



SOUTHWEST GAS CORPORATION

Donald L. Soderberg, Vice President/Pricing

July 29, 2011

ATTN: Julie A. Fitch, Director
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4004
San Francisco, CA 94102

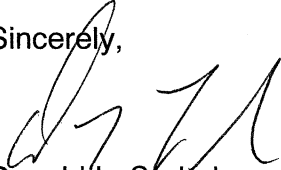
Subject: Southwest Gas Corporation (U 905 G)
Advice Letter No. 871

Dear Ms. Fitch:

Enclosed herewith are five (5) copies of Southwest Gas Corporation's Advice Letter No. 871, together with California Gas Tariff P.U.C. Sheet Nos. 41 and 42-45.

Should you have any questions regarding this matter, please contact Edward B. Gieseeking directly at (702) 364-3271.

Sincerely,



Donald L. Soderberg

DLS:vo
Enclosures



SOUTHWEST GAS CORPORATION

Advice Letter No. 871

July 29, 2011

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest) (U 905 G) hereby tenders for filing the following tariff sheets:

California Gas Tariff

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
1 st Revised Sheet No. 41	Preliminary Statement (<i>Continued</i>)	Original Sheet No. 41
Original Sheet Nos. 42-45	Held for Future Use	

Purpose

Pursuant to California Public Utilities Commission (Commission) Resolution L-411A, Southwest Gas Corporation hereby submits this advice letter to establish a memorandum account to track on a Commission-jurisdictional, revenue requirement basis, impacts of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 ("Tax Relief Act"). Southwest's Tax Act Memorandum Account (TAMA) will track the revenue requirement impacts of the Tax Relief Act not otherwise reflected in rates for the period beginning April 14, 2011 until the effective date of rates in Southwest's next general rate case.

An estimate of the Tax Relief Act revenue requirement impacts for each of its three California rate jurisdictions is attached (see Attachment 1).

Effective Date

Southwest believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 2 pursuant to General Order 96-B and should be approved by August 28, 2011, which is thirty (30) days from the date filed.

Protest

Anyone wishing to protest this filing may do so by sending a letter within 20 days of the filing. The protest should set forth the grounds upon which it is based and should be submitted expeditiously. There is no restriction on who may file a protest. Protests should be mailed to:



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Investigation, Monitoring & Compliance Program Manager
California Public Utilities Commission, Energy Division
505 Van Ness Avenue, Room 4002
San Francisco, CA 94102
Facsimile: 415-703-2200

Copies should also be mailed to the attention of Director, Energy Division, Room 4004 at the same address as above, and mailed and faxed to:

Mr. John P. Hester, Senior Vice-President
Regulatory Affairs and Energy Resources
Southwest Gas Corporation
P.O. Box 98510
Las Vegas, Nevada 89193-8510
Facsimile: 702-876-7037


Service

In accordance with General Order 96-B, General Rule 4.3, Southwest is mailing copies of this advice letter and related tariff sheets to the utilities and interested parties shown on the attached list.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By



Donald L. Soderberg

Attachments

DISTRIBUTION LIST

Advice Letter No. 871

In Conformance with G.O. 96-B, General Rule 4.3

Southern California Edison Company

Pacific Gas & Electric Company

Sierra Pacific Power Company

San Diego Gas & Electric Company

Southern California Gas Company

Southern California Water Company

R. Thomas Beach

Duane Morris, LLP

Director/Division of Ratepayer Advocates

PRELIMINARY STATEMENT
(Continued)

20. TAX ACT MEMORANDUM ACCOUNT (TAMA)

20A. PURPOSE

The TAMA is a one-way memorandum account for the purpose of tracking revenue requirement impacts of the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 (Tax Relief Act). It tracks revenue requirement impacts not otherwise reflected in rates resulting from increases in its deferred tax reserve and other direct changes in revenue requirement resulting from taking advantage of the Tax Relief Act. The TAMA shall be used in determining whether any future rate adjustment is appropriate to reflect impacts of the Tax Relief Act; however, if the memorandum account reflects a net revenue requirement increase, the memorandum account shall be terminated without any impact on rates.

