ 140,440
26	Total State Income Tax		\$ 2,348,418	\$ 512,760	\$ (105,652)	\$ 18,565	\$ 145,108	\$ (342,662)	\$ 1,019,183	\$ 140,440
	<b>Federal Income Tax</b>									
27	Federal Income Tax	19.97%	\$ 9,571,481	\$ 2,089,863	\$ (430,609)	\$ 75,667	\$ 591,418	\$ (1,396,591)	\$ 4,153,897	\$ 572,394
28	ARAM Federal	1.1	(15,458,159)	(11,761,601)	(426,850)	(15,383)	(234,784)	(943,481)	(934,761)	(317,163)
29	Total Federal Income Tax		\$ (5,886,678)	\$ (9,671,738)	\$ (857,459)	\$ 60,284	\$ (356,633)	\$ (2,340,072)	\$ 3,219,137	\$ 255,231
30	Regulatory Amortization	Deprec Exp	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
31	Net Income		\$ 98,794,977	\$ 55,635,159	\$ 113,871	\$ 347,137	\$ 3,178,503	\$ (1,421,608)	\$ 19,423,379	\$ 3,441,547
32	Rate of Return on Rate Base		3.78%	2.84%	0.17%	12.51%	8.08%	-0.87%	11.50%	6.01%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
CLASS COST OF SERVICE STUDY SUMMARY - PRESENT RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Allocation Factor (b)	Total Amount (c)	Transportation Eligible General (d)	Air Conditioning (e)	Street Lighting (f)	Compression on Customer's Premises (ONG) (g)	Electric Generation (h)	Small Essential Agricultural (i)	Natural Gas Engines (j)	Line No.
1	Rate Base		\$ 3,155,975,561	\$ 143,806,650	\$ 191,916	\$ 92,628	\$ 12,031,036	\$ 12,688,864	\$ 4,830,155	\$ 5,680,457	1
2	Total Direct Net Plant		\$ 95,625,305	\$ 4,107,335	\$ 5,285	\$ 2,846	\$ 344,263	\$ 358,250	\$ 136,600	\$ 143,580	2
3	Total Common Systems Allocable Net Plant		\$ (10,297,032)	\$ (343,798)	\$ (569)	\$ (275)	\$ (35,040)	\$ (28,823)	\$ (11,824)	\$ (21,626)	3
4	Cash Working Capital	1.1	\$ 36,813,908	\$ 1,581,245	\$ 2,035	\$ 1,095	\$ 132,535	\$ 137,919	\$ 52,589	\$ 55,275	4
5	Materials & Supplies	1.1	\$ 7,721,011	\$ 331,636	\$ 427	\$ 230	\$ 27,797	\$ 28,926	\$ 11,029	\$ 11,593	5
6	Prepayments	1.1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	6
7	Customer Deposits	8.0	\$ (36,862,844)	\$ 0	\$ (594)	\$ (594)	\$ (1,189)	\$ (297)	\$ (5,943)	\$ (5,349)	7
8	Customer Advances	8.0	\$ (41,613,406)	\$ 0	\$ (671)	\$ (671)	\$ (1,342)	\$ (335)	\$ (6,709)	\$ (6,038)	8
9	Deferred Taxes	1.1	\$ (594,534,243)	\$ (25,536,662)	\$ (32,860)	\$ (17,691)	\$ (2,140,397)	\$ (2,227,356)	\$ (849,290)	\$ (892,682)	9
10	Other	1.1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	10
11	Total Rate Base		\$ 2,612,828,261	\$ 123,946,406	\$ 166,234	\$ 77,567	\$ 10,357,663	\$ 10,957,147	\$ 4,156,607	\$ 4,965,210	11
12	Margin		\$ 483,951,321	\$ 31,846,016	\$ 41,713	\$ 8,165	\$ 2,310,233	\$ 2,395,014	\$ 1,337,328	\$ 3,289,891	12
13	Net Operating Margin	Direct	\$ 5,008,186	\$ 329,560	\$ 432	\$ 84	\$ 23,908	\$ 24,785	\$ 13,839	\$ 33,839	13
14	Special Contract & Optional Margin	Net Op Margin	\$ 9,673,541	\$ 33,991	\$ 570	\$ 386	\$ 2,726	\$ 1,517	\$ 3,540	\$ 12,068	14
15	Other Revenue	Various	\$ 498,633,048	\$ 32,209,567	\$ 42,714	\$ 8,636	\$ 2,336,866	\$ 2,421,316	\$ 1,354,707	\$ 3,315,797	15
16	Operating Expenses		\$ (137,825,696)	\$ (4,601,731)	\$ (7,612)	\$ (3,687)	\$ (469,014)	\$ (385,795)	\$ (158,266)	\$ (289,459)	16
17	Operations & Maintenance Expense	Total O&M	\$ (93,808,967)	\$ (3,132,096)	\$ (5,181)	\$ (2,510)	\$ (319,227)	\$ (262,586)	\$ (107,721)	\$ (197,016)	17
18	Administrative & General Expense	Deprac Exp	\$ (112,627,474)	\$ (5,220,583)	\$ (7,037)	\$ (3,292)	\$ (436,534)	\$ (462,116)	\$ (175,829)	\$ (212,827)	18
19	Depreciation Expense		\$ (958,434)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	19
20	Interest on Customer Deposits	8.0	\$ (58,155,759)	\$ (2,497,928)	\$ (3,214)	\$ (1,731)	\$ (209,368)	\$ (217,874)	\$ (83,075)	\$ (87,320)	20
21	Taxes Other Than Income	1.1	\$ (403,376,330)	\$ (15,452,341)	\$ (23,045)	\$ (11,220)	\$ (1,434,143)	\$ (1,328,371)	\$ (524,891)	\$ (786,622)	21
22	Total Operating Deductions		\$ 95,256,717	\$ 16,757,226	\$ 19,670	\$ (2,584)	\$ 902,723	\$ 1,092,945	\$ 829,816	\$ 2,528,175	22
23	Taxable Income before Interest Expense		\$ (47,329,818)	\$ (2,032,928)	\$ (2,616)	\$ (1,408)	\$ (170,393)	\$ (177,316)	\$ (67,610)	\$ (71,065)	23
24	Interest Expense	1.1	\$ 47,926,899	\$ 14,724,297	\$ 17,054	\$ (3,992)	\$ 732,330	\$ 915,629	\$ 762,206	\$ 2,458,111	24
25	Total Taxable Income		\$ 2,348,418	\$ 721,491	\$ 836	\$ (196)	\$ 35,884	\$ 44,866	\$ 37,348	\$ 120,447	25
26	State Income Tax	4.90%	\$ 2,348,418	\$ 721,491	\$ 836	\$ (196)	\$ 35,884	\$ 44,866	\$ 37,348	\$ 120,447	26
27	Federal Income Tax	19.97%	\$ 9,571,481	\$ 2,940,589	\$ 3,406	\$ (797)	\$ 146,254	\$ 182,860	\$ 152,220	\$ 490,909	27
28	Federal Income Tax		\$ (15,458,159)	\$ (663,965)	\$ (854)	\$ (460)	\$ (55,651)	\$ (57,912)	\$ (22,082)	\$ (23,210)	28
29	ARAM Federal	1.1	\$ (5,886,676)	\$ 2,276,825	\$ 2,551	\$ (1,257)	\$ 90,602	\$ 124,948	\$ 130,138	\$ 467,699	29
30	Total Federal Income Tax		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	30
31	Regulatory Amortization	Deprac Exp	\$ 98,794,977	\$ 13,759,110	\$ 16,283	\$ (1,131)	\$ 776,237	\$ 923,131	\$ 662,330	\$ 1,941,029	31
32	Rate of Return on Rate Base		3.78%	11.10%	9.80%	-1.46%	7.49%	8.42%	15.93%	39.09%	32



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**CLASS COST OF SERVICE STUDY SUMMARY - PROPOSED RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Allocation Factor (b)	Total Amount (c)	Single-Family Residential (d)	Multi-Family Residential (e)	Master-Metered Mobile Home Park (MMMP) (f)	Small General (g)	Medium General (h)	Large-1 General (i)	Large-2 General (j)
1	Rate Base									
2	Total Direct Net Plant		\$ 3,155,975,561	\$ 2,382,867,602	\$ 85,768,433	\$ 3,244,561	\$ 47,482,723	\$ 193,001,167	\$ 197,420,544	\$ 66,868,825
3	Total Common Systems Allocable Net Plant		\$ 95,625,305	\$ 72,758,129	\$ 2,640,527	\$ 95,163	\$ 1,452,392	\$ 5,836,444	\$ 5,782,498	\$ 1,961,994
4	Cash Working Capital	1.1	(10,297,032)	(7,576,663)	(284,962)	(7,259)	(145,520)	(915,380)	(670,537)	(254,757)
5	Materials & Supplies	1.1	36,813,908	28,010,484	1,016,552	36,636	559,143	2,246,919	2,226,151	795,330
6	Prepayments	1.1	7,721,011	5,874,662	213,202	7,684	117,270	471,248	466,892	158,416
7	Other	1.1	0	0	0	0	0	0	0	0
8	Customer Deposits	8.0	(36,862,844)	(32,687,363)	(3,007,397)	(4,457)	(521,720)	(470,236)	(167,303)	(10,995)
9	Customer Advances	8.0	(41,613,406)	(36,877,248)	(3,394,964)	(5,032)	(588,954)	(530,836)	(188,864)	(12,412)
10	Deferred Taxes	1.1	(594,534,243)	(452,361,423)	(16,417,032)	(591,662)	(9,030,003)	(36,287,109)	(35,951,708)	(12,198,369)
11	Other	1.1	0	0	0	0	0	0	0	0
11	Total Rate Base		\$ 2,612,826,261	\$ 1,960,028,180	\$ 66,534,359	\$ 2,775,634	\$ 39,325,331	\$ 163,352,217	\$ 168,917,674	\$ 57,268,033
12	Margin									
13	Net Operating Margin	Direct	\$ 560,538,080	\$ 394,459,989	\$ 11,380,744	\$ 807,422	\$ 10,286,811	\$ 30,124,775	\$ 54,651,719	\$ 14,606,096
14	Special Contract & Optional Margin	Net Op Margin	5,126,755	3,812,247	132,933	4,729	75,388	377,687	333,963	118,893
15	Other Revenue	Various	9,554,972	8,335,411	729,008	1,297	125,773	165,786	123,147	29,649
			\$ 575,219,806	\$ 406,607,647	\$ 12,242,685	\$ 813,447	\$ 10,487,972	\$ 30,668,248	\$ 55,108,829	\$ 14,754,838
16	Operating Deductions									
17	Operations & Maintenance Expense		(137,825,696)	(101,413,575)	(3,814,219)	(97,156)	(1,947,787)	(12,252,352)	(8,975,128)	(3,409,915)
18	Incremental Uncollectible Expense		(110,019)	(101,881)	(3,975)	(11)	(1,797)	(1,508)	(718)	(44)
19	Administrative & General Expense		(93,808,967)	(69,025,609)	(2,596,090)	(66,128)	(1,325,732)	(8,339,377)	(6,108,784)	(2,320,907)
20	Depreciation Expense		(112,627,474)	(84,839,935)	(3,046,029)	(116,903)	(1,889,674)	(6,891,697)	(7,115,955)	(2,409,063)
21	Interest on Customer Deposits	8.0	(958,434)	(894,432)	(34,897)	(93)	(15,774)	(19,239)	0	0
22	Taxes Other Than Income	1.1	(58,155,759)	(44,248,792)	(1,605,870)	(57,875)	(883,291)	(3,549,509)	(3,516,701)	(1,193,212)
			\$ (403,486,349)	\$ (300,524,225)	\$ (11,101,079)	\$ (338,165)	\$ (5,864,054)	\$ (31,047,682)	\$ (25,717,286)	\$ (9,333,141)
23	State Income Tax									
24	Taxable Income before Interest Expense		\$ 171,733,457	\$ 106,083,421	\$ 1,141,606	\$ 475,282	\$ 4,623,918	\$ (379,434)	\$ 29,391,543	\$ 5,421,696
25	Interest Expense	1.1	(47,329,818)	(36,011,691)	(1,306,931)	(47,101)	(718,863)	(2,888,752)	(2,862,052)	(971,091)
26	Total State Taxable Income		\$ 124,403,639	\$ 70,071,730	\$ (165,325)	\$ 428,181	\$ 3,905,056	\$ (3,268,187)	\$ 26,529,491	\$ 4,450,606
27	State Income Tax	4.90%	\$ 6,095,778	\$ 3,433,515	\$ (8,101)	\$ 20,981	\$ 191,348	\$ (160,141)	\$ 1,299,945	\$ 218,080
			\$ 6,095,778	\$ 3,433,515	\$ (8,101)	\$ 20,981	\$ 191,348	\$ (160,141)	\$ 1,299,945	\$ 218,080
28	Federal Income Tax									
29	Taxable Income before Interest Expense		\$ 171,733,457	\$ 106,083,421	\$ 1,141,606	\$ 475,282	\$ 4,623,918	\$ (379,434)	\$ 29,391,543	\$ 5,421,696
30	Interest Expense	1.1	(47,329,818)	(36,011,691)	(1,306,931)	(47,101)	(718,863)	(2,888,752)	(2,862,052)	(971,091)
			\$ 124,403,639	\$ 70,071,730	\$ (165,325)	\$ 428,181	\$ 3,905,056	\$ (3,268,187)	\$ 26,529,491	\$ 4,450,606
31	Federal Income Tax	19.97%	\$ 24,844,651	\$ 13,994,025	\$ (33,017)	\$ 85,512	\$ 779,879	\$ (652,690)	\$ 5,298,205	\$ 888,830
32	South Georgia Federal	1.1	(15,458,159)	(11,161,601)	(426,850)	(15,383)	(234,784)	(943,481)	(934,761)	(317,163)
33	Total Federal Income Tax		\$ 9,386,492	\$ 2,232,424	\$ (459,867)	\$ 70,129	\$ 545,095	\$ (1,596,171)	\$ 4,363,444	\$ 571,667
34	Regulatory Amortization	1.1	0	0	0	0	0	0	0	0
35	Net Income		\$ 156,251,187	\$ 100,417,483	\$ 1,609,574	\$ 384,173	\$ 3,887,476	\$ 1,376,878	\$ 23,728,154	\$ 4,631,949
36	Rate of Return on Rate Base		5.98%	5.12%	2.42%	13.84%	9.89%	0.84%	14.05%	8.09%

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**CLASS COST OF SERVICE STUDY SUMMARY - PROPOSED RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Allocation Factor (b)	Total Amount (c)	Transportation Eligible General (d)	Air Conditioning (e)	Street Lighting (f)	Compression on Customer's Premises (CNG) (g)	Electric Generation (h)	Small Essential Agricultural (i)	Natural Gas Engines (j)	Line No.
1	<u>Rate Base</u>										
2	Total Direct Net Plant		\$ 3,155,975,561	\$ 143,806,650	\$ 191,916	\$ 92,528	\$ 12,031,036	\$ 12,688,864	\$ 4,830,155	\$ 5,680,457	1
3	Total Common Systems Allocable Net Plant		\$ 95,625,305	\$ 4,107,335	\$ 5,285	\$ 2,846	\$ 344,263	\$ 358,250	\$ 136,600	\$ 143,560	2
4	Cash Working Capital	1.1	(10,297,032)	(343,798)	(569)	(275)	(35,040)	(28,823)	(11,824)	(21,626)	3
5	Materials & Supplies	1.1	36,813,908	1,381,245	2,035	1,095	132,535	137,919	52,569	55,275	4
6	Prepayments	1.1	7,721,011	331,636	427	230	27,797	28,926	11,029	11,593	5
7	Other	1.1	0	0	0	0	0	0	0	0	6
8	Customer Deposits	8.0	(36,862,844)	0	0	(594)	(1,189)	(297)	(5,943)	(5,349)	7
9	Customer Advances	8.0	(41,613,406)	0	0	(671)	(1,342)	(335)	(6,709)	(6,038)	8
10	Deferred Taxes	1.1	(594,534,243)	(25,536,662)	(32,860)	(17,691)	(2,140,397)	(2,227,356)	(849,290)	(892,682)	9
11	Other	1.1	0	0	0	0	0	0	0	0	10
11	Total Rate Base		\$ 2,612,828,261	\$ 123,946,406	\$ 166,234	\$ 77,567	\$ 10,357,663	\$ 10,957,147	\$ 4,156,607	\$ 4,965,210	11
12	Margin	Direct	\$ 560,538,080	\$ 34,237,803	\$ 45,111	\$ 9,771	\$ 2,524,464	\$ 2,602,984	\$ 1,418,021	\$ 3,382,369	12
13	Special Contract & Optional Margin	Net Op Margin	5,126,755	215,119	306	144	19,268	18,705	7,258	10,116	13
14	Other Revenue	Various	9,554,972	26,169	559	384	2,160	930	3,212	11,267	14
15	Total Revenue		\$ 575,219,806	\$ 34,479,112	\$ 45,975	\$ 10,300	\$ 2,545,892	\$ 2,622,619	\$ 1,428,491	\$ 3,403,752	15
16	Operating Deductions		\$ (137,825,696)	\$ (4,601,731)	\$ (7,612)	\$ (3,687)	\$ (469,014)	\$ (365,795)	\$ (158,266)	\$ (289,459)	16
17	Operations & Maintenance Expense		(110,019)	(21)	(2)	(6)	(8)	(3)	(7)	(39)	17
18	Incremental Uncollectible Expense		(93,808,967)	(3,132,068)	(5,181)	(2,510)	(319,227)	(262,586)	(107,721)	(197,016)	18
19	Administrative & General Expense		(112,627,474)	(5,220,583)	(7,037)	(3,292)	(436,534)	(462,116)	(175,829)	(212,827)	19
20	Depreciation Expense		(958,434)	0	0	0	0	0	0	0	20
21	Interest on Customer Deposits	8.0	(58,155,759)	(2,497,928)	(3,214)	(1,731)	(209,368)	(217,874)	(83,075)	(87,320)	21
22	Taxes Other Than Income	1.1	(403,486,349)	(15,452,362)	(23,046)	(11,226)	(1,434,151)	(1,328,374)	(524,898)	(786,661)	22
23	Total Operating Deductions		\$ 171,733,457	\$ 19,026,750	\$ 22,929	\$ (926)	\$ 1,111,741	\$ 1,294,246	\$ 903,592	\$ 2,617,082	23
24	State Income Tax		(47,329,818)	(2,032,928)	(2,616)	(1,408)	(170,393)	(177,316)	(67,610)	(71,065)	24
25	Federal Income Tax	1.1	124,403,639	16,893,822	20,313	(2,334)	941,348	1,116,930	835,982	2,546,027	25
26	State Income Tax	4.90%	6,095,778	832,697	995	(114)	46,126	54,730	40,963	124,755	26
27	Total State Income Tax		\$ 6,095,778	\$ 832,697	\$ 995	\$ (114)	\$ 46,126	\$ 54,730	\$ 40,963	\$ 124,755	27
28	Federal Income Tax		\$ 171,733,457	\$ 19,026,750	\$ 22,929	\$ (926)	\$ 1,111,741	\$ 1,294,246	\$ 903,592	\$ 2,617,082	28
29	State Income Tax		(47,329,818)	(2,032,928)	(2,616)	(1,408)	(170,393)	(177,316)	(67,610)	(71,065)	29
30	Total Federal Taxable Income	1.1	\$ 124,403,639	\$ 16,893,822	\$ 20,313	\$ (2,334)	\$ 941,348	\$ 1,116,930	\$ 835,982	\$ 2,546,027	30
31	Federal Income Tax	19.97%	\$ 24,844,651	\$ 3,393,836	\$ 4,057	\$ (466)	\$ 187,997	\$ 223,062	\$ 166,954	\$ 508,467	31
32	South Georgia Federal	1.1	(15,458,159)	(665,965)	(854)	(460)	(55,651)	(57,912)	(22,082)	(23,210)	32
33	Total Federal Income Tax		\$ 9,386,492	\$ 2,727,871	\$ 3,202	\$ (926)	\$ 132,345	\$ 165,150	\$ 144,872	\$ 485,257	33
34	Regulatory Amortization	1.1	0	0	0	0	0	0	0	0	34
35	Net Income		\$ 156,251,187	\$ 15,464,181	\$ 18,731	\$ 115	\$ 933,270	\$ 1,074,366	\$ 717,757	\$ 2,007,079	35
36	Rate of Return on Rate Base		5.98%	12.48%	11.27%	0.15%	9.01%	9.81%	17.27%	40.42%	36

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Single-Family Residential		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
<b>Direct</b>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 8,572	\$ 23,822	\$ 59
2	302.00	Franchises & Consents	1.1	1,167,977	234,731	652,329	1,615
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 243,303	\$ 676,151	\$ 1,674
5		Allocation Percentage	Intang. Plant	100%	20.10%	1	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 930,232	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	39,986,871	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 40,917,103	\$ 0	\$ 0
		Allocation Percentage		100%	52%	0.00%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 241,730	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	1,389,713	0	0
15	375.00	Structures	1.0	457,330	272,516	0	0
16	376.00	Mains - Demand	1.0	953,764,290	568,332,591	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	883,219,063	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	19,591,082	30,445,583	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	548,898,688	0
21	381.00	Meters	6.0	305,766,590	0	176,440,035	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	4,058,981
23	387.00	Other Equipment	1.0	(92,997)	(55,415)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 589,772,216	\$ 1,639,003,369	\$ 4,058,981
25		Allocation Percentage	Net Dist Plant	100.00%	20.10%	55.85%	0.14%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 28,578,154	\$ 79,419,968	\$ 196,683
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 659,510,776	\$ 1,719,099,488	\$ 4,257,338
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 8,187,597	\$ 22,753,699	\$ 56,349
29	389-398	Total Common General Plant	1.1	54,885,400	11,030,451	30,654,118	75,915
30		Total Systems Allocable		\$ 95,625,305	\$ 19,218,049	\$ 53,407,816	\$ 132,264
31		Total Net Plant		\$ 3,251,600,867	\$ 678,728,825	\$ 1,772,507,304	\$ 4,389,602
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (1,124,339)	\$ (6,372,635)	\$ (79,689)
33		Materials & Supplies	1.1	36,813,908	7,398,580	20,560,985	50,919
34		Prepayments	1.1	7,721,011	1,551,710	4,312,272	10,679
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(32,667,363)	0
37		Customer Advances	9.0	(41,613,406)	0	(36,877,248)	0
38		Deferred Taxes	1.1	(594,534,243)	(119,484,982)	(332,054,111)	(822,330)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 567,069,794	\$ 1,389,409,204	\$ 3,549,182



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Multi-Family Residential		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
<u>Direct</u>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 145	\$ 1,032	\$ 1
2	302.00	Franchises & Consents	1.1	1,167,977	3,963	28,252	37
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 4,107	\$ 29,284	\$ 38
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 17,613	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	757,108	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 774,721	\$ 0	\$ 0
		Allocation Percentage		100%	0.99%	0.00%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 4,081	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	23,461	0	0
15	375.00	Structures	1.0	457,330	4,601	0	0
16	376.00	Mains - Demand	1.0	953,764,290	9,594,632	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	34,459,050	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	330,738	1,187,843	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	28,454,113	0
21	381.00	Meters	6.0	305,766,590	0	6,883,860	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	92,249
23	387.00	Other Equipment	1.0	(92,997)	(936)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 9,956,577	\$ 70,984,866	\$ 92,249
25		Allocation Percentage	Net Dist Plant	100.00%	0.34%	2.42%	0.00%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 482,458	\$ 3,439,661	\$ 4,470
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 11,217,865	\$ 74,453,811	\$ 96,757
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 138,224	\$ 985,458	\$ 1,281
29	389-398	Total Common General Plant	1.1	54,885,400	186,217	1,327,623	1,725
30		Total Systems Allocable		\$ 95,625,305	\$ 324,440	\$ 2,313,080	\$ 3,006
31		Total Net Plant		\$ 3,251,600,867	\$ 11,542,305	\$ 76,766,891	\$ 99,763
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (19,099)	\$ (264,052)	\$ (1,811)
33		Materials & Supplies	1.1	36,813,908	124,903	890,492	1,157
34		Prepayments	1.1	7,721,011	26,196	186,764	243
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(3,007,397)	0
37		Customer Advances	9.0	(41,613,406)	0	(3,394,964)	0
38		Deferred Taxes	1.1	(594,534,243)	(2,017,154)	(14,381,189)	(18,689)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 9,657,151	\$ 56,796,545	\$ 80,663

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
RATE BASE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Master-Metered Mobile Home Park		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Cost of Service</b>							
<u>Direct</u>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 38	\$ 4	\$ 0
2	302.00	Franchises & Consents	1.1	1,167,977	1,044	111	8
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 1,082	\$ 115	\$ 8
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 4,125	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	177,305	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 181,429	\$ 0	\$ 0
		Allocation Percentage		100%	0%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 1,075	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	6,180	0	0
15	375.00	Structures	1.0	457,330	1,212	0	0
16	376.00	Mains - Demand	1.0	953,764,290	2,527,246	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	91,574	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	87,117	3,157	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	41,474	0
21	381.00	Meters	6.0	305,766,590	0	141,690	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	19,937
23	387.00	Other Equipment	1.0	(92,997)	(246)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 2,622,583	\$ 277,894	\$ 19,937
25		Allocation Percentage	Net Dist Plant	100.00%	0.09%	0.01%	0.00%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 127,081	\$ 13,466	\$ 966
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 2,932,175	\$ 291,475	\$ 20,911
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 36,408	\$ 3,858	\$ 277
29	389-398	Total Common General Plant	1.1	54,885,400	49,050	5,197	373
30		Total Systems Allocable		\$ 95,625,305	\$ 85,458	\$ 9,055	\$ 650
31		Total Net Plant		\$ 3,251,600,867	\$ 3,017,633	\$ 300,530	\$ 21,560
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (4,999)	\$ (1,868)	\$ (391)
33		Materials & Supplies	1.1	36,813,908	32,900	3,486	250
34		Prepayments	1.1	7,721,011	6,900	731	52
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(4,457)	0
37		Customer Advances	9.0	(41,613,406)	0	(5,032)	0
38		Deferred Taxes	1.1	(594,534,243)	(531,323)	(56,300)	(4,039)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 2,521,112	\$ 237,090	\$ 17,433

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Small General		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Cost of Service</b>							
<u>Direct</u>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 159	\$ 488	\$ 1
2	302.00	Franchises & Consents	1.1	1,167,977	4,346	13,369	25
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 4,505	\$ 13,857	\$ 26
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 16,662	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	716,232	0	0
8	363.10	Liquification Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 732,894	\$ 0	\$ 0
		Allocation Percentage		100%	1%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 4,476	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	25,730	0	0
15	375.00	Structures	1.0	457,330	5,046	0	0
16	376.00	Mains - Demand	1.0	953,764,290	10,522,449	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	15,576,093	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	362,721	536,926	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	14,365,148	0
21	381.00	Meters	6.0	305,766,590	0	3,111,625	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	62,479
23	387.00	Other Equipment	1.0	(92,997)	(1,026)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 10,919,395	\$ 33,589,792	\$ 62,479
25		Allocation Percentage	Net Dist Plant	100.00%	0.37%	1.14%	0.00%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 529,113	\$ 1,627,636	\$ 3,028
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 12,185,906	\$ 35,231,285	\$ 65,533
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 151,590	\$ 466,315	\$ 867
29	389-398	Total Common General Plant	1.1	54,885,400	204,224	628,227	1,169
30		Total Systems Allocable		\$ 95,625,305	\$ 355,814	\$ 1,094,542	\$ 2,036
31		Total Net Plant		\$ 3,251,600,867	\$ 12,541,720	\$ 36,325,826	\$ 67,568
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (20,782)	\$ (123,512)	\$ (1,227)
33		Materials & Supplies	1.1	36,813,908	136,982	421,378	784
34		Prepayments	1.1	7,721,011	28,729	88,376	164
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(521,720)	0
37		Customer Advances	9.0	(41,613,406)	0	(588,954)	0
38		Deferred Taxes	1.1	(594,534,243)	(2,212,216)	(6,805,128)	(12,658)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 10,474,433	\$ 28,796,265	\$ 54,632

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Medium General		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Cost of Service</b>							
<u>Direct</u>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 897	\$ 1,697	\$ 10
2	302.00	Franchises & Consents	1.1	1,167,977	24,566	46,459	262
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 25,463	\$ 48,156	\$ 271
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 116,782	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	5,019,971	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 5,136,752	\$ 0	\$ 0
		Allocation Percentage		100%	7%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 25,298	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	145,442	0	0
15	375.00	Structures	1.0	457,330	28,520	0	0
16	376.00	Mains - Demand	1.0	953,764,290	59,479,346	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	13,072,703	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	2,050,322	450,631	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	40,199,254	0
21	381.00	Meters	6.0	305,766,590	0	63,008,225	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	657,511
23	387.00	Other Equipment	1.0	(92,997)	(5,800)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 61,723,129	\$ 116,730,814	\$ 657,511
25		Allocation Percentage	Net Dist Plant	100.00%	2.10%	3.98%	0.02%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 2,990,872	\$ 5,656,338	\$ 31,861
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 69,876,216	\$ 122,435,308	\$ 689,643
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 856,880	\$ 1,620,532	\$ 9,128
29	389-398	Total Common General Plant	1.1	54,885,400	1,154,402	2,183,205	12,297
30		Total Systems Allocable		\$ 95,625,305	\$ 2,011,282	\$ 3,803,737	\$ 21,425
31		Total Net Plant		\$ 3,251,600,867	\$ 71,887,498	\$ 126,239,045	\$ 711,069
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (118,872)	\$ (783,599)	\$ (12,909)
33		Materials & Supplies	1.1	36,813,908	774,305	1,464,366	8,248
34		Prepayments	1.1	7,721,011	162,396	307,123	1,730
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(470,236)	0
37		Customer Advances	9.0	(41,613,406)	0	(530,836)	0
38		Deferred Taxes	1.1	(594,534,243)	(12,504,806)	(23,649,095)	(133,209)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 60,200,520	\$ 102,576,767	\$ 574,929

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Large-1 General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
<u>Direct</u>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 1,904	\$ 653	\$ 23
2	302.00	Franchises & Consents	1.1	1,167,977	52,134	17,872	621
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 54,038	\$ 18,525	\$ 644
5		Allocation Percentage	Intang. Plant	100%	4.46%	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 256,731	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	11,035,827	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 11,292,558	\$ 0	\$ 0
		Allocation Percentage		100%	14%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 53,689	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	308,658	0	0
15	375.00	Structures	1.0	457,330	60,526	0	0
16	376.00	Mains - Demand	1.0	953,764,290	126,227,980	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	6,227,106	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	4,351,225	214,656	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	5,667,948	0
21	381.00	Meters	6.0	305,766,590	0	32,794,963	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	1,561,486
23	387.00	Other Equipment	1.0	(92,997)	(12,308)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 130,989,770	\$ 44,904,673	\$ 1,561,486
25		Allocation Percentage	Net Dist Plant	100.00%	4.46%	1.53%	0.05%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 6,347,274	\$ 2,175,912	\$ 75,664
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 148,683,640	\$ 47,099,110	\$ 1,637,794
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 1,818,484	\$ 623,396	\$ 21,678
29	389-398	Total Common General Plant	1.1	54,885,400	2,449,889	839,848	29,204
30		Total Systems Allocable		\$ 95,625,305	\$ 4,268,373	\$ 1,463,243	\$ 50,882
31		Total Net Plant		\$ 3,251,600,867	\$ 152,952,013	\$ 48,562,353	\$ 1,688,676
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (252,824)	\$ (387,056)	\$ (30,656)
33		Materials & Supplies	1.1	36,813,908	1,643,242	563,321	19,589
34		Prepayments	1.1	7,721,011	344,638	118,146	4,108
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(167,303)	0
37		Customer Advances	9.0	(41,613,406)	0	(188,864)	0
38		Deferred Taxes	1.1	(594,534,243)	(26,537,890)	(9,097,468)	(316,349)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 128,149,179	\$ 39,403,128	\$ 1,365,367

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Large-2 General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
Direct							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 605	\$ 262	\$ 8
2	302.00	Franchises & Consents	1.1	1,167,977	16,570	7,183	211
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 17,175	\$ 7,445	\$ 219
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 84,478	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	3,631,359	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 3,715,836	\$ 0	\$ 0
		Allocation Percentage		100%	5%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 17,064	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	98,101	0	0
15	375.00	Structures	1.0	457,330	19,237	0	0
16	376.00	Mains - Demand	1.0	953,764,290	40,119,153	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	382,732	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	1,382,954	13,193	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	3,140,415	0
21	381.00	Meters	6.0	305,766,590	0	14,510,693	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	530,939
23	387.00	Other Equipment	1.0	(92,997)	(3,912)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 41,632,597	\$ 18,047,034	\$ 530,939
25		Allocation Percentage	Net Dist Plant	100.00%	1.42%	0.61%	0.02%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 2,017,360	\$ 874,492	\$ 25,727
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 47,382,969	\$ 18,928,971	\$ 556,886
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 577,970	\$ 250,541	\$ 7,371
29	389-398	Total Common General Plant	1.1	54,885,400	778,650	337,532	9,930
30		Total Systems Allocable		\$ 95,625,305	\$ 1,356,621	\$ 588,072	\$ 17,301
31		Total Net Plant		\$ 3,251,600,867	\$ 48,739,589	\$ 19,517,043	\$ 574,187
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (80,534)	\$ (163,799)	\$ (10,424)
33		Materials & Supplies	1.1	36,813,908	522,273	226,397	6,661
34		Prepayments	1.1	7,721,011	109,537	47,482	1,397
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(10,995)	0
37		Customer Advances	9.0	(41,613,406)	0	(12,412)	0
38		Deferred Taxes	1.1	(594,534,243)	(8,434,562)	(3,656,241)	(107,566)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 40,856,304	\$ 15,947,475	\$ 464,255

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Transportation Eligible General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
<b>Direct</b>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 1,703	\$ 104	\$ 25
2	302.00	Franchises & Consents	1.1	1,167,977	46,633	2,848	686
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 48,336	\$ 2,952	\$ 711
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 263,700	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	11,335,396	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 11,599,096	\$ 0	\$ 0
		Allocation Percentage		100%	15%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 48,024	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	276,090	0	0
15	375.00	Structures	1.0	457,330	54,140	0	0
16	376.00	Mains - Demand	1.0	953,764,290	112,908,833	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	177,865	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	3,892,098	6,131	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	807,741	0
21	381.00	Meters	6.0	305,766,590	0	6,163,669	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	1,724,171
23	387.00	Other Equipment	1.0	(92,997)	(11,009)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 117,168,175	\$ 7,155,405	\$ 1,724,171
25		Allocation Percentage	Net Dist Plant	100.00%	3.99%	0.24%	0.06%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 5,677,531	\$ 346,724	\$ 83,547
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 134,493,139	\$ 7,505,081	\$ 1,808,430
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 1,626,604	\$ 99,336	\$ 23,936
29	389-398	Total Common General Plant	1.1	54,885,400	2,191,385	133,827	32,247
30		Total Systems Allocable		\$ 95,625,305	\$ 3,817,989	\$ 233,163	\$ 56,183
31		Total Net Plant		\$ 3,251,600,867	\$ 138,311,128	\$ 7,738,244	\$ 1,864,613
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (228,257)	\$ (81,690)	\$ (33,850)
33		Materials & Supplies	1.1	36,813,908	1,469,852	89,763	21,629
34		Prepayments	1.1	7,721,011	308,273	18,826	4,536
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	0	0
37		Customer Advances	9.0	(41,613,406)	0	0	0
38		Deferred Taxes	1.1	(594,534,243)	(23,737,702)	(1,449,650)	(349,309)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 116,123,294	\$ 6,315,493	\$ 1,507,619

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Air Conditioning		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
<u>Direct</u>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 2	\$ 0	\$ 0
2	302.00	Franchises & Consents	1.1	1,167,977	52	11	1
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 54	\$ 12	\$ 1
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 496	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	21,300	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 21,796	\$ 0	\$ 0
		Allocation Percentage		100%	0%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 54	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	309	0	0
15	375.00	Structures	1.0	457,330	61	0	0
16	376.00	Mains - Demand	1.0	953,764,290	126,186	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	16,730	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	4,350	577	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	7,335	0
21	381.00	Meters	6.0	305,766,590	0	3,342	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	3,264
23	387.00	Other Equipment	1.0	(92,997)	(12)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 130,946	\$ 27,984	\$ 3,264
25		Allocation Percentage	Net Dist Plant	100.00%	0.00%	0.00%	0.00%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 6,345	\$ 1,356	\$ 158
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 159,141	\$ 29,351	\$ 3,424
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 1,818	\$ 388	\$ 45
29	389-398	Total Common General Plant	1.1	54,885,400	2,449	523	61
30		Total Systems Allocable		\$ 95,625,305	\$ 4,267	\$ 912	\$ 106
31		Total Net Plant		\$ 3,251,600,867	\$ 163,408	\$ 30,263	\$ 3,530
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (268)	\$ (237)	\$ (64)
33		Materials & Supplies	1.1	36,813,908	1,643	351	41
34		Prepayments	1.1	7,721,011	345	74	9
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	0	0
37		Customer Advances	9.0	(41,613,406)	0	0	0
38		Deferred Taxes	1.1	(594,534,243)	(26,529)	(5,669)	(661)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 138,599	\$ 24,781	\$ 2,854



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Street Lighting		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
<u>Direct</u>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 0	\$ 1	\$ 0
2	302.00	Franchises & Consents	1.1	1,167,977	4	31	0
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 4	\$ 32	\$ 0
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 24	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	1,013	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 1,036	\$ 0	\$ 0
		Allocation Percentage		100%	0%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 4	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	21	0	0
15	375.00	Structures	1.0	457,330	4	0	0
16	376.00	Mains - Demand	1.0	953,764,290	8,595	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	52,831	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	296	1,821	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	23,594	0
21	381.00	Meters	6.0	305,766,590	0	0	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	159
23	387.00	Other Equipment	1.0	(92,997)	(1)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 8,919	\$ 78,247	\$ 159
25		Allocation Percentage	Net Dist Plant	100.00%	0.00%	0.00%	0.00%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 432	\$ 3,792	\$ 8
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 10,391	\$ 82,070	\$ 166
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 124	\$ 1,086	\$ 2
29	389-398	Total Common General Plant	1.1	54,885,400	167	1,463	3
30		Total Systems Allocable		\$ 95,625,305	\$ 291	\$ 2,550	\$ 5
31		Total Net Plant		\$ 3,251,600,867	\$ 10,682	\$ 84,620	\$ 172
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (18)	\$ (255)	\$ (3)
33		Materials & Supplies	1.1	36,813,908	112	982	2
34		Prepayments	1.1	7,721,011	23	206	0
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(594)	0
37		Customer Advances	9.0	(41,613,406)	0	(671)	0
38		Deferred Taxes	1.1	(594,534,243)	(1,807)	(15,852)	(32)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 8,993	\$ 68,435	\$ 139

