

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



September 10, 2012

**Advice Letter 893**

Don Soderberg, Vice-President/Pricing  
Southwest Gas Corporation  
P O Box 98510  
Las Vegas, NV 89193-8510

**Subject: To Update Procurement Charges Applicable to Schedule No. GCP for  
Core Customers and the Transportation Franchise Fee (TFF) Surcharges  
Applicable to Core and Noncore Customers in Southwest's California  
Service Areas**

Dear Mr. Soderberg:

Advice Letter 893 is effective August 1, 2012.

Sincerely,

A handwritten signature in blue ink that reads "Edward F. Randolph".

Edward F. Randolph, Director  
Energy Division



# **SOUTHWEST GAS CORPORATION**

Donald L. Soderberg, Vice President/Pricing

July 26, 2012

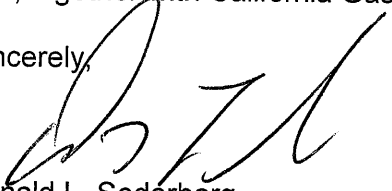
ATTN: Honesto Gatchalian  
Tariff Unit, Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4005  
San Francisco, CA 94102

Subject: Southwest Gas Corporation (U 905 G)  
Advice Letter No. 893

Dear Mr. Gatchalian:

Enclosed herewith are five (5) copies of Southwest Gas Corporation's Advice Letter No. 893, together with California Gas Tariff Sheet Nos. 65-69, 71, 72, and 123.

Sincerely,



Donald L. Soderberg

DLS:kt  
Enclosures



**SOUTHWEST GAS CORPORATION**

Advice Letter No. 893

July 26, 2012

**PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

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

<u>Cal. P.U.C. Sheet No.</u>	<u>California Gas Tariff Title of Sheet</u>	<u>Canceling Cal.P.U.C.Sheet No.</u>
18th Revised Sheet No. 65	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	17th Revised Sheet No. 65
18th Revised Sheet No. 66	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	17th Revised Sheet No. 66
18th Revised Sheet No. 67	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	17th Revised Sheet No. 67
18th Revised Sheet No. 68	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	17th Revised Sheet No. 68
18th Revised Sheet No. 69	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	17th Revised Sheet No. 69
18th Revised Sheet No. 71	Statement of Rates - Effective Rates Applicable to South Lake Tahoe District Schedules	17th Revised Sheet No. 71
18th Revised Sheet No. 72	Statement of Rates - Effective Rates Applicable to South Lake Tahoe District Schedules	17th Revised Sheet No. 72
16th Revised Sheet No. 123	Schedule No. GCP - Gas Procurement For Core Customers	15th Revised Sheet No. 123



### **Purpose**

The purpose of this routine monthly filing is to revise the above listed tariff sheets by updating: (1) procurement charges applicable to Schedule No. GCP, Gas Procurement for Core Customers, in compliance with the Commission's letter dated October 20, 2000, approving Southwest Gas' Advice Letter No. 619; and (2) the Transportation Franchise Fee (TFF) Surcharge applicable to core and noncore customers who secure their own sources of supply, pursuant to Public Utilities Code, Sections 6350 to 6354, *et seq.*

For core sales customers, the August 2012 cost of gas, including adjustment for franchises and uncollectibles, is \$0.25629 per therm for Southwest Gas' Southern California Division, \$0.25423 per therm for Southwest Gas' Northern California Division and \$0.25765 per therm for Southwest Gas' South Lake Tahoe District.

The TFF Surcharge rate is \$0.00414 per therm for Southwest Gas' Southern California Division, \$0.00273 per therm for Southwest Gas' Northern California Division and \$0.00544 per therm for Southwest Gas' South Lake Tahoe District.

### **Effective Date**

Advice Letter No. 626 authorized Southwest Gas to make its monthly gas cost adjustment effective between the first and seventh calendar day of each month. Therefore, Southwest Gas requests the gas cost adjustments be effective August 1, 2012, and believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to General Order 96-B.

### **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 or faxed to:

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 or 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



Advice Letter No. 893  
Page 3  
July 26, 2012

**Notice**

Pursuant to Energy Industry Rule 3.1(1), Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in General Order 96-B since this advice letter is filed in accordance with previously authorized procedures to change gas rates based on changes in the price of gas.

