

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



December 30, 2015

**Advice Letter 995-G**

Justin Lee Brown  
Vice-President/Regulatory Affairs  
Southwest Gas Corporation  
PO Box 98510  
Las Vegas, NV 89193-8510

**SUBJECT: To Adjust Rates to Recover SWGC's 2016 Post Test-Year Margin Revenue  
in Compliance with D.14-06-028**

Dear Mr. Brown:

Advice Letter 995-G is effective as of December 30, 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 30, 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. 995

Enclosed herewith is one (1) copy of Southwest Gas Corporation's Advice Letter No. 995, together with California Gas Tariff Sheet Nos. 18, 65-66, and 68-71.

Sincerely,

Justin Lee Brown  
Vice President/Regulation & Public Affairs

JLB:jjp  
Enclosures



# SOUTHWEST GAS CORPORATION

Advice Letter No. 995

November 30, 2015

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas) (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.
5th Revised Sheet No. 18	Preliminary Statement (Continued)	4th Revised Sheet No. 18
65th Revised Sheet No. 65	Statement of Rates - Rates Applicable to Southern California Service Area	63rd Revised Sheet No. 65
66th Revised Sheet No. 66	Statement of Rates - Rates Applicable to Southern California Service Area	63rd Revised Sheet No. 66
65th Revised Sheet No. 68	Statement of Rates - Rates Applicable to Southern California Service Area	63rd Revised Sheet No. 68
66th Revised Sheet No. 69	Statement of Rates - Rates Applicable to Northern California Service Area	63rd Revised Sheet No. 69
32nd Revised Sheet No. 70	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	30th Revised Sheet No. 70
66th Revised Sheet No. 71	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	63rd Revised Sheet No. 71

### Purpose

The purpose of this filing is to adjust rates applicable to Southwest Gas' Southern California, Northern California, and South Lake Tahoe Divisions to recover the Company's 2016 Post Test-Year margin revenue in compliance with Decision (D.)14-06-028. These adjustments result in increases of \$1,801,254, \$499,267, and \$249,390 in Southwest Gas' Southern California, Northern California, and South Lake Tahoe Divisions, respectively.



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Page 2  
November 30, 2015

### **Effective Date**

Southwest Gas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 2 (effective after Energy Division approval) pursuant to General Order (GO) 96-B. Southwest Gas respectfully requests the rate changes proposed herein be approved December 30, 2015, which is 30 days from the date of filing, with rates effective January 1, 2016.

### **Protest**

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based with specificity, and should be submitted expeditiously. 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

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, NV 89193-8510  
Facsimile: 702-364-3452

### **Notice**

Pursuant to Energy Industry Rule 3.1(2), Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since this Advice Letter is filed pursuant to D.14-06-028.



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Page 3  
November 30, 2015

**Service**

In accordance with GO 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. 995

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       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    GAS = Gas  
PLC = Pipeline   HEAT = Heat      WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **995**

Subject of AL: **To adjust rates to recover Southwest Gas' 2016 Post Test-Year margin revenue in compliance with D.14-06-028.**

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

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: **D.14-06-028**

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  No

Requested effective date: **January 1, 2016**

No. of tariff sheets: 7

Estimated system annual revenue effect (%): **1.36% SCA, 1.44% NCA and 1.02% SLT**

Estimated system average rate effect (%): **1.36% SCA, 1.44% NCA and 1.02% SLT**

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: **AL 990 & 992**

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**  
**E-mail: edtariffunit@cpuc.ca.gov**

**Utility Info (including e-mail)**  
**Mr. Justin Lee Brown,**  
**Vice-President/Regulation & Public Affairs**  
**Southwest Gas Corporation**  
**P. O. Box 98510**  
**Las Vegas, NV 89193-8510**  
**E-mail: justin.brown@swgas.com**  
**Facsimile: 702-364-3452**

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

PRELIMINARY STATEMENT  
(Continued)

9. FIXED COST ADJUSTMENT MECHANISM (FCAM) (Continued)

9F. ACCOUNTING PROCEDURE (Continued)

ANNUAL 2016 MARGIN

	<u>Southern California</u>	<u>Northern California</u>	<u>South Lake Tahoe</u>
January	\$ 9,466,526	\$ 2,789,899	\$ 1,194,519
February	\$ 8,248,495	\$ 2,514,404	\$ 1,108,858
March	\$ 7,123,533	\$ 2,303,961	\$ 1,035,419
April	\$ 5,295,078	\$ 1,862,556	\$ 881,291
May	\$ 4,263,151	\$ 1,391,363	\$ 711,731
June	\$ 4,598,083	\$ 1,062,666	\$ 588,343
July	\$ 4,121,081	\$ 736,984	\$ 474,627
August	\$ 4,200,820	\$ 654,609	\$ 443,963
September	\$ 4,470,415	\$ 697,282	\$ 463,632
October	\$ 3,313,756	\$ 873,429	\$ 569,246
November	\$ 4,587,459	\$ 1,441,922	\$ 792,792
December	\$ 7,613,006	\$ 2,325,346	\$ 1,053,703
<u>Total</u>	<u>\$ 67,301,403</u>	<u>\$ 18,654,421</u>	<u>\$ 9,318,124</u>

2. An entry to record interest on the Fixed Cost Balancing Account balance after entry (1) above, calculated as set forth in Section 12B of this Preliminary Statement.



