

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 5, 2017

Advice Letter 1026-G

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

SUBJECT: Update Procurement Charges Applicable to Schedule No. GCP for Core Customers & the Transportation Franchise Fee & the Transportation Distribution Shrinkage Surcharges Applicable to Core & Non-Core Customers in SWG's CA Service Areas

Dear Mr. Brown:

Advice Letter 1026-G is effective as of December 1, 2016.

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

December 1, 2016

**ATTN: Tariff Unit, Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102**

**Subject: Southwest Gas Corporation (U 905 G)
Advice Letter No. 1026**

Enclosed herewith is one (1) copy of Southwest Gas Corporation's Advice Letter No. 1026, together with California Gas Tariff Sheet Nos. 65, 66, 68-71 and 123.

Sincerely,

**Valerie J. Ontiveroz
Regulatory Manager/California**

**VJO:dm
Enclosures**



SOUTHWEST GAS CORPORATION

Advice Letter No. 1026

December 1, 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.
83rd Revised Sheet No. 65	Statement of Rates - Rates Applicable to Southern California Service Area	79th Revised Sheet No. 65
84th Revised Sheet No. 66	Statement of Rates - Rates Applicable to Southern California Service Area	80th Revised Sheet No. 66
81st Revised Sheet No. 68	Statement of Rates - Rates Applicable to Northern California Service Area	78th Revised Sheet No. 68
83rd Revised Sheet No. 69	Statement of Rates - Rates Applicable to Northern California Service Area	79th Revised Sheet No. 69
48th Revised Sheet No. 70	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	45th Revised Sheet No. 70
83rd Revised Sheet No. 71	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	79th Revised Sheet No. 71
68th Revised Sheet No. 123	Schedule No. GCP – Gas Procurement For Core Customers	67th Revised Sheet No. 123

Purpose

The purpose of this routine monthly filing is to revise the above listed tariff sheets by updating: (1) procurement charges applicable to Schedule No. GCP, Gas Procurement for Core Customers, in compliance with the California Public Utilities Commission's (Commission) letter dated October 20, 2000, approving Southwest Gas' Advice Letter No. 619; (2) the Transportation Franchise Fee (TFF) Surcharge applicable to core and noncore customers who secure their own sources of supply, pursuant to Public Utilities Code, Sections 6350 to 6354, *et seq*; and (3) the Transportation Distribution Shrinkage (TDS) Charge, in accordance with Decision No. (D.)14-06-028.



Advice Letter No. 1026
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December 1, 2016

Purpose (Continued)

For core sales customers, the December 2016 cost of gas, including adjustment for franchises and uncollectibles, is \$0.30053 per therm for Southwest Gas' Southern California Service Area and \$0.29205 per therm for Southwest Gas' Northern California and South Lake Tahoe Service Areas.

The TFF Surcharge rate is \$0.00337 per therm for Southwest Gas' Southern California Service Area and \$0.00374 per therm for Southwest Gas' Northern California and South Lake Tahoe Service Areas.

The TDS Charge is \$0.00228 per therm for Southwest Gas' Southern California Service Area and \$0.00164 for Southwest Gas' Northern California and South Lake Tahoe Service Areas.

Effective Date

Advice Letter No. 626 authorized Southwest Gas to make its monthly gas cost adjustment effective between the first and seventh calendar day of each month. Therefore, Southwest Gas requests the gas cost adjustments be effective December 1, 2016. This Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to General Order (GO) 96-B.

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



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Protest (Continued)

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 in accordance with previously authorized procedures as noted herein.