**Service**

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

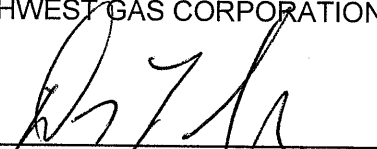
Communications regarding this filing should be directed to:

Ed Giesecking  
Director/Pricing and Tariffs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Telephone: 702-364-3271  
E-mail: [ed.giesecking@swgas.com](mailto:ed.giesecking@swgas.com)

Debra S. Gallo  
Director/Government and State  
Regulatory Affairs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Telephone: 702-876-7163  
E-mail: [debra.gallo@swgas.com](mailto:debra.gallo@swgas.com)

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By   
Donald L. Soderberg

Attachments

DISTRIBUTION LIST

Advice Letter No. 893

In Conformance with General Order 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

Duane Morris, LLP

Director/Division of Ratepayer Advocates

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate	
				CPUC	PPP [3]			
<b>GS-10-Residential Gas Service</b>								
Basic Service Charge	\$ 5.00						\$ 5.00	
Cost per Therm:								
Baseline Quantities	\$ .53352	\$ .12205	\$ .65557	\$ .00068	\$ .15496	\$ .25629	\$ 1.06750	R
Tier II	.69516	.12205	.81721	.00068	.15496	.25629	1.22914	R
<b>GS-11-Residential Air-Conditioning Gas Service</b>								
Basic Service Charge	\$ 5.00						\$ 5.00	
Cost per Therm:								
Tier I	\$ .53352	\$ .12205	\$ .65557	\$ .00068	\$ .15496	\$ .25629	\$ 1.06750	R
Tier II	.69516	.12205	.81721	.00068	.15496	.25629	1.22914	R
Air-Conditioning	.32282	.12205	.44487	.00068	.15496	.25629	.85680	R
<b>GS-12-CARE Residential Gas Service</b>								
Basic Service Charge	\$ 4.00						\$ 4.00	
Cost per Therm:								
Baseline Quantities	\$ .35115	\$ .12205	\$ .47320	\$ .00068	\$ .02411	\$ .25629	\$ .75428	R
Tier II	.48046	.12205	.60251	.00068	.02411	.25629	.88359	R
<b>GS-15-Secondary Residential Gas Service</b>								
Basic Service Charge	\$ 6.00						\$ 6.00	
Cost per Therm:	\$ .83284	\$ .12014	\$ .95298	\$ .00068	\$ .15496	\$ .25629	\$ 1.36491	R
<b>GS-20-Multi-Family Master-Metered Gas Service</b>								
Basic Service Charge	\$ 25.00						\$ 25.00	
Cost per Therm:								
Baseline Quantities	\$ .53352	\$ .12205	\$ .65557	\$ .00068	\$ .15496	\$ .25629	\$ 1.06750	R
Tier II	.69516	.12205	.81721	.00068	.15496	.25629	1.22914	R
<b>GS-25-Multi-Family Master-Metered Gas Service-Submetered</b>								
Basic Service Charge	\$ 25.00						\$ 25.00	
Cost per Therm:								
Baseline Quantities	\$ .53352	\$ .12205	\$ .65557	\$ .00068	\$ .15496	\$ .25629	\$ 1.06750	R
Tier II	.69516	.12205	.81721	.00068	.15496	.25629	1.22914	R
Submetered Discount per Occupied Space	\$ (8.35)						\$ (8.35)	
<b>GS-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>								
Basic Service Charge	\$ 8.80						\$ 8.80	
Cost per Therm:								
Summer (May – October)								
First 100	\$ .30226	\$ .10779	\$ .41005	\$ .00068	\$ .02411	\$ .25629	\$ .69113	R
Next 500	.21946	.10779	.32725	.00068	.02411	.25629	.60833	R
Next 2,400	.14466	.10779	.25245	.00068	.02411	.25629	.53353	R
Over 3,000	.02149	.10779	.12928	.00068	.02411	.25629	.41036	R
Winter (November – April)								
First 100	\$ .29922	\$ .12303	\$ .42225	\$ .00068	\$ .02411	\$ .25629	\$ .70333	R
Next 500	.21642	.12303	.33945	.00068	.02411	.25629	.62053	R
Next 2,400	.14162	.12303	.26465	.00068	.02411	.25629	.54573	R
Over 3,000	.01844	.12303	.14147	.00068	.02411	.25629	.42255	R

