



SOUTHWEST GAS CORPORATION

May 27, 2008

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

Subject: Revision No. 146

This revision reflects authorization by the Arizona Corporation Commission for Southwest to implement monthly gas cost rates for its customers in Arizona and to remove a purchased gas adjustor (PGA) surcharge of \$0.11 per therm. The attached tariff sheets reflect revised rates effective May 30, 2008.

The following changes should be made in your copy of Southwest's Arizona Gas Tariff No. 7:

Insert A.C.C. Sheet No.

104th Revised Sheet No. 11
107th Revised Sheet No. 12
35th Revised Sheet No. 13

Supersedes A.C.C. Sheet No.

103rd Revised Sheet No. 11
106th Revised Sheet No. 12
34th Revised Sheet No. 13

Debra Gallo, Director
Government and State Regulatory Affairs

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/2/}

Description	Delivery Charge	^{3/} Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
<u>G-5 – Single-Family Residential Gas Service</u>				
Basic Service Charge per Month	\$ 9.70			\$ 9.70
Commodity Charge per Therm:				
Summer (May–October):				
First 15 Therms	\$.54200	\$.01956	\$.84910	\$ 1.41066
Over 15 Therms	.50100	.01956	.84910	1.36966
Winter (November–April):				
First 35 Therms	\$.54200	\$.01956	\$.84910	\$ 1.41066
Over 35 Therms	.50100	.01956	.84910	1.36966
<u>G-6 – Multi-Family Residential Gas Service</u>				
Basic Service Charge per Month	\$ 8.70			\$ 8.70
Commodity Charge per Therm:				
Summer (May–October):				
First 7 Therms	\$.54200	\$.01956	\$.84910	\$ 1.41066
Over 7 Therms	.50100	.01956	.84910	1.36966
Winter (November–April):				
First 18 Therms	\$.54200	\$.01956	\$.84910	\$ 1.41066
Over 18 Therms	.50100	.01956	.84910	1.36966
<u>G-10 – Single-Family Low Income Residential Gas Service</u>				
Basic Service Charge per Month	\$ 7.00			\$ 7.00
Commodity Charge per Therm:				
Summer (May–October):				
First 15 Therms	\$.54200	\$.00828	\$.84910	\$ 1.39938
Over 15 Therms	.50100	.00828	.84910	1.35838
Winter (November–April):				
First 35 Therms	\$.26212	\$.00828	\$.84910	\$ 1.11950
Next 115 Therms	.22932	.00828	.84910	1.08670
Over 150 Therms	.50100	.00828	.84910	1.35838
<u>G-11 – Multi-Family Low Income Residential Gas Service</u>				
Basic Service Charge per Month	\$ 7.00			\$ 7.00
Commodity Charge per Therm:				
Summer (May–October):				
First 7 Therms	\$.54200	\$.00828	\$.84910	\$ 1.39938
Over 7 Therms	.50100	.00828	.84910	1.35838
Winter (November–April):				
First 18 Therms	\$.26212	\$.00828	\$.84910	\$ 1.11950
Next 132 Therms	.22932	.00828	.84910	1.08670
Over 150 Therms	.50100	.00828	.84910	1.35838
<u>G-15 – Special Residential Gas Service for Air Conditioning</u>				
Basic Service Charge per Month	\$ 9.70			\$ 9.70
Commodity Charge per Therm:				
Summer (May–October):				
First 15 Therms	\$.54200	\$.00828	\$.84910	\$ 1.39938
Over 15 Therms	.28200	.00828	.84910	1.13938
Winter (November–April):				
First 35 Therms	\$.54200	\$.00828	\$.84910	\$ 1.39938
Over 35 Therms	.50100	.00828	.84910	1.35838