Service

In accordance with GO 96-B, General Rule 7.2, 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

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: _____

Justin Lee Brown

Attachments

Distribution List

Advice Letter No. 1026

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>1026</u>	
Subject of AL: <u>To update procurement charges applicable to Schedule No. GCP for core customers and the Transportation Franchise Fee (TFF) and Transportation Distribution Shrinkage (TDS) Surcharges applicable to core and noncore customers in Southwest Gas' California service areas</u>	
Keywords (choose from CPUC listing): <u>Increased rates in Southern California (SCA), Northern California (NCA) and South Lake Tahoe (SLT)</u>	
AL filing type: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input 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 #:	
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>December 1, 2016</u>	No. of tariff sheets: <u>7</u>
Estimated system annual revenue effect (%): <u>(1.48%) SCA, (1.65%) NCA, and (2.20%) SLT</u>	
Estimated system average rate effect (%): <u>(1.48%) SCA, (1.65%) NCA, and (2.20%) 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>Schedule No. GCP – Gas Procurement for Core Customers</u>	
Service affected and changes proposed ¹ : <u>See 'Subject of AL' above</u>	
Pending advice letters that revise the same tariff sheets: <u>Not applicable</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	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.

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	
GS-10-Residential Gas Service								
Basic Service Charge	\$ 5.00						\$ 5.00	
Cost per Therm								
Baseline Quantities	\$.66835	\$.29643	\$.96478	\$.00093	\$.15841	\$.30053	\$ 1.42465	R
Tier II	\$.83962	.29643	1.13605	.00093	.15841	.30053	1.59592	R
GS-11-Residential Air-Conditioning Gas Service								
Basic Service Charge	\$ 5.00						\$ 5.00	
Cost per Therm								
Tier I	\$.66835	\$.29643	\$.96478	\$.00093	\$.15841	\$.30053	\$ 1.42465	R
Tier II	.83962	.29643	1.13605	.00093	.15841	.30053	1.59592	R
Air-Conditioning	\$.33417	.29643	.63060	.00093	.15841	.30053	1.09047	R
GS-12-CARE Residential Gas Service								
Basic Service Charge	\$ 4.00						\$ 4.00	
Cost per Therm								
Baseline Quantities	\$.41529	\$.29643	\$.71172	\$.00093	\$.03984	\$.30053	\$ 1.05302	R
Tier II	.55230	.29643	.84873	.00093	.03984	.30053	\$ 1.19003	R
GS-15-Secondary Residential Gas Service								
Basic Service Charge	\$ 6.00						\$ 6.00	
Cost per Therm	\$ 1.02862	\$.29643	\$ 1.32505	\$.00093	\$.15841	\$.30053	\$ 1.78492	R
GS-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$ 25.00						\$ 25.00	
Cost per Therm								
Baseline Quantities	\$.66835	\$.29643	\$.96478	\$.00093	\$.15841	\$.30053	\$ 1.42465	R
Tier II	.83962	.29643	1.13605	.00093	.15841	.30053	1.59592	R
GS-25 -Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$ 25.00						\$ 25.00	
Cost per Therm								
Baseline Quantities	\$.66835	\$.29643	\$.96478	\$.00093	\$.15841	\$.30053	\$ 1.42465	R
Tier II	.83962	.29643	1.13605	.00093	.15841	.30053	1.59592	R
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	\$.36246	\$.29643	.65889	\$.00093	\$.03984	\$.30053	\$ 1.00019	R
Next 500	.23578	.29643	.53221	.00093	.03984	.30053	.87351	R
Next 2,400	.13442	.29643	.43085	.00093	.03984	.30053	.77215	R
Over 3,000	.00857	.29643	.30500	.00093	.03984	.30053	.64630	R
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	\$.60232	\$.29643	\$.89875	\$.00093	\$.15841	\$.30053	\$ 1.35862	R
Next 500	\$.44396	.29643	.74039	.00093	.15841	.30053	1.20026	R
Next 2,400	\$.31727	.29643	.61370	.00093	.15841	.30053	1.07357	R
Over 3,000	\$.15995	.29643	.45638	.00093	.15841	.30053	.91625	R