Advice Letter No. 893  
Decision No. \_\_\_\_\_

Issued by  
John P. Hester  
Senior Vice President

Date Filed July 26, 2012  
Effective August 1, 2012  
Resolution No. \_\_\_\_\_

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate	
				CPUC	PPP [3]			
<b>GS-40-Core General Gas Service</b>								
Basic Service Charge	\$11.00						\$ 11.00	
Cost per Therm:								
Summer (May – October)								
First 100	\$ .46885	\$ .10779	\$ .57664	\$ .00068	\$ .15496	\$ .25629	\$ .98857	R
Next 500	.36535	.10779	.47314	.00068	.15496	.25629	.88507	R
Next 2,400	.27185	.10779	.37964	.00068	.15496	.25629	.79157	R
Over 3,000	.11788	.10779	.22567	.00068	.15496	.25629	.63760	R
Winter (November – April)								
First 100	\$ .46885	\$ .12303	\$ .59188	\$ .00068	\$ .15496	\$ .25629	\$ 1.00381	R
Next 500	.36535	.12303	.48838	.00068	.15496	.25629	.90031	R
Next 2,400	.27185	.12303	.39488	.00068	.15496	.25629	.80681	R
Over 3,000	.11788	.12303	.24091	.00068	.15496	.25629	.65284	R
<b>GS-50-Core Natural Gas Service for Motor Vehicles</b>								
Basic Service Charge	\$25.00						\$ 25.00	
Cost per Therm:								
Summer (May – October)	\$ .09935	\$ .10318	\$ .20253	\$ .00068	\$ .15496	\$ .25629	\$ .61446	R
Winter (November – April)	.09935	.11151	.21086	.00068	.15496	.25629	.62279	R
<b>GS-60-Core Internal Combustion Engine Gas Service</b>								
Basic Service Charge	\$25.00						\$ 25.00	
Cost per Therm:								
Summer (May – October)	\$ .14448	\$ .10366	\$ .24814	\$ .00068	\$ .15496	\$ .25629	\$ .66007	R
Winter (November – April)	.14448	.12235	.26683	.00068	.15496	.25629	.67876	R
<b>GS-66-Core Small Electric Power Generation Gas Service</b>								
Basic Service Charge	\$ 25.00						\$ 25.00	
Cost per Therm:								
Summer (May – October)	\$ .10603	\$ .10384	\$ .20987	\$ .00068		\$ .25629	\$ .46684	R
Winter (November – April)	.10603	.11891	.22494	.00068		.25629	.48191	R
<b>GS-70-Noncore General Gas Transportation Service</b>								
Basic Service Charge	\$100.00						\$ 100.00	
Cost per Therm:								
Summer (May – October)	\$ .09842	\$ .06985	\$ .16827	\$ .00068	\$ .15496		\$ .32391	
Winter (November – April)	.09842	.06985	.16827	.00068	.15496		.32391	
<b>GSR-Sale for Resale Natural Gas Service</b>								
Basic Service Charge	\$ 11.00						\$ 11.00	
Transportation Service Charge	\$ 780.00						\$ 780.00	
Cost per Therm:								
Summer (May – October)								
First 100	\$ .46885	\$ .10779	\$ .57664	\$ .00068		\$ .25629	\$ .83361	R
Next 500	.36535	.10779	.47314	.00068		.25629	.73011	R
Next 2,400	.27185	.10779	.37964	.00068		.25629	.63661	R
Over 3,000	.11788	.10779	.22567	.00068		.25629	.48264	R
Winter (November – April)								
First 100	\$ .46885	\$ .12303	\$ .59188	\$ .00068		\$ .25629	\$ .84885	R
Next 500	.36535	.12303	.48838	.00068		.25629	.74535	R
Next 2,400	.27185	.12303	.39488	.00068		.25629	.65185	R
Over 3,000	.11788	.12303	.24091	.00068		.25629	.49788	R

Advice Letter No. 893  
Decision No. \_\_\_\_\_

Issued by  
John P. Hester  
Senior Vice President

Date Filed July 26, 2012  
Effective August 1, 2012  
Resolution No. \_\_\_\_\_



**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP [3]		
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>							
TFF Surcharge per Therm							\$ .00414
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>							
MHPS Surcharge per Space per Month							\$ .21000

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation/Firm Access Charge and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount of \$.00325 per therm for distribution system shrinkage. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for the greater period of either 12 months or the conclusion of the amortization period upon which the Balancing Account Adjustment was developed. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge, if applicable. The TFF Surcharge shall be the product of the customer-secured volumes transported, multiplied by the monthly projected cost of gas, excluding franchise fees and uncollectibles, multiplied by the most current authorized franchise fee factor.

