

#### STATE OF NEVADA

#### PUBLIC UTILITIES COMMISSION

JOSEPH C. REYNOLDS Chairman

ANN C. PONGRACZ

Commissioner

BRUCE H. BRESLOW

Commissioner

STEPHANIE MULLEN Executive Director

October 6, 2017

Southwest Gas Corporation PO Box 98510 Las Vegas, NV 89193

RE:

Docket No.: 16-10008

Investigation and rulemaking regarding the amendment of NAC 704.370, 704.3936, and

704.4185 pursuant to Assembly Bill 170 (2013).

Docket No.: 17-06030

Application of Southwest Gas Corporation filed under Advice Letter No. 506 to revise Gas Tariff No. 7 to modify Discontinuance, Termination, Restoration, and Refusal of Service Rule No. 6 pursuant to the Order issued in Docket No. 16-10008 and to modify Facilities

Extensions Rule No. 9 to align the refund period for advances for all projects.

To Whom It May Concern:

The Regulatory Operations Staff has reviewed and processed the tariff sheets as filed in the above referenced dockets. Enclosed are copies of the tariff sheets which have been accepted for filing by the Public Utilities Commission of Nevada, effective September 27, 2017.

Sincerely,

Liz Biasotti

Administrative Assistant III

Enclosure(s)

cc: PUC Master File

1st Re Canceling Or

1st Revised P.U.C.N. Sheet No.
Original P.U.C.N. Sheet No.

169 169

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RULE NO. 6

## DISCONTINUANCE, TERMINATION, RESTORATION AND REFUSAL OF SERVICE (Continued)

#### D. CONDITIONS FOR TERMINATION POSTPONEMENT

- 1. Termination of service for nonpayment of a bill for service shall be postponed when termination to a residential customer or other permanent occupant would be especially dangerous to health. Service will be continued until the next regular billing if:
  - a. The Company receives a statement signed by the customer stating that said customer (1) is unable to pay for service in accordance with the Company's billing; and (2) is able to pay for service only in installments, the installment period of which shall not exceed ninety (90) days.
  - b. A written statement from a licensed physician, public health official, or advanced practice registered nurse certifying the emergency is received within five (5) days of first notification. The written statement certifying the emergency must contain:
    - (1) The service address affected;
    - (2) The name of the person whose health would be especially endangered by the proposed termination;
    - (3) A clear description of the nature of the emergency. The physician, health official, or advanced practice registered nurse may consider feebleness, advanced age, physical disability, mental incapacity, serious illness or other infirmity of the person affected; and
    - (4) The name, title and signature of the person certifying the emergency.

issued:

June 16, 2017

Effective:

July 31, 2017

Advice Letter No.:

506

issued by

Justin Lee Brown Vice President Filing Accepted Effective

SEP 2 7 2017

Public Utilities Commission of Nevada

2nd Revised P.U.C.N. Sheet No.
Canceling 1st Revised P.U.C.N. Sheet No.

#### RULE NO. 6

## <u>DISCONTINUANCE</u>, <u>TERMINATION</u>, <u>RESTORATION AND REFUSAL OF SERVICE</u> (Continued)

#### F. TERMINATION OF SERVICE BY COMPANY WITHOUT NOTICE (Continued)

- 6. Upon an order of any court or the Commission.
- 7. If an event that cannot be reasonably anticipated or controlled (a force majeure) occurs which requires termination of service.
- 8. If the location at which service is provided has been abandoned.
- 9. If the Company has tried diligently to serve notice in accordance with Section C hereof but has been unable to give such a notice.

#### G. RESTORATION OF SERVICE

- 1. Reestablishment. The Company shall restore service to a customer as soon as conditions permit:
  - a. When the customer has complied with all rules pertaining to payments, deposits, safety and other requirements;
  - b. Upon the order of any court of competent jurisdiction or the Commission; or
  - c. Upon the receipt of a statement from a licensed physician, public health official, or advanced practice registered nurse certifying that termination of service has constituted an emergency affecting the health of the customer or another person who is a permanent resident of the premises where service has been terminated.
- Natural gas service to a mobile home park having a master meter or a multi-family complex will be prioritized ahead of all other scheduled service orders, except for emergencies.

Issued:

June 16, 2017

Effective:

July 31, 2017

Issued by
Justin Lee Brown
Vice President

Filing Accepted Effective

SFP 2 7 2017

Public Utilities Commission of Nevada

Advice Letter No.: 506

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

2nd Revise Canceling 1st Revise

2nd Revised P.U.C.N. Sheet No. 1st Revised P.U.C.N. Sheet No.