Advice Letter No. 1026
Decision No. _____

Issued by
Justin Lee Brown
Vice President

Date Filed December 1, 2016
Effective December 1, 2016
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	<u>Other Surcharges</u> CPUC PPP		Gas Cost	Effective Sales Rate	
GS-50-Core Natural Gas Service for Motor Vehicles								
Basic Service Charge	\$25.00						\$25.00	
Cost per Therm	\$.11822	\$.29643	\$.41465	\$.00093	\$.15841	\$.30053	\$.87452	R
GS-60-Core Internal Combustion Engine Gas Service								
Basic Service Charge	\$25.00						\$25.00	
Cost per Therm	\$.17563	\$.29643	\$.47206	\$.00093	\$.15841	\$.30053	\$.93193	R
GS-LUZ-Solar Electric Generation Gas Service								
Basic Service Charge	\$50.00						\$50.00	
Cost per Therm	\$.05064	\$.17135	\$.22199	\$.00093			\$.22292	
GS-66-Core Small Electric Power Generation Gas Service								
Basic Service Charge	\$25.00						\$25.00	
Cost per Therm	\$.25015	\$.29643	\$.54658	\$.00093		\$.30053	\$.84804	R
GS-70-Noncore General Gas Transportation Service								
Basic Service Charge	\$100.00						\$100.00	
Transportation Service Charge	\$780.00						\$780.00	
Cost per Therm	\$.12834	\$.19681	\$.32515	\$.00093	\$.15841		\$.48449	
GS-VIC City of Victorville Gas Service								
Basic Service Charge	\$11.00						\$ 11.00	
Transportation Service Charge	\$780.00						\$780.00	
Cost per Therm	\$.35956	\$.29636	\$.65592	\$.00093		\$.30053	\$.95738	R
TFF-Transportation Franchise Fee Surcharge Provision								
TFF Surcharge per Therm							\$.00337	R
TDS – Transportation Distribution System Shrinkage Charge								
TDS Charge per Therm							\$.00228	R
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision								
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		Gas Cost	Effective Sales Rate	
					CPUC	PPP			
GN-10-Residential Gas Service									
Basic Service Charge	\$ 5.00							\$ 5.00	
Cost per Therm									
Baseline Quantities	\$.71036	\$.43006	\$ 1.14042	\$.00093	\$.05362	\$.29205	\$ 1.48702	R	
Tier II	.82117	.43006	1.25123	.00093	.05362	.29205	1.59783	R	
GN-12-CARE Residential Gas Service									
Basic Service Charge	\$ 4.00							\$ 4.00	
Cost per Therm									
Baseline Quantities	\$.42387	\$.43006	\$.85393	\$.00093	\$.03984	\$.29205	\$ 1.18675	R	
Tier II	.51251	.43006	.94257	.00093	.03984	.29205	1.27539	R	
GN-15-Secondary Residential Gas Service									
Basic Service Charge	\$ 6.00							\$ 6.00	
Cost per Therm	\$.85533	\$.43006	\$ 1.28539	\$.00093	\$.05362	\$.29205	\$ 1.63199	R	
GN-20-Multi-Family Master-Metered Gas Service									
Basic Service Charge	\$ 25.00							\$ 25.00	
Cost per Therm									
Baseline Quantities	\$.71036	\$.43006	\$ 1.14042	\$.00093	\$.05362	\$.29205	\$ 1.48702	R	
Tier II	.82117	.43006	1.25123	.00093	.05362	.29205	1.59783	R	
GN-25-Multi-Family Master-Metered Gas Service-Submetered									
Basic Service Charge	\$ 25.00							\$ 25.00	
Cost per Therm									
Baseline Quantities	\$.71036	\$.43006	\$ 1.14042	\$.00093	\$.05362	\$.29205	\$ 1.48702	R	
Tier II	.82117	.43006	1.25123	.00093	.05362	.29205	1.59783	R	
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	\$.32855	\$.43006	\$.75861	\$.00093	\$.03984	\$.29205	\$ 1.09143	R	
Next 500	.23311	.43006	.66317	.00093	.03984	.29205	.99599	R	
Next 2,400	.14021	.43006	.57027	.00093	.03984	.29205	.90309	R	
Over 3,000	(.00602)	.43006	.42404	.00093	.03984	.29205	.75686	R	
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	\$.59122	\$.43006	\$ 1.02128	\$.00093	\$.05362	\$.29205	\$ 1.36788	R	
Next 500	.47192	.43006	.90198	.00093	.05362	.29205	1.24858	R	
Next 2,400	.35579	.43006	.78585	.00093	.05362	.29205	1.13245	R	
Over 3,000	.17300	.43006	.60306	.00093	.05362	.29205	.94966	R	
GN-50-Core Natural Gas Service for Motor Vehicles									
Basic Service Charge	\$ 25.00							\$ 25.00	
Cost per Therm	\$.09852	\$.43006	\$.52858	\$.00093	\$.05362	\$.29205	\$.87518	R	

