

April 29, 2016

TO ALL HOLDERS OF SOUTHWEST GAS CORPORATION ARIZONA GAS TARIFF NO. 7

Subject: Revision No. 284

This revision reflects the changes to the Arizona monthly gas cost rates. The April 29, 2016 monthly gas cost rate calculation utilizes the 12-month average gas cost for the period ended March 2016. In addition, the Commission provided Southwest Gas authorization to adjust its Gas Cost Balancing Account (GCBA) Surcharge in its monthly gas cost rate adjustment. The revised rates are effective April 29, 2016.

The following changes should be made in your copy of Southwest Gas' Arizona Gas Tariff No. 7:

| Supersedes A.C.C. Sheet No. |
|-----------------------------|
| -                           |
| 224th Revised Sheet No. 11  |
| 227th Revised Sheet No. 12  |
| 39th Revised Sheet No. 14   |
|                             |

Matthew Derr Regulatory Manager/Arizona

## SOUTHWEST GAS CORPORATION P.O. Box 98510 Las Vegas, Nevada 89193-8510 Arizona Gas Tariff No. 7 Arizona Division

225th Revised A.C.C. Sheet No. 11 224th Revised A.C.C. Sheet No. 11

## STATEMENT OF RATES <u>EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES</u> $^{1/2/}$

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| Description  |    | <u>3/</u> Delivery Rate Charge Adjustment |    |          | Monthly<br>Gas Cost |        |    | Currently<br>Effective<br>Tariff Rate |   |  |
|--|----|---|----|----------|---------------------|--------|----|---------------------------------------|---|--|
| G-5 – Single-Family Residential  |    |   |    |          |                     |        |    |                                       |   |  |
| Gas Service Basic Service Charge per Month   | \$ | 10.70                                     |    |          |                     |        | \$ | 10.70                                 |   |  |
| Commodity Charge per Therm:  | Ψ  | 10.70                                     |    |          |                     |        | Ψ  | 10.70                                 |   |  |
| All Usage  | \$ | .70314                                    | \$ | (.06039) | \$                  | .41427 | \$ | 1.05702                               | R |  |
| G-6 – Multi-Family Residential Gas Service   |    |   |    |          |                     |        |    |                                       |   |  |
| Basic Service Charge per Month   | \$ | 9.70                                      |    |          |                     |        | \$ | 9.70                                  |   |  |
| Commodity Charge per Therm: All Usage  | \$ | .70314                                    | \$ | (.06039) | \$                  | .41427 | \$ | 1.05702                               | R |  |
| G-10- Single-Family Low Income<br>Residential Gas Service                              |    |   |    |          |                     |        |    |                                       |   |  |
| Basic Service Charge per Month   | \$ | 7.50                                      |    |          |                     |        | \$ | 7.50                                  |   |  |
| Commodity Charge per Therm:<br>Summer (May–October):                                   |    |   |    |          |                     |        |    |                                       |   |  |
| All Usage Winter (November–April):   | \$ | .70314                                    | \$ | (.08546) | \$                  | .41427 | \$ | 1.03195                               | R |  |
| First 150 Therms   | \$ | .39416                                    | \$ | (.08546) | \$                  | .41427 | \$ | .72297                                | R |  |
| Over 150 Therms  | •  | .70314                                    | \$ | (.08546) | \$                  | .41427 | •  | 1.03195                               | R |  |
| G-11- Multi-Family Low Income Residential Gas Service                                  |    |   |    |          |                     |        |    |                                       |   |  |
| Basic Service Charge per Month<br>Commodity Charge per Therm:<br>Summer (May–October): | \$ | 7.50                                      |    |          |                     |        | \$ | 7.50                                  |   |  |
| All Usage  | \$ | .70314                                    | \$ | (.08546) | \$                  | .41427 | \$ | 1.03195                               | R |  |
| Winter (November–April):   | ,  |   | •  | - /      | •                   |        | •  |                                       |   |  |
| First 150 Therms   | \$ | .39416                                    | \$ | (.08546) | \$                  | .41427 | \$ | .72297                                | R |  |
| Over 150 Therms  |    | .70314                                    | \$ | (.08546) | \$                  | .41427 |    | 1.03195                               | R |  |
| G-15– Special Residential Gas Service for Air Conditioning                             |    |   |    |          |                     |        |    |                                       |   |  |
| Basic Service Charge per Month Commodity Charge per Therm: Summer (May–October):       | \$ | 10.70                                     |    |          |                     |        | \$ | 10.70                                 |   |  |
| First 15 Therms  | \$ | .70314                                    | \$ | (.02418) | \$                  | .41427 | \$ | 1.09323                               | R |  |
| Over 15 Therms   | ·  | .13077                                    | \$ | (.02418) | \$                  | .41427 | ,  | .52086                                | R |  |
| Winter (November–April): All Usage   | \$ | .70314                                    | \$ | (.02418) | \$                  | .41427 | \$ | 1.09323                               | R |  |
|  |    |   |    |          |                     |        |    |                                       |   |  |

