

RULE NO. 1

DEFINITIONS

For the purposes of these tariff schedules, the terms and expressions listed below shall have the meanings set forth opposite them.

GENERAL

Adult:	A person 18 years of age or older.
Agent:	One who acts for or in place of another person by authority granted from that person.
Aggregator:	The designated Agent representing the interests of a group of core customers aggregating their loads for the purpose of qualifying for transportation service. (See Core Transport Agent.)
Alternate Fuel:	Any fuel, gaseous or nongaseous, that may be used in lieu of natural gas, particularly excluding synthetic natural gas (SNG), liquefied natural gas (LNG), and liquid petroleum gas (LPG). Electricity shall not be considered as an alternate energy source for purposes of conversion.
Applicant:	A person, entity or agency requesting the Company to supply natural gas service.
Application:	A request to the Company for natural gas service as distinguished from an inquiry as to the availability or charges for such service.
Average Month:	30.4 days.
Billing Period:	The approximate monthly period between two consecutive monthly meter reading dates.
Boiler Fuel:	Gas used specifically to fire boilers, regardless of the end use of the steam produced.
Branch Service:	A service that is not connected to a gas main and has as its source of supply another service.
British Thermal Unit (BTU or Btu):	The quantity of heat that must be added to one avoirdupois pound of pure water to raise its temperature from 58.5 degree Fahrenheit to 59.5 degree Fahrenheit under standard pressure.

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DEFINITIONS

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GENERAL *(Continued)*

Burner Capacity:	The capacity of a burner as evidenced by the name plate rating approved by the testing laboratories of the American Gas Association.
Cogeneration:	The sequential use of energy for the production of electrical and useful thermal energy. The sequence can be thermal use followed by power production or the reverse, subject to the following standards:  (a) At least 5 percent of the facility's total annual energy output shall be in the form of useful thermal energy.  (b) Where useful thermal energy follows power production, the useful annual power output plus one-half the useful annual thermal energy output equals not less than 42.5 percent of any natural gas and oil energy input.
Commercial Use:	Service to customers engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation.
Commission:	The Public Utilities Commission of the State of California or the California Public Utilities Commission.
Company:	Southwest Gas Corporation.
Company's Operating Convenience:	The term refers to the utilization, under certain circumstances of facilities or practices not ordinarily employed which contribute to the overall efficiency of the Company's operations; it does not refer to customer convenience nor to the use of facilities or adoption of practices required to comply with applicable laws, ordinances, rules or regulations, or similar requirements of public authorities.
Connected Load:	The sum of the rated burner capacities of all of the customer's equipment that can be turned on at the same time.

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DEFINITIONS  
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GENERAL (Continued)

- Core Customer: A customer whose end-use priority is P1 or P2-A as defined in Rule No. 20 of this California Gas Tariff.
- Core Transport Agent: The designated Agent representing the interests of a group of core customers aggregating their loads for the purpose of qualifying for transportation service. (See Aggregator.)
- Cubic Foot: The quantity of gas that, at a temperature of 60 degrees Fahrenheit and a pressure of 14.73 pounds per square inch (psi) absolute, occupies one cubic foot.
- Cumulative Imbalance: For transportation customers, the difference between actual monthly deliveries and metered usage.
- Curtailment: A condition where either a supply or capacity constraint interferes with normal deliveries of gas.
- Customer: The person in whose name service is furnished as evidenced by the receipt and payment of bills regularly issued in his or her name regardless of the identity of the actual user of the service.
- Customer-Secured Gas: Gas transported by the Company for customer's own use where title to such natural gas is held by the customer and is not a part of the Company-owned system supplies.
- Customer's Address: The address specified by the customer in the request for service, or any other address subsequently given to the Company by the customer.