20B. APPLICABILITY

The TAMA applies to all customer classes, except for those specifically excluded by the Commission. Separate accounts will be established for each rate jurisdiction to track jurisdictional specific revenue requirement impacts.

20C. DISPOSITION OF ACCOUNT BALANCES

Disposition of the account balance will be determined in the Company's next General Rate Case (GRC), or at such other time as ordered in that GRC decision.

20D. ACCOUNTING PROCEDURE

Annually, the Company shall make the following TAMA entries:

1. A credit entry equal to the decrease in revenue requirements resulting from increases in the net deferred tax reserve (deferred tax liabilities net of deferred tax assets).
2. A debit entry equal to the increases in the revenue requirements resulting from taking advantage of the Tax Relief Act to reflect any additional costs or expenses, not otherwise recovered in rates, incurred as a result additional utility infrastructure investment enabled by the bonus depreciation provision of the Tax Relief Act.

SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
California Gas Tariff

Canceling _____ Original Cal. P.U.C. Sheet No. 42-45
_____ Cal. P.U.C. Sheet No. _____

HELD FOR FUTURE USE

Advice Letter No. 871
Decision No. _____

Issued by
John P. Hester
Senior Vice President

Date Filed July 29, 2011
Effective _____
Resolution No. _____

Attachment 1

SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA
TAX ACT MEMORANDUM ACCOUNT (TAMA)
DETAIL OF PROJECTED REVENUE REQUIREMENT IMPACT OF 2010 TAX RELIEF ACT (TRA)
(\$ IN THOUSANDS)

