

---

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



February 9, 2016

**Advice Letter: 992-G**

Southwest Gas Corporation  
Attention: Justin Lee Brown  
P.O. Box 98510  
Las Vegas, NV 89193-8510

**SUBJECT: Revision of the Company's Tariff, Pursuant to OPs 12, 14, 15 in D.15-10-032**

Dear Mr. Brown:

Advice Letter 992-G is effective as of December 23, 2015.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph  
Director, Energy Division



## **SOUTHWEST GAS CORPORATION**

Justin Lee Brown, Vice President/Regulation and Public Affairs

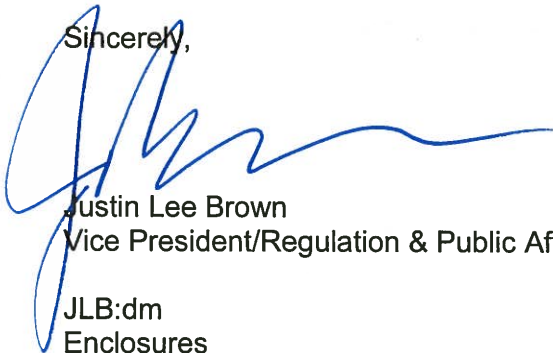
November 23, 2015

**ATTN:** Tariff Unit, Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4005  
San Francisco, CA 94102

**Subject:** Southwest Gas Corporation (U 905 G)  
Advice Letter No. 992

Enclosed herewith is one (1) copy of Southwest Gas Corporation's Advice Letter No. 992, together with California Gas Tariff Sheet Nos. 45.4, 45.5, 67, 69, 71, 79, 81, 83, 87, 88 and 91-93.

Sincerely,



Justin Lee Brown  
Vice President/Regulation & Public Affairs

JLB:dm  
Enclosures



# SOUTHWEST GAS CORPORATION

Advice Letter No. 992

November 23, 2015

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas or Company) (U 905 G) tenders herewith for filing the following tariff sheets:

Cal. P.U.C. Sheet No.	California Gas Tariff Title of Sheet	Canceling Cal. P.U.C. Sheet No.
1st Revised Sheet No. 45.4	Preliminary Statement ( <i>Continued</i> )	Original Sheet No. 45.4
1st Revised Sheet No. 45.5	Preliminary Statement ( <i>Continued</i> )	Original Sheet No. 45.5
48th Revised Sheet No. 67	Statement of Rates – Rates Applicable to Southern California Service Area	46th Revised Sheet No. 67
64th Revised Sheet No. 69	Statement of Rates – Rates Applicable to Northern California Service Area	63rd Revised Sheet No. 69
64th Revised Sheet No. 71	Statement of Rates – Rates Applicable to South Lake Tahoe Service Area	63rd Revised Sheet No. 71
2nd Revised Sheet No. 79	Schedule Nos. GS-10/GN-10/SLT-10 Residential Gas Service	1st Revised Sheet No. 79
2nd Revised Sheet No. 81	Schedule No. GS-11 Residential Air-Conditioning Gas Service	1st Revised Sheet No. 81
2nd Revised Sheet No. 83	Schedule Nos. GS-12/GN-12/SLT-12 CARE Residential Gas Service	1st Revised Sheet No. 83
1st Revised Sheet No. 87	Schedule Nos. GS-15/GN-15/SLT-15 Secondary Residential Gas Service	Original Sheet No. 87
2nd Revised Sheet No. 88	Schedule Nos. GS-20/GN-20/SLT-20 Multi-Family Master-Metered Gas Service	1st Revised Sheet No. 88
2nd Revised Sheet No. 91	Schedule Nos. GS-25/GN-25/SLT-25 Multi-Family Master-Metered Gas Service - Submetered	1st Revised Sheet No. 91



Cal. P.U.C. Sheet No.	California Gas Tariff Title of Sheet (Continued)	Canceling Cal. P.U.C. Sheet No.
1st Revised Sheet No. 92	Schedule Nos. GS-25/GN-25/SLT-25 Multi-Family Master-Metered Gas Service – Submetered (Continued)	Original Sheet No. 92
1st Revised Sheet No. 93	Schedule Nos. GS-25/GN-25/SLT-25 Multi-Family Master-Metered Gas Service – Submetered (Continued)	Original Sheet No. 93

### **Purpose**

The purpose of this filing is to revise Southwest Gas' California Gas Tariff in accordance with Ordering Paragraphs (OP) 12, 14, and 15 in Decision (D.) 15-10-032, *Adopting Procedures Necessary for Natural Gas Corporations to Comply with the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms (Cap-and-Trade Program)*.