[2] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

	GS-10, GS-11, GS-12, GS-20, GS-25	GS-15	GS-35, GS-40, GSR	GS-50	GS-60	GS-66	GS-70
<b>Upstream Intrastate Charges</b>							
Storage	\$ .01209	\$ .01176					
Summer			\$ .00104	\$ .00031	\$ .00079	\$ .00097	
Winter			.01628	.00864	.01948	.01604	
Variable	.02779	.02779	.02779	.02779	.02779	.02779	\$ .02779
Interstate Reservation/Firm Access Charge	.04211	.04053	.03890	.03502	.03502	.03502	
<b>Balancing Account Adjustments</b>							
FCAM*	.03178	.03178	.03178	.03178	.03178	.03178	.03378
ITCAM	.00828	.00828	.00828	.00828	.00828	.00828	.00828
<b>Total Rate Adjustment</b>	<b>\$ .12205</b>	<b>\$ .12014</b>					
Total Rate Adjustment (Summer)			\$ .10779	\$ .10318	\$ .10366	\$ .10384	\$ .06985
Total Rate Adjustment (Winter)			\$ .12303	\$ .11151	\$ .12235	\$ .11891	\$ .06985

\* The FCAM surcharge includes an amount of \$.03378 per therm related to the difference between Southwest's authorized margin and recorded revenues intended to recover these costs.

[3] The PPP Surcharge applies to all gas sales and transportation service excluding exempt customers as defined in Rate Schedule No. G-PPPS. The PPP Surcharge includes <\$.01158> per therm to amortize the CARE Balancing Account. This amount is not related to current program year expenses.

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO NORTHERN CALIFORNIA DIVISION SCHEDULES [1] [2] [3]**

Schedule No. and Type of Change	Southwest Margin	Charges [4] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP [5]		
<b>GN-10-Residential Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Baseline Quantities	\$ .56970	\$ .16008	\$ .72978	\$ .00068	\$ .03742	\$ .25423	\$ 1.02211
Tier II	.68041	.16008	.84049	.00068	.03742	.25423	1.13282
<b>GN-12-CARE Residential Gas Service</b>							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm:							
Baseline Quantities	\$ .37290	\$ .16008	\$ .53298	\$ .00068	\$ .02411	\$ .25423	\$ .81200
Tier II	.46147	.16008	.62155	.00068	.02411	.25423	.90057
<b>GN-15-Secondary Residential Gas Service</b>							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm:	\$ .70610	\$ .16169	\$ .86779	\$ .00068	\$ .03742	\$ .25423	\$ 1.16012
<b>GN-20-Multi-Family Master-Metered Gas Service</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$ .56970	\$ .16008	\$ .72978	\$ .00068	\$ .03742	\$ .25423	\$ 1.02211
Tier II	.68041	.16008	.84049	.00068	.03742	.25423	1.13282
<b>GN-25-Multi-Family Master-Metered Gas Service-Submetered</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$ .56970	\$ .16008	\$ .72978	\$ .00068	\$ .03742	\$ .25423	\$ 1.02211
Tier II	.68041	.16008	.84049	.00068	.03742	.25423	1.13282
Submetered Discount per Occupied Space	\$(10.95)						\$( 10.95)
<b>GN-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm:							
Summer (June – September)							
First 100	\$ .28640	\$ .13026	\$ .41666	\$ .00068	\$ .02411	\$ .25423	\$ .69568
Next 500	.20960	.13026	.33986	.00068	.02411	.25423	.61888
Next 2,400	.13520	.13026	.26546	.00068	.02411	.25423	.54448
Over 3,000	.03772	.13026	.16798	.00068	.02411	.25423	.44700
Winter (October – May)							
First 100	\$ .28135	\$ .15551	\$ .43686	\$ .00068	\$ .02411	\$ .25423	\$ .71588
Next 500	.20455	.15551	.36006	.00068	.02411	.25423	.63908
Next 2,400	.13015	.15551	.28566	.00068	.02411	.25423	.56468
Over 3,000	.03267	.15551	.18818	.00068	.02411	.25423	.46720