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Compression on Customer's Premises		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
Direct							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 114	\$ 37	\$ 2
2	302.00	Franchises & Consents	1.1	1,167,977	3,122	1,025	58
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 3,236	\$ 1,062	\$ 60
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 21,594	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	928,251	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 949,846	\$ 0	\$ 0
		Allocation Percentage		100%	1%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 3,215	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	18,485	0	0
15	375.00	Structures	1.0	457,330	3,625	0	0
16	376.00	Mains - Demand	1.0	953,764,290	7,559,594	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	67,800	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	260,588	2,337	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	1,289,274	0
21	381.00	Meters	6.0	305,766,590	0	1,215,912	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	144,804
23	387.00	Other Equipment	1.0	(92,997)	(737)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 7,844,770	\$ 2,575,323	\$ 144,804
25		Allocation Percentage	Net Dist Plant	100.00%	0.27%	0.09%	0.00%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 380,128	\$ 124,791	\$ 7,017
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 9,177,980	\$ 2,701,176	\$ 151,880
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 108,906	\$ 35,752	\$ 2,010
29	389-398	Total Common General Plant	1.1	54,885,400	146,720	48,166	2,708
30		Total Systems Allocable		\$ 95,625,305	\$ 255,626	\$ 83,918	\$ 4,719
31		Total Net Plant		\$ 3,251,600,867	\$ 9,433,606	\$ 2,785,095	\$ 156,599
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (15,527)	\$ (16,671)	\$ (2,843)
33		Materials & Supplies	1.1	36,813,908	98,411	32,307	1,817
34		Prepayments	1.1	7,721,011	20,640	6,776	381
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(1,189)	0
37		Customer Advances	9.0	(41,613,406)	0	(1,342)	0
38		Deferred Taxes	1.1	(594,534,243)	(1,589,312)	(521,748)	(29,337)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 7,947,818	\$ 2,283,228	\$ 126,617

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Electric Generation		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
<u>Direct</u>							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 151	\$ 5	\$ 3
2	302.00	Franchises & Consents	1.1	1,167,977	4,147	146	82
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 4,299	\$ 152	\$ 85
5		Allocation Percentage	Intang. Plant	100%	0.36%	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 26,315	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	1,131,155	0	0
8	363.10	Liquification Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 1,157,469	\$ 0	\$ 0
		Allocation Percentage		100%	1%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 4,271	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	24,555	0	0
15	375.00	Structures	1.0	457,330	4,815	0	0
16	376.00	Mains - Demand	1.0	953,764,290	10,041,829	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	22,013	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	346,153	759	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	14,104	0
21	381.00	Meters	6.0	305,766,590	0	330,836	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	205,769
23	387.00	Other Equipment	1.0	(92,997)	(979)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 10,420,644	\$ 367,712	\$ 205,769
25		Allocation Percentage	Net Dist Plant	100.00%	0.36%	0.01%	0.01%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 504,945	\$ 17,818	\$ 9,971
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 12,087,358	\$ 385,682	\$ 215,824
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 144,666	\$ 5,105	\$ 2,857
29	389-398	Total Common General Plant	1.1	54,885,400	194,896	6,877	3,848
30		Total Systems Allocable		\$ 95,625,305	\$ 339,562	\$ 11,982	\$ 6,705
31		Total Net Plant		\$ 3,251,600,867	\$ 12,426,920	\$ 397,664	\$ 222,529
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (20,478)	\$ (4,305)	\$ (4,040)
33		Materials & Supplies	1.1	36,813,908	130,725	4,613	2,581
34		Prepayments	1.1	7,721,011	27,417	967	541
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(297)	0
37		Customer Advances	9.0	(41,613,406)	0	(335)	0
38		Deferred Taxes	1.1	(594,534,243)	(2,111,172)	(74,497)	(41,688)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 10,453,413	\$ 323,810	\$ 179,925

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Small Essential Agricultural User		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
Direct							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 56	\$ 4	\$ 1
2	302.00	Franchises & Consents	1.1	1,167,977	1,532	112	24
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 1,588	\$ 116	\$ 25
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 9,850	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	423,391	0	0
8	363.10	Liquification Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 433,241	\$ 0	\$ 0
		Allocation Percentage		100%	1%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 1,578	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	9,071	0	0
15	375.00	Structures	1.0	457,330	1,779	0	0
16	376.00	Mains - Demand	1.0	953,764,290	3,709,732	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	64,131	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	127,879	2,211	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	27,960	0
21	381.00	Meters	6.0	305,766,590	0	186,854	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	61,221
23	387.00	Other Equipment	1.0	(92,997)	(362)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 3,849,677	\$ 281,156	\$ 61,221
25		Allocation Percentage	Net Dist Plant	100.00%	0.13%	0.01%	0.00%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 186,541	\$ 13,624	\$ 2,967
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 4,471,047	\$ 294,895	\$ 64,213
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 53,444	\$ 3,903	\$ 850
29	389-398	Total Common General Plant	1.1	54,885,400	72,000	5,258	1,145
30		Total Systems Allocable		\$ 95,625,305	\$ 125,444	\$ 9,162	\$ 1,995
31		Total Net Plant		\$ 3,251,600,867	\$ 4,596,490	\$ 304,057	\$ 66,208
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (7,573)	\$ (3,049)	\$ (1,202)
33		Materials & Supplies	1.1	36,813,908	48,293	3,527	768
34		Prepayments	1.1	7,721,011	10,129	740	161
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(5,943)	0
37		Customer Advances	9.0	(41,613,406)	0	(6,709)	0
38		Deferred Taxes	1.1	(594,534,243)	(779,926)	(56,961)	(12,403)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 3,867,414	\$ 235,661	\$ 53,532

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**RATE BASE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Natural Gas Engine		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Cost of Service</b>							
Direct							
<u>Intangible Plant</u>							
1	301.00	Organization	1.1	\$ 42,653	\$ 39	\$ 22	\$ 3
2	302.00	Franchises & Consents	1.1	1,167,977	1,076	602	76
3	303.00	Miscellaneous Intangible Plant	1.1	0	0	0	0
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 1,116	\$ 624	\$ 78
5		Allocation Percentage	Intang. Plant	100%	0	0	0
<u>Storage Plant</u>							
6	360.00	Land and Land Rights	2.0	\$ 1,772,673	\$ 24,073	\$ 0	\$ 0
7	361.00	Structures and Improvements	2.0	76,200,000	1,034,821	0	0
8	363.10	Liquifaction Equipment	2.0	0	0	0	0
9	363.20	Vaporizing Equipment	2.0	0	0	0	0
10	363.30	Compressor Equipment	2.0	0	0	0	0
11	363.50	Other Equipment	2.0	0	0	0	0
12		Total Storage Plant		\$ 77,972,673	\$ 1,058,895	\$ 0	\$ 0
		Allocation Percentage		100%	1%	0%	0%
<u>Distribution Plant</u>							
13	374.10	Land & Land Rights	1.0	\$ 405,666	\$ 1,108	\$ 0	\$ 0
14	374.20	Rights of Way	1.0	2,332,188	6,373	0	0
15	375.00	Structures	1.0	457,330	1,250	0	0
16	376.00	Mains - Demand	1.0	953,764,290	2,606,124	0	0
17	376.00	Mains - Customer	5.0	953,764,290	0	334,597	0
18	378.00	Measuring & Regulating Station	2.2	65,754,717	89,836	11,534	0
19	380.00	Services - Demand	1.0	0	0	0	0
20	380.00	Services - Customer	7.0	643,127,744	0	190,694	0
21	381.00	Meters	6.0	305,766,590	0	974,888	0
22	385.00	Industrial Measuring & Regulating Station	3.0	9,313,055	0	0	190,084
23	387.00	Other Equipment	1.0	(92,997)	(254)	0	0
24		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 2,704,437	\$ 1,511,714	\$ 190,084
25		Allocation Percentage	Net Dist Plant	100.00%	0.09%	0.05%	0.01%
26	389-398	<u>Total Direct General Plant</u>	1.1	\$ 142,199,386	\$ 131,047	\$ 73,252	\$ 9,211
27		Total Direct Net Plant		\$ 3,155,975,561	\$ 3,895,494	\$ 1,585,589	\$ 199,374
<u>Common - Systems Allocable</u>							
28	301-303	Total Common Intangible Plant	1.1	\$ 40,739,905	\$ 37,545	\$ 20,987	\$ 2,639
29	389-398	Total Common General Plant	1.1	54,885,400	50,581	28,273	3,555
30		Total Systems Allocable		\$ 95,625,305	\$ 88,126	\$ 49,260	\$ 6,194
31		Total Net Plant		\$ 3,251,600,867	\$ 3,983,619	\$ 1,634,849	\$ 205,568
<u>Other Rate Base Items</u>							
32		Cash Working Capital	11.2	\$ (10,297,032)	\$ (6,383)	\$ (11,511)	\$ (3,732)
33		Materials & Supplies	1.1	36,813,908	33,927	18,964	2,385
34		Prepayments	1.1	7,721,011	7,115	3,977	500
35		Other	1.1	0	0	0	0
36		Customer Deposits	9.0	(36,862,844)	0	(5,349)	0
37		Customer Advances	9.0	(41,613,406)	0	(6,038)	0
38		Deferred Taxes	1.1	(594,534,243)	(547,906)	(306,266)	(38,510)
39		Other	1.1	0	0	0	0
40		Total Allocated Rate Base		\$ 2,612,828,261	\$ 3,470,373	\$ 1,328,627	\$ 166,210

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Single-Family Residential		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 14,426	\$ 40,089	\$ 99
2	360 - 363.50	Storage Plant	2.0	3,619,500	1,899,376	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	17,053,919	47,393,603	117,370
4	389 - 398	General Plant	1.1	12,828,977	2,578,270	7,165,129	17,744
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 21,545,991</u>	<u>\$ 54,598,821</u>	<u>\$ 135,214</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 2,038,373	\$ 5,664,730	\$ 14,029
7		General Plant	1.1	4,536,929	911,797	2,533,926	6,275
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 2,950,171</u>	<u>\$ 8,198,656</u>	<u>\$ 20,304</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 911,797	\$ 2,533,926	\$ 6,275
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 24,496,162</u>	<u>\$ 62,797,478</u>	<u>\$ 155,518</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(2,926,828)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (689,190)</u>	<u>\$ (1,915,289)</u>	<u>\$ (4,743)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 23,806,972</u>	<u>\$ 60,882,189</u>	<u>\$ 150,774</u>
<u>Operation and Maintenance Expense</u>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	591,932
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 591,932</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 771,446	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 911,000	\$ 5,551,461	\$ 75,600
22		Materials & Expenses	5.5	1,448,039	131,808	803,212	10,938
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	225,800
24		Materials & Expenses	3.0	157,480	0	0	68,636
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	1,031,491	2,599,211	0
26		Materials & Expenses	4.4	7,944,286	1,770,131	4,460,481	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	538,264	836,491	0
28		Materials & Expenses	2.2	698,517	208,118	323,426	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	4,366,039	0
30		Materials & Expenses	6.0	3,177,057	0	1,833,294	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	6,164,331	0
32		Materials & Expenses	6.0	1,798,117	0	1,037,588	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	595,507	3,628,907	49,419
34		Materials & Expenses	5.5	6,591,122	599,957	3,656,024	49,788
35	881.00	Rents	5.5	(724,435)	(65,942)	(401,836)	(5,472)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 5,720,334</u>	<u>\$ 34,858,629</u>	<u>\$ 474,709</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 6,491,780</u>	<u>\$ 34,858,629</u>	<u>\$ 1,066,641</u>

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Single-Family Residential		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
	885.00	Maintenance Supervision & Engineering					
1		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 417,483	\$ 1,329,917	\$ 0
2		Materials & Expenses	6.6	264,999	48,985	156,046	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	15,381	0	0
4		Materials & Expenses	1.0	53,126	31,657	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	3,441,096	5,347,645	0
6		Materials & Expenses	2.2	12,648,532	3,768,527	5,856,491	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	549,167	853,434	0
8		Materials & Expenses	2.2	733,457	218,528	339,603	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	4,965,204	0
10		Materials & Expenses	3.3	7,070,213	0	6,034,308	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	1,402,026	0
12		Materials & Expenses	6.0	1,063,225	0	613,525	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	53,112	169,192	0
14		Materials & Expenses	6.6	73,309	13,551	43,168	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 8,557,486	\$ 27,110,560	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 15,049,267	\$ 61,969,188	\$ 1,066,641
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 1,415,138	\$ 0
18		Materials & Expenses	10.1	262,816	0	235,372	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	1,141,810	0
20		Materials & Expenses	11.0	324,290	0	300,304	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	6,533,369	0
22		Materials & Expenses	4.0	12,941,582	0	11,984,357	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	0	0
24		Materials & Expenses - KAM	15.0	2,968	0	0	0
25		Uncollectible Accounts Expense	4.0	1,350,724	0	1,250,818	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	107,518	0
27		Materials & Expenses	10.1	1,641	0	1,469	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 22,970,154	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(20)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	351,326	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 351,307	\$ 0
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	7,018	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 7,018	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 15,049,267	\$ 85,297,667	\$ 1,066,641
44		Allocation Percentage	Total O&M	1	0	1	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Single-Family Residential		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 10,243,055	\$ 58,056,562	\$ 725,993
2		Interest on Customer Deposits	8.0	958,434	0	894,432	0
3		Taxes Other Than Income	1.1	58,155,759	11,687,703	32,480,650	80,438
4		Total Allocated Operating Deductions		\$ 290,748,856	\$ 36,980,025	\$ 176,729,312	\$ 1,873,072
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 9,511,988	\$ 26,434,239	\$ 65,464
6		South Georgia - Federal	1.1	(15,458,159)	(3,106,663)	(8,633,557)	(21,381)
Summary of Allocated Cost of Service							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 659,510,776	\$ 1,719,099,488	\$ 4,257,338
8		Total Common Systems Allocable Net Plant		95,625,305	19,218,049	53,407,816	132,264
9		Cash Working Capital	1.1	(10,297,032)	(1,124,339)	(6,372,635)	(79,689)
10		Materials & Supplies	1.1	36,813,908	7,398,580	20,560,985	50,919
11		Prepayments	1.1	7,721,011	1,551,710	4,312,272	10,679
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(32,667,363)	0
14		Customer Advances	9.0	(41,613,406)	0	(36,877,248)	0
15		Deferred Taxes	1.1	(594,534,243)	(119,484,982)	(332,054,111)	(822,330)
16		Other	1.1	0	0	0	0
17		Total Rate Base		\$ 2,612,828,261	\$ 567,069,794	\$ 1,389,409,204	\$ 3,549,182
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 206,220,445	\$ 128,793,685	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	2,134,079	1,332,826	0
20		Late Charges	12.0	1,615,145	0	1,290,032	0
21		Service Establishment Charges	9.0	7,218,698	0	6,397,114	0
22		Reconnect / Reread Charges	9.0	224,248	0	198,726	0
23		Other Revenue - Labor	Net Op Margin	4,325	1,843	1,151	0
24		Other Revenue - Parts & Material	Net Op Margin	377	161	100	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(9)	(6)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	449,554	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	48,521	30,303	0
28		Total Revenue		\$ 498,633,048	\$ 208,405,039	\$ 138,493,485	\$ 0
<u>Operating Deductions</u>							
29		O & M		\$ (137,825,696)	\$ (15,049,267)	\$ (85,297,667)	\$ (1,066,641)
30		A & G	Total O&M	(93,808,967)	(10,243,055)	(58,056,562)	(725,993)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(23,806,972)	(60,882,189)	(150,774)
32		Interest on Customer Deposits	8.0	(958,434)	0	(894,432)	0
33		Taxes Other Than Income	1.1	(58,155,759)	(11,687,703)	(32,480,650)	(80,438)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 147,618,043	\$ (99,118,015)	\$ (2,023,846)
35		Interest Expense	1.1	(47,329,818)	(9,511,988)	(26,434,239)	(65,464)
36		State Taxable Income		\$ 47,926,899	\$ 138,106,055	\$ (125,552,255)	\$ (2,089,311)
37		State Income Tax	4.90%	\$ 2,348,418	\$ 6,767,197	\$ (6,152,060)	\$ (102,376)
38		Total State Income Tax		\$ 2,348,418	\$ 6,767,197	\$ (6,152,060)	\$ (102,376)
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 147,618,043	\$ (99,118,015)	\$ (2,023,846)
40		Interest Expense	1.1	(47,329,818)	(9,511,988)	(26,434,239)	(65,464)
41		Federal Taxable Income		\$ 47,926,899	\$ 138,106,055	\$ (125,552,255)	\$ (2,089,311)
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 27,581,160	\$ (25,074,041)	\$ (417,256)
43		South Georgia Federal	1.1	(15,458,159)	(3,106,663)	(8,633,557)	(21,381)
44		Total Federal Income Tax		\$ (5,886,678)	\$ 24,474,497	\$ (33,707,598)	\$ (438,637)
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		\$ 98,794,977	\$ 116,376,349	\$ (59,258,357)	\$ (1,482,833)
47		Rate of Return on Rate Base		3.78%	20.52%	-4.27%	-42%
48		Rate of Return by Class Total				2.84%	



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Multi-Family Residential		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 244	\$ 1,736	\$ 2
2	360 - 363.50	Storage Plant	2.0	3,619,500	35,963	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	287,905	2,052,606	2,667
4	389 - 398	General Plant	1.1	12,828,977	43,527	310,320	403
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 367,638</u>	<u>\$ 2,364,663</u>	<u>\$ 3,073</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 34,412	\$ 245,338	\$ 319
7		General Plant	1.1	4,536,929	15,393	109,744	143
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 49,805</u>	<u>\$ 355,082</u>	<u>\$ 461</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 15,393	\$ 109,744	\$ 143
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 417,443</u>	<u>\$ 2,719,745</u>	<u>\$ 3,534</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(151,723)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (11,635)</u>	<u>\$ (82,951)</u>	<u>\$ (108)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 405,808</u>	<u>\$ 2,636,794</u>	<u>\$ 3,427</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	13,453
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,453</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 14,607	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 15,380	\$ 225,501	\$ 1,718
22		Materials & Expenses	5.5	1,448,039	2,225	32,627	249
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	5,132
24		Materials & Expenses	3.0	157,480	0	0	1,560
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	17,414	114,184	0
26		Materials & Expenses	4.4	7,944,286	29,883	195,950	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	9,087	32,636	0
28		Materials & Expenses	2.2	698,517	3,513	12,619	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	170,342	0
30		Materials & Expenses	6.0	3,177,057	0	71,527	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	240,503	0
32		Materials & Expenses	6.0	1,798,117	0	40,482	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	10,053	147,407	1,123
34		Materials & Expenses	5.5	6,591,122	10,129	148,508	1,132
35	881.00	Rents	5.5	(724,435)	(1,113)	(16,323)	(124)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 96,571</u>	<u>\$ 1,415,961</u>	<u>\$ 10,789</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 111,178</u>	<u>\$ 1,415,961</u>	<u>\$ 24,242</u>

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Multi-Family Residential		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
1	885.00	Maintenance Supervision & Engineering					
		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 7,048	\$ 59,269	\$ 0
2		Materials & Expenses	6.6	264,999	827	6,954	0
3	886.00	Maintenance of Structures & Improvement					
		Labor & Labor Loading	1.0	25,812	260	0	0
4		Materials & Expenses	1.0	53,126	534	0	0
5	887.00	Maintenance of Mains					
		Labor & Labor Loading	2.2	11,549,554	58,093	208,640	0
6		Materials & Expenses	2.2	12,648,532	63,621	228,493	0
7	889.00	Maintenance of Measuring & Reg. Station Equip.					
		Labor & Labor Loading	2.2	1,843,201	9,271	33,297	0
8		Materials & Expenses	2.2	733,457	3,689	13,250	0
9	892.00	Maintenance of Services					
		Labor & Labor Loading	3.3	5,817,577	0	257,389	0
10		Materials & Expenses	3.3	7,070,213	0	312,810	0
11	893.00	Maintenance of Meter & House Regulators					
		Labor & Labor Loading	6.0	2,429,679	0	54,700	0
12		Materials & Expenses	6.0	1,063,225	0	23,937	0
13	894.00	Maintenance of Other Equipment					
		Labor & Labor Loading	6.6	287,324	897	7,540	0
14		Materials & Expenses	6.6	73,309	229	1,924	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 144,468	\$ 1,208,202	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 255,646	\$ 2,624,164	\$ 24,242
		<u>Customer Accounts Expenses</u>					
17	901.00	Supervision Expenses					
		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 55,212	\$ 0
18		Materials & Expenses	10.1	262,816	0	9,183	0
19	902.00	Meter Reading Expenses					
		Labor & Labor Loading	11.0	1,233,010	0	44,548	0
20		Materials & Expenses	11.0	324,290	0	11,716	0
21	903.00	Customer Records & Collections Expenses					
		Labor & Labor Loading	4.0	7,055,208	0	254,901	0
22		Materials & Expenses	4.0	12,941,582	0	467,573	0
23	903.00	Customer Records & Collections - KAM					
		Labor & Labor Loading - KAM	15.0	776,052	0	0	0
24		Materials & Expenses - KAM	15.0	2,968	0	0	0
25	904.00	Uncollectible Accounts Expense	4.0	1,350,724	0	48,801	0
26	905.00	Miscellaneous Customer Accounts Expenses					
		Labor & Labor Loading	10.1	120,054	0	4,195	0
27		Materials & Expenses	10.1	1,641	0	57	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 896,187	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
29	908.00	Customer Assistance Expense					
		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(1)	0
31	909.00	Info. & Instructional Advertising Expense					
		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
33	910.00	Misc. Customer Service & Informational Expenses					
		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	13,707	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 13,706	\$ 0
		<u>Sales Expense</u>					
36	911.00	Supervision					
		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
38	912.00	Demonstrating & Selling Expense					
		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
40	913.00	Advertising Expenses					
		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	274	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 274	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 255,646	\$ 3,534,331	\$ 24,242
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Multi-Family Residential		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 174,001	\$ 2,405,589	\$ 16,500
2		Interest on Customer Deposits	8.0	958,434	0	34,897	0
3		Taxes Other Than Income	1.1	58,155,759	197,313	1,406,730	1,828
4		Total Allocated Operating Deductions		<u>\$ 290,748,856</u>	<u>\$ 626,960</u>	<u>\$ 7,381,546</u>	<u>\$ 42,570</u>
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 160,582	\$ 1,144,861	\$ 1,488
6		South Georgia - Federal	1.1	(15,458,159)	(52,447)	(373,917)	(486)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 11,217,865	\$ 74,453,811	\$ 96,757
8		Total Common Systems Allocable Net Plant		95,625,305	324,440	2,313,080	3,006
9		Cash Working Capital	1.1	(10,297,032)	(19,099)	(264,052)	(1,811)
10		Materials & Supplies	1.1	36,813,908	124,903	890,492	1,157
11		Prepayments	1.1	7,721,011	26,196	186,764	243
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(3,007,397)	0
14		Customer Advances	9.0	(41,613,406)	0	(3,394,964)	0
15		Deferred Taxes	1.1	(594,534,243)	(2,017,154)	(14,381,189)	(18,689)
16		Other	1.1	0	0	0	0
17		Total Rate Base		<u>\$ 2,612,828,261</u>	<u>\$ 9,657,151</u>	<u>\$ 56,796,545</u>	<u>\$ 80,663</u>
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 4,863,769	\$ 4,555,305	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	50,333	47,141	0
20		Late Charges	12.0	1,615,145	0	85,387	0
21		Service Establishment Charges	9.0	7,218,698	0	588,926	0
22		Reconnect / Reread Charges	9.0	224,248	0	18,295	0
23		Other Revenue - Labor	Net Op Margin	4,325	43	41	0
24		Other Revenue - Parts & Material	Net Op Margin	377	4	4	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	36,400	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	1,144	1,072	0
28		Total Revenue		<u>\$ 498,633,048</u>	<u>\$ 4,915,293</u>	<u>\$ 5,332,570</u>	<u>\$ 0</u>
<u>Operating Deductions</u>							
29		O & M		\$ (137,825,696)	\$ (255,646)	\$ (3,534,331)	\$ (24,242)
30		A & G	Total O&M	(93,808,967)	(174,001)	(2,405,589)	(16,500)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(405,808)	(2,636,794)	(3,427)
32		Interest on Customer Deposits	8.0	(958,434)	0	(34,897)	0
33		Taxes Other Than Income	1.1	(58,155,759)	(197,313)	(1,406,730)	(1,828)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 3,882,525	\$ (4,685,770)	\$ (45,996)
35		Interest Expense	1.1	(47,329,818)	(160,582)	(1,144,861)	(1,488)
36		State Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 3,721,943</u>	<u>\$ (5,830,631)</u>	<u>\$ (47,484)</u>
37		State Income Tax	4.90%	\$ 2,348,418	\$ 182,375	\$ (285,701)	\$ (2,327)
38		Total State Income Tax		<u>\$ 2,348,418</u>	<u>\$ 182,375</u>	<u>\$ (285,701)</u>	<u>\$ (2,327)</u>
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 3,882,525	\$ (4,685,770)	\$ (45,996)
40		Interest Expense	1.1	(47,329,818)	(160,582)	(1,144,861)	(1,488)
41		Federal Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 3,721,943</u>	<u>\$ (5,830,631)</u>	<u>\$ (47,484)</u>
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 743,309	\$ (1,164,435)	\$ (9,483)
43		South Georgia Federal	1.1	(15,458,159)	(52,447)	(373,917)	(486)
44		Total Federal Income Tax		<u>\$ (5,886,678)</u>	<u>\$ 690,862</u>	<u>\$ (1,538,353)</u>	<u>\$ (9,969)</u>
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		<u>\$ 98,794,977</u>	<u>\$ 3,009,288</u>	<u>\$ (2,861,717)</u>	<u>\$ (33,701)</u>
47		Rate of Return on Rate Base		<u>3.78%</u>	<u>31.16%</u>	<u>-5.04%</u>	<u>-41.78%</u>
48		Rate of Return by Class Total				<u>0.17%</u>	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Master-Metered Mobile Home Park		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 64	\$ 7	\$ 0
2	360 - 363.50	Storage Plant	2.0	3,619,500	8,422	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	75,835	8,036	576
4	389 - 398	General Plant	1.1	12,828,977	11,465	1,215	87
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 95,786</u>	<u>\$ 9,257</u>	<u>\$ 664</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 9,064	\$ 960	\$ 69
7		General Plant	1.1	4,536,929	4,055	430	31
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 13,119</u>	<u>\$ 1,390</u>	<u>\$ 100</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 4,055	\$ 430	\$ 31
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 108,905</u>	<u>\$ 10,647</u>	<u>\$ 764</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(221)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (3,065)</u>	<u>\$ (325)</u>	<u>\$ (23)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 105,840</u>	<u>\$ 10,323</u>	<u>\$ 741</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	2,907
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,907</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 3,421	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 4,051	\$ 2,963	\$ 371
22		Materials & Expenses	5.5	1,448,039	586	429	54
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	1,109
24		Materials & Expenses	3.0	157,480	0	0	337
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	4,587	241	0
26		Materials & Expenses	4.4	7,944,286	7,871	414	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	2,394	87	0
28		Materials & Expenses	2.2	698,517	925	34	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	3,506	0
30		Materials & Expenses	6.0	3,177,057	0	1,472	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	4,950	0
32		Materials & Expenses	6.0	1,798,117	0	833	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	2,648	1,937	243
34		Materials & Expenses	5.5	6,591,122	2,668	1,951	245
35	881.00	Rents	5.5	(724,435)	(293)	(214)	(27)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 25,437</u>	<u>\$ 18,602</u>	<u>\$ 2,332</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 28,858</u>	<u>\$ 18,602</u>	<u>\$ 5,239</u>

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Master-Metered Mobile Home Park		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
	885.00	Maintenance Supervision & Engineering					
1		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 1,856	\$ 195	\$ 0
2		Materials & Expenses	6.6	264,999	218	23	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	68	0	0
4		Materials & Expenses	1.0	53,126	141	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	15,302	554	0
6		Materials & Expenses	2.2	12,648,532	16,758	607	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	2,442	88	0
8		Materials & Expenses	2.2	733,457	972	35	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	375	0
10		Materials & Expenses	3.3	7,070,213	0	456	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	1,126	0
12		Materials & Expenses	6.0	1,063,225	0	493	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	236	25	0
14		Materials & Expenses	6.6	73,309	60	6	0
15		Total Distribution-Maintenance		<u>\$ 46,118,494</u>	<u>\$ 38,053</u>	<u>\$ 3,985</u>	<u>\$ 0</u>
16		Total Distribution O & M		<u>\$ 111,790,263</u>	<u>\$ 66,911</u>	<u>\$ 22,587</u>	<u>\$ 5,239</u>
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 147	\$ 0
18		Materials & Expenses	10.1	262,816	0	24	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	118	0
20		Materials & Expenses	11.0	324,290	0	31	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	677	0
22		Materials & Expenses	4.0	12,941,582	0	1,243	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	0	0
24		Materials & Expenses - KAM	15.0	2,968	0	0	0
25		Uncollectible Accounts Expense	4.0	1,350,724	0	130	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	11	0
27		Materials & Expenses	10.1	1,641	0	0	0
28		Total Customer Accounts Expenses		<u>\$ 25,648,489</u>	<u>\$ 0</u>	<u>\$ 2,382</u>	<u>\$ 0</u>
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	36	0
35		Total Customer Service & Informational Expenses		<u>\$ 379,366</u>	<u>\$ 0</u>	<u>\$ 36</u>	<u>\$ 0</u>
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	1	0
42		Total Sales Expense		<u>\$ 7,579</u>	<u>\$ 0</u>	<u>\$ 1</u>	<u>\$ 0</u>
43		Total O & M Expense		<u>\$ 137,825,696</u>	<u>\$ 66,911</u>	<u>\$ 25,006</u>	<u>\$ 5,239</u>
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Master-Metered Mobile Home Park		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 45,542	\$ 17,020	\$ 3,566
2		Interest on Customer Deposits	8.0	958,434	0	93	0
3		Taxes Other Than Income	1.1	58,155,759	51,973	5,507	395
4		Total Allocated Operating Deductions		<u>\$ 290,748,856</u>	<u>\$ 164,425</u>	<u>\$ 47,625</u>	<u>\$ 9,200</u>
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 42,298	\$ 4,482	\$ 322
6		South Georgia - Federal	1.1	(15,458,159)	(13,815)	(1,464)	(105)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 2,932,175	\$ 291,475	\$ 20,911
8		Total Common Systems Allocable Net Plant		95,625,305	85,458	9,055	650
9		Cash Working Capital	1.1	(10,297,032)	(4,999)	(1,868)	(391)
10		Materials & Supplies	1.1	36,813,908	32,900	3,486	250
11		Prepayments	1.1	7,721,011	6,900	731	52
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(4,457)	0
14		Customer Advances	9.0	(41,613,406)	0	(5,032)	0
15		Deferred Taxes	1.1	(594,534,243)	(531,323)	(56,300)	(4,039)
16		Other	1.1	0	0	0	0
17		Total Rate Base		<u>\$ 2,612,828,261</u>	<u>\$ 2,521,112</u>	<u>\$ 237,090</u>	<u>\$ 17,433</u>
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 672,479	\$ 82,368	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	6,959	852	0
20		Late Charges	12.0	1,615,145	0	383	0
21		Service Establishment Charges	9.0	7,218,698	0	873	0
22		Reconnect / Reread Charges	9.0	224,248	0	27	0
23		Other Revenue - Labor	Net Op Margin	4,325	6	1	0
24		Other Revenue - Parts & Material	Net Op Margin	377	1	0	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	14	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	158	19	0
28		Total Revenue		<u>\$ 498,633,048</u>	<u>\$ 679,603</u>	<u>\$ 84,537</u>	<u>\$ 0</u>
<u>Operating Deductions</u>							
29		O & M	Total O&M	\$ (137,825,696)	\$ (66,911)	\$ (25,006)	\$ (5,239)
30		A & G	Total O&M	(93,808,967)	(45,542)	(17,020)	(3,566)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(105,840)	(10,323)	(741)
32		Interest on Customer Deposits	8.0	(958,434)	0	(93)	0
33		Taxes Other Than Income	1.1	(58,155,759)	(51,973)	(5,507)	(395)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 409,338	\$ 26,589	\$ (9,941)
35		Interest Expense	1.1	(47,329,818)	(42,298)	(4,482)	(322)
36		State Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 367,040</u>	<u>\$ 22,107</u>	<u>\$ (10,262)</u>
37		State Income Tax	4.90%	\$ 2,348,418	\$ 17,985	\$ 1,083	\$ (503)
38		Total State Income Tax		<u>\$ 2,348,418</u>	<u>\$ 17,985</u>	<u>\$ 1,083</u>	<u>\$ (503)</u>
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 409,338	\$ 26,589	\$ (9,941)
40		Interest Expense	1.1	(47,329,818)	(42,298)	(4,482)	(322)
41		Federal Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 367,040</u>	<u>\$ 22,107</u>	<u>\$ (10,262)</u>
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 73,302	\$ 4,415	\$ (2,049)
43		South Georgia Federal	1.1	(15,458,159)	(13,815)	(1,464)	(105)
44		Total Federal Income Tax		<u>\$ (5,886,678)</u>	<u>\$ 59,487</u>	<u>\$ 2,951</u>	<u>\$ (2,154)</u>
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		<u>\$ 98,794,977</u>	<u>\$ 331,866</u>	<u>\$ 22,555</u>	<u>\$ (7,283)</u>
47		Rate of Return on Rate Base		<u>3.78%</u>	<u>13.16%</u>	<u>9.51%</u>	<u>-41.78%</u>
48		Rate of Return by Class Total				<u>12.51%</u>	

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Small General		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 267	\$ 822	\$ 2
2	360 - 363.50	Storage Plant	2.0	3,619,500	34,021	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	315,746	971,286	1,807
4	389 - 398	General Plant	1.1	12,828,977	47,736	146,842	273
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 397,770</u>	<u>\$ 1,118,950</u>	<u>\$ 2,081</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 37,740	\$ 116,093	\$ 216
7		General Plant	1.1	4,536,929	16,882	51,930	97
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 54,621</u>	<u>\$ 168,024</u>	<u>\$ 313</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 16,882	\$ 51,930	\$ 97
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 452,391</u>	<u>\$ 1,286,974</u>	<u>\$ 2,394</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(76,598)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (12,760)</u>	<u>\$ (39,252)</u>	<u>\$ (73)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 439,631</u>	<u>\$ 1,247,722</u>	<u>\$ 2,321</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	9,112
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,112</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 13,818	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 16,867	\$ 103,833	\$ 1,164
22		Materials & Expenses	5.5	1,448,039	2,440	15,023	168
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	3,476
24		Materials & Expenses	3.0	157,480	0	0	1,056
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	19,098	54,342	0
26		Materials & Expenses	4.4	7,944,286	32,773	93,255	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	9,966	14,752	0
28		Materials & Expenses	2.2	698,517	3,853	5,704	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	76,998	0
30		Materials & Expenses	6.0	3,177,057	0	32,331	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	108,712	0
32		Materials & Expenses	6.0	1,798,117	0	18,298	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	11,026	67,874	761
34		Materials & Expenses	5.5	6,591,122	11,108	68,381	766
35	881.00	Rents	5.5	(724,435)	(1,221)	(7,516)	(84)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 105,910</u>	<u>\$ 651,988</u>	<u>\$ 7,307</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 119,728</u>	<u>\$ 651,988</u>	<u>\$ 16,419</u>

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Small General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
1	885.00	Maintenance Supervision & Engineering					
		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 7,730	\$ 28,367	\$ 0
2		Materials & Expenses	6.6	264,999	907	3,328	0
3	886.00	Maintenance of Structures & Improvement					
		Labor & Labor Loading	1.0	25,812	285	0	0
4		Materials & Expenses	1.0	53,126	586	0	0
5	887.00	Maintenance of Mains					
		Labor & Labor Loading	2.2	11,549,554	63,710	94,309	0
6		Materials & Expenses	2.2	12,648,532	69,773	103,283	0
7	889.00	Maintenance of Measuring & Reg. Station Equip.					
		Labor & Labor Loading	2.2	1,843,201	10,168	15,051	0
8		Materials & Expenses	2.2	733,457	4,046	5,989	0
9	892.00	Maintenance of Services					
		Labor & Labor Loading	3.3	5,817,577	0	129,944	0
10		Materials & Expenses	3.3	7,070,213	0	157,923	0
11	893.00	Maintenance of Meter & House Regulators					
		Labor & Labor Loading	6.0	2,429,679	0	24,726	0
12		Materials & Expenses	6.0	1,063,225	0	10,820	0
13	894.00	Maintenance of Other Equipment					
		Labor & Labor Loading	6.6	287,324	983	3,609	0
14		Materials & Expenses	6.6	73,309	251	921	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 158,438	\$ 578,269	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 278,166	\$ 1,230,257	\$ 16,419
		<u>Customer Accounts Expenses</u>					
17	901.00	Supervision Expenses					
		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 25,667	\$ 0
18		Materials & Expenses	10.1	262,816	0	4,269	0
19	902.00	Meter Reading Expenses					
		Labor & Labor Loading	11.0	1,233,010	0	20,137	0
20		Materials & Expenses	11.0	324,290	0	5,296	0
21	903.00	Customer Records & Collections Expenses					
		Labor & Labor Loading	4.0	7,055,208	0	115,220	0
22		Materials & Expenses	4.0	12,941,582	0	211,351	0
23	903.00	Customer Records & Collections - KAM					
		Labor & Labor Loading - KAM	15.0	776,052	0	10,610	0
24		Materials & Expenses - KAM	15.0	2,968	0	41	0
25	904.00	Uncollectible Accounts Expense	4.0	1,350,724	0	22,059	0
26	905.00	Miscellaneous Customer Accounts Expenses					
		Labor & Labor Loading	10.1	120,054	0	1,950	0
27		Materials & Expenses	10.1	1,641	0	27	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 416,627	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
29	908.00	Customer Assistance Expense					
		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
31	909.00	Info. & Instructional Advertising Expense					
		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
33	910.00	Misc. Customer Service & Informational Expenses					
		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	6,196	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 6,196	\$ 0
		<u>Sales Expense</u>					
36	911.00	Supervision					
		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
38	912.00	Demonstrating & Selling Expense					
		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
40	913.00	Advertising Expenses					
		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	124	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 124	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 278,166	\$ 1,653,202	\$ 16,419
44		Allocation Percentage	Total O&M	1	0	0	0