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DEFINITIONS  
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GENERAL (Continued)

- Daily Nomination: A Nomination submitted to the Company for one or more Gas Days. Daily Nominations must be submitted at least one calendar day prior to the effective Gas Day, subject to the provisions outlined in Section C of Rule No. 21 of this California Gas Tariff.
- Date of Presentation: The mailing date shown upon a customer bill or notice.
- Day: Calendar day; period commencing at 12:00 midnight (Pacific Time) on any calendar day and ending at 12:00 midnight (Pacific Time) on the next succeeding calendar day.
- Disabled: A residential customer who has been certified by a licensed physician as being physically or mentally impaired and such certification has been presented to the Company.
- Distribution Main: A pipeline installed for the purpose of distributing gas from a transmission main or high pressure distribution main to one or more customers. These facilities operate at or below 60 psig.
- Elderly: A person who is 62 years of age or older.
- Electric Generation: Use of natural gas to generate electricity either directly or indirectly including natural gas used for cogeneration or solar electric generation.
- Electric Utilities Start-Up and Igniter Fuel: Electric utility natural gas use where no alternate fuel capability exists for:
- (a) heating the boiler system adequately during start-up to enable efficient oil burning to meet pollution standards; and
  - (b) ensuring continuous ignition and flame stabilization within the boiler.
- Electronic Bill/Statement: A regular bill or statement that is presented to the customer electronically.

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DEFINITIONS  
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GENERAL (Continued)

Electronic Billing:	Also referred to as "Paperless Billing." A billing option for eligible customers to elect to receive, view and pay bills electronically.
Electronic Billing Service Provider:	An agent of the Company that provides electronic bill presentment and payment service for the Company and serves as a common link between the Company and the customer.
Electronic Transfer:	Paperless exchange of data and/or funds from one entity to another.
Especially Dangerous to Health:	Likely to cause serious impairment to the health of the customer or other permanent occupant as determined in writing by a licensed physician or public health official, based on the individual's illness, age or handicap, and the customer's proof of an inability to pay.
Feasible Alternate Fuel:	An alternate fuel (as defined herein) where conversion from natural gas to such alternate fuel is technologically possible and economically practicable for the customer in question.
Firm Industrial Gas Service:	Natural gas service to industrial customers for all purposes except directly for the cooking of meals, and normally not subject to (Non-Residential) curtailment.
Gas Day:	A period of 24 consecutive hours, except for those days that are adjusted for Daylight Savings Time, commencing and ending at 7 a.m. Pacific Clock Time (PCT). Clock Time indicates that the Company will adjust its Gas Day to reflect changes for Daylight Savings Time.
Handicapped:	See Disabled.

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DEFINITIONS  
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GENERAL (Continued)

High Pressure Distribution Main:	A pipeline installed for the purpose of distributing natural gas from a transmission main to large groups of customers within a distribution center or to large volume customers. These facilities operate above 60 psig.
Illness:	A medical ailment or sickness for which a residential customer obtains a verifiable document from a licensed physician stating the nature of the illness and that discontinuance of service would be especially dangerous to the customer's health.
Inability to Pay:	A customer who (a) is not gainfully employed, (b) qualifies for welfare but is not as yet receiving money from the welfare agency and such agency is willing to pledge payment prior to or upon the next regular billing period, or (c) has an income below the stated federal poverty level, and/or (d) is only able to pay by installment, and (e) is willing to sign a declaration stating that he is qualified under one of the above.
Industrial Use:	Service to customers engaged primarily in a process that creates or changes raw or unfinished materials into another form or product, including electric power generation.
Inter-Divisional Capacity Transfer:	A mechanism by which the unused off-peak interstate from capacity of one of the Company's divisions is utilized by another of the Company's divisions to procure and transport otherwise inaccessible economically priced natural gas. The division owning the off-peak capacity receives benefit in the form of credits to its Gas Cost Balancing Account. The division utilizing the off-peak capacity receives benefit through reduction in its purchased gas costs.
Intermittent Service:	Service that, in the opinion of the Company, is subject to discontinuance for a time or at intervals.