### **Background**

On March 13, 2014, the Commission issued Rulemaking 14-03-003, "...to establish the policy, programs, rules and tariffs necessary for natural gas investor-owned utilities (natural gas corporations) to comply with the California Air Resource Board's (ARB) Greenhouse Gas (GHG) Cap-and-Trade Program."<sup>1</sup> R.14-03-003 was bifurcated into two phases. Phase 1 addressed matters, such as authority for purchasing compliance instruments and the establishment of balancing accounts for GHG compliance costs and allowance revenues, which were necessary for the natural gas utilities to begin complying with the Cap-and-Trade regulations on January 1, 2015. Phase 2 was reserved for all remaining issues, including the return of GHG allowance revenues and customer outreach and education costs. D.14-12-040 was issued on December 18, 2014 and approved, with modifications, a Joint Settlement Agreement<sup>2</sup> addressing most Phase 1 issues, yet deferred consideration of minimum consignment percentages, GHG cost recovery, and each utility's 2015 cost forecast to Phase 2.<sup>3</sup>

On October 22, 2015, the Commission issued D.15-10-032 resolving Phase 2 issues, including,

---

<sup>1</sup> R.14-03-003, pg. 2.

<sup>2</sup> Parties to the Joint Settlement Agreement were Southwest Gas, Pacific Gas & Electric Company, Southern California Gas Company, San Diego Gas & Electric Company, and the Office of Ratepayer Advocates.

<sup>3</sup> D.14-12-040, pg. 23, 39.



...methodologies for natural gas utilities to use when calculating forecast and recorded GHG allowance proceeds and GHG costs associated with complying with Cap-and-Trade, and it approves an advice letter process for the utilities to use when forecasting and reconciling reasonable GHG costs and allowance proceeds. Today's decision approves the 2015 forecasts presented in the utilities' preliminary statements and requires the utilities to include GHG costs in customers' rates on an equal-cents-per-therm basis. The decision also adopts a natural gas California Climate Credit for residential customer of utilities.<sup>4</sup>

OPs 12, 14, and 15 directs the natural gas utilities to file Tier 2 Advice Letters within 30 days of the effective date of the decision to: 1) revise their GHG balancing accounts to include a new subaccount to record emission costs associated with lost and unaccounted for gas; 2) update the applicable rate schedules to specify that residential customers will receive an annual California Climate Credit each April, beginning in 2016; and 3) update existing transportation tariffs to include GHG costs in transportation rates. As such, Southwest Gas herewith revises its GHG Balancing Account Preliminary Statement, Statement of Rates, and applicable gas rate schedules, in compliance with the aforementioned directives.

This Advice Letter filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

#### **Effective Date**

Pursuant to OPs 12, 14 and 15, this Advice Letter should be classified as Tier 2 (effective after Energy Division approval). Southwest Gas respectfully requests that the tariff sheets filed herein be made effective December 23, which is 30 days from the date filed.

#### **Protest**

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based with specificity. The protest must be sent no later than 20-days after the date of this Advice Letter filing and shall be sent by letter via U.S. Mail, facsimile, or electronically mailed. The address for mailing or delivering a protest to the Commission is:

Energy Division  
California Public Utilities Commission  
Attention: Investigation, Monitoring & Compliance Program Manager  
505 Van Ness Avenue, Room 4002  
San Francisco, CA 94102  
E-mail: [edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)  
Facsimile: 415-703-2200

---

<sup>4</sup> D.15-10-032, pg. 2-3.



Advice Letter No. 992  
Page 4  
November 23, 2015

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004, at the same address as above and mailed or faxed to:

Mr. Justin Lee Brown  
Vice President/Regulation & Public Affairs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, Nevada 89193-8510  
Facsimile: 702-364-3452

### **Notice**

Pursuant to Energy Industry Rule 3.1(1), Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in G.O. 96-B since the tariff revisions proposed herein are being filed in compliance with D.15-10-032.

### **Service**

In accordance with G.O. 96-B, General Rule 4.3, Southwest Gas is mailing copies of this advice letter and related tariff sheets to the utilities and interested parties shown on the attached list.

Communications regarding this filing should be directed to:

Valerie J. Ontiveroz  
Regulatory Manager/California  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Telephone: 702-876-7323  
E-mail: [valerie.ontiveroz@swgas.com](mailto:valerie.ontiveroz@swgas.com)

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By:

  
Justin Lee Brown

Attachments

**Distribution List**

Advice Letter No. 992

In conformance with General Order 96-B, General Rule 4.3

The following individual has been served by regular, first-class mail:

Joe Como, Acting Director  
Office of Ratepayer Advocates  
California Public Utilities Commission  
505 Van Ness Avenue, 4th Floor  
San Francisco, CA 94105

The following individuals or entities have been served by electronic mail:

Pacific Gas & Electric Company  
[PGETariffs@pge.com](mailto:PGETariffs@pge.com)

Southern California Gas Company  
[SNewsom@semprautilities.com](mailto:SNewsom@semprautilities.com)

San Diego Gas & Electric Company  
[SDG&ETariffs@SempraUtilities.com](mailto:SDG&ETariffs@SempraUtilities.com)

Robert M. Pocta  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[rmp@cpuc.ca.gov](mailto:rmp@cpuc.ca.gov)

Nathaniel Skinner  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[nws@cpuc.ca.gov](mailto:nws@cpuc.ca.gov)

Pearlie Sabino  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[pzs@cpuc.ca.gov](mailto:pzs@cpuc.ca.gov)