Line No.	Description (a)	Reference (b)	2011 (c)	2012 (d)	2013 (e)	Line No.
Section A - Impact of Increases in Federal Tax Reserve						
<u>April to December 2011 Additions</u>						
1	TRA Qualified Capital Additions	Per 2009 GRC Settlement * 8/12	\$ 10,219			1
2	TRA Bonus Depreciation Factor (100%)	100% Year 1	100.00%	0.00%	0.00%	2
3	TRA Bonus Depreciation Amount	Ln 7(d) * Ln 8	\$ 10,219	\$ -	\$ -	3
4	Pre-TRA Bonus Depreciation Factor (0%)	Table A-1	3.75%	7.22%	6.68%	4
5	Pre-TRA Bonus Depreciation Amount	Ln 7(d) * Ln 10	383	738	682	5
6	Incremental Bonus Depreciation due to TRA	Ln 9 - Ln 11	\$ 9,836	\$ (738)	\$ (682)	6
<u>2012 Additions</u>						
7	TRA Qualified Capital Additions	Per 2009 GRC Settlement		\$ 15,329		7
8	TRA Bonus Depreciation Factor (50%)	Table A-1 Bonus		51.88%	3.61%	8
9	TRA Bonus Depreciation Amount	Ln 13(e) * Ln 14		\$ 7,952	\$ 553	9
10	Pre-TRA Bonus Depreciation Factor (0%)	Table A-1		3.75%	7.22%	10
11	Pre-TRA Bonus Depreciation Amount	Ln 13(e) * Ln 16		575	1,107	11
12	Incremental Bonus Depreciation due to TRA	Ln 15 - Ln 17		\$ 7,377	\$ (553)	12
13	Total Incremental Bonus Depreciation due to TRA	Ln 6 + Ln 12 + Ln 18	\$ 9,836	\$ 6,639	\$ (1,236)	13
<u>Incremental Deferred Tax due to TRA</u>						
14	Tax Rate	Per 2009 GRC Settlement	35%	35%	35%	14
15	Current Year Deferred Tax	Ln 19 * Ln 20	3,443	2,324	(432)	15
16	Accumulated Deferred Tax	Ln 21 [sum current year and prior year(s)]	3,443	5,766	5,334	16
<u>Rate Base Adjustment</u>						
17	Average Accumulated Deferred Tax	Ln 22 prior year + 50% of Ln 21 current year	\$ 1,721	\$ 4,605	\$ 5,550	17
18	Authorized Pre-Tax Rate of Return	Per 2009 GRC Settlement	11.42%	11.42%	11.42%	18
19	Change in Revenue Requirement due to Part A	-Ln 23 * Ln 24	\$ (197)	\$ (526)	\$ (634)	19
20	Cumulative Change in Revenue Requirement due to Part A	Ln 26 prior year + Ln 25 current year	\$ (197)	\$ (722)	\$ (1,356)	20
Section B - Additional Utility Infrastructure Enabled by TRA						
<u>April to December 2011 Additions</u>						
21	TRA Qualified Capital Additions	Company Records	\$ 4,101			21
22	Gross Plant	Ln 27(c)	\$ 4,101	\$ 4,101	\$ 4,101	22
23	Accumulated Depreciation	Ln 30 cumulative, Mid-yr convention for yr 1	76	229	382	23
24	Net Plant	Ln 27 - Ln 28	\$ 4,025	\$ 3,872	\$ 3,719	24
25	Book Depreciation	Mains at 3.73%	76	153	153	25
26	Tax Depreciation	Ln 27(c) * Ln 8	4,101	-	-	26
27	Book Tax Difference	Ln 31 - Ln 32	\$ (4,025)	\$ 153	\$ 153	27
28	Tax Rate	Ln 20	35%	35%	35%	28
29	Deferred Taxes	Ln 33 * Ln 34	\$ (1,409)	\$ 54	\$ 54	29
30	Accumulated Deferred Taxes	Ln 35 cumulative	(1,409)	(1,355)	(1,302)	30
31	Rate Base	Ln 30 + Ln 36	\$ 2,616	\$ 2,517	\$ 2,417	31
32	Average Rate Base	Average Ln 37 current year and prior year	1,308	2,566	2,467	32
33	Return	Ln 38 * Ln 24	\$ 149	\$ 293	\$ 282	33
34	Depreciation Expense	Ln 31	76	153	153	34
35	Property Tax Expense	1.2235%	49	47	46	35
36	Revenue Requirement 2011 Additions	Ln 40 + Ln 41 + Ln 42	\$ 275	\$ 493	\$ 480	36
<u>2012 Additions</u>						
37	TRA Qualified Capital Additions	Company Records		\$ 3,845		37
38	Gross Plant	Ln 43(c)		\$ 3,845	\$ 3,845	38
39	Accumulated Depreciation	Ln 47 cumulative, Mid-yr convention for yr 1		72	215	39
40	Net Plant	Ln 44 - Ln 45		\$ 3,773	\$ 3,630	40
41	Book Depreciation	Mains at 3.73%		72	143	41
42	Tax Depreciation	Ln 43(c) * Ln 14		1,995	139	42
43	Book Tax Difference	Ln 47 - Ln 48		\$ (1,923)	\$ 5	43
44	Tax Rate	Ln 20		35%	35%	44
45	Deferred Taxes	Ln 33 * Ln 34		\$ (673)	\$ 2	45
46	Accumulated Deferred Taxes	Ln 35 cumulative		(673)	(671)	46
47	Rate Base	Ln 30 + Ln 36		\$ 3,100	\$ 2,958	47
48	Average Rate Base	Average Ln 37 current year and prior year		1,550	3,029	48
49	Return	Ln 38 * Ln 24		\$ 177	\$ 346	49
50	Depreciation Expense	Ln 31		72	143	50
51	Property Tax Expense	1.2235%		46	44	51
52	Revenue Requirement 2012 Additions	Ln 40 + Ln 41 + Ln 42		\$ 295	\$ 534	52
53	Change in Revenue Requirement due to Part B	Ln 42 + Ln 58	\$ 275	\$ 788	\$ 1,014	53
54	Cumulative Change in Revenue Requirement due to Part B	Ln 59 Cumulative	\$ 275	\$ 1,063	\$ 1,802	54
Section C - Other Revenue Requirement Changes Resulting From TRA						
55	Cash Working Capital Adjustment	TBD	\$ -	\$ -	\$ -	55
56	Total Change in Annual Revenue Requirements	Ln 25 + Ln 59 + Ln 61	\$ 79	\$ 263	\$ 380	56
57	Cumulative Change in Annual Revenue Requirements	Ln 62 Cumulative	\$ 79	\$ 341	\$ 721	57

SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA
TAX ACT MEMORANDUM ACCOUNT (TAMA)
DETAIL OF PROJECTED REVENUE REQUIREMENT IMPACT OF 2010 TAX RELIEF ACT (TRA)
(\$ IN THOUSANDS)

Line No.	Description (a)	Reference (b)	2011 (c)	2012 (d)	2013 (e)	Line No.
Section A - Impact of Increases in Federal Tax Reserve						
<u>April to December 2011 Additions</u>						
1	TRA Qualified Capital Additions	Per 2009 GRC Settlement * 8/12	\$ 2,677			1
2	TRA Bonus Depreciation Factor (100%)	100% Year 1	100.00%	0.00%	0.00%	2
3	TRA Bonus Depreciation Amount	Ln 7(d) * Ln 8	\$ 2,677	\$ -	\$ -	3
4	Pre-TRA Bonus Depreciation Factor (0%)	Table A-1	3.75%	7.22%	6.68%	4
5	Pre-TRA Bonus Depreciation Amount	Ln 7(d) * Ln 10	100	193	179	5
6	Incremental Bonus Depreciation due to TRA	Ln 9 - Ln 11	\$ 2,577	\$ (193)	\$ (179)	6
<u>2012 Additions</u>						
7	TRA Qualified Capital Additions	Per 2009 GRC Settlement		\$ 4,016		7
8	TRA Bonus Depreciation Factor (50%)	Table A-1 Bonus		51.88%	3.61%	8
9	TRA Bonus Depreciation Amount	Ln 13(e) * Ln 14		\$ 2,083	\$ 145	9
10	Pre-TRA Bonus Depreciation Factor (0%)	Table A-1		3.75%	7.22%	10
11	Pre-TRA Bonus Depreciation Amount	Ln 13(e) * Ln 16		151	290	11
12	Incremental Bonus Depreciation due to TRA	Ln 15 - Ln 17		\$ 1,933	\$ (145)	12
13	Total Incremental Bonus Depreciation due to TRA	Ln 6 + Ln 12 + Ln 18	\$ 2,577	\$ 1,739	\$ (324)	13
<u>Incremental Deferred Tax due to TRA</u>						
14	Tax Rate	Per 2009 GRC Settlement	35%	35%	35%	14
15	Current Year Deferred Tax	Ln 19 * Ln 20	902	609	(113)	15
16	Accumulated Deferred Tax	Ln 21 [sum current year and prior year(s)]	902	1,511	1,397	16
<u>Rate Base Adjustment</u>						
17	Average Accumulated Deferred Tax	Ln 22 prior year + 50% of Ln 21 current year	\$ 451	\$ 1,206	\$ 1,454	17
18	Authorized Pre-Tax Rate of Return	Per 2009 GRC Settlement	11.42%	11.42%	11.42%	18
19	Change in Revenue Requirement due to Part A	-Ln 23 * Ln 24	\$ (52)	\$ (138)	\$ (166)	19
20	Cumulative Change in Revenue Requirement due to Part A	Ln 26 prior year + Ln 25 current year	\$ (52)	\$ (189)	\$ (355)	20
Section B - Additional Utility Infrastructure Enabled by TRA						
<u>April to December 2011 Additions</u>						
21	TRA Qualified Capital Additions	Company Records	\$ -			21
22	Gross Plant	Ln 27(c)	\$ -	\$ -	\$ -	22
23	Accumulated Depreciation	Ln 30 cumulative, Mid-yr convention for yr 1	-	-	-	23
24	Net Plant	Ln 27 - Ln 28	\$ -	\$ -	\$ -	24
25	Book Depreciation	Mains at 3.73%	-	-	-	25
26	Tax Depreciation	Ln 27(c) * Ln 8	-	-	-	26
27	Book Tax Difference	Ln 31 - Ln 32	\$ -	\$ -	\$ -	27
28	Tax Rate	Ln 20	35%	35%	35%	28
29	Deferred Taxes	Ln 33 * Ln 34	\$ -	\$ -	\$ -	29
30	Accumulated Deferred Taxes	Ln 35 cumulative	-	-	-	30
31	Rate Base	Ln 30 + Ln 36	\$ -	\$ -	\$ -	31
32	Average Rate Base	Average Ln 37 current year and prior year	-	-	-	32
33	Return	Ln 38 * Ln 24	\$ -	\$ -	\$ -	33
34	Depreciation Expense	Ln 31	-	-	-	34
35	Property Tax Expense	1.2235%	-	-	-	35
36	Revenue Requirement 2011 Additions	Ln 40 + Ln 41 + Ln 42	\$ -	\$ -	\$ -	36
<u>2012 Additions</u>						
37	TRA Qualified Capital Additions	Company Records	\$ -			37
38	Gross Plant	Ln 43(c)	\$ -	\$ -	\$ -	38
39	Accumulated Depreciation	Ln 47 cumulative, Mid-yr convention for yr 1	-	-	-	39
40	Net Plant	Ln 44 - Ln 45	\$ -	\$ -	\$ -	40
41	Book Depreciation	Mains at 3.73%	-	-	-	41
42	Tax Depreciation	Ln 43(c) * Ln 14	-	-	-	42
43	Book Tax Difference	Ln 47 - Ln 48	\$ -	\$ -	\$ -	43
44	Tax Rate	Ln 20		35%	35%	44
45	Deferred Taxes	Ln 33 * Ln 34	\$ -	\$ -	\$ -	45
46	Accumulated Deferred Taxes	Ln 35 cumulative	-	-	-	46
47	Rate Base	Ln 30 + Ln 36	\$ -	\$ -	\$ -	47
48	Average Rate Base	Average Ln 37 current year and prior year	-	-	-	48
49	Return	Ln 38 * Ln 24	\$ -	\$ -	\$ -	49
50	Depreciation Expense	Ln 31	-	-	-	50
51	Property Tax Expense	1.2235%	-	-	-	51
52	Revenue Requirement 2012 Additions	Ln 40 + Ln 41 + Ln 42	\$ -	\$ -	\$ -	52
53	Change in Revenue Requirement due to Part B	Ln 42 + Ln 58	\$ -	\$ -	\$ -	53
54	Cumulative Change in Revenue Requirement due to Part B	Ln 59 Cumulative	\$ -	\$ -	\$ -	54
Section C - Other Revenue Requirement Changes Resulting From TRA						
55	Cash Working Capital Adjustment	TBD	\$ -	\$ -	\$ -	55
56	Total Change in Annual Revenue Requirements	Ln 25 + Ln 59 + Ln 61	\$ (52)	\$ (138)	\$ (166)	56
57	Cumulative Change in Annual Revenue Requirements	Ln 62 Cumulative	\$ (52)	\$ (189)	\$ (355)	57

