May 1, 2001

TO ALL HOLDERS OF SOUTHWEST GAS CORPORATION'S ARIZONA GAS TARIFF NO. 7

Subject: Revision No. 045

The attached tariff sheets reflect the authorization granted by the Arizona Corporation Commission for Southwest to revise its gas cost rates for the month of May 2001. Southwest was also authorized to incorporate a revision to its current (1) LIRA surcharge applicable to Schedule Nos. G-5 and G-20; (2) gas cost rates applicable to Schedule Nos. G-60, G-80 and G-95; and (3) shrinkage charge applicable to transportation customers.

The following changes should be made in your copy of Southwest's Arizona Gas Tariff:

Insert A.C.C. Sheet No.

Supersedes A.C.C. Sheet No.

Twenty-Sixth Revised 11 Twenty-Fourth Revised 12 Ninth Revised 13 Fifth Revised 14 Second Revised 87 Twenty-Fifth Revised 11 Twenty-Third Revised 12 Eighth Revised 13 Fourth Revised 14 First Revised 87

Jessie M. de los Santos Supervisor, Regulatory Administration

Attachment