**CALIFORNIA PUBLIC UTILITIES COMMISSION**

ADVICE LETTER FILING SUMMARY  
ENERGY UTILITY

<b>MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)</b>	
Company name/CPUC Utility No. <b>Southwest Gas Corporation (U 905 G)</b>	
Utility type: <input type="checkbox"/> ELC <input checked="" type="checkbox"/> GAS <input type="checkbox"/> PLC <input type="checkbox"/> HEAT <input type="checkbox"/> WATER	Contact Person: <b>Valerie J. Ontiveroz</b> Phone #: <b>(702) 876-7323</b> E-mail: <b>valerie.ontiveroz@swgas.com</b>
EXPLANATION OF UTILITY TYPE ELC = Electric      GAS = Gas PLC = Pipeline    HEAT = Heat      WATER = Water	(Date Filed/ Received Stamp by CPUC)
Advice Letter (AL) #: <b>992</b>	
Subject of AL: <b><u>To revise the Company's tariff pursuant to OPs 12, 14 and 15 in D.15-10-032.</u></b>	
Keywords (choose from CPUC listing): <b>Compliance</b>	
AL filing type: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual <input checked="" type="checkbox"/> One-Time <input type="checkbox"/> Other	
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:	
Does AL replace a withdrawn or rejected AL? If so, identify the prior AL <b>Not applicable</b>	
Summarize differences between the AL and the prior withdrawn or rejected AL <sup>1</sup> : <b>Not applicable</b>	
Resolution Required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Requested effective date: <b>December 23, 2015</b> No. of tariff sheets: 13	
Estimated system annual revenue effect: (%): <b>Not applicable</b>	
Estimated system average rate effect (%): <b>Not applicable</b>	
When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).	
Tariff schedules affected: <b><u>Preliminary Statement, Statement of Rates and Schedule Nos. 10, 11, 12, 15, 20 and 25</u></b>	
Service affected and changes proposed <sup>5</sup> : <b><u>See 'Subject of AL' above</u></b>	
Pending advice letters that revise the same tariff sheets: <b>Not applicable</b>	
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:	
<b>CPUC, Energy Division</b> <b>Attention: Tariff Unit</b> <b>505 Van Ness Ave.,</b> <b>San Francisco, CA 94102</b> <b>E-mail: edtariffunit@cpuc.ca.gov</b>	<b>Utility Info (including e-mail)</b> <b>Mr. Justin Lee Brown,</b> <b>Vice-President/Regulation &amp; Public Affairs</b> <b>Southwest Gas Corporation</b> <b>P. O. Box 98510</b> <b>Las Vegas, NV 89193-8510</b> <b>E-mail: justin.brown@swgas.com</b> <b>Facsimile: 702-364-3452</b>

<sup>5</sup> Discuss in AL if more space is needed.



PRELIMINARY STATEMENT  
(Continued)

25. GREENHOUSE GAS (GHG) BALANCING ACCOUNT (GHGBA)

25A. PURPOSE

The GHGBA is a two-way balancing account for the purpose of tracking and recording costs incurred to comply with the California Air Resource Board's (ARB) natural gas supplier Cap-and-Trade Program and revenues from consignment of the Company's natural gas supplier GHG allowances for auction under the Cap-and-Trade Program. The Company is authorized to establish the GHGBA pursuant to Decision (D.) 14-12-040.

25B. APPLICABILITY

Costs and revenues recorded in the GHGBA provision apply to all customer classes ("Non-Covered Entities"), excluding end-use customers who emit 25,000 metric tons of CO<sub>2</sub>e or more per year and are directly regulated by the ARB and any other customers who elect to opt-in to direct regulation under ARB's rules ("Covered Entities"). All Cap-and-Trade program costs are to be included in transportation rates for Non-Covered Entities. Covered Entities are only responsible for paying for emissions costs associated with lost and unaccounted for gas (LUAF).

25C. REVISION DATE

The Company shall file to update the GHGBA adjustment rates in its annual November Advice Letter filing to update balancing account surcharges and transportation and storage rates.

25D. FORECAST PERIOD VOLUMES

The volumes of gas, expressed in therms, to be utilized hereunder shall be the volumes estimated to be delivered during the 12 calendar-month period immediately following the Revision Date excluding end-use customers who emit 25,000 metric tons of CO<sub>2</sub>e or more per year and are directly regulated by the ARB and any other customers who elect to opt-in to direct regulation under ARB's Rules.

25E. ACCOUNTING

The Company will maintain separate subaccounts in the GHGBA for costs incurred to comply with the ARB's natural gas supplier Cap-and-Trade Program, revenues received from consignment of allowance for auction, and emission costs associated with LUAF.

