

On June 30, 2008, Southwest Gas Corporation (Southwest) filed an application with the California Public Utilities Commission (CPUC) requesting approval of its proposed California Alternate Rates for Energy (CARE) and Low-Income Energy Efficiency (LIEE) Program plans, measures and budgets for Program Years (PY) 2009-2011. These programs are directed at assisting income-qualified customers with their natural gas bills and helping them use energy more efficiently. Southwest requests that the CPUC authorize a total California budget of \$31,381,567 for the PY 2009-2011 Low-Income Assistance programs as follows: \$26,710,567 for CARE program activities and \$4,671,000 for LIEE program activities.

If the CPUC approves the proposed 2009-2011 CARE and LIEE budgets, Southwest will adjust the rates proposed on January 1, 2009, or as soon as possible thereafter. The estimated change for each customer class is reflected in the table below:

ESTIMATED CHANGES BY CUSTOMER CLASS

Customer Class	Average Monthly Increase		Proposed <u>% Increase</u>
Primary Residential	\$	0.45	0.42%
Secondary Residential	\$	0.39	0.38%
Master-Metered	\$	4.25	0.43%
Master-Metered (Submetered)	\$	11.25	0.48%
Core General	\$	2.05	0.54%
Core Motor Vehicle	\$	44.08	0.73%
Core Internal Combustion Engine	\$	0.04	0.14%

HEARINGS

Before acting upon Southwest's request, the CPUC may hold public participation hearings to afford the public the opportunity to express its views concerning the proposed rate changes. The CPUC may also hold formal evidentiary hearings; whereby, the formal parties of record provide testimony and are subject to cross-examination before the CPUC's Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are formal parties of record can participate. Court reporters will prepare a written record of the evidentiary hearings. Once hearings are completed, the ALJ will consider all of the evidence presented and prepare a draft decision. The CPUC may approve the draft decision, an alternate decision prepared by a CPUC Commissioner, or a modification of either.

Southwest will notify its customers of the dates, times and locations of any hearings by including inserts in customer bills. Notification will also be published in general circulation newspapers throughout Southwest's California service areas. If you would like further information about either of the hearing processes, please contact the CPUC by writing to The Public Advisor at either of the following addresses:

San Francisco Office (Headquarters)	-0r-	Los Angeles Office
505 Van Ness Avenue, Room 2103		320 West 4th Street, Suite 500
San Francisco, California 94102		Los Angeles, California 90013
415-703-2074/(toll free) 1-866-848-8390		213-576-7055
(TTY) 415-703-5282/(TTY tf) 1-866-836-78	325	(toll free) 1-866-849-8391
public.advisor@cpuc.ca.gov		public.advisor.la@cpuc.ca.gov

When writing, e-mailing or calling the Public Advisor, please mention that you are inquiring about A.08-06-031 of Southwest Gas Corporation.

FURTHER INFORMATION

A complete copy of this application may be inspected at the following Southwest offices: 10682 Pioneer Trail, Truckee; 218 Incline Court, Incline Village, Nevada; or 400 Eagle Station Lane, Carson City, Nevada. A copy of the application may also be inspected at the CPUC's San Francisco Headquarters Office noted above.

If you have any questions about Southwest's application, please contact John P. Hester, Senior Vice President/Regulatory Affairs and Energy Resources, Southwest Gas Corporation, P.O. Box 98510, Las Vegas, Nevada 89193-8510.