

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 22, 2016

Advice Letter 1024-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 Southwest Gas' 2017 Post Test-Year Margin Revenue in Compliance with D.14-06-028

Dear Mr. Brown:

Advice Letter 1024-G is effective as of January 1, 2017.

Sincerely,

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

Edward Randolph
Director, Energy Division



SOUTHWEST GAS CORPORATION

November 30, 2016

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. 1024

Enclosed herewith is one (1) copy of Southwest Gas Corporation's Advice Letter No. 1024, together with California Gas Tariff Sheet Nos. 18, 65-66, and 68-71.

Sincerely,

Valerie J. Ontiveroz
Regulatory Manager/California

VJO:jjp
Enclosures



SOUTHWEST GAS CORPORATION

Advice Letter No. 1024

November 30, 2016

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.
7th Revised Sheet No. 18	Preliminary Statement (Continued)	6th Revised Sheet No. 18
81st Revised Sheet No. 65	Statement of Rates - Rates Applicable to Southern California Service Area	79th Revised Sheet No. 65
82nd Revised Sheet No. 66	Statement of Rates - Rates Applicable to Southern California Service Area	80th Revised Sheet No. 66
80th Revised Sheet No. 68	Statement of Rates - Rates Applicable to Southern California Service Area	78th Revised Sheet No. 68
82nd Revised Sheet No. 69	Statement of Rates - Rates Applicable to Northern California Service Area	79th/80th Revised Sheet No. 69
47th Revised Sheet No. 70	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	45th Revised Sheet No. 70
82nd Revised Sheet No. 71	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	79th/80th 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 2017 Post Test-Year margin revenue in compliance with Decision (D.)14-06-028. These adjustments result in increases of \$1,898,317, \$512,997, and \$256,248 in Southwest Gas' Southern California, Northern California, and South Lake Tahoe Divisions, respectively.



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November 30, 2016

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, 2016, which is 30 days from the date of filing, with rates effective January 1, 2017.

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:

ATTN: Tariff Unit
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102
E-mail: 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(1), Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since this Advice Letter is being filed pursuant to D.14-06-028.



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November 30, 2016

Service

In accordance with GO 96-B, General Rule 7.2, Southwest Gas is serving 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

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By:

Justin Lee Brown

Attachments

Distribution List

Advice Letter No. 1024

In conformance with GO 96-B, General Rule 4.3

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

Elizabeth Echols, 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

Southern California Gas Company
SNewsom@semprautilities.com

San Diego Gas & Electric Company
SDG&ETariffs@SempraUtilities.com

Robert M. Pocta
Office of Ratepayer Advocates
California Public Utilities Commission
rmp@cpuc.ca.gov

Nathaniel Skinner
Office of Ratepayer Advocates
California Public Utilities Commission
nws@cpuc.ca.gov

Pearlie Sabino
Office of Ratepayer Advocates
California Public Utilities Commission
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: <input type="checkbox"/> ELC <input checked="" type="checkbox"/> GAS <input type="checkbox"/> PLC <input type="checkbox"/> HEAT <input type="checkbox"/> WATER	Contact Person: <u>Valerie J. Ontiveroz</u> Phone #: <u>(702) 876-7323</u> E-mail: <u>valerie.ontiveroz@swgas.com</u>
EXPLANATION OF UTILITY TYPE ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat WATER = Water	(Date Filed/ Received Stamp by CPUC)
Advice Letter (AL) #: <u>1024</u>	
Subject of AL: <u>To adjust rates to recover Southwest Gas' 2017 Post Test-Year margin revenue in compliance with D.14-06-028.</u>	
Keywords (choose from CPUC listing): <u>Attrition</u>	
AL filing type: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input checked="" type="checkbox"/> Annual <input type="checkbox"/> One-Time <input type="checkbox"/> Other	
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: <u>D.14-06-028</u>	
Does AL replace a withdrawn or rejected AL? If so, identify the prior AL <u>Not applicable</u>	
Summarize differences between the AL and the prior withdrawn or rejected AL ¹ : <u>Not applicable</u>	
Resolution Required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Requested effective date: <u>January 1, 2017</u>	No. of tariff sheets: 7
Estimated system annual revenue effect (%): <u>1.32% SCA, 1.35% NCA and 0.97% SLT</u>	
Estimated system average rate effect (%): <u>1.32% SCA, 1.35% NCA and 0.97% SLT</u>	
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: <u>Not applicable</u>	
Service affected and changes proposed ¹ : <u>See 'Subject of AL' above</u>	
Pending advice letters that revise the same tariff sheets: <u>None</u>	
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

¹ Discuss in AL if more space is needed.