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

Schedule No. and Type of Charge	Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges CPUC      PPP		Gas Cost	Effective Sales Rate
<b>GS-10-Residential Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm							
Baseline Quantities	\$ .64656	\$ .32239	\$ .96895	\$ .00068	\$ .10346	\$ .27208	\$ 1.34517
Tier II	\$ .81783	.32239	1.14022	.00068	.10346	.27208	1.51644
<b>GS-11-Residential Air-Conditioning Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm							
Tier I	\$ .64656	\$ .32239	\$ .96895	\$ .00068	\$ .10346	\$ .27208	\$ 1.34517
Tier II	.81783	.32239	1.14022	.00068	.10346	.27208	1.51644
Air-Conditioning	\$ .32328	.32239	.64567	.00068	.10346	.27208	1.02189
<b>GS-12-CARE Residential Gas Service</b>							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm							
Baseline Quantities	\$ .39835	\$ .32239	\$ .72074	\$ .00068	\$ .04474	\$ .27208	\$ 1.03824
Tier II	.53537	.32239	.85776	.00068	.04474	.27208	1.17526
<b>GS-15-Secondary Residential Gas Service</b>							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm	\$ .99732	\$ .32239	\$ 1.31971	\$ .00068	\$ .10346	\$ .27208	\$ 1.69593
<b>GS-20-Multi-Family Master-Metered Gas Service</b>							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm							
Baseline Quantities	\$ .64656	\$ .32239	\$ .96895	\$ .00068	\$ .10346	\$ .27208	\$ 1.34517
Tier II	.81783	.32239	1.14022	.00068	.10346	.27208	1.51644
<b>GS-25 -Multi-Family Master-Metered Gas Service-Submetered</b>							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm							
Baseline Quantities	\$ .64656	\$ .32239	\$ .96895	\$ .00068	\$ .10346	\$ .27208	\$ 1.34517
Tier II	.81783	.32239	1.14022	.00068	.10346	.27208	1.51644
Submetered Discount per Occupied Space	(\$7.69)						(\$7.69)
<b>GS-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm							
First 100	\$ .35408	\$ .32239	.67647	\$ .00068	\$ .04474	\$ .27208	\$ .99397
Next 500	.22739	.32239	.54978	.00068	.04474	.27208	.86728
Next 2,400	.12604	.32239	.44843	.00068	.04474	.27208	.76593
Over 3,000	.00019	.32239	.32258	.00068	.04474	.27208	.64008
<b>GS-40-Core General Gas Service</b>							
Basic Service Charge	\$11.00						\$11.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm							
First 100	\$ .59122	\$ .32239	\$ .91361	\$ .00068	\$ .10346	\$ .27208	\$ 1.28983
Next 500	.43286	.32239	.75525	.00068	.10346	.27208	1.13147
Next 2,400	\$ .30617	.32239	.62856	.00068	.10346	.27208	1.00478
Over 3,000	\$ .14885	.32239	.47124	.00068	.10346	.27208	.84746

**STATEMENT OF RATES**  
**RATES APPLICABLE TO SOUTHERN CALIFORNIA 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>GS-50-Core Natural Gas Service for Motor Vehicles</b>									
Basic Service Charge	\$25.00							\$25.00	
Cost per Therm	\$ .11511	\$ .32239	\$ .43750	\$ .00068	\$ .10346	\$ .27208	\$ .81372		I
<b>GS-60-Core Internal Combustion Engine Gas Service</b>									
Basic Service Charge	\$25.00							\$25.00	
Cost per Therm	\$ .17076	\$ .32239	\$ .49315	\$ .00068	\$ .10346	\$ .27208	\$ .86937		I
<b>GS-LUZ-Solar Electric Generation Gas Service</b>									
Basic Service Charge	\$50.00							\$50.00	
Cost per Therm	\$ .04932	\$ .18603	\$ .23535	\$ .00068			\$ .23603		I/P
<b>GS-66-Core Small Electric Power Generation Gas Service</b>									
Basic Service Charge	\$25.00							\$25.00	
Cost per Therm	\$ .23905	\$ .32239	\$ .56144	\$ .00068		\$ .27208	\$ .83420		I
<b>GS-70-Noncore General Gas Transportation Service</b>									
Basic Service Charge	\$100.00							\$100.00	
Transportation Service Charge	\$780.00							\$780.00	
Cost per Therm	\$ .12467	\$ .22730	\$ .35197	\$ .00068	\$ .10346		\$ .45611		I
<b>GS-VIC City of Victorville Gas Service</b>									
Basic Service Charge	\$11.00							\$ 11.00	
Transportation Service Charge	\$780.00							\$780.00	
Cost per Therm	\$ .34993	\$ .32232	\$ .67225	\$ .00068		\$ .27208	\$ .94501		I
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>									
TFF Surcharge per Therm								\$ .00335	
<b>TDS - Transportation Distribution System Shrinkage Charge</b>									
TDS Charge per Therm								\$ .00207	
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>									
MHPS Surcharge per Space per Month								\$ .21000	