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RULE NO. 9

#### **FACILITIES EXTENSIONS**

(Continued)

#### C. REFUND OF ADVANCES

Amounts advanced by the applicant in accordance with this rule, less any unpaid Facility Charges, shall be refunded, without interest, under the following conditions:

- Refunds of advances, including any amounts collected to recover the cost of federal income taxes, shall be made for each additional verified incremental permanent load connected to the extension for which an advance was collected.
- 2. Refunds will be made annually, or intermittently within the annual period at the option of the Company. Amounts refunded may be accumulated to a minimum of \$50, or the total refundable balance if less than \$50.
- 3. When two or more parties make a joint advance on the same extension, refundable amounts will be distributed to these parties in the same proportion as their individual percentages of the total joint advance.
- 4. The refund period shall be ten years from the date of the completion of the extension, or a period mutually agreed upon by the Company and the applicant.
- 5. Any assignment by a customer of their interest in any part of an advance must be made in writing and approved by the Company.
- 6. Amounts advanced under an extension rule previously in effect will be refunded in accordance with the provisions of such rule.

Issued:

June 16, 2017

Effective:

July 31, 2017

Issued by Justin Lee Brown Vice President Filing Accepted Effective

SFP 2 7 2017

Public Utilities Commission of Nevada

Advice Letter No.:

506

SOUTHWEST GAS CORPORATION P.O. Box 98510 Las Vegas, Nevada 89193-8510

Nevada Gas Tariff No. 7

Canceling

2nd Revised P.U.C.N. Sheet No. 1st Revised P.U.C.N. Sheet No.

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RULE NO. 9

#### **FACILITIES EXTENSIONS**

(Continued)

#### C. REFUND OF ADVANCES (Continued)

7. When a project is constructed in consecutive phases such that each phase is constructed separately and requires separate advances, unused allowances from one phase may be applied to an outstanding advance in any other phase of that project so long as such outstanding advance is still eligible for refund.

Issued:

June 16, 2017

Effective:

July 31, 2017

Issued by Justin Lee Brown Vice President

SEP 2 7 2017

Filing Accepted Effective

Public Utilities Commission of Nevada

Advice Letter No.:

506

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June 16, 2017

Ms. Breanne Potter Commission Secretary Public Utilities Commission of Nevada 1150 East William Street Carson City, NV 89701-3109

Dear Ms. Potter:

Southwest Gas Corporation herewith submits for filing Advice Letter No. 506.

Communications regarding this Advice Letter should be directed to:

Amy L. Timperley Regulatory Manager/Nevada Southwest Gas Corporation P.O. Box 98510 Las Vegas, NV 89193-8510

Telephone: 702-876-7266

E-mail: <u>amy.timperley@swgas.com</u>

Respectfully submitted,

Amy L. Timperley

Regulatory Manager/Nevada

**Enclosures** 

c: Eric Witkoski, Bureau of Consumer Protection Anne-Marie Cuneo, Public Utilities Commission of Nevada



Advice Letter No. 506 June 16, 2017

#### PUBLIC UTILITIES COMMISSION OF NEVADA

Southwest Gas Corporation (Southwest Gas) tenders herewith for filing the following tariff sheets applicable to its Nevada Gas Tariff No. 7:

Proposed PUCN Sheet No.	Supersedes PUCN Sheet No.
1 <sup>st</sup> Revised Sheet No. 169	Original Sheet No. 169
2 <sup>nd</sup> Revised Sheet No. 174	1st Revised Sheet No. 174
2 <sup>nd</sup> Revised Sheet No. 186	1st Revised Sheet No. 186
2 <sup>nd</sup> Revised Sheet No. 187	1st Revised Sheet No. 187

Southwest Gas is making this filing to update its Nevada Gas Tariff No. 7 to reflect changes to Southwest Gas' Rule No. 9, which align the refund period for advances for all projects and appropriately credit projects for the additional verified incremental permanent load connected to a facilities extension. This filing also reflects changes to Southwest Gas' Rule No. 6, which address the Commission directive in paragraph 3 of the Order in Docket No. 16-10008 to conform to the revised regulations.

