

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 24, 2012

Advice Letter 896

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 896 is effective October 1, 2012.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director
Energy Division



SOUTHWEST GAS CORPORATION

Donald L. Soderberg, Vice President/Pricing

September 27, 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. 896

Dear Mr. Gatchalian:

Enclosed herewith are five (5) copies of Southwest Gas Corporation's Advice Letter No. 894, together with California Gas Tariff Sheet Nos. 65-72, and 123.

Sincerely,

 for /

Donald L. Soderberg

DLS:kt
Enclosures



SOUTHWEST GAS CORPORATION

Advice Letter No. 896

September 27, 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:

California Gas Tariff		
<u>Cal. P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Cal.P.U.C.Sheet No.</u>
20th Revised Sheet No. 65	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	19th Revised Sheet No. 65
20th Revised Sheet No. 66	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	19th Revised Sheet No. 66
20th Revised Sheet No. 67	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	19th Revised Sheet No. 67
20th Revised Sheet No. 68	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	19th Revised Sheet No. 68
20th Revised Sheet No. 69	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	19th Revised Sheet No. 69
5th Revised Sheet No. 70	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	4th Revised Sheet No. 70
20th Revised Sheet No. 71	Statement of Rates – Effective Rates Applicable to South Lake Tahoe District Schedules	19th Revised Sheet No. 71
20th Revised Sheet No. 72	Statement of Rates – Effective Rates Applicable to South Lake Tahoe District Schedules	19th Revised Sheet No. 72
18th Revised Sheet No. 123	Schedule No. GCP – Gas Procurement For Core Customers	17th 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 October 2012 cost of gas, including adjustment for franchises and uncollectibles, is \$0.28109 per therm for Southwest Gas' Southern California Division, \$0.25772 per therm for Southwest Gas' Northern California Division and \$0.26118 per therm for Southwest Gas' South Lake Tahoe District.

The TFF Surcharge rate is \$0.00411 per therm for Southwest Gas' Southern California Division, \$0.00277 per therm for Southwest Gas' Northern California Division and \$0.00550 per therm for Southwest Gas' South Lake Tahoe District.

In addition, a revision has been made in Footnote 3 to the "Total Rate Adjustment" for Schedule No. GN-15. The illustrated total was incorrect. However, the rate appearing on the Statement of Rates sheet was noted correctly.

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 October 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



Advice Letter No. 894
Page 3
® September 27, 2012

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

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

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

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By 
Donald L. Soderberg

Attachments

DISTRIBUTION LIST

Advice Letter No. 896

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]		
GS-10-Residential Gas Service							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Baseline Quantities	\$.53352	\$.12205	\$.65557	\$.00068	\$.15496	\$.28109	\$ 1.09230
Tier II	.69516	.12205	.81721	.00068	.15496	.28109	1.25394
GS-11-Residential Air-Conditioning Gas Service							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Tier I	\$.53352	\$.12205	\$.65557	\$.00068	\$.15496	\$.28109	\$ 1.09230
Tier II	.69516	.12205	.81721	.00068	.15496	.28109	1.25394
Air-Conditioning	.32282	.12205	.44487	.00068	.15496	.28109	.88160
GS-12-CARE Residential Gas Service							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm:							
Baseline Quantities	\$.34619	\$.12205	\$.46824	\$.00068	\$.02411	\$.28109	\$.77412
Tier II	.47550	.12205	.59755	.00068	.02411	.28109	.90343
GS-15-Secondary Residential Gas Service							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm:	\$.83284	\$.12014	\$.95298	\$.00068	\$.15496	\$.28109	\$ 1.38971
GS-20-Multi-Family Master-Metered Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$.53352	\$.12205	\$.65557	\$.00068	\$.15496	\$.28109	\$ 1.09230
Tier II	.69516	.12205	.81721	.00068	.15496	.28109	1.25394
GS-25-Multi-Family Master-Metered Gas Service-Submetered							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$.53352	\$.12205	\$.65557	\$.00068	\$.15496	\$.28109	\$ 1.09230
Tier II	.69516	.12205	.81721	.00068	.15496	.28109	1.25394
Submetered Discount per Occupied Space	\$ (8.35)						\$ (8.35)
GS-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm:							
Summer (May – October)							
First 100	\$.29730	\$.10779	\$.40509	\$.00068	\$.02411	\$.28109	\$.71097
Next 500	.21450	.10779	.32229	.00068	.02411	.28109	.62817
Next 2,400	.13970	.10779	.24749	.00068	.02411	.28109	.55337
Over 3,000	.01653	.10779	.12432	.00068	.02411	.28109	.43020
Winter (November – April)							
First 100	\$.29426	\$.12303	\$.41729	\$.00068	\$.02411	\$.28109	\$.72317
Next 500	.21146	.12303	.33449	.00068	.02411	.28109	.64037
Next 2,400	.13666	.12303	.25969	.00068	.02411	.28109	.56557
Over 3,000	.01348	.12303	.13651	.00068	.02411	.28109	.44239