Advice Letter No. 893  
Decision No. \_\_\_\_\_

Issued by  
John P. Hester  
Senior Vice President

Date Filed July 26, 2012  
Effective August 1, 2012  
Resolution No. \_\_\_\_\_

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO NORTHERN CALIFORNIA DIVISION SCHEDULES [1] [2] [3]**

Schedule No. and Type of Change	Southwest Margin	Charges [4] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP [5]		
<b>GN-40-Core General Gas Service</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (June – September)							
First 100	\$ .45412	\$ .13026	\$ .58438	\$ .00068	\$ .03742	\$ .25423	\$ .87671
Next 500	.35812	.13026	.48838	.00068	.03742	.25423	.78071
Next 2,400	.26512	.13026	.39538	.00068	.03742	.25423	.68771
Over 3,000	.14327	.13026	.27353	.00068	.03742	.25423	.56586
Winter (October – May)							
First 100	\$ .45412	\$ .15551	\$ .60963	\$ .00068	\$ .03742	\$ .25423	\$ .90196
Next 500	.35812	.15551	.51363	.00068	.03742	.25423	.80596
Next 2,400	.26512	.15551	.42063	.00068	.03742	.25423	.71296
Over 3,000	.14327	.15551	.29878	.00068	.03742	.25423	.59111
<b>GN-50-Core Natural Gas Service for Motor Vehicles</b>							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (June – September)	\$ .07287	\$ .11589	\$ .18876	\$ .00068	\$ .03742	\$ .25423	\$ .48109
Winter (October – May)	.07287	.14708	.21995	.00068	.03742	.25423	.51228
<b>GN-60-Core Internal Combustion Engine Gas Service</b>							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (June – September)	\$ .77630	\$ .11589	\$ .89219	\$ .00068	\$ .03742	\$ .25423	\$ 1.18452
Winter (October – May)	.77630	.14401	.92031	.00068	.03742	.25423	1.21264
<b>GN-66-Core Small Electric Power Generation Gas Service</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Summer (June – September)	\$ .09028	\$ .13026	\$ .22054	\$ .00068		\$ .25423	\$ .47545
Winter (October – May)	.09028	.15551	.24579	.00068		.25423	.50070
<b>GN-70-Noncore General Gas Transportation Service</b>							
Basic Service Charge	\$100.00						\$ 100.00
Cost per Therm:							
Summer (June – September)	\$ .14698	\$ (.03688)	\$ .11010	\$ .00068	\$ .03742		\$ .14820
Winter (October – May)	.14698	(.03688)	.11010	.00068	.03742		.14820
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>							
TFF Surcharge per Therm							\$ .00273
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>							
MHPS Surcharge per Space per Month							\$ .21000

Advice Letter No. 893  
Decision No. \_\_\_\_\_

Issued by  
John P. Hester  
Senior Vice President

Date Filed July 26, 2012  
Effective August 1, 2012  
Resolution No. \_\_\_\_\_

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTH LAKE TAHOE DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP [3]		
<b>SLT-10-Residential Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Baseline Quantities	\$ .16644	\$ .20056	\$ .36700	\$ .00068	\$ .03742	\$ .25765	\$ .66275
Tier II	.26740	.20056	.46796	.00068	.03742	.25765	.76371
<b>SLT-12-CARE Residential Gas Service</b>							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm:							
Baseline Quantities	\$ .04151	\$ .20056	\$ .24207	\$ .00068	\$ .02411	\$ .25765	\$ .52451
Tier II	.12228	.20056	.32284	.00068	.02411	.25765	.60528
<b>SLT-15-Secondary Residential Gas Service</b>							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm:	\$ .25158	\$ .20218	\$ .45376	\$ .00068	\$ .03742	\$ .25765	\$ .74951
<b>SLT-20-Multi-Family Master-Metered Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm:							
Baseline Quantities	\$ .16644	\$ .20056	\$ .36700	\$ .00068	\$ .03742	\$ .25765	\$ .66275
Tier II	.26740	.20056	.46796	.00068	.03742	.25765	.76371
<b>SLT-25-Multi-Family Master-Metered Gas Service-Submetered</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm:							
Baseline Quantities	\$ .16644	\$ .20056	\$ .36700	\$ .00068	\$ .03742	\$ .25765	\$ .66275
Tier II	.26740	.20056	.46796	.00068	.03742	.25765	.76371
Submetered Discount per Occupied Space	\$ (5.65)						\$ (5.65)
<b>SLT-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm:							
Summer (May – October)							
First 100	\$ .07149	\$ .17033	\$ .24182	\$ .00068	\$ .02411	\$ .25765	\$ .52426
Next 500	.05949	.17033	.22982	.00068	.02411	.25765	.51226
Next 2,400	.04749	.17033	.21782	.00068	.02411	.25765	.50026
Over 3,000	.02832	.17033	.19865	.00068	.02411	.25765	.48109
Winter (November – April)							
First 100	\$ .06637	\$ .19592	\$ .26229	\$ .00068	\$ .02411	\$ .25765	\$ .54473
Next 500	.05437	.19592	.25029	.00068	.02411	.25765	.53273
Next 2,400	.04237	.19592	.23829	.00068	.02411	.25765	.52073
Over 3,000	.02321	.19592	.21913	.00068	.02411	.25765	.50157