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DEFINITIONS  
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GENERAL (Continued)

- Interruptible Gas Service: Industrial service subject to interruption or curtailment at times of shortage of gas.
- Intra-day Nomination: A Nomination submitted after the nominating deadline for Daily and Standing Nominations specified in Section C of Rule No. 21, of this California Gas Tariff which has an effective time no earlier than the beginning of the next Gas Day, and has an ending time no later than the end of that Gas Day.
- Main Extension: The length of main and its related facilities required to transport gas from the existing facilities to the point of connection with the service piping.
- Margin: The portion of monthly revenues that are intended to cover the Company's cost of operating its distribution system, exclusive of gas and upstream pipeline charges.
- Master-Meter Customer: A customer who receives gas at a central point and distributes said gas through a piping system not owned or operated by the Company to tenants or occupants for their individual consumption.
- Master-Meter System: A pipeline system for distributing gas within, but not limited to, a definable area, such as a mobile home park, housing project, or apartment complex, where the operator purchases metered gas from an outside source for resale through a gas distribution pipeline system. The gas distribution pipeline system supplies the ultimate consumer who either purchases the gas directly through a meter or by other means, such as by rents.
- Meter: A meter and its related facilities, if necessary, such as regulators and valves.
- Mobile Home: A portable unit designed and built to be towed on its own chassis and connected to utilities. It is without a permanent foundation and is designed for year-round living.
- Mobile Home Park: Area of land where two or more mobile home sites are rented to accommodate mobile homes used for permanent residency.

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DEFINITIONS

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GENERAL *(Continued)*

- Noncore Customer: A customer whose end-use priority is P2-B, P3-A, P3-B, P4 or P5 as defined in Rule No. 20 of this California Gas Tariff.
- Nonprofit Group Living Facility: A properly licensed or permitted nonprofit residential facility that provides a service, such as meals or rehabilitation, in addition to lodging, where each of the residents meet the Commission's CARE eligibility standards, or a homeless shelter that provides at least six (6) beds for a minimum of 180 days each year for persons who have no alternative residence. Homeless shelters, women's shelters or hospices that lack a license or permit, but would otherwise meet the definition of a nonprofit group living facility, may be included in this definition for the purposes of the CARE program.
- Normal Working Hours: Excluding Company-observed holidays, the time period between 8 a.m. to 5 p.m., Monday through Friday.
- Pacific Clock Time (PCT): Pacific Standard Time or Pacific Daylight Time, whichever is currently in effect.
- Peak-Day Demand: A customer's highest billing month's requirement divided by the number of days of operation in that month and the therm factor (average Btu per cubic foot divided by 1,000).
- Permanent Service: Service that, in the opinion of the Company, is of a permanent and established character. This may be continuous, intermittent or seasonal in nature.
- Person: Any individual, partnership, corporation, public agency, or other organization operating as a single business entity.
- Point of Delivery: The point where the Company's facilities/pipes/infrastructure meet the customer's facilities/pipes/infrastructure, which are owned, leased or under license by the customer. The metering takes place on the customer's side.



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DEFINITIONS  
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GENERAL (Continued)

- Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided, excepting in the case of industrial, agricultural, oil field, resort enterprises and public or quasi-public institutions, by a dedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of and adjacent to a single enterprise may be separated by an alley from the remainder of the premises served.
- Qualified Contractor/  
Subcontractor (QC/S): A QC/S shall (1) be licensed in California for the appropriate type of work (electrical, general, etc.); (2) employ workmen properly certified for specific skills required (plastic fusion, welding, etc.); electric workmen shall be properly qualified (Qualified Electrical Worker, Qualified Person, etc.) as defined in State of California High Voltage Safety Orders (Title 8, Subchapter 5, Group 2); and (3) comply with applicable laws (Equal Opportunity Regulations, OSHA, EPA, etc.).
- Further, an applicant for service who intends to employ a QC/S should consider whether the QC/S (1) is technically competent; (2) has access to proper equipment; (3) demonstrates financial responsibility commensurate with the scope of the contract; (4) has adequate insurance coverage (workers' compensation, liability, property damage, etc.); and (5) is able to furnish surety bond for performance of contract, if required.
- Requirement: A customer's requirement for any period is the sum of the customer's metered usage and the customer's curtailed deliveries, expressed in therms.
- Residential Dwelling: A house, apartment, townhouse, or any other permanent residential unit that is used as a permanent home.