1. The Company shall make the following entries for ARB natural gas supplier Cap-and-Trade Program costs in the GHGBA subaccount at the end of each month:

T  
N  
N  
N  
T/N  
T/N  
N  
N  
L

PRELIMINARY STATEMENT  
(Continued)

25. GREENHOUSE GAS (GHG) BALANCING ACCOUNT (GHGBA)

25E. ACCOUNTING (continued)

- a. A debit entry for costs associated with the ARB's natural gas supplier Cap-and-Trade Program, excluding emission costs associated with lost and unaccounted for gas (LUAF);
  - b. A debit entry for incremental Commission authorized Cap-and-Trade Program costs, not otherwise recovered in rates;
  - c. A credit entry equal to the GHGBA adjustment rate, excluding franchise taxes and uncollectible accounts expense, multiplied by the applicable volumes delivered during the month; and
  - d. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statement.
2. The Company will make the following entries for Cap-and-Trade Program revenues from consignment in the GHGBA subaccount at the end of each month:
- a. A credit entry equal to GHG revenues received from consignment of the Company's natural gas supplier GHG allowances for auction under the Cap-and-Trade Program;
  - b. A debit entry equal to the revenues returned to residential customers through the California Climate Credit annually in April; and
  - c. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statement.
3. The Company will make the following entries for emission costs associated with LUAF in the GHGBA subaccount at the end of each month:
- a. A debit entry for emissions costs associated with LUAF;
  - b. A credit entry equal to the GHGBA adjustment rate, excluding franchise taxes and uncollectible accounts expense, multiplied by the applicable volumes delivered during the month; and
  - c. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statement.

25F. GHGBA ADJUSTMENT RATES

The Company's GHG adjustment rates to recover costs to comply with the ARB's natural gas supplier Cap-and-Trade Program and to return revenues received from consignment of the Company's natural gas supplier GHG allowances for auction will be calculated pursuant to the methodologies set forth in D.15-10-032.

L  
L/N  
L/N  
L

T/N  
T/N

N  
N  
N

T/N

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate	
				CPUC	PPP			
<p>[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.76%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge.</p> <p>[2] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:</p>								
		GS-10, GS-11, GS-35, GS-12, GS-40, GS-15, GS-50, GS-20, GS-60, GS-25 GS-66	GS-70	GS-VIC	GS-LUZ			
<b>Upstream Intrastate Charges</b>								
Storage	\$	.01445		\$	.01445			
Variable		.03291	\$	.03291	.03291			
Upstream Interstate Reservation Charges		.05269		.05269				
IRRAM Surcharge		.00007		.00007				
<b>Balancing Account Adjustments</b>								
FCAM*		.21398	.18603	.21398	\$	.00000		
ITCAM		.00829	.00829	.00829				
<b>GHGBA**</b>								
Non-Covered Entities								
Covered Entities								
<b>Total Rate Adjustment</b>	<b>\$</b>	<b>.32239</b>	<b>\$</b>	<b>.22730</b>	<b>\$</b>	<b>.32232</b>	<b>\$</b>	<b>.00000</b>

\* The FCAM surcharge includes an amount of \$.18603 per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

\*\* Pursuant to D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap-and-Trade Program are to be included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAF).

N  
N  
N  
N  
N  
N

**STATEMENT OF RATES**  
**RATES APPLICABLE TO NORTHERN CALIFORNIA SERVICE AREA [1] [2]**

Schedule No. and Type of Charge	Margin	Charges [3] and Adjustments		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
					CPUC	PPP		
<b>GN-60-Core Internal Combustion Engine Gas Service</b>								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$ .26352	\$ .34400		\$ .60752	\$ .00068	\$ .05803	\$ .27889	\$ .94512
<b>GN-66-Core Small Electric Power Generation Gas Service</b>								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$ .26352	\$ .34400		\$ .60752	\$ .00068		\$ .27889	\$ .88709
<b>GN-70-Noncore General Gas Transportation Service</b>								
Basic Service Charge	\$ 100.00							\$ 100.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm	\$ .15903	\$ .07309		\$ .23212	\$ .00068	\$ .05803		\$ .29083
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>								
TFF Surcharge per Therm								\$ .00376
<b>TDS - Transportation Distribution System Shrinkage Charge</b>								
TDS Charge per Therm								\$ .00156
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>								
MHPS Surcharge per Space per Month								\$ .21000

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.56%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge.

[2] A Franchise Fee differential of 2.5% will be applied to monthly billings calculated for all rate schedules for all customers within the limits of the Town of Truckee.

[3] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

Charges and Adjustments Description	GN-10, GN-12, GN-15, GN-20, GN-25,		GN-35, GN-40, GN-50, GN-60, GN-66		GN-70
Upstream Interstate Charges					
Storage	\$	.02717			
Reservation		.21364			
IRRAM Surcharge		.00004		\$ .00004	
Balancing Account Adjustments					
FCAM*		.10315		.07305	
GHGBA**					
Non-Covered Entities					
Covered Entities					
<b>Total Rate Adjustment</b>	<b>\$</b>	<b>.34400</b>	<b>\$</b>	<b>.07309</b>	

\* The FCAM surcharge includes an amount of \$.07305 per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

\*\* Pursuant to D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap-and-Trade Program are to be included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAUF).

