December 29, 2006

TO ALL HOLDERS OF SOUTHWEST GAS CORPORATION CALIFORNIA – <u>SOUTH LAKE TAHOE GAS TARIFF</u>

Subject: Revision No. 25 (Advice Letter Nos. 769 and 770)

The attached tariff sheets reflect the authorization granted by the California Public Utilities Commission (Commission) for Southwest to:

- 1) Recover Southwest's 2007 Attrition Year Margin Revenue in compliance with Decision 04-03-034;
- 2) Update Balancing Account Surcharges applicable to the Core Fixed Cost Adjustment Mechanism (CFCAM);

The Commission authorized Southwest to implement the above changes effective January 1, 2007.

Please make the following changes in your copy of Southwest's South Lake Tahoe Gas Tariff:

Insert	Canceling
Cal. P.U.C.	Cal. P.U.C.
Sheet No.	Sheet No.

Twenty-First Revised Sheet No. 25 Twenty-First Revised Sheet No. 26 Second Revised Sheet No. 59 Twentieth Revised Sheet No. 25 Twentieth Revised Sheet No. 26* First Revised Sheet No. 59

Debra S. Jacobson Director, Government and State Regulatory Affairs

DSJ:vo Attachments