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
GN-60-Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm	\$.27273	\$.43006	\$.70279	\$.00093	\$.05362	\$.29205	\$ 1.04939
GN-66-Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm	\$.27273	\$.43006	\$.70279	\$.00093		\$.29205	\$.99577
GN-70-Noncore General Gas Transportation Service							
Basic Service Charge	\$ 100.00						\$ 100.00
Transportation Service Charge	\$ 780.00						\$ 780.00
Cost per Therm	\$.16437	\$.14651	\$.31088	\$.00093	\$.05362		\$.36543
TFF-Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.00374
TDS - Transportation Distribution System Shrinkage Charge							
TDS Charge per Therm							\$.00164
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-12, GN-15, GN-20, GN-25,	GN-35, GN-40, GN-50, GN-60, GN-66	GN-70
Upstream Interstate Charges			
Storage	\$.02627		
Reservation	.21382		
IRRAM Surcharge	.00004		\$.00004
Balancing Account Adjustments			
FCAM*	.18993		.14647
GHGBA**			
Non-Covered Entities			
Covered Entities			
Total Rate Adjustment	\$.43006		\$.14651

* The FCAM surcharge includes an amount of \$.02764 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	\$.31102	\$.38960	\$.70062	\$.00093	\$.05362	\$.29205	\$ 1.04722		R
Tier II	.39856	.38960	.78816	.00093	.05362	.29205	1.13476		R
SLT-12-CARE Residential Gas Service									
Basic Service Charge	\$4.00							\$4.00	
Cost per Therm									
Baseline Quantities	\$.11249	\$.38960	\$.50209	\$.00093	\$.03984	\$.29205	\$.83491		R
Tier II	.18252	.38960	.57212	.00093	.03984	.29205	.90494		R
SLT-15-Secondary Residential Gas Service									
Basic Service Charge	\$6.00							\$6.00	
Cost per Therm	\$.43159	\$.38960	\$.82119	\$.00093	\$.05362	\$.29205	\$ 1.16779		R
SLT-20-Multi-Family Master-Metered Gas Service									
Basic Service Charge	\$11.00							\$11.00	
Cost per Therm									
Baseline Quantities	\$.31102	\$.38960	\$.70062	\$.00093	\$.05362	\$.29205	\$ 1.04722		R
Tier II	.39856	.38960	.78816	.00093	.05362	.29205	1.13476		R
SLT-25-Multi-Family Master-Metered Gas Service-Submetered									
Basic Service Charge	\$11.00							\$11.00	
Cost per Therm									
Baseline Quantities	\$.31102	\$.38960	\$.70062	\$.00093	\$.05362	\$.29205	\$ 1.04722		R
Tier II	.39856	.38960	.78816	.00093	.05362	.29205	1.13476		R
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	\$.20151	\$.38960	\$.59111	\$.00093	\$.03984	\$.29205	\$.92393		R
Next 500	.15084	.38960	.54044	.00093	.03984	.29205	.87326		R
Next 2,400	.10016	.38960	.48976	.00093	.03984	.29205	.82258		R
Over 3,000	.00671	.38960	.39631	.00093	.03984	.29205	.72913		R
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	\$.42230	\$.38960	\$.81190	\$.00093	\$.05362	\$.29205	\$ 1.15850		R
Next 500	.35896	.38960	.74856	.00093	.05362	.29205	1.09516		R
Next 2,400	.29561	.38960	.68521	.00093	.05362	.29205	1.03181		R
Over 3,000	.17880	.38960	.56840	.00093	.05362	.29205	.91500		R
SLT-50-Core Natural Gas Service for Motor Vehicles									
Basic Service Charge	\$11.00							\$11.00	
Cost per Therm	\$.20358	\$.38960	\$.59318	\$.00093	\$.05362	\$.29205	\$.93978		R