**STATEMENT OF RATES**  
**RATES APPLICABLE TO SOUTH LAKE TAHOE SERVICE AREA [1]**

Schedule No. and Type of Charge	Margin	Charges [2] and Adjustments		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
					CPUC	PPP		
<b>SLT-60-Core Internal Combustion Engine</b>								
<u>Gas Service</u>								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm	\$ .22555	\$ .33725		\$ .56280	\$ .00068	\$ .05803	\$ .27889	\$ .90040
<b>SLT-66-Core Small Electric Power Generation</b>								
<u>Gas Service</u>								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm	\$ .22555	\$ .33725		\$ .56280	\$ .00068		\$ .27889	\$ .84237
<b>SLT-70-Noncore General Gas Transportation</b>								
<u>Service</u>								
Basic Service Charge	\$ 100.00							\$ 100.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm	\$ .16163	\$ .06634		\$ .22797	\$ .00068	\$ .05803		\$ .28668
<b>TFF-Transportation Franchise Fee Surcharge</b>								
<u>Provision</u>								
TFF Surcharge per Therm								\$ .00376
<b>TDS-Transportation Distribution System</b>								
<u>Shrinkage Charge</u>								
TDS Charge per Therm								\$ .00156
<b>MHPS-Master-Metered Mobile Home Park</b>								
<u>Safety Inspection Provision</u>								
MHPS Surcharge per Space per Month								\$ .21000

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.56%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation service will also be subject to the TFF Surcharge.

[2] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

Charges and Adjustments Description	SLT-10, SLT-12, SLT-15, SLT-20, SLT-25		SLT-35, SLT-40, SLT-50, SLT-60, SLT-66		SLT-70
<b>Upstream Interstate Charges</b>					
Storage	\$ .02717				
Reservation	.21364				
IRRAM Surcharge	.00004		\$ .00004		
Balancing Account Adjustment					
FCAM *	.09640		.06630		
GHGBA					
Non-Covered Entities					
Covered Entities					
<b>Total Rate Adjustment</b>	<b>\$ .33725</b>		<b>\$ .06634</b>		

\* The FCAM surcharge includes an amount of \$.06630 per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

\*\* Pursuant to D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap-and-Trade Program are to be included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAF).

Schedule Nos. GS-10/GN-10/SLT-10

RESIDENTIAL GAS SERVICE

APPLICABILITY

Applicable to gas service to customers which consists of direct domestic gas usage in a residential dwelling for space heating, air conditioning, cooking, water heating, and other residential uses. This schedule is available only to primary residences.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

The commodity charges and basic service charge are set forth in the currently-effective Statement of Rates of this California Gas Tariff and are incorporated herein by reference.

Beginning in 2016, customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.<sup>[1]</sup> The credit will display as a line item on the customer's bill. The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given.

The baseline daily quantity in therms for all individually-metered residential uses are:

Climate Zone	Summer Season (May – October)	Winter Season (November – April)
Barstow	.39	1.71
Needles	.26	0.79
Victorville	.46	1.78
	Summer Season (June – September)	Winter Season (October – May)
Big Bear	.53	2.37
North Lake Tahoe	.66	2.63
South Lake Tahoe	.66	2.83
Truckee	.66	2.70

For billing purposes all quantities sold each month in excess of the baseline quantities shall be billed at the Tier II rate.

<sup>[1]</sup>Due to cycle billing, some customers may receive the CA Climate Credit on their May bills.

Schedule No. GS-11

RESIDENTIAL AIR-CONDITIONING GAS SERVICE

APPLICABILITY

Applicable to gas service to customers which consists of direct domestic gas usage in a residential dwelling for air conditioning in conjunction with space heating, cooking, water heating, and other residential uses. This schedule is available as an option only to primary residences with installed natural gas air-conditioning systems for customers who would otherwise receive service pursuant to Schedule No. GS-10, Residential Gas Service of this California Gas Tariff.

TERRITORY

Throughout the Company's certificated gas service areas in its Southern California Division, except as may hereafter be provided.

RATES

The commodity charges and basic service charge are set forth in the currently-effective Statement of Rates of this California Gas Tariff and are incorporated herein by reference.

Beginning in 2016, customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April. <sup>[1]</sup> The credit will display as a line item on the customer's bill. The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given.

The Tier I and summer season Tier II daily quantities in therms for all individually-metered residential uses are:

Southern California Division	Summer Season (May - October)		Winter Season (November - April)
	Tier I	Tier II	
Barstow	.39	.13	1.71
Needles	.26	.05	0.79
Victorville	.46	.18	1.78
	Summer Season (June - September)		Winter Season (October - May)
Big Bear	.53	.13	2.37

For billing purposes all summer season quantities sold each month in excess of the Tier II quantities shall be billed at the Gas Air-Conditioning rate, and all winter season quantities sold each month in excess of the Tier I quantities shall be billed at the Tier II rate.

<sup>[1]</sup>Due to cycle billing, some customers may receive the CA Climate Credit on their May bills.

Schedule Nos. GS-12/GN-12/SLT-12

CARE RESIDENTIAL GAS SERVICE

APPLICABILITY

Applicable to gas service to customers whose qualifying income does not exceed 200 percent of the Federal poverty level, pursuant to California Alternate Rates for Energy (CARE) program eligibility requirements. This service is available only to primary residences.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

The commodity charges and basic service charge are set forth in the currently-effective Statement of Rates of this California Gas Tariff and are incorporated herein by reference.

Beginning in 2016, customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.<sup>[1]</sup> The credit will display as a line item on the customer's bill. The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given. The CA Climate Credit will be applied after the California Alternate Rates for Energy (CARE) is applied to the customer's bill to ensure the customer receives the maximum benefit of the CARE program.