Advice Letter No. 896
Decision No. _____

Issued by
John P. Hester
Senior Vice President

Date Filed September 27, 2012
Effective October 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]		
GS-40-Core General Gas Service							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)							
First 100	\$.46885	\$.10779	\$.57664	\$.00068	\$.15496	\$.28109	\$ 1.01337
Next 500	.36535	.10779	.47314	.00068	.15496	.28109	.90987
Next 2,400	.27185	.10779	.37964	.00068	.15496	.28109	.81637
Over 3,000	.11788	.10779	.22567	.00068	.15496	.28109	.66240
Winter (November – April)							
First 100	\$.46885	\$.12303	\$.59188	\$.00068	\$.15496	\$.28109	\$ 1.02861
Next 500	.36535	.12303	.48838	.00068	.15496	.28109	.92511
Next 2,400	.27185	.12303	.39488	.00068	.15496	.28109	.83161
Over 3,000	.11788	.12303	.24091	.00068	.15496	.28109	.67764
GS-50-Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (May – October)	\$.09935	\$.10318	\$.20253	\$.00068	\$.15496	\$.28109	\$.63926
Winter (November – April)	.09935	.11151	.21086	.00068	.15496	.28109	.64759
GS-60-Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (May – October)	\$.14448	\$.10366	\$.24814	\$.00068	\$.15496	\$.28109	\$.68487
Winter (November – April)	.14448	.12235	.26683	.00068	.15496	.28109	.70356
GS-66-Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Summer (May – October)	\$.10603	\$.10384	\$.20987	\$.00068		\$.28109	\$.49164
Winter (November – April)	.10603	.11891	.22494	.00068		.28109	.50671
GS-70-Noncore General Gas Transportation Service							
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
GSR-Sale for Resale Natural Gas Service							
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		\$.28109	\$.85841
Next 500	.36535	.10779	.47314	.00068		.28109	.75491
Next 2,400	.27185	.10779	.37964	.00068		.28109	.66141
Over 3,000	.11788	.10779	.22567	.00068		.28109	.50744
Winter (November – April)							
First 100	\$.46885	\$.12303	\$.59188	\$.00068		\$.28109	\$.87365
Next 500	.36535	.12303	.48838	.00068		.28109	.77015
Next 2,400	.27185	.12303	.39488	.00068		.28109	.67665
Over 3,000	.11788	.12303	.24091	.00068		.28109	.52268