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTH LAKE TAHOE DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges			Effective Sales Rate
				CPUC	PPP [3]	Gas Cost	
<b>SLT-40-Core General Gas Service</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)							
First 100	\$ .19636	\$ .17033	\$ .36669	\$ .00068	\$ .03742	\$ .25765	\$ .66244
Next 500	.18136	.17033	.35169	.00068	.03742	.25765	.64744
Next 2,400	.16636	.17033	.33669	.00068	.03742	.25765	.63244
Over 3,000	.14240	.17033	.31273	.00068	.03742	.25765	.60848
Winter (November – April)							
First 100	\$ .19636	\$ .19592	\$ .39228	\$ .00068	\$ .03742	\$ .25765	\$ .68803
Next 500	.18136	.19592	.37728	.00068	.03742	.25765	.67303
Next 2,400	.16636	.19592	.36228	.00068	.03742	.25765	.65803
Over 3,000	.14240	.19592	.33832	.00068	.03742	.25765	.63407
<b>SLT-50-Core Natural Gas Service for Motor Vehicles</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)	\$ .14360	\$ .15577	\$ .29937	\$ .00068	\$ .03742	\$ .25765	\$ .59512
Winter (November – April)	.14360	.18738	.33098	.00068	.03742	.25765	.62673
<b>SLT-60-Core Internal Combustion Engine Gas Service</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)	\$ .16344	\$ .15577	\$ .31921	\$ .00068	\$ .03742	\$ .25765	\$ .61496
Winter (November – April)	.16344	.18428	.34772	.00068	.03742	.25765	.64347
<b>SLT-66-Core Small Electric Power Generation Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)	\$ .09554	\$ .17033	\$ .26587	\$ .00068		\$ .25765	\$ .52420
Winter (November – April)	.09554	.19592	.29146	.00068		.25765	.54979
<b>SLT-70-Noncore General Gas Transportation Service</b>							
Basic Service Charge	\$100.00						\$ 100.00
Cost per Therm:							
Summer (May – October)	\$ .13518	\$ .00095	\$ .13613	\$ .00068	\$ .03742		\$ .17423
Winter (November – April)	.13518	.00095	.13613	.00068	.03742		.17423
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>							
TFF Surcharge per Therm							\$ .00544
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>							
MHPS Surcharge per Space per Month							\$ .21000

Schedule No. GCP

GAS PROCUREMENT FOR CORE CUSTOMERS

APPLICABILITY

Applicable to core customers who purchase natural gas from the Company. Service under this schedule will be provided in conjunction with the customer's otherwise applicable sales rate schedule.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

The Company shall adjust the Cost of Gas for this schedule monthly to reflect its estimated average gas costs. This revised rate shall become effective between the first and seventh calendar day of each month.

Procurement Charges:

Southern California

Cost of Gas	\$ .25174
F&U	<u>.00455</u>
Total	\$ .25629

Northern California

Cost of Gas	\$ .25149
F&U	<u>.00274</u>
Total	\$ .25423

South Lake Tahoe

Cost of Gas	\$ .25149
F&U	<u>.00616</u>
Total	\$ .25764

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**SOUTHWEST GAS CORPORATION  
CALCULATION OF MONTHLY CORE PROCUREMENT CHARGES  
FOR THE MONTH OF AUGUST 2012**

