

April 18, 2013

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

Subject: Revision No. 224

This revision reflects the new Gas Cost Balancing Account threshold of \$28 million. The revised rates are effective December 12, 2012.

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

Insert A.C.C. Sheet No. Supersedes A.C.C. Sheet No.

4th Revised Sheet No. 88 3rd Revised Sheet No. 88

Debra S. Gallo, Director Government and State Regulatory Affairs SOUTHWEST GAS CORPORATION P.O. Box 98510 Las Vegas, Nevada 89193-8510 Arizona Gas Tariff No. 7 Arizona Division

 4th Revised
 A.C.C. Sheet No.
 88

 3rd Revised
 A.C.C. Sheet No.
 88

SPECIAL SUPPLEMENTARY TARIFF PURCHASED GAS COST ADJUSTMENT PROVISION (Continued)

Canceling

MONTHLY INFORMATION FILINGS

Each month the Utility shall make a cost of gas informational filing with Commission Staff to include any and all information required by the Commission. Additionally, the Utility shall file revised tariff sheets that include the current month's MGC rate.

ADDITIONAL REQUIREMENTS

A special review is required if the Gas Cost Balancing Account (GCBA) reaches \$28 million. The Utility must file an application for a Gas Cost Balancing Account adjustment within forty-five (45) days of completing the Monthly Informational Filing that illustrates the threshold has been exceeded or contact the Commission to discuss why an adjustment is not necessary at this time. The Commission, upon review, may authorize the balance to be amortized through a predetermined rate included as part of the MGC for a specified period. Lost and unaccounted for gas recovery is limited to the lesser of the actual costs incurred or one percent (1%) of total annual purchases.

Issued by
Issued On February 19, 2013
Docket No. G-01551A-12-0434
Issued by
John P. Hester
Senior Vice President

n P. Hester Effective <u>December 12, 2012</u>
Vice President Decision No. 73613