#### Rule No. 6

Docket No. 16-10008 was an Investigation and Rulemaking Docket opened by the Commission to amend Sections 704.370, 704.3936, and 704.4185 of the Nevada Administrative Code (NAC), pursuant to Assembly Bill 170 (2013). The amendments approved in this docket recognize the authority of advanced practice registered nurses to issue statements certifying that any termination of utility service would be dangerous to the health of a utility customer. Paragraph 3 of the Commission's final order in Docket No. 16-10008 directed all jurisdictional utilities to review their current tariffs and, if necessary, file revisions to those tariffs to conform to the regulations. The proposed changes to Southwest Gas' Rule No. 6 conform with the approved regulations.

#### Rule No. 9

Currently, the refund period for advances relating to facilities extensions for individually metered subdivisions, tracts, housing projects, and multi-family dwellings is ten years. The refund period for advances for all other projects is currently five years. The proposed changes allow for a refund period of ten years for all facilities extension projects. This provides a uniform refund period for all projects, and is consistent with the time generally required for developers to complete projects. By establishing a longer time horizon in which developers can qualify for a refund of an advance, they have a greater opportunity to establish and grow the permanent load necessary for long term success of the project.

The changes also allow customers to receive the appropriate credit for additional verified incremental permanent load connected to a facilities extension. The current Tariff

# SOUTHWEST GAS CORPORATION

prohibits refunds associated with additional incremental permanent load realized (and verified) for additional customers that connect to a facilities extension or series of facilities extensions that were not contemplated with the original facilities extension. The changes eliminate that prohibition and allow credit for additional verified incremental permanent load connected to a facilities extension through a further extension or series of extensions. Southwest Gas' proposed Tariff changes provide additional flexibility developers/customers and supports economic development within the Company's service territory. These changes also allow for the appropriate recognition of additional verified incremental permanent load connected to a further extension or series of extensions contructed beyond the original extension. These changes provide benefits to the developer/new customer through potentially lower required contributions, while continuing to protect existing customers through the economic feasibility test required in Rule No. 9.

This filing is made in accordance with the NAC Chapter 703, of the Commission's Rules of Practice and Procedure. The requested effective date for the proposed revisions to Southwest Gas' Nevada Gas Tariff No. 7 is July 31, 2017.

Respectfully submitted,

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SOUTHWEST GAS CORPORATION

Justin Lee Brown

	1st Revised	P.U.C.N. Sheet No.	169
Canceling	Original	P.U.C.N. Sheet No.	169

#### RULE NO. 6

## <u>DISCONTINUANCE, TERMINATION, RESTORATION AND REFUSAL OF SERVICE</u> (Continued)

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- 1. Termination of service for nonpayment of a bill for service shall be postponed when termination to a residential customer or other permanent occupant would be especially dangerous to health. Service will be continued until the next regular billing if:
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    - (4) The name, title and signature of the person certifying the emergency.

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Issued: June 16, 2017		
Effective: July 31, 2017	Issued by Justin Lee Brown Vice President	 T T
Advice Letter No.: 506		

	2nd Revised	P.U.C.N. Sheet No
Canceling	1st Revised	P.U.C.N. Sheet No.

#### RULE NO. 6

## <u>DISCONTINUANCE, TERMINATION, RESTORATION AND REFUSAL OF SERVICE</u> (Continued)

- F. TERMINATION OF SERVICE BY COMPANY WITHOUT NOTICE (Continued)
  - 6. Upon an order of any court or the Commission.
  - 7. If an event that cannot be reasonably anticipated or controlled (a force majeure) occurs which requires termination of service.
  - 8. If the location at which service is provided has been abandoned.
  - 9. If the Company has tried diligently to serve notice in accordance with Section C hereof but has been unable to give such a notice.

#### G. RESTORATION OF SERVICE

- 1. <u>Reestablishment</u>. The Company shall restore service to a customer as soon as conditions permit:
  - a. When the customer has complied with all rules pertaining to payments, deposits, safety and other requirements;
  - b. Upon the order of any court of competent jurisdiction or the Commission; or
  - c. Upon the receipt of a statement from a licensed physician, public health official, or advanced practice registered nurse certifying that termination of service has constituted an emergency affecting the health of the customer or another person who is a permanent resident of the premises where service has been terminated.
- Natural gas service to a mobile home park having a master meter or a multi-family complex will be prioritized ahead of all other scheduled service orders, except for emergencies.