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DEFINITIONS  
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GENERAL (Continued)

- Residential Use: Service to customers which consists of direct natural gas usage in a residential dwelling or multi-unit dwelling for space heating, air conditioning, cooking, water heating, and other residential uses; except for central heating plants serving a combination of residential and commercial uses where the commercial portion of the use is in excess of 100 Mcf per day or is more than 15 percent of the total natural gas requirements.
- Rules: Tariff sheets which set forth the application of all rates, charges, and service when such applicability is not set forth in and as a part of the rate schedules.
- Seasonal Service: Gas service to establishments which are occupied seasonally or intermittently, such as seasonal resorts, cottages, or other part-time establishments.
- Service: All pipe, valves and fittings from and including the connection at the main up to and including the stop-cock on the riser.
- Service Extension: Consists of the service as above defined when provided for a new customer at a premise not heretofore served in accordance with the service extension rule.
- Small Business Customer: Any non-residential customer with an annual consumption of less than 10,000 therms or any non-residential customer who demonstrates to the Company's satisfaction that they meet the definition of "micro-business" pursuant to California Government Code Section 14837.
- Standing Nomination: A Daily Nomination which is effective for multiple Gas Days. Standing Nominations cannot exceed the term of the customer's Transportation Service Agreement. A Standing Nomination can be replaced by a new Daily Nomination or Intra-day Nomination; however, upon the expiration of such replacement Nomination, the Standing Nomination becomes effective again.
- Stub Service: A lateral pipe, including valves and fittings, from and including the connection at the main to a dead end near the curb or property line of the street in which the main is located.

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DEFINITIONS  
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GENERAL (Continued)

Subcustomer:	A tenant in an apartment house or other business building to whom gas is resold by the customer from whom the tenant rents.
Summer Season:	The six-month period beginning May 1 and ending October 31.
Tariff Schedules:	The entire body of effective rates, rentals, charges, and rules, collectively, of the Company, as set forth herein, and including title page, preliminary statement, rate schedules, rules, and sample forms.
Tariff Sheet:	An individual sheet of the tariff schedule.
Temporary Service:	Service for enterprises or activities which are temporary in character or where it is known in advance that service will be of limited duration. Service which, in the opinion of the Company, is for operations of a speculative character or the permanency of which has not been established also is considered temporary service.
Third Party:	Any individual or public entity willing to receive notification of the pending termination of service of a residential customer who is elderly and/or disabled, who is willing to be given the opportunity to arrange for payment of the customer's bill.
Therm:	A Unit of heating value equivalent to 100,000 British Thermal Units (BTU).
Tract or Subdivision:	An area for family dwellings which may be identified by filed subdivision plans or as an area in which a group of dwellings may be constructed about the same time, either by a large-scale builder or by several builders working on a coordinated basis.
Transmission Main:	A pipeline installed for the purpose of transporting gas from a source of supply to a high pressure distribution main, distribution main, storage facility, or large volume customer(s).

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DEFINITIONS  
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GENERAL (Continued)

- Unit of Demand: For the natural gas use (other than P1) of each customer, the unit or units of demand shall be the average daily requirement, expressed in therms, in each priority class of that customer during normal operations in the immediately preceding curtailment year or such average daily requirement in the immediately preceding month of August, whichever is higher. In determining the unit of demand, changes in a customer's requirement caused by an addition or reduction in facilities or by a definite addition or reduction in facilities or by a definite change in operations may be considered by the Company. A unit of demand shall be determined by the Company separately for the P2-A, P2-B, P3, P4, and P5 use of each customer with such use as of the first day of each curtailment year.
- Winter Season: The six month period beginning November 1 and ending April 30.
- Workday: The time period between 8 a.m. and 5 p.m., Monday through Friday, excluding holidays.