Line No.	Description (a)	Amount (b)	Line No.
<u>Southern California</u>			
1	Projected Cost of Gas [1]	\$ 0.28370	1
2	Monthly Account No. 191 Surcharge [2]	(0.03196)	2
3	Subtotal	<u>\$ 0.25174</u>	3
4	Franchise & Uncollectibles @ 1.8067% [3]	<u>0.00455</u>	4
5	Total August Core Procurement Charge	<u><u>\$ 0.25629</u></u>	5
<u>Northern California</u>			
6	Projected Cost of Gas [4]	\$ 0.26537	6
7	Monthly Account No. 191 Surcharge [5]	(0.01388)	7
8	Subtotal	<u>\$ 0.25149</u>	8
9	Franchise & Uncollectibles @ 1.0906% [3]	<u>0.00274</u>	9
10	Total August Core Procurement Charge	<u><u>\$ 0.25423</u></u>	10
<u>South Lake Tahoe</u>			
11	Projected Cost of Gas [4]	\$ 0.26537	11
12	Monthly Account No. 191 Surcharge [5]	(0.01388)	12
13	Subtotal	<u>\$ 0.25149</u>	13
14	Franchise & Uncollectibles @ 2.4488% [3]	<u>0.00616</u>	14
15	Total August Core Procurement Charge	<u><u>\$ 0.25765</u></u>	15

[1] Schedule I, Sheet 2.

[2] Schedule I, Sheet 4.

[3] Order Approving Southwest Application 07-12-022 (D.08-11-048).

[4] Schedule I, Sheet 3.

[5] Schedule I, Sheet 5.

**SOUTHWEST GAS CORPORATION  
SOUTHERN CALIFORNIA  
CALCULATION OF PROJECTED MONTHLY GAS COST  
FOR THE MONTH OF AUGUST 2012**

Line No.	Description (a)	Dth (b)	Average Cost Per Unit (c)	Amount (d)	Line No.
<u>City Gate Demand and Storage Injections</u>					
1	Total City Gate Demand	308,791			1
2	Purchases for Storage Injection (Dth at City Gate) [3]	78,687			2
3	Total Demand and Storage Injections	<u>387,478</u>			3
<u>Southern California Gas Purchases into El Paso Mainline</u>					
4	Term Purchases	124,000	\$ 2.6255	\$ 325,562	4
5	First of Month Purchases [1]	-	-	-	5
6	Spot Purchases [1]	-	-	-	6
7	In Kind Fuel	(2,864)	-	-	7
8	El Paso Variable Transmission	<u>121,136</u>	\$ 0.0209	2,532	8
9	El Paso Basin Gas delivered to California Border			<u>\$ 328,094</u>	9
<u>Southern California Basin Gas Purchases into Transwestern</u>					
10	Term Purchases	-	\$ -	\$ -	10
11	First of Month Purchases [1]	145,917	2.7055	394,778	11
12	Spot Purchases [1]	-	-	-	12
13	In Kind Fuel	(3,575)	-	-	13
14	Transwestern Variable Transmission	<u>142,342</u>	\$ 0.0130	1,850	14
15	Transwestern Basin Gas Delivered to California Border			<u>\$ 396,629</u>	15
<u>Southern California Border Gas Purchases</u>					
16	Term Purchases	124,000	\$ 3.0205	\$ 374,542	16
17	First of Month Purchases [1]	-	-	-	17
18	Spot Purchases [1]	-	-	-	18
19	Total Border Gas Purchases			<u>\$ 374,542</u>	19
<u>Storage Withdrawals</u>					
20	Projected Volume	-	\$ -	\$ -	20
21	O&M Withdrawal Variable Charge	-	-	-	21
22	Total Average Cost of Gas	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	22
23	Total Cost of Gas at City Gate [2]	<u>387,478</u>	<u>\$ 2.8370</u>	<u>\$ 1,099,265</u>	23

[1] Based on July 18 2012, first of the month forwards.

[2] Excludes storage and interstate pipeline fixed charges and intrastate transportation.

[3] Does not include gas scheduled directly to storage.