**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 CPUC      PPP		Gas Cost	Effective Sales Rate
<b>GN-10-Residential Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm							
Baseline Quantities	\$ .71036	\$ .34400	\$ 1.05436	\$ .00068	\$ .05803	\$ .27889	\$ 1.39196
Tier II	.82117	.34400	1.16517	.00068	.05803	.27889	1.50277
<b>GN-12-CARE Residential Gas Service</b>							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm							
Baseline Quantities	\$ .44371	\$ .34400	\$ .78771	\$ .00068	\$ .04474	\$ .27889	\$ 1.11202
Tier II	.53236	.34400	.87636	.00068	.04474	.27889	1.20067
<b>GN-15-Secondary Residential Gas Service</b>							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm	\$ .85533	\$ .34400	\$ 1.19933	\$ .00068	\$ .05803	\$ .27889	\$ 1.53693
<b>GN-20-Multi-Family Master-Metered Gas Service</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Baseline Quantities	\$ .71036	\$ .34400	\$ 1.05436	\$ .00068	\$ .05803	\$ .27889	\$ 1.39196
Tier II	.82117	.34400	1.16517	.00068	.05803	.27889	1.50277
<b>GN-25-Multi-Family Master-Metered Gas Service-Submetered</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Baseline Quantities	\$ .71036	\$ .34400	\$ 1.05436	\$ .00068	\$ .05803	\$ .27889	\$ 1.39196
Tier II	.82117	.34400	1.16517	.00068	.05803	.27889	1.50277
Submetered Discount per Occupied Space	(\$11.01)						(\$11.01)
<b>GN-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm							
First 100	\$ .34840	\$ .34400	\$ .69240	\$ .00068	\$ .04474	\$ .27889	\$ 1.01671
Next 500	.25296	.34400	.59696	.00068	.04474	.27889	.92127
Next 2,400	.16005	.34400	.50405	.00068	.04474	.27889	.82836
Over 3,000	.01382	.34400	.35782	.00068	.04474	.27889	.68213
<b>GN-40-Core General Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Transportation Service Charge	\$ 780.00						\$ 780.00
Cost per Therm							
First 100	\$ .59122	\$ .34400	\$ .93522	\$ .00068	\$ .05803	\$ .27889	\$ 1.27282
Next 500	.47192	.34400	.81592	.00068	.05803	.27889	1.15352
Next 2,400	.35579	.34400	.69979	.00068	.05803	.27889	1.03739
Over 3,000	.17300	.34400	.51700	.00068	.05803	.27889	.85460
<b>GN-50-Core Natural Gas Service for Motor Vehicles</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm	\$ .09852	\$ .34400	\$ .44252	\$ .00068	\$ .05803	\$ .27889	\$ .78012

**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	\$ .27273	\$ .34400		\$ .61673	\$ .00068	\$ .05803	\$ .27889	\$ .95433
<b>GN-66-Core Small Electric Power Generation Gas Service</b>								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$ .27273	\$ .34400		\$ .61673	\$ .00068		\$ .27889	\$ .89630
<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	\$ .16437	\$ .07309		\$ .23746	\$ .00068	\$ .05803		\$ .29617
<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-35, GN-12, GN-40, GN-15, GN-50, GN-20, GN-60, GN-25, GN-66		GN-70
<b>Upstream Interstate Charges</b>			
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>\$ .34400</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 (LUAF).

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**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-10-Residential Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm							
Baseline Quantities	\$ .31102	\$ .33725	\$ .64827	\$ .00068	\$ .05803	\$ .27889	\$ .98587
Tier II	.39856	.33725	.73581	.00068	.05803	.27889	1.07341
<b>SLT-12-CARE Residential Gas Service</b>							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm							
Baseline Quantities	\$ .12559	\$ .33725	\$ .46284	\$ .00068	\$ .04474	\$ .27889	\$ .78715
Tier II	.19562	.33725	.53287	.00068	.04474	.27889	.85718
<b>SLT-15-Secondary Residential Gas Service</b>							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm	\$ .43159	\$ .33725	\$ .76884	\$ .00068	\$ .05803	\$ .27889	\$ 1.10644
<b>SLT-20-Multi-Family Master-Metered Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm							
Baseline Quantities	\$ .31102	\$ .33725	\$ .64827	\$ .00068	\$ .05803	\$ .27889	\$ .98587
Tier II	.39856	.33725	.73581	.00068	.05803	.27889	1.07341
<b>SLT-25-Multi-Family Master-Metered Gas Service-Submetered</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm							
Baseline Quantities	\$ .31102	\$ .33725	\$ .64827	\$ .00068	\$ .05803	\$ .27889	\$ .98587
Tier II	.39856	.33725	.73581	.00068	.05803	.27889	1.07341
Submetered Discount per Occupied Space	(\$ 7.69)						(\$ 7.69)
<b>SLT-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm							
First 100	\$ .21461	\$ .33725	\$ .55186	\$ .00068	\$ .04474	\$ .27889	\$ .87617
Next 500	.16394	.33725	.50119	.00068	.04474	.27889	.82550
Next 2,400	.11326	.33725	.45051	.00068	.04474	.27889	.77482
Over 3,000	.01981	.33725	.35706	.00068	.04474	.27889	.68137
<b>SLT-40-Core General Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Transportation Service Charge	\$ 780.00						\$ 780.00
Cost per Therm							
First 100	\$ .42230	\$ .33725	\$ .75955	\$ .00068	\$ .05803	\$ .27889	\$ 1.09715
Next 500	.35896	.33725	.69621	.00068	.05803	.27889	1.03381
Next 2,400	.29561	.33725	.63286	.00068	.05803	.27889	.97046
Over 3,000	.17880	.33725	.51605	.00068	.05803	.27889	.85365
<b>SLT-50-Core Natural Gas Service for Motor Vehicles</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm	\$ .20358	\$ .33725	\$ .54083	\$ .00068	\$ .05803	\$ .27889	\$ .87843