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]		
TFF-Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.00411
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision							
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
Upstream Intrastate Charges							
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	
Balancing Account Adjustments							
FCAM*	.03178	.03178	.03178	.03178	.03178	.03178	.03378
ITCAM	.00828	.00828	.00828	.00828	.00828	.00828	.00828
Total Rate Adjustment	\$.12205	\$.12014					
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]		
GN-10-Residential Gas Service							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Baseline Quantities	\$.56970	\$.16008	\$.72978	\$.00068	\$.03742	\$.25772	\$ 1.02560
Tier II	.68041	.16008	.84049	.00068	.03742	.25772	1.13631
GN-12-CARE Residential Gas Service							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm:							
Baseline Quantities	\$.37220	\$.16008	\$.53228	\$.00068	\$.02411	\$.25772	\$.81479
Tier II	.46077	.16008	.62085	.00068	.02411	.25772	.90336
GN-15-Secondary Residential Gas Service							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm:	\$.70610	\$.16169	\$.86779	\$.00068	\$.03742	\$.25772	\$ 1.16361
GN-20-Multi-Family Master-Metered Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$.56970	\$.16008	\$.72978	\$.00068	\$.03742	\$.25772	\$ 1.02560
Tier II	.68041	.16008	.84049	.00068	.03742	.25772	1.13631
GN-25-Multi-Family Master-Metered Gas Service-Submetered							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$.56970	\$.16008	\$.72978	\$.00068	\$.03742	\$.25772	\$ 1.02560
Tier II	.68041	.16008	.84049	.00068	.03742	.25772	1.13631
Submetered Discount per Occupied Space	\$(10.95)						\$(10.95)
GN-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm:							
Summer (June – September)							
First 100	\$.28570	\$.13026	\$.41596	\$.00068	\$.02411	\$.25772	\$.69847
Next 500	.20890	.13026	.33916	.00068	.02411	.25772	.62167
Next 2,400	.13450	.13026	.26476	.00068	.02411	.25772	.54727
Over 3,000	.03702	.13026	.16728	.00068	.02411	.25772	.44979
Winter (October – May)							
First 100	\$.28065	\$.15551	\$.43616	\$.00068	\$.02411	\$.25772	\$.71867
Next 500	.20385	.15551	.35936	.00068	.02411	.25772	.64187
Next 2,400	.12945	.15551	.28496	.00068	.02411	.25772	.56747
Over 3,000	.03197	.15551	.18748	.00068	.02411	.25772	.46999

Advice Letter No. 896
Decision No. _____

Issued by
John P. Hester
Senior Vice President

Date Filed September 27, 2012
Effective October 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]		
GN-40-Core General Gas Service							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (June – September)							
First 100	\$.45412	\$.13026	\$.58438	\$.00068	\$.03742	\$.25772	\$.88020
Next 500	.35812	.13026	.48838	.00068	.03742	.25772	.78420
Next 2,400	.26512	.13026	.39538	.00068	.03742	.25772	.69120
Over 3,000	.14327	.13026	.27353	.00068	.03742	.25772	.56935
Winter (October – May)							
First 100	\$.45412	\$.15551	\$.60963	\$.00068	\$.03742	\$.25772	\$.90545
Next 500	.35812	.15551	.51363	.00068	.03742	.25772	.80945
Next 2,400	.26512	.15551	.42063	.00068	.03742	.25772	.71645
Over 3,000	.14327	.15551	.29878	.00068	.03742	.25772	.59460
GN-50-Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (June – September)	\$.07287	\$.11589	\$.18876	\$.00068	\$.03742	\$.25772	\$.48458
Winter (October – May)	.07287	.14708	.21995	.00068	.03742	.25772	.51577
GN-60-Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (June – September)	\$.77630	\$.11589	\$.89219	\$.00068	\$.03742	\$.25772	\$ 1.18801
Winter (October – May)	.77630	.14401	.92031	.00068	.03742	.25772	1.21613
GN-66-Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Summer (June – September)	\$.09028	\$.13026	\$.22054	\$.00068		\$.25772	\$.47894
Winter (October – May)	.09028	.15551	.24579	.00068		.25772	.50419
GN-70-Noncore General Gas Transportation Service							
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
TFF-Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.00277
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision							
MHPS Surcharge per Space per Month							\$.21000

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			Effective Sales Rate
				CPUC	PPP [5]	Gas Cost	

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation Charge and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount of \$.00291 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] In addition to the Effective Sales Rate, a Facilities Surcharge per therm applies to all natural gas volumes delivered in the Utility's Northern California Expansion Areas pursuant to the provisions of Section 16 of the Preliminary Statements of this California Gas Tariff.

[3] A Franchise Fee differential of 2.5% will be applied to monthly billings calculated for all rate schedules for all customers within the limits of the Town of Truckee.

