



# SOUTHWEST GAS CORPORATION

## NOTICE TO NORTHERN CALIFORNIA CUSTOMERS OF PROPOSED RATE INCREASE IN APPLICATION 12-12-024 (A.12-12-024)

*Para mas información de este aviso, puede comunicarse  
con Asistencia para el Cliente al 1-877-860-6020.*

On December 20, 2012, Southwest Gas Corporation (Southwest Gas or the Company) filed A.12-12-024 with the California Public Utilities Commission (CPUC) requesting authority to increase its 2014 authorized operating margin for natural gas service in its Placer, El Dorado, and Nevada County service areas by \$3,236,380 or 10.7 percent from currently authorized revenues. The proposed percentage increase or decrease by customer class is shown in the illustrative chart below. Southwest Gas is also requesting post-test year increases to rates and charges for years 2015 through 2018, to become effective on January 1 of each year. Southwest Gas filed its application to recover the reasonable costs the Company will incur to own and operate the facilities used to maintain and provide safe and reliable natural gas service to its California customers.

### PROPOSED ANNUAL REVENUE BY CUSTOMER CLASS

| Customer Class                  | Authorized Revenues at Present Rates | Revenues at Proposed Rates | Revenue Increase/ (Decrease) | Percent Change |
|---------------------------------|--------------------------------------|----------------------------|------------------------------|----------------|
| Primary Residential             | \$12,539,552                         | \$13,699,862               | \$1,160,310                  | 9.3%           |
| Secondary Residential           | 11,882,382                           | 12,866,416                 | 984,034                      | 8.3            |
| Master-Metered                  | 17,158                               | 18,819                     | 1,661                        | 9.7            |
| Master-Metered - Submetered     | 20,942                               | 22,443                     | 1,501                        | 7.2            |
| Core General                    | 5,541,720                            | 6,086,854                  | 545,134                      | 9.8            |
| Core Motor Vehicle              | 95,273                               | 100,902                    | 5,629                        | 5.9            |
| Core Internal Combustion Engine | 1,084                                | 926                        | (158)                        | (14.6)         |
| Noncore General                 | 57,399                               | 55,088                     | (2,311)                      | (4.0)          |

**If the Commission approves Southwest Gas' proposed rate changes, the typical monthly bill for a residential customer in Northern California using 65 therms would increase \$7.86, or from \$84.87 to \$92.73.**

If you have any questions about Southwest Gas' application, please contact Justin Lee Brown, Vice President/Pricing, Southwest Gas Corporation, P.O. Box 98510, Las Vegas, Nevada 89193-8510.

A complete copy of this application may be examined online at [http://www.swgas.com/tariffs/california\\_rates\\_and\\_tariffs.php](http://www.swgas.com/tariffs/california_rates_and_tariffs.php) or at the following Southwest Gas offices: 10682 Pioneer Trail, Truckee; 218 Incline Court, Incline Village, Nevada; or 400 Eagle Station Lane, Carson City, Nevada. A.12-12-024 is also available to review at the CPUC's Central Files Office at 505 Van Ness Avenue, Second Floor, San Francisco, California between the hours of 8 a.m. to noon daily.

## **EVIDENTIARY HEARINGS**

The CPUC **may** hold Evidentiary Hearings (EHs) whereby formal parties of record provide testimony and are subject to cross-examination before a CPUC Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are formal parties of record may participate at the EHs. Members of the public may attend and listen, but are not allowed to participate.

The CPUC has its own court reporters who will record the comments of those formal parties of record participating in the EHs. After considering all proposals and evidence presented during the formal hearing process, the assigned ALJ will issue a proposed decision. When the CPUC issues a final decision on the application, it may adopt, amend or modify all or part of the ALJ's proposed decision as written. The CPUC's decision may be different than Southwest Gas' proposed request.

## **THE CPUC PROCESS**

The Division of Ratepayer Advocates (DRA) is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state to obtain the lowest possible rates for service consistent with reliable and safe service levels. DRA has a staff of engineers, accountants, economists, and attorneys who independently evaluate the proposals of utilities for rate changes and present their analyses and recommendations to the CPUC. The CPUC may accept, reject or modify the recommendations of any party. After considering all evidence presented during the hearings, the ALJ will issue a proposed decision. The actual rates adopted by the CPUC may differ from those requested by Southwest Gas in its application.

## **PUBLIC PARTICIPATION HEARINGS**

Should Public Participation Hearings (PPHs) be scheduled, you will be notified by a separate post card mailer or as a bill insert with the dates, times and locations of any hearings on Southwest Gas' A.12-12-024 identified. All PPHs are scheduled to be held within Southwest Gas' Northern California service territory, which allows the opportunity for any customer to attend to provide their comments or opinions on A.12-12-024 before the ALJ.

## **HOW TO PARTICIPATE IN THE PROCESS**

If you wish to file written comments on this proceeding, you may send them to the CPUC's Public Advisor's Office (PAO) at the address or email noted below. When writing, please state you are writing concerning Southwest Gas' A.12-12-024. Your comments will become part of the formal correspondence file for public comment in this proceeding. The PAO will circulate all comments received to the five Commissioners, the assigned ALJ, DRA, and to CPUC staff assigned to this proceeding. You may also contact the PAO if you need advice to participate in this proceeding.

San Francisco Office (Headquarters) • 505 Van Ness Avenue  
San Francisco, CA 94102

415-703-2074 • Toll Free 866-849-8390 • [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)  
TTY: 415-703-5282 or Toll Free 866-836-7825

This notice is being given in accordance with Public Utilities Code §454(a) and Rules 3.2 (c) and (d) of the Commission's Rules of Practice and Procedure.