**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 Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm	\$ .23175	\$ .33725	\$ .56900	\$ .00068	\$ .05803	\$ .27889	\$ .90660
<b>SLT-66-Core Small Electric Power Generation Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm	\$ .23175	\$ .33725	\$ .56900	\$ .00068		\$ .27889	\$ .84857
<b>SLT-70-Noncore General Gas Transportation Service</b>							
Basic Service Charge	\$ 100.00						\$ 100.00
Transportation Service Charge	\$ 780.00						\$ 780.00
Cost per Therm	\$ .16707	\$ .06634	\$ .23341	\$ .00068	\$ .05803		\$ .29212
<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 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-35, SLT-12, SLT-40, SLT-15, SLT-50, SLT-20, SLT-60, SLT-25, SLT-66		SLT-70
Upstream Interstate Charges			
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).

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**SOUTHWEST GAS CORPORATION  
SOUTHERN CALIFORNIA  
2016 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2015 (c)	2016 (d)	Line No.
1	Previous Year's Authorized Margin [1]	\$ 63,747,104	\$ 65,500,149	1
2	Post-Test Year Adjustment Percent [2]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 1,753,045</u>	<u>\$ 1,801,254</u>	3
4	Authorized Margin [1],[2]	<u>\$ 65,500,149</u>	<u>\$ 67,301,403</u>	4
5	ATM Cost of Capital Adjustment	\$ 0	\$ 0	5
6	Adjusted Authorized Margin	<u>\$ 65,500,149</u>	<u>\$ 67,301,403</u>	6
7	Special Contract Gas Service	<u>\$ 22,379</u>	<u>\$ 22,379</u>	7
8	Total Authorized Margin Amount	<u><u>\$ 65,522,528</u></u>	<u><u>\$ 67,323,782</u></u>	8

[1] Does not include Special Contract Gas Service Amounts.

[2] Approved by Commission in D.14-06-028.

**SOUTHWEST GAS CORPORATION**  
**SOUTHERN CALIFORNIA RATE JURISDICTION**  
**CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES**  
**POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2015**

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2015 Authorized Margin [1]		2016 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<b><u>Residential Gas Service</u></b>										
1	Basic Service Charge	GS-10	1,534,970		\$ 5.00	\$ 7,674,850	\$ 5.00	\$ 7,674,850		1
2	Commodity Charge	GS-12		42,313,225	\$0.62467	\$26,431,895	\$0.64656	\$27,358,062		2
3	Baseline Quantities			19,535,277	\$0.79594	\$15,548,951	\$0.81783	\$15,976,546		3
4	Tier II			61,848,502		\$49,655,696		\$51,009,458	\$51,009,458	4
	Total Residential Gas Service		1,534,970							
<b><u>Residential Air-Conditioning Gas Service</u></b>										
5	Basic Service Charge	GS-11	0		\$ 5.00	\$ 0	\$ 5.00	\$ 0		5
6	Commodity Charge			0	\$0.62467	\$ 0	\$0.64656	\$ 0		6
7	Baseline Quantities			0	\$0.79594	\$ 0	\$0.81783	\$ 0		7
8	Tier II			0	\$0.31234	\$ 0	\$0.32328	\$ 0		8
9	Air Conditioning		0	0		\$ 0		\$ 0	\$ 0	9
	Total Residential Air-Conditioning Gas Service		0							
<b><u>Secondary Residential Gas Service</u></b>										
10	Basic Service Charge	GS-15	92,030		\$ 6.00	\$ 552,180	\$ 6.00	\$ 552,180		10
11	Commodity Charge			3,108,030	\$0.96587	\$ 3,001,958	\$0.99732	\$ 3,099,697		11
12	All Usage			3,108,030		\$ 3,554,138		\$ 3,651,877	\$ 3,651,877	12
	Total Secondary Residential Gas Service		92,030							
13	Total Residential Gas Service		1,627,000	64,956,532		\$53,209,834		\$54,661,335		13
<b><u>Multi-Family Master-Metered Gas Service</u></b>										
14	Basic Service Charge	GS-20	240		\$ 25.00	\$ 6,000	\$ 25.00	\$ 6,000		14
15	Commodity Charge			148,981	\$0.62467	\$ 93,064	\$0.64656	\$ 96,325		15
16	Baseline Quantities			47,412	\$0.79594	\$ 37,737	\$0.81783	\$ 38,775		16
17	Tier II			196,393		\$ 136,801		\$ 141,100	\$ 141,100	17
	Total Multi-Family Master-Metered Gas Service		240							
<b><u>Multi-Family Master Metered Gas Service - Submetered</u></b>										
18	Basic Service Charge	GS-25	540		\$ 25.00	\$ 13,500	\$ 25.00	\$ 13,500		18
19	Submeter Discount		32,520		\$ (7.69)	\$ (250,079)	\$ (7.69)	\$ (250,079)		19
20	Commodity Charge			1,003,649	\$0.62467	\$ 626,952	\$0.64656	\$ 648,920		20
21	Baseline Quantities			196,318	\$0.79594	\$ 156,258	\$0.81783	\$ 160,555		21
22	Tier II			1,199,967		\$ 546,631		\$ 572,896	\$ 572,896	22
	Total Multi-Family Master Metered Gas Service - Submetered		540							
23	Total Multi-Family Master Metered Gas Service		780	1,396,360		\$ 683,432		\$ 713,996		23