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Small General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 189,329	\$ 1,125,227	\$ 11,175
2		Interest on Customer Deposits	8.0	958,434	0	15,774	0
3		Taxes Other Than Income	1.1	58,155,759	216,393	665,660	1,238
4		Total Allocated Operating Deductions		<u>\$ 290,748,856</u>	<u>\$ 683,889</u>	<u>\$ 3,459,863</u>	<u>\$ 28,832</u>
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 176,111	\$ 541,744	\$ 1,008
6		South Georgia - Federal	1.1	(15,458,159)	(57,519)	(176,936)	(329)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 12,185,906	\$ 35,231,285	\$ 65,533
8		Total Common Systems Allocable Net Plant		95,625,305	355,814	1,094,542	2,036
9		Cash Working Capital	1.1	(10,297,032)	(20,782)	(123,512)	(1,227)
10		Materials & Supplies	1.1	36,813,908	136,982	421,378	784
11		Prepayments	1.1	7,721,011	28,729	88,376	164
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(521,720)	0
14		Customer Advances	9.0	(41,613,406)	0	(588,954)	0
15		Deferred Taxes	1.1	(594,534,243)	(2,212,216)	(6,805,128)	(12,658)
16		Other	1.1	0	0	0	0
17		Total Rate Base		<u>\$ 2,612,828,261</u>	<u>\$ 10,474,433</u>	<u>\$ 28,796,265</u>	<u>\$ 54,632</u>
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 3,480,428	\$ 5,837,590	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	36,017	60,410	0
20		Late Charges	12.0	1,615,145	0	17,255	0
21		Service Establishment Charges	9.0	7,218,698	0	102,166	0
22		Reconnect / Reread Charges	9.0	224,248	0	3,174	0
23		Other Revenue - Labor	Net Op Margin	4,325	31	52	0
24		Other Revenue - Parts & Material	Net Op Margin	377	3	5	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	3,178	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	819	1,374	0
28		Total Revenue		<u>\$ 498,633,048</u>	<u>\$ 3,517,298</u>	<u>\$ 6,025,204</u>	<u>\$ 0</u>
<u>Operating Deductions</u>							
29		O & M	Total O&M	\$ (137,825,696)	\$ (278,166)	\$ (1,653,202)	\$ (16,419)
30		A & G	Total O&M	(93,808,967)	(189,329)	(1,125,227)	(11,175)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(439,631)	(1,247,722)	(2,321)
32		Interest on Customer Deposits	8.0	(958,434)	0	(15,774)	0
33		Taxes Other Than Income	1.1	(58,155,759)	(216,393)	(665,660)	(1,238)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 2,393,778	\$ 1,317,619	\$ (31,153)
35		Interest Expense	1.1	(47,329,818)	(176,111)	(541,744)	(1,008)
36		State Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 2,217,667</u>	<u>\$ 775,875</u>	<u>\$ (32,160)</u>
37		State Income Tax	4.90%	\$ 2,348,418	\$ 108,666	\$ 38,018	\$ (1,576)
38		Total State Income Tax		<u>\$ 2,348,418</u>	<u>\$ 108,666</u>	<u>\$ 38,018</u>	<u>\$ (1,576)</u>
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 2,393,778	\$ 1,317,619	\$ (31,153)
40		Interest Expense	1.1	(47,329,818)	(176,111)	(541,744)	(1,008)
41		Federal Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 2,217,667</u>	<u>\$ 775,875</u>	<u>\$ (32,160)</u>
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 442,890	\$ 154,950	\$ (6,423)
43		South Georgia Federal	1.1	(15,458,159)	(57,519)	(176,936)	(329)
44		Total Federal Income Tax		<u>\$ (5,886,678)</u>	<u>\$ 385,372</u>	<u>\$ (21,986)</u>	<u>\$ (6,752)</u>
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		<u>\$ 98,794,977</u>	<u>\$ 1,899,741</u>	<u>\$ 1,301,588</u>	<u>\$ (22,825)</u>
47		Rate of Return on Rate Base		<u>3.78%</u>	<u>18.14%</u>	<u>4.52%</u>	<u>-41.78%</u>
48		Rate of Return by Class Total				<u>8.08%</u>	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Medium General		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 1,510	\$ 2,855	\$ 16
2	360 - 363.50	Storage Plant	2.0	3,619,500	238,449	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	1,784,793	3,375,401	19,013
4	389 - 398	General Plant	1.1	12,828,977	269,831	510,305	2,874
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 2,294,582</u>	<u>\$ 3,888,561</u>	<u>\$ 21,903</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 213,328	\$ 403,446	\$ 2,272
7		General Plant	1.1	4,536,929	95,425	180,468	1,017
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 308,753</u>	<u>\$ 583,913</u>	<u>\$ 3,289</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 95,425	\$ 180,468	\$ 1,017
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 2,603,335</u>	<u>\$ 4,472,474</u>	<u>\$ 25,192</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(214,350)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (72,128)</u>	<u>\$ (136,408)</u>	<u>\$ (768)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 2,531,207</u>	<u>\$ 4,336,066</u>	<u>\$ 24,424</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	95,887
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 95,887</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 96,848	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 95,342	\$ 1,300,632	\$ 12,246
22		Materials & Expenses	5.5	1,448,039	13,794	188,182	1,772
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	36,577
24		Materials & Expenses	3.0	157,480	0	0	11,118
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	107,952	96,686	0
26		Materials & Expenses	4.4	7,944,286	185,255	165,921	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	56,332	12,381	0
28		Materials & Expenses	2.2	698,517	21,781	4,787	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	1,559,149	0
30		Materials & Expenses	6.0	3,177,057	0	654,685	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	2,201,335	0
32		Materials & Expenses	6.0	1,798,117	0	370,532	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	62,323	850,204	8,005
34		Materials & Expenses	5.5	6,591,122	62,789	856,557	8,065
35	881.00	Rents	5.5	(724,435)	(6,901)	(94,145)	(886)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 598,667</u>	<u>\$ 8,166,905</u>	<u>\$ 76,898</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 695,514</u>	<u>\$ 8,166,905</u>	<u>\$ 172,784</u>

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Medium General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Maintenance Expenses</u>							
1	885.00	Maintenance Supervision & Engineering					
		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 43,692	\$ 89,429	\$ 0
2		Materials & Expenses	6.6	264,999	5,127	10,493	0
3	886.00	Maintenance of Structures & Improvement					
		Labor & Labor Loading	1.0	25,812	1,610	0	0
4		Materials & Expenses	1.0	53,126	3,313	0	0
5	887.00	Maintenance of Mains					
		Labor & Labor Loading	2.2	11,549,554	360,131	79,152	0
6		Materials & Expenses	2.2	12,648,532	394,398	86,683	0
7	889.00	Maintenance of Measuring & Reg. Station Equip.					
		Labor & Labor Loading	2.2	1,843,201	57,474	12,632	0
8		Materials & Expenses	2.2	733,457	22,870	5,027	0
9	892.00	Maintenance of Services					
		Labor & Labor Loading	3.3	5,817,577	0	363,633	0
10		Materials & Expenses	3.3	7,070,213	0	441,930	0
11	893.00	Maintenance of Meter & House Regulators					
		Labor & Labor Loading	6.0	2,429,679	0	500,675	0
12		Materials & Expenses	6.0	1,063,225	0	219,095	0
13	894.00	Maintenance of Other Equipment					
		Labor & Labor Loading	6.6	287,324	5,558	11,377	0
14		Materials & Expenses	6.6	73,309	1,418	2,903	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 895,591	\$ 1,823,028	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 1,591,106	\$ 9,989,933	\$ 172,784
<u>Customer Accounts Expenses</u>							
17	901.00	Supervision Expenses					
		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 30,386	\$ 0
18		Materials & Expenses	10.1	262,816	0	5,054	0
19	902.00	Meter Reading Expenses					
		Labor & Labor Loading	11.0	1,233,010	0	16,900	0
20		Materials & Expenses	11.0	324,290	0	4,445	0
21	903.00	Customer Records & Collections Expenses					
		Labor & Labor Loading	4.0	7,055,208	0	96,702	0
22		Materials & Expenses	4.0	12,941,582	0	177,383	0
23	903.00	Customer Records & Collections - KAM					
		Labor & Labor Loading - KAM	15.0	776,052	0	140,963	0
24		Materials & Expenses - KAM	15.0	2,968	0	539	0
25	904.00	Uncollectible Accounts Expense					
		Uncollectible Accounts Expense	4.0	1,350,724	0	18,514	0
26	905.00	Miscellaneous Customer Accounts Expenses					
		Labor & Labor Loading	10.1	120,054	0	2,309	0
27		Materials & Expenses	10.1	1,641	0	32	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 493,226	\$ 0
<u>Customer Service &amp; Informational Expenses</u>							
29	908.00	Customer Assistance Expense					
		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
31	909.00	Info. & Instructional Advertising Expense					
		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
33	910.00	Misc. Customer Service & Informational Expenses					
		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	5,200	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 5,200	\$ 0
<u>Sales Expense</u>							
36	911.00	Supervision					
		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
38	912.00	Demonstrating & Selling Expense					
		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
40	913.00	Advertising Expenses					
		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	104	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 104	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 1,591,106	\$ 10,488,462	\$ 172,784
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Medium General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 1,082,962	\$ 7,138,813	\$ 117,603
2		Interest on Customer Deposits	8.0	958,434	0	13,239	0
3		Taxes Other Than Income	1.1	58,155,759	1,223,187	2,313,292	13,030
4		Total Allocated Operating Deductions		\$ 290,748,856	\$ 3,897,254	\$ 19,953,805	\$ 303,418
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 995,485	\$ 1,882,663	\$ 10,605
6		South Georgia - Federal	1.1	(15,458,159)	(325,131)	(614,887)	(3,463)
Summary of Allocated Cost of Service							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 69,876,216	\$ 122,435,308	\$ 689,643
8		Total Common Systems Allocable Net Plant		95,625,305	2,011,282	3,803,737	21,425
9		Cash Working Capital	1.1	(10,297,032)	(118,872)	(783,599)	(12,909)
10		Materials & Supplies	1.1	36,813,908	774,305	1,464,366	8,248
11		Prepayments	1.1	7,721,011	162,396	307,123	1,730
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(470,236)	0
14		Customer Advances	9.0	(41,613,406)	0	(530,836)	0
15		Deferred Taxes	1.1	(594,534,243)	(12,504,806)	(23,649,095)	(133,209)
16		Other	1.1	0	0	0	0
17		Total Rate Base		\$ 2,612,828,261	\$ 60,200,520	\$ 102,576,767	\$ 574,929
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 18,745,450	\$ 7,749,917	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	193,988	80,200	0
20		Late Charges	12.0	1,615,145	0	65,382	0
21		Service Establishment Charges	9.0	7,218,698	0	92,084	0
22		Reconnect / Reread Charges	9.0	224,248	0	2,861	0
23		Other Revenue - Labor	Net Op Margin	4,325	168	69	0
24		Other Revenue - Parts & Material	Net Op Margin	377	15	6	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(1)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	5,460	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	4,411	1,823	0
28		Total Revenue		\$ 498,633,048	\$ 18,944,030	\$ 7,997,803	\$ 0
<u>Operating Deductions</u>							
29		O & M		\$ (137,825,696)	\$ (1,591,106)	\$ (10,488,462)	\$ (172,784)
30		A & G	Total O&M	(93,808,967)	(1,082,962)	(7,138,813)	(117,603)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(2,531,207)	(4,336,066)	(24,424)
32		Interest on Customer Deposits	8.0	(958,434)	0	(13,239)	0
33		Taxes Other Than Income	1.1	(58,155,759)	(1,223,187)	(2,313,292)	(13,030)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 12,515,568	\$ (16,292,068)	\$ (327,841)
35		Interest Expense	1.1	(47,329,818)	(995,485)	(1,882,663)	(10,605)
36		State Taxable Income		\$ 47,926,899	\$ 11,520,083	\$ (18,174,731)	\$ (338,446)
37		State Income Tax	4.90%	\$ 2,348,418	\$ 564,484	\$ (890,562)	\$ (16,584)
38		Total State Income Tax		\$ 2,348,418	\$ 564,484	\$ (890,562)	\$ (16,584)
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 12,515,568	\$ (16,292,068)	\$ (327,841)
40		Interest Expense	1.1	(47,329,818)	(995,485)	(1,882,663)	(10,605)
41		Federal Taxable Income		\$ 47,926,899	\$ 11,520,083	\$ (18,174,731)	\$ (338,446)
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 2,300,676	\$ (3,629,676)	\$ (67,591)
43		South Georgia Federal	1.1	(15,458,159)	(325,131)	(614,887)	(3,463)
44		Total Federal Income Tax		\$ (5,886,678)	\$ 1,975,545	\$ (4,244,563)	\$ (71,055)
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		\$ 98,794,977	\$ 9,975,539	\$ (11,156,944)	\$ (240,203)
47		Rate of Return on Rate Base		3.78%	16.57%	-10.88%	-41.78%
48		Rate of Return by Class Total				-0.87%	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Large-1 General		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 3,204	\$ 1,098	\$ 38
2	360 - 363.50	Storage Plant	2.0	3,619,500	524,202	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	3,787,715	1,298,468	45,152
4	389 - 398	General Plant	1.1	12,828,977	572,640	196,307	6,826
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 4,887,760</u>	<u>\$ 1,495,874</u>	<u>\$ 52,017</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 452,727	\$ 155,200	\$ 5,397
7		General Plant	1.1	4,536,929	202,512	69,423	2,414
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 655,240</u>	<u>\$ 224,623</u>	<u>\$ 7,811</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 202,512	\$ 69,423	\$ 2,414
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 5,543,000</u>	<u>\$ 1,720,497</u>	<u>\$ 59,827</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(30,223)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (153,071)</u>	<u>\$ (52,474)</u>	<u>\$ (1,825)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 5,389,929</u>	<u>\$ 1,668,023</u>	<u>\$ 58,003</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	227,716
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 227,716</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 212,909	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 202,335	\$ 656,728	\$ 29,083
22		Materials & Expenses	5.5	1,448,039	29,275	95,019	4,208
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	86,865
24		Materials & Expenses	3.0	157,480	0	0	26,404
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	229,097	21,589	0
26		Materials & Expenses	4.4	7,944,286	393,150	37,048	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	119,550	5,898	0
28		Materials & Expenses	2.2	698,517	46,223	2,280	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	811,517	0
30		Materials & Expenses	6.0	3,177,057	0	340,755	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	1,145,766	0
32		Materials & Expenses	6.0	1,798,117	0	192,857	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	132,263	429,293	19,011
34		Materials & Expenses	5.5	6,591,122	133,252	432,501	19,153
35	881.00	Rents	5.5	(724,435)	(14,646)	(47,537)	(2,105)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 1,270,499</u>	<u>\$ 4,123,715</u>	<u>\$ 182,620</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 1,483,408</u>	<u>\$ 4,123,715</u>	<u>\$ 410,336</u>

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Large-1 General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
1	885.00	Maintenance Supervision & Engineering					
		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 92,724	\$ 30,124	\$ 0
2		Materials & Expenses	6.6	264,999	10,880	3,535	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	3,416	0	0
4		Materials & Expenses	1.0	53,126	7,031	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	764,275	37,703	0
6		Materials & Expenses	2.2	12,648,532	836,999	41,291	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	121,971	6,017	0
8		Materials & Expenses	2.2	733,457	48,535	2,394	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	51,271	0
10		Materials & Expenses	3.3	7,070,213	0	62,310	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	260,595	0
12		Materials & Expenses	6.0	1,063,225	0	114,036	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	11,796	3,832	0
14		Materials & Expenses	6.6	73,309	3,010	978	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 1,900,637	\$ 614,087	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 3,384,045	\$ 4,737,802	\$ 410,336
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 27,133	\$ 0
18		Materials & Expenses	10.1	262,816	0	4,513	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	8,050	0
20		Materials & Expenses	11.0	324,290	0	2,117	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	46,063	0
22		Materials & Expenses	4.0	12,941,582	0	84,495	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	256,158	0
24		Materials & Expenses - KAM	15.0	2,968	0	980	0
25	904.00	Uncollectible Accounts Expense	4.0	1,350,724	0	8,819	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	2,061	0
27		Materials & Expenses	10.1	1,641	0	28	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 440,418	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	2,477	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 2,477	\$ 0
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	49	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 49	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 3,384,045	\$ 5,180,747	\$ 410,336
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Large-1 General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 2,303,299	\$ 3,526,197	\$ 279,289
2		Interest on Customer Deposits	8.0	958,434	0	0	0
3		Taxes Other Than Income	1.1	58,155,759	2,595,866	889,890	30,944
4		Total Allocated Operating Deductions		\$ 290,748,856	\$ 8,283,210	\$ 9,596,833	\$ 720,569
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 2,112,634	\$ 724,233	\$ 25,184
6		South Georgia - Federal	1.1	(15,458,159)	(689,997)	(236,538)	(8,225)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 148,683,640	\$ 47,099,110	\$ 1,637,794
8		Total Common Systems Allocable Net Plant		95,625,305	4,268,373	1,463,243	50,882
9		Cash Working Capital	1.1	(10,297,032)	(252,824)	(387,056)	(30,656)
10		Materials & Supplies	1.1	36,813,908	1,643,242	563,321	19,589
11		Prepayments	1.1	7,721,011	344,638	118,146	4,108
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(167,303)	0
14		Customer Advances	9.0	(41,613,406)	0	(188,864)	0
15		Deferred Taxes	1.1	(594,534,243)	(26,537,890)	(9,097,468)	(316,349)
16		Other	1.1	0	0	0	0
17		Total Rate Base		\$ 2,612,828,261	\$ 128,149,179	\$ 39,403,128	\$ 1,365,367
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 41,949,603	\$ 6,789,200	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	434,117	70,258	0
20		Late Charges	12.0	1,615,145	0	87,311	0
21		Service Establishment Charges	9.0	7,218,698	0	32,762	0
22		Reconnect / Reread Charges	9.0	224,248	0	1,018	0
23		Other Revenue - Labor	Net Op Margin	4,325	375	61	0
24		Other Revenue - Parts & Material	Net Op Margin	377	33	5	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(2)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	2,058	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	9,870	1,597	0
28		Total Revenue		\$ 498,633,048	\$ 42,393,996	\$ 6,984,270	\$ 0
<u>Operating Deductions</u>							
29		O & M		\$ (137,825,696)	\$ (3,384,045)	\$ (5,180,747)	\$ (410,336)
30		A & G	Total O&M	(93,808,967)	(2,303,299)	(3,526,197)	(279,289)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(5,389,929)	(1,668,023)	(58,003)
32		Interest on Customer Deposits	8.0	(958,434)	0	0	0
33		Taxes Other Than Income	1.1	(58,155,759)	(2,595,866)	(889,890)	(30,944)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 28,720,856	\$ (4,280,586)	\$ (778,572)
35		Interest Expense	1.1	(47,329,818)	(2,112,634)	(724,233)	(25,184)
36		State Taxable Income		\$ 47,926,899	\$ 26,608,222	\$ (5,004,819)	\$ (803,756)
37		State Income Tax	4.90%	\$ 2,348,418	\$ 1,303,803	\$ (245,236)	\$ (39,384)
38		Total State Income Tax		\$ 2,348,418	\$ 1,303,803	\$ (245,236)	\$ (39,384)
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 28,720,856	\$ (4,280,586)	\$ (778,572)
40		Interest Expense	1.1	(47,329,818)	(2,112,634)	(724,233)	(25,184)
41		Federal Taxable Income		\$ 47,926,899	\$ 26,608,222	\$ (5,004,819)	\$ (803,756)
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 5,313,928	\$ (999,512)	\$ (160,518)
43		South Georgia Federal	1.1	(15,458,159)	(689,997)	(236,538)	(8,225)
44		Total Federal Income Tax		\$ (5,886,678)	\$ 4,623,931	\$ (1,236,051)	\$ (168,743)
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		\$ 98,794,977	\$ 22,793,122	\$ (2,799,299)	\$ (570,444)
47		Rate of Return on Rate Base		3.78%	17.79%	-7.10%	-41.78%
48		Rate of Return by Class Total				11.50%	

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Large-2 General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 1,018	\$ 441	\$ 13
2	360 - 363.50	Storage Plant	2.0	3,619,500	172,490	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	1,203,853	521,850	15,353
4	389 - 398	General Plant	1.1	12,828,977	182,003	78,895	2,321
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 1,559,363</u>	<u>\$ 601,187</u>	<u>\$ 17,687</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 143,891	\$ 62,374	\$ 1,835
7		General Plant	1.1	4,536,929	64,365	27,901	821
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 208,255</u>	<u>\$ 90,275</u>	<u>\$ 2,656</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 64,365	\$ 27,901	\$ 821
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 1,767,619</u>	<u>\$ 691,462</u>	<u>\$ 20,343</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(16,745)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (48,651)</u>	<u>\$ (21,089)</u>	<u>\$ (620)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 1,718,968</u>	<u>\$ 670,373</u>	<u>\$ 19,722</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	77,428
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 77,428</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 70,058	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering Labor & Labor Loading	5.5	\$ 10,008,237	\$ 64,308	\$ 287,578	\$ 9,889
22		Materials & Expenses	5.5	1,448,039	9,304	41,608	1,431
23	871.00	Distribution Load Dispatching Labor & Labor Loading	3.0	518,083	0	0	29,536
24		Materials & Expenses	3.0	157,480	0	0	8,978
25	874.00	Mains and Services Expenses Labor & Labor Loading	4.4	4,629,295	72,814	6,394	0
26		Materials & Expenses	4.4	7,944,286	124,955	10,973	0
27	875.00	Measuring & Regulating Exps. - General Labor & Labor Loading	2.2	1,806,608	37,997	362	0
28		Materials & Expenses	2.2	698,517	14,691	140	0
29	878.00	Meter and House Regulator Expenses Labor & Labor Loading	6.0	7,566,247	0	359,070	0
30		Materials & Expenses	6.0	3,177,057	0	150,773	0
31	879.00	Customer Installation Expense Labor & Labor Loading	6.0	10,682,646	0	506,964	0
32		Materials & Expenses	6.0	1,798,117	0	85,333	0
33	880.00	Other Expenses Labor & Labor Loading	5.5	6,542,235	42,037	187,986	6,464
34		Materials & Expenses	5.5	6,591,122	42,352	189,390	6,513
35	881.00	Rents	5.5	(724,435)	(4,655)	(20,816)	(716)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 403,804</u>	<u>\$ 1,805,755</u>	<u>\$ 62,095</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 473,862</u>	<u>\$ 1,805,755</u>	<u>\$ 139,523</u>



**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Large-2 General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
	885.00	Maintenance Supervision & Engineering					
1		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 29,471	\$ 12,250	\$ 0
2		Materials & Expenses	6.6	264,999	3,458	1,437	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	1,086	0	0
4		Materials & Expenses	1.0	53,126	2,235	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	242,910	2,317	0
6		Materials & Expenses	2.2	12,648,532	266,024	2,538	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	38,766	370	0
8		Materials & Expenses	2.2	733,457	15,426	147	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	28,407	0
10		Materials & Expenses	3.3	7,070,213	0	34,524	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	115,305	0
12		Materials & Expenses	6.0	1,063,225	0	50,457	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	3,749	1,558	0
14		Materials & Expenses	6.6	73,309	957	398	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 604,081	\$ 249,708	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 1,077,943	\$ 2,055,464	\$ 139,523
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 8,430	\$ 0
18		Materials & Expenses	10.1	262,816	0	1,402	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	495	0
20		Materials & Expenses	11.0	324,290	0	130	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	2,831	0
22		Materials & Expenses	4.0	12,941,582	0	5,193	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	116,711	0
24		Materials & Expenses - KAM	15.0	2,968	0	446	0
25		Uncollectible Accounts Expense	4.0	1,350,724	0	542	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	640	0
27		Materials & Expenses	10.1	1,641	0	9	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 136,830	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	152	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 152	\$ 0
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	3	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 3	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 1,077,943	\$ 2,192,449	\$ 139,523
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Large-2 General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 733,686	\$ 1,492,257	\$ 94,964
2		Interest on Customer Deposits	8.0	958,434	0	0	0
3		Taxes Other Than Income	1.1	58,155,759	825,046	357,644	10,522
4		Total Allocated Operating Deductions		<u>\$ 290,748,856</u>	<u>\$ 2,636,675</u>	<u>\$ 4,042,350</u>	<u>\$ 245,009</u>
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 671,461	\$ 291,067	\$ 8,563
6		South Georgia - Federal	1.1	(15,458,159)	(219,302)	(95,064)	(2,797)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 47,382,969	\$ 18,928,971	\$ 556,886
8		Total Common Systems Allocable Net Plant		95,625,305	1,356,621	588,072	17,301
9		Cash Working Capital	1.1	(10,297,032)	(80,534)	(163,799)	(10,424)
10		Materials & Supplies	1.1	36,813,908	522,273	226,397	6,661
11		Prepayments	1.1	7,721,011	109,537	47,482	1,397
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(10,995)	0
14		Customer Advances	9.0	(41,613,406)	0	(12,412)	0
15		Deferred Taxes	1.1	(594,534,243)	(8,434,562)	(3,656,241)	(107,566)
16		Other	1.1	0	0	0	0
17		Total Rate Base		<u>\$ 2,612,828,261</u>	<u>\$ 40,856,304</u>	<u>\$ 15,947,475</u>	<u>\$ 464,255</u>
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 10,551,202	\$ 2,451,520	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	109,189	25,370	0
20		Late Charges	12.0	1,615,145	0	27,490	0
21		Service Establishment Charges	9.0	7,218,698	0	2,153	0
22		Reconnect / Reread Charges	9.0	224,248	0	67	0
23		Other Revenue - Labor	Net Op Margin	4,325	94	22	0
24		Other Revenue - Parts & Material	Net Op Margin	377	8	2	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	140	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	2,483	577	0
28		Total Revenue		<u>\$ 498,633,048</u>	<u>\$ 10,662,976</u>	<u>\$ 2,507,340</u>	<u>\$ 0</u>
<u>Operating Deductions</u>							
29		O & M	Total O&M	\$ (137,825,696)	\$ (1,077,943)	\$ (2,192,449)	\$ (139,523)
30		A & G	Total O&M	(93,808,967)	(733,686)	(1,492,257)	(94,964)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(1,718,968)	(670,373)	(19,722)
32		Interest on Customer Deposits	8.0	(958,434)	0	0	0
33		Taxes Other Than Income	1.1	(58,155,759)	(825,046)	(357,644)	(10,522)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 6,307,333	\$ (2,205,382)	\$ (264,731)
35		Interest Expense	1.1	(47,329,818)	(671,461)	(291,067)	(8,563)
36		State Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 5,635,872</u>	<u>\$ (2,496,449)</u>	<u>\$ (273,295)</u>
37		State Income Tax	4.90%	\$ 2,348,418	\$ 276,158	\$ (122,326)	\$ (13,391)
38		Total State Income Tax		<u>\$ 2,348,418</u>	<u>\$ 276,158</u>	<u>\$ (122,326)</u>	<u>\$ (13,391)</u>
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 6,307,333	\$ (2,205,382)	\$ (264,731)
40		Interest Expense	1.1	(47,329,818)	(671,461)	(291,067)	(8,563)
41		Federal Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 5,635,872</u>	<u>\$ (2,496,449)</u>	<u>\$ (273,295)</u>
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 1,125,540	\$ (498,566)	\$ (54,580)
43		South Georgia Federal	1.1	(15,458,159)	(219,302)	(95,064)	(2,797)
44		Total Federal Income Tax		<u>\$ (5,886,678)</u>	<u>\$ 906,238</u>	<u>\$ (593,630)</u>	<u>\$ (57,376)</u>
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		<u>\$ 98,794,977</u>	<u>\$ 5,124,937</u>	<u>\$ (1,489,426)</u>	<u>\$ (193,964)</u>
47		Rate of Return on Rate Base		<u>3.78%</u>	<u>12.54%</u>	<u>-9.34%</u>	<u>-41.78%</u>
48		Rate of Return by Class Total				<u>6.01%</u>	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Transportation Eligible General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 2,866	\$ 175	\$ 42
2	360 - 363.50	Storage Plant	2.0	3,619,500	538,431	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	3,388,048	206,906	49,856
4	389 - 398	General Plant	1.1	12,828,977	512,217	31,281	7,537
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 4,441,562</u>	<u>\$ 238,362</u>	<u>\$ 57,436</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 404,957	\$ 24,731	\$ 5,959
7		General Plant	1.1	4,536,929	181,144	11,062	2,666
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 586,101</u>	<u>\$ 35,793</u>	<u>\$ 8,625</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 181,144	\$ 11,062	\$ 2,666
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 5,027,663</u>	<u>\$ 274,155</u>	<u>\$ 66,061</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(4,307)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (136,919)</u>	<u>\$ (8,362)</u>	<u>\$ (2,015)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 4,890,744</u>	<u>\$ 265,794</u>	<u>\$ 64,046</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	251,440
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 251,440</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 218,688	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 180,985	\$ 121,512	\$ 32,114
22		Materials & Expenses	5.5	1,448,039	26,186	17,581	4,646
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	95,915
24		Materials & Expenses	3.0	157,480	0	0	29,155
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	204,923	1,789	0
26		Materials & Expenses	4.4	7,944,286	351,666	3,070	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	106,935	168	0
28		Materials & Expenses	2.2	698,517	41,346	65	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	152,521	0
30		Materials & Expenses	6.0	3,177,057	0	64,043	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	215,342	0
32		Materials & Expenses	6.0	1,798,117	0	36,247	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	118,307	79,431	20,992
34		Materials & Expenses	5.5	6,591,122	119,192	80,024	21,149
35	881.00	Rents	5.5	(724,435)	(13,100)	(8,796)	(2,325)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 1,136,441</u>	<u>\$ 762,998</u>	<u>\$ 201,647</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 1,355,129</u>	<u>\$ 762,998</u>	<u>\$ 453,087</u>

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Transportation Eligible General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
1	885.00	Maintenance Supervision & Engineering					
		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 82,940	\$ 4,663	\$ 0
2		Materials & Expenses	6.6	264,999	9,732	547	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	3,056	0	0
4		Materials & Expenses	1.0	53,126	6,289	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	683,632	1,077	0
6		Materials & Expenses	2.2	12,648,532	748,681	1,179	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	109,101	172	0
8		Materials & Expenses	2.2	733,457	43,414	68	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	7,307	0
10		Materials & Expenses	3.3	7,070,213	0	8,880	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	48,978	0
12		Materials & Expenses	6.0	1,063,225	0	21,433	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	10,552	593	0
14		Materials & Expenses	6.6	73,309	2,692	151	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 1,700,089	\$ 95,048	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 3,055,217	\$ 858,045	\$ 453,087
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 14,497	\$ 0
18		Materials & Expenses	10.1	262,816	0	2,411	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	230	0
20		Materials & Expenses	11.0	324,290	0	60	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	1,316	0
22		Materials & Expenses	4.0	12,941,582	0	2,413	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	212,202	0
24		Materials & Expenses - KAM	15.0	2,968	0	812	0
25	904.00	Uncollectible Accounts Expense	4.0	1,350,724	0	252	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	1,101	0
27		Materials & Expenses	10.1	1,641	0	15	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 235,309	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	71	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 71	\$ 0
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	1	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 1	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 3,055,217	\$ 1,093,427	\$ 453,087
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Transportation Eligible General		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 2,079,487	\$ 744,224	\$ 308,387
2		Interest on Customer Deposits	8.0	958,434	0	0	0
3		Taxes Other Than Income	1.1	58,155,759	2,321,959	141,801	34,168
4		Total Allocated Operating Deductions		\$ 290,748,856	\$ 7,456,663	\$ 1,979,452	\$ 795,642
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 1,889,716	\$ 115,404	\$ 27,808
6		South Georgia - Federal	1.1	(15,458,159)	(617,191)	(37,692)	(9,082)
Summary of Allocated Cost of Service							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 134,493,139	\$ 7,505,081	\$ 1,808,430
8		Total Common Systems Allocable Net Plant		95,625,305	3,817,989	233,163	56,183
9		Cash Working Capital	1.1	(10,297,032)	(228,257)	(81,690)	(33,850)
10		Materials & Supplies	1.1	36,813,908	1,469,852	89,763	21,629
11		Prepayments	1.1	7,721,011	308,273	18,826	4,536
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	0	0
14		Customer Advances	9.0	(41,613,406)	0	0	0
15		Deferred Taxes	1.1	(594,534,243)	(23,737,702)	(1,449,650)	(349,309)
16		Other	1.1	0	0	0	0
17		Total Rate Base		\$ 2,612,828,261	\$ 116,123,294	\$ 6,315,493	\$ 1,507,619
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 29,543,216	\$ 2,302,800	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	305,729	23,831	0
20		Late Charges	12.0	1,615,145	0	26,176	0
21		Service Establishment Charges	9.0	7,218,698	0	0	0
22		Reconnect / Reread Charges	9.0	224,248	0	0	0
23		Other Revenue - Labor	Net Op Margin	4,325	264	21	0
24		Other Revenue - Parts & Material	Net Op Margin	377	23	2	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(1)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	14	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	6,951	542	0
28		Total Revenue		\$ 498,633,048	\$ 29,856,182	\$ 2,353,385	\$ 0
<u>Operating Deductions</u>							
29		O & M		\$ (137,825,696)	\$ (3,055,217)	\$ (1,093,427)	\$ (453,087)
30		A & G	Total O&M	(93,808,967)	(2,079,487)	(744,224)	(308,387)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(4,890,744)	(265,794)	(64,046)
32		Interest on Customer Deposits	8.0	(958,434)	0	0	0
33		Taxes Other Than Income	1.1	(58,155,759)	(2,321,959)	(141,801)	(34,168)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 17,508,774	\$ 108,140	\$ (859,688)
35		Interest Expense	1.1	(47,329,818)	(1,889,716)	(115,404)	(27,808)
36		State Taxable Income		\$ 47,926,899	\$ 15,619,058	\$ (7,265)	\$ (887,496)
37		State Income Tax	4.90%	\$ 2,348,418	\$ 765,334	\$ (356)	\$ (43,487)
38		Total State Income Tax		\$ 2,348,418	\$ 765,334	\$ (356)	\$ (43,487)
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 17,508,774	\$ 108,140	\$ (859,688)
40		Interest Expense	1.1	(47,329,818)	(1,889,716)	(115,404)	(27,808)
41		Federal Taxable Income		\$ 47,926,899	\$ 15,619,058	\$ (7,265)	\$ (887,496)
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 3,119,282	\$ (1,451)	\$ (177,242)
43		South Georgia Federal	1.1	(15,458,159)	(617,191)	(37,692)	(9,082)
44		Total Federal Income Tax		\$ (5,886,678)	\$ 2,502,091	\$ (39,142)	\$ (186,324)
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		\$ 98,794,977	\$ 14,241,349	\$ 147,638	\$ (629,877)
47		Rate of Return on Rate Base		3.78%	12.26%	2.34%	-41.78%
48		Rate of Return by Class Total				11.10%	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Air Conditioning		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 3	\$ 1	\$ 0
2	360 - 363.50	Storage Plant	2.0	3,619,500	1,012	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	3,786	809	94
4	389 - 398	General Plant	1.1	12,828,977	572	122	14
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 5,374</u>	<u>\$ 932</u>	<u>\$ 109</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 453	\$ 97	\$ 11
7		General Plant	1.1	4,536,929	202	43	5
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 655</u>	<u>\$ 140</u>	<u>\$ 16</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 202	\$ 43	\$ 5
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 6,029</u>	<u>\$ 1,072</u>	<u>\$ 125</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(39)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (153)</u>	<u>\$ (33)</u>	<u>\$ (4)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 5,876</u>	<u>\$ 1,039</u>	<u>\$ 121</u>
<u>Operation and Maintenance Expense</u>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	476
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 476</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 411	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 202	\$ 101	\$ 61
22		Materials & Expenses	5.5	1,448,039	29	15	9
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	182
24		Materials & Expenses	3.0	157,480	0	0	55
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	229	44	0
26		Materials & Expenses	4.4	7,944,286	393	75	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	120	16	0
28		Materials & Expenses	2.2	698,517	46	6	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	83	0
30		Materials & Expenses	6.0	3,177,057	0	35	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	117	0
32		Materials & Expenses	6.0	1,798,117	0	20	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	132	66	40
34		Materials & Expenses	5.5	6,591,122	133	67	40
35	881.00	Rents	5.5	(724,435)	(15)	(7)	(4)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 1,270</u>	<u>\$ 636</u>	<u>\$ 382</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 1,681</u>	<u>\$ 636</u>	<u>\$ 858</u>

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Air Conditioning		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
	885.00	Maintenance Supervision & Engineering					
1		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 93	\$ 22	\$ 0
2		Materials & Expenses	6.6	264,999	11	3	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	3	0	0
4		Materials & Expenses	1.0	53,126	7	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	764	101	0
6		Materials & Expenses	2.2	12,648,532	837	111	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	122	16	0
8		Materials & Expenses	2.2	733,457	49	6	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	66	0
10		Materials & Expenses	3.3	7,070,213	0	81	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	27	0
12		Materials & Expenses	6.0	1,063,225	0	12	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	12	3	0
14		Materials & Expenses	6.6	73,309	3	1	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 1,900	\$ 448	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 3,581	\$ 1,084	\$ 858
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 128	\$ 0
18		Materials & Expenses	10.1	262,816	0	21	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	22	0
20		Materials & Expenses	11.0	324,290	0	6	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	124	0
22		Materials & Expenses	4.0	12,941,582	0	227	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	1,516	0
24		Materials & Expenses - KAM	15.0	2,968	0	6	0
25		Uncollectible Accounts Expense	4.0	1,350,724	0	24	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	10	0
27		Materials & Expenses	10.1	1,641	0	0	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 2,083	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	7	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 7	\$ 0
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	0	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 0	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 3,581	\$ 3,174	\$ 858
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Air Conditioning		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 2,437	\$ 2,160	\$ 584
2		Interest on Customer Deposits	8.0	958,434	0	0	0
3		Taxes Other Than Income	1.1	58,155,759	2,595	555	65
4		Total Allocated Operating Deductions		<u>\$ 290,748,856</u>	<u>\$ 8,613</u>	<u>\$ 5,888</u>	<u>\$ 1,506</u>
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 2,112	\$ 451	\$ 53
6		South Georgia - Federal	1.1	(15,458,159)	(690)	(147)	(17)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 159,141	\$ 29,351	\$ 3,424
8		Total Common Systems Allocable Net Plant		95,625,305	4,267	912	106
9		Cash Working Capital	1.1	(10,297,032)	(268)	(237)	(64)
10		Materials & Supplies	1.1	36,813,908	1,643	351	41
11		Prepayments	1.1	7,721,011	345	74	9
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	0	0
14		Customer Advances	9.0	(41,613,406)	0	0	0
15		Deferred Taxes	1.1	(594,534,243)	(26,529)	(5,669)	(661)
16		Other	1.1	0	0	0	0
17		Total Rate Base		<u>\$ 2,612,828,261</u>	<u>\$ 138,599</u>	<u>\$ 24,781</u>	<u>\$ 2,854</u>
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 31,843	\$ 9,870	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	330	102	0
20		Late Charges	12.0	1,615,145	0	559	0
21		Service Establishment Charges	9.0	7,218,698	0	0	0
22		Reconnect / Reread Charges	9.0	224,248	0	0	0
23		Other Revenue - Labor	Net Op Margin	4,325	0	0	0
24		Other Revenue - Parts & Material	Net Op Margin	377	0	0	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	0	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	7	2	0
28		Total Revenue		<u>\$ 498,633,048</u>	<u>\$ 32,180</u>	<u>\$ 10,534</u>	<u>\$ 0</u>
<u>Operating Deductions</u>							
29		O & M		\$ (137,825,696)	\$ (3,581)	\$ (3,174)	\$ (858)
30		A & G	Total O&M	(93,808,967)	(2,437)	(2,160)	(584)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(5,876)	(1,039)	(121)
32		Interest on Customer Deposits	8.0	(958,434)	0	0	0
33		Taxes Other Than Income	1.1	(58,155,759)	(2,595)	(555)	(65)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 17,691	\$ 3,606	\$ (1,627)
35		Interest Expense	1.1	(47,329,818)	(2,112)	(451)	(53)
36		State Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 15,579</u>	<u>\$ 3,155</u>	<u>\$ (1,680)</u>
37		State Income Tax	4.90%	\$ 2,348,418	\$ 763	\$ 155	\$ (82)
38		Total State Income Tax		<u>\$ 2,348,418</u>	<u>\$ 763</u>	<u>\$ 155</u>	<u>\$ (82)</u>
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 17,691	\$ 3,606	\$ (1,627)
40		Interest Expense	1.1	(47,329,818)	(2,112)	(451)	(53)
41		Federal Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 15,579</u>	<u>\$ 3,155</u>	<u>\$ (1,680)</u>
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 3,111	\$ 630	\$ (336)
43		South Georgia Federal	1.1	(15,458,159)	(690)	(147)	(17)
44		Total Federal Income Tax		<u>\$ (5,886,678)</u>	<u>\$ 2,422</u>	<u>\$ 483</u>	<u>\$ (353)</u>
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		<u>\$ 98,794,977</u>	<u>\$ 14,506</u>	<u>\$ 2,969</u>	<u>\$ (1,192)</u>
47		Rate of Return on Rate Base		<u>3.78%</u>	<u>10.47%</u>	<u>11.98%</u>	<u>-41.78%</u>
48		Rate of Return by Class Total				<u>9.80%</u>	