PRELIMINARY STATEMENT
(Continued)

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

9F. **ACCOUNTING PROCEDURE** *(Continued)*

ANNUAL 2017 MARGIN

	<u>Southern California</u>	<u>Northern California</u>	<u>South Lake Tahoe</u>
January	\$ 9,976,643	\$ 2,896,847	\$ 1,227,368
February	\$ 8,692,976	\$ 2,540,915	\$ 1,139,352
March	\$ 7,507,394	\$ 2,328,254	\$ 1,063,893
April	\$ 5,580,411	\$ 1,933,955	\$ 905,526
May	\$ 4,492,876	\$ 1,406,034	\$ 731,304
June	\$ 4,845,856	\$ 1,073,871	\$ 604,522
July	\$ 4,343,150	\$ 765,235	\$ 487,679
August	\$ 4,427,186	\$ 679,703	\$ 456,172
September	\$ 4,711,309	\$ 724,012	\$ 476,382
October	\$ 3,492,323	\$ 906,911	\$ 584,900
November	\$ 4,834,660	\$ 1,497,196	\$ 814,594
December	\$ 8,023,246	\$ 2,414,485	\$ 1,082,680
<u>Total</u>	<u>\$ 70,928,030</u>	<u>\$ 19,167,418</u>	<u>\$ 9,574,372</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]		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
		and Adjustments			CPUC	PPP		
GS-10-Residential Gas Service								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Baseline Quantities	\$.69144	\$.29636	\$.98780	\$.00093	\$.15841	\$.32428	\$ 1.47142	
Tier II	\$.86271	.29636	1.15907	.00093	.15841	.32428	1.64269	
GS-11-Residential Air-Conditioning Gas Service								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Tier I	\$.69144	\$.29636	\$.98780	\$.00093	\$.15841	\$.32428	\$ 1.47142	
Tier II	.86271	.29636	1.15907	.00093	.15841	.32428	1.64269	
Air-Conditioning	\$.34572	.29636	.64208	.00093	.15841	.32428	1.12570	
GS-12-CARE Residential Gas Service								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$.42902	\$.29636	\$.72538	\$.00093	\$.03984	\$.32428	\$ 1.09043	
Tier II	.56604	.29636	.86240	.00093	.03984	.32428	\$ 1.22745	
GS-15-Secondary Residential Gas Service								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$ 1.06179	\$.29636	\$ 1.35815	\$.00093	\$.15841	\$.32428	\$ 1.84177	
GS-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$.69144	\$.29636	\$.98780	\$.00093	\$.15841	\$.32428	\$ 1.47142	
Tier II	.86271	.29636	1.15907	.00093	.15841	.32428	1.64269	
GS-25 -Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$.69144	\$.29636	\$.98780	\$.00093	\$.15841	\$.32428	\$ 1.47142	
Tier II	.86271	.29636	1.15907	.00093	.15841	.32428	1.64269	
Submetered Discount per Occupied Space	(\$7.69)						(\$7.69)	
GS-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$.37098	\$.29636	.66734	\$.00093	\$.03984	\$.32428	\$ 1.03239	
Next 500	.24081	.29636	.53717	.00093	.03984	.32428	.90222	
Next 2,400	.13666	.29636	.43302	.00093	.03984	.32428	.79807	
Over 3,000	.01231	.29636	.30867	.00093	.03984	.32428	.67372	
GS-40-Core General Gas Service								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$.61888	\$.29636	\$.91524	\$.00093	\$.15841	\$.32428	\$ 1.39886	
Next 500	\$.45617	.29636	.75253	.00093	.15841	.32428	1.23615	
Next 2,400	\$.32599	.29636	.62235	.00093	.15841	.32428	1.10597	
Over 3,000	\$.17055	.29636	.46691	.00093	.15841	.32428	.95053	

Advice Letter No. 1024
Decision No. _____

Issued by
Justin Lee Brown
Vice President

Date Filed November 30, 2016
Effective _____
Resolution No. _____

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		
GS-50-Core Natural Gas Service for Motor Vehicles								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$.12152	\$.29636	\$.41788	\$.00093	\$.15841	\$.32428		\$.90150
GS-60-Core Internal Combustion Engine Gas Service								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$.18082	\$.29636	\$.47718	\$.00093	\$.15841	\$.32428		\$.96080
GS-LUZ-Solar Electric Generation Gas Service								
Basic Service Charge	\$50.00							\$50.00
Cost per Therm	\$.05204	\$.17135	\$.22339	\$.00093				\$.22432
GS-66-Core Small Electric Power Generation Gas Service								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$.25968	\$.29636	\$.55604	\$.00093		\$.32428		\$.88125
GS-70-Noncore General Gas Transportation Service								
Basic Service Charge	\$100.00							\$100.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm	\$.13223	\$.19674	\$.32897	\$.00093	\$.15841			\$.48831
GS-VIC City of Victorville Gas Service								
Basic Service Charge	\$11.00							\$ 11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm	\$.36978	\$.29636	\$.66614	\$.00093		\$.32428		\$.99135
TFF-Transportation Franchise Fee Surcharge Provision								
TFF Surcharge per Therm								\$.00364
TDS – Transportation Distribution System Shrinkage Charge								
TDS Charge per Therm								\$.00246
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision								
MHPS Surcharge per Space per Month								\$.21000