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	\$.23175	\$.38960	\$.62135	\$.00093	\$.05362	\$.29205	\$.96795	R
SLT-66-Core Small Electric Power Generation Gas Service								
Basic Service Charge	\$ 11.00						\$ 11.00	
Cost per Therm	\$.23175	\$.38960	\$.62135	\$.00093		\$.29205	\$.91433	R
SLT-70-Noncore General Gas Transportation Service								
Basic Service Charge	\$ 100.00						\$ 100.00	
Transportation Service Charge	\$ 780.00						\$ 780.00	
Cost per Therm	\$.16707	\$.10605	\$.27312	\$.00093	\$.05362		\$.32767	
TFF-Transportation Franchise Fee Surcharge Provision								
TFF Surcharge per Therm							\$.00374	R
TDS-Transportation Distribution System Shrinkage Charge								
TDS Charge per Therm							\$.00164	R
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	.00004		\$.00004	
Balancing Account Adjustment				
FCAM *	.14947		.10601	
GHGBA				
Non-Covered Entities				
Covered Entities				
Total Rate Adjustment	\$.38960		\$.10605	

* 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. 1026
Decision No. _____

Issued by
Justin Lee Brown
Vice President

Date Filed December 1, 2016
Effective December 1, 2016
Resolution No. _____

Schedule No. GCP

GAS PROCUREMENT FOR CORE CUSTOMERS

APPLICABILITY

Applicable to core customers who purchase natural gas from the Company. Service under this schedule will be provided in conjunction with the customer's otherwise applicable sales rate schedule.

TERRITORY

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

RATES

The Company shall adjust the Cost of Gas for this schedule monthly to reflect its estimated average gas costs. This revised rate shall become effective between the first and seventh calendar day of each month.

Procurement Charges

Southern California

Cost of Gas	\$.29571
F&U	\$.00482
Total Gas Cost	<u>\$.30053</u>

Northern California and South Lake Tahoe

Cost of Gas	\$.28785
F&U	\$.00420
Total Gas Cost	<u>\$.29205</u>

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**SOUTHWEST GAS CORPORATION
CALCULATION OF MONTHLY CORE PROCUREMENT CHARGES
FOR THE MONTH OF DECEMBER 2016**

Line No.	Description (a)	Rate per Therm (b)	Line No.
<u>Southern California</u>			
1	Estimated Cost of Gas [1]	\$ 0.28851	1
2	Monthly Account No. 191 Surcharge [2]	<u>0.00720</u>	2
3	Subtotal	\$ 0.29571	3
4	Franchise & Uncollectibles @ 1.6299% [3]	<u>0.00482</u>	4
5	Total December Core Procurement Charge per Therm	<u>\$ 0.30053</u>	5
<u>Northern California and South Lake Tahoe</u>			
6	Estimated Cost of Gas [4]	\$ 0.28510	6
7	Monthly Account No. 191 Surcharge [5]	<u>0.00275</u>	7
8	Subtotal	\$ 0.28785	8
9	Franchise & Uncollectibles @ 1.4589% [3]	<u>0.00420</u>	9
10	Total December Core Procurement Charge per Therm	<u>\$ 0.29205</u>	10

[1] Schedule I, Sheet 2, Line 17, Column (c), converted to Therm.

[2] Schedule I, Sheet 4.

[3] Order Approving Southwest Gas Application 12-12-024 (D.14-06-028).