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

	GN-10, GN-12, GN-20, GN-25	GN-15	GN-35, GN-40	GN-50	GN-60	GN-66	GN-70
Upstream Intrastate Charges							
Reservation	\$.17968	\$.18110	\$.17365	\$.15928	\$.15928	\$.17365	
Storage	.02379	.02398					
Summer			.00000	.00000	.00000	.00000	
Winter			.02525	.03119	.02812	.02525	
FCAM Balancing Account Adjustment *	(.04339)	(.04339)	(.04339)	(.04339)	(.04339)	(.04339)	\$ (.03688)
Total Rate Adjustment	<u>\$.16008</u>	<u>\$.16169</u>					
Total Rate Adjustment (Summer)			<u>\$.13026</u>	<u>\$.11589</u>	<u>\$.11589</u>	<u>\$.13026</u>	<u>\$ (.03688)</u>
Total Rate Adjustment (Winter)			<u>\$.15551</u>	<u>\$.14708</u>	<u>\$.14401</u>	<u>\$.15551</u>	<u>\$ (.03688)</u>

* The FCAM surcharge includes an amount of <\$.03688> per therm related to the difference between Southwest's authorized margin and recorded revenues intended to recover these costs.

[5] 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 \$.00193 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 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	
SLT-10-Residential Gas Service							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Baseline Quantities	\$.16644	\$.20056	\$.36700	\$.00068	\$.03742	\$.26118	\$.66628
Tier II	.26740	.20056	.46796	.00068	.03742	.26118	.76724
SLT-12-CARE Residential Gas Service							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm:							
Baseline Quantities	\$.04080	\$.20056	\$.24136	\$.00068	\$.02411	\$.26118	\$.52733
Tier II	.12157	.20056	.32213	.00068	.02411	.26118	.60810
SLT-15-Secondary Residential Gas Service							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm:	\$.25158	\$.20218	\$.45376	\$.00068	\$.03742	\$.26118	\$.75304
SLT-20-Multi-Family Master-Metered Gas Service							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm:							
Baseline Quantities	\$.16644	\$.20056	\$.36700	\$.00068	\$.03742	\$.26118	\$.66628
Tier II	.26740	.20056	.46796	.00068	.03742	.26118	.76724
SLT-25-Multi-Family Master-Metered Gas Service-Submetered							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm:							
Baseline Quantities	\$.16644	\$.20056	\$.36700	\$.00068	\$.03742	\$.26118	\$.66628
Tier II	.26740	.20056	.46796	.00068	.03742	.26118	.76724
Submetered Discount per Occupied Space	\$ (5.65)						\$ (5.65)
SLT-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm:							
Summer (May – October)							
First 100	\$.07079	\$.17033	\$.24112	\$.00068	\$.02411	\$.26118	\$.52709
Next 500	.05879	.17033	.22912	.00068	.02411	.26118	.51509
Next 2,400	.04679	.17033	.21712	.00068	.02411	.26118	.50309
Over 3,000	.02762	.17033	.19795	.00068	.02411	.26118	.48392
Winter (November – April)							
First 100	\$.06567	\$.19592	\$.26159	\$.00068	\$.02411	\$.26118	\$.54756
Next 500	.05367	.19592	.24959	.00068	.02411	.26118	.53556
Next 2,400	.04167	.19592	.23759	.00068	.02411	.26118	.52356
Over 3,000	.02250	.19592	.21842	.00068	.02411	.26118	.50439