Advice Letter No. 1024
Decision No. _____

Issued by
Justin Lee Brown
Vice President

Date Filed November 30, 2016
Effective _____
Resolution No. _____

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

Schedule No. and Type of Charge	Margin	Charges [3] and		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
		Adjustments			CPUC	PPP		
GN-10-Residential Gas Service								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Baseline Quantities	\$.73294	\$.43002	\$ 1.16296	\$.00093	\$.05362	\$.31805	\$ 1.53556	
Tier II	.84375	.43002	1.27377	.00093	.05362	.31805	1.64637	
GN-12-CARE Residential Gas Service								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$.43674	\$.43002	\$.86676	\$.00093	\$.03984	\$.31805	\$ 1.22558	
Tier II	.52539	.43002	.95541	.00093	.03984	.31805	1.31423	
GN-15-Secondary Residential Gas Service								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$.88171	\$.43002	\$ 1.31173	\$.00093	\$.05362	\$.31805	\$ 1.68433	
GN-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm								
Baseline Quantities	\$.73294	\$.43002	\$ 1.16296	\$.00093	\$.05362	\$.31805	\$ 1.53556	
Tier II	.84375	.43002	1.27377	.00093	.05362	.31805	1.64637	
GN-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm								
Baseline Quantities	\$.73294	\$.43002	\$ 1.16296	\$.00093	\$.05362	\$.31805	\$ 1.53556	
Tier II	.84375	.43002	1.27377	.00093	.05362	.31805	1.64637	
Submetered Discount per Occupied Space	(\$11.01)						(\$11.01)	
GN-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$.33637	\$.43002	\$.76639	\$.00093	\$.03984	\$.31805	\$ 1.12521	
Next 500	.23831	.43002	.66833	.00093	.03984	.31805	1.02715	
Next 2,400	.14284	.43002	.57286	.00093	.03984	.31805	.93168	
Over 3,000	(.00394)	.43002	.42608	.00093	.03984	.31805	.78490	
GN-40-Core General Gas Service								
Basic Service Charge	\$ 11.00							\$ 11.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm								
First 100	\$.60748	\$.43002	\$ 1.03750	\$.00093	\$.05362	\$.31805	\$ 1.41010	
Next 500	.48490	.43002	.91492	.00093	.05362	.31805	1.28752	
Next 2,400	.36557	.43002	.79559	.00093	.05362	.31805	1.16819	
Over 3,000	.18209	.43002	.61211	.00093	.05362	.31805	.98471	
GN-50-Core Natural Gas Service for Motor Vehicles								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$.10134	\$.43002	\$.53136	\$.00093	\$.05362	\$.31805	\$.90396	

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		
GN-60-Core Internal Combustion Engine Gas Service								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$.28220	\$.43002		\$.71222	\$.00093	\$.05362	\$.31805	\$ 1.08482
GN-66-Core Small Electric Power Generation Gas Service								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$.27613	\$.43002		\$.70615	\$.00093		\$.31805	\$ 1.02513
GN-70-Noncore General Gas Transportation Service								
Basic Service Charge	\$ 100.00							\$ 100.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm	\$.16986	\$.14647		\$.31633	\$.00093	\$.05362		\$.37088
TFF-Transportation Franchise Fee Surcharge Provision								
TFF Surcharge per Therm								\$.00413
TDS - Transportation Distribution System Shrinkage Charge								
TDS Charge per Therm								\$.00178
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision								
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
Upstream Interstate Charges			
Storage	\$.02627		
Reservation	.21382		
IRRAM Surcharge	.00000		\$.00000
Balancing Account Adjustments			
FCAM*	.18993		.14647
GHGBA**			
Non-Covered Entities			
Covered Entities			
Total Rate Adjustment	\$.43002		\$.14647

* The FCAM surcharge includes an amount of \$.14647 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).