Issued: June 16, 2017		
Effective: July 31, 2017	Issued by Justin Lee Brown Vice President	
Advice Letter No.: 506		

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 2nd Revised
 P.U.C.N. Sheet No.
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 1st Revised
 P.U.C.N. Sheet No.
 186

#### **RULE NO. 9**

Canceling

### **FACILITIES EXTENSIONS**

(Continued)

#### C. REFUND OF ADVANCES

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Amounts advanced by the applicant in accordance with this rule, less any unpaid Facility Charges, shall be refunded, without interest, under the following conditions:

- Refunds of advances, including any amounts collected to recover the cost of federal income taxes, shall be made for each additional verified incremental permanent load connected to the extension for which an advance was collected.
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Issued:
June 16, 2017

Effective:
July 31, 2017

Advice Letter No.:

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	2nd Revised	P.U.C.N. Sheet No.	187
Canceling	1st Revised	P.U.C.N. Sheet No.	187

#### RULE NO. 9

# FACILITIES EXTENSIONS (Continued)

#### C. <u>REFUND OF ADVANCES</u> (Continued)

7. When a project is constructed in consecutive phases such that each phase is constructed separately and requires separate advances, unused allowances from one phase may be applied to an outstanding advance in any other phase of that project so long as such outstanding advance is still eligible for refund.

Issued:

June 16, 2017

Effective:

July 31, 2017

Issued by Justin Lee Brown Vice President

Advice Letter No.:

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# PUBLIC UTILITIES COMMISSION OF NEVADA DRAFT NOTICE

(Applications, Tariff Filings, Complaints, and Petitions)

Pursuant to Nevada Administrative Code ("NAC") 703.162, the Commission requires that a draft notice be included with all applications, tariff filings, complaints and petitions. Please complete and include **ONE COPY** of this form with your filing. (Completion of this form may require the use of more than one page)

A title that describes the relief requested (see NAC 703.160(4)(a)):

Filing of Advice Letter No. 506 to update Southwest Gas Corporation's Nevada Gas Tariff No. 7 to reflect changes to its Rule No. 9, which align the refund period for advances for all projects and appropriately credit projects for the additional verified incremental permanent load connected to a facilities extension. This filing also reflects changes to Southwest Gas' Rule No. 6, which address the Commission directive in paragraph 3 of the Order in Docket No. 16-10008 to conform to the revised regulations.

The name of the applicant, complainant, petitioner or the name of the agent for applicant, complainant or petitioner (see NAC 703.160(4)(b)):

#### **Southwest Gas Corporation.**

A brief description of the purpose of the filing or proceeding, including, without limitation, a clear and concise introductory statement that summarizes the relief requested or the type of proceeding scheduled <u>AND</u> the effect of the relief or proceeding upon consumers (see NAC 703.160(4)(c)):

Southwest Gas seeks an order authorizing it to update its Nevada Gas Tariff No. 7 to align the refund period for advances for all projects and appropriately credit projects for the additional verified incremental permanent load connected to a facilities extension. Southwest Gas believes these changes provide benefits to the developer/new customer through potentially lower required contributions, while continuing to protect existing customers through the economic feasibility test required in Rule No. 9.

This filing also reflects changes to Southwest Gas' Rule No. 6, which address the Commission directive in paragraph 3 of the Order in Docket No. 16-10008 to conform to the revised regulations.

A statement indicating whether a consumer session is required to be held pursuant to Nevada Revised Statute ("NRS") 704.069(1):

#### Southwest Gas does not believe a consumer session is required.

If the draft notice pertains to a tariff filing, please include the tariff number **AND** the section number(s) or schedule number(s) being revised.

Nevada Gas Tariff No. 7 Sheet Nos. 169, 174, 186, 187

### **CERTIFICATION**

### **Application For Tariff Approval Filed Under An Advice Letter**

Public Utilities Commission of Nevada

1150 E. William Street Carson City, NV 89701-3109 Ph: (775) 684-6101 / Fax: (775) 684-6110



9075 W. Diablo Drive, Suite 250 Las Vegas, NV 89148-7674 Ph: (702) 486-7210 / Fax: (702) 486-7206

#### www.puc.nv.gov

Amy L. Timperley	, hereby certifies as follows:	
I am an authorize	I representative of Southwest Gas Corporation -	
	(utility name)	
reasonable inquir gross operating re	704.100(1)(f), I attest that to the best of my knowledge, information, and belief, form the proposed change in schedule does not change any rate or result in an increase venue of Southwest Gas Corporation in an amount that	se in the annual
\$15,000.	(utility name)	
June 16, 2017  Date	statements are true.  Signature	
	Amy L. Timperley Printed Name	