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Street Lighting		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 0	\$ 2	\$ 0
2	360 - 363.50	Storage Plant	2.0	3,619,500	48	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	258	2,263	5
4	389 - 398	General Plant	1.1	12,828,977	39	342	1
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 345</u>	<u>\$ 2,607</u>	<u>\$ 5</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 31	\$ 270	\$ 1
7		General Plant	1.1	4,536,929	14	121	0
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 45</u>	<u>\$ 391</u>	<u>\$ 1</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 14	\$ 121	\$ 0
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 390</u>	<u>\$ 2,998</u>	<u>\$ 6</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(126)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (10)</u>	<u>\$ (91)</u>	<u>\$ (0)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 379</u>	<u>\$ 2,907</u>	<u>\$ 6</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	23
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 23</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 20	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 14	\$ 115	\$ 3
22		Materials & Expenses	5.5	1,448,039	2	17	0
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	9
24		Materials & Expenses	3.0	157,480	0	0	3
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	16	139	0
26		Materials & Expenses	4.4	7,944,286	27	238	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	8	50	0
28		Materials & Expenses	2.2	698,517	3	19	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	0	0
30		Materials & Expenses	6.0	3,177,057	0	0	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	0	0
32		Materials & Expenses	6.0	1,798,117	0	0	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	9	75	2
34		Materials & Expenses	5.5	6,591,122	9	75	2
35	881.00	Rents	5.5	(724,435)	(1)	(8)	(0)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 87</u>	<u>\$ 719</u>	<u>\$ 19</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 106</u>	<u>\$ 719</u>	<u>\$ 42</u>

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Street Lighting		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
	885.00	Maintenance Supervision & Engineering					
1		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 6	\$ 64	\$ 0
2		Materials & Expenses	6.6	264,999	1	7	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	0	0	0
4		Materials & Expenses	1.0	53,126	0	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	52	320	0
6		Materials & Expenses	2.2	12,648,532	57	350	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	8	51	0
8		Materials & Expenses	2.2	733,457	3	20	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	213	0
10		Materials & Expenses	3.3	7,070,213	0	259	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	0	0
12		Materials & Expenses	6.0	1,063,225	0	0	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	1	8	0
14		Materials & Expenses	6.6	73,309	0	2	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 129	\$ 1,296	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 235	\$ 2,015	\$ 42
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 85	\$ 0
18		Materials & Expenses	10.1	262,816	0	14	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	68	0
20		Materials & Expenses	11.0	324,290	0	18	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	391	0
22		Materials & Expenses	4.0	12,941,582	0	717	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	0	0
24		Materials & Expenses - KAM	15.0	2,968	0	0	0
25		Uncollectible Accounts Expense	4.0	1,350,724	0	75	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	6	0
27		Materials & Expenses	10.1	1,641	0	0	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 1,374	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	21	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 21	\$ 0
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	0	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 0	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 235	\$ 3,410	\$ 42
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Street Lighting		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 160	\$ 2,321	\$ 28
2		Interest on Customer Deposits	8.0	958,434	0	0	0
3		Taxes Other Than Income	1.1	58,155,759	177	1,551	3
4		Total Allocated Operating Deductions		<u>\$ 290,748,856</u>	<u>\$ 572</u>	<u>\$ 7,282</u>	<u>\$ 73</u>
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 144	\$ 1,262	\$ 3
6		South Georgia - Federal	1.1	(15,458,159)	(47)	(412)	(1)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 10,391	\$ 82,070	\$ 166
8		Total Common Systems Allocable Net Plant		95,625,305	291	2,550	5
9		Cash Working Capital	1.1	(10,297,032)	(18)	(255)	(3)
10		Materials & Supplies	1.1	36,813,908	112	982	2
11		Prepayments	1.1	7,721,011	23	206	0
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(594)	0
14		Customer Advances	9.0	(41,613,406)	0	(671)	0
15		Deferred Taxes	1.1	(594,534,243)	(1,807)	(15,852)	(32)
16		Other	1.1	0	0	0	0
17		Total Rate Base		<u>\$ 2,612,828,261</u>	<u>\$ 8,993</u>	<u>\$ 68,435</u>	<u>\$ 139</u>
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 8,165	\$ 0	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	84	0	0
20		Late Charges	12.0	1,615,145	0	264	0
21		Service Establishment Charges	9.0	7,218,698	0	116	0
22		Reconnect / Reread Charges	9.0	224,248	0	4	0
23		Other Revenue - Labor	Net Op Margin	4,325	0	0	0
24		Other Revenue - Parts & Material	Net Op Margin	377	0	0	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	0	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	0	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	2	0	0
28		Total Revenue		<u>\$ 498,633,048</u>	<u>\$ 8,251</u>	<u>\$ 384</u>	<u>\$ 0</u>
<u>Operating Deductions</u>							
29		O & M	Total O&M	\$ (137,825,696)	\$ (235)	\$ (3,410)	\$ (42)
30		A & G	Total O&M	(93,808,967)	(160)	(2,321)	(28)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(379)	(2,907)	(6)
32		Interest on Customer Deposits	8.0	(958,434)	0	0	0
33		Taxes Other Than Income	1.1	(58,155,759)	(177)	(1,551)	(3)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 7,300	\$ (9,804)	\$ (79)
35		Interest Expense	1.1	(47,329,818)	(144)	(1,262)	(3)
36		State Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 7,156</u>	<u>\$ (11,066)</u>	<u>\$ (82)</u>
37		State Income Tax	4.90%	\$ 2,348,418	\$ 351	\$ (542)	\$ (4)
38		Total State Income Tax		<u>\$ 2,348,418</u>	<u>\$ 351</u>	<u>\$ (542)</u>	<u>\$ (4)</u>
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 7,300	\$ (9,804)	\$ (79)
40		Interest Expense	1.1	(47,329,818)	(144)	(1,262)	(3)
41		Federal Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 7,156</u>	<u>\$ (11,066)</u>	<u>\$ (82)</u>
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 1,429	\$ (2,210)	\$ (16)
43		South Georgia Federal	1.1	(15,458,159)	(47)	(412)	(1)
44		Total Federal Income Tax		<u>\$ (5,886,678)</u>	<u>\$ 1,382</u>	<u>\$ (2,622)</u>	<u>\$ (17)</u>
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		<u>\$ 98,794,977</u>	<u>\$ 5,567</u>	<u>\$ (6,640)</u>	<u>\$ (58)</u>
47		Rate of Return on Rate Base		<u>3.78%</u>	<u>61.90%</u>	<u>-9.70%</u>	<u>-41.78%</u>
48		Rate of Return by Class Total				<u>-1.46%</u>	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Compression on Customer's Premises		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 192	\$ 63	\$ 4
2	360 - 363.50	Storage Plant	2.0	3,619,500	44,092	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	226,840	74,468	4,187
4	389 - 398	General Plant	1.1	12,828,977	34,294	11,258	633
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 305,419</u>	<u>\$ 85,790</u>	<u>\$ 4,824</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 27,113	\$ 8,901	\$ 500
7		General Plant	1.1	4,536,929	12,128	3,981	224
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 39,241</u>	<u>\$ 12,882</u>	<u>\$ 724</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 12,128	\$ 3,981	\$ 224
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 344,660</u>	<u>\$ 98,672</u>	<u>\$ 5,548</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(6,875)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (9,167)</u>	<u>\$ (3,009)</u>	<u>\$ (169)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 335,493</u>	<u>\$ 95,663</u>	<u>\$ 5,379</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	21,117
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 21,117</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 17,908	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 12,118	\$ 25,453	\$ 2,697
22		Materials & Expenses	5.5	1,448,039	1,753	3,683	390
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	8,055
24		Materials & Expenses	3.0	157,480	0	0	2,449
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	13,720	2,463	0
26		Materials & Expenses	4.4	7,944,286	23,545	4,227	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	7,160	64	0
28		Materials & Expenses	2.2	698,517	2,768	25	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	30,088	0
30		Materials & Expenses	6.0	3,177,057	0	12,634	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	42,481	0
32		Materials & Expenses	6.0	1,798,117	0	7,150	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	7,921	16,639	1,763
34		Materials & Expenses	5.5	6,591,122	7,980	16,763	1,776
35	881.00	Rents	5.5	(724,435)	(877)	(1,842)	(195)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 76,088</u>	<u>\$ 159,827</u>	<u>\$ 16,935</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 93,996</u>	<u>\$ 159,827</u>	<u>\$ 38,052</u>

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Compression on Customer's Premises		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
	885.00	Maintenance Supervision & Engineering					
1		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 5,553	\$ 2,129	\$ 0
2		Materials & Expenses	6.6	264,999	652	250	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	205	0	0
4		Materials & Expenses	1.0	53,126	421	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	45,771	411	0
6		Materials & Expenses	2.2	12,648,532	50,127	450	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	7,305	66	0
8		Materials & Expenses	2.2	733,457	2,907	26	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	11,662	0
10		Materials & Expenses	3.3	7,070,213	0	14,174	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	9,662	0
12		Materials & Expenses	6.0	1,063,225	0	4,228	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	706	271	0
14		Materials & Expenses	6.6	73,309	180	69	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 113,826	\$ 43,396	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 207,823	\$ 203,223	\$ 38,052
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 1,225	\$ 0
18		Materials & Expenses	10.1	262,816	0	204	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	88	0
20		Materials & Expenses	11.0	324,290	0	23	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	502	0
22		Materials & Expenses	4.0	12,941,582	0	920	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	16,673	0
24		Materials & Expenses - KAM	15.0	2,968	0	64	0
25		Uncollectible Accounts Expense	4.0	1,350,724	0	96	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	93	0
27		Materials & Expenses	10.1	1,641	0	1	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 19,888	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	27	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 27	\$ 0
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	1	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 1	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 207,823	\$ 223,139	\$ 38,052
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Compression on Customer's Premises		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 141,451	\$ 151,876	\$ 25,900
2		Interest on Customer Deposits	8.0	958,434	0	0	0
3		Taxes Other Than Income	1.1	58,155,759	155,462	51,036	2,870
4		Total Allocated Operating Deductions		<u>\$ 290,748,856</u>	<u>\$ 504,736</u>	<u>\$ 426,051</u>	<u>\$ 66,822</u>
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 126,522	\$ 41,535	\$ 2,335
6		South Georgia - Federal	1.1	(15,458,159)	(41,323)	(13,566)	(763)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 9,177,980	\$ 2,701,176	\$ 151,880
8		Total Common Systems Allocable Net Plant		95,625,305	255,626	83,918	4,719
9		Cash Working Capital	1.1	(10,297,032)	(15,527)	(16,671)	(2,843)
10		Materials & Supplies	1.1	36,813,908	98,411	32,307	1,817
11		Prepayments	1.1	7,721,011	20,640	6,776	381
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(1,189)	0
14		Customer Advances	9.0	(41,613,406)	0	(1,342)	0
15		Deferred Taxes	1.1	(594,534,243)	(1,589,312)	(521,748)	(29,337)
16		Other	1.1	0	0	0	0
17		Total Rate Base		<u>\$ 2,612,828,261</u>	<u>\$ 7,947,818</u>	<u>\$ 2,283,228</u>	<u>\$ 126,617</u>
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 2,223,669	\$ 86,564	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	23,012	896	0
20		Late Charges	12.0	1,615,145	0	1,920	0
21		Service Establishment Charges	9.0	7,218,698	0	233	0
22		Reconnect / Reread Charges	9.0	224,248	0	7	0
23		Other Revenue - Labor	Net Op Margin	4,325	20	1	0
24		Other Revenue - Parts & Material	Net Op Margin	377	2	0	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	0	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	523	20	0
28		Total Revenue		<u>\$ 498,633,048</u>	<u>\$ 2,247,225</u>	<u>\$ 89,641</u>	<u>\$ 0</u>
<u>Operating Deductions</u>							
29		O & M	Total O&M	\$ (137,825,696)	\$ (207,823)	\$ (223,139)	\$ (38,052)
30		A & G	Total O&M	(93,808,967)	(141,451)	(151,876)	(25,900)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(335,493)	(95,663)	(5,379)
32		Interest on Customer Deposits	8.0	(958,434)	0	0	0
33		Taxes Other Than Income	1.1	(58,155,759)	(155,462)	(51,036)	(2,870)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 1,406,997	\$ (432,073)	\$ (72,200)
35		Interest Expense	1.1	(47,329,818)	(126,522)	(41,535)	(2,335)
36		State Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 1,280,474</u>	<u>\$ (473,608)</u>	<u>\$ (74,536)</u>
37		State Income Tax	4.90%	\$ 2,348,418	\$ 62,743	\$ (23,207)	\$ (3,652)
38		Total State Income Tax		<u>\$ 2,348,418</u>	<u>\$ 62,743</u>	<u>\$ (23,207)</u>	<u>\$ (3,652)</u>
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 1,406,997	\$ (432,073)	\$ (72,200)
40		Interest Expense	1.1	(47,329,818)	(126,522)	(41,535)	(2,335)
41		Federal Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 1,280,474</u>	<u>\$ (473,608)</u>	<u>\$ (74,536)</u>
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 255,723	\$ (94,584)	\$ (14,886)
43		South Georgia Federal	1.1	(15,458,159)	(41,323)	(13,566)	(763)
44		Total Federal Income Tax		<u>\$ (5,886,678)</u>	<u>\$ 214,401</u>	<u>\$ (108,150)</u>	<u>\$ (15,648)</u>
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		<u>\$ 98,794,977</u>	<u>\$ 1,129,853</u>	<u>\$ (300,716)</u>	<u>\$ (52,900)</u>
47		Rate of Return on Rate Base		<u>3.78%</u>	<u>14.22%</u>	<u>-13.17%</u>	<u>-41.78%</u>
48		Rate of Return by Class Total				<u>7.49%</u>	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Electric Generation		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 255	\$ 9	\$ 5
2	360 - 363.50	Storage Plant	2.0	3,619,500	53,730	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	301,325	10,633	5,950
4	389 - 398	General Plant	1.1	12,828,977	45,555	1,608	900
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 400,865</u>	<u>\$ 12,249</u>	<u>\$ 6,855</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 36,016	\$ 1,271	\$ 711
7		General Plant	1.1	4,536,929	16,110	568	318
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 52,126</u>	<u>\$ 1,839</u>	<u>\$ 1,029</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 16,110	\$ 568	\$ 318
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 452,991</u>	<u>\$ 14,089</u>	<u>\$ 7,884</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(75)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (12,177)</u>	<u>\$ (430)</u>	<u>\$ (240)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 440,814</u>	<u>\$ 13,659</u>	<u>\$ 7,643</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	30,008
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 30,008</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 21,823	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 16,096	\$ 6,505	\$ 3,833
22		Materials & Expenses	5.5	1,448,039	2,329	941	555
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	11,447
24		Materials & Expenses	3.0	157,480	0	0	3,479
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	18,225	66	0
26		Materials & Expenses	4.4	7,944,286	31,276	112	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	9,511	21	0
28		Materials & Expenses	2.2	698,517	3,677	8	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	8,187	0
30		Materials & Expenses	6.0	3,177,057	0	3,438	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	11,559	0
32		Materials & Expenses	6.0	1,798,117	0	1,946	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	10,522	4,252	2,505
34		Materials & Expenses	5.5	6,591,122	10,601	4,284	2,524
35	881.00	Rents	5.5	(724,435)	(1,165)	(471)	(277)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 101,072</u>	<u>\$ 40,847</u>	<u>\$ 24,065</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 122,895</u>	<u>\$ 40,847</u>	<u>\$ 54,073</u>

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Electric Generation		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
1	885.00	Maintenance Supervision & Engineering					
		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 7,376	\$ 229	\$ 0
2		Materials & Expenses	6.6	264,999	866	27	0
3	886.00	Maintenance of Structures & Improvement					
		Labor & Labor Loading	1.0	25,812	272	0	0
4		Materials & Expenses	1.0	53,126	559	0	0
5	887.00	Maintenance of Mains					
		Labor & Labor Loading	2.2	11,549,554	60,800	133	0
6		Materials & Expenses	2.2	12,648,532	66,586	146	0
7	889.00	Maintenance of Measuring & Reg. Station Equip.					
		Labor & Labor Loading	2.2	1,843,201	9,703	21	0
8		Materials & Expenses	2.2	733,457	3,861	8	0
9	892.00	Maintenance of Services					
		Labor & Labor Loading	3.3	5,817,577	0	128	0
10		Materials & Expenses	3.3	7,070,213	0	155	0
11	893.00	Maintenance of Meter & House Regulators					
		Labor & Labor Loading	6.0	2,429,679	0	2,629	0
12		Materials & Expenses	6.0	1,063,225	0	1,150	0
13	894.00	Maintenance of Other Equipment					
		Labor & Labor Loading	6.6	287,324	938	29	0
14		Materials & Expenses	6.6	73,309	239	7	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 151,202	\$ 4,663	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 274,097	\$ 45,510	\$ 54,073
		<u>Customer Accounts Expenses</u>					
17	901.00	Supervision Expenses					
		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 746	\$ 0
18		Materials & Expenses	10.1	262,816	0	124	0
19	902.00	Meter Reading Expenses					
		Labor & Labor Loading	11.0	1,233,010	0	28	0
20		Materials & Expenses	11.0	324,290	0	7	0
21	903.00	Customer Records & Collections Expenses					
		Labor & Labor Loading	4.0	7,055,208	0	163	0
22		Materials & Expenses	4.0	12,941,582	0	299	0
23	903.00	Customer Records & Collections - KAM					
		Labor & Labor Loading - KAM	15.0	776,052	0	10,610	0
24		Materials & Expenses - KAM	15.0	2,968	0	41	0
25	904.00	Uncollectible Accounts Expense					
		Uncollectible Accounts Expense	4.0	1,350,724	0	31	0
26	905.00	Miscellaneous Customer Accounts Expenses					
		Labor & Labor Loading	10.1	120,054	0	57	0
27		Materials & Expenses	10.1	1,641	0	1	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 12,107	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
29	908.00	Customer Assistance Expense					
		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
31	909.00	Info. & Instructional Advertising Expense					
		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
33	910.00	Misc. Customer Service & Informational Expenses					
		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	9	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 9	\$ 0
		<u>Sales Expense</u>					
36	911.00	Supervision					
		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
38	912.00	Demonstrating & Selling Expense					
		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
40	913.00	Advertising Expenses					
		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	0	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 0	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 274,097	\$ 57,626	\$ 54,073
44		Allocation Percentage	Total O&M	1	0	0	0



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Electric Generation		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 186,560	\$ 39,222	\$ 36,804
2		Interest on Customer Deposits	8.0	958,434	0	0	0
3		Taxes Other Than Income	1.1	58,155,759	206,509	7,287	4,078
4		Total Allocated Operating Deductions		\$ 290,748,856	\$ 667,166	\$ 104,135	\$ 94,955
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 168,067	\$ 5,931	\$ 3,319
6		South Georgia - Federal	1.1	(15,458,159)	(54,891)	(1,937)	(1,084)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 12,087,358	\$ 385,682	\$ 215,824
8		Total Common Systems Allocable Net Plant		95,625,305	339,562	11,982	6,705
9		Cash Working Capital	1.1	(10,297,032)	(20,478)	(4,305)	(4,040)
10		Materials & Supplies	1.1	36,813,908	130,725	4,613	2,581
11		Prepayments	1.1	7,721,011	27,417	967	541
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(297)	0
14		Customer Advances	9.0	(41,613,406)	0	(335)	0
15		Deferred Taxes	1.1	(594,534,243)	(2,111,172)	(74,497)	(41,688)
16		Other	1.1	0	0	0	0
17		Total Rate Base		\$ 2,612,828,261	\$ 10,453,413	\$ 323,810	\$ 179,925
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 2,293,806	\$ 101,208	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	23,738	1,047	0
20		Late Charges	12.0	1,615,145	0	856	0
21		Service Establishment Charges	9.0	7,218,698	0	58	0
22		Reconnect / Reread Charges	9.0	224,248	0	2	0
23		Other Revenue - Labor	Net Op Margin	4,325	20	1	0
24		Other Revenue - Parts & Material	Net Op Margin	377	2	0	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	14	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	540	24	0
28		Total Revenue		\$ 498,633,048	\$ 2,318,105	\$ 103,210	\$ 0
<u>Operating Deductions</u>							
29		O & M		\$ (137,825,696)	\$ (274,097)	\$ (57,626)	\$ (54,073)
30		A & G	Total O&M	(93,808,967)	(186,560)	(39,222)	(36,804)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(440,814)	(13,659)	(7,643)
32		Interest on Customer Deposits	8.0	(958,434)	0	0	0
33		Taxes Other Than Income	1.1	(58,155,759)	(206,509)	(7,287)	(4,078)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 1,210,126	\$ (14,583)	\$ (102,598)
35		Interest Expense	1.1	(47,329,818)	(168,067)	(5,931)	(3,319)
36		State Taxable Income		\$ 47,926,899	\$ 1,042,060	\$ (20,514)	\$ (105,917)
37		State Income Tax	4.90%	\$ 2,348,418	\$ 51,061	\$ (1,005)	\$ (5,190)
38		Total State Income Tax		\$ 2,348,418	\$ 51,061	\$ (1,005)	\$ (5,190)
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 1,210,126	\$ (14,583)	\$ (102,598)
40		Interest Expense	1.1	(47,329,818)	(168,067)	(5,931)	(3,319)
41		Federal Taxable Income		\$ 47,926,899	\$ 1,042,060	\$ (20,514)	\$ (105,917)
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 208,110	\$ (4,097)	\$ (21,153)
43		South Georgia Federal	1.1	(15,458,159)	(54,891)	(1,937)	(1,084)
44		Total Federal Income Tax		\$ (5,886,678)	\$ 153,218	\$ (6,034)	\$ (22,237)
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		\$ 98,794,977	\$ 1,005,847	\$ (7,544)	\$ (75,172)
47		Rate of Return on Rate Base		3.78%	9.62%	-2.33%	-41.78%
48		Rate of Return by Class Total				8.42%	

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Small Essential Agricultural User		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 94	\$ 7	\$ 1
2	360 - 363.50	Storage Plant	2.0	3,619,500	20,111	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	111,318	8,130	1,770
4	389 - 398	General Plant	1.1	12,828,977	16,829	1,229	268
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 148,352</u>	<u>\$ 9,366</u>	<u>\$ 2,039</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 13,305	\$ 972	\$ 212
7		General Plant	1.1	4,536,929	5,952	435	95
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 19,257</u>	<u>\$ 1,406</u>	<u>\$ 306</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 5,952	\$ 435	\$ 95
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 167,609</u>	<u>\$ 10,772</u>	<u>\$ 2,346</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(149)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (4,499)</u>	<u>\$ (329)</u>	<u>\$ (72)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 163,111</u>	<u>\$ 10,444</u>	<u>\$ 2,274</u>
<b>Operation and Maintenance Expense</b>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	8,928
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,928</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 8,168	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering					
		Labor & Labor Loading	5.5	\$ 10,008,237	\$ 5,946	\$ 3,782	\$ 1,140
22		Materials & Expenses	5.5	1,448,039	860	547	165
23	871.00	Distribution Load Dispatching					
		Labor & Labor Loading	3.0	518,083	0	0	3,406
24		Materials & Expenses	3.0	157,480	0	0	1,035
25	874.00	Mains and Services Expenses					
		Labor & Labor Loading	4.4	4,629,295	6,733	167	0
26		Materials & Expenses	4.4	7,944,286	11,554	287	0
27	875.00	Measuring & Regulating Exps. - General					
		Labor & Labor Loading	2.2	1,806,608	3,513	61	0
28		Materials & Expenses	2.2	698,517	1,358	23	0
29	878.00	Meter and House Regulator Expenses					
		Labor & Labor Loading	6.0	7,566,247	0	4,624	0
30		Materials & Expenses	6.0	3,177,057	0	1,941	0
31	879.00	Customer Installation Expense					
		Labor & Labor Loading	6.0	10,682,646	0	6,528	0
32		Materials & Expenses	6.0	1,798,117	0	1,099	0
33	880.00	Other Expenses					
		Labor & Labor Loading	5.5	6,542,235	3,887	2,472	745
34		Materials & Expenses	5.5	6,591,122	3,916	2,491	751
35	881.00	Rents	5.5	(724,435)	(430)	(274)	(83)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 37,339</u>	<u>\$ 23,749</u>	<u>\$ 7,160</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 45,507</u>	<u>\$ 23,749</u>	<u>\$ 16,088</u>

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
EXPENSE ALLOCATION TO CLASSES OF SERVICE  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Small Essential Agricultural User		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
	885.00	Maintenance Supervision & Engineering					
1		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 2,725	\$ 188	\$ 0
2		Materials & Expenses	6.6	264,999	320	22	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	100	0	0
4		Materials & Expenses	1.0	53,126	207	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	22,461	388	0
6		Materials & Expenses	2.2	12,648,532	24,599	425	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	3,585	62	0
8		Materials & Expenses	2.2	733,457	1,426	25	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	253	0
10		Materials & Expenses	3.3	7,070,213	0	307	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	1,485	0
12		Materials & Expenses	6.0	1,063,225	0	650	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	347	24	0
14		Materials & Expenses	6.6	73,309	88	6	0
15		Total Distribution-Maintenance		<u>\$ 46,118,494</u>	<u>\$ 55,858</u>	<u>\$ 3,835</u>	<u>\$ 0</u>
16		Total Distribution O & M		<u>\$ 111,790,263</u>	<u>\$ 101,365</u>	<u>\$ 27,585</u>	<u>\$ 16,088</u>
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 813	\$ 0
18		Materials & Expenses	10.1	262,816	0	135	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	83	0
20		Materials & Expenses	11.0	324,290	0	22	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	474	0
22		Materials & Expenses	4.0	12,941,582	0	870	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	10,610	0
24		Materials & Expenses - KAM	15.0	2,968	0	41	0
25		Uncollectible Accounts Expense	4.0	1,350,724	0	91	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	62	0
27		Materials & Expenses	10.1	1,641	0	1	0
28		Total Customer Accounts Expenses		<u>\$ 25,648,489</u>	<u>\$ 0</u>	<u>\$ 13,202</u>	<u>\$ 0</u>
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	26	0
35		Total Customer Service & Informational Expenses		<u>\$ 379,366</u>	<u>\$ 0</u>	<u>\$ 26</u>	<u>\$ 0</u>
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	1	0
42		Total Sales Expense		<u>\$ 7,579</u>	<u>\$ 0</u>	<u>\$ 1</u>	<u>\$ 0</u>
43		Total O & M Expense		<u>\$ 137,825,696</u>	<u>\$ 101,365</u>	<u>\$ 40,813</u>	<u>\$ 16,088</u>
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Small Essential Agricultural User		
					Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 68,993	\$ 27,778	\$ 10,950
2		Interest on Customer Deposits	8.0	958,434	0	0	0
3		Taxes Other Than Income	1.1	58,155,759	76,290	5,572	1,213
4		Total Allocated Operating Deductions		<u>\$ 290,748,856</u>	<u>\$ 246,648</u>	<u>\$ 74,163</u>	<u>\$ 28,251</u>
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 62,089	\$ 4,535	\$ 987
6		South Georgia - Federal	1.1	(15,458,159)	(20,278)	(1,481)	(322)
<u>Summary of Allocated Cost of Service</u>							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 4,471,047	\$ 294,895	\$ 64,213
8		Total Common Systems Allocable Net Plant		95,625,305	125,444	9,162	1,995
9		Cash Working Capital	1.1	(10,297,032)	(7,573)	(3,049)	(1,202)
10		Materials & Supplies	1.1	36,813,908	48,293	3,527	768
11		Prepayments	1.1	7,721,011	10,129	740	161
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(5,943)	0
14		Customer Advances	9.0	(41,613,406)	0	(6,709)	0
15		Deferred Taxes	1.1	(594,534,243)	(779,926)	(56,961)	(12,403)
16		Other	1.1	0	0	0	0
17		Total Rate Base		<u>\$ 2,612,828,261</u>	<u>\$ 3,867,414</u>	<u>\$ 235,661</u>	<u>\$ 53,532</u>
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 1,232,448	\$ 104,880	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	12,754	1,085	0
20		Late Charges	12.0	1,615,145	0	2,012	0
21		Service Establishment Charges	9.0	7,218,698	0	1,164	0
22		Reconnect / Reread Charges	9.0	224,248	0	36	0
23		Other Revenue - Labor	Net Op Margin	4,325	11	1	0
24		Other Revenue - Parts & Material	Net Op Margin	377	1	0	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	0	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	290	25	0
28		Total Revenue		<u>\$ 498,633,048</u>	<u>\$ 1,245,504</u>	<u>\$ 109,203</u>	<u>\$ 0</u>
<u>Operating Deductions</u>							
29		O & M	Total O&M	\$ (137,825,696)	\$ (101,365)	\$ (40,813)	\$ (16,088)
30		A & G	Total O&M	(93,808,967)	(68,993)	(27,778)	(10,950)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(163,111)	(10,444)	(2,274)
32		Interest on Customer Deposits	8.0	(958,434)	0	0	0
33		Taxes Other Than Income	1.1	(58,155,759)	(76,290)	(5,572)	(1,213)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 835,745	\$ 24,597	\$ (30,526)
35		Interest Expense	1.1	(47,329,818)	(62,089)	(4,535)	(987)
36		State Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 773,657</u>	<u>\$ 20,062</u>	<u>\$ (31,513)</u>
37		State Income Tax	4.90%	\$ 2,348,418	\$ 37,909	\$ 983	\$ (1,544)
38		Total State Income Tax		<u>\$ 2,348,418</u>	<u>\$ 37,909</u>	<u>\$ 983</u>	<u>\$ (1,544)</u>
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 835,745	\$ 24,597	\$ (30,526)
40		Interest Expense	1.1	(47,329,818)	(62,089)	(4,535)	(987)
41		Federal Taxable Income		<u>\$ 47,926,899</u>	<u>\$ 773,657</u>	<u>\$ 20,062</u>	<u>\$ (31,513)</u>
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 154,507	\$ 4,007	\$ (6,293)
43		South Georgia Federal	1.1	(15,458,159)	(20,278)	(1,481)	(322)
44		Total Federal Income Tax		<u>\$ (5,886,678)</u>	<u>\$ 134,229</u>	<u>\$ 2,526</u>	<u>\$ (6,616)</u>
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		<u>\$ 98,794,977</u>	<u>\$ 663,607</u>	<u>\$ 21,088</u>	<u>\$ (22,365)</u>
47		Rate of Return on Rate Base		<u>3.78%</u>	<u>17.16%</u>	<u>8.95%</u>	<u>-41.78%</u>
48		Rate of Return by Class Total				<u>15.93%</u>	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Natural Gas Engine		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<b>Depreciation Expense &amp; Amortization</b>							
<u>Direct</u>							
1	301 - 303	Intangible Plant	Intang. Plant	\$ 71,779	\$ 66	\$ 37	\$ 5
2	360 - 363.50	Storage Plant	2.0	3,619,500	49,154	0	0
3	374.1 - 387	Distribution Plant	Net Dist. Plant	84,857,013	78,202	43,713	5,497
4	389 - 398	General Plant	1.1	12,828,977	11,823	6,609	831
5		Total Direct Depreciation Expense		<u>\$ 101,377,269</u>	<u>\$ 139,245</u>	<u>\$ 50,359</u>	<u>\$ 6,332</u>
<u>System Allocable Amortization</u>							
6		Miscellaneous Intangible Plant	1.1	\$ 10,142,552	\$ 9,347	\$ 5,225	\$ 657
7		General Plant	1.1	4,536,929	4,181	2,337	294
8		Total System Allocable Amortization		<u>\$ 14,679,481</u>	<u>\$ 13,528</u>	<u>\$ 7,562</u>	<u>\$ 951</u>
9		Total System Depreciation Expense	1.1	\$ 4,536,929	\$ 4,181	\$ 2,337	\$ 294
10		Total Depreciation Expense		<u>\$ 116,056,749</u>	<u>\$ 152,773</u>	<u>\$ 57,920</u>	<u>\$ 7,283</u>
11		Amortization Gas Plant Acquisition	1.1	\$ 0	\$ 0	\$ 0	\$ 0
12		Regulatory Amortizations	7.0	(3,429,275)	0	(1,017)	0
13		Total Depreciation Expense	1.1	<u>\$ (3,429,275)</u>	<u>\$ (3,160)</u>	<u>\$ (1,767)</u>	<u>\$ (222)</u>
14		Total Depreciation & Amortization Expense		<u>\$ 112,627,474</u>	<u>\$ 149,613</u>	<u>\$ 56,154</u>	<u>\$ 7,061</u>
<u>Operation and Maintenance Expense</u>							
<u>Gas Supply Expenses</u>							
15	803.00	Natural Gas Transmission Line Purchases	3.0	\$ 0	\$ 0	\$ 0	\$ 0
16	805.10	Purchased Gas Cost Adjustments	3.0	0	0	0	0
17	810.00	Gas Used for Compression Station Fuel	3.0	0	0	0	0
18	813.00	Other Gas Supply Expenses	3.0	1,358,147	0	0	27,721
19		Total Gas Supply Expenses		<u>\$ 1,358,147</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 27,721</u>
<u>Storage</u>							
20	Various	Various	2.0	\$ 1,470,088	\$ 19,964	\$ 0	\$ 0
<u>Distribution Expenses - Operation</u>							
21	870.00	Operation Supervision and Engineering Labor & Labor Loading	5.5	\$ 10,008,237	\$ 4,177	\$ 19,790	\$ 3,540
22		Materials & Expenses	5.5	1,448,039	604	2,863	512
23	871.00	Distribution Load Dispatching Labor & Labor Loading	3.0	518,083	0	0	10,574
24		Materials & Expenses	3.0	157,480	0	0	3,214
25	874.00	Mains and Services Expenses Labor & Labor Loading	4.4	4,629,295	4,730	953	0
26		Materials & Expenses	4.4	7,944,286	8,117	1,636	0
27	875.00	Measuring & Regulating Exps. - General Labor & Labor Loading	2.2	1,806,608	2,468	317	0
28		Materials & Expenses	2.2	698,517	954	123	0
29	878.00	Meter and House Regulator Expenses Labor & Labor Loading	6.0	7,566,247	0	24,124	0
30		Materials & Expenses	6.0	3,177,057	0	10,130	0
31	879.00	Customer Installation Expense Labor & Labor Loading	6.0	10,682,646	0	34,060	0
32		Materials & Expenses	6.0	1,798,117	0	5,733	0
33	880.00	Other Expenses Labor & Labor Loading	5.5	6,542,235	2,731	12,937	2,314
34		Materials & Expenses	5.5	6,591,122	2,751	13,033	2,332
35	881.00	Rents	5.5	(724,435)	(302)	(1,432)	(256)
36		Total Distribution Operating Expenses		<u>\$ 62,843,534</u>	<u>\$ 26,231</u>	<u>\$ 124,266</u>	<u>\$ 22,231</u>
37		Total Gas Supply & Distribution Expenses		<u>\$ 65,671,769</u>	<u>\$ 46,195</u>	<u>\$ 124,266</u>	<u>\$ 49,951</u>