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		
SLT-10-Residential Gas Service								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Baseline Quantities	\$.32198	\$.38956	\$.71154	\$.00093	\$.05362	\$.31805	\$ 1.08414	
Tier II	.40952	.38956	.79908	.00093	.05362	.31805	1.17168	
SLT-12-CARE Residential Gas Service								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$.11606	\$.38956	\$.50562	\$.00093	\$.03984	\$.31805	\$.86444	
Tier II	.18609	.38956	.57565	.00093	.03984	.31805	.93447	
SLT-15-Secondary Residential Gas Service								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$.44620	\$.38956	\$.83576	\$.00093	\$.05362	\$.31805	\$ 1.20836	
SLT-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm								
Baseline Quantities	\$.32198	\$.38956	\$.71154	\$.00093	\$.05362	\$.31805	\$ 1.08414	
Tier II	.40952	.38956	.79908	.00093	.05362	.31805	1.17168	
SLT-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm								
Baseline Quantities	\$.32198	\$.38956	\$.71154	\$.00093	\$.05362	\$.31805	\$ 1.08414	
Tier II	.40952	.38956	.79908	.00093	.05362	.31805	1.17168	
Submetered Discount per Occupied Space	(\$ 7.69)							(\$ 7.69)
SLT-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$.20561	\$.38956	\$.59517	\$.00093	\$.03984	\$.31805	\$.95399	
Next 500	.15354	.38956	.54310	.00093	.03984	.31805	.90192	
Next 2,400	.10147	.38956	.49103	.00093	.03984	.31805	.84985	
Over 3,000	.00765	.38956	.39721	.00093	.03984	.31805	.75603	
SLT-40-Core General Gas Service								
Basic Service Charge	\$ 11.00							\$ 11.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm								
First 100	\$.43392	\$.38956	\$.82348	\$.00093	\$.05362	\$.31805	\$ 1.19608	
Next 500	.36883	.38956	.75839	.00093	.05362	.31805	1.13099	
Next 2,400	.30374	.38956	.69330	.00093	.05362	.31805	1.06590	
Over 3,000	.18647	.38956	.57603	.00093	.05362	.31805	.94863	
SLT-50-Core Natural Gas Service for Motor Vehicles								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm	\$.20921	\$.38956	\$.59877	\$.00093	\$.05362	\$.31805	\$.97137	

Advice Letter No. 1024
Decision No. _____

Issued by
Justin Lee Brown
Vice President

Date Filed November 30, 2016
Effective _____
Resolution No. _____

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		
SLT-60-Core Internal Combustion Engine Gas Service								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm	\$.23812	\$.38956		\$.62768	\$.00093	\$.05362	\$.31805	\$ 1.00028
SLT-66-Core Small Electric Power Generation Gas Service								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm	\$.23812	\$.38956		\$.62768	\$.00093		\$.31805	\$.94666
SLT-70-Noncore General Gas Transportation Service								
Basic Service Charge	\$ 100.00							\$ 100.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm	\$.17267	\$.10601		\$.27868	\$.00093	\$.05362		\$.33323
TFF-Transportation Franchise Fee Surcharge Provision								
TFF Surcharge per Therm								\$.00413
TDS-Transportation Distribution System Shrinkage Charge								
TDS Charge per Therm								\$.00178
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision								
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	\$.02627			
Reservation	.21382			
IRRAM Surcharge	.00000		\$.00000	
Balancing Account Adjustment				
FCAM *	.14947		.10601	
GHGBA				
Non-Covered Entities				
Covered Entities				
Total Rate Adjustment	\$.38956		\$.10601	

* The FCAM surcharge includes an amount of \$.10601 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 No. 1024
Decision No. _____

Issued by
Justin Lee Brown
Vice President

Date Filed November 30, 2016
Effective _____
Resolution No. _____

**SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA
2017 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2016 (b)	2017 (c)	Line No.
1	Previous Year's Authorized Margin [1]	\$ 65,500,149	\$ 69,029,712	1
2	Post-Test Year Adjustment Percent [2]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 1,801,254</u>	<u>\$ 1,898,317</u>	3
4	Authorized Margin [1],[2]	<u>\$ 67,301,403</u>	<u>\$ 70,928,030</u>	4
5	ATM Cost of Capital Adjustment	\$ 0	\$ 0	5
6	PIMA - Victor Valley Transmission System	<u>\$ 1,728,309</u>	<u>\$ 0</u>	6
6	Adjusted Authorized Margin	<u>\$ 69,029,712</u>	<u>\$ 70,928,030</u>	6
7	Special Contract Gas Service	<u>\$ 22,379</u>	<u>\$ 22,379</u>	7
8	Total Authorized Margin Amount	<u><u>\$ 69,052,091</u></u>	<u><u>\$ 70,950,409</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, 2016**