**SOUTHWEST GAS CORPORATION**  
**SOUTHERN CALIFORNIA RATE JURISDICTION**  
**CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES**  
**POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2015**

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2015 Authorized Margin [1]		2016 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<b><u>Core General Gas Service</u></b>										
24	Basic Service Charge	GS-35	73,730		\$ 11.00	\$ 811,030	\$ 11.00	\$ 811,030		24
25	Transportation Service Charge	GS-40	12		\$ 780.00	\$ 9,360	\$ 780.00	\$ 9,360		25
	Commodity Charge									
26	First 100			3,417,780	\$0.57540	\$ 1,966,591	\$0.59122	\$ 2,020,672		26
27	Next 500			5,958,021	\$0.42128	\$ 2,509,965	\$0.43286	\$ 2,578,989		27
28	Next 2400			4,888,184	\$0.29798	\$ 1,456,557	\$0.30617	\$ 1,496,612		28
29	Over 3000			3,637,366	\$0.13883	\$ 504,982	\$0.14885	\$ 541,430		29
30	Total Core General Gas Service		73,730	17,901,351		\$ 7,258,485		\$ 7,458,093	\$ 7,458,093	30
<b><u>Core Natural Gas Service for Motor Vehicles</u></b>										
31	Basic Service Charge	GS-50	48		\$ 25.00	\$ 1,200	\$ 25.00	\$ 1,200		31
	Commodity Charge									
32	All Usage		48	734,243	\$0.11199	\$ 82,227	\$0.11511	\$ 84,521		32
33	Total Core Natural Gas Service for Motor Vehicles		48	734,243		\$ 83,427		\$ 85,721	\$ 85,721	33
<b><u>Core Internal Combustion Engine Gas Service</u></b>										
34	Basic Service Charge	GS-60	132		\$ 25.00	\$ 3,300	\$ 25.00	\$ 3,300		34
	Commodity Charge									
35	All Usage		132	251,790	\$0.16584	\$ 41,756	\$0.17076	\$ 42,995		35
36	Total Core Internal Combustion Engine Gas Service		132	251,790		\$ 45,056		\$ 46,295	\$ 46,295	36
<b><u>Solar Electric Generation Gas Service</u></b>										
37	Basic Service Charge	GS-LUZ	24		\$ 50.00	\$ 1,200	\$ 50.00	\$ 1,200		37
	Commodity Charge									
38	All Usage		24	9,694,392	\$0.04800	\$ 465,327	\$0.04932	\$ 478,157		38
39	Total Solar Electric Generation Gas Service		24	9,694,392		\$ 466,527		\$ 479,357	\$ 479,357	39
<b><u>Core Small Electric Power Generation Gas Service</u></b>										
40	Basic Service Charge	GS-66	12		\$ 25.00	\$ 300	\$ 25.00	\$ 300		40
	Commodity Charge									
41	All Usage		12	236	\$0.23008	\$ 54	\$0.23905	\$ 56		41
42	Total Core Small Electric Power Generation Gas Service		12	236		\$ 354		\$ 356	\$ 404	42
<b><u>Noncore General Gas Transportation Service</u></b>										
43	Basic Service Charge	GS-70	156		\$ 100.00	\$ 15,600	\$ 100.00	\$ 15,600		43
44	Transportation Service Charge		120		\$ 780.00	\$ 93,600	\$ 780.00	\$ 93,600		44
	Commodity Charge									
45	All Usage		156	8,336,330	\$0.12099	\$ 1,008,590	\$0.12467	\$ 1,039,330		45
46	Total Noncore General Gas Transportation Service		156	8,336,330		\$ 1,117,790		\$ 1,148,530	\$ 1,148,529	46

**SOUTHWEST GAS CORPORATION  
SOUTHERN CALIFORNIA RATE JURISDICTION  
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES  
POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2015**