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Natural Gas Engine		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		<u>Maintenance Expenses</u>					
	885.00	Maintenance Supervision & Engineering					
1		Labor & Labor Loading	6.6	\$ 2,258,485	\$ 1,914	\$ 1,029	\$ 0
2		Materials & Expenses	6.6	264,999	225	121	0
	886.00	Maintenance of Structures & Improvement					
3		Labor & Labor Loading	1.0	25,812	71	0	0
4		Materials & Expenses	1.0	53,126	145	0	0
	887.00	Maintenance of Mains					
5		Labor & Labor Loading	2.2	11,549,554	15,779	2,026	0
6		Materials & Expenses	2.2	12,648,532	17,281	2,219	0
	889.00	Maintenance of Measuring & Reg. Station Equip.					
7		Labor & Labor Loading	2.2	1,843,201	2,518	323	0
8		Materials & Expenses	2.2	733,457	1,002	129	0
	892.00	Maintenance of Services					
9		Labor & Labor Loading	3.3	5,817,577	0	1,725	0
10		Materials & Expenses	3.3	7,070,213	0	2,096	0
	893.00	Maintenance of Meter & House Regulators					
11		Labor & Labor Loading	6.0	2,429,679	0	7,747	0
12		Materials & Expenses	6.0	1,063,225	0	3,390	0
	894.00	Maintenance of Other Equipment					
13		Labor & Labor Loading	6.6	287,324	244	131	0
14		Materials & Expenses	6.6	73,309	62	33	0
15		Total Distribution-Maintenance		\$ 46,118,494	\$ 39,241	\$ 20,968	\$ 0
16		Total Distribution O & M		\$ 111,790,263	\$ 85,436	\$ 145,234	\$ 49,951
		<u>Customer Accounts Expenses</u>					
	901.00	Supervision Expenses					
17		Labor & Labor Loading	10.1	\$ 1,580,144	\$ 0	\$ 536	\$ 0
18		Materials & Expenses	10.1	262,816	0	89	0
	902.00	Meter Reading Expenses					
19		Labor & Labor Loading	11.0	1,233,010	0	433	0
20		Materials & Expenses	11.0	324,290	0	114	0
	903.00	Customer Records & Collections Expenses					
21		Labor & Labor Loading	4.0	7,055,208	0	2,475	0
22		Materials & Expenses	4.0	12,941,582	0	4,540	0
	903.00	Customer Records & Collections - KAM					
23		Labor & Labor Loading - KAM	15.0	776,052	0	0	0
24		Materials & Expenses - KAM	15.0	2,968	0	0	0
25		Uncollectible Accounts Expense	4.0	1,350,724	0	474	0
	905.00	Miscellaneous Customer Accounts Expenses					
26		Labor & Labor Loading	10.1	120,054	0	41	0
27		Materials & Expenses	10.1	1,641	0	1	0
28		Total Customer Accounts Expenses		\$ 25,648,489	\$ 0	\$ 8,702	\$ 0
		<u>Customer Service &amp; Informational Expenses</u>					
	908.00	Customer Assistance Expense					
29		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
30		Materials & Expenses	4.0	(21)	0	(0)	0
	909.00	Info. & Instructional Advertising Expense					
31		Labor & Labor Loading	4.0	0	0	0	0
32		Materials & Expenses	4.0	0	0	0	0
	910.00	Misc. Customer Service & Informational Expenses					
33		Labor & Labor Loading	4.0	0	0	0	0
34		Materials & Expenses	4.0	379,388	0	133	0
35		Total Customer Service & Informational Expenses		\$ 379,366	\$ 0	\$ 133	\$ 0
		<u>Sales Expense</u>					
	911.00	Supervision					
36		Labor & Labor Loading	4.0	\$ 0	\$ 0	\$ 0	\$ 0
37		Materials & Expenses	4.0	0	0	0	0
	912.00	Demonstrating & Selling Expense					
38		Labor & Labor Loading	4.0	0	0	0	0
39		Materials & Expenses	4.0	0	0	0	0
	913.00	Advertising Expenses					
40		Labor & Labor Loading	4.0	0	0	0	0
41		Materials & Expenses	4.0	7,579	0	3	0
42		Total Sales Expense		\$ 7,579	\$ 0	\$ 3	\$ 0
43		Total O & M Expense		\$ 137,825,696	\$ 85,436	\$ 154,071	\$ 49,951
44		Allocation Percentage	Total O&M	1	0	0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**EXPENSE ALLOCATION TO CLASSES OF SERVICE**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Account No.	Description	Allocation Factor No.	Total Amount	Natural Gas Engine		
					Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Other Operating Deductions</u>							
1		Administrative & General Expense	Total O&M	\$ 93,808,967	\$ 58,151	\$ 104,866	\$ 33,999
2		Interest on Customer Deposits	8.0	958,434	0	0	0
3		Taxes Other Than Income	1.1	58,155,759	53,595	29,958	3,767
4		Total Allocated Operating Deductions		\$ 290,748,856	\$ 197,182	\$ 288,896	\$ 87,717
<u>Tax Adjustments</u>							
5		Interest Expense	1.1	\$ 47,329,818	\$ 43,618	\$ 24,381	\$ 3,066
6		South Georgia - Federal	1.1	(15,458,159)	(14,246)	(7,963)	(1,001)
Summary of Allocated Cost of Service							
<u>Rate Base</u>							
7		Total Direct Net Plant		\$ 3,155,975,561	\$ 3,895,494	\$ 1,585,589	\$ 199,374
8		Total Common Systems Allocable Net Plant		95,625,305	88,126	49,260	6,194
9		Cash Working Capital	1.1	(10,297,032)	(6,383)	(11,511)	(3,732)
10		Materials & Supplies	1.1	36,813,908	33,927	18,964	2,385
11		Prepayments	1.1	7,721,011	7,115	3,977	500
12		Other	1.1	0	0	0	0
13		Customer Deposits	9.0	(36,862,844)	0	(5,349)	0
14		Customer Advances	9.0	(41,613,406)	0	(6,038)	0
15		Deferred Taxes	1.1	(594,534,243)	(547,906)	(306,266)	(38,510)
16		Other	1.1	0	0	0	0
17		Total Rate Base		\$ 2,612,828,261	\$ 3,470,373	\$ 1,328,627	\$ 166,210
<u>Revenue</u>							
18		Net Operating Margin	Direct	\$ 483,951,321	\$ 2,984,891	\$ 285,000	\$ 0
19		Special Contract & Optional Margin	Net Op Margin	5,008,186	30,889	2,949	0
20		Late Charges	12.0	1,615,145	0	10,117	0
21		Service Establishment Charges	9.0	7,218,698	0	1,047	0
22		Reconnect / Reread Charges	9.0	224,248	0	33	0
23		Other Revenue - Labor	Net Op Margin	4,325	27	3	0
24		Other Revenue - Parts & Material	Net Op Margin	377	2	0	0
25		Other Revenue - Field Collection Fee	Net Op Margin	(21)	(0)	(0)	0
26		Other Revenue - Returned Item Fee	13.0	496,902	0	70	0
27		Other Revenue - Rental Income & UESC Revenue	Net Op Margin	113,867	702	67	0
28		Total Revenue		\$ 498,633,048	\$ 3,016,511	\$ 299,286	\$ 0
<u>Operating Deductions</u>							
29		O & M		\$ (137,825,696)	\$ (85,436)	\$ (154,071)	\$ (49,951)
30		A & G	Total O&M	(93,808,967)	(58,151)	(104,866)	(33,999)
31		Depreciation Expense	Deprec Exp	(112,627,474)	(149,613)	(56,154)	(7,061)
32		Interest on Customer Deposits	8.0	(958,434)	0	0	0
33		Taxes Other Than Income	1.1	(58,155,759)	(53,595)	(29,958)	(3,767)
<u>State Income Tax</u>							
34		Taxable Income before Interest Expense		\$ 95,256,717	\$ 2,669,717	\$ (45,764)	\$ (94,778)
35		Interest Expense	1.1	(47,329,818)	(43,618)	(24,381)	(3,066)
36		State Taxable Income		\$ 47,926,899	\$ 2,626,099	\$ (70,145)	\$ (97,844)
37		State Income Tax	4.90%	\$ 2,348,418	\$ 128,679	\$ (3,437)	\$ (4,794)
38		Total State Income Tax		\$ 2,348,418	\$ 128,679	\$ (3,437)	\$ (4,794)
<u>Federal Income Tax</u>							
39		Taxable Income before Interest Expense		\$ 95,256,717	\$ 2,669,717	\$ (45,764)	\$ (94,778)
40		Interest Expense	1.1	(47,329,818)	(43,618)	(24,381)	(3,066)
41		Federal Taxable Income		\$ 47,926,899	\$ 2,626,099	\$ (70,145)	\$ (97,844)
42		Federal Income Tax	19.97%	\$ 9,571,481	\$ 524,458	\$ (14,009)	\$ (19,540)
43		South Georgia Federal	1.1	(15,458,159)	(14,246)	(7,963)	(1,001)
44		Total Federal Income Tax		\$ (5,886,678)	\$ 510,213	\$ (21,972)	\$ (20,542)
45		Regulatory Amortization	1.1	\$ 0	\$ 0	\$ 0	\$ 0
46		Net Income		\$ 98,794,977	\$ 2,030,826	\$ (20,355)	\$ (69,442)
47		Rate of Return on Rate Base		3.78%	58.52%	-1.53%	-41.78%
48		Rate of Return by Class Total				39.09%	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**DISTRIBUTION OF RATE BASE BY FUNCTION - DATA ENTRY AND CLASSIFICATION OF COSTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Acct No.	Description	Allocation	Storage				Distribution				Line No.
				Amount	Specific	Demand	Customer	Commodity	Specific	Demand	Customer	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
<b>Cost of Service</b>												
<b>Direct</b>												
<u>Intangible Plant</u>												
1	301.00	Organization	Dist Plant	\$ 42,653	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,385	\$ 28,132	\$ 135	1
2	302.00	Franchises & Consents	Dist Plant	1,167,977	0	0	0	0	393,921	770,349	3,707	2
3	303.00	Miscellaneous Intangible Plant	Dist Plant	0	0	0	0	0	0	0	0	3
4		Total Direct Intangible Plant		\$ 1,210,630	\$ 0	\$ 0	\$ 0	\$ 0	\$ 408,307	\$ 798,481	\$ 3,842	4
<u>Storage Plant</u>												
5	360.00	Land and Land Rights		\$ 1,772,673	\$ 0	\$ 1,772,673	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	5
6	361.00	Structures and Improvements		76,200,000	0	76,200,000	0	0	0	0	0	6
7	363.10	Liquifaction Equipment		0	0	0	0	0	0	0	0	7
8	363.20	Vaporizing Equipment		0	0	0	0	0	0	0	0	8
9	363.30	Compressor Equipment		0	0	0	0	0	0	0	0	9
10	363.50	Other Equipment		0	0	0	0	0	0	0	0	10
11		Total Storage Plant		\$ 77,972,673	\$ 0	\$ 77,972,673	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	11
<u>Distribution Plant</u>												
12	374.10	Land & Land Rights	Demand	\$ 405,666	\$ 0	\$ 0	\$ 0	\$ 0	\$ 405,666	\$ 0	\$ 0	12
13	374.20	Rights of Way	Demand	2,332,188	0	0	0	0	2,332,188	0	0	13
14	375.00	Structures	Demand	457,330	0	0	0	0	457,330	0	0	14
15	376.00	Mains	Dmd/Cust	1,907,528,579	0	0	0	0	953,764,290	953,764,290	0	15
16	378.00	Measuring & Regulating Station	Commodity	65,754,717	0	0	0	0	32,877,358	32,877,358	0	16
17	380.00	Services	Customer	643,127,744	0	0	0	0	0	643,127,744	0	17
18	381.00	Meters	Customer	305,766,590	0	0	0	0	0	305,766,590	0	18
19	385.00	Industrial Measuring & Regulating Station	Commodity	9,313,055	0	0	0	0	0	0	9,313,055	19
20	387.00	Other Equipment	Demand	(92,997)	0	0	0	0	(92,997)	0	0	20
21		Total Direct Distribution Plant		\$ 2,934,592,871	\$ 0	\$ 0	\$ 0	\$ 0	\$ 989,743,835	\$ 1,935,535,982	\$ 9,313,055	21
22		Total Percent Direct Distribution Plant		100.00%	0%	0%	0%	0%	34%	66%	0%	22
<u>General Plant</u>												
23	389.00	Land & Land Rights	Dist Plant	\$ 17,352,123	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,852,313	\$ 11,444,742	\$ 55,068	23
24	390.10	Structures	Dist Plant	63,571,857	0	0	0	0	21,440,744	41,929,365	201,748	24
25	390.20	Structures - Leasehold Improvements	Dist Plant	111,993	0	0	0	0	37,772	73,866	355	25
26	391.00	Office Furniture & Equipment	Dist Plant	4,015,366	0	0	0	0	1,354,254	2,648,369	12,743	26
27	391.10	Computer Equipment	Dist Plant	11,979,259	0	0	0	0	4,040,219	7,901,023	38,017	27
28	392.11	Transportation Equipment - Light	Dist Plant	12,530,277	0	0	0	0	4,226,600	8,264,452	39,765	28
29	392.20	Transportation Equipment - Heavy	Dist Plant	9,820,190	0	0	0	0	3,312,034	6,476,991	31,165	29
30	393.00	Stores Equipment	Dist Plant	637,178	0	0	0	0	214,900	420,256	2,022	30
31	394.00	Tools, Shop & Garage Equipment	Dist Plant	11,251,584	0	0	0	0	3,794,797	7,421,079	35,707	31
32	395.00	Laboratory Equipment	Dist Plant	391,969	0	0	0	0	132,199	258,527	1,244	32
33	396.00	Power Operated Equipment	Dist Plant	5,897,959	0	0	0	0	1,899,192	3,890,049	18,717	33
34	397.10	Communication Equipment	Dist Plant	2,956,333	0	0	0	0	997,076	1,949,875	9,382	34
35	397.20	Telemetering Equipment	Dist Plant	(9,905)	0	0	0	0	(3,341)	(6,533)	(31)	35
36	398.00	Miscellaneous Equipment	Dist Plant	1,693,203	0	0	0	0	571,063	1,116,767	5,373	36
37		Total Direct General Plant		\$ 142,199,386	\$ 0	\$ 0	\$ 0	\$ 0	\$ 47,959,282	\$ 93,788,829	\$ 451,276	37
<u>Common - Systems Allocable</u>												
<u>Intangible Plant</u>												
38	301.00	Organization	Dist Plant	\$ 34,418	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,608	\$ 22,701	\$ 109	38
39	303.00	Miscellaneous Intangible	Dist Plant	40,705,487	0	0	0	0	13,728,652	26,847,654	129,181	39
40		Total Common Intangible Plant		\$ 40,739,905	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,740,260	\$ 26,870,355	\$ 129,290	40
<u>General Plant</u>												
41	389.00	Land & Land Rights	Dist Plant	\$ 3,465,350	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,168,751	\$ 2,285,602	\$ 10,997	41
42	390.10	Structures	Dist Plant	28,877,414	0	0	0	0	9,739,424	19,046,347	91,644	42
43	390.20	Structures - Leasehold Improvements	Dist Plant	1,600,119	0	0	0	0	539,669	1,055,372	5,078	43
44	391.00	Office Furniture & Equipment	Dist Plant	2,921,563	0	0	0	0	985,349	1,926,942	9,272	44
45	391.10	Computer Equipment	Dist Plant	8,489,068	0	0	0	0	2,863,090	5,599,038	26,940	45
46	392.11	Transportation Equipment - Light	Dist Plant	1,507,206	0	0	0	0	508,332	994,091	4,783	46
47	392.21	Transportation Equipment - Aircraft	Dist Plant	3,028,440	0	0	0	0	1,021,395	1,997,434	9,611	47
48	393.00	Stores Equipment	Dist Plant	18,480	0	0	0	0	6,233	12,189	59	48
49	394.00	Tools, Shop & Garage Equipment	Dist Plant	388,880	0	0	0	0	131,157	256,489	1,234	49
50	395.00	Laboratory Equipment	Dist Plant	547,348	0	0	0	0	184,603	361,008	1,737	50
51	396.00	Power Operated Equipment	Dist Plant	8,820	0	0	0	0	2,975	5,817	28	51
52	397.00	Communication Equipment	Dist Plant	2,553,297	0	0	0	0	861,145	1,684,049	8,103	52
53	397.20	Telemetering Equipment	Dist Plant	(10,255)	0	0	0	0	(3,459)	(6,763)	(33)	53
54	398.00	Miscellaneous Equipment	Dist Plant	1,489,670	0	0	0	0	502,418	982,524	4,728	54
55		Total Common General Plant		\$ 54,885,400	\$ 0	\$ 0	\$ 0	\$ 0	\$ 18,511,081	\$ 36,200,138	\$ 174,181	55
56		Net Plant		\$ 3,155,975,561	\$ 0	\$ 77,972,673	\$ 0	\$ 0	\$ 1,038,111,423	\$ 2,030,123,293	\$ 9,768,172	56
57		Total Common/System Allocable Net Plant	4.90%	95,625,305	0	0	0	0	32,251,341	63,070,493	303,471	57
58		Total Net Plant		\$ 3,251,600,867	\$ 0	\$ 77,972,673	\$ 0	\$ 0	\$ 1,070,362,764	\$ 2,093,193,786	\$ 10,071,643	58
<u>Rate Base</u>												
59		Cash Working Capital	Net Plant	\$ (10,297,032)	\$ 0	\$ (246,921)	\$ 0	\$ 0	\$ (3,389,579)	\$ (6,628,637)	\$ (31,894)	59
60		Materials & Supplies	Net Plant	36,813,908	0	882,789	0	0	12,118,411	23,698,678	114,029	60
61		Prepayments	Net Plant	7,721,011	0	185,148	0	0	2,541,604	4,970,343	23,915	61
62		Other		0	0	0	0	0	0	0	0	62
63		Customer Advances	Customer	(41,613,406)	0	(997,880)	0	0	(13,698,311)	(26,788,319)	(128,895)	63
64		Customer Deposits	Customer	(36,862,844)	0	(883,963)	0	0	(12,134,520)	(23,730,181)	(114,181)	64
65		Deferred Taxes	Net Plant	(594,534,243)	0	(14,256,800)	0	0	(195,708,927)	(382,726,981)	(1,841,535)	65
66		Other		0	0	0	0	0	0	0	0	66
67		Total Rate Base		\$ 2,612,828,261	\$ 0	\$ 62,655,047	\$ 0	\$ 0	\$ 860,091,443	\$ 1,681,988,689	\$ 8,093,083	67



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**DISTRIBUTION OF EXPENSES BY FUNCTION - DATA ENTRY AND CLASSIFICATION OF COSTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Acct No.	Description (b)	Allocation (c)	Amount (d)	Storage			Distribution			Customer Accounting			Line No.
					Specific (e)	Demand (f)	Customer (g)	Specific (i)	Demand (j)	Customer (k)	Commodity (l)	Specific (m)	Demand (n)	
<b>Depreciation Expense &amp; Amortization</b>														
Direct														
		<b>Intangible Plant</b>												
1	301.00	Organization		0	0	0	0	0	0	0	0	0	0	1
2	302.00	Franchises & Consents	Plant Acct.	71,779	0	0	0	0	0	0	47,342	0	0	2
3	303.00	Miscellaneous Intangible Plant		0	0	0	0	0	0	0	0	228	0	3
4		Total Direct Intangible Plant		71,779	0	0	0	0	0	0	47,342	228	0	4
		<b>Storage Plant</b>												
5	360.00	Land and Land Rights	Plant Acct.	0	0	0	0	0	0	0	0	0	0	5
6	361.00	Structures and Improvements	Plant Acct.	3,619,500	3,619,500	0	0	0	0	0	0	0	0	6
7	363.10	Liquidation Equipment	Plant Acct.	0	0	0	0	0	0	0	0	0	0	7
8	363.20	Vaporizing Equipment	Plant Acct.	0	0	0	0	0	0	0	0	0	0	8
9	363.30	Compressor Equipment	Plant Acct.	0	0	0	0	0	0	0	0	0	0	9
10	363.50	Other Equipment	Plant Acct.	0	0	0	0	0	0	0	0	0	0	10
11		Total Storage Plant		3,619,500	3,619,500	0	0	0	0	0	0	0	0	11
		<b>Distribution Plant</b>												
12	374.10	Land & Land Rights	Plant Acct.	0	0	0	0	0	0	0	0	0	0	12
13	374.20	Rights of Way	Plant Acct.	0	0	0	0	0	0	0	0	0	0	13
14	375.00	Structures	Plant Acct.	45,380	0	0	0	45,380	0	0	0	0	0	14
15	376.00	Mains	Plant Acct.	3,704	0	0	0	1,852	1,852	0	0	0	0	15
16	378.00	Measuring & Regulating Station	Plant Acct.	39,101,233	0	0	0	19,550,617	19,550,617	0	0	0	0	16
17	380.00	Services	Plant Acct.	3,276,991	0	0	0	3,276,991	0	0	0	0	0	17
18	381.00	Meters	Plant Acct.	29,444,796	0	0	0	29,444,796	0	0	0	0	0	18
19	385.00	Industrial Measuring & Regulating Station	Plant Acct.	12,763,384	0	0	0	12,763,384	0	0	0	0	0	19
20	387.00	Other Equipment	Plant Acct.	221,524	0	0	0	221,524	0	0	0	0	0	20
21		Total Direct Distribution Plant		84,857,013	0	0	0	19,819,372	52,274,256	12,763,384	0	0	0	21
		<b>General Plant</b>												
22	389.00	Land & Land Rights	Plant Acct.	0	0	0	0	0	0	0	0	0	0	22
23	390.10	Structures	Plant Acct.	2,047,787	0	0	0	690,653	1,350,636	0	0	0	0	23
24	390.20	Structures - Leasehold Improvements	Plant Acct.	8,221	0	0	0	2,773	5,422	26	0	0	0	24
25	391.00	Office Furniture & Equipment	Plant Acct.	432,749	0	0	0	145,952	285,423	1,373	0	0	0	25
26	391.10	Computer Equipment	Plant Acct.	3,878,400	0	0	0	1,308,059	2,558,032	12,308	0	0	0	26
27	392.11	Transportation Equipment - Light	Plant Acct.	3,541,001	0	0	0	1,194,266	2,335,498	11,238	0	0	0	27
28	392.12	Transportation Equipment - Heavy	Plant Acct.	692,081	0	0	0	233,417	456,468	2,196	0	0	0	28
29	393.00	Stores Equipment	Plant Acct.	35,029	0	0	0	11,814	23,104	111	0	0	0	29
30	394.00	Tools, Shop & Garage Equipment	Plant Acct.	1,717,453	0	0	0	579,242	1,132,761	5,450	0	0	0	30
31	395.00	Laboratory Equipment	Plant Acct.	30,534	0	0	0	10,298	20,139	97	0	0	0	31
32	396.00	Power Operated Equipment	Plant Acct.	311,637	0	0	0	105,105	205,543	989	0	0	0	32
33	397.10	Communication Equipment	Plant Acct.	(35,460)	0	0	0	(11,960)	(23,388)	(113)	0	0	0	33
34	397.20	Telemetering Equipment	Plant Acct.	35,990	0	0	0	12,138	23,737	114	0	0	0	34
35	398.00	Miscellaneous Equipment	Plant Acct.	133,556	0	0	0	45,044	88,088	424	0	0	0	35
36		Total Direct General Plant		12,828,977	0	0	0	4,326,802	8,461,462	40,113	0	0	0	36
		<b>Common - Systems Allocable</b>												
		Common - Systems Allocation	4.90%											
		<b>Intangible Plant</b>												
37	301.00	Organization		0	0	0	0	0	0	0	0	0	0	37
38	303.00	Miscellaneous Intangible Plant	Plant Acct.	10,142,552	0	0	0	3,420,757	6,689,608	32,188	0	0	0	38
39		Total Common Intangible Plant		10,142,552	0	0	0	3,420,757	6,689,608	32,188	0	0	0	39

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**DISTRIBUTION OF EXPENSES BY FUNCTION - DATA ENTRY AND CLASSIFICATION OF COSTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Acct No.	Description	Allocation	Amount	Storage			Distribution			Customer Accounting			Line No.
					Specific	Demand	Customer	Specific	Demand	Customer	Specific	Demand	Customer	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
<b>General Plant</b>														
1	389.00	Land & Land Rights		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
2	390.10	Structures	Plant Acct.	674,214	0	0	0	227,391	0	444,683	0	0	0	0
3	390.20	Structures - Leasehold Improvements	Plant Acct.	298,476	0	0	0	100,666	0	196,862	0	0	0	0
4	391.00	Office Furniture & Equipment	Plant Acct.	347,367	0	0	0	117,156	0	229,109	0	0	0	0
5	391.10	Computer Equipment	Plant Acct.	2,401,063	0	0	0	809,798	0	1,583,635	0	0	0	0
6	392.11	Transportation Equipment, Light	Plant Acct.	163,984	0	0	0	55,307	0	108,157	0	0	0	0
7	392.12	Transportation Equipment, Heavy	Plant Acct.	0	0	0	0	0	0	0	0	0	0	0
8	392.21	Transportation Equipment, Aircraft	Plant Acct.	183,099	0	0	0	61,753	0	120,764	0	0	0	0
9	393.00	Stores Equipment	Plant Acct.	2,341	0	0	0	790	0	1,544	0	0	0	0
10	394.00	Tools, Shop & Garage Equipment	Plant Acct.	41,085	0	0	0	13,857	0	27,098	0	0	0	0
11	395.00	Laboratory Equipment	Plant Acct.	35,158	0	0	0	11,858	0	23,189	0	0	0	0
12	396.00	Power Operated Equipment	Plant Acct.	371	0	0	0	125	0	245	0	0	0	0
13	397.00	Communication Equipment	Plant Acct.	277,352	0	0	0	93,542	0	182,930	0	0	0	0
14	397.20	Telemetering Equipment	Plant Acct.	208	0	0	0	70	0	137	0	0	0	0
15	398.00	Miscellaneous Equipment	Plant Acct.	112,220	0	0	0	37,848	0	74,016	0	0	0	0
16		Total Common General Plant		\$ 4,536,929	\$ 0	\$ 0	\$ 0	\$ 1,530,160	\$ 2,992,370	\$ 14,398	\$ 0	\$ 0	\$ 0	0
<b>System Allocable Amortization</b>														
17	303.00	Miscellaneous Intangible Plant	Com Gen Plant	\$ 10,142,552	\$ 0	\$ 0	\$ 0	\$ 3,420,757	\$ 6,689,608	\$ 32,188	\$ 0	\$ 0	\$ 0	0
18	309.2-398	General Plant	Com Gen Plant	\$ 4,536,929	\$ 0	\$ 0	\$ 0	\$ 1,530,160	\$ 2,992,370	\$ 14,398	\$ 0	\$ 0	\$ 0	0
19		Total System Allocable Amortization		\$ 14,679,481	\$ 0	\$ 0	\$ 0	\$ 4,950,917	\$ 9,681,978	\$ 46,586	\$ 0	\$ 0	\$ 0	0
20	389-390.1	Total System Depreciation Expense	Com Gen Plant	\$ 4,536,929	\$ 0	\$ 0	\$ 0	\$ 1,530,160	\$ 2,992,370	\$ 14,398	\$ 0	\$ 0	\$ 0	0
21		Total Direct Depreciation Expense	Dir. Depr.	\$ 101,377,269	\$ 0	\$ 3,619,500	\$ 0	\$ 24,170,383	\$ 60,783,061	\$ 12,804,325	\$ 0	\$ 0	\$ 0	0
22		Amortization Gas Plant Acquisition	Dir. Depr.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
23		Regulatory Amortizations	Dir. Depr.	\$ (3,429,279)	\$ 0	\$ (122,436)	\$ 0	\$ (817,609)	\$ (2,056,100)	\$ (433,130)	\$ 0	\$ 0	\$ 0	0
24		Total Depreciation Expense		\$ 112,627,474	\$ 0	\$ 3,497,064	\$ 0	\$ 28,303,691	\$ 68,408,938	\$ 12,417,781	\$ 0	\$ 0	\$ 0	0
<b>Operation and Maintenance Expense</b>														
<b>Operation Expenses</b>														
25	803.00	Gas Supply Expenses		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
26	805.10	Natural Gas Transmission Line Purchases		0	0	0	0	0	0	0	0	0	0	0
27	810.00	Purchased Gas Cost Adjustments		0	0	0	0	0	0	0	0	0	0	0
28	813.00	Gas Used for Compression Station Fuel		0	0	0	0	0	0	0	0	0	0	0
29		Other Gas Supply Expenses	Commodity	\$ 777,658	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 777,658	\$ 0	\$ 0	\$ 0	0
30		Labor	Commodity	\$ 436,371	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 436,371	\$ 0	\$ 0	\$ 0	0
31		Labor Loadings	Commodity	\$ 144,118	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 144,118	\$ 0	\$ 0	\$ 0	0
		Materials & Expenses		\$ 1,358,147	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,358,147	\$ 0	\$ 0	\$ 0	0
		Total Gas Supply Expenses		\$ 1,358,147	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,358,147	\$ 0	\$ 0	\$ 0	0

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**DISTRIBUTION OF EXPENSES BY FUNCTION - DATA ENTRY AND CLASSIFICATION OF COSTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Acct No.	Description	Allocation	Amount			Storage			Distribution			Customer Accounting			Line No.						
				(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)							
1	858.00	Transmission Expenses																				
2		Transmission and Compression of Gas		\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	1
3		Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
4		Labor Loadings		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3
		Materials & Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4
		Total Transmission Expenses		\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	5
5	Various	Storage		\$	1,470,088	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	6
		Various																				7
		Distribution Expenses - Operation																				8
6	870.00	Operation Supervision and Engineering		\$	6,400,906	\$	0	\$	0	\$	0	\$	0	\$	827,556	\$	5,106,496	\$	466,854	\$	0	9
7		Labor		3,607,331	0	0	0	0	0	0	0	0	0	0	466,382	0	2,877,846	0	263,103	0	0	10
8		Labor Loadings		1,448,039	0	0	0	0	0	0	0	0	0	0	187,213	0	1,155,213	0	105,614	0	0	11
		Materials & Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12
		Distribution Load Dispatching		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13
9	871.00	Labor		\$	331,464	\$	0	\$	0	\$	0	\$	0	\$	165,732	\$	0	\$	165,732	\$	0	14
10		Labor Loadings		186,619	0	0	0	0	0	0	0	0	0	0	93,309	0	93,309	0	0	0	0	15
11		Materials & Expenses		157,480	0	0	0	0	0	0	0	0	0	0	78,740	0	78,740	0	0	0	0	16
		Mains and Services Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17
12	874.00	Labor		\$	2,967,620	\$	0	\$	0	\$	0	\$	0	\$	1,109,679	\$	1,857,941	\$	0	\$	0	18
13		Labor Loadings		1,661,675	0	0	0	0	0	0	0	0	0	0	621,348	0	1,040,326	0	0	0	0	19
14		Materials & Expenses		7,944,286	0	0	0	0	0	0	0	0	0	0	2,970,599	0	4,973,687	0	0	0	0	20
		Measuring & Regulating Exps. - General		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21
15	875.00	Labor		\$	1,151,572	\$	0	\$	0	\$	0	\$	0	\$	0	\$	1,151,572	\$	0	\$	0	22
16		Labor Loadings		655,035	0	0	0	0	0	0	0	0	0	0	0	0	655,035	0	0	0	0	23
17		Materials & Expenses		696,517	0	0	0	0	0	0	0	0	0	0	0	0	696,517	0	0	0	0	24
		Meter and House Regulator Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	25
18	878.00	Labor		\$	4,861,745	\$	0	\$	0	\$	0	\$	0	\$	0	\$	4,861,745	\$	0	\$	0	26
19		Labor Loadings		2,704,502	0	0	0	0	0	0	0	0	0	0	2,704,502	0	2,704,502	0	0	0	0	27
20		Materials & Expenses		3,177,057	0	0	0	0	0	0	0	0	0	0	0	0	3,177,057	0	0	0	0	28
		Customer Installation Expense		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	29
21	879.00	Labor		\$	6,866,887	\$	0	\$	0	\$	0	\$	0	\$	0	\$	6,866,887	\$	0	\$	0	30
22		Labor Loadings		3,815,759	0	0	0	0	0	0	0	0	0	0	3,815,759	0	3,815,759	0	0	0	0	31
23		Materials & Expenses		1,798,117	0	0	0	0	0	0	0	0	0	0	0	0	1,798,117	0	0	0	0	32
		Other Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	33
24	880.00	Labor		\$	4,168,772	\$	0	\$	0	\$	0	\$	0	\$	538,970	\$	3,325,750	\$	304,052	\$	0	34
25		Labor Loadings		2,373,463	0	0	0	0	0	0	0	0	0	0	306,859	0	1,893,495	0	173,110	0	0	35
26		Materials & Expenses		6,591,122	0	0	0	0	0	0	0	0	0	0	852,149	0	5,258,246	0	480,727	0	0	36
		Rents		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	37
27	881.00	Labor		\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	38
28		Labor Loadings		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39
29		Materials & Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	40
30		Total Distribution Operating Expenses		\$	62,843,534	\$	0	\$	0	\$	0	\$	0	\$	8,124,876	\$	50,135,130	\$	4,583,527	\$	0	41
		Total Gas Supply & Distribution Expenses		\$	65,671,769	\$	0	\$	0	\$	0	\$	0	\$	8,124,876	\$	50,135,130	\$	5,941,674	\$	0	42

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**DISTRIBUTION OF EXPENSES BY FUNCTION - DATA ENTRY AND CLASSIFICATION OF COSTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Acct No.	Description	Allocation	Amount		Storage			Distribution			Customer Accounting			Line No.							
				(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)		(o)						
<b>Maintenance Expenses</b>																						
885.00		Maintenance Supervision & Engineering		\$	1,447,971	\$	0	\$	0	\$	0	\$	407,855	\$	953,820	\$	86,295	\$	0	\$	0	1
2		Labor	Dist Maint Exp		810,514		0		0		0		228,300		533,909		48,305		0		0	2
3		Materials & Expenses	Dist Maint Exp		264,999		0		0		0		74,643		174,562		15,793		0		0	3
886.00		Maintenance of Structures & Improvement		\$	16,085	\$	0	\$	0	\$	0	\$	16,085	\$	0	\$	0	\$	0	\$	0	4
5		Labor	Plant Acct.		9,727		0		0		0		9,727		0		0		0		0	5
6		Materials & Expenses	Plant Acct.		53,126		0		0		0		53,126		0		0		0		0	6
887.00		Maintenance of Mains		\$	7,377,201	\$	0	\$	0	\$	0	\$	3,688,600	\$	3,688,600	\$	0	\$	0	\$	0	7
7		Labor	Plant Acct.		4,172,353		0		0		0		2,086,177		2,086,177		0	\$	0	\$	0	8
8		Labor Loadings	Plant Acct.		12,648,532		0		0		0		6,324,266		6,324,266		0	\$	0	\$	0	9
889.00		Maint. of Measuring & Reg. Station Equip.		\$	1,179,167	\$	0	\$	0	\$	0	\$	0	\$	0	\$	1,179,167	\$	0	\$	0	10
10		Labor	Commodity		664,034		0		0		0		0		0		664,034		0		0	11
11		Labor Loadings	Commodity		733,457		0		0		0		0		0		733,457		0		0	12
892.00		Maintenance of Services		\$	3,708,133	\$	0	\$	0	\$	0	\$	0	\$	3,708,133	\$	0	\$	0	\$	0	13
13		Labor	Plant Acct.		2,109,444		0		0		0		0		2,109,444		0	\$	0	\$	0	14
14		Labor Loadings	Plant Acct.		7,070,213		0		0		0		0		7,070,213		0	\$	0	\$	0	15
893.00		Maintenance of Meter & House Regulators		\$	1,563,904	\$	0	\$	0	\$	0	\$	0	\$	1,563,904	\$	0	\$	0	\$	0	16
16		Labor	Plant Acct.		865,775		0		0		0		0		865,775		0	\$	0	\$	0	17
17		Labor Loadings	Plant Acct.		1,063,225		0		0		0		0		1,063,225		0	\$	0	\$	0	18
894.00		Maintenance of Other Equipment		\$	183,812	\$	0	\$	0	\$	0	\$	51,775	\$	121,082	\$	10,955	\$	0	\$	0	19
19		Labor	Dist Maint Exp		103,512		0		0		0		29,157		68,186		6,169		0		0	20
20		Labor Loadings	Dist Maint Exp		73,309		0		0		0		20,649		48,291		4,369		0		0	21
22		Total Maintenance Expenses		\$	46,118,494	\$	0	\$	0	\$	0	\$	12,990,361	\$	30,379,589	\$	2,748,544	\$	0	\$	0	22
23		Total Gas Supply, Distribution & Maint. Exps		\$	111,790,263	\$	0	\$	0	\$	0	\$	21,115,237	\$	80,514,719	\$	8,690,219	\$	0	\$	0	23
<b>Customer Accounts Expenses</b>																						
901.00		Supervision Expenses		\$	1,013,793	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	24
24		Labor	Customer		566,351		0		0		0		0		0		0		0		0	25
25		Labor Loadings	Customer		262,816		0		0		0		0		0		0		0		0	26
902.00		Meter Reading Expenses		\$	788,653	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	27
27		Labor	Customer		444,357		0		0		0		0		0		0		0		0	28
28		Labor Loadings	Customer		324,290		0		0		0		0		0		0		0		0	29
29		Materials & Expenses					0		0		0		0		0		0		0		0	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**DISTRIBUTION OF EXPENSES BY FUNCTION - DATA ENTRY AND CLASSIFICATION OF COSTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Acct No.	Description (b)	Allocation (c)	Amount (d)	Storage			Distribution			Customer Accounting			Line No.
					Specific (e)	Demand (f)	Customer (g)	Commodity (h)	Specific (i)	Demand (j)	Customer (k)	Commodity (l)	Specific (m)	
1	903.00	Customer Records & Collections Expenses												1
2		Labor & Loadings	KAM Direct	776,052	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1
3		Materials & Expenses	KAM Direct	2,968	0	0	0	0	0	0	0	0	0	2
4	903.00	Customer Records & Collections Expenses	Customer											3
5		Labor & Loadings	Customer	7,055,208	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	3
6		Materials & Expenses	Customer	12,941,581.51	0	0	0	0	0	0	0	0	0	4
7	904.00	Uncollectible Accounts Expense												4
8		Labor		0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	5
9		Labor Loadings		0	0	0	0	0	0	0	0	0	0	6
10		Materials & Expenses		0	0	0	0	0	0	0	0	0	0	7
11	905.00	Miscellaneous Customer Accounts Expenses	Customer	1,350,724	0	0	0	0	0	0	0	0	0	7
12		Labor		75,975	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	8
13		Materials & Expenses	Customer	44,079	0	0	0	0	0	0	0	0	0	8
14	909.00	Total Customer Accounts Expenses	Customer	1,641	0	0	0	0	0	0	0	0	0	10
15		Customer Service & Informational Expenses												11
16		Customer Assistance Expense		25,648,489	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	11
17		Labor		0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	12
18		Materials & Expenses	Customer	(21)	0	0	0	0	0	0	0	0	0	13
19	910.00	Info. & Instructional Advertising Exps.	Customer											14
20		Labor		0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	15
21		Materials & Expenses	Customer	0	0	0	0	0	0	0	0	0	0	16
22		Misc. Customer Service & Info. Exp.		0	0	0	0	0	0	0	0	0	0	17
23		Labor	Customer	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	18
24		Labor Loadings	Customer	379,388	0	0	0	0	0	0	0	0	0	19
25		Materials & Expenses	Customer	379,366	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	20
26	911.00	Total Customer Service & Informational Expenses												21
27		Sales Expense												22
28		Supervision		0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	23
29		Labor		0	0	0	0	0	0	0	0	0	0	24
30		Labor Loadings		0	0	0	0	0	0	0	0	0	0	24
31		Materials & Expenses		0	0	0	0	0	0	0	0	0	0	24