**SOUTHWEST GAS CORPORATION  
NORTHERN CALIFORNIA INCLUDING SOUTH LAKE TAHOE DISTRICT  
CALCULATION OF PROJECTED MONTHLY GAS COST  
FOR THE MONTH OF AUGUST 2012**

Line No.	Description (a)	Dth (b)	Average Cost Per Unit (c)	Amount (d)	Line No.
1	Total City Gate Demand (Dth-Net)	<u>123,119</u>			1
2	Projected Purchases Into NWPL [1], [5]	127,612	\$ 2.5271	\$ 322,490	2
3	Projected Purchases Into Tuscarora [1]	-	-	-	3
4	Projected Purchases Into Paiute [1]	-	-	-	4
5	Total Projected Gas Purchases into Mainline		<u>\$ 2.6193</u>	<u>\$ 322,490</u>	5
<u>Transportation Cost</u>					
6	NWPL Volumetric Charge [2]	125,953	\$ 0.0318	\$ 4,005	6
7	Paiute Volumetric Charge [3]	123,119	0.0018	222	7
8	Tuscarora Volumetric Charge [4]	-	0.0018	-	8
9	Total Transportation Variable Cost		<u>\$ 0.0343</u>	<u>\$ 4,227</u>	9
10	Total Cost at the City Gate (Excluding LNG and Pipeline Fixed Charges)	<u>123,119</u>	<u>\$ 2.6537</u>	<u>\$ 326,717</u>	10

[1] Based on July 18 2012, first of the month forwards.  
[2] NWPL less in-kind fuel at 1.30%.  
[3] Paiute less in-kind fuel at 2.25%.  
[4] Tuscarora less in-kind fuel at 0.00%.  
[5] Assumes no volume is dispatched from LNG.

**SOUTHWEST GAS CORPORATION  
SOUTHERN CALIFORNIA  
CALCULATION OF MONTHLY PGA BALANCING ACCOUNT ADJUSTMENTS  
FOR THE MONTH OF AUGUST 2012**

Line No.	Description (a)	Estimated July Activity (b)	August Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for June 2012		\$ (1,306,828)	1
2	No Imbalance for May		-	2
3	June Imbalance Traded into Storage		(3,289,925)	3
4	Adjusted Ending Balance		<u>\$ (4,596,753)</u>	4
5	June Rate	\$ (0.00480)		5
6	July Rate	(0.00792)		6
7	Average Rate	<u>\$ (0.00636)</u>		7
8	Estimated July Sales	9,648,382		8
9	Estimated July Acct. No. 191 Activity (Line 7 x Line 8)		\$ 61,364	9
10	Estimated July Acct. No. 191 Ending Balance Adjusted for Known and Unrecorded Activity		<u>\$ (4,535,389)</u>	10
11	Twelve Months Projected Sales		<u>141,903,922</u>	11
12	August Surcharge (Line 10 / Line 11)		<u>\$ (0.03196)</u>	12

**SOUTHWEST GAS CORPORATION  
NORTHERN CALIFORNIA INCLUDING SOUTH LAKE TAHOE DISTRICT  
CALCULATION OF MONTHLY PGA BALANCING ACCOUNT ADJUSTMENT  
FOR THE MONTH OF AUGUST 2012**

Line No.	Description (a)	Estimated July Activity (b)	August Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for June 2012		\$ (622,606)	1
2	June Rate	\$ 0.00359		2
3	July Rate	<u>(0.01218)</u>		3
4	Average Rate	\$ (0.00430)		4
5	Estimated July Sales	1,500,378		5
6	Estimated July Acct. No. 191 Activity (Line 4 x Line 5)		\$ 6,444	6
7	Estimated July Acct. No. 191 Ending Balance Adjusted for Known and Unrecorded Activity		<u>\$ (616,162)</u>	7
8	Twelve Months Projected Sales		<u>44,382,072</u>	8
9	August Surcharge (Line 7 / Line 8)		<u>\$ (0.01388)</u>	9

**SOUTHWEST GAS CORPORATION  
CALCULATION OF TRANSPORTATION FRANCHISE FEE (TFF) SURCHARGE  
FOR THE MONTH OF AUGUST 2012**

Line No.	Description (a)	(\$/therm) (b)	Line No.
	<u>Southern California</u>		
1	Estimated Cost of Gas [1]	\$ 0.28370	1
2	Franchise Tax @ 1.4595% [2]	\$ 0.00414	2
	<u>Northern California</u>		
3	Estimated Cost of Gas [1]	\$ 0.26537	3
4	Franchise Tax @ 1.0306% [2]	\$ 0.00273	4
	<u>South Lake Tahoe</u>		
5	Estimated Cost of Gas [1]	\$ 0.26537	5
6	Franchise Tax @ 2.0490% [2]	\$ 0.00544	6

[1] Schedule I, Sheet 1.

[2] Order Approving Southwest Application 07-12-022 (D.08-11-048).