The baseline daily quantity in therms for all individually-metered residential uses are:

Climate Zone	Summer Season (May – October)	Winter Season (November – April)
Barstow	.39	1.71
Needles	.26	0.79
Victorville	.46	1.78
	Summer Season (June – September)	Winter Season (October – May)
Big Bear	.53	2.37
North Lake Tahoe	.66	2.63
South Lake Tahoe	.66	2.83
Truckee	.66	2.70

For billing purposes all quantities sold each month in excess of the baseline quantities shall be billed at the Tier II rate.

<sup>[1]</sup>Due to cycle billing, some customers may receive the CA Climate Credit on their May bills.



Schedule Nos. GS-15/GN-15/SLT-15

SECONDARY RESIDENTIAL GAS SERVICE

APPLICABILITY

Applicable to gas service to customers which consists of direct domestic gas usage in a residential dwelling for space heating, air conditioning, cooking, water heating, and other residential uses. This schedule is available only to recreational, vacation, or secondary homes.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

The commodity charges and basic service charge are set forth in the currently-effective Statement of Rates of this California Gas Tariff and are incorporated herein by reference.

Beginning in 2016, customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.<sup>[1]</sup> The credit will display as a line item on the customer's bill. The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given.

The number of therms shall be determined in accordance with the provisions of Rule No. 2C of this California Gas Tariff.

Minimum Charge:

The minimum charge per meter per month is the basic service charge.

SPECIAL CONDITIONS

Service under this schedule is subject to discontinuance without notice in case of an actual or threatened shortage of natural gas, whether due to insufficient supply or to inadequate transmission or delivery capacity of the facilities of either the Company or its wholesale supplier. The Company will not be liable for damages occasioned by interruption or discontinuance of service supplied under this schedule. Such interruption or discontinuance of service will be made in accordance with Rule No. 20 of this California Gas Tariff.

<sup>[1]</sup>Due to cycle billing, some customers may receive the CA Climate Credit on their May bills.

N  
|  
N

N

T  
T

Schedule Nos. GS-20/GN-20/SLT-20

MULTI-FAMILY MASTER-METERED GAS SERVICE

APPLICABILITY

Applicable to gas service for cooking, water heating, space heating, and other residential usages supplied to multi-family accommodations through one meter on a single premise in accordance with Rule No. 18 of this California Gas Tariff. This schedule is closed to new installations.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

The commodity charges and basic service charge are set forth in the currently-effective Statement of Rates of this California Gas Tariff and are incorporated herein by reference.

Beginning in 2016, customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.<sup>[1]</sup> The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given. The master-metered customer will receive one credit for each resident being served through the master-meter. It is the responsibility of the master-metered customer to pass the CA Climate Credit on to the resident.

The baseline daily quantity in therms per residential unit are:

Climate Zone	Summer Season (May – October)	Winter Season (November – April)
Barstow	.39	1.71
Needles	.26	0.79
Victorville	.46	1.78
	Summer Season (June – September)	Winter Season (October – May)
Big Bear	.53	2.37
North Lake Tahoe	.66	2.63
South Lake Tahoe	.66	2.83
Truckee	.66	2.70

For billing purposes all quantities sold each month in excess of the baseline quantities shall be billed at the Tier II rate.

<sup>[1]</sup>Due to cycle billing, some customers may receive the CA Climate Credit on their May bills.

Schedule Nos. GS-25/GN-25/SLT-25

MULTI-FAMILY MASTER-METERED GAS SERVICE – SUBMETERED

APPLICABILITY

This schedule is applicable to service for cooking, water heating, space heating, and other residential usages supplied to multi-family accommodations through one meter on a single premise and submetered to all individual tenants in accordance with Rule No. 18 of this California Gas Tariff. Pursuant to Assembly Bill No. 622 dated September 12, 1996, this schedule is closed to new installations for mobile home parks or manufactured housing communities for which construction has commenced on or after January 1, 1997.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

The commodity charge, basic service charge and submetering discount are set forth in the currently-effective Statement of Rates of this California Gas Tariff and are incorporated herein by reference. The submetering discount will be applied to each occupied submetered mobile home park space per month. However, in no instance shall the monthly bill be less than the minimum charge.

Beginning in 2016, customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.<sup>[1]</sup> The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given. The CA Climate Credit will be applied after the California Alternate Rates for Energy (CARE) is applied to the customer's bill to ensure the customer receives the maximum benefit of the CARE program. The master-metered customer will receive one credit for each submetered resident. It is the responsibility of the master-metered customer to pass the CA Climate Credit on to the submetered resident.

<sup>[1]</sup>Due to cycle billing, some customers may receive the CA Climate Credit on their May bills.