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Arizona Division

Canceling 228th Revised A.C 227th Revised A.C

 228th Revised
 A.C.C. Sheet No.
 12

 227th Revised
 A.C.C. Sheet No.
 12

## STATEMENT OF RATES <u>EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES</u> (Continued)

|  | (0                 | Continue     | ed)                             |    |                    |                                       |                |
|--|--------------------|--------------|---------------------------------|----|--------------------|---------------------------------------|----------------|
| Description  | Delivery<br>Charge |              | <u>3</u> /<br>Rate<br>ljustment |    | Monthly<br>as Cost | Currently<br>Effective<br>Tariff Rate |                |
| G-20- Master-Metered Mobile                                | Ondrigo            |              | gustinont                       |    | 45 0051            | Tailli Nate                           |                |
| Home Park Gas Service                                      |                    |              |                                 |    |                    |                                       |                |
| Basic Service Charge per Month                             | \$ 66.00           |              |                                 |    |                    | \$ 66.00                              |                |
| Commodity Charge per Therm:                                | ,                  |              |                                 |    |                    | * ******                              |                |
| All Usage  | \$ .47189          | \$           | (.00981)                        | \$ | .41427             | \$ .87635                             | l <sub>R</sub> |
| · ·  | ,                  |              | ,                               |    |                    |                                       |                |
| G-25 – General Gas Service Basic Service Charge per Month: |                    |              |                                 |    |                    |                                       |                |
| Small  | \$ 27.50           |              |                                 |    |                    | \$ 27.50                              |                |
| Medium   | 43.50              |              |                                 |    |                    | φ 27.50<br>43.50                      |                |
| Large-1  | 80.00              |              |                                 |    |                    | 80.00                                 |                |
| Large-2  | 470.00             |              |                                 |    |                    | 470.00                                |                |
| Transportation Eligible                                    | 950.00             |              |                                 |    |                    | 950.00                                |                |
| Commodity Charge per Therm:                                | 555.55             |              |                                 |    |                    | 000.00                                |                |
| Small, All Usage   | \$ .83914          | \$           | (.07476)                        | \$ | .41427             | \$ 1.17865                            | R              |
| Medium, All Usage  | .45834             | •            | (.07476)                        | ,  | .41427             | .79785                                | R              |
| Large-1, All Usage   | .41263             |              | (.07476)                        |    | .41427             | .75214                                | R              |
| Large-2, All Usage   | .28856             |              | (.07476)                        |    | .41427             | .62807                                | R              |
| Transportation Eligible                                    | .10923             |              | (.02418)                        |    | .41427             | .49932                                | R              |
| Demand Charge per Month-                                   |                    |              | (.020)                          |    |                    |                                       | 1.,            |
| Transportation Eligible:                                   |                    |              |                                 |    |                    |                                       |                |
| Demand Charge 4/   | \$ .082459         |              |                                 |    |                    | \$ .082459                            |                |
| C 20 Ontional Cas Samina                                   | ·                  |              |                                 |    |                    | •                                     |                |
| G-30 – Optional Gas Service Basic Service Charge per Month | As specified o     | n 1 C C Sk   | noot No. 27                     |    |                    |                                       |                |
| Commodity Charge per Therm:                                | As specified 0     | II A.C.C. 31 | ieet No. 27.                    |    |                    |                                       |                |
| All Usage  | As specified o     | n A C C Sk   | neet No. 28                     |    |                    |                                       |                |
| · ·  | 7 to opcomed o     | 1171.0.0. 01 | 1001110. 20.                    |    |                    |                                       |                |
| G-40 – Air Conditioning Gas Service                        |                    | 4 0 0 0      |                                 |    |                    |                                       |                |
| Basic Service Charge per Month                             | As specified o     | n A.C.C. Sh  | neet No. 32.                    |    |                    |                                       |                |
| Commodity Charge per Therm:                                | <b>A</b> 40077     | •            | ( 00 440)                       | Φ. | 44.407             | Ф 50000                               |                |
| All Usage  | \$ .13077          | \$           | (.02418)                        | \$ | .41427             | \$ .52086                             | R              |
| G-45- Street Lighting Gas Service                          |                    |              |                                 |    |                    |                                       |                |
| Commodity Charge per Therm                                 |                    |              |                                 |    |                    |                                       |                |
| of Rated Capacity:   |                    |              |                                 | _  |                    |                                       |                |
| All Usage  | \$ .69242          | \$           | (.02418)                        | \$ | .41427             | \$ 1.08251                            | R              |
| G-55– Gas Service for Compression 5/                       |                    |              |                                 |    |                    |                                       |                |
| on Customer's Premises                                     |                    |              |                                 |    |                    |                                       |                |
| Basic Service Charge per Month:                            |                    |              |                                 |    |                    |                                       |                |
| Small  | \$ 27.50           |              |                                 |    |                    | \$ 27.50                              |                |
| Large  | 250.00             |              |                                 |    |                    | 250.00                                |                |
| Residential  | 10.70              |              |                                 |    |                    | 10.70                                 |                |
| Commodity Charge per Therm:                                |                    |              |                                 |    |                    |                                       |                |
| All Usage  | \$ .21470          | \$           | (.02418)                        | \$ | .41427             | \$ .60479                             | R              |
| G-60- Electric Generation Gas Service                      |                    |              |                                 |    |                    |                                       |                |
| Basic Service Charge per Month                             | As specified o     | n A C C Sh   | neet No. 40                     |    |                    |                                       |                |
| Commodity Charge per Therm:                                | , 10 op comou c    |              |                                 |    |                    |                                       |                |
| All Usage  | \$ .15421          | \$           | (.02418)                        | \$ | .41427             | \$ .54430                             | R              |
| ŭ  | ÷                  | *            | ( /                             | *  |                    | ,                                     |                |
| G-75 – Small Essential Agricultural                        |                    |              |                                 |    |                    |                                       |                |
| User Gas Service Basic Service Charge per Month            | \$ 120.00          |              |                                 |    |                    | \$ 120.00                             |                |
| Commodity Charge per Therm:                                | φ 120.00           |              |                                 |    |                    | φ 1∠0.00                              |                |
| All Usage  | \$ .28037          | \$           | (.02418)                        | \$ | .41427             | \$ .67046                             | R              |
| Ali Usaye  | ψ .∠υυδ1           | φ            | (.02410)                        | Ψ  | .71441             | ψ .07040                              | ^              |