[4] Schedule I, Sheet 3, Line 10, Column (c), converted to Therm.

[5] Schedule I, Sheet 5.

**SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA
CALCULATION OF PROJECTED MONTHLY GAS COST
FOR THE MONTH OF DECEMBER 2016**

Line No.	Description (a)	Dth (b)	Average Cost Per Dth (c)=(d)/(b)	Amount (d)	Line No.
<u>City Gate Demand and Storage Injections</u>					
1	Total City Gate Demand	1,473,754			1
2	Purchases for Storage Injection @ City Gate [1]				2
3	Carry-over from Previous Month (Dth)				3
4	Total Demand and Storage Injections	<u>1,473,754</u>			4
<u>Gas Purchases into Kern River Mainline</u>					
5	Term Purchases	458,800	\$ 3.1548	\$ 1,447,413	5
6	First of Month Purchases [2]	496,000	\$ 2.6995	\$ 1,338,952	6
7	Spot Purchases [2]	545,804	\$ 2.6720	\$ 1,458,388	7
8	In Kind Fuel	(26,850)	\$ 0.0000	\$ 0	8
9	Variable Transmission	<u>1,473,754</u>	<u>\$ 0.0049</u>	<u>\$ 7,221</u>	9
10	Kern River Opal Basin Total Purchases	<u>1,473,754</u>	<u>\$ 2.8851</u>	<u>\$ 4,251,975</u>	10
<u>City Gate Gas Purchases</u>					
11	Term Purchases	0	\$ 0.0000	\$ 0	11
12	First of Month Purchases [2]	0	\$ 0.0000	\$ 0	12
13	Spot Purchases [2]	0	\$ 0.0000	\$ 0	13
14	Total City Gate Gas Purchases	<u>0</u>	<u>\$ 0.0000</u>	<u>\$ 0</u>	14
<u>Storage Withdrawals</u>					
15	Projected Volume	0	\$ 0.0000	\$ 0	15
16	Total Average Cost of Gas	<u>0</u>	<u>\$ 0.0000</u>	<u>\$ 0</u>	16
17	Total Cost of Gas at City Gate [3]	<u>1,473,754</u>	<u>\$ 2.8851</u>	<u>\$ 4,251,975</u>	17

[1] Does not include gas scheduled directly to storage.

[2] Based on November 16, 2016, first of the month forwards.

[3] Excludes storage and interstate pipeline fixed charges and intrastate transportation.

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA INCLUDING SOUTH LAKE TAHOE DISTRICT
CALCULATION OF PROJECTED MONTHLY GAS COST
FOR THE MONTH OF DECEMBER 2016**

Line No.	Description (a)	Dth (b)	Average Cost Per Dth (c)=(d)/(b)	Amount (d)	Line No.
1	Total City Gate Demand (Net)	695,523			1
<u>Gas Purchases into Mainline</u>					
2	Projected Purchases Into NWPL [1]	62,358	\$ 2.6018	\$ 162,244	2
3	Projected Purchases Into Tuscarora [1]	308,204	\$ 3.0783	\$ 948,739	3
4	Projected Purchases Into Paiute [1]	336,972	\$ 2.5780	\$ 868,714	4
5	Total Projected Gas Purchases into Mainline		<u>\$ 2.8463</u>	<u>\$ 1,979,697</u>	5
<u>Transportation Costs</u>					
6	NWPL Volumetric Charge [2]	61,616	\$ 0.0313	\$ 1,929	6
7	Paiute Volumetric Charge [3]	695,523	\$ 0.0013	\$ 904	7
8	Tuscarora Volumetric Charge [4]	305,739	\$ 0.0013	\$ 397	8
9	Total Transportation Variable Cost		<u>\$ 0.0339</u>	<u>\$ 3,230</u>	9
10	Total Cost at the City Gate [5]	<u>695,523</u>	<u>\$ 2.8510</u>	<u>\$ 1,982,927</u>	10

[1] Based on November 16, 2016, first of the month forwards.