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2015 Authorized Margin [1]		2016 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<b>City of Victorville Gas Service</b>										
47	Basic Service Charge	GS-VIC	12		\$ 11.00	\$ 132	\$ 11.00	\$ 132		47
48	Transportation Service Charge		12		\$ 780.00	\$ 9,360	\$ 780.00	\$ 9,360		48
	Commodity Charge									
49	All Usage			785,669	\$0.34024	\$ 267,314	\$0.34993	\$ 274,926		49
50	Total City of Victorville Gas Service		12	785,669		\$ 276,806		\$ 284,418	\$ 284,418	50
51	Total All Schedules		1,701,894	104,056,903		\$63,141,711		\$64,878,101		51
52	Other Operating Revenues					\$ 2,358,164		\$ 2,423,014		52
53	Total FCAM Margin					\$65,499,875		\$67,301,115		53
54	Authorized Margin and FCAM [2]					\$65,500,149		\$67,301,403		54
55	Over / (Under)					\$ (274)		\$ (289)		55
56	PTYR Escalation Rate					1.0275		1.0275		56
57	<b>Special Contract Gas Service</b>	GN-T				\$ 22,379		\$ 22,379		57
58	Total Authorized Margin Amount [3]					\$65,522,528		\$67,323,782		58

[1] Statement of Rates Authorized Margin Rates D.14.06-048.

[2] Schedule 1, Sheet 2 of 4.

**SOUTHWEST GAS CORPORATION  
 NORTHERN CALIFORNIA  
 2016 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2015 (c)	2016 (d)	Line No.
1	Previous Year's Authorized Margin	\$ 17,669,250	\$ 18,155,154	1
2	Post-Test Year Adjustment Percent [1]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 485,904</u>	<u>\$ 499,267</u>	3
4	Authorized Margin [1]	<u>\$ 18,155,154</u>	<u>\$ 18,654,421</u>	4
5	ATM Cost of Capital Adjustment	<u>\$ 0</u>	<u>\$ 0</u>	5
6	Adjusted Authorized Margin	<u><u>\$ 18,155,154</u></u>	<u><u>\$ 18,654,421</u></u>	6

[1] Approved by Commission in D.14-06-028.

**SOUTHWEST GAS CORPORATION**  
**NORTHERN CALIFORNIA RATE JURISDICTION**  
**CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES**  
**TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2015**

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2015 Authorized Margin [1]		2016 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<b><u>Residential Gas Service</u></b>										
1	Basic Service Charge	GN-10	147,742		\$ 5.00	\$ 738,710	\$ 5.00	\$ 738,710		1
	Commodity Charge	GN-12		6,613,336	\$0.68838	\$ 4,552,483	\$0.71036	\$ 4,697,829		2
2	Baseline Quantities			3,001,688	\$0.79919	\$ 2,398,917	\$0.82117	\$ 2,464,887		3
3	Tier II			9,615,024		\$ 7,690,110		\$ 7,901,426	\$ 7,901,426	4
4	Total Residential Gas Service		147,742							
<b><u>Secondary Residential Gas Service</u></b>										
5	Basic Service Charge	GN-15	143,168		\$ 6.00	\$ 859,008	\$ 6.00	\$ 859,008		5
	Commodity Charge			8,278,230	\$0.82966	\$ 6,868,146	\$0.85533	\$ 7,080,643		6
6	All Usage		143,168	8,278,230		\$ 7,727,154		\$ 7,939,651	\$ 7,939,651	7
7	Total Secondary Residential Gas Service		143,168							
8	Total Residential Gas Service		290,910	17,893,254		\$15,417,264		\$15,841,077		8
<b><u>Multi-Family Master-Metered Gas Service</u></b>										
9	Basic Service Charge	GN-20	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600		9
	Commodity Charge			13,872	\$0.68838	\$ 9,549	\$0.71036	\$ 9,854		10
10	Baseline Quantities			0	\$0.79919	\$ 0	\$0.82117	\$ 0		11
11	Tier II		24	13,872		\$ 10,149		\$ 10,454	\$ 10,454	12
12	Total Multi-Family Master-Metered Gas Service		24							
<b><u>Multi-Family Master Metered Gas Service - Submetered</u></b>										
13	Basic Service Charge	GN-25	12		\$ 25.00	\$ 300	\$ 25.00	\$ 300		13
14	Submeter Discount		312		\$ (11.01)	\$ (3,435)	\$ (11.01)	\$ (3,435)		14
	Commodity Charge			16,473	\$0.68838	\$ 11,340	\$0.71036	\$ 11,702		15
15	Baseline Quantities			2,818	\$0.79919	\$ 2,252	\$0.82117	\$ 2,314		16
16	Tier II		12	19,291		\$ 10,457		\$ 10,881	\$ 10,881	17
17	Total Multi-Family Master Metered Gas Service - Submetered		12							
18	Total Multi-Family Master Metered Gas Service		36	33,163		\$ 20,606		\$ 21,335		18
<b><u>Core General Gas Service</u></b>										
19	Basic Service Charge	GN-35	18,784		\$ 11.00	\$ 206,624	\$ 11.00	\$ 206,624		19
20	Transportation Service Charge	GN-40	0		\$ 780.00	\$ 0	\$ 780.00	\$ 0		20
	Commodity Charge			1,071,977	\$0.57540	\$ 616,816	\$0.59122	\$ 633,778		21
21	First 100			1,861,214	\$0.45929	\$ 854,842	\$0.47192	\$ 878,350		22
22	Next 500			1,574,988	\$0.34627	\$ 545,367	\$0.35579	\$ 560,365		23
23	Next 2400			1,311,622	\$0.16415	\$ 215,303	\$0.17300	\$ 226,906		24
24	Over 3000		18,784	5,819,801		\$ 2,438,952		\$ 2,506,023	\$ 2,506,023	25
25	Total Core General Gas Service		18,784							