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SOUTHWEST GAS CORPORATION P.O. Box 98510 Las Vegas, Nevada 89193-8510 Arizona Gas Tariff No. 7 Arizona Division

40th Revised A.C.C. Sheet No. 14
39th Revised A.C.C. Sheet No. 14

## STATEMENT OF RATES <u>EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES</u> (Continued)

Canceling

3/ The Rate Adjustment applicable to each tariff rate schedule includes the following components.

| Description   | G-5, G-6   | G-10, G-11   | G-15   | G-20  | Adjustment Date   |   |
|---|--|--|--|---|---|---|
| Low Income Ratepayer Assistance Demand Side Management Gas Research Fund Department of Transportation Gas Cost Balancing Account COYL Cost Recovery EEP Total Rate Adjustment | \$ 0.01437<br>0.00838<br>0.00122<br>0.00245<br>(0.04055)<br>0.00432<br>(0.05058)<br>\$ (0.06039) | n/a<br>\$ 0.00200<br>0.00122<br>0.00245<br>(0.04055)<br>n/a<br>(0.05058)<br>\$ (0.08546) | n/a<br>\$ 0.00838<br>0.00122<br>0.00245<br>(0.04055)<br>0.00432<br>n/a<br>\$ (0.02418) | \$ 0.01437<br>0.00838<br>0.00122<br>0.00245<br>(0.04055)<br>0.00432<br><u>n/a</u><br>\$ (0.00981) | 1st Billing Cycle in May<br>Per Commission Order<br>1st Billing Cycle in May<br>1st Billing Cycle in March<br>Per Commission Notification<br>Per Commission Order<br>Per Commission Order | R |

| Description                     | G  | S, G-25M,<br>-25-L1,<br>-25-L2 | G- | G-25TE,<br>-40, G-45,<br>-55, G-60,<br> | G-80          | 5  | 30, SB-1,<br>Special<br>contracts | Adjustment Date             |
|---------------------------------|----|--------------------------------|----|---|---------------|----|-----------------------------------|-----------------------------|
| Low Income Ratepayer Assistance |    | n/a                            |    | n/a                                     | n/a           |    | n/a                               | 1st Billing Cycle in May    |
| Demand Side Management          | \$ | 0.00838                        | \$ | 0.00838                                 | \$<br>0.00838 |    | n/a                               | Per Commission Order        |
| Gas Research Fund               |    | 0.00122                        |    | 0.00122                                 | 0.00122       |    | n/a                               | 1st Billing Cycle in May    |
| Department of Transportation    |    | 0.00245                        |    | 0.00245                                 | 0.00245       | \$ | 0.00245                           | 1st Billing Cycle in March  |
| Gas Cost Balancing Account      |    | (0.04055)                      |    | (0.04055)                               | n/a           |    | n/a                               | Per Commission Notification |
| COYL Cost Recovery              |    | 0.00432                        |    | 0.00432                                 | 0.00432       |    | n/a                               | Per Commission Order        |
| EEP                             |    | (0.05058)                      |    | n/a                                     | <u>n/a</u>    |    | n/a                               | Per Commission Order        |
| Total Rate Adjustment           | \$ | (0.07476)                      | \$ | (0.02418)                               | \$<br>0.01637 | \$ | 0.00245                           |                             |
|                                 |    |                                |    |   |               |    |                                   |                             |

- 4/ The total monthly demand charge is equal to the unit rate shown multiplied by the customer's billing determinant.
- 5/ The charges for Schedule No. G-55 are subject to adjustment for applicable state and federal taxes on fuel used in motor vehicles.
- 6/ The gas cost for this rate schedule shall be updated seasonally, April 1 and October 1 of each year.

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