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**DISTRIBUTION OF EXPENSES BY FUNCTION - DATA ENTRY AND CLASSIFICATION OF COSTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Acct No.	Description (b)	Allocation (c)			Amount (d)			Storage (g)			Distribution (k)			Customer Accounting (m)			Line No.	
			Customer	Other	Total	Specific (e)	Demand (f)	Customer (g)	Commodity (h)	Specific (i)	Demand (j)	Customer (k)	Commodity (l)	Specific (m)	Demand (n)	Customer (o)			
1	912.00	Demonstrating & Selling Expense				0	0	0	0	0	0	0	0	0	0	0	0	1	
2		Labor				0	0	0	0	0	0	0	0	0	0	0	0	2	
3		Labor Loadings				0	0	0	0	0	0	0	0	0	0	0	0	3	
3	913.00	Materials & Expenses				0	0	0	0	0	0	0	0	0	0	0	0	3	
4		Advertising Expenses				0	0	0	0	0	0	0	0	0	0	0	0	4	
4		Labor				0	0	0	0	0	0	0	0	0	0	0	0	4	
5		Labor Loadings				0	0	0	0	0	0	0	0	0	0	0	0	5	
6		Materials & Expenses				7,579	0	0	0	0	0	0	0	0	0	0	0	6	
7		Total Sales Expense				7,579	0	0	0	0	0	0	0	0	0	0	0	7	
8		Total O&M Expense				137,825,696	0	1,470,088	0	0	0	0	0	0	21,115,237	80,514,719	8,690,219	0	8
										15%						58%		19%	
9	920.00	Administrative & General Expense				35,649,057	0	380,243	0	0	0	0	0	5,461,524	20,825,390	2,247,753	0	9	
10		Labor				16,186,762	0	172,653	0	0	0	0	0	2,479,852	9,455,948	1,020,812	0	10	
11		Labor Loadings				(2,175,262)	0	(23,202)	0	0	0	0	0	(333,255)	(1,270,740)	(137,155)	0	11	
12		Materials & Expenses				49,660,558	0	529,694	0	0	0	0	0	7,608,120	29,010,598	3,131,209	0	12	
		Total Admin. & General Salaries																	
13		Other Administrative & General Expense				8,654,058	0	92,307	0	0	0	0	0	1,325,823	5,055,509	545,658	0	13	
14	921.00	Office Supplies				(8,446,298)	0	(90,091)	0	0	0	0	0	(1,293,994)	(4,934,140)	(632,558)	0	14	
15	922.00	Administrative Expenses Transferred - Credit				14,523,045	0	154,907	0	0	0	0	0	2,224,966	8,484,041	915,711	0	15	
16	923.00	Outside Services Employed				248,977	0	2,656	0	0	0	0	0	38,144	145,447	15,699	0	16	
17	924.00	Property Insurance				7,941,638	0	84,708	0	0	0	0	0	1,216,679	4,639,329	500,738	0	17	
18	925.00	Injuries and Damages				9,862,398	0	105,195	0	0	0	0	0	1,510,944	5,761,394	621,846	0	18	
19	926.00	Employee Pensions and Benefits				157,000	0	1,675	0	0	0	0	0	24,053	91,716	9,699	0	19	
20	928.00	Regulatory Commission Expenses				962,067	0	10,262	0	0	0	0	0	147,391	562,016	60,960	0	20	
21	930.10	Safety Advertising				0	0	0	0	0	0	0	0	0	0	0	0	21	
22		Miscellaneous General Expenses				0	0	0	0	0	0	0	0	0	0	0	0	22	
23		Labor				0	0	0	0	0	0	0	0	0	0	0	0	23	
24		Labor Loadings				4,144,041	0	44,202	0	0	0	0	0	634,877	2,420,857	261,291	0	24	
25	931.00	Materials & Expenses				1,871,601	0	19,963	0	0	0	0	0	286,734	1,093,348	118,009	0	25	
26		Rents				0	0	0	0	0	0	0	0	0	0	0	0	26	
27	935.00	Maintenance of General Plant				726,355	0	7,748	0	0	0	0	0	111,279	424,321	45,798	0	27	
28		Labor				420,540	0	4,486	0	0	0	0	0	64,428	245,670	26,516	0	28	
29		Labor Loadings				3,062,987	0	32,884	0	0	0	0	0	472,321	1,601,013	194,389	0	29	
30		Materials & Expenses				44,146,409	0	470,899	0	0	0	0	0	6,763,645	25,790,523	2,783,956	0	30	
		Total Other Administrative & General Expense																	
29		Total Administrative and General Expense				93,806,967	0	1,000,593	0	0	0	0	0	14,371,766	54,801,120	5,914,865	0	29	
30		Total O&M and A&G Expense				231,634,663	0	2,470,681	0	0	0	0	0	35,487,003	135,315,840	14,605,084	0	30	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**DISTRIBUTION OF EXPENSES BY FUNCTION - DATA ENTRY AND CLASSIFICATION OF COSTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Acct No.	Description (b)	Allocation (c)	Amount (d)			Storage (g)			Distribution (k)			Customer Accounting (m)			Line No.	
				Amount (d)	Specific (e)	Demand (f)	Customer (g)	Commodity (h)	Specific (i)	Demand (j)	Customer (k)	Commodity (l)	Specific (m)	Demand (n)	Customer (o)		
1		Interest on Customer Deposits	Customer	\$ 958,434	0	\$ 1,394,562	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,143,727	\$ 37,437,336	\$ 180,134	\$ 0	\$ 0	\$ 958,434	1
2		Taxes Other Than Income	Net Plant	58,155,759	0	1,134,959	0	0	0	0	15,580,041	30,468,217	146,601	0	0	0	2
3		Interest Expense	Rate Base	47,329,818	0	(370,683)	0	0	0	0	(5,088,520)	(9,951,074)	(47,881)	0	0	0	3
4		APRAM Federal	Rate Base	(15,459,159)	0	(82,233)	0	0	0	0	(1,128,850)	(2,207,570)	(10,622)	0	0	0	4
5		Regulatory Amortizations	Rate Base	(3,423,275)	0	0	0	0	0	0	0	0	0	0	0	0	5
6		Rate Base		\$ 3,155,975,561	\$ 0	\$ 77,972,673	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,038,111,423	\$ 2,030,123,293	\$ 9,768,172	\$ 0	\$ 0	\$ 0	6
7		Total Direct Net Plant		95,625,305	0	0	0	0	0	0	32,251,341	63,070,493	303,471	0	0	0	7
8		Total Common Systems Allocable Net Plant		3,251,600,867	0	\$ 77,972,673	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,070,362,764	\$ 2,093,193,786	\$ 10,071,643	\$ 0	\$ 0	\$ 0	8
9		Cash Working Capital	Net Plant	(10,297,032)	0	(246,921)	\$ 0	\$ 0	\$ 0	\$ 0	(3,389,579)	(6,628,637)	(31,894)	\$ 0	\$ 0	\$ 0	9
10		Materials & Supplies	Net Plant	36,813,908	0	882,789	0	0	0	0	12,118,411	23,698,678	114,029	0	0	0	10
11		Prepayments	Net Plant	7,721,011	0	185,148	0	0	0	0	2,541,604	4,970,343	23,915	0	0	0	11
12		Other	Customer	0	0	0	0	0	0	0	0	0	0	0	0	0	12
13		Customer Deposits	Customer	(36,862,844)	0	(883,963)	0	0	0	0	(12,134,520)	(23,730,181)	(114,181)	0	0	0	13
14		Customer Advances	Customer	(41,613,406)	0	(997,880)	0	0	0	0	(13,698,311)	(26,788,319)	(128,695)	0	0	0	14
15		Deferred Taxes	Net Plant	(594,534,243)	0	(14,256,800)	0	0	0	0	(195,708,927)	(382,726,981)	(1,841,535)	0	0	0	15
16		Other		0	0	0	0	0	0	0	0	0	0	0	0	0	16
17		Total Rate Base		2,612,828,261	0	\$ 62,655,047	\$ 0	\$ 0	\$ 0	\$ 0	\$ 860,091,443	\$ 1,681,988,689	\$ 8,093,083	\$ 0	\$ 0	\$ 0	17
18		Revenue		\$ 483,951,321	\$ 0	\$ 11,605,046	\$ 0	\$ 0	\$ 0	\$ 0	\$ 159,307,214	\$ 311,540,050	\$ 1,499,011	\$ 0	\$ 0	\$ 0	18
19		Net Operating Margin		5,008,186	0	120,095	0	0	0	0	1,648,596	3,223,982	15,513	0	0	0	19
20		Special Contract & Optional Margin		1,615,145	0	38,731	0	0	0	0	591,674	1,039,737	5,003	0	0	0	20
21		Late Charges		7,216,698	0	173,103	0	0	0	0	2,376,253	4,646,963	22,359	0	0	0	21
22		Service Establishment Charges		224,248	0	5,377	0	0	0	0	73,818	144,368	695	0	0	0	22
23		Reconnect / Reread Charges		4,325	0	104	0	0	0	0	1,424	2,784	13	0	0	0	23
24		Other Revenue - Labor		377	0	9	0	0	0	0	124	243	1	0	0	0	24
25		Other Revenue - Parts & Material		(21)	0	(1)	0	0	0	0	(7)	(14)	(0)	0	0	0	25
26		Other Revenue - Field Collection Fee		496,902	0	11,916	0	0	0	0	163,570	319,877	1,539	0	0	0	26
27		Other Revenue - Returned Item Fee		113,867	0	2,731	0	0	0	0	37,483	73,301	353	0	0	0	27
28		Other Revenue - Rental Income & UESC Revenue		498,633,048	0	\$ 11,957,111	\$ 0	\$ 0	\$ 0	\$ 0	\$ 164,140,148	\$ 320,991,302	\$ 1,544,487	\$ 0	\$ 0	\$ 0	28

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**DISTRIBUTION OF EXPENSES BY FUNCTION - DATA ENTRY AND CLASSIFICATION OF COSTS**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Acct No.	Description (b)	Allocation (c)	Amount (d)		Storage (g)			Distribution (k)			Customer Accounting (n)			Line No.			
				Specific (e)	Demand (f)	Customer (g)	Commodity (h)	Specific (i)	Demand (j)	Customer (k)	Commodity (l)	Specific (m)	Demand (n)	Customer (o)				
1		Operating Deductions																
2		Operations & Maintenance Expenses		(137,825,696)	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	(26,035,434)
3		Administrative & General Expenses		(93,808,967)	0	(1,000,593)	0	0	0	0	0	0	0	0	0	0	0	(17,720,622)
4		Depreciation Expenses		(112,627,474)	0	(3,497,064)	0	0	0	0	0	0	0	0	0	0	0	0
5		Interest on Customer Deposits		(958,434)	0	0	0	0	0	0	0	0	0	0	0	0	0	(858,434)
6		Taxes Other Than Income		(58,155,759)	0	(1,394,562)	0	0	0	0	0	0	0	0	0	0	0	0
		Total Operating Deductions		(403,376,330)	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	(44,714,490)
7		State Income Tax																
8		Taxable Income before Interest Expense		95,256,717	\$	0	\$	4,594,804	\$	0	\$	0	\$	81,205,727	\$	79,629,189	\$	(25,658,512)
9		Interest Expense		47,329,818	0	1,134,959	0	0	0	0	0	0	0	15,580,041	0	30,468,217	0	0
10		State Taxable Income	4.90%	47,928,899	\$	0	\$	3,459,845	\$	0	\$	0	\$	65,625,686	\$	49,360,972	\$	(25,805,114)
11		State Income Tax		2,348,418	\$	0	\$	169,532	\$	0	\$	0	\$	3,215,659	\$	2,418,688	\$	(1,264,451)
		Total State Income Tax		2,348,418	\$	0	\$	169,532	\$	0	\$	0	\$	3,215,659	\$	2,418,688	\$	(1,264,451)
12		Federal Income Tax																
13		Taxable Income before Interest Expense		95,256,717	\$	0	\$	4,594,804	\$	0	\$	0	\$	81,205,727	\$	79,629,189	\$	(25,658,512)
14		Interest Expense		47,329,818	0	1,134,959	0	0	0	0	0	0	0	15,580,041	0	30,468,217	0	0
15		Federal Taxable Income		47,928,899	\$	0	\$	3,459,845	\$	0	\$	0	\$	65,625,686	\$	49,360,972	\$	(25,805,114)
16		Federal Income Tax	19.97%	9,571,481	\$	0	\$	690,966	\$	0	\$	0	\$	13,106,106	\$	9,857,880	\$	(5,153,539)
17		APRAM Federal		(15,458,159)	0	(370,683)	0	0	0	0	0	0	0	(5,088,520)	0	(9,951,074)	0	(47,581)
		Total Federal Income Tax		(5,886,678)	\$	0	\$	320,282	\$	0	\$	0	\$	8,017,585	\$	(93,195)	\$	(5,201,420)
18		Regulatory Amortization	Net Plant	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0
19		Net Income		98,794,977	\$	0	\$	4,104,989	\$	0	\$	0	\$	69,972,483	\$	77,503,666	\$	(19,192,642)
20		Rate of Return on Rate Base		3.78%	0	6.55%	0	0	0	0	0	0	8.14%	0	0	0	-237.15%	0



**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Single-Family Residential		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	67,779,710 59.588370%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	76,662,934 52.476209%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	284,164,455 43.583776%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	1,003,066 92.603495%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0.000000%	1,003,066 92.603495%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0.000000%	1,003,066 57.704158%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	1,003,066 85.348314%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	1,003,066 93.322254%	0 0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0.000000%	6,595,840 88.618673%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	1,003,066 92.603495%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0.000000%	1,290,032 79.870947%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0.000000%	449,554 90.471361%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	0.000000%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0.000000%	1,003,066 92.603495%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	589,772,216 20.097241%	1,639,003,369 55.851133%	4,058,981 0.138315%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	568,332,591 29.794185%	883,219,063 46.301747%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0.000000%	548,898,688 85.348314%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	568,332,591 22.281818%	1,432,117,751 56.147029%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	3,548,004 9.102502%	21,620,861 55.468919%	294,436 0.755383%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	7,977,317 18.485079%	25,412,237 58.885364%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	206,220,445 42.611816%	128,793,685 26.612942%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0.000000%	21,210,658 89.557536%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	15,049,267 10.919057%	85,297,667 61.888073%	1,066,641 0.773906%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Multi-Family Residential		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	1,144,262 1.005975%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	1,451,530 0.993580%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	6,458,245 0.990535%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	39,135 3.612952%	0 0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	39,135 3.612952%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	39,135 2.251345%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	51,997 4.424333%	0 0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0 0.000000%	39,135 3.640995%	0 0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	607,221 8.158342%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	39,135 3.612952%	0 0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	85,387 5.286648%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	36,400 7.325388%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	0.000000%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	39,135 3.612952%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	9,956,577 0.339283%	70,984,866 2.418900%	92,249 0.003144%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	9,594,632 0.502988%	34,459,050 1.806476%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	28,454,113 4.424333%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	9,594,632 0.376163%	62,913,163 2.466548%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	59,898 0.153669%	878,242 2.253153%	6,692 0.017168%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	134,674 0.312066%	1,132,515 2.624271%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	4,863,769 1.005012%	4,555,305 0.941273%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	827,540 3.494113%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	255,646 0.185485%	3,534,331 2.564348%	24,242 0.017589%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Master-Metered Mobile Home Park		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	301,401 0.264976%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	339,929 0.232683%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	1,395,734 0.214071%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	104 0.009601%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	104 0.009601%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	806 0.046339%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	76 0.006449%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	104 0.009676%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	900 0.012092%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	104 0.009601%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	383 0.023688%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	14 0.002817%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	0.000000%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	104 0.009601%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	2,622,583 0.089368%	277,894 0.009470%	19,937 0.000679%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	2,527,246 0.132488%	91,574 0.004801%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	41,474 0.006449%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	2,527,246 0.099082%	133,048 0.005216%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	15,777 0.040477%	11,538 0.029601%	1,446 0.003710%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	35,473 0.082199%	3,735 0.008655%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	672,479 0.138956%	82,368 0.017020%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	2,199 0.009286%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	66,911 0.048547%	25,006 0.018143%	5,239 0.003801%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Small General		
				Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	1,254,914 1.103255%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	1,373,161 0.939936%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	4,374,101 0.670879%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	17,690 1.633118%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	17,690 1.633118%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	17,690 1.017647%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	26,251 2.233638%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	17,690 1.645793%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	105,340 1.415300%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	17,690 1.633118%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	17,255 1.068344%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	3,178 0.639563%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	84 1.367188%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	17,690 1.633118%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	10,919,395 0.372092%	33,589,792 1.144615%	62,479 0.002129%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	10,522,449 0.551627%	15,576,093 0.816559%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	14,365,148 2.233638%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	10,522,449 0.412539%	29,941,241 1.173864%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	65,690 0.168529%	404,392 1.037478%	4,532 0.011627%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	147,697 0.342244%	542,044 1.256026%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	3,480,428 0.719169%	5,837,590 1.206235%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	384,713 1.624371%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	278,166 0.201824%	1,653,202 1.199488%	16,419 0.011913%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Medium General		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	7,093,545 6.236273%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	9,624,301 6.587888%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	46,031,602 7.060106%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	14,847 1.370643%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	14,847 1.370643%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	358,203 20.606641%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	73,461 6.250586%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	14,847 1.381281%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	94,945 1.275637%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	14,847 1.370643%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	65,382 4.048087%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	5,460 1.098808%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	1,116 18.164063%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	14,847 1.370643%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	61,723,129 2.103294%	116,730,814 3.977752%	657,511 0.022406%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	59,479,346 3.118137%	13,072,703 0.685321%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	40,199,254 6.250586%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	59,479,346 2.331923%	53,271,958 2.088559%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	371,319 0.952630%	5,065,475 12.995617%	47,695 0.122364%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	834,873 1.934572%	1,708,826 3.959700%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	18,745,450 3.873416%	7,749,917 1.601384%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	455,445 1.923020%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	1,591,106 1.154433%	10,488,462 7.609947%	172,784 0.125364%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Large-1 General		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	15,054,030 13.234714%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	21,157,916 14.482712%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	109,317,775 16.766634%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	7,072 0.652898%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	7,072 0.652898%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	186,440 10.725489%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	10,358 0.881310%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	0.000000%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	33,780 0.453853%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	7,072 0.652898%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	87,311 5.405756%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	2,058 0.414166%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	2,028 33.007813%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	7,072 0.652898%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	130,989,770 4.463644%	44,904,673 1.530184%	1,561,486 0.053210%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	126,227,980 6.617357%	6,227,106 0.326449%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	5,667,948 0.881310%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	126,227,980 4.948843%	11,895,054 0.466353%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	788,020 2.021687%	2,557,710 6.561876%	113,269 0.290595%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	1,771,780 4.105579%	575,618 1.333826%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	41,949,603 8.668145%	6,789,200 1.402868%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	406,682 1.717131%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	3,384,045 2.455308%	5,180,747 3.758912%	410,336 0.297721%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Large-2 General		
				Demand	Customer	Commodity
(a)	(b)	(c)	(d)	(e)	(f)	
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	4,784,636 4.206401%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	6,962,050 4.765562%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	37,170,444 5.701024%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	435 0.040129%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	435 0.040129%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	82,494 4.745676%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	5,739 0.488304%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	0.000000%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	2,220 0.029827%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	435 68.272251%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	435 0.040129%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	27,490 1.702007%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	140 0.028175%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	924 15.039063%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	435 0.040129%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	41,632,597 1.418684%	18,047,034 0.614976%	530,939 0.018092%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	40,119,153 2.103201%	382,732 0.020064%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	3,140,415 0.488304%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	40,119,153 1.572895%	3,523,148 0.138127%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	250,457 0.642555%	1,120,009 2.873415%	38,514 0.098809%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	563,127 1.304880%	234,066 0.542378%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	10,551,202 2.180220%	2,451,520 0.506563%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	126,349 0.533481%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	1,077,943 0.782106%	2,192,449 1.590740%	139,523 0.101232%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Allocation Factor No. (b)	Total (c)	Transportation Eligible General		
				Demand (d)	Customer (e)	Commodity (f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	13,465,580 11.838232%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	21,732,251 14.875848%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	120,707,204 18.513490%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	202 0.018649%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	202 0.018649%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	35,041 2.015808%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	1,476 0.125596%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	0.000000%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	202 31.727749%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	202 0.018649%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	26,176 1.620679%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	14 0.002817%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	1,680 27.343750%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	202 0.018649%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	117,168,175 3.992655%	7,155,405 0.243830%	1,724,171 0.058753%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	112,908,833 5.919116%	177,865 0.009324%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	807,741 0.125596%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	112,908,833 4.426658%	985,606 0.038641%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	704,871 1.808365%	473,245 1.214123%	125,070 0.320871%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	1,584,828 3.672372%	89,093 0.206448%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	29,543,216 6.104584%	2,302,800 0.475833%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	217,285 0.917439%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	3,055,217 2.216725%	1,093,427 0.793340%	453,087 0.328739%



**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Air Conditioning		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	15,049 0.013230%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	40,837 0.027953%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	228,512 0.035048%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	19 0.001754%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	19 0.001754%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	19 0.001093%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	13 0.001141%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	0.000000%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	19 0.001754%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	559 0.034632%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	12 0.195313%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	19 0.001754%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	130,946 0.004462%	27,984 0.000954%	3,264 0.000111%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	126,186 0.006615%	16,730 0.000877%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	7,335 0.001141%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	126,186 0.004947%	24,065 0.000943%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	788 0.002021%	394 0.001012%	237 0.000607%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	1,771 0.004104%	420 0.000973%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	31,843 0.006580%	9,870 0.002039%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	1,923 0.008121%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	3,581 0.002598%	3,174 0.002303%	858 0.000622%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Street Lighting		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	1,025 0.000901%	0 0.000000%	0 0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	1,942 0.001329%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0 0.000000%	0 0.000000%	11,108 0.001704%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0 0.000000%	60 0.005539%	0 0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	60 0.005539%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0 0.000000%	43 0.003669%	0 0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	120 0.001612%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0 0.000000%	60 0.005539%	0 0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	264 0.016368%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	60 0.005539%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	8,919 0.000304%	78,247 0.002666%	159 0.000005%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	8,595 0.000451%	52,831 0.002770%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	23,594 0.003669%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	8,595 0.000337%	76,425 0.002996%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	54 0.000138%	446 0.001145%	12 0.000030%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	121 0.000280%	1,214 0.002814%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	8,165 0.001687%	0 0.000000%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	1,269 0.005357%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	235 0.000171%	3,410 0.002474%	42 0.000030%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Compression on Customer's Premises		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	901,562 0.792606%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	1,779,646 1.218178%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	10,137,535 1.554846%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	77 0.007109%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	77 0.007109%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	6,912 0.397660%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	2,356 0.200469%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	0.000000%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	240 0.003225%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	77 0.007109%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	1,920 0.118859%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	132 2.148438%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	77 0.007109%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	7,844,770 0.267321%	2,575,323 0.087757%	144,804 0.004934%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	7,559,594 0.396303%	67,800 0.003554%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	1,289,274 0.200469%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	7,559,594 0.296378%	1,357,074 0.053205%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	47,193 0.121076%	99,132 0.254325%	10,504 0.026948%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	106,109 0.245877%	40,678 0.094258%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	2,223,669 0.459482%	86,564 0.017887%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	18,365 0.077542%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	207,823 0.150787%	223,139 0.161899%	38,052 0.027609%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Electric Generation		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	1,197,595 1.052863%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	2,168,653 1.484455%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	14,405,620 2.209465%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	25 0.002308%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	25 0.002308%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	1,881 0.108199%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	26 0.002193%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	0.000000%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	60 0.000806%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	25 0.002308%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	856 0.053017%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	14 0.002817%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	84 1.367188%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	25 0.002308%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	10,420,644 0.355097%	367,712 0.012530%	205,769 0.007012%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	10,041,829 0.526431%	22,013 0.001154%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	14,104 0.002193%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	10,041,829 0.393696%	36,117 0.001416%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	62,689 0.160831%	25,335 0.064998%	14,926 0.038294%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	140,951 0.326612%	4,371 0.010128%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	2,293,806 0.473975%	101,208 0.020913%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	11,179 0.047202%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	274,097 0.198872%	57,626 0.041811%	54,073 0.039233%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Small Essential Agricultural User		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	442,425 0.388957%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	811,727 0.555632%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	4,286,030 0.657371%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	73 0.006724%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	73 0.006724%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	1,062 0.061110%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	51 0.004348%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	0.000000%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	1,200 0.016123%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	73 0.006724%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	2,012 0.124597%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	84 1.367188%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	73 0.006724%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	3,849,677 0.131183%	281,156 0.009581%	61,221 0.002086%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	3,709,732 0.194478%	64,131 0.003362%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	27,960 0.004348%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	3,709,732 0.145442%	92,091 0.003610%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	23,159 0.059416%	14,730 0.037791%	4,441 0.011393%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	52,071 0.120659%	3,595 0.008330%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	1,232,448 0.254664%	104,880 0.021672%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	12,191 0.051473%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	101,365 0.073546%	40,813 0.029612%	16,088 0.011673%

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
DEVELOPMENT OF ALLOCATION FACTORS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Allocation Factor No.	Total	Natural Gas Engine		
				Demand	Customer	Commodity
	(a)	(b)	(c)	(d)	(e)	(f)
<u>Allocation Factors</u>						
1	Coincident Peak (CP) Monthly Demand Allocation Percent -	1	113,746,542 100.0000%	310,808 0.273246%	0.000000%	0.000000%
2	Storage Plant Allocation Percent -	2	146,090,839 100.0000%	1,983,962 1.358033%	0 0.000000%	0 0.000000%
3	Throughput Allocation Percent -	3	651,995,946 100.0000%	0.000000%	0.000000%	13,307,582 2.041053%
4	Customers Allocation Percent -	4	1,083,184 100.0000%	0.000000%	380 0.035082%	0.000000%
5	Customers With Mains Allocation Percent -	5	1,083,184 100.0000%	0 0.000000%	380 0.035082%	0 0.000000%
6	Meters for Customers Allocation Percent -	6	1,738,291 100.0000%	0 0.000000%	5,542 0.318834%	0 0.000000%
7	Service Lines for Customers Allocation Percent -	7	1,175,262 100.0000%	0.000000%	348 0.029651%	0.000000%
8	Residential, MMMHP, Small & Medium Allocation Percent -	8	1,074,841 100.0000%	0.000000%	0.000000%	0.000000%
9	Service Establishment & Reconnect Charges Allocation Percent -	9	7,442,946 100.0000%	0 0.000000%	1,080 0.014510%	0 0.000000%
10	Industrial Meas & Reg Allocation Percent -	10	637 100.0000%	0 0.000000%	0 0.000000%	0 0.000000%
11	Meter Reading (Bills with Meters) Allocation Percent -	11	1,083,184 100.0000%	0.000000%	380 0.035082%	0.000000%
12	Late Fees Allocation Percent -	12	1,615,145 100.0000%	0 0.000000%	10,117 0.626372%	0 0.000000%
13	Return Item Fees Allocation Percent -	13	496,902 100.0000%	0 0.000000%	70 0.014087%	0 0.000000%
14	Extra Allocation Percent -	14	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
15	KAM Direct Allocation Allocation Percent -	15	6,144 100.0000%	0.000000%	0.000000%	0.000000%
16	Customers with Gas Light Count Allocation Percent -	16	1,083,184 100.0000%	0 0.000000%	380 0.035082%	0 0.000000%
<u>Internally Generated Allocation Factors</u>						
17	Net Distribution Plant Allocation Percent -	1.1	2,934,592,871 100.0000%	2,704,437 0.092157%	1,511,714 0.051514%	190,084 0.006477%
18	Distribution Mains (Account 376) Allocation Percent -	2.2	1,907,528,579 100.0000%	2,606,124 0.136623%	334,597 0.017541%	0 0.000000%
19	Distribution Services (Account 380) Allocation Percent -	3.3	643,127,744 100.0000%	0 0.000000%	190,694 0.029651%	0 0.000000%
20	Distribution Mains & Services (Accounts 376, 380) Allocation Percent -	4.4	2,550,656,323 100.0000%	2,606,124 0.102175%	525,292 0.020594%	0 0.000000%
21	Allocable Distribution Operating Expenses Allocation Percent -	5.5	38,978,336 100.0000%	16,270 0.041740%	77,075 0.197738%	13,789 0.035375%
22	Allocable Distribution Maintenance Expenses Allocation Percent -	6.6	43,155,439 100.0000%	36,580 0.084764%	19,654 0.045543%	0 0.000000%
23	Extra Allocation Percent -	7.7	0 0.0000%	0 0.000000%	0 0.000000%	0 0.000000%
24	Net Operating Margin w/o SPECC and Optional Allocation Percent -	Net Op Margin	483,951,321 100.0000%	2,984,891 0.616775%	285,000 0.058890%	0 0.000000%
25	Customer Accounting Expense (Accounts 902-904) Allocation Percent -	10.1	23,683,834 100.0000%	0 0.000000%	8,035 0.033928%	0 0.000000%
26	Total Operations and Maintenance Expense Allocation Percent -	11.2	137,825,696 100.0000%	85,436 0.061989%	154,071 0.111787%	49,951 0.036242%

# **SCHEDULE H**

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF REVENUES AT PRESENT AND PROPOSED RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Schedule Number (b)	Revenues		Increase/(Decrease)		Line No.
			Present Rates [1] (c)	Proposed Rates [2] (d)	Dollars (e)	Percent (f)	
<u>Residential Service</u>							
1	Single-Family Residential Gas Service	G-5	\$ 437,660,913	\$ 478,955,486	\$ 41,294,573	9.44%	1
2	Multi-Family Residential Gas Service	G-6	11,229,993	12,609,650	1,379,657	12.29%	2
3	Single-Family Low Income Residential Gas Service	G-10	14,944,168	16,019,054	1,074,886	7.19%	3
4	Multi-Family Low Income Residential Gas Service	G-11	958,898	1,057,270	98,372	10.26%	4
5	Special Residential Gas Service for Air Conditioning	G-15	60,102	76,460	16,358	27.22%	5
6	Master-Metered Mobile Home Park Gas Service	G-20	1,248,923	1,301,500	52,577	4.21%	6
<u>General Gas Service</u>							
7	Small	G-25	10,996,371	11,834,554	838,183	7.62%	7
8	Medium		41,969,525	46,168,988	4,199,463	10.01%	8
9	Large-1		88,389,330	92,102,551	3,713,221	4.20%	9
10	Large-2		23,775,156	25,097,213	1,322,057	5.56%	10
11	Transportation Eligible		36,009,594	38,401,564	2,391,970	6.64%	11
12	Optional Gas Service	G-30	4,204,166	4,204,166	0	0.00%	12
13	Air Conditioning Gas Service	G-40	122,604	126,002	3,398	2.77%	13
14	Street Lighting Gas Service	G-45	12,097	13,703	1,606	13.28%	14
<u>Gas Service for Compression on Customer's Premises</u>							
15	Residential	G-55	17,789	18,250	461	2.59%	15
16	Small		14,920	15,348	428	2.87%	16
17	Large		3,550,106	3,763,422	213,316	6.01%	17
18	Electric Generation Gas Service	G-60	3,135,889	3,343,907	208,018	6.63%	18
19	Small Essential Agriculture User Gas Service	G-75	2,309,914	2,390,620	80,706	3.49%	19
20	Natural Gas Engine Gas Service	G-80	5,701,585	5,814,034	112,449	1.97%	20
21	Total Gas Sales		<u>\$ 686,312,043</u>	<u>\$ 743,313,742</u>	<u>\$ 57,001,699</u>	8.31%	21
22	Special Contract Service	B-1	3,832,234	3,832,234	0	0.00%	22
23	Other Operating Revenue		<u>9,673,541</u>	<u>9,673,541</u>	<u>0</u>	0.00%	23
24	Total Arizona Revenue		<u>\$ 699,817,817</u>	<u>\$ 756,819,517</u>	<u>\$ 57,001,699</u>	8.15%	24
25	Total Requirement			<u>\$ 756,819,260</u>			25
26	Over/(Under) Requirement			<u>\$ 256</u>			26

[1] Schedule H-2, Sheets 1-4, column (l).

[2] Schedule H-2, Sheets 1-4, column (k).



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF MARGIN AT PRESENT AND PROPOSED RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Schedule Number (b)	Margin at Present Rates (c)		DCA Adjustment (d)	Margin Adjusted Revenue at Present Rates (3)		Cost of Service Adjustment (4)	Proposed Rates (5)	Increase/(Decrease)		Line No.
			Present Rates (1)	(c)		Revenue at Present Rates (3)	(e)			Dollars (h)	Percent (i)	
	Residential Service											
1	Single-Family Residential Gas Service	G-5	\$ 324,031,462		\$ 16,249,343	\$ 340,280,805	\$ 41,294,573	\$ 381,575,378	\$ 41,294,573	\$ 41,294,573	12%	1
2	Multi-Family Residential Gas Service	G-6	8,701,444		425,186	9,126,630	1,379,657	10,506,287	1,379,657	1,379,657	15%	2
3	Single-Family Low Income Residential Gas Service	G-10	10,943,522		810,336	11,753,858	1,074,886	12,828,744	1,074,886	1,074,886	9%	3
4	Multi-Family Low Income Residential Gas Service	G-11	717,630		58,476	776,106	98,372	874,478	98,372	98,372	13%	4
5	Special Residential Gas Service for Air Conditioning	G-15	39,146		0	39,146	16,358	55,504	16,358	16,358	42%	5
6	Master-Metered Mobile Home Park Gas Service	G-20	754,847		0	754,847	52,577	807,424	52,577	52,577	7%	6
	General Gas Service	G-25										
7	Small		9,318,018		130,594	9,448,612	838,183	10,286,795	838,183	838,183	9%	7
8	Medium		26,495,367		(569,872)	25,925,495	4,199,463	30,124,958	4,199,463	4,199,463	16%	8
9	Large-1		48,738,803		2,199,777	50,938,580	3,713,221	54,651,801	3,713,221	3,713,221	7%	9
10	Large-2		13,002,722		281,476	13,284,198	1,322,057	14,606,255	1,322,057	1,322,057	10%	10
11	Transportation Eligible		31,846,016		0	31,846,016	2,391,970	34,237,986	2,391,970	2,391,970	8%	11
12	Optional Gas Service	G-30	1,175,952		0	1,175,952	0	1,175,952	0	0	0%	12
13	Air Conditioning Gas Service	G-40	41,713		0	41,713	3,398	45,111	3,398	3,398	8%	13
14	Street Lighting Gas Service	G-45	8,165		0	8,165	1,606	9,771	1,606	1,606	20%	14
	Gas Service for Compression on Customer's Premises	G-55										
15	Residential		10,056		0	10,056	461	10,517	461	461	5%	15
16	Small		7,746		0	7,746	428	8,174	428	428	6%	16
17	Large		2,292,431		0	2,292,431	213,316	2,505,747	213,316	213,316	9%	17
18	Electric Generation Gas Service	G-60	2,395,014		0	2,395,014	208,018	2,603,032	208,018	208,018	9%	18
19	Small Essential Agriculture User Gas Service	G-75	1,337,328		0	1,337,328	80,706	1,418,034	80,706	80,706	6%	19
20	Natural Gas Engine Gas Service	G-80	3,269,891		0	3,269,891	112,449	3,382,340	112,449	112,449	3%	20
21	Total Sales and Full Margin Transportation		\$ 485,127,273		\$ 19,585,316	\$ 504,712,589	\$ 57,001,699	\$ 561,714,288	\$ 57,001,699	\$ 57,001,699	11%	21
22	Special Contract Service	B-1	3,832,234		0	3,832,234	0	3,832,234	0	0	0%	22
23	Other Operating Revenue		9,673,541		0	9,673,541	0	9,673,541	0	0	0%	23
24	Total Arizona Margin		\$ 498,633,048		\$ 19,585,316	\$ 518,218,363	\$ 57,001,699	\$ 575,220,063	\$ 57,001,699	\$ 57,001,699	11%	24
25	Total Margin Requirement							\$ 575,219,806				25
26	Over/(Under) Requirement							\$ 266				26

[1] Schedule H-2, Sheets 5-8.  
 [2] Adjustment to authorized margin per customer for test period volumes.  
 [3] Test period margin at authorized margin per customer from 2016 Arizona General Rate Case.  
 [4] Adjustment to reflect the cost of service.  
 [5] Schedule H-2, Sheets 1-4.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF PRESENT AND PROPOSED REVENUES BY RATE COMPONENT**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Billing Determinants				Revenue at Proposed Rates					Revenue at Present Rates (j)	Increase / Decrease Dollars (m)	Percent (n)	Line No.
		Proposed Schedule Number (b)	Number of Bills (c)	Sales (Therms) (d)	Basic Service Charge (e)	Delivery Charge (f)	Basic Service Charge (g)	Delivery Charge (h)	Total Margin (i)	Gas Cost (l)				
1	Single-Family Residential Gas Service	G-5	11,624,565		\$ 10.70	\$ 124,382,846	\$ 124,382,846	\$ 124,382,846	\$ 0	\$ 0	\$ 0	0.00%	1	
2	Basic Service Charge per Month			275,092,822	\$ 0.93493	\$ 257,192,532	\$ 257,192,532	\$ 257,192,532	\$ 97,380,108	\$ 354,572,640	\$ 313,278,067	13.18%	2	
3	Commodity Charge per Therm			275,092,822		\$ 257,192,532	\$ 381,575,378	\$ 478,955,486	\$ 97,380,108	\$ 478,955,486	\$ 41,294,573	9.44%	3	
4	Total Single-Family Residential													
4	Multi-Family Residential Gas Service	G-6	435,728		\$ 9.70	\$ 4,226,562	\$ 4,226,562	\$ 4,226,562	\$ 0	\$ 0	\$ 0	0.00%	4	
5	Basic Service Charge per Month			5,941,870	\$ 1.05686	\$ 6,279,725	\$ 6,279,725	\$ 6,279,725	\$ 2,103,363	\$ 8,383,088	\$ 7,003,431	19.70%	5	
6	Commodity Charge per Therm			5,941,870		\$ 6,279,725	\$ 10,506,287	\$ 12,609,650	\$ 2,103,363	\$ 12,609,650	\$ 1,379,657	12.29%	6	
6	Total Multi-Family Residential													
7	Single-Family Low Income Residential Gas Service	G-10	411,472		\$ 10.70	\$ 4,402,750	\$ 4,402,750	\$ 4,402,750	\$ 0	\$ 0	\$ 0	0.00%	7	
8	Basic Service Charge			2,031,601	\$ 0.93493	\$ 1,899,405	\$ 1,899,405	\$ 1,899,405	\$ 719,166	\$ 2,618,571	\$ 2,376,268	10.20%	8	
9	Commodity Charge per Therm			6,642,191		\$ 6,209,984	\$ 6,209,984	\$ 6,209,984	\$ 2,351,269	\$ 8,561,253	\$ 7,769,060	10.20%	9	
10	Winter (November - April)			338,640		\$ 318,605	\$ 318,605	\$ 318,605	\$ 119,875	\$ 438,480	\$ 396,091	10.20%	10	
11	Over 150 Therms			9,012,432		\$ 8,325,994	\$ 12,828,744	\$ 16,019,054	\$ 3,190,310	\$ 16,019,054	\$ 14,944,168	7.19%	11	
11	Total Single-Family Low-Income													
12	Multi-Family Low Income Residential Gas Service	G-11	33,891		\$ 9.70	\$ 328,743	\$ 328,743	\$ 328,743	\$ 0	\$ 0	\$ 0	0.00%	12	
13	Basic Service Charge per Month			159,910	\$ 1.05686	\$ 169,002	\$ 169,002	\$ 169,002	\$ 56,607	\$ 225,609	\$ 195,146	15.61%	13	
14	Commodity Charge per Therm			363,524		\$ 373,625	\$ 373,625	\$ 373,625	\$ 125,144	\$ 498,769	\$ 431,420	15.61%	14	
15	Winter (November - April)			2,941		\$ 3,108	\$ 3,108	\$ 3,108	\$ 1,041	\$ 4,149	\$ 3,589	15.60%	15	
16	Over 150 Therms			516,375		\$ 545,735	\$ 874,478	\$ 1,057,270	\$ 182,792	\$ 1,057,270	\$ 98,372	10.26%	16	
16	Total Multi-Family Low-Income													
17	Special Residential Gas Service for Air Conditioning	G-15	756		\$ 10.70	\$ 8,089	\$ 8,089	\$ 8,089	\$ 0	\$ 0	\$ 0	0.00%	17	
18	Basic Service Charge per Month			12,253	\$ 0.93493	\$ 11,456	\$ 11,456	\$ 11,456	\$ 4,337	\$ 15,793	\$ 11,743	34.49%	18	
19	Commodity Charge per Therm			10,162		\$ 1,567	\$ 1,567	\$ 1,567	\$ 3,597	\$ 5,164	\$ 5,013	3.01%	19	
20	Over 15 Therms			36,786		\$ 34,392	\$ 34,392	\$ 34,392	\$ 13,022	\$ 47,414	\$ 35,257	34.48%	20	
21	Winter (November - April)			59,201		\$ 47,415	\$ 55,504	\$ 55,504	\$ 20,956	\$ 76,460	\$ 60,102	27.22%	21	
21	All Usage													
22	Total Special Residential AC													
22	Total Residential Gas Service													
23	Master-Metered Mobile Home Park Gas Service	G-20	1,248		\$ 66.00	\$ 82,368	\$ 82,368	\$ 82,368	\$ 0	\$ 0	\$ 0	0.00%	23	
24	Basic Service Charge per Month			1,385,734	\$ 0.51948	\$ 725,056	\$ 725,056	\$ 725,056	\$ 494,076	\$ 1,219,132	\$ 1,168,555	4.51%	24	
25	Commodity Charge per Therm All Usage			1,385,734		\$ 725,056	\$ 807,424	\$ 1,301,500	\$ 494,076	\$ 1,301,500	\$ 52,577	4.21%	25	
25	Total MMMHP													