[2] NWPL less in-kind fuel at 1.19%.

[3] Paiute less in-kind fuel at 1.25%.

[4] Tuscarora less in-kind fuel at 0.80%.

[5] Assumes no volume is dispatched from LNG.

**SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA
CALCULATION OF MONTHLY PGA BALANCING ACCOUNT ADJUSTMENTS
FOR THE MONTH OF DECEMBER 2016**

Line No.	Description (a)	Estimated October Activity (b)	December Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for October 2016		\$ 672,334	1
	Storage Activities			
2	No Storage Activity for September		0	2
3	No Storage Activity for October		0	3
4	Adjusted Ending Balance		<u>\$ 672,334</u>	4
5	October Rate per Therm	\$ 0.01083		5
6	November Rate per Therm	<u>0.00818</u>		6
7	Average Rate per Therm	<u>\$ 0.00951</u>		7
8	Estimated November Sales	6,499,569		8
9	Estimated November Acct. No. 191 Activity (Line 7 x Line 8)		\$ (61,811)	9
10	Estimated November Acct. No. 191 Ending Balance Adjusted for Known and Unrecorded Activity		<u>\$ 610,523</u>	10
11	Estimated Twelve Months Sales		<u>84,839,677</u>	11
12	December Surcharge per Therm (Line 10 / Line 11)		<u>\$ 0.00720</u>	12

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA INCLUDING SOUTH LAKE TAHOE DISTRICT
CALCULATION OF MONTHLY PGA BALANCING ACCOUNT ADJUSTMENT
FOR THE MONTH OF DECEMBER 2016**

Line No.	Description (a)	Estimated October Activity (b)	December Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for October 2016		\$ 116,913	1
2	October Rate per Therm	\$(0.00245)		2
3	November Rate per Therm	(0.00143)		3
4	Average Rate per Therm	<u>\$(0.00194)</u>		4
5	Estimated November Sales	3,869,666		5
6	Estimated November Acct. No. 191 Activity (Line 4 x Line 5)		\$ 7,507	6
7	Estimated November Acct. No. 191 Ending Balance Adjusted for Known and Unrecorded Activity		<u>\$ 124,420</u>	7
8	Estimated Twelve Months Sales		<u>45,322,891</u>	8
9	December Surcharge per Therm (Line 7 / Line 8)		<u>\$ 0.00275</u>	9

**SOUTHWEST GAS CORPORATION
CALCULATION OF TRANSPORTATION FRANCHISE FEE (TFF) SURCHARGE
FOR THE MONTH OF DECEMBER 2016**

Line No.	Description (a)	Rate per Therm (b)	Line No.
<u>Southern California</u>			
1	Estimated Cost of Gas [1]	\$ 0.28851	1
2	Franchise Tax @ 1.1694% [2]	\$ 0.00337	2
<u>Northern California and South Lake Tahoe</u>			
3	Estimated Cost of Gas [1]	\$ 0.28510	3
4	Franchise Tax @ 1.3111% [2]	\$ 0.00374	4

[1] Schedule I, Sheet 1.

[2] Order Approving Southwest Gas Application 12-12-024 (D.14-06-028).

**SOUTHWEST GAS CORPORATION
CALCULATION OF TDS - TRANSPORTATION DISTRIBUTION SYSTEM SHRINKAGE CHARGE
FOR THE MONTH OF DECEMBER 2016**

Line No.	Description (a)	Rate per Therm (b)	Line No.
<u>Southern California</u>			
1	Total December Core Procurement Charge per Therm [1]	\$ 0.30053	1
2	Shrinkage Rate @ 0.7600% [2]	\$ 0.00228	2
<u>Northern California and South Lake Tahoe</u>			
3	Total December Core Procurement Charge per Therm [1]	\$ 0.29205	3
4	Shrinkage Rate @ 0.5600% [2]	\$ 0.00164	4

[1] Schedule I, Sheet 1.

[2] Order Approving Southwest Gas Application 12-12-024 (D.14-06-028).