

GENERAL TERMS AND CONDITIONS

APPLICABLE TO SERVICE AGREEMENT CUSTOMERS
WHERE SPECIFIED IN SERVICE AGREEMENT

1. METHOD OF MEASUREMENT

1.1 Unit of Volume

The unit volume of gas for all purposes hereunder shall be one thousand cubic feet (Mcf) at an absolute pressure of fourteen and seventy-three one-hundredths pounds per square inch (14.73 psia) and at a temperature of sixty degrees Fahrenheit (60EF).

1.2 Basis

All orifice meter volumes shall be computed in accordance with Gas Measurement Committee Report No. 3 of the American Gas Association, including the Appendix thereto, published April 1955, as revised from time to time. Where measurement is by other than orifice meters, all necessary factors for proper volume determination shall be applied.

All orifice meter volumes shall be corrected for deviations from the ideal gas laws (supercompressibility) in accordance with the aforementioned Committee Report No. 3. Where displacement meters are used, the square of the orifice meter supercompressibility factor shall be applied.

For the purpose of measurement, the atmospheric pressure shall be assumed to be the average barometric pressure at the point of measurement and shall be specified in the executed service agreement.

Issued:
September 27, 1996

Effective:
October 27, 1996

Advice Letter No.:
345

Issued by
Edward S. Zub
Senior Vice President

GENERAL TERMS AND CONDITIONS
(Continued)

1. METHOD OF MEASUREMENT (Continued)

1.3 Determination of Flowing, Temperature, Specific Gravity and Heating Value

The temperature of the natural gas flowing through Seller's meter station shall be obtained by the use of a recording thermometer and the arithmetic average temperature of the gas each day shall be used in computing the delivery of gas during such day. Where the quantities of gas metered will not be materially affected by so doing, the temperature at delivery shall be assumed to be 60EF when not regularly recorded.

The specific gravity of gas flowing through orifice meters shall be determined by means of a recording gravitometer located as near the Seller's purchasing station as practicable, and the arithmetic average specific gravity each day at such point shall be used in computing deliveries of gas during the day at such points. Where displacement meters are installed and where the quantities of gas metered will not be materially affected by doing so, the specific gravity of the gas for any day may be determined by any other recognized method which may be practicable in the circumstances. The Seller may elect to use the Suppliers' recording gravitometer or chromatograph values for the arithmetic average of the heating values of the gas delivered each day by the Suppliers.

The heating value (Btu per cubic foot) of the gas shall be determined by means of a recording calorimeter or chromatograph, employing the Thomas principle of calorimetry, or by means of some other recognized method, located as near the Seller's purchasing station as practicable, and the arithmetic average of the heating value of the gas each day shall be used in computing deliveries of gas during each day at such points. The Seller may elect to use the Suppliers' calorimeter values for the arithmetic average of the heating values of the gas delivered each day by the Suppliers.

<p>Issued: September 27, 1996</p> <p>Effective: October 27, 1996</p> <p>Advice Letter No.: <u>345</u></p>	<p>Issued by Edward S. Zub Senior Vice President</p>	
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GENERAL TERMS AND CONDITIONS
(Continued)

2. MEASUREMENT EQUIPMENT

2.1 Seller's Meters

Seller shall install in accordance with Seller's applicable rules and maintain and operate at its own expense, at or near each point of delivery, a measuring station properly equipped with meters and other necessary equipment by which the volumes of gas delivered to Buyer shall be measured. Orifice meters, where used, shall be installed and operated in accordance with Gas Measurement Committee Report No. 3 of the American Gas Association, including the Appendix thereto, published April 1955, as revised from time to time.

All installation of measuring equipment applying to or affecting deliveries shall be made in such manner as to permit an accurate determination of the quantity of gas delivered and ready verification of the accuracy of measurement. Care shall be exercised by Buyer in the installation, maintenance and operation of pressure-regulating equipment so as to prevent any inaccuracy in the determination of the volumes of gas delivered.

Seller reserves and shall have the right to locate its measuring stations at a point far enough away from any compressor station or other mechanical equipment that the accuracy of the meters and other measuring instruments will not be affected by the operation of such compressor station or other mechanical equipment.

2.2 Calibration, Test of and Access to Meters

Buyer shall have the right to have representatives present at the time of any installing, cleaning, changing, repairing, inspecting, testing, calibrating or adjusting done in connection with Seller's measuring equipment used in the measurement of deliveries of gas to Buyer.

<p>Issued: September 27, 1996</p> <p>Effective: October 27, 1996</p> <p>Advice Letter No.: <u>345</u></p>	<p>Issued by Edward S. Zub Senior Vice President</p>	
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GENERAL TERMS AND CONDITIONS
(Continued)

2. MEASUREMENT EQUIPMENT (Continued)

2.2 Calibration, Test of and Access to Meters (Continued)

The accuracy of Seller's measuring equipment shall be verified by Seller at reasonable intervals, but not more frequently than annually for displacement meters and quarterly for orifice meters. In the event either party shall notify the other that it desires a special test of Seller's measuring equipment or Buyer's check measuring equipment, as the case may be, the parties shall cooperate to secure prompt verification of the accuracy of such equipment. Each party shall give to the other party sufficient advance notice in writing of the time of all such special tests so that the other party may conveniently have its representatives present.