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF PRESENT AND PROPOSED REVENUES BY RATE COMPONENT**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Proposed Schedule Number (b)	Billing Determinants			Revenue at Proposed Rates					Revenue at Present Rates (j)	Increase / Decrease Dollars (m)	Percent (n)	Line No.	
			Number of Bills (c)	Sales (Therms) (d)	Basic Service Charge (e)	Delivery Charge (f)	Basic Service Charge (g)	Delivery Charge (h)	Total Margin (i)	Gas Cost (l)					Total Revenue (k)
<b>G-25(S)</b>															
	General Gas Service - Small														
1	Basic Service Charge Per Month				\$ 27.50	\$ 5,835,280	\$ 5,835,280	\$ 5,835,280	\$ 5,835,280	\$ 5,835,280	\$ 5,835,280	\$ 0	0.00%	1	
2	Sales Customers	212,192			27.50	2,310	2,310	2,310	2,310	2,310	2,310	0	0.00%	2	
3	Commodity Charge per Therm All Usage	84													
4	Sales Customers	4,372,324			\$ 1,017.17	\$ 4,447,397	\$ 4,447,397	\$ 4,447,397	\$ 4,447,397	\$ 4,447,397	\$ 4,447,397	\$ 837,826	16.25%	3	
4	Transportation Customers	1,777			1,017.17	1,808	1,808	1,808	1,808	1,808	1,808	357	24.63%	4	
5	Total Small General	212,276	4,374,101			\$ 4,449,205	\$ 10,286,795	\$ 10,286,795	\$ 10,286,795	\$ 10,286,795	\$ 10,286,795	\$ 838,183	7.62%	5	
<b>G-25(M)</b>															
	General Gas Service - Medium														
6	Basic Service Charge Per Month				\$ 43.50	\$ 7,701,371	\$ 7,701,371	\$ 7,701,371	\$ 7,701,371	\$ 7,701,371	\$ 7,701,371	\$ 0	0.00%	6	
7	Sales Customers	177,043			43.50	48,546	48,546	48,546	48,546	48,546	48,546	0	0.00%	7	
8	Commodity Charge per Therm All Usage	1,116													
9	Sales Customers	45,323,399			\$ 0.48608	\$ 22,030,798	\$ 22,030,798	\$ 22,030,798	\$ 22,030,798	\$ 22,030,798	\$ 22,030,798	\$ 4,138,898	12.20%	8	
9	Transportation Customers	708,203			0.48608	344,243	344,243	344,243	344,243	344,243	344,243	60,965	21.35%	9	
10	Total Medium General	178,159	46,031,602			\$ 22,375,041	\$ 30,124,958	\$ 30,124,958	\$ 30,124,958	\$ 30,124,958	\$ 30,124,958	\$ 4,199,863	10.01%	10	
<b>G-25(L1)</b>															
	General Gas Service - Large-1														
11	Basic Service Charge Per Month				\$ 80.00	\$ 6,626,960	\$ 6,626,960	\$ 6,626,960	\$ 6,626,960	\$ 6,626,960	\$ 6,626,960	\$ 0	0.00%	11	
12	Sales Customers	82,837			80.00	162,240	162,240	162,240	162,240	162,240	162,240	0	0.00%	12	
13	Commodity Charge per Therm All Usage	2,028													
14	Sales Customers	105,796,067			\$ 0.43783	\$ 46,320,692	\$ 46,320,692	\$ 46,320,692	\$ 46,320,692	\$ 46,320,692	\$ 46,320,692	\$ 3,560,173	4.44%	13	
14	Transportation Customers	3,521,708			0.43783	1,541,909	1,541,909	1,541,909	1,541,909	1,541,909	1,541,909	153,048	11.02%	14	
15	Total Large-1 General	84,865	109,317,775			\$ 47,862,601	\$ 54,651,801	\$ 54,651,801	\$ 54,651,801	\$ 54,651,801	\$ 54,651,801	\$ 3,713,221	4.20%	15	
<b>G-25(L2)</b>															
	General Gas Service - Large-2														
16	Basic Service Charge Per Month				\$ 470.00	\$ 2,017,240	\$ 2,017,240	\$ 2,017,240	\$ 2,017,240	\$ 2,017,240	\$ 2,017,240	\$ 0	0.00%	16	
17	Sales Customers	4,292			470.00	434,280	434,280	434,280	434,280	434,280	434,280	0	0.00%	17	
18	Commodity Charge per Therm All Usage	924													
18	Sales Customers	29,636,311			\$ 0.32700	\$ 9,691,074	\$ 9,691,074	\$ 9,691,074	\$ 9,691,074	\$ 9,691,074	\$ 9,691,074	\$ 1,025,643	5.95%	18	
19	Transportation Customers	7,584,133			0.32700	2,463,661	2,463,661	2,463,661	2,463,661	2,463,661	2,463,661	296,414	13.68%	19	
20	Total Large-2 General	5,216	37,170,444			\$ 12,154,735	\$ 14,806,285	\$ 14,806,285	\$ 14,806,285	\$ 14,806,285	\$ 14,806,285	\$ 1,322,057	5.56%	20	
<b>G-25(TE)</b>															
	General Gas Service - Transportation Eligible														
21	Basic Service Charge Per Month				\$ 950.00	\$ 695,400	\$ 695,400	\$ 695,400	\$ 695,400	\$ 695,400	\$ 695,400	\$ 0	0.00%	21	
22	Sales Customers	732			950.00	1,607,400	1,607,400	1,607,400	1,607,400	1,607,400	1,607,400	0	0.00%	22	
23	Demand Charge per Month	1,692													
23	Sales Customers	3,503,428			\$ 0.089287	\$ 3,753,727	\$ 3,753,727	\$ 3,753,727	\$ 3,753,727	\$ 3,753,727	\$ 3,753,727	\$ 247,791	7.07%	23	
24	Transportation Customers	12,242,544			0.089287	13,117,200	13,117,200	13,117,200	13,117,200	13,117,200	13,117,200	\$ 865,890	7.07%	24	
25	Commodity Charge per Therm (All Usage)														
25	Sales Customers	11,761,852			\$ 0.12480	\$ 1,467,879	\$ 1,467,879	\$ 1,467,879	\$ 1,467,879	\$ 1,467,879	\$ 1,467,879	\$ 124,558	2.26%	25	
26	Transportation Customers	108,945,352			0.12480	13,596,380	13,596,380	13,596,380	13,596,380	13,596,380	13,596,380	\$ 1,153,731	9.27%	26	
27	Total Transportation Eligible General	2,424	120,707,204			\$ 31,935,186	\$ 34,237,986	\$ 34,237,986	\$ 34,237,986	\$ 34,237,986	\$ 34,237,986	\$ 2,391,970	6.44%	27	
28	Total General Gas Service	482,940	317,601,125			\$ 118,776,768	\$ 145,907,795	\$ 145,907,795	\$ 145,907,795	\$ 145,907,795	\$ 145,907,795	\$ 12,464,895	6.20%	28	

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF PRESENT AND PROPOSED REVENUES BY RATE COMPONENT**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Proposed Schedule Number (b)	Billing Determinants				Revenue at Proposed Rates				Total Revenue (k)	Revenue at Present Rates (l)	Increase / Decrease (m)	Line No.
			Number of Bills (c)	Sales (Therms) (d)	Basic Service Charge (e)	Delivery Charge (f)	Basic Service Charge (g)	Delivery Charge (h)	Total Margin (i)	Gas Cost (j)				
<b>Air Conditioning Gas Service</b>														
Basic Service Charge														
1	Sales - With Other Service - No BSC	G-40	24		\$ 0.00	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1
2	General Service - Small		72		27.50	1,980	0	1,980	0	0	1,980	0	0.00%	2
3	General Service - Medium		60		43.50	2,610	0	2,610	0	0	2,610	0	0.00%	3
4	General Service - Large		48		80.00	3,840	0	3,840	0	0	3,840	0	0.00%	4
5	Essential Agricultural		12		120.00	1,440	0	1,440	0	0	1,440	0	0.00%	5
6	Transportation - With Other Service - No BSC		12		0.00	0	0	0	0	0	0	0	0.00%	6
7	Commodity Charge per Therm All Usage			228,512	\$ 0.15422	\$ 35,241	\$ 35,241	\$ 35,241	\$ 80,891	\$ 80,891	\$ 116,132	\$ 3,398	3.01%	7
8	Sales Customers			0	0.15422	0	0	0	0	0	0	0	0.00%	8
9	Total Air Conditioning		228	228,512		\$ 35,241	\$ 35,241	\$ 45,111	\$ 80,891	\$ 126,002	\$ 122,604	\$ 3,398	2.77%	9
<b>Street Lighting Gas Service</b>														
Commodity Charge per Therm of Rated Capacity														
10	All Usage	G-45	60	11,108	\$ 0.87963	\$ 9,771	\$ 9,771	\$ 9,771	\$ 3,932	\$ 3,932	\$ 13,703	\$ 1,606	13.28%	10
11	Total Street Lighting		60	11,108		\$ 9,771	\$ 9,771	\$ 9,771	\$ 3,932	\$ 3,932	\$ 13,703	\$ 1,606	13.28%	11
<b>Gas Service for Compression on Customer's Premises</b>														
Basic Service Charge														
12	Small	G-55	120		\$ 27.50	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 0	0.00%	12
13	Large		180		280.00	50,400	0	50,400	0	0	45,000	0	0.00%	13
14	Residential		482		10.70	5,164	0	5,164	0	0	5,264	0	0.00%	14
15	Transportation Customers		132		250.00	33,000	0	33,000	0	0	33,000	0	0.00%	15
Commodity Charge per Therm All Usage														
16	Small			20,267	\$ 0.24048	\$ 4,874	\$ 4,874	\$ 4,874	\$ 7,174	\$ 7,174	\$ 12,048	\$ 428	3.68%	16
17	Large			3,552,853	0.24048	854,390	854,390	854,390	1,257,675	1,257,675	2,112,065	75,072	3.68%	17
18	Residential			21,845	0.24048	5,253	5,253	5,253	7,733	7,733	12,986	461	3.68%	18
19	Transportation Customers			6,542,569	0.24048	1,573,357	1,573,357	1,573,357	0	0	1,573,357	138,244	9.63%	19
20	Total CNG		924	10,137,535		\$ 2,437,874	\$ 2,437,874	\$ 2,524,438	\$ 1,272,882	\$ 1,272,882	\$ 3,797,020	\$ 214,205	5.98%	20
<b>Electric Generation Gas Service</b>														
Basic Service Charge														
1	General Service - Small	G-60	84		\$ 27.50	\$ 2,310	\$ 2,310	\$ 2,310	\$ 2,310	\$ 2,310	\$ 2,310	\$ 0	0.00%	1
2	General Service - Medium		48		43.50	2,088	0	2,088	0	0	2,088	0	0.00%	2
3	General Service - Large		48		80.00	3,840	0	3,840	0	0	3,840	0	0.00%	3
4	General Service - TE		24		950.00	22,800	0	22,800	0	0	22,800	0	0.00%	4
5	Essential Agricultural		12		120.00	1,440	0	1,440	0	0	1,440	0	0.00%	5
6	Transportation - General Service - Small		12		27.50	330	0	330	0	0	330	0	0.00%	6
7	Transportation - General Service - TE		72		950.00	68,400	0	68,400	0	0	68,400	0	0.00%	7
8	Commodity Charge per Therm All Usage			2,082,925	\$ 0.17367	\$ 363,478	\$ 363,478	\$ 363,478	\$ 740,875	\$ 740,875	\$ 1,104,353	\$ 30,222	2.81%	8
9	Sales Customers			12,312,695	0.17367	2,136,346	2,136,346	2,136,346	0	0	2,138,346	177,796	9.07%	9
10	Total Electric Generation		300	14,405,620		\$ 2,501,824	\$ 2,501,824	\$ 2,603,032	\$ 740,875	\$ 740,875	\$ 3,343,307	\$ 208,018	6.63%	10
<b>Small Essential Agriculture User Gas Service</b>														
Basic Service Charge Per Month														
11	Sales Customers	G-75	790		\$ 120.00	\$ 94,800	\$ 94,800	\$ 94,800	\$ 94,800	\$ 94,800	\$ 94,800	\$ 0	0.00%	11
12	Transportation Customers		84		120.00	10,080	0	10,080	0	0	10,080	0	0.00%	12
Commodity Charge per Therm All Usage														
13	Sales Customers			2,747,497	\$ 0.30638	\$ 841,778	\$ 841,778	\$ 841,778	\$ 972,586	\$ 972,586	\$ 1,814,364	\$ 51,735	2.94%	13
14	Transportation Customers			1,538,533	0.30638	471,376	471,376	471,376	0	0	471,376	28,971	6.55%	14
15	Total Small Essential Agricultural		874	4,286,030		\$ 1,313,154	\$ 1,313,154	\$ 1,418,034	\$ 972,586	\$ 972,586	\$ 2,390,620	\$ 80,706	3.49%	15

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF PRESENT AND PROPOSED REVENUES BY RATE COMPONENT**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Proposed Schedule Number (b)	Billing Determinants										Revenue at Proposed Rates		Revenue at Present Rates [3] (l)	Increase / Decrease Dollars (m)	Percent (n)	Line No.			
			Number of Bills (c)	Sales (Therms) (d)	Basic Service Charge (e)	Delivery Charge [1] (f)	Basic Service Charge (g)	Delivery Charge (h)	Total Margin (i)	Gas Cost [2] (j)	Total Revenue (k)										
	<b>Natural Gas Engine Gas Service</b>																				
	<b>Basic Service Charge</b>																				
1	Off-Peak Season (October - March)	G-80	2,280		\$ 0.00	\$ 0	\$ 0.23275	\$ 0	\$ 3,097,340	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	1
2	Peak Season (April - September)		2,280		125.00	285,000	0.23275	0	0	285,000	0	0	285,000	0	285,000	0	285,000	0	0.00%	2	
3	Transportation Customers - Off-Peak		0		0.00	0		0	0	0	0	0	0	0	0	0	0	0	0.00%	3	
4	Transportation Customers - Peak		0		125.00	0		0	0	0	0	0	0	0	0	0	0	0	0.00%	4	
5	Commodity Charge per Therm All Usage																				
5	Sales Customers			13,307,582																	
6	Transportation Customers			0																	
7	Total Natural Gas Engine		4,560	13,307,582																	
8	Total Tariff Sales		12,997,822	651,995,946																	
9	Optional Gas Service	G-30	24	9,424,242																	
10	Potential Bypass/Standby Gas Service	B-1	252	35,052,433																	
11	Other Operating Revenues																				
12	Total		12,997,822	696,472,621																	
13	Total Revenue Requirement																				
14	Over/(Under)																				

[1] Calculated rates to recover proposed margin per Schedule H-1, Sheet 2.

[2] Gas Cost rate effective on January 31, 2019.

[3] Schedule H-2, Sheets 5-8, including DCA Adjustment.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
SUMMARY OF REVENUES AT PRESENT RATES BEFORE DCA ADJUSTMENT  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Proposed Schedule Number (b)	Billing Determinants			Present Margin Rates [1]			Margin at Present Rates			Revenue at Present Rates		
			Number of Bills (c)	Sales (Therms) (d)	Basic Service Charge (e)	Delivery Charge (f)	Basic Service Charge (g)	Delivery Charge (h)	Total Margin (i)	Gas Cost [2] (j)	Total Revenue (k)	Line No.		
<b>G-5</b>														
1	Single-Family Residential Gas Service		11,624,565		\$ 10.70			\$ 124,382,846		\$ 124,382,846			\$ 124,382,846	1
2	Basic Service Charge per Month													
3	Commodity Charge per Therm			275,092,822	\$ 0.72575			\$ 199,648,616		\$ 199,648,616		\$ 97,380,108	\$ 297,028,724	2
3	Total Single-Family Residential		11,624,565	275,092,822				\$ 324,031,462		\$ 324,031,462		\$ 97,380,108	\$ 421,411,570	3
<b>G-6</b>														
4	Multi-Family Residential Gas Service		435,728		\$ 9.70			\$ 4,226,562		\$ 4,226,562			\$ 4,226,562	4
5	Basic Service Charge per Month													
6	Commodity Charge per Therm			5,941,870	\$ 0.75311			\$ 4,474,882		\$ 4,474,882		\$ 2,103,363	\$ 6,578,245	5
6	Total Multi-Family Residential		435,728	5,941,870				\$ 8,701,444		\$ 8,701,444		\$ 2,103,363	\$ 10,804,807	6
<b>G-10</b>														
7	Single-Family Low Income Residential Gas Service		411,472		\$ 10.70			\$ 4,402,750		\$ 4,402,750			\$ 4,402,750	7
8	Basic Service Charge													
8	Commodity Charge per Therm			2,031,601	\$ 0.72575			\$ 1,474,434		\$ 1,474,434		\$ 719,166	\$ 2,193,600	8
9	Summer (May - October)													
9	All Usage			6,642,191	0.72575			4,820,570		4,820,570		2,351,269	7,171,839	9
10	Winter (November - April)			338,640	0.72575			245,768		245,768		119,875	365,643	10
10	Over 150 Therms			9,012,432				6,540,772		6,540,772		3,190,310	14,133,832	11
11	Total Single-Family Low-Income		411,472	9,012,432				\$ 10,943,522		\$ 10,943,522		\$ 3,190,310	\$ 14,133,832	11
<b>G-11</b>														
12	Multi-Family Low Income Residential Gas Service		33,891		\$ 9.70			\$ 328,743		\$ 328,743			\$ 328,743	12
13	Basic Service Charge per Month													
13	Commodity Charge per Therm			159,910	\$ 0.75311			\$ 120,430		\$ 120,430		\$ 56,607	\$ 177,037	13
13	Summer (May - October)													
13	All Usage			353,524	0.75311			266,242		266,242		125,144	391,386	14
14	Winter (November - April)			2,941	0.75311			2,215		2,215		1,041	3,256	15
14	First 150 Therms			516,375				388,887		388,887		182,792	900,422	16
15	Over 150 Therms													
16	Total Multi-Family Low-Income		33,891	516,375				\$ 717,630		\$ 717,630		\$ 182,792	\$ 900,422	16
<b>G-15</b>														
17	Special Residential Gas Service for Air Conditioning		756		\$ 10.70			\$ 8,089		\$ 8,089			\$ 8,089	17
18	Basic Service Charge per Month													
18	Commodity Charge per Therm			12,253	\$ 0.60445			\$ 7,406		\$ 7,406		\$ 4,337	\$ 11,743	18
18	Summer (May - October)			10,162	0.13935			1,416		1,416		3,597	5,013	19
18	First 15 Therms			36,786	0.60445			22,235		22,235		13,022	35,257	20
19	Over 15 Therms			59,201				31,057		31,057		20,956	60,102	21
20	Winter (November - April)													
20	All Usage			290,622,700				\$ 211,084,214		\$ 211,084,214		\$ 102,877,529	\$ 447,310,733	22
21	Total Special Residential AC		756	290,622,700				\$ 344,433,204		\$ 344,433,204		\$ 102,877,529	\$ 447,310,733	22
22	Total Residential Gas Service													
<b>G-20</b>														
23	Master-Metered Mobile Home Park Gas Service		1,248		\$ 66.00			\$ 82,368		\$ 82,368			\$ 82,368	23
24	Basic Service Charge per Month													
24	Commodity Charge per Therm All Usage			1,395,734	\$ 0.48181			\$ 672,479		\$ 672,479		\$ 494,076	\$ 1,166,555	24
24	All Usage													
25	Total MMMHP		1,248	1,395,734				\$ 754,847		\$ 754,847		\$ 494,076	\$ 1,248,923	25

H-2 (Pres Sched at Pres Rates)

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF REVENUES AT PRESENT RATES BEFORE DCA ADJUSTMENT**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Billing Determinants			Present Margin Rates [1]			Margin at Present Rates			Revenue at Present Rates		
		Proposed Schedule Number (b)	Number of Bills (c)	Sales (Therms) (d)	Basic Service Charge (e)	Delivery Charge (f)	Basic Service Charge (g)	Delivery Charge (h)	Total Margin (i)	Gas Cost [2] (j)	Total Revenue (k)	Line No.	
<b>General Gas Service - Small</b>													
<u>Basic Service Charge Per Month</u>													
1	Sales Customers		212,192		\$ 27.50		\$ 5,835,280		\$ 5,835,280		\$ 5,835,280	1	
2	Transportation Customers		84		27.50		2,310		2,310		2,310	2	
<u>Commodity Charge per Therm All Usage</u>													
3	Sales Customers			4,372,324	\$ 0.79569		\$ 3,479,014		\$ 3,479,014		\$ 1,547,759	3	
4	Transportation Customers			1,777	0.79569		1,414		1,414		0	4	
5	Total Small General		212,276	4,374,101			\$ 5,837,590		\$ 9,318,018		\$ 1,547,759	5	
<b>General Gas Service - Medium</b>													
<u>Basic Service Charge Per Month</u>													
6	Sales Customers		177,043		\$ 43.50		\$ 7,701,371		\$ 7,701,371		\$ 7,701,371	6	
7	Transportation Customers		1,116		43.50		48,546		48,546		48,546	7	
<u>Commodity Charge per Therm All Usage</u>													
8	Sales Customers			45,323,399	\$ 0.40723		\$ 18,457,048		\$ 18,457,048		\$ 16,044,030	8	
9	Transportation Customers			708,203	0.40723		288,402		288,402		0	9	
10	Total Medium General		178,159	46,031,602			\$ 7,749,917		\$ 18,745,450		\$ 16,044,030	10	
<b>General Gas Service - Large-1</b>													
<u>Basic Service Charge Per Month</u>													
11	Sales Customers		82,837		\$ 80.00		\$ 6,626,960		\$ 6,626,960		\$ 6,626,960	11	
12	Transportation Customers		2,028		80.00		162,240		162,240		162,240	12	
<u>Commodity Charge per Therm All Usage</u>													
13	Sales Customers			105,796,067	\$ 0.38374		\$ 40,598,183		\$ 40,598,183		\$ 37,450,750	13	
14	Transportation Customers			3,521,708	0.38374		1,351,420		1,351,420		0	14	
15	Total Large-1 General		84,865	109,317,775			\$ 6,789,200		\$ 41,949,603		\$ 37,450,750	15	
<b>General Gas Service - Large-2</b>													
<u>Basic Service Charge Per Month</u>													
16	Sales Customers		4,292		\$ 470.00		\$ 2,017,240		\$ 2,017,240		\$ 2,017,240	16	
17	Transportation Customers		924		470.00		434,280		434,280		434,280	17	
<u>Commodity Charge per Therm All Usage</u>													
18	Sales Customers			29,636,311	\$ 0.28386		\$ 8,412,563		\$ 8,412,563		\$ 10,490,958	18	
19	Transportation Customers			7,534,133	0.28386		2,138,639		2,138,639		0	19	
20	Total Large-2 General		5,216	37,170,444			\$ 2,451,520		\$ 10,551,202		\$ 10,490,958	20	
<b>General Gas Service - Transportation Eligible</b>													
<u>Basic Service Charge Per Month</u>													
21	Sales Customers		732		\$ 950.00		\$ 695,400		\$ 695,400		\$ 695,400	21	
22	Transportation Customers		1,692		950.00		1,607,400		1,607,400		1,607,400	22	
<u>Demand Charge per Month</u>													
23	Sales Customers			3,503,428	0.083393		\$ 3,505,936		\$ 3,505,936		\$ 3,505,936	23	
24	Transportation Customers			12,242,544	0.083393		12,251,310		12,251,310		12,251,310	24	
<u>Commodity Charge per Therm (All Usage)</u>													
25	Sales Customers			11,761,852	\$ 0.11421		\$ 1,343,321		\$ 1,343,321		\$ 4,163,578	25	
26	Transportation Customers			108,945,352	0.11421		12,442,649		12,442,649		0	26	
27	Total Transportation Eligible General		2,424	120,707,204			\$ 2,302,800		\$ 29,543,216		\$ 4,163,578	27	
28	Total General Gas Service		482,940	317,601,125			\$ 25,131,027		\$ 104,269,899		\$ 69,697,075	28	

H-2 (Pres Sched at Pres Rates)

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
SUMMARY OF REVENUES AT PRESENT RATES BEFORE DCA ADJUSTMENT  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Billing Determinants			Present Margin Rates [1]			Margin at Present Rates			Revenue at Present Rates		
		Proposed Schedule Number (b)	Number of Bills (c)	Sales (Therms) (d)	Basic Service Charge (e)	Delivery Charge (f)	Basic Service Charge (g)	Delivery Charge (h)	Total Margin (i)	Gas Cost [2] (j)	Total Revenue (k)	Line No.	
<b>Air Conditioning Gas Service</b>													
<u>Basic Service Charge</u>													
1	Sales - With Other Service - No BSC	24		\$ 0.00	\$	0	\$	0		\$	0	1	
2	General Service - Small	72		27.50		1,980		1,980			1,980	2	
3	General Service - Medium	60		43.50		2,610		2,610			2,610	3	
4	General Service - Large	48		80.00		3,840		3,840			3,840	4	
5	Essential Agricultural	12		120.00		1,440		1,440			1,440	5	
6	Transportation - With Other Service - No BSC	12		0.00		0		0			0	6	
<u>Commodity Charge per Therm All Usage</u>													
7	Sales Customers		228,512	\$ 0.13935		\$ 31,843		31,843		\$ 80,891	112,734	7	
8	Transportation Customers		0	0.13935		0		0		0	0	8	
9	Total Air Conditioning	228	228,512			\$ 9,870	\$ 31,843	\$ 41,713	\$ 80,891	\$	122,604	9	
<b>Street Lighting Gas Service</b>													
<u>Commodity Charge per Therm of Rated Capacity</u>													
10	All Usage	60	11,108	\$ 0.73507		\$ 8,165		8,165		\$ 3,932	12,097	10	
11	Total Street Lighting	60	11,108			\$	\$ 8,165	\$ 8,165	\$ 3,932	\$	12,097	11	
<b>Gas Service for Compression on Customer's Premises</b>													
<u>Basic Service Charge</u>													
12	Small	120		\$ 27.50		\$ 3,300		3,300		\$	3,300	12	
13	Large	180		250.00		45,000		45,000			45,000	13	
14	Residential	492		10.70		5,264		5,264			5,264	14	
15	Transportation Customers	132		250.00		33,000		33,000			33,000	15	
<u>Commodity Charge per Therm All Usage</u>													
16	Sales Customers		20,267	\$ 0.21935		\$ 4,446		4,446		\$ 7,174	11,620	16	
17	Small		3,552,853	0.21935		779,318		779,318		1,257,675	2,036,993	17	
18	Residential		21,845	0.21935		4,792		4,792		7,733	12,525	18	
19	Transportation Customers		6,542,569	0.21935		1,435,113		1,435,113		0	1,435,113	19	
20	Total CNG	924	10,137,535			\$ 86,564	\$ 2,223,669	\$ 2,310,233	\$ 1,272,562	\$	3,582,815	20	
<b>Electric Generation Gas Service</b>													
<u>Basic Service Charge</u>													
21	General Service - Small	84		\$ 27.50		\$ 2,310		2,310		\$	2,310	21	
22	General Service - Medium	48		43.50		2,088		2,088			2,088	22	
23	General Service - Large	48		80.00		3,840		3,840			3,840	23	
24	General Service - TE	24		950.00		22,800		22,800			22,800	24	
25	Essential Agricultural	12		120.00		1,440		1,440			1,440	25	
26	Transportation - General Service - Small	12		27.50		330		330			330	26	
27	Transportation - General Service - TE	72		950.00		68,400		68,400			68,400	27	
<u>Commodity Charge per Therm All Usage</u>													
28	Sales Customers		2,092,925	\$ 0.15923		\$ 333,256		333,256		\$ 740,875	1,074,131	28	
29	Transportation Customers		12,312,695	0.15923		1,960,550		1,960,550		0	1,960,550	29	
30	Total Electric Generation	300	14,405,620			\$ 101,208	\$ 2,293,806	\$ 2,395,014	\$ 740,875	\$	3,135,889	30	



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF REVENUES AT PRESENT RATES BEFORE DCA ADJUSTMENT**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Billing Determinants			Present Margin Rates [1]			Margin at Present Rates			Revenue at Present Rates		
		Proposed Schedule Number (b)	Number of Bills (c)	Sales (Therms) (d)	Basic Service Charge (e)	Delivery Charge (f)	Basic Service Charge (g)	Delivery Charge (h)	Total Margin (i)	Gas Cost [2] (j)	Total Revenue (k)	Line No.	
<b>Small Essential Agricultural User Gas Service</b>													
<b>Basic Service Charge Per Month</b>													
1	Sales Customers		790		\$ 120.00		\$ 94,800		\$ 94,800		\$ 94,800	1	
2	Transportation Customers		84		120.00		10,080		10,080		10,080	2	
3	Commodity Charge per Therm All Usage			2,747,497	\$ 0.28755		\$ 790,043		790,043	\$ 972,586	1,762,629	3	
4	Sales Customers			1,538,533	0.28755		442,405		442,405	0	442,405	4	
5	Transportation Customers			4,286,030			\$ 1,232,448		1,337,328	\$ 972,586	2,309,914	5	
<b>Total Small Essential Agricultural</b>													
<b>Natural Gas Engine Gas Service</b>													
<b>Basic Service Charge</b>													
6	Off-Peak Season (October - March)		2,280		\$ 0.00		\$ 0		\$ 0		\$ 0	6	
7	Peak Season (April - September)		2,280		125.00		285,000		285,000		285,000	7	
8	Transportation Customers - Off-Peak		0		0.00		0		0		0	8	
9	Transportation Customers - Peak		0		125.00		0		0		0	9	
10	Commodity Charge per Therm All Usage			13,307,582	\$ 0.22430		\$ 2,984,891		2,984,891	\$ 2,431,694	5,416,585	10	
11	Sales Customers			0	0.22430		0		0	0	0	11	
12	Transportation Customers			13,307,582			\$ 2,984,891		3,269,891	\$ 2,431,694	5,701,585	12	
13	Total Natural Gas Engine		4,560				\$ 285,000		3,269,891	\$ 2,431,694	5,701,585	13	
14	Total Tariff Sales		12,997,546	651,995,946			\$ 159,149,907		483,951,321	\$ 178,571,240	662,522,561	14	
15	Optional Gas Service		24	9,424,242					1,175,952	3,028,214	4,204,166	15	
16	Potential Bypass/Standby Gas Service		252	35,052,433					3,832,234		3,832,234	16	
17	Other Operating Revenues						9,673,541		9,673,541		9,673,541	17	
18	Total		12,997,822	696,472,621			\$ 168,823,448		498,633,048	\$ 181,599,454	680,232,502	18	
19	DCA Adjustment								19,585,316		19,585,316	19	
20	Margin at Present Rates with EEP Adjustment								\$ 518,218,363		518,218,363	20	
21	Total Revenue Requirement								575,219,806		575,219,806	21	
22	Deficiency								\$ (57,001,443)		(57,001,443)	22	

[1] Present Margin rates effective April 1, 2017.  
[2] Gas Cost rate effective on January 31, 2019.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
MARGIN ALLOCATION SPREAD TO CUSTOMER CLASSES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	General Gas Service											Optional & Bypass Transp.	Natural Gas Engines	Small Essential Agriculture	Electric Generation	CNG	Street Lighting	Air Conditioning	Transportation Eligible	Other Revenue
		Total	Single-Family Residential	Multi-Family Residential	MMHP	Small	Medium	Large-1	Large-2	Eligible	Street Lighting	CNG									
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)			
1	Margin at Requested System Rate of Return [1]	\$ 575,219,806	\$ 416,815,200	\$ 14,534,365	\$ 517,007	\$ 8,242,647	\$ 41,294,681	\$ 36,514,096	\$ 12,999,217	\$ 23,520,245	\$ 33,410	\$ 15,792	\$ 2,106,696	\$ 2,045,128	\$ 795,514	\$ 1,106,081	\$ 5,008,186	\$ 9,673,541			
2	Margin at Present Rates [2]	\$ 516,218,363	\$ 352,073,809	\$ 9,802,736	\$ 754,847	\$ 9,448,612	\$ 25,825,485	\$ 50,938,580	\$ 13,284,188	\$ 31,846,016	\$ 41,713	\$ 8,165	\$ 2,310,233	\$ 2,395,014	\$ 1,337,328	\$ 3,268,891	\$ 5,008,186	\$ 9,673,541			
3	Difference	\$ 57,001,443																			
4	System Average Increase (Excluding B-1, G-30 & Other Revenues)	11.32%																			
5	% Difference in Present & System ROR Margin Req.	22.64%	1.839	1.4677	0.6849	0.8724	1.5928	0.7168	0.9785	0.7986	0.8010	1.8342	0.9119	0.6539	0.5934	0.3383					
6	Maximum Margin Increase Capped at 2.00 [3]		13.40%	16.61%	7.75%	9.88%	18.03%	8.11%	11.08%	8.36%	9.07%	21.80%	10.32%	9.67%	6.72%	3.83%					
7	Calculated Proposed Increase To Classes Not at System ROR	\$ 63,454,131	\$ 47,184,387.75	\$ 1,645,321.78	\$ 58,526	\$ 933,086	\$ 4,874,648	\$ 4,133,475	\$ 1,471,540	\$ 2,662,543	\$ 3,782	\$ 1,788	\$ 238,483	\$ 231,513	\$ 89,828	\$ 125,211					
8	Remaining Allocation of Margin Change [4]	\$ (6,452,887)	\$ (4,798,208)	\$ (167,314)	\$ (5,952)	\$ (94,868)	\$ (475,368)	\$ (420,335)	\$ (149,642)	\$ (270,756)	\$ (385)	\$ (182)	\$ (24,251)	\$ (23,543)	\$ (9,135)	\$ (12,733)					
9	Proposed Margin Requirement	\$ 575,219,806	\$ 394,459,969	\$ 11,380,744	\$ 807,422	\$ 10,286,811	\$ 30,124,775	\$ 54,651,719	\$ 14,606,096	\$ 34,237,803	\$ 45,111	\$ 9,771	\$ 2,524,464	\$ 2,602,984	\$ 1,418,021	\$ 3,362,369	\$ 5,008,186	\$ 9,673,541			
10	Proposed Percentage Increase in Margin	11.00%	12.04%	14.83%	6.96%	8.87%	16.20%	7.29%	9.95%	7.51%	8.14%	19.67%	9.27%	8.68%	6.03%	3.44%	0.00%				
11	Rate of Return on Rate Base at Present Rates	3.78%	2.84%	0.17%	12.51%	8.08%	0.87%	11.50%	6.01%	11.10%	9.80%	1.46%	7.49%	8.42%	15.93%	39.09%	N/A	N/A			
12	Rate of Return on Rate Base at Proposed Rates	5.98%	5.12%	2.42%	13.84%	9.89%	0.84%	14.05%	8.09%	12.48%	11.27%	0.15%	9.01%	9.81%	17.27%	40.42%	N/A	N/A			

[1] Class margin required to earn proposed overall system rate of return on rate base. Schedule G-2, Sheet 1.

[2] Schedule G-1, Sheet 1.

[3] Percentage increase in margin capped at 2 times the system average percent increase in margin.