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2016 Authorized Margin [1]		2017 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
Residential Gas Service										
1	Basic Service Charge	GS-10	1,534,970		\$ 5.00	\$ 7,674,850	\$ 5.00	\$ 7,674,850		1
	Commodity Charge	GS-12								
2	Baseline Quantities			42,313,225	\$0.66835	\$28,280,044	\$0.69144	\$29,256,902		2
3	Tier II			19,535,277	\$0.83962	\$16,402,209	\$0.86271	\$16,853,207		3
4	Total Residential Gas Service		1,534,970	61,848,502		\$52,357,103		\$53,784,959	\$53,784,959	4
Residential Air-Conditioning Gas Service										
5	Basic Service Charge	GS-11	0		\$ 5.00	\$ 0	\$ 5.00	\$ 0		5
	Commodity Charge									
6	Baseline Quantities			0	\$0.66835	\$ 0	\$0.69144	\$ 0		6
7	Tier II			0	\$0.83962	\$ 0	\$0.86271	\$ 0		7
8	Air Conditioning			0	\$0.33417	\$ 0	\$0.34572	\$ 0		8
9	Total Residential Air-Conditioning Gas Service		0	0		\$ 0		\$ 0	\$ 0	9
Secondary Residential Gas Service										
10	Basic Service Charge	GS-15	92,030		\$ 6.00	\$ 552,180	\$ 6.00	\$ 552,180		10
	Commodity Charge									
11	All Usage			3,108,030	\$1.02862	\$ 3,196,982	\$1.06179	\$ 3,300,085		11
12	Total Secondary Residential Gas Service		92,030	3,108,030		\$ 3,749,162		\$ 3,852,265	\$ 3,852,265	12
13	Total Residential Gas Service		1,627,000	64,956,532		\$56,106,265		\$ 57,637,224		13
Multi-Family Master-Metered Gas Service										
14	Basic Service Charge	GS-20	240		\$ 25.00	\$ 6,000	\$ 25.00	\$ 6,000		14
	Commodity Charge									
15	Baseline Quantities			148,981	\$0.66835	\$ 99,571	\$0.69144	\$ 103,011		15
16	Tier II			47,412	\$0.83962	\$ 39,808	\$0.86271	\$ 40,903		16
17	Total Multi-Family Master-Metered Gas Service		240	196,393		\$ 145,379		\$ 149,914	\$ 149,914	17
Multi-Family Master Metered Gas Service - Submetered										
18	Basic Service Charge	GS-25	540		\$ 25.00	\$ 13,500	\$ 25.00	\$ 13,500		18
	Submeter Discount				\$ (7.69)	\$ (250,079)	\$ (7.69)	\$ (250,079)		19
	Commodity Charge									
20	Baseline Quantities			1,003,649	\$0.66835	\$ 670,789	\$0.69144	\$ 693,959		20
21	Tier II			196,318	\$0.83962	\$ 164,833	\$0.86271	\$ 169,365		21
22	Total Multi-Family Master Metered Gas Service - Submetered		540	1,199,967		\$ 599,043		\$ 626,745	\$ 626,745	22
23	Total Multi-Family Master Metered Gas Service		780	1,396,360		\$ 744,422		\$ 776,659		23

SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA RATE JURISDICTION
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES
POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2016

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2016 Authorized Margin [1] Rates (e)	2016 Authorized Margin [1] Revenues (f)	2017 Authorized Margin Rates (g)	2017 Authorized Margin Revenues (h)	Class Margin Requirement (i)	Line No.
<u>Core General Gas Service</u>										
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	\$0.60232	\$ 2,058,597	\$0.61888	\$ 2,115,209		26
27	Next 500			5,958,021	\$0.44396	\$ 2,645,123	\$0.45617	\$ 2,717,864		27
28	Next 2400			4,888,184	\$0.31727	\$ 1,550,874	\$0.32599	\$ 1,593,523		28
29	Over 3000			3,637,366	\$0.15995	\$ 581,797	\$0.17055	\$ 620,354		29
30	Total Core General Gas Service		73,730	17,901,351		\$ 7,656,781		\$ 7,867,340	\$ 7,867,340	30
<u>Core Natural Gas Service for Motor Vehicles</u>										
31	Basic Service Charge	GS-50	48		\$ 25.00	\$ 1,200	\$ 25.00	\$ 1,200		31
	Commodity Charge									
32	All Usage		48	734,243	\$0.11822	\$ 86,802	\$0.12152	\$ 89,222		32
33	Total Core Natural Gas Service for Motor Vehicles		48	734,243		\$ 88,002		\$ 90,422	\$ 90,422	33
<u>Core Internal Combustion Engine Gas Service</u>										
34	Basic Service Charge	GS-60	132		\$ 25.00	\$ 3,300	\$ 25.00	\$ 3,300		34
	Commodity Charge									
35	All Usage		132	251,790	\$0.17563	\$ 44,222	\$0.18082	\$ 45,529		35
36	Total Core Internal Combustion Engine Gas Service		132	251,790		\$ 47,522		\$ 48,829	\$ 48,829	36
<u>Solar Electric Generation Gas Service</u>										
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	\$0.05064	\$ 490,924	\$0.05204	\$ 504,463		38
39	Total Solar Electric Generation Gas Service		24	9,694,392		\$ 492,124		\$ 505,663	\$ 505,663	39
<u>Core Small Electric Power Generation Gas Service</u>										
40	Basic Service Charge	GS-66	12		\$ 25.00	\$ 300	\$ 25.00	\$ 300		40
	Commodity Charge									
41	All Usage		12	236	\$0.25015	\$ 59	\$0.25968	\$ 61		41
42	Total Core Small Electric Power Generation Gas Service		12	236		\$ 359		\$ 361	\$ 434	42
<u>Noncore General Gas Transportation Service</u>										
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	\$0.12834	\$ 1,069,885	\$0.13223	\$ 1,102,347		45
46	Total Noncore General Gas Transportation Service		156	8,336,330		\$ 1,179,085		\$ 1,211,547	\$ 1,211,510	46

SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA RATE JURISDICTION
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES
POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2016

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2016 Authorized Margin Rates (e)	2016 Authorized Margin Revenues (f)	2017 Authorized Margin Rates (g)	2017 Authorized Margin Revenues (h)	Class Margin Requirement (i)	Line No.
	City of Victorville Gas Service	GS-VIC								
47	Basic Service Charge		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	\$0.35956	\$ 282,495	\$0.36978	\$ 290,526		49
50	Total City of Victorville Gas Service		<u>12</u>	<u>785,669</u>		<u>\$ 291,987</u>		<u>\$ 300,018</u>	\$ 300,018	50
51	Total All Schedules		<u>1,701,894</u>	<u>104,056,903</u>		<u>\$66,606,547</u>		<u>\$ 68,438,063</u>		51
52	Other Operating Revenues					\$ 2,423,014		\$ 2,489,647		52
53	Special Contract Gas Service	GN-T				\$ 22,379		\$ 22,379		53
54	Total FCAM Margin					\$69,051,940		\$ 70,950,089		54
55	Total Authorized Margin					\$69,052,091		\$ 70,950,409		55
56	Over / (Under)					\$ (152)		\$ (320)		56
57	PTYR Escalation Rate					1.0275		1.0275		57

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

[2] Schedule 1, Sheet 2 of 4.

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA
2017 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2016 (b)	2017 (c)	Line No.
1	Previous Year's Authorized Margin	\$ 18,155,154	\$ 18,654,421	1
2	Post-Test Year Adjustment Percent [1]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 499,267</u>	<u>\$ 512,997</u>	3
4	Authorized Margin [1]	<u>\$ 18,654,421</u>	<u>\$ 19,167,418</u>	4
5	ATM Cost of Capital Adjustment	<u>\$ 0</u>	<u>\$ 0</u>	5
6	Adjusted Authorized Margin	<u><u>\$ 18,654,421</u></u>	<u><u>\$ 19,167,418</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, 2016

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Terms) (d)	2016 Authorized Margin [1]		2017 Authorized Margin Revenues (h)	Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)			
Residential Gas Service									
1	GN-10 Basic Service Charge	GN-12	147,742		\$ 5.00	\$ 738,710	\$ 5.00	\$ 738,710	1
	Commodity Charge								
2	Baseline Quantities			6,613,336	\$0.71036	\$ 4,697,829	\$0.73294	\$ 4,847,172	2
3	Tier II			3,001,688	\$0.82117	\$ 2,464,887	\$0.84375	\$ 2,532,671	3
4	Total Residential Gas Service		147,742	9,615,024		\$ 7,901,426		\$ 8,118,553	4
Secondary Residential Gas Service									
5	GN-15 Basic Service Charge	GN-15	143,168		\$ 6.00	\$ 859,008	\$ 6.00	\$ 859,008	5
	Commodity Charge								
6	All Usage			8,278,230	\$0.85533	\$ 7,080,643	\$0.88171	\$ 7,298,984	6
7	Total Secondary Residential Gas Service		143,168	8,278,230		\$ 7,939,651		\$ 8,157,992	7
8	Total Residential Gas Service		290,910	17,893,254		\$ 15,841,077		\$ 16,276,545	8
Multi-Family Master-Metered Gas Service									
9	GN-20 Basic Service Charge	GN-20	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600	9
	Commodity Charge								
10	Baseline Quantities			13,872	\$0.71036	\$ 9,854	\$0.73294	\$ 10,167	10
11	Tier II			0	\$0.82117	\$ 0	\$0.84375	\$ 0	11
12	Total Multi-Family Master-Metered Gas Service		24	13,872		\$ 10,454		\$ 10,767	12
Multi-Family Master Metered Gas Service - Submetered									
13	GN-25 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								
15	Baseline Quantities			16,473	\$0.71036	\$ 11,702	\$0.73294	\$ 12,074	15
16	Tier II			2,818	\$0.82117	\$ 2,314	\$0.84375	\$ 2,378	16
17	Total Multi-Family Master Metered Gas Service - Submetered		12	19,291		\$ 10,881		\$ 11,317	17
18	Total Multi-Family Master Metered Gas Service		36	33,163		\$ 21,335		\$ 22,084	18
Core General Gas Service									
19	GN-35 Basic Service Charge	GN-40	18,784		\$ 11.00	\$ 206,624	\$ 11.00	\$ 206,624	19
20	Transportation Service Charge		0		\$ 780.00	\$ 0	\$ 780.00	\$ 0	20
	Commodity Charge								
21	First 100			1,071,977	\$0.59122	\$ 633,778	\$0.60748	\$ 651,207	21
22	Next 500			1,861,214	\$0.47192	\$ 878,350	\$0.48490	\$ 902,504	22
23	Next 2400			1,574,988	\$0.35579	\$ 560,365	\$0.36557	\$ 575,775	23
24	Over 3000			1,311,622	\$0.17300	\$ 226,906	\$0.18209	\$ 238,829	24
25	Total Core General Gas Service		18,784	5,819,801		\$ 2,506,023		\$ 2,574,939	25

