

The Commission has scheduled a Consumer Session on Southwest Gas' request commencing Thursday, July 26, 2012, at 6:00 p.m. The Consumer Session will take place at the Public Utilities Commission of Nevada Office located at 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148, and will be video-conferenced to the Public Utilities Commission of Nevada Office located at 1150 East William Street, Carson City, Nevada 89701. The Consumer Session is scheduled to provide Southwest Gas' customers with an opportunity to comment on the Company's request. Southwest Gas employees will also be on hand to discuss the filing.

The Commission has also scheduled public hearings on Southwest Gas' request commencing September 10, 2012, at 10:00 a.m. The hearings will take place at the Public Utilities Commission of Nevada Office located at 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148, and will be video-conferenced to the Public Utilities Commission of Nevada Office located at 1150 East William Street, Carson City, Nevada 89701. Southwest Gas' filing is available for review by the public during normal business hours at Southwest Gas' business offices or at the Commission's offices at 1150 East William Street, Carson City, Nevada 89701 and at 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148. Written comments may be sent to the Commission at either of its offices and should reference Docket No. 12-04005.



SOUTHWEST GAS CORPORATION

SW5671 (06/2012)



SOUTHWEST GAS CORPORATION

**PUBLIC NOTICE OF
CONSUMER SESSION AND
HEARING**

DOCKET NO. 12-04005

On April 4, 2012, Southwest Gas Corporation (Southwest Gas) filed an Application with the Public Utilities Commission of Nevada (Commission) for approval to adjust its rates and charges for natural gas service to all customer classes in Southwest Gas' Southern Nevada and Northern Nevada Divisions. The Commission has identified this matter as Docket No. 12-04005. The proposed annual revenue increase for the Southern Nevada Division is approximately \$25.4 million or 6.15 percent over existing total revenues, and the Northern Nevada Division is approximately \$1.5 million or 1.41 percent over existing total revenues.

Southwest Gas' request for increased revenues reflects additional costs of utility operations, not including gas costs, experienced since general rates were last changed in 2009. Three of the primary increased costs of operations are: (1) changes in Southwest Gas' cost of capital; (2) increases in expenses and capital investments; and (3) changes in the number of customers and customer volumes.

The following table provides the proposed monthly average bill and proposed change in average bill by class of customer. These changes represent averages for each customer class. Actual changes to individual customer bills will vary. The Commission may set rates that are higher or lower than those contained in Southwest Gas' request.

SOUTHERN NEVADA DIVISION				
Class of Customer	Monthly Average Bill		Proposed Increase/ (Decrease)	
	Present Rates	Proposed Rates	Amount/Month	Percent (%)
Single-Family Residential				
Annual	\$ 45.29	\$ 48.99	\$ 3.70	8.17%
-Summer	\$ 25.71	\$ 28.39	\$ 2.68	10.42%
-Winter	\$ 64.89	\$ 69.62	\$ 4.73	7.29%
Multi-Family Residential				
Annual	\$ 27.47	\$ 29.87	\$ 2.40	8.74%
-Summer	\$ 20.73	\$ 22.91	\$ 2.18	10.52%
-Winter	\$ 34.22	\$ 36.84	\$ 2.62	7.66%
Residential Air Conditioning	\$ 662.63	\$ 519.76	\$ (142.87)	(21.56%)
General Gas Service				
-Small to G-1	\$ 40.94	\$ 46.25	\$ 5.31	12.97%
-Medium to G-1	\$ 173.86	\$ 229.01	\$ 55.15	31.72%
-Large to G-2	\$ 1,115.82	\$ 1,051.35	\$ (64.47)	(5.78%)
-Large to G-3	\$ 4,832.87	\$ 4,402.36	\$ (430.51)	(8.91%)
-Transportation Eligible to G-4	\$ 18,960.79	\$ 18,874.89	\$ (85.90)	(0.45%)
Air Conditioning	\$ 247.26	\$ 225.24	\$ (22.02)	(8.91%)
Water Pumping	\$ 8,812.71	\$ 10,357.29	\$ 1,544.58	17.53%
Gas Service for Compression	\$ 2,115.21	\$ 2,168.76	\$ 53.55	2.53%
Street and Outdoor	\$ 47.78	\$ 48.68	\$ 0.90	1.88%

NORTHERN NEVADA DIVISION				
Class of Customer	Monthly Average Bill		Proposed Increase/(Decrease)	
	Present Rates	Proposed Rates	Amount/Month	Percent (%)
Single-Family Residential				
Annual	\$ 77.43	\$ 78.51	\$ 1.08	1.39%
-Summer	\$ 38.18	\$ 39.67	\$ 1.49	3.90%
-Winter	\$ 116.68	\$ 117.35	\$ 0.67	0.57%
Multi-Family Residential				
Annual	\$ 48.40	\$ 52.43	\$ 4.03	8.33%
-Summer	\$ 27.83	\$ 30.69	\$ 2.86	10.28%
-Winter	\$ 68.97	\$ 74.16	\$ 5.19	7.53%
Residential Air Conditioning	\$ 97.94	\$ 93.66	\$ (4.28)	(4.37%)
General Gas Service				
-Small to G-1	\$ 52.95	\$ 54.45	\$ 1.50	2.83%
-Medium to G-1	\$ 186.64	\$ 213.85	\$ 27.21	14.58%
-Large to G-2	\$ 1,417.85	\$ 1,353.91	\$ (63.94)	(4.51%)
-Large to G-3	\$ 5,475.50	\$ 4,890.57	\$ (584.93)	(10.68%)
-Transportation Eligible to G-4	\$ 18,109.17	\$ 16,584.27	\$ (1,524.90)	(8.42%)
Air Conditioning	\$ 259.73	\$ 253.94	\$ (5.79)	(2.23%)
Water Pumping	\$ 135.50	\$ 139.26	\$ 3.76	2.77%
Gas Service for Compression	\$ 257.79	\$ 264.37	\$ 6.58	2.55%
Street and Outdoor	\$ 34.43	\$ 41.13	\$ 6.70	19.46%