**SOUTHWEST GAS CORPORATION  
NORTHERN CALIFORNIA RATE JURISDICTION  
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES  
TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2015**

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2015 Authorized Margin [1]		2016 Authorized Margin Rates (g)	Authorized Margin Revenues (h)	Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)				
<b><u>Core Natural Gas Service for Motor Vehicles</u></b>										
26	Basic Service Charge	GN-50	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600		26
27	Commodity Charge									
	All Usage			140,747	\$ 0.09577	\$ 13,479	\$ 0.09852	\$ 13,866		27
28	Total Core Natural Gas Service for Motor Vehicles		24	140,747		\$ 14,079		\$ 14,466	\$ 14,466	28
<b><u>Core Internal Combustion Engine Gas Service</u></b>										
29	Basic Service Charge	GN-60	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600		29
30	Commodity Charge									
	All Usage			355	\$ 0.26352	\$ 94	\$ 0.27273	\$ 97		30
31	Total Core Internal Combustion Engine Gas Service		24	355		\$ 694		\$ 697	\$ 1,065	31
<b><u>Core Small Electric Power Generation Gas Service</u></b>										
32	Basic Service Charge	GN-66	0		\$ 25.00	\$ 0	\$ 25.00	\$ 0		32
33	Commodity Charge									
	All Usage			0	\$ 0.26155	\$ 0	\$ 0.26874	\$ 0		33
34	Total Core Small Electric Power Generation Gas Service		0	0		\$ 0		\$ 0		34
<b><u>Noncore General Gas Transportation Service</u></b>										
35	Basic Service Charge	GN-70	12		\$ 100.00	\$ 1,200	\$ 100.00	\$ 1,200		35
36	Transportation Service Charge		12		\$ 780.00	\$ 9,360	\$ 780.00	\$ 9,360		36
37	Commodity Charge									
	All Usage			300,400	\$ 0.15903	\$ 47,773	\$ 0.16437	\$ 49,378		37
38	Total Noncore General Gas Transportation Service		12	300,400		\$ 58,333		\$ 59,938	\$ 59,938	38
39	Total All Schedules		309,790	24,187,720		\$ 17,949,928		\$ 18,443,536		39
40	Other Operating Revenues					\$ 204,931		\$ 210,566		40
41	<b><u>Special Contract Gas Service</u></b>	GN-T				\$ 0		\$ 0		41
42	Total FCAM Margin					\$ 18,154,859		\$ 18,654,102		42
43	Authorized Margin and FCAM [2]					\$ 18,155,154		\$ 18,654,421		43
44	Over / (Under)					\$ (296)		\$ (319)		44
45	PTyr Escalation Rate					1.0275		1.0275		45

[1] Statement of Rates Authorized Margin Rates D.14.06-048.

[2] Schedule 1, Sheet 4 of 4.

**SOUTHWEST GAS CORPORATION  
 SOUTH LAKE TAHOE  
 2016 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2015 (c)	2016 (d)	Line No.
1	Previous Year's Authorized Margin	\$ 8,826,018	\$ 9,068,733	1
2	Post-Test Year Adjustment Percent [1]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 242,715</u>	<u>\$ 249,390</u>	3
4	Authorized Margin [1]	<u>\$ 9,068,733</u>	<u>\$ 9,318,124</u>	4
5	ATM Cost of Capital Adjustment	<u>\$ 0</u>	<u>\$ 0</u>	5
6	Adjusted Authorized Margin	<u><u>\$ 9,068,733</u></u>	<u><u>\$ 9,318,124</u></u>	6

[1] Approved by Commission in D.14-06-028.

**SOUTHWEST GAS CORPORATION**  
**SOUTH LAKE TAHOE RATE JURISDICTION**  
**CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES**  
**TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2015**