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

Description	Delivery Charge	^{3/} Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
<u>G-20 – Master-Metered Mobile Home Park Gas Service</u>				
Basic Service Charge per Month	\$ 60.00			\$ 60.00
Commodity Charge per Therm:				
All Usage	\$.38400	\$.01956	\$.84910	\$ 1.25266
<u>G-25 – General Gas Service</u>				
Basic Service Charge per Month:				
Small	\$ 25.00			\$ 25.00
Medium	33.00			33.00
Large	145.00			145.00
Transportation Eligible	720.00			720.00
Commodity Charge per Therm:				
Small, All Usage	\$.56217	\$.00828	\$.84910	\$ 1.41955
Medium, All Usage	.39349	.00828	.84910	1.25087
Large, All Usage	.27211	.00828	.84910	1.12949
Transportation Eligible	.08953	.00828	.84910	0.94691
Demand Charge per Month–				
Transportation Eligible:				
Demand Charge ^{4/}	\$.06234			\$ 0.06234
<u>G-30 – Optional Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 27.			
Commodity Charge per Therm:				
All Usage	As specified on A.C.C. Sheet No. 28.			
<u>G-40 – Air-Conditioning Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 32.			
Commodity Charge per Therm:				
All Usage	\$.09900	\$.00828	\$.84910	\$ 0.95638
<u>G-45 – Street Lighting Gas Service</u>				
Commodity Charge per Therm of Rated Capacity:				
All Usage	\$.54600	\$.00828	\$.84910	\$ 1.40338
<u>G-55 – Gas Service for Compression on Customer's Premises ^{5/}</u>				
Basic Service Charge per Month:				
Small	\$ 25.00			\$ 25.00
Large	190.00			190.00
Residential	9.70			9.70
Commodity Charge per Therm:				
All Usage	\$.17000	\$.00828	\$.84910	\$ 1.02738
<u>G-60 – Electric Generation Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 40.			
Commodity Charge per Therm:				
All Usage	\$.11400	\$.00828	\$.84910	\$ 0.97138
<u>G-75 – Small Essential Agricultural User Gas Service</u>				
Basic Service Charge per Month	\$ 90.00			\$ 90.00
Commodity Charge per Therm:				
All Usage	\$.22300	\$.00828	\$.84910	\$ 1.08038

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

Description	Delivery Charge	^{3/} Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
G-80 – Natural Gas Engine ^{6/} Gas Service				
Basic Service Charge per Month:				
Off-Peak Season (October–March)	\$ 0.00			\$ 0.00
Peak Season (April–September)	\$ 95.00			\$ 95.00
Commodity Charge per Therm:				
All Usage	\$.17700	\$.00828	\$.72786	\$ 0.91314

- 1/ All charges are subject to adjustment for any applicable taxes or governmental impositions.
- 2/ Customers taking transportation service will pay the Basic Service Charge, the Commodity Charge per Therm less the Monthly Gas Cost, and Demand Charge, if applicable, of the Currently Effective Tariff Rate for each meter included in the transportation service agreement, plus an amount of \$.00865 per therm for distribution shrinkage as defined in Rule No. 1 of this Arizona Gas Tariff. The shrinkage charge shall be updated annually effective May 1. For customers converting from sales service, an additional amount equal to the currently effective Gas Cost Balancing Account Adjustment will be assessed for a period of 12 months.
- 3/ (a) For Schedule Nos. G-5, G-6 and G-20, the Rate Adjustment includes \$.01128 per therm to recover LIRA program costs. This charge shall be updated annually effective May 1.
- (b) For all rate schedules except for Schedule Nos. G-30 and B-1, the Rate Adjustment includes \$.00423 per therm to fund DSM Program costs. This charge shall be updated annually effective the first billing cycle in April.
- (c) For all rate schedules, except for Schedule Nos. G-30 and B-1, the Rate Adjustment includes \$.00111 per therm for the Gas Research Fund. This charge shall be updated annually effective May 1.
- (d) For all rate schedules, the Rate Adjustment includes \$.00294 per therm for the Department of Transportation (DOT) Safety Program costs. This charge shall be updated annually effective May 1 and will expire on February 28, 2009.
- 4/ The total monthly demand charge is equal to the unit rate shown multiplied by the customer's billing determinant.
- 5/ The charges for Schedule No. G-55 are subject to adjustment for applicable state and federal taxes on fuel used in motor vehicles.
- 6/ The gas cost for this rate schedule shall be updated seasonally, April 1 and October 1 of each year.