

IMPORTANT INFORMATION ABOUT NATURAL GAS RATES FOR SOUTH LAKE TAHOE, CALIFORNIA CUSTOMERS

NOTICE OF PUBLIC PARTICIPATION HEARINGS IN APPLICATION (A.) 07-12-022

On December 21, 2007, Southwest Gas Corporation (Southwest) filed an application (A.07-12-022) with the California Public Utilities Commission (Commission) requesting authority to change its rates and charges for natural gas service effective January 1, 2009. For the South Lake Tahoe rate jurisdiction, Southwest is requesting an increase of \$2.1 million. If the Commission grants Southwest's request, residential customers in the South Lake Tahoe area will see an annual average increase in their bills of 12.5 percent beginning on January 1, 2009. The proposed increases for all customer classes are shown below. Southwest has filed its request for rate relief to recover the reasonable costs of owning and operating the facilities used to distribute natural gas to its customers and for Southwest to satisfactorily fulfill its customer service obligations. Southwest is also requesting post-test year changes to rates and charges to become effective on January 1 of each year for 2010 through 2013.

PROPOSED CHANGES BY CUSTOMER CLASS

Customer Class	Average Monthly Bill Increase	Percentage Increase
Primary Residential	\$ 9.47	12.5%
Secondary Residential	4.49	6.3
Master-Metered	78.12	15.0
Master-Metered (Submetered)	64.35	7.7
Core General	21.75	9.3
Core General Transportation	806.97	3.0
Core Motor Vehicle	38.33	0.6

Before acting on Southwest's application, the Commission will hold Public Participation Hearings. Public Participation Hearings are scheduled to provide the public an opportunity to comment on Southwest's application. An Administrative Law Judge will be present to listen to your comments, and a court reporter will record your comments. The Commission also maintains an independent division to represent the interests of the customers of the utility. This division, known as the Division of Ratepayer Advocates (DRA), is a party to the proceeding to represent and protect the interests of Southwest's customers. The DRA will also be present at the Public Participation Hearings.

THE COMMISSION IS INTERESTED IN HEARING FROM YOU AND WELCOMES YOUR PARTICIPATION AND COMMENTS

Your comments help the Commission reach an informed decision, and you are encouraged to attend the scheduled hearings. The Public Participation Hearings will take place at the following location and times:

July 11, 2008, 3:00 p.m. and 7:00 p.m.
City of South Lake Tahoe Council Chambers
1901 Airport Road, South Lake Tahoe, California

If you need advice on how to participate or if you cannot attend the Public Participation Hearing and wish to make comments to the Commission, please write to:

The Public Advisor 1-415-703-2074
San Francisco Office (Headquarters) 1-866-849-8390 (toll free)
505 Van Ness Avenue, Room 2103 TTY 1-415-703-5282
San Francisco, California 94102-3214 TTY 1-866-836-7825 (toll free)
Email: public.advisor@cpuc.ca.gov

If you have a question or need further information, please state in your letter that you would like a response; otherwise, no reply will be sent. The Public Advisor will give your letter to the Commissioners and it will become part of the formal correspondence file. Please mention that you are writing about A.07-12-022.

A copy of Southwest's application may be examined at either of the following locations:

- 1) Online at http://www.swgas.com/tariffs/california_general_rate_case.php;
- 2) At the office of the Commission, 505 Van Ness Avenue, San Francisco;
- 3) At the following Southwest offices: 1740 D Street, Suite 4, South Lake Tahoe; 10682 Pioneer Trail, Truckee; 218 Incline Court, Incline Village, NV; or 400 Eagle Station Lane, Carson City, NV.

FURTHER INFORMATION

If you wish to obtain further information about Southwest's application, please write to: Roger C. Montgomery, Vice President/Pricing, Southwest Gas Corporation, P.O. Box 98510, Las Vegas, Nevada 89193-8510 or fax to 1-702-222-1475. Again, please mention you are writing about A.07-12-022.

The Commission's policy is to schedule hearings in locations that are accessible to everyone. If specialized accommodations are needed (e.g. sign language interpreters or foreign language interpreters), please call The Public Advisor's Office at least three business days before the hearing at any one of the following:

Voice: 1-415-703-2074 - toll free 1-866-849-8390

Fax: 1-415-355-5404 - Attention: Public Advisor

TTY: 1-415-703-5282 - TTY toll free: 1-866-836-7825

Email: public.advisor@cpuc.ca.gov

Por favor, llame a su oficina local de Southwest Gas si desea obtener información en español acerca de esta noticia.