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA RATE JURISDICTION
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES
TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2016**

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Terms) (d)	2016 Authorized Margin [1]		2017 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<u>Core Natural Gas Service for Motor Vehicles</u>										
26	Basic Service Charge	GN-50	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600		26
	Commodity Charge									
27	All Usage		24	140,747	\$0.09852	\$ 13,866	\$0.10134	\$ 14,264		27
28	Total Core Natural Gas Service for Motor Vehicles			140,747		\$ 14,466		\$ 14,864	\$ 14,864	28
<u>Core Internal Combustion Engine Gas Service</u>										
29	Basic Service Charge	GN-60	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600		29
	Commodity Charge									
30	All Usage		24	355	\$0.27273	\$ 97	\$0.28220	\$ 100		30
31	Total Core Internal Combustion Engine Gas Service			355		\$ 697		\$ 700	\$ 1,094	31
<u>Core Small Electric Power Generation Gas Service</u>										
32	Basic Service Charge	GN-66	0		\$ 25.00	\$ 0	\$ 25.00	\$ 0		32
	Commodity Charge									
33	All Usage		0	0	\$0.26874	\$ 0	\$0.27613	\$ 0		33
34	Total Core Small Electric Power Generation Gas Service			0		\$ 0		\$ 0		34
<u>Noncore General Gas Transportation Service</u>										
35	Basic Service Charge	GN-70	12		\$ 100.00	\$ 1,200	\$ 100.00	\$ 1,200		35
	Transportation Service Charge		12		\$ 780.00	\$ 9,360	\$ 780.00	\$ 9,360		36
	Commodity Charge									
37	All Usage		12	300,400	\$0.16437	\$ 49,378	\$0.16986	\$ 51,026		37
38	Total Noncore General Gas Transportation Service			300,400		\$ 59,938		\$ 61,586	\$ 61,586	38
39	Total All Schedules		309,790	24,187,720		\$ 18,443,536		\$ 18,950,718		39
40	Other Operating Revenues					\$ 210,566		\$ 216,357		40
41	<u>Special Contract Gas Service</u>	GN-T				\$ 0		\$ 0		41
42	Total FCAM Margin					\$ 18,654,102		\$ 19,167,075		42
43	Total Authorized Margin					\$ 18,654,421		\$ 19,167,418		43
44	Over / (Under)					\$ (319)		\$ (343)		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
2017 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2016 (b)	2017 (c)	Line No.
1	Previous Year's Authorized Margin	\$ 9,068,733	\$ 9,318,124	1
2	Post-Test Year Adjustment Percent [1]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 249,390</u>	<u>\$ 256,248</u>	3
4	Authorized Margin [1]	<u>\$ 9,318,124</u>	<u>\$ 9,574,372</u>	4
5	ATM Cost of Capital Adjustment	<u>\$ 0</u>	<u>\$ 0</u>	5
6	Adjusted Authorized Margin	<u><u>\$ 9,318,124</u></u>	<u><u>\$ 9,574,372</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, 2016