SOUTHWEST GAS CORPORATION
SOUTH LAKE TAHOE
TAX ACT MEMORANDUM ACCOUNT (TAMA)
DETAIL OF PROJECTED REVENUE REQUIREMENT IMPACT OF 2010 TAX RELIEF ACT (TRA)
(\$ IN THOUSANDS)

Line No.	Description (a)	Reference (b)	2011 (c)	2012 (d)	2013 (e)	Line No.
Section A - Impact of Increases in Federal Tax Reserve						
<u>April to December 2011 Additions</u>						
7	TRA Qualified Capital Additions	Per 2009 GRC Settlement * 8/12	\$ 1,226			7
8	TRA Bonus Depreciation Factor (100%)	100% Year 1	100.00%	0.00%	0.00%	8
9	TRA Bonus Depreciation Amount	Ln 7(d) * Ln 8	\$ 1,226	\$ -	\$ -	9
10	Pre-TRA Bonus Depreciation Factor (0%)	Table A-1	3.75%	7.22%	6.68%	10
11	Pre-TRA Bonus Depreciation Amount	Ln 7(d) * Ln 10	46	89	82	11
12	Incremental Bonus Depreciation due to TRA	Ln 9 - Ln 11	\$ 1,180	\$ (89)	\$ (82)	12
<u>2012 Additions</u>						
13	TRA Qualified Capital Additions	Per 2009 GRC Settlement		\$ 1,839		13
14	TRA Bonus Depreciation Factor (50%)	Table A-1 Bonus		51.88%	3.61%	14
15	TRA Bonus Depreciation Amount	Ln 13(e) * Ln 14		\$ 954	\$ 66	15
16	Pre-TRA Bonus Depreciation Factor (0%)	Table A-1		3.75%	7.22%	16
17	Pre-TRA Bonus Depreciation Amount	Ln 13(e) * Ln 16		69	133	17
18	Incremental Bonus Depreciation due to TRA	Ln 15 - Ln 17		\$ 885	\$ (66)	18
19	Total Incremental Bonus Depreciation due to TRA	Ln 6 + Ln 12 + Ln 18	\$ 1,180	\$ 797	\$ (148)	19
<u>Incremental Deferred Tax due to TRA</u>						
20	Tax Rate	Per 2009 GRC Settlement	35%	35%	35%	20
21	Current Year Deferred Tax	Ln 19 * Ln 20	413	279	(52)	21
22	Accumulated Deferred Tax	Ln 21 [sum current year and prior year(s)]	413	692	640	22
<u>Rate Base Adjustment</u>						
23	Average Accumulated Deferred Tax	Ln 22 prior year + 50% of Ln 21 current year	\$ 207	\$ 552	\$ 666	23
24	Authorized Pre-Tax Rate of Return	Per 2009 GRC Settlement	11.42%	11.42%	11.42%	24
25	Change in Revenue Requirement due to Part A	-Ln 23 * Ln 24	\$ (24)	\$ (63)	\$ (76)	25
26	Cumulative Change in Revenue Requirement due to Part A	Ln 26 prior year + Ln 25 current year	\$ (24)	\$ (87)	\$ (163)	26
Section B - Additional Utility Infrastructure Enabled by TRA						
<u>April to December 2011 Additions</u>						
27	TRA Qualified Capital Additions	Company Records	\$ 1,780			27