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]		
SLT-40-Core General Gas Service							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)							
First 100	\$.19636	\$.17033	\$.36669	\$.00068	\$.03742	\$.26118	\$.66597
Next 500	.18136	.17033	.35169	.00068	.03742	.26118	.65097
Next 2,400	.16636	.17033	.33669	.00068	.03742	.26118	.63597
Over 3,000	.14240	.17033	.31273	.00068	.03742	.26118	.61201
Winter (November – April)							
First 100	\$.19636	\$.19592	\$.39228	\$.00068	\$.03742	\$.26118	\$.69156
Next 500	.18136	.19592	.37728	.00068	.03742	.26118	.67656
Next 2,400	.16636	.19592	.36228	.00068	.03742	.26118	.66156
Over 3,000	.14240	.19592	.33832	.00068	.03742	.26118	.63760
SLT-50-Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)	\$.14360	\$.15577	\$.29937	\$.00068	\$.03742	\$.26118	\$.59865
Winter (November – April)	.14360	.18738	.33098	.00068	.03742	.26118	.63026
SLT-60-Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)	\$.16344	\$.15577	\$.31921	\$.00068	\$.03742	\$.26118	\$.61849
Winter (November – April)	.16344	.18428	.34772	.00068	.03742	.26118	.64700
SLT-66-Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)	\$.09554	\$.17033	\$.26587	\$.00068		\$.26118	\$.52773
Winter (November – April)	.09554	.19592	.29146	.00068		.26118	.55332
SLT-70-Noncore General Gas Transportation Service							
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
TFF-Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.00550
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision							
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	\$.27610
F&U	<u>.00499</u>
Total	\$.28109

Northern California

Cost of Gas	\$.25494
F&U	<u>.00278</u>
Total	\$.25772

South Lake Tahoe

Cost of Gas	\$.25494
F&U	<u>.00624</u>
Total	\$.26118

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

Line No.	Description (a)	Amount (b)	Line No.
<u>Southern California</u>			
1	Projected Cost of Gas [1]	\$ 0.28160	1
2	Monthly Account No. 191 Surcharge [2]	(0.00550)	2
3	Subtotal	<u>\$ 0.27610</u>	3
4	Franchise & Uncollectibles @ 1.8067% [3]	<u>0.00499</u>	4
5	Total October Core Procurement Charge	<u><u>\$ 0.28109</u></u>	5
<u>Northern California</u>			
6	Projected Cost of Gas [4]	\$ 0.26835	6
7	Monthly Account No. 191 Surcharge [5]	(0.01341)	7
8	Subtotal	<u>\$ 0.25494</u>	8
9	Franchise & Uncollectibles @ 1.0906% [3]	<u>0.00278</u>	9
10	Total October Core Procurement Charge	<u><u>\$ 0.25772</u></u>	10
<u>South Lake Tahoe</u>			
11	Projected Cost of Gas [4]	\$ 0.26835	11
12	Monthly Account No. 191 Surcharge [5]	(0.01341)	12
13	Subtotal	<u>\$ 0.25494</u>	13
14	Franchise & Uncollectibles @ 2.4488% [3]	<u>0.00624</u>	14
15	Total October Core Procurement Charge	<u><u>\$ 0.26118</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 OCTOBER 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	483,571			1
2	Purchases for Storage Injection (Dth at City Gate) [3]	649,105			2
3	Total Demand and Storage Injections	1,132,676			3
<u>Southern California Gas Purchases into El Paso Mainline</u>					
4	Term Purchases	124,000	\$ 2.5780	\$ 319,672	4
5	First of Month Purchases [1]	126,945	2.6988	342,599	5
6	Spot Purchases [1]	-	-	-	6
7	In Kind Fuel	(5,797)	-	-	7
8	El Paso Variable Transmission	245,148	\$ 0.0209	5,124	8
9	El Paso Basin Gas delivered to California Border			\$ 667,395	9
<u>Southern California Basin Gas Purchases into Transwestern</u>					
10	Term Purchases	-	\$ -	-	10
11	First of Month Purchases [1]	572,012	2.6580	1,520,408	11
12	Spot Purchases [1]	-	-	-	12
13	In Kind Fuel	(14,014)	-	-	13
14	Transwestern Variable Transmission	557,998	\$ 0.0130	7,254	14
15	Transwestern Basin Gas Delivered to California Border			\$ 1,527,662	15
<u>Southern California Border Gas Purchases</u>					
16	Term Purchases	62,000	\$ 3.0180	\$ 187,116	16
17	First of Month Purchases [1]	267,530	3.0180	807,406	17
18	Spot Purchases [1]	-	-	-	18
19	Total Border Gas Purchases			\$ 994,522	19
<u>Storage Withdrawals</u>					
20	Projected Volume	-	\$ -	-	20
21	O&M Withdrawal Variable Charge	-	-	-	21
22	Total Average Cost of Gas	-	\$ -	-	22
23	Total Cost of Gas at City Gate [2]	1,132,676	\$ 2.8160	\$ 3,189,579	23