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2015 Authorized Margin [1] Rates (e)	Revenues (f)	2016 Authorized Margin Rates (g)	Revenues (h)	Class Margin Requirement (i)	Line No.
1	<b>Residential Gas Service</b>	SLT-10								1
	Basic Service Charge	SLT-12	142,714		\$ 5.00	\$ 713,570	\$ 5.00	\$ 713,570		
	Commodity Charge									
2	Baseline Quantities			7,091,497	\$0.30035	\$2,129,960	\$0.31102	\$2,205,606		2
3	Tier II			3,301,815	\$0.38789	\$1,280,754	\$0.39856	\$1,315,975		3
4	Total Residential Gas Service		142,714	10,393,312		\$4,124,284		\$4,235,151	\$ 4,235,150	4
5	<b>Secondary Residential Gas Service</b>	SLT-15								5
	Basic Service Charge		72,767		\$ 6.00	\$ 436,602	\$ 6.00	\$ 436,602		
	Commodity Charge									
6	All Usage			4,382,074	\$0.41738	\$1,828,976	\$0.43159	\$1,891,279		6
7	Total Secondary Residential Gas Service		72,767	4,382,074		\$2,265,578		\$2,327,881	\$ 2,327,881	7
8	Total Residential Gas Service		215,481	14,775,386		\$6,389,862		\$6,563,032		8
9	<b>Multi-Family Master-Metered Gas Service</b>	SLT-20								9
	Basic Service Charge		1,152		\$ 11.00	\$ 12,672	\$ 11.00	\$ 12,672		
	Commodity Charge									
10	Baseline Quantities			553,605	\$0.30035	\$ 166,277	\$0.31102	\$ 172,183		10
11	Tier II			194,887	\$0.38789	\$ 75,596	\$0.39856	\$ 77,674		11
12	Total Multi-Family Master-Metered Gas Service		1,152	748,492		\$ 254,545		\$ 262,529	\$ 262,530	12
13	<b>Multi-Family Master-Metered Gas Service - Submetered</b>	SLT-25								13
	Basic Service Charge		144		\$ 11.00	\$ 1,584	\$ 11.00	\$ 1,584		13
	Submeter Discount		6,288		\$ (7.69)	\$ (48,355)	\$ (7.69)	\$ (48,355)		14
	Commodity Charge									
15	Baseline Quantities			116,348	\$0.30035	\$ 34,946	\$0.31102	\$ 36,187		15
16	Tier II			299,433	\$0.38789	\$ 116,148	\$0.39856	\$ 119,342		16
17	Total Multi-Family Master Metered Gas Service - Submetered		144	415,781		\$ 104,323		\$ 108,758	\$ 108,759	17
18	Total Multi-Family Master Metered Gas Service		1,296	1,164,273		\$ 358,868		\$ 371,287		18
19	<b>Core General Gas Service</b>	SLT-35								19
	Basic Service Charge	SLT-40	16,124		\$ 11.00	\$ 177,364	\$ 11.00	\$ 177,364		19
	Commodity Charge									
20	First 100			960,393	\$0.41100	\$ 394,722	\$0.42230	\$ 405,576		20
21	Next 500			1,795,993	\$0.34935	\$ 627,430	\$0.35896	\$ 644,684		21
22	Next 2400			1,621,343	\$0.28770	\$ 466,460	\$0.29561	\$ 479,288		22
23	Over 3000			1,768,501	\$0.17133	\$ 302,991	\$0.17880	\$ 316,202		23
24	Total Core General Gas Service		16,124	6,146,230		\$1,968,967		\$2,023,114	\$ 2,023,114	24
25	<b>Core Natural Gas Service for Motor Vehicles</b>	SLT-50								25
	Basic Service Charge		12		\$ 11.00	\$ 132	\$ 11.00	\$ 132		25
	Commodity Charge									
26	All Usage			91,877	\$0.19809	\$ 18,200	\$0.20358	\$ 18,704		26
27	Total Core Natural Gas Service for Motor Vehicles		12	91,877		\$ 18,332		\$ 18,836	\$ 18,836	27

**SOUTHWEST GAS CORPORATION**  
**SOUTH LAKE TAHOE RATE JURISDICTION**  
**CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES**  
**TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2015**

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2015 Authorized Margin [1]		2016 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<b><u>Core Internal Combustion Engine Gas Service</u></b>										
28	Basic Service Charge	SLT-60	0		\$ 11.00	\$ 0	\$ 11.00	\$ 0		28
29	Commodity Charge									
	All Usage			0	\$0.22555	\$ 0	\$0.23175	\$ 0		29
30	Total Core Internal Combustion Engine Gas Service		0	0		\$ 0		\$ 0	\$ 0	30
<b><u>Core Small Electric Power Generation Gas Service</u></b>										
31	Basic Service Charge	SLT-66	0		\$ 11.00	\$ 0	\$ 11.00	\$ 0		31
32	Commodity Charge									
	All Usage			0	\$0.22555	\$ 0	\$0.23175	\$ 0		32
33	Total Core Small Electric Power Generation Gas Service		0	0		\$ 0		\$ 0	\$ 0	33
<b><u>Noncore General Gas Transportation Service</u></b>										
34	Basic Service Charge	SLT-70	24		\$ 100.00	\$ 2,400	\$ 100.00	\$ 2,400		34
35	Transportation Service Charge		24		\$ 780.00	\$ 18,720	\$ 780.00	\$ 18,720		35
36	Commodity Charge									
	All Usage		24	579,100	\$0.16163	\$ 93,598	\$0.16707	\$ 96,753		36
37	Total Noncore General Gas Transportation Service		24	579,100		\$ 114,718		\$ 117,873	\$ 117,873	37
38	Total All Schedules		232,937	22,756,866		\$8,850,747		\$9,094,142		38
39	Other Operating Revenues					\$ 218,040		\$ 224,036		39
40	<b><u>Special Contract Gas Service</u></b>	GN-T				\$ 0		\$ 0		40
41	Total FCAM Margin					\$9,068,787		\$9,318,178		41
42	Authorized Margin and FCAM [2]					\$9,068,733		\$9,318,124		42
43	Over / (Under)					\$ 53		\$ 54		43
44	PTYR Escalation Rate					1.0275		1.0275		44

[1] Statement of Rates Authorized Margin Rates D.14.06-048.

[2] Schedule 1, Sheet 4 of 4.