28	Gross Plant	Ln 27(c)	\$ 1,780	\$ 1,780	\$ 1,780	28
29	Accumulated Depreciation	Ln 30 cumulative, Mid-yr convention for yr 1	33	100	166	29
30	Net Plant	Ln 27 - Ln 28	\$ 1,747	\$ 1,680	\$ 1,614	30
31	Book Depreciation	Mains at 3.73%	33	66	66	31
32	Tax Depreciation	Ln 27(c) * Ln 8	1,780			32
33	Book Tax Difference	Ln 31 - Ln 32	\$ (1,747)	\$ 66	\$ 66	33
34	Tax Rate	Ln 20	35%	35%	35%	34
35	Deferred Taxes	Ln 33 * Ln 34	\$ (611)	\$ 23	\$ 23	35
36	Accumulated Deferred Taxes	Ln 35 cumulative	(611)	(588)	(565)	36
37	Rate Base	Ln 30 + Ln 36	\$ 1,135	\$ 1,092	\$ 1,049	37
38	Average Rate Base	Average Ln 37 current year and prior year	568	1,114	1,071	38
39	Return	Ln 38 * Ln 24	\$ 65	\$ 127	\$ 122	39
40	Depreciation Expense	Ln 31	33	66	66	40
41	Property Tax Expense	1.2235%	21	21	20	41
42	Revenue Requirement 2011 Additions	Ln 40 + Ln 41 + Ln 42	\$ 119	\$ 214	\$ 208	42
<u>2012 Additions</u>						
43	TRA Qualified Capital Additions	Company Records		\$ -		43
44	Gross Plant	Ln 43(c)		\$ -	\$ -	44
45	Accumulated Depreciation	Ln 47 cumulative, Mid-yr convention for yr 1		-	-	45
46	Net Plant	Ln 44 - Ln 45		\$ -	\$ -	46
47	Book Depreciation	Mains at 3.73%		-	-	47
48	Tax Depreciation	Ln 43(c) * Ln 14		-	-	48
49	Book Tax Difference	Ln 47 - Ln 48		\$ -	\$ -	49
50	Tax Rate	Ln 20		35%	35%	50
51	Deferred Taxes	Ln 33 * Ln 34		\$ -	\$ -	51
52	Accumulated Deferred Taxes	Ln 35 cumulative		-	-	52
53	Rate Base	Ln 30 + Ln 36		\$ -	\$ -	53
54	Average Rate Base	Average Ln 37 current year and prior year		-	-	54
55	Return	Ln 38 * Ln 24		\$ -	\$ -	55
56	Depreciation Expense	Ln 31		-	-	56
57	Property Tax Expense	1.2235%		-	-	57
58	Revenue Requirement 2012 Additions	Ln 40 + Ln 41 + Ln 42		\$ -	\$ -	58
59	Change in Revenue Requirement due to Part B	Ln 42 + Ln 58	\$ 119	\$ 214	\$ 208	59
60	Cumulative Change in Revenue Requirement due to Part B	Ln 59 Cumulative	\$ 119	\$ 334	\$ 423	60
Section C - Other Revenue Requirement Changes Resulting From TRA						
61	Cash Working Capital Adjustment	TBD				61
62	Total Change in Annual Revenue Requirements	Ln 25 + Ln 59 + Ln 61	\$ 96	\$ 151	\$ 132	62
63	Cumulative Change in Annual Revenue Requirements	Ln 62 Cumulative	\$ 96	\$ 247	\$ 379	63