[1] Based on September 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 OCTOBER 2012**

Line No.	Description (a)	Dth (b)	Average Cost Per Unit (c)	Amount (d)	Line No.
1	Total City Gate Demand (Dth-Net)	<u>306,868</u>			1
2	Projected Purchases Into NWPL [1], [5]	316,769	\$ 2.5666	\$ 813,010	2
3	Projected Purchases Into Tuscarora [1]	-	-	-	3
4	Projected Purchases Into Paiute [1]	-	-	-	4
5	Total Projected Gas Purchases into Mainline		<u>\$ 2.6494</u>	<u>\$ 813,010</u>	5
	<u>Transportation Cost</u>				
6	NWPL Volumetric Charge [2]	312,334	\$ 0.0318	\$ 9,932	6
7	Paiute Volumetric Charge [3]	306,868	0.0018	552	7
8	Tuscarora Volumetric Charge [4]	-	0.0018	-	8
9	Total Transportation Variable Cost		<u>\$ 0.0342</u>	<u>\$ 10,485</u>	9
10	Total Cost at the City Gate (Excluding LNG and Pipeline Fixed Charges)	<u>306,868</u>	<u>\$ 2.6835</u>	<u>\$ 823,495</u>	10

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

[2] NWPL less in-kind fuel at 1.40%.

[3] Paiute less in-kind fuel at 1.75%.

[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 OCTOBER 2012**

Line No.	Description (a)	Estimated August Activity (b)	October Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for August 2012		\$ (1,268,654)	1
2	July Imbalance Traded into Storage		(313,729)	2
3	August Imbalance Traded Out of Storage		1,022,861	3
4	Adjusted Ending Balance		<u>\$ (559,522)</u>	4
5	August Rate	\$ (0.03196)		5
6	September Rate	(0.03019)		6
7	Average Rate	<u>\$ (0.03108)</u>		7
8	Estimated September Sales	3,181,319		8
9	Estimated September Acct. No. 191 Activity (Line 7 x Line 8)		\$ 98,875	9
10	Estimated September Acct. No. 191 Ending Balance Adjusted for Known and Unrecorded Activity		<u>\$ (460,646)</u>	10
11	Twelve Months Projected Sales		<u>83,716,794</u>	11
12	October Surcharge (Line 10 / Line 11)		<u><u>\$ (0.00550)</u></u>	12

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

Line No.	Description (a)	Estimated August Activity (b)	October Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for August 2012		\$ (631,161)	1
2	August Rate	\$ (0.01388)		2
3	September Rate	(0.01404)		3
4	Average Rate	<u>\$ (0.01396)</u>		4
5	Estimated September Sales	1,362,312		5
6	Estimated September Acct. No. 191 Activity (Line 4 x Line 5)		\$ 19,018	6
7	Estimated September Acct. No. 191 Ending Balance Adjusted for Known and Unrecorded Activity		<u>\$ (612,143)</u>	7
8	Twelve Months Projected Sales		<u>45,653,065</u>	8
9	October Surcharge (Line 7 / Line 8)		<u><u>\$ (0.01341)</u></u>	9

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

Line No.	Description (a)	(\$/therm) (b)	Line No.
	<u>Southern California</u>		
1	Estimated Cost of Gas [1]	\$ 0.28160	1
2	Franchise Tax @ 1.4595% [2]	\$ 0.00411	2
	<u>Northern California</u>		
3	Estimated Cost of Gas [1]	\$ 0.26835	3
4	Franchise Tax @ 1.0306% [2]	\$ 0.00277	4
	<u>South Lake Tahoe</u>		
5	Estimated Cost of Gas [1]	\$ 0.26835	5
6	Franchise Tax @ 2.0490% [2]	\$ 0.00550	6

[1] Schedule I, Sheet 1.

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