N  
N  
L  
N

Schedule Nos. GS-25/GN-25/SLT-25

MULTI-FAMILY MASTER-METERED GAS SERVICE – SUBMETERED  
(Continued)

RATES (Continued)

The baseline daily quantity in therms per residential unit are:

Climate Zone	Summer Season (May – October)	Winter Season (November – April)
Barstow	.39	1.71
Needles	.26	0.79
Victorville	.46	1.78
	Summer Season (June – September)	Winter Season (October – May)
Big Bear	.53	2.37
North Lake Tahoe	.66	2.63
South Lake Tahoe	.66	2.83
Truckee	.66	2.70

For billing purposes all quantities sold each month in excess of the baseline quantities shall be billed at the Tier II rate.

Upon completion of an application and verification by a state licensed physician, surgeon or osteopath, an additional monthly medical allowance of 25 therms will be provided for hemiplegic/paraplegic/quadruplegic persons, multiple sclerosis/scleroderma patients and persons who are being treated for a life-threatening illness and have a compromised immune system who are full-time residents in a household served under this schedule.

If the customer qualifying for the standard medical allowance can demonstrate to the Company's satisfaction that the 25-therm allowance is insufficient to meet the life-support and comfort requirements of the eligible resident, the Company shall make a determination as to the additional quantity required and round such quantity to the next higher 25 therms.

The number of therms shall be determined in accordance with the provisions of Rule No. 2C of this California Gas Tariff.

For billing purposes, the baseline quantity shall be determined by multiplying the allowable baseline quantity per residential unit by the number of qualifying residential units.

L  
L  
T  
T

Schedule Nos. GS-25/GN-25/SLT-25

MULTI-FAMILY MASTER-METERED GAS SERVICE – SUBMETERED

*(Continued)*

CARE Program Discount:

If an individual submetered tenant of a multi-family master-metered customer meets the eligibility criteria established in Schedule Nos. GS-12/GN-12/SLT-12 of this California Gas Tariff, the tenant shall be eligible for the CARE discount. All the Special Conditions set forth in Schedule Nos. GS-12/GN-12/SLT-12 shall apply. Recertification of eligibility will be required every two years and whenever a submetered tenant moves.

For billing purposes, the Company will bill the master-metered customer the discounted rate for the number of eligible submetered tenants. It is the responsibility of master-metered customers to pass the CARE discount to the eligible tenant and to notify the Company when a submetered tenant moves.

Minimum Charge:

The minimum charge per meter per month is the basic service charge.

SPECIAL CONDITIONS

1. Residential service under this schedule includes service to residential units and mobile home units, but does not include enterprises such as rooming houses, boarding houses, dormitories, rest homes, military barracks, stores, restaurants, service stations, and other similar establishments.
2. As a condition to service under this schedule, a master-meter customer must attach to his application for such service a Declaration of Eligibility for Baseline Rates stating the number of occupied units to be billed. The total baseline allowance will be determined on this declaration.
3. It is the responsibility of the customer to advise the Company within 15 days following any change in the number of residential dwelling units and mobile home spaces utilizing gas service. Failure to do so may result in the loss of baseline rates.

The number of residential units eligible for baseline allowances is subject to verification by the Company. In the event the Company ascertains a customer's ineligibility of a baseline allowance, an appropriate adjusted bill may be rendered to the customer.

L  
L

T  
T



## **SOUTHWEST GAS CORPORATION**

November 30, 2015

ATTN: Tariff Unit  
Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4004  
San Francisco, CA 94102

RE: Southwest Gas Corporation (U 905 G)  
Advice Letter 992  
Substitute Sheet Filing

Enclosed are an original and one (1) copy of substitute California P.U.C. Sheet No. 67. This sheet was submitted in Advice Letter No. (AL) 992, dated November 23, 2015. AL 992 was filed by Southwest Gas Corporation in compliance with Decision 15-10-032 to incorporate several revisions to its California Gas Tariff, including incorporating information regarding the natural gas California Climate Credit and creating a new subaccount in the Greenhouse Gas Balancing Account to record emissions costs associated with lost and unaccounted for gas (LUAF).

The purpose of this transmittal is to amend tariff Sheet No. 67, Statement of Rates Applicable to Southern California Division, to include the FCAM surcharge rate applicable to Schedule No. GS-LUZ in footnote 2. Southwest Gas intended to include the FCAM surcharge rate on Sheet No. 67 with a 'P' designation since this sheet was filed in Advice Letter No. 990.

The substitute sheets are denoted by an asterisk (\*). One additional copy is enclosed for date-stamp and return in the self-addressed envelope provided.

In accordance with General Order 96-B, General Rule 7.5.1 and Energy Industry Rule 3.2, Southwest is mailing copies of this substitute sheet filing and related tariff sheets to the utilities and interested parties shown on the attached list.

Southwest Gas appreciates your assistance in this matter.