[4] Remaining deficiency spread to classes on percentage of proposed increase on Line 10.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
SUMMARY OF BILLS AND VOLUMES WITH POST TEST YEAR ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Schedule Number (b)	Annual Number of Bills		Annual Sales Volumes (Therms)		Line No.
			Test Period as Adjusted at 01/31/2019 (c)	Reclass Adjustment [1] (d)	12 Months Ended 01/31/2019 (f)	Reclass Adjustment [1] (g)	
<b>Residential Service</b>							
1	Single-Family Residential Gas Service	G-5	11,624,565		11,624,565	275,092,822	1
2	Multi-Family Residential Gas Service	G-6	435,728		435,728	5,941,870	2
3	Single-Family Low Income Residential Gas Service	G-10	411,472		411,472	9,012,432	3
4	Multi-Family Low Income Residential Gas Service	G-11	33,891		33,891	516,375	4
5	Special Residential Gas Service for Air Conditioning	G-15	756		756	59,201	5
6	Master-Metered Mobile Home Park Gas Service	G-20	1,248		1,248	1,395,734	6
<b>General Gas Service</b>							
7	Small	G-25	212,276		212,276	4,374,101	7
8	Medium		178,159		178,159	46,031,602	8
9	Large-1		84,865		84,865	109,317,775	9
10	Large-2		5,216		5,216	37,170,444	10
11	Transportation Eligible		2,424		2,424	120,707,204	11
12	Optional Gas Service	G-30	24		24	9,424,242	12
13	Air Conditioning Gas Service	G-40	228		228	228,512	13
14	Street Lighting Gas Service	G-45	60		60	11,108	14
<b>Gas Service for Compression on Customer's Premises</b>							
15	Residential	G-55	492		492	21,845	15
16	Small		120		120	20,267	16
17	Large		312		312	10,095,422	17
18	Electric Generation Gas Service	G-60	300		300	14,405,620	18
19	Small Essential Agriculture User Gas Service	G-75	874		874	4,286,030	19
20	Natural Gas Engine Gas Service	G-80	4,560		4,560	13,307,582	20
21	Total Gas Sales		12,997,570	0	12,997,570	661,420,188	21
22	Transportation of Customer-Secured Natural Gas	T-1	0		0	0	22
23	Potential Bypass/Standby Gas Service	B-1	252		252	35,052,433	23
24	Other Operating Revenue						24
25	Total Arizona		12,997,822	0	12,997,822	696,472,621	25

[1] Reclassification Adjustment to move customers and volumes to proper rate schedules at proposed rates.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF PRESENT AND PROPOSED RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Schedule (b)	Present Rates				Currently Effective Tariff Rate (g)	Description (h)	Proposed Rates				Line No.
			Delivery Charge [1] (c)	Rate Adjustment [2] (d)	Gas Cost [2] (e)	Test Year DCA Adjustment (f)			Delivery Charge [3] (i)	Rate Adjustment [4] (k)	Gas Cost [4] (l)	Effective Tariff Rate (m)	
1	Single-Family Residential Gas Service Basic Service Charge per Month	G-5	\$ 10.70	\$ (0.04409)	\$ 0.35399	\$ 0.04018	\$ 10.70	Single-Family Residential Gas Service Basic Service Charge per Month	\$ 10.70	\$ (0.01239)	\$ 0.35399	\$ 10.70	1
2	All Usage		\$ 0.72575	\$ (0.04409)	\$ 0.35399	\$ 0.04018	\$ 1.07583	All Usage	\$ 0.93493	\$ (0.01239)	\$ 0.35399	\$ 1.27653	2
3	Multi-Family Residential Gas Service Basic Service Charge per Month	G-6	\$ 9.70	\$ (0.04409)	\$ 0.35399	\$ 0.04018	\$ 9.70	Multi-Family Residential Gas Service Basic Service Charge per Month	\$ 9.70	\$ (0.01239)	\$ 0.35399	\$ 9.70	3
4	All Usage		\$ 0.75311	\$ (0.04409)	\$ 0.35399	\$ 0.04018	\$ 1.10319	All Usage	\$ 1.05686	\$ (0.01239)	\$ 0.35399	\$ 1.39846	4
5	Single-Family Low Income Residential Gas Service Basic Service Charge per Month	G-10	\$ 7.50	\$ (0.06498)	\$ 0.35399	\$ 0.04018	\$ 7.50	Single-Family Low Income Residential Gas Service Basic Service Charge per Month	\$ 7.50	\$ (0.03328)	\$ 0.35399	\$ 7.50	5
6	All Usage		\$ 0.72575	\$ (0.06498)	\$ 0.35399	\$ 0.04018	\$ 1.05494	All Usage	\$ 0.93493	\$ (0.03328)	\$ 0.35399	\$ 1.25564	6
7	Winter (November - April) First 150 Therms		\$ 0.40987	\$ (0.06498)	\$ 0.35399	\$ 0.04018	\$ 0.73906	Winter (November - April) First 150 Therms	\$ 0.54488	\$ (0.03328)	\$ 0.35399	\$ 0.87559	7
8	Over 150 Therms		\$ 0.72575	\$ (0.06498)	\$ 0.35399	\$ 0.04018	\$ 1.05494	Over 150 Therms	\$ 0.93493	\$ (0.03328)	\$ 0.35399	\$ 1.25564	8
9	Multi-Family Low Income Residential Gas Service Basic Service Charge per Month	G-11	\$ 7.50	\$ (0.06498)	\$ 0.35399	\$ 0.04018	\$ 7.50	Multi-Family Low Income Residential Gas Service Basic Service Charge per Month	\$ 7.50	\$ (0.03328)	\$ 0.35399	\$ 7.50	9
10	All Usage		\$ 0.75311	\$ (0.06498)	\$ 0.35399	\$ 0.04018	\$ 1.08230	All Usage	\$ 1.05686	\$ (0.03328)	\$ 0.35399	\$ 1.37757	10
11	Winter (November - April) First 150 Therms		\$ 0.42902	\$ (0.06498)	\$ 0.35399	\$ 0.04018	\$ 0.75821	Winter (November - April) First 150 Therms	\$ 0.54025	\$ (0.03328)	\$ 0.35399	\$ 0.86096	11
12	Over 150 Therms		\$ 0.75311	\$ (0.06498)	\$ 0.35399	\$ 0.04018	\$ 1.08230	Over 150 Therms	\$ 1.05686	\$ (0.03328)	\$ 0.35399	\$ 1.37757	12
13	Special Residential Gas Service for Air Conditioning Basic Service Charge per Month	G-15	\$ 10.70	\$ (0.06166)	\$ 0.35399	\$ 0.04018	\$ 10.70	Special Residential Gas Service for Air Conditioning Basic Service Charge per Month	\$ 10.70	\$ (0.02996)	\$ 0.35399	\$ 10.70	13
14	All Usage		\$ 0.60445	\$ (0.06166)	\$ 0.35399	\$ 0.04018	\$ 0.89678	All Usage	\$ 0.93493	\$ (0.02996)	\$ 0.35399	\$ 1.25896	14
15	Summer (May - October) First 15 Therms		\$ 0.13935	\$ (0.06166)	\$ 0.35399	\$ 0.04018	\$ 0.43168	Summer (May - October) First 15 Therms	\$ 0.15422	\$ (0.02996)	\$ 0.35399	\$ 0.47825	15
16	Over 15 Therms		\$ 0.60445	\$ (0.06166)	\$ 0.35399	\$ 0.04018	\$ 0.89678	Over 15 Therms	\$ 0.93493	\$ (0.02996)	\$ 0.35399	\$ 1.25896	16
17	Master-Metered Mobile Home Park Gas Service Basic Service Charge per Month	G-20	\$ 66.00	\$ (0.04622)	\$ 0.35399	\$ 0.04018	\$ 66.00	Master-Metered Mobile Home Park Gas Service Basic Service Charge per Month	\$ 66.00	\$ (0.01452)	\$ 0.35399	\$ 66.00	17
18	All Usage		\$ 0.48181	\$ (0.04622)	\$ 0.35399	\$ 0.04018	\$ 0.78958	All Usage	\$ 0.51948	\$ (0.01452)	\$ 0.35399	\$ 0.85895	18

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF PRESENT AND PROPOSED RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Present Rates				Proposed Rates				Line No.			
		Schedule (b)	Delivery Charge [1] (c)	Rate Adjustment [2] (d)	Gas Cost [2] (e)	Test Year DCA Adjustment (f)	Currently Effective Tariff Rate (g)	Description (h)	Schedule (i)		Delivery Charge [3] (j)	Rate Adjustment [4] (k)	Gas Cost [4] (l)
<b>General Gas Service</b>													
Basic Service Charge per Month													
1	Small	G-25	\$ 27.50	\$ (0.05953)	\$ 0.35399	\$ 0.04018	\$ 1.09015	Small, All Usage	G-25	\$ 27.50	\$ (0.02783)	\$ 0.35399	\$ 1.34333
2	Medium		43.50	(0.05953)	0.35399	0.04018	0.70169	Medium, All Usage		43.50	(0.02783)	0.35399	0.81224
3	Large-1		80.00	(0.05953)	0.35399	0.04018	0.67820	Large-1, All Usage		80.00	(0.02783)	0.35399	0.76399
4	Large-2		470.00	(0.05953)	0.35399	0.04018	0.57832	Large-2, All Usage		470.00	(0.02783)	0.35399	0.65316
5	Transportation Eligible		950.00	(0.06166)	0.35399		0.40654	Transportation Eligible, All Usage		950.00	(0.02996)	0.35399	0.44883
6	Commodity Charge per Therm							Commodity Charge per Therm					
7	Small, All Usage		\$ 0.79569	\$ (0.05953)	\$ 0.35399	\$ 0.04018	\$ 1.09015	Small, All Usage		\$ 1.01717	\$ (0.02783)	\$ 0.35399	\$ 1.34333
8	Medium, All Usage		0.40723	(0.05953)	0.35399	0.04018	0.70169	Medium, All Usage		0.48608	(0.02783)	0.35399	0.81224
9	Large-1, All Usage		0.36374	(0.05953)	0.35399	0.04018	0.67820	Large-1, All Usage		0.43783	(0.02783)	0.35399	0.76399
10	Large-2, All Usage		0.28386	(0.05953)	0.35399	0.04018	0.57832	Large-2, All Usage		0.32700	(0.02783)	0.35399	0.65316
11	Transportation Eligible, All Usage		0.11421	(0.06166)	0.35399		0.40654	Transportation Eligible, All Usage		0.12480	(0.02996)	0.35399	0.44883
11	Demand Charge per Month							Demand Charge per Month					
11	Transportation Eligible		\$ 0.083393				\$ 0.083393	Transportation Eligible		\$ 0.089287			\$ 0.089287
<b>Optional Gas Service</b>													
Basic Service Charge per Month													
12	Commodity Charge per Therm	G-30		As Specified on A.C.C. Sheet No. 27.				Optional Gas Service	G-30				As Specified on A.C.C. Sheet No. 27.
13	All Usage			As Specified on A.C.C. Sheet No. 28.				Commodity Charge per Therm					As Specified on A.C.C. Sheet No. 28.
<b>Air Conditioning Gas Service</b>													
Basic Service Charge per Month													
14	Commodity Charge per Therm	G-40		As Specified on A.C.C. Sheet No. 32.				Air Conditioning Gas Service	G-40				As Specified on A.C.C. Sheet No. 32.
15	All Usage		\$ 0.13935	(0.06166)	0.35399		\$ 0.43168	Commodity Charge per Therm		\$ 0.15422	(0.02996)	0.35399	\$ 0.47825
<b>Street Lighting Gas Service</b>													
Commodity Charge per Therm													
16	All Usage	G-45	\$ 0.73507	(0.06166)	0.35399		\$ 1.02740	Street Lighting Gas Service	G-45	\$ 0.87963	(0.02996)	0.35399	\$ 1.20366
<b>Compression Gas Service</b>													
Basic Service Charge per Month													
17	Commodity Charge per Therm	G-50		As Specified on A.C.C. Sheet No. 27.				Compression Gas Service	G-50				As Specified on A.C.C. Sheet No. 36.
18	All Usage			As Specified on A.C.C. Sheet No. 28.				Commodity Charge per Therm					As Specified on A.C.C. Sheet No. 36.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**SUMMARY OF PRESENT AND PROPOSED RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description	Schedule	Present Rates				Proposed Rates									
			Delivery Charge [1]	Rate Adjustment [2]	Gas Cost [2]	Test Year DCA Adjustment [f]	Currently Effective Tariff Rate [g]	Description [h]	Schedule [i]	Delivery Charge [3]	Rate Adjustment [4]	Gas Cost [4]	Effective Tariff Rate [m]			
	Gas Service for Compression on Customer's Premises	G-55														
1	Basic Service Charge per Month		\$ 27.50		\$											
2	Small				\$ 27.50							\$ 27.50	1			
3	Large				250.00							250.00	2			
3	Residential				10.70							10.70	3			
4	Commodity Charge per Therm		\$ 0.21935	\$ (0.06166)	\$ 0.35399							\$ 0.24048	\$ (0.02986)	\$ 0.35399	\$ 0.56451	4
	Electric Generation Gas Service	G-60														
5	Basic Service Charge per Month															
6	Commodity Charge per Therm		\$ 0.15923	\$ (0.06166)	\$ 0.35399							\$ 0.17367	\$ (0.02986)	\$ 0.35399	\$ 0.49770	6
	BioGas and Renewable Natural Gas Service	G-65														
7	Basic Service Charge per Month															
8	Commodity Charge per Therm															
	Small Essential Agriculture User Gas Service	G-75														
9	Basic Service Charge per Month		\$ 120.00		\$							\$ 120.00	\$	120.00	9	
10	Commodity Charge per Therm		\$ 0.28755	\$ (0.06166)	\$ 0.35399							\$ 0.30638	\$ (0.02986)	\$ 0.35399	\$ 0.63041	10
	Natural Gas Engine Gas Service	G-80														
11	Basic Service Charge per Month		\$ 0.00		\$							\$ 0.00	\$	\$ 0.00	11	
12	Off-Peak Season (October - March)															
12	Peak Season (April - September)		125.00		125.00							125.00		125.00	12	
13	Commodity Charge per Therm		\$ 0.22430	\$ (0.01198)	\$ 0.18273							\$ 0.23275	\$ 0.01972	\$ 0.18273	\$ 0.43520	13
14	All Usage															
	Service Establishment Charge															
14	Normal				\$							\$	\$	35.00	14	
15	Expedited				\$							\$	\$	50.00	15	

[1] Present Margin rates effective April 1, 2017.  
 [2] Present Rate Adjustment and Gas Cost rates effective January 31, 2019.  
 [3] Calculated rates to recover proposed Margin per Schedule H-1, Sheet 2 of 2.  
 [4] Rate Adjustment and Gas Cost rates effective January 31, 2019.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**  
**SINGLE-FAMILY RESIDENTIAL GAS SERVICE**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates [4] (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	8	\$ 19.31	\$ 20.91	\$ 1.60	8.29%	1
2	Average Summer Use [1]	11	22.53	24.74	2.21	9.81%	2
3	125 Percent Average Use	14	25.76	28.57	2.81	10.91%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	28	\$ 40.82	\$ 46.44	\$ 5.62	13.77%	4
5	Average Winter Use [1]	37	50.51	57.93	7.42	14.69%	5
6	125 Percent Average Use	46	60.19	69.42	9.23	15.33%	6
7	Annual Average Use	24	36.16	40.91	4.75	13.14%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge per Month		\$ 10.70					
Commodity Charge							
All Usage		\$ 1.07583					
<u>Proposed Tariff Rates [3]</u>							
Basic Service Charge per Month		\$ 10.70					
Commodity Charge							
All Usage		\$ 1.27653					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

[4] The DCA adjustment associated with this customer class.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
MULTI-FAMILY RESIDENTIAL GAS SERVICE**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates [4] (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	7	\$ 17.42	\$ 19.49	\$ 2.07	11.88%	1
2	Average Summer Use [1]	9	19.63	22.29	2.66	13.55%	2
3	125 Percent Average Use	11	21.84	25.08	3.24	14.84%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	14	\$ 25.14	\$ 29.28	\$ 4.14	16.47%	4
5	Average Winter Use [1]	18	29.56	34.87	5.31	17.96%	5
6	125 Percent Average Use	23	35.07	41.86	6.79	19.36%	6
7	Annual Average Use	14	24.74	28.77	4.03	16.29%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge per Month		\$ 9.70					
Commodity Charge							
All Usage		\$ 1.10319					
<u>Proposed Tariff Rates [3]</u>		<u>Amount</u>					
Basic Service Charge per Month		\$ 9.70					
Commodity Charge							
All Usage		\$ 1.39846					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

[4] The DCA adjustment associated with this customer class.



**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
SINGLE-FAMILY LOW INCOME RESIDENTIAL GAS SERVICE**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates [4] (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	8	\$ 15.94	\$ 17.55	\$ 1.61	10.10%	1
2	Average Summer Use [1]	10	18.05	20.06	2.01	11.14%	2
3	125 Percent Average Use	13	21.21	23.82	2.61	12.31%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	26	\$ 26.72	\$ 30.27	\$ 3.55	13.29%	4
5	Average Winter Use [1]	34	32.63	37.27	4.64	14.22%	5
6	125 Percent Average Use	43	39.28	45.15	5.87	14.94%	6
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge per Month		\$ 7.50					
Commodity Charge							
<u>Summer (May-October)</u>							
All Usage		\$ 1.05494					
<u>Winter (November-April)</u>							
First 150 Therms		\$ 0.73906					
Over 150 Therms		1.05494					
<u>Proposed Tariff Rates [3]</u>							
Basic Service Charge per Month		\$ 7.50					
Commodity Charge							
<u>Summer (May-October)</u>							
All Usage		\$ 1.25564					
<u>Winter (November-April)</u>							
First 150 Therms		\$ 0.87559					
Over 150 Therms		1.25564					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

[4] The DCA adjustment associated with this customer class.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**  
**MULTI-FAMILY LOW INCOME RESIDENTIAL GAS SERVICE**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	At Currently Effective Rates [4] (c)	At Proposed Tariff Rates (d)	Increase/(Decrease)		Line No.
					Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	7	\$ 15.08	\$ 17.14	\$ 2.06	13.66%	1
2	Average Summer Use [1]	9	17.24	19.90	2.66	15.43%	2
3	125 Percent Average Use	11	19.41	22.65	3.24	16.69%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	16	\$ 19.63	\$ 21.28	\$ 1.65	8.41%	4
5	Average Winter Use [1]	21	23.42	25.58	2.16	9.22%	5
6	125 Percent Average Use	26	27.21	29.89	2.68	9.85%	6
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge per Month		\$ 7.50					
Commodity Charge							
<u>Summer (May-October)</u>							
All Usage		\$ 1.08230					
<u>Winter (November-April)</u>							
First 150 Therms		\$ 0.75821					
Over 150 Therms		1.08230					
<u>Proposed Tariff Rates [3]</u>							
Basic Service Charge per Month		\$ 7.50					
Commodity Charge							
<u>Summer (May-October)</u>							
All Usage		\$ 1.37757					
<u>Winter (November-April)</u>							
First 150 Therms		\$ 0.86096					
Over 150 Therms		1.37757					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

[4] The DCA adjustment associated with this customer class.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
MASTER-METERED MOBILE HOME PARK GAS SERVICE**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	341	\$ 335.25	\$ 358.90	\$ 23.65	7.05%	1
2	Average Summer Use [1]	454	424.47	455.96	31.49	7.42%	2
3	125 Percent Average Use	568	514.48	553.88	39.40	7.66%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	1,337	\$ 1,121.67	\$ 1,214.42	\$ 92.75	8.27%	4
5	Average Winter Use [1]	1,783	1,473.82	1,597.51	123.69	8.39%	5
6	125 Percent Average Use	2,229	1,825.97	1,980.60	154.63	8.47%	6
7	Annual Average Use	1,118	948.75	1,026.31	77.56	8.17%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge		\$ 66.00					
Commodity Charge							
All Usage		\$ 0.78958					
<u>Proposed Tariff Rates [3]</u>							
Basic Service Charge		\$ 66.00					
Commodity Charge							
All Usage		\$ 0.85895					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
GENERAL GAS SERVICE - SMALL**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates [4] (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	5	\$ 32.95	\$ 34.22	\$ 1.27	3.85%	1
2	Average Summer Use [1]	7	35.13	36.90	1.77	5.04%	2
3	125 Percent Average Use	9	37.31	39.59	2.28	6.11%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	26	\$ 55.84	\$ 62.43	\$ 6.59	11.80%	4
5	Average Winter Use [1]	34	64.57	73.17	8.60	13.32%	5
6	125 Percent Average Use	43	74.38	85.26	10.88	14.63%	6
7	Annual Average Use	21	50.39	55.71	5.32	10.56%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge		\$ 27.50					
Commodity Charge							
All Usage		\$ 1.09015					
<u>Proposed Tariff Rates [3]</u>		<u>Amount</u>					
Basic Service Charge		\$ 27.50					
Commodity Charge							
All Usage		\$ 1.34333					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

[4] The DCA adjustment associated with this customer class.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
GENERAL GAS SERVICE - MEDIUM**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates [4] (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	134	\$ 137.53	\$ 152.34	\$ 14.81	10.77%	1
2	Average Summer Use [1]	179	169.10	188.89	19.79	11.70%	2
3	125 Percent Average Use	224	200.68	225.44	24.76	12.34%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	249	\$ 218.22	\$ 245.75	\$ 27.53	12.62%	4
5	Average Winter Use [1]	332	276.46	313.16	36.70	13.27%	5
6	125 Percent Average Use	415	334.70	380.58	45.88	13.71%	6
7	Annual Average Use	256	223.13	251.43	28.30	12.68%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge		\$ 43.50					
Commodity Charge							
All Usage		\$ 0.70169					
<u>Proposed Tariff Rates [3]</u>							
Basic Service Charge		\$ 43.50					
Commodity Charge							
All Usage		\$ 0.81224					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

[4] The DCA adjustment associated with this customer class.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
GENERAL GAS SERVICE - LARGE-1**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates [4] (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	697	\$ 552.71	\$ 612.50	\$ 59.79	10.82%	1
2	Average Summer Use [1]	929	710.05	789.75	79.70	11.22%	2
3	125 Percent Average Use	1,161	867.39	966.99	99.60	11.48%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	1,218	\$ 906.05	\$ 1,010.54	\$ 104.49	11.53%	4
5	Average Winter Use [1]	1,624	1,181.40	1,320.72	139.32	11.79%	5
6	125 Percent Average Use	2,030	1,456.75	1,630.90	174.15	11.95%	6
7	Annual Average Use	1,277	946.06	1,055.62	109.56	11.58%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge		\$ 80.00					
Commodity Charge							
All Usage		\$ 0.67820					
<u>Proposed Tariff Rates [3]</u>		<u>Amount</u>					
Basic Service Charge		\$ 80.00					
Commodity Charge							
All Usage		\$ 0.76399					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

[4] The DCA adjustment associated with this customer class.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**  
**GENERAL GAS SERVICE - LARGE-2**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates [4] (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	3,994	\$ 2,779.81	\$ 3,078.72	\$ 298.91	10.75%	1
2	Average Summer Use [1]	5,325	3,549.55	3,948.08	398.53	11.23%	2
3	125 Percent Average Use	6,656	4,319.30	4,817.43	498.13	11.53%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	6,369	\$ 4,153.32	\$ 4,629.98	\$ 476.66	11.48%	4
5	Average Winter Use [1]	8,492	5,381.09	6,016.63	635.54	11.81%	5
6	125 Percent Average Use	10,615	6,608.87	7,403.29	794.42	12.02%	6
7	Annual Average Use	6,905	4,463.30	4,980.07	516.77	11.58%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge		\$ 470.00					
Commodity Charge							
All Usage		\$ 0.57832					
<u>Proposed Tariff Rates [3]</u>		<u>Amount</u>					
Basic Service Charge		\$ 470.00					
Commodity Charge							
All Usage		\$ 0.65316					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

[4] The DCA adjustment associated with this customer class.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
GAS SERVICE FOR COMPRESSION ON CUSTOMER'S PREMISES - SMALL**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	124	\$ 90.95	\$ 97.50	\$ 6.55	7.20%	1
2	Average Summer Use [1]	165	111.93	120.64	8.71	7.78%	2
3	125 Percent Average Use	206	132.91	143.79	10.88	8.19%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	130	\$ 94.02	\$ 100.89	\$ 6.87	7.31%	4
5	Average Winter Use [1]	173	116.02	125.16	9.14	7.88%	5
6	125 Percent Average Use	216	138.02	149.43	11.41	8.27%	6
7	Annual Average Use	169	113.97	122.90	8.93	7.84%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge		\$ 27.50					
Commodity Charge							
All Usage		\$ 0.51168					
<u>Proposed Tariff Rates [3]</u>		<u>Amount</u>					
Basic Service Charge		\$ 27.50					
Commodity Charge							
All Usage		\$ 0.56451					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.



**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**  
**GAS SERVICE FOR COMPRESSION ON CUSTOMER'S PREMISES - LARGE**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	15,004	\$ 7,927.25	\$ 8,719.91	\$ 792.66	10.00%	1
2	Average Summer Use [1]	20,005	10,486.16	11,543.02	1,056.86	10.08%	2
3	125 Percent Average Use	25,006	13,045.07	14,366.14	1,321.07	10.13%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	14,604	\$ 7,722.57	\$ 8,494.10	\$ 771.53	9.99%	4
5	Average Winter Use [1]	19,472	10,213.43	11,242.14	1,028.71	10.07%	5
6	125 Percent Average Use	24,340	12,704.29	13,990.17	1,285.88	10.12%	6
7	Annual Average Use	19,738	10,349.54	11,392.30	1,042.76	10.08%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge		\$ 250.00					
Commodity Charge							
All Usage		\$ 0.51168					
<u>Proposed Tariff Rates [3]</u>		<u>Amount</u>					
Basic Service Charge		\$ 250.00					
Commodity Charge							
All Usage		\$ 0.56451					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**  
**GAS SERVICE FOR COMPRESSION ON CUSTOMER'S PREMISES - RESIDENTIAL**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	32	\$ 27.07	\$ 28.76	\$ 1.69	6.24%	1
2	Average Summer Use [1]	42	32.19	34.41	2.22	6.90%	2
3	125 Percent Average Use	53	37.82	40.62	2.80	7.40%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	35	\$ 28.61	\$ 30.46	\$ 1.85	6.47%	4
5	Average Winter Use [1]	46	34.24	36.67	2.43	7.10%	5
6	125 Percent Average Use	58	40.38	43.44	3.06	7.58%	6
7	Annual Average Use	44	33.21	35.54	2.33	7.02%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge		\$ 10.70					
Commodity Charge							
All Usage		\$ 0.51168					
<u>Proposed Tariff Rates [3]</u>		<u>Amount</u>					
Basic Service Charge		\$ 10.70					
Commodity Charge							
All Usage		\$ 0.56451					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

**SOUTHWEST GAS CORPORATION  
ARIZONA GENERAL RATE CASE  
TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES  
FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019  
SMALL ESSENTIAL AGRICULTURE USER GAS SERVICE**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Summer Season Bills</u>							
1	75 Percent Average Use	2,228	\$ 1,411.97	\$ 1,524.55	\$ 112.58	7.97%	1
2	Average Summer Use [1]	2,970	1,842.24	1,992.32	150.08	8.15%	2
3	125 Percent Average Use	3,713	2,273.09	2,460.71	187.62	8.25%	3
<u>Winter Season Bills</u>							
4	75 Percent Average Use	2,957	\$ 1,834.71	\$ 1,984.12	\$ 149.41	8.14%	4
5	Average Winter Use [1]	3,943	2,406.47	2,605.71	199.24	8.28%	5
6	125 Percent Average Use	4,929	2,978.23	3,227.29	249.06	8.36%	6
7	Annual Average Use	3,478	2,136.82	2,312.57	175.75	8.22%	7
<u>Effective Tariff Rates [2]</u>		<u>Amount</u>					
Basic Service Charge		\$ 120.00					
Commodity Charge							
All Usage		\$ 0.57988					
<u>Proposed Tariff Rates [3]</u>							
Basic Service Charge		\$ 120.00					
Commodity Charge							
All Usage		\$ 0.63041					

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**TYPICAL BILL COMPARISON - PROPOSED VS. CURRENTLY EFFECTIVE RATES**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**  
**NATURAL GAS ENGINE GAS SERVICE**

Line No.	Description (a)	Monthly Consumption (Therms) (b)	Monthly Bill		Increase/(Decrease)		Line No.
			At Currently Effective Rates (c)	At Proposed Tariff Rates (d)	Dollars (e)	Percent (f)	
<u>Peak Season Bills</u>							
1	75 Percent Average	3,125	\$ 1,359.53	\$ 1,485.00	\$ 125.47	9.23%	1
2	Average	4,166	1,770.78	1,938.04	167.26	9.45%	2
3	125 Percent Average	5,208	2,182.42	2,391.52	209.10	9.58%	3
<u>Off-Peak Season Bills</u>							
4	75 Percent Average	1,253	\$ 495.00	\$ 545.31	50.31	10.16%	4
5	Average	1,671	660.13	727.22	67.09	10.16%	5
6	125 Percent Average	2,089	825.26	909.13	83.87	10.16%	6

<u>Effective Tariff Rates [2]</u>	<u>Amount</u>
<u>Basic Service Charge</u>	
Peak Season	\$ 125.00
Off-Peak Season	0.00
<u>Commodity Charge</u>	
All Usage	\$ 0.39505

<u>Proposed Tariff Rates [3]</u>	<u>Amount</u>
<u>Basic Service Charge</u>	
Peak Season	\$ 125.00
Off-Peak Season	0.00
<u>Commodity Charge</u>	
All Usage	\$ 0.43520

[1] Company Record.

[2] Rates effective on January 31, 2019 including all adjustments.

[3] Schedule H-3, Sheets 1-3. Rate Adjustments and Gas Cost effective January 31, 2019.

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**CALCULATION OF MONTHLY MARGIN PER CUSTOMER - EQUAL SPREAD**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Jan (b)	Feb (c)	Mar (d)	Apr (e)	May (f)	Jun (g)	Jul (h)	Aug (i)	Sep (j)	Oct (k)	Nov (l)	Dec (m)	Total / Weighted Avg Annual Margin Per Customer (n)	Line No.
<b>Single-Family Residential Gas Service</b>															
1	Number of Customers	973,721	973,664	970,855	967,922	966,394	965,443	963,873	963,910	964,928	963,330	971,690	973,835	11,624,565	1
2	Current Monthly Margin per Customer (2016 GRC)	\$ 56.27	\$ 48.76	\$ 38.97	\$ 27.78	\$ 21.52	\$ 20.72	\$ 18.83	\$ 17.87	\$ 18.38	\$ 19.41	\$ 21.74	\$ 20.52	\$ 351.27	2
3	Current Monthly Margin (2016 GRC)	\$ 54,791,281	\$ 47,475,857	\$ 37,834,219	\$ 26,888,873	\$ 20,796,799	\$ 20,003,979	\$ 18,149,729	\$ 17,225,073	\$ 17,735,377	\$ 18,795,285	\$ 21,124,541	\$ 39,459,794	\$ 340,280,805	3
4	Proposed Monthly Margin per Customer (2019 GRC)	\$ 59.82	\$ 52.31	\$ 42.52	\$ 31.33	\$ 25.07	\$ 24.27	\$ 21.43	\$ 22.39	\$ 21.94	\$ 22.96	\$ 25.29	\$ 44.07	\$ 393.90	4
5	Margin Increase / (Decrease) [1]	\$ 3.55	\$ 3.55	\$ 3.55	\$ 3.55	\$ 3.55	\$ 3.55	\$ 3.55	\$ 3.56	\$ 3.56	\$ 3.55	\$ 3.55	\$ 3.55	\$ 42.63	5
6	Total Monthly Margin (2019 GRC)	\$ 58,247,990	\$ 50,932,364	\$ 41,280,755	\$ 30,324,996	\$ 24,227,498	\$ 23,431,302	\$ 21,581,116	\$ 20,656,591	\$ 21,170,520	\$ 22,232,857	\$ 24,574,040	\$ 42,916,908	\$ 381,576,938	6
<b>Multi-Family Residential Gas Service</b>															
7	Number of Customers	36,601	36,654	36,612	36,465	36,348	36,157	36,011	35,900	35,930	36,066	36,385	36,599	435,728	7
8	Current Monthly Margin per Customer (2016 GRC)	\$ 31.70	\$ 28.90	\$ 24.85	\$ 20.72	\$ 18.20	\$ 17.83	\$ 16.49	\$ 15.84	\$ 16.18	\$ 16.58	\$ 17.96	\$ 25.69	\$ 251.35	8
9	Current Monthly Margin (2016 GRC)	\$ 1,160,252	\$ 1,059,301	\$ 909,808	\$ 755,555	\$ 661,534	\$ 644,679	\$ 593,821	\$ 568,656	\$ 581,347	\$ 597,974	\$ 653,475	\$ 940,228	\$ 9,126,630	9
10	Proposed Monthly Margin per Customer (2019 GRC)	\$ 34.86	\$ 32.06	\$ 28.01	\$ 23.88	\$ 21.37	\$ 21.00	\$ 19.66	\$ 19.01	\$ 19.35	\$ 19.75	\$ 21.13	\$ 28.85	\$ 289.34	10
11	Margin Increase / (Decrease) [1]	\$ 3.16	\$ 3.16	\$ 3.16	\$ 3.16	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.16	\$ 37.99	11
12	Total Monthly Margin (2019 GRC)	\$ 1,275,911	\$ 1,175,127	\$ 1,025,502	\$ 870,784	\$ 776,757	\$ 759,297	\$ 707,976	\$ 682,459	\$ 695,246	\$ 712,304	\$ 768,815	\$ 1,055,881	\$ 10,506,059	12
<b>Single-Family Low Income Residential Gas Service</b>															
13	Number of Customers	34,561	34,634	34,523	34,535	34,197	33,835	34,176	34,132	34,127	34,192	34,242	34,318	411,472	13
14	Current Monthly Margin per Customer (2016 GRC)	\$ 54.75	\$ 48.40	\$ 37.58	\$ 26.95	\$ 20.78	\$ 20.00	\$ 18.33	\$ 17.46	\$ 17.79	\$ 18.59	\$ 21.40	\$ 39.98	\$ 342.78	14
15	Current Monthly Margin (2016 GRC)	\$ 1,892,215	\$ 1,676,286	\$ 1,297,374	\$ 930,718	\$ 710,614	\$ 676,700	\$ 626,448	\$ 595,945	\$ 607,119	\$ 635,629	\$ 732,779	\$ 1,372,034	\$ 11,753,958	15
16	Proposed Monthly Margin per Customer (2019 GRC)	\$ 57.36	\$ 51.01	\$ 40.19	\$ 29.56	\$ 23.39	\$ 22.62	\$ 20.95	\$ 20.08	\$ 20.40	\$ 21.20	\$ 24.01	\$ 42.59	\$ 374.13	16
17	Margin Increase / (Decrease) [1]	\$ 2.61	\$ 2.61	\$ 2.61	\$ 2.61	\$ 2.61	\$ 2.62	\$ 2.62	\$ 2.62	\$ 2.61	\$ 2.61	\$ 2.61	\$ 2.61	\$ 31.35	17
18	Total Monthly Margin (2019 GRC)	\$ 1,982,419	\$ 1,766,680	\$ 1,387,479	\$ 1,020,855	\$ 799,868	\$ 765,348	\$ 715,987	\$ 685,371	\$ 696,191	\$ 724,870	\$ 822,150	\$ 1,461,604	\$ 12,828,822	18
<b>Multi-Family Low Income Residential Gas Service</b>															
19	Number of Customers	2,850	2,871	2,848	2,832	2,817	2,779	2,814	2,814	2,794	2,812	2,823	2,837	33,891	19
20	Current Monthly Margin per Customer (2016 GRC)	\$ 37.15	\$ 33.51	\$ 27.72	\$ 22.21	\$ 19.04	\$ 18.88	\$ 17.31	\$ 16.57	\$ 16.84	\$ 17.19	\$ 18.81	\$ 28.99	\$ 274.80	20
21	Current Monthly Margin (2016 GRC)	\$ 105,878	\$ 96,207	\$ 78,947	\$ 62,889	\$ 53,636	\$ 52,468	\$ 48,710	\$ 46,628	\$ 47,051	\$ 48,338	\$ 53,101	\$ 82,245	\$ 709,106	21
22	Proposed Monthly Margin per Customer (2019 GRC)	\$ 40.05	\$ 36.41	\$ 30.62	\$ 25.11	\$ 21.94	\$ 21.78	\$ 20.22	\$ 19.48	\$ 19.75	\$ 20.09	\$ 21.71	\$ 31.89	\$ 306.63	22
23	Margin Increase / (Decrease) [1]	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.91	\$ 2.91	\$ 2.91	\$ 2.90	\$ 2.90	\$ 2.90	\$ 34.83	23
24	Total Monthly Margin (2019 GRC)	\$ 114,143	\$ 104,533	\$ 87,296	\$ 71,112	\$ 61,805	\$ 60,527	\$ 56,899	\$ 54,817	\$ 55,182	\$ 56,493	\$ 61,287	\$ 90,472	\$ 874,474	24
<b>Small General Gas Service</b>															
25	Number of Customers - Sales	17,855	18,079	17,907	17,689	17,616	17,518	17,479	17,444	17,449	17,586	17,825	17,735	212,192	25
26	Number of Customers - Transportation	7	7	7	7	7	7	7	7	7	7	7	7	84	26
27	Current Monthly Margin per Customer (2016 GRC)	\$ 72.34	\$ 64.14	\$ 53.95	\$ 41.08	\$ 36.55	\$ 36.25	\$ 34.67	\$ 34.04	\$ 34.34	\$ 34.63	\$ 36.82	\$ 53.78	\$ 534.13	27
28	Current Monthly Margin (2016 GRC)	\$ 1,292,137	\$ 1,160,036	\$ 966,480	\$ 727,362	\$ 644,121	\$ 635,281	\$ 606,240	\$ 594,032	\$ 599,439	\$ 612,764	\$ 696,574	\$ 954,165	\$ 9,448,612	28
29	Proposed Monthly Margin per Customer (2019 GRC)	\$ 76.28	\$ 68.08	\$ 57.90	\$ 45.03	\$ 40.50	\$ 40.20	\$ 38.62	\$ 37.99	\$ 38.29	\$ 38.78	\$ 40.77	\$ 57.73	\$ 581.51	29
30	Margin Increase / (Decrease) [1]	\$ 3.94	\$ 3.94	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 47.38	30
31	Total Monthly Margin (2019 GRC)	\$ 1,362,513	\$ 1,231,295	\$ 1,037,221	\$ 797,301	\$ 713,732	\$ 704,505	\$ 675,309	\$ 662,963	\$ 688,390	\$ 682,257	\$ 727,011	\$ 1,024,246	\$ 10,286,742	31
<b>Medium General Gas Service</b>															
32	Number of Customers - Sales	14,923	14,683	14,677	14,677	14,666	14,665	14,694	14,700	14,721	14,782	14,845	14,997	177,043	32
33	Number of Customers - Transportation	93	93	93	93	93	93	93	93	93	93	93	93	1,116	33
34	Current Monthly Margin per Customer (2016 GRC)	\$ 221.00	\$ 205.57	\$ 175.14	\$ 146.13	\$ 125.94	\$ 124.02	\$ 107.92	\$ 104.32	\$ 108.96	\$ 115.88	\$ 129.82	\$ 183.05	\$ 1,746.23	34
35	Current Monthly Margin (2016 GRC)	\$ 3,318,536	\$ 3,037,802	\$ 2,565,592	\$ 2,158,340	\$ 1,856,748	\$ 1,856,748	\$ 1,595,813	\$ 1,543,206	\$ 1,614,133	\$ 1,723,715	\$ 1,939,251	\$ 2,762,225	\$ 25,925,495	35
36	Proposed Monthly Margin per Customer (2019 GRC)	\$ 244.57	\$ 229.14	\$ 198.71	\$ 165.70	\$ 149.51	\$ 144.59	\$ 131.49	\$ 127.90	\$ 132.53	\$ 139.49	\$ 153.39	\$ 206.62	\$ 2,028.06	36
37	Margin Increase / (Decrease) [1]	\$ 23.57	\$ 23.57	\$ 23.57	\$ 23.57	\$ 23.57	\$ 23.57	\$ 23.57	\$ 23.58	\$ 23.57	\$ 23.57	\$ 23.57	\$ 23.57	\$ 282.85	37
38	Total Monthly Margin (2019 GRC)	\$ 3,672,463	\$ 3,385,773	\$ 2,933,556	\$ 2,506,489	\$ 2,206,618	\$ 2,136,751	\$ 1,944,343	\$ 1,892,025	\$ 1,963,259	\$ 2,074,319	\$ 2,291,340	\$ 3,117,896	\$ 30,124,851	38

**SOUTHWEST GAS CORPORATION**  
**ARIZONA GENERAL RATE CASE**  
**CALCULATION OF MONTHLY MARGIN PER CUSTOMER - EQUAL SPREAD**  
**FOR THE TWELVE MONTHS ENDED JANUARY 31, 2019**

Line No.	Description (a)	Jan (b)	Feb (c)	Mar (d)	Apr (e)	May (f)	Jun (g)	Jul (h)	Aug (i)	Sep (j)	Oct (k)	Nov (l)	Dec (m)	Total / Weighted Avg Annual Margin Per Customer (n)	Line No.
39	Large-1 General Gas Service														
40	Number of Customers - Sales	6,911	6,904	6,896	6,893	6,887	6,871	6,893	6,911	6,915	6,914	6,909	6,933	82,837	39
41	Current Monthly Margin per Customer (2016 GRC)	\$ 896.24	\$ 833.11	\$ 720.48	\$ 636.49	\$ 547.06	\$ 509.11	\$ 433.72	\$ 410.53	\$ 428.28	\$ 470.55	\$ 550.20	\$ 766.08	\$ 2,028	40
42	Proposed Monthly Margin per Customer (2019 GRC)	\$ 6,345,379	\$ 5,892,587	\$ 5,090,191	\$ 4,494,892	\$ 3,860,065	\$ 3,584,134	\$ 3,062,931	\$ 2,906,552	\$ 3,033,936	\$ 3,332,906	\$ 3,894,316	\$ 5,440,700	\$ 7,202.77	41
43	Margin Increase / (Decrease) [1]	\$ 939.99	\$ 876.86	\$ 764.23	\$ 680.24	\$ 590.81	\$ 552.87	\$ 477.48	\$ 454.29	\$ 472.04	\$ 514.31	\$ 593.95	\$ 809.83	\$ 50,938,580	42
44	Total Monthly Margin (2019 GRC)	\$ 6,665,129	\$ 6,202,031	\$ 5,392,285	\$ 4,803,855	\$ 4,168,755	\$ 3,892,205	\$ 3,371,964	\$ 3,216,373	\$ 3,343,931	\$ 3,642,868	\$ 4,203,978	\$ 5,751,413	\$ 7,727.82	43
45														\$ 525.05	44
46	Large-2 General Gas Service														
47	Number of Customers - Sales	357	359	361	359	359	359	359	358	357	355	353	356	4,292	46
48	Current Monthly Margin per Customer (2016 GRC)	\$ 3,550.90	\$ 3,303.78	\$ 3,234.11	\$ 2,766.80	\$ 2,417.09	\$ 2,262.46	\$ 1,835.78	\$ 1,746.76	\$ 1,825.86	\$ 2,004.07	\$ 2,461.16	\$ 3,147.32	\$ 924	47
49	Proposed Monthly Margin per Customer (2019 GRC)	\$ 1,541,091	\$ 1,440,448	\$ 1,416,540	\$ 1,206,325	\$ 1,053,851	\$ 986,433	\$ 800,400	\$ 759,841	\$ 792,423	\$ 865,758	\$ 1,058,299	\$ 1,362,790	\$ 30,561.81	48
50	Margin Increase / (Decrease) [1]	\$ 253.46	\$ 253.46	\$ 253.46	\$ 253.46	\$ 253.46	\$ 253.46	\$ 253.46	\$ 253.47	\$ 253.47	\$ 253.46	\$ 253.46	\$ 253.46	\$ 13,284,198	49
51	Total Monthly Margin (2019 GRC)	\$ 1,651,092	\$ 1,550,957	\$ 1,527,556	\$ 1,316,833	\$ 1,164,360	\$ 1,086,941	\$ 910,909	\$ 870,100	\$ 902,429	\$ 975,253	\$ 1,167,287	\$ 1,472,538	\$ 3,041.54	50
52														\$ 14,606,254	51
														\$ 54,651,777	52

[1] Annual Margin Per Customer incremental increase spread equally among months. Some months are adjusted to equal proposed class margin revenue.