Line No.	Description (a)	Schedule No.	Number of Bills (c)	Volumes (Therms) (d)	2016 Authorized Margin [1]		2017 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<u>Residential Gas Service</u>										
1	Basic Service Charge	SLT-10	142,714		\$ 5.00	\$ 713,570	\$ 5.00	\$ 713,570		1
	Commodity Charge									
2	Baseline Quantities			7,091,497	\$0.31102	\$2,205,606	\$0.32198	\$2,283,332		2
3	Tier II			3,301,815	\$0.39856	\$1,315,975	\$0.40952	\$1,352,165		3
4	Total Residential Gas Service		<u>142,714</u>	<u>10,393,312</u>		<u>\$4,235,151</u>		<u>\$4,349,067</u>	\$ 4,349,066	4
<u>Secondary Residential Gas Service</u>										
5	Basic Service Charge	SLT-15	72,767		\$ 6.00	\$ 436,602	\$ 6.00	\$ 436,602		5
	Commodity Charge									
6	All Usage			4,382,074	\$0.43159	\$1,891,279	\$0.44620	\$1,955,296		6
7	Total Secondary Residential Gas Service		<u>72,767</u>	<u>4,382,074</u>		<u>\$2,327,881</u>		<u>\$2,391,898</u>	\$ 2,391,898	7
8	Total Residential Gas Service		<u>215,481</u>	<u>14,775,386</u>		<u>\$6,563,032</u>		<u>\$6,740,965</u>		8
<u>Multi-Family Master-Metered Gas Service</u>										
9	Basic Service Charge	SLT-20	1,152		\$ 11.00	\$ 12,672	\$ 11.00	\$ 12,672		9
	Commodity Charge									
10	Baseline Quantities			553,605	\$0.31102	\$ 172,183	\$0.32198	\$ 178,251		10
11	Tier II			194,887	\$0.39856	\$ 77,674	\$0.40952	\$ 79,810		11
12	Total Multi-Family Master-Metered Gas Service		<u>1,152</u>	<u>748,492</u>		<u>\$ 262,529</u>		<u>\$ 270,733</u>	\$ 270,734	12
<u>Multi-Family Master Metered Gas Service - Submetered</u>										
13	Basic Service Charge	SLT-25	144		\$ 11.00	\$ 1,584	\$ 11.00	\$ 1,584		13
14	Submeter Discount		6,288		\$ (7.69)	\$ (48,355)	\$ (7.69)	\$ (48,355)		14
	Commodity Charge									
15	Baseline Quantities			116,348	\$0.31102	\$ 36,187	\$0.32198	\$ 37,462		15
16	Tier II			299,433	\$0.39856	\$ 119,342	\$0.40952	\$ 122,624		16
17	Total Multi-Family Master Metered Gas Service - Submetered		<u>144</u>	<u>415,781</u>		<u>\$ 108,758</u>		<u>\$ 113,315</u>	\$ 113,316	17
18	Total Multi-Family Master Metered Gas Service		<u>1,296</u>	<u>1,164,273</u>		<u>\$ 371,287</u>		<u>\$ 384,048</u>		18
<u>Core General Gas Service</u>										
19	Basic Service Charge	SLT-35	16,124		\$ 11.00	\$ 177,364	\$ 11.00	\$ 177,364		19
	Commodity Charge									
20	First 100			960,393	\$0.42230	\$ 405,576	\$0.43392	\$ 416,730		20
21	Next 500			1,795,993	\$0.35896	\$ 644,684	\$0.36883	\$ 662,413		21
22	Next 2400			1,621,343	\$0.29561	\$ 479,288	\$0.30374	\$ 492,468		22
23	Over 3000			1,768,501	\$0.17880	\$ 316,202	\$0.18647	\$ 329,774		23
24	Total Core General Gas Service		<u>16,124</u>	<u>6,146,230</u>		<u>\$2,023,114</u>		<u>\$2,078,749</u>	\$ 2,078,749	24
<u>Core Natural Gas Service for Motor Vehicles</u>										
25	Basic Service Charge	SLT-50	12		\$ 11.00	\$ 132	\$ 11.00	\$ 132		25
	Commodity Charge									
26	All Usage			91,877	\$0.20358	\$ 18,704	\$0.20921	\$ 19,222		26
27	Total Core Natural Gas Service for Motor Vehicles		<u>12</u>	<u>91,877</u>		<u>\$ 18,836</u>		<u>\$ 19,354</u>	\$ 19,354	27

SOUTHWEST GAS CORPORATION
SOUTH LAKE TAHOE RATE JURISDICTION
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES
TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2016

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2016 Authorized Margin [1] Rates (e)	Revenues (f)	2017 Authorized Margin Rates (g)	Revenues (h)	Class Margin Requirement (i)	Line No.
<u>Core Internal Combustion Engine Gas Service</u>										
28	Basic Service Charge	SLT-60	0		\$ 11.00	\$ 0	\$ 11.00	\$ 0		28
	Commodity Charge									
29	All Usage			0	\$0.23175	\$ 0	\$0.23812	\$ 0		29
30	Total Core Internal Combustion Engine Gas Service			0		\$ 0		\$ 0	\$ 0	30
<u>Core Small Electric Power Generation Gas Service</u>										
31	Basic Service Charge	SLT-66	0		\$ 11.00	\$ 0	\$ 11.00	\$ 0		31
	Commodity Charge									
32	All Usage			0	\$0.23175	\$ 0	\$0.23812	\$ 0		32
33	Total Core Small Electric Power Generation Gas Service			0		\$ 0		\$ 0	\$ 0	33
<u>Noncore General Gas Transportation Service</u>										
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
	Commodity Charge									
36	All Usage		24	579,100	\$0.16707	\$ 96,753	\$0.17267	\$ 99,994		36
37	Total Noncore General Gas Transportation Service		24	579,100		\$ 117,873		\$ 121,114	\$ 121,114	37
38	Total All Schedules		232,937	22,756,866		\$9,094,142		\$9,344,230		38
39	Other Operating Revenues					\$ 224,036		\$ 230,197		39
40	<u>Special Contract Gas Service</u>	GN-T				\$ 0		\$ 0		40
41	Total FCAM Margin					\$9,318,178		\$9,574,427		41
42	Total Authorized Margin					\$9,318,124		\$9,574,372		42
43	Over / (Under)					\$ 54		\$ 55		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.