2.3 Charts and Records

Upon request of either party, the other shall submit the records and charts from Seller's or Buyer's measuring equipment, as the case may be, used in the measurement and billing of gas hereunder, together with calculations therefrom, for inspection and verification, subject to return within 10 days after receipt.

Buyer and Seller shall, respectively, preserve all test data, charts and other required data pertaining to the measurement of gas by their respective measurement equipment for a period of 3 years or such other period(s) as may be prescribed with respect to them by regulatory bodies having jurisdiction.

2.4 Correction of Metering Errors

If, upon test, Seller's measuring equipment is found to be in error by not more than 2 percent, previous recordings of such equipment shall be considered accurate in computing deliveries, but such equipment shall be adjusted at once to record accurately.

Issued:
September 27, 1996

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October 27, 1996

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GENERAL TERMS AND CONDITIONS
(Continued)

2. MEASUREMENT EQUIPMENT (Continued)

2.4 Correction of Metering Errors (Continued)

If, upon test, Seller's measuring equipment shall be found to be inaccurate by an amount exceeding 2 percent at a recording corresponding to the average hourly rate of flow for the period since the last preceding test, then any previous recordings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon, but in case the period is not known or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of the last test, not exceeding a correction period of 45 days.

2.5 Failure in Meters

In the event a meter is out of service or registering inaccurately, the volume of gas delivered shall be determined:

- a. By using the registration of any check meter(s), if installed and accurately registering; or, in the absence of (a),
- b. By correcting the error if the percentage of error is ascertainable by calibration, tests or mathematical calculation; or in the absence of both (a) and (b), then
- c. By estimating the quantity of delivery during periods under similar conditions when the meter was registering accurately.

Issued:
September 27, 1996

Effective:
October 27, 1996

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GENERAL TERMS AND CONDITIONS
(Continued)

2. MEASUREMENT EQUIPMENT (Continued)

2.6 Check Measuring Equipment

Buyer may install, maintain and operate at its own expense, at or near each point of delivery, such check measuring equipment as desired, provided that such equipment is installed so as not to interfere with the operation of any of Seller's measuring equipment.

Whenever any point of delivery provided for is on premises of Seller, Seller grants to Buyer the right of free use and ingress and egress at all reasonable times for the purposes of installation, operation, repair or removal of such check measuring equipment.

In the event check measuring equipment is installed by Buyer, Seller shall have access to the same at all reasonable times, but the reading, calibration and adjusting thereof and the changing of charts shall be done only by Buyer.

Seller shall have the right to have representatives present at the time Buyer installs, repairs, tests or calibrates any such check measuring equipment.

3. QUALITY

3.1 Sulphur Content

The gas shall not contain more than 0.25 of one grain of hydrogen sulphide nor more than 20 grains of total sulphur per 100 cubic feet.

3.2 Impurities

The gas shall be commercially free of dust, gums and other solid matters.

Issued:
September 27, 1996

Effective:
October 27, 1996

Advice Letter No.:
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GENERAL TERMS AND CONDITIONS
(Continued)

3. QUALITY (Continued)

3.3 Extraction of Hydrocarbons, Etc.

The gas shall be free of water and hydrocarbons in liquid form at the temperatures and pressures at which the gas is delivered to Seller.

3.4 Odorization

The gas shall be odorized to comply with Part 192.625 of Title 19 of the Code of Federal Regulations.

3.5 Heat Content

Seller is to tender delivery to Buyer only of natural gas which is commercial in quality containing an average gross total heating value of not less than 900 gross British thermal units per cubic foot.

4. DELIVERY PRESSURE

Seller shall deliver gas to Buyer at agreed upon pressures specified in the executed service agreement between Seller and Buyer, which pressures shall generally not be more than 75 pounds per square inch gauge.

Issued:
September 27, 1996

Effective:
October 27, 1996

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(Continued)

5. BILLING AND PAYMENT

5.1 Billing

The Seller shall render a bill to the Buyer on or before the 15th day of each month for all deliveries and service to the Buyer during the next preceding calendar month. Such statement shall be accepted as conclusive, unless exceptions are made by either party in writing within 30 days.

5.2 Payment

Payment of all gas service received by the Buyer from the Seller shall be made at the Seller's office on or before the 25th day of each month for all deliveries and service to Buyer during the next preceding month.

6. FORCE MAJEURE

Neither Buyer nor Seller shall be liable for nonperformance due to, or materially contributed to by, acts of God, actions of any government, strikes, necessary repairs and/or replacement of facilities or any causes beyond the reasonable control of the party affected.

7. TITLE AND POSSESSION OF GAS

Title to and possession of, and all responsibility with respect to the gas sold hereunder shall pass from Seller to Buyer at the point of delivery which, unless otherwise specified in the service agreement between Buyer and Seller, shall be the outlet fitting on Seller's meter.

Issued:
September 27, 1996

Effective:
October 27, 1996

Advice Letter No.:
345

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SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
Nevada Gas Tariff No. 6

Canceling _____ Original _____ P.S.C.N. Sheet No. 230
P.S.C.N. Sheet No. _____

HELD FOR FUTURE USE

Issued:
September 27, 1996

Effective:
October 27, 1996

Advice Letter No.:
345

Issued by
Edward S. Zub
Senior Vice President