Respectfully,

Valerie J. Ontiveroz  
Regulatory Manager/California

Enclosure

DISTRIBUTION LIST

Advice Letter No. 992  
Substitute Sheet Filing

In conformance with GO 96-B, General Rule 4.3

The following individual has been served by regular, first-class mail:

Joe Como, Acting Director  
Office of Ratepayer Advocates  
California Public Utilities Commission  
505 Van Ness Avenue, 4th Floor  
San Francisco, CA 94105

The following individuals or entities have been served by electronic mail:

Pacific Gas & Electric Company  
[PGETariffs@pge.com](mailto:PGETariffs@pge.com)

Southern California Gas Company  
[SNewsom@semprautilities.com](mailto:SNewsom@semprautilities.com)

San Diego Gas & Electric Company  
[SDG&ETariffs@SempraUtilities.com](mailto:SDG&ETariffs@SempraUtilities.com)

Robert M. Pocta  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[rmp@cpuc.ca.gov](mailto:rmp@cpuc.ca.gov)

Nathaniel Skinner  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[nws@cpuc.ca.gov](mailto:nws@cpuc.ca.gov)

Pearlie Sabino  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[pzs@cpuc.ca.gov](mailto:pzs@cpuc.ca.gov)

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Southwest Gas Corporation (U 905 G)**

Utility type:

ELC **XX GAS**

PLC  HEAT  WATER

Contact Person: **Valerie J. Ontiveroz**

Phone #: **(702) 876-7323**

E-mail: **valerie.ontiveroz@swgas.com**

### EXPLANATION OF UTILITY TYPE

ELC = Electric  
PLC = Pipeline

GAS = Gas  
HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **992**

Subject of AL: **Substitute Sheet – Sheet No. 67**

Keywords (choose from CPUC listing): **Correction**

AL filing type:  Monthly  Quarterly  Annual **XX One-Time**  Other \_\_\_\_\_

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL **Not applicable**

Summarize differences between the AL and the prior withdrawn or rejected AL<sup>1</sup>: **Not applicable**

Resolution Required?  Yes **XX No**

Tier Review Level? **XX 1**  2  3

Requested effective date: **December 23, 2015**

No. of tariff sheets: **None**

Estimated system annual revenue effect (%): **Not applicable**

Estimated system average rate effect (%): **Not applicable**

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: **Not applicable**

Service affected and changes proposed<sup>1</sup>: **See 'Subject of AL' above**

Pending advice letters that revise the same tariff sheets: **Not applicable**

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:**

**CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Ave.,  
San Francisco, CA 94102  
edtariffunit@cpuc.ca.gov**

**Utility Info (including e-mail)  
Mr. Justin Lee Brown  
Vice President/Regulation and  
Public Affairs  
Southwest Gas Corporation  
P. O. Box 98510  
Las Vegas, NV 89193-8510  
justin.brown@swgas.com  
Facsimile: 702-876-7037**

<sup>1</sup> Discuss in AL if more space is needed.



**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP		
<p>[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.76%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge.</p> <p>[2] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:</p>							
		GS-10, GS-11, GS-12, GS-15, GS-20, GS-25	GS-35, GS-40, GS-50, GS-60, GS-66	GS-70	GS-VIC	GS-LUZ	
Upstream Intrastate Charges							
Storage	\$	.01445			\$ .01445		
Variable		.03291	\$ .03291		.03291		
Upstream Interstate Reservation Charges		.05269			.05269		
IRRAM Surcharge		.00007	.00007				
Balancing Account Adjustments							
FCAM*		.21398	.18603		.21398	\$ .18603	
ITCAM		.00829	.00829		.00829		
GHGBA**							
Non-Covered Entities							
Covered Entities							
Total Rate Adjustment	\$	.32239	\$ .2273	\$ .32232	\$ .18603		

\* The FCAM surcharge includes an amount of \$.18603 per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

\*\* Pursuant to D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap-and-Trade Program are to be included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAF).

**ADVICE LETTER (AL) SUSPENSION NOTICE**  
**ENERGY DIVISION**

Utility Name: Southwest Gas

Date Utility Notified: 12/18/15

Utility Number/Type: U905-G

[ X ] E-Mailed to: Valerie.ontiveroz@swgas.com

Advice Letter Number(s) 992

ED Staff Contact: Amy Kochanowsky

Date AL(s) Filed: 11/23/15

ED Staff Email: [ak1@cpuc.ca.gov](mailto:ak1@cpuc.ca.gov)

Utility Contact Person: Valerie Ontiveroz

ED Staff Phone No.: 415-703-3175

Utility Phone No.: 702-876-7323

**[X] INITIAL SUSPENSION (up to 120 DAYS from the expiration of the initial review period)**

This is to notify that the above-indicated AL is suspended for up to 120 days beginning December 23, 2015 for the following reason(s) below. If the AL requires a Commission resolution and the Commission's deliberation on the resolution prepared by Energy Division extends beyond the expiration of the initial suspension period, the advice letter will be automatically suspended for up to 180 days beyond the initial suspension period.

[ ] A Commission Resolution is Required to Dispose of the Advice Letter

[ ] Advice Letter Requests a Commission Order

[X] Advice Letter Requires Staff Review

---

The expected duration of initial suspension period is 120 days

---

**[ ] FURTHER SUSPENSION (up to 180 DAYS beyond initial suspension period)**

The AL requires a Commission resolution and the Commission's deliberation on the resolution prepared by Energy Division has extended beyond the expiration of the initial suspension period. The advice letter is suspended for up to 180 days beyond the initial suspension period.

---

If you have any questions regarding this matter, please contact Amy Kochanowsky at [ak1@cpuc.ca.gov](mailto:ak1@cpuc.ca.gov).

cc:

Melicia Charles  
EDTariffUnit