Depreciation Table A-1

MACRS/GROSS

General Depreciation System
Declining Balance Method (Switch to Straight-Line)
Half-Year Convention

						2010	2011	2012
DB%	200%	200%	200%	200%	200%	150%	150%	
Year	Depreciation rate for recovery period							
	3 -Year	5 -Year	7 -Year	10 -Year	15 -Year	20 -Year		
1	33.33%	20.00%	14.29%	10.00%	5.00%	3.750%		
2	44.45%	32.00%	24.49%	18.00%	9.50%	7.219%		
3	14.81%	19.20%	17.49%	14.40%	8.55%	6.677%		
4	7.41%	11.52%	12.49%	11.52%	7.70%	6.177%		
5		11.52%	8.93%	9.22%	6.93%	5.713%		
6		5.76%	8.92%	7.37%	6.23%	5.285%		
7			8.93%	6.55%	5.90%	4.888%		
8			4.46%	6.55%	5.90%	4.522%		
9				6.56%	5.91%	4.462%		
10				6.55%	5.90%	4.461%		
11				3.28%	5.91%	4.462%		
12					5.90%	4.461%		
13					5.91%	4.462%		
14					5.90%	4.461%		
15					5.91%	4.462%		
16					2.95%	4.461%		
17						4.462%		
18						4.461%		
19						4.462%		
20						4.461%		
21							2.231%	
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	

Depreciation Table A-1 Bonus

MACRS/GROSS

General Depreciation System

Declining Balance Method (Switch to Straight-Line)

Half-Year Convention

With 50% Bonus Depreciation in Year 1

DB%	S/L	200%	200%	200%	200%	Until 9/2010	2012
						150%	150%
Year	Depreciation rate for recovery period						
	3 -Year	3 -Year	5 -Year	7 -Year	10 -Year	15 -Year	20 -Year
1	58.33%	66.67%	60.00%	57.15%	55.00%	52.50%	51.875%
2	16.67%	22.23%	16.00%	12.25%	9.00%	4.75%	3.610%
3	16.67%	7.41%	9.60%	8.75%	7.20%	4.28%	3.339%
4	8.33%	3.69%	5.76%	6.25%	5.76%	3.85%	3.089%
5			5.76%	4.47%	4.61%	3.47%	2.857%
6			2.88%	4.47%	3.69%	3.12%	2.643%
7				4.47%	3.28%	2.95%	2.444%
8				2.19%	3.28%	2.95%	2.261%
9					3.28%	2.96%	2.231%
10					3.28%	2.95%	2.231%
11					1.62%	2.96%	2.231%
12						2.95%	2.231%
13						2.96%	2.231%
14						2.95%	2.231%
15						2.96%	2.231%
16						1.44%	2.231%
17							2.231%
18							2.231%
19							2.231%
20							2.231%
21							1.110%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%