

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



December 22, 2017

**Advice Letter 1058**

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

**Subject: To Adjust Rates to Recover SWG's 2018 Post Test-Year Margin  
Revenue in Compliance with D.14-06-028**

Dear Mr. Brown:

Advice Letter 1058 is effective as of January 1, 2018.

Sincerely,

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

Edward Randolph  
Director, Energy Division



## SOUTHWEST GAS CORPORATION

November 30, 2017

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. 1058

Enclosed herewith is one (1) copy of Southwest Gas Corporation's Advice Letter No. 1058, 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. 1058

November 30, 2017

## 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.
9th Revised Sheet No. 18	Preliminary Statement (Continued)	8th Revised Sheet No. 18
97th Revised Sheet No. 65	Statement of Rates - Rates Applicable to Southern California Service Area	96th Revised Sheet No. 65
98th Revised Sheet No. 66	Statement of Rates - Rates Applicable to Southern California Service Area	97th Revised Sheet No. 66
95th Revised Sheet No. 68	Statement of Rates - Rates Applicable to Southern California Service Area	94th Revised Sheet No. 68
97th Revised Sheet No. 69	Statement of Rates - Rates Applicable to Northern California Service Area	96th Revised Sheet No. 69
62nd Revised Sheet No. 70	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	61st Revised Sheet No. 70
97th Revised Sheet No. 71	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	96th 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 2018 Post Test-Year margin revenue in compliance with Decision (D.)14-06-028. These adjustments result in increases of \$1,951,250, \$527,104, and \$263,295 in Southwest Gas' Southern California, Northern California, and South Lake Tahoe Divisions, respectively.



Advice Letter No. 1058  
Page 2  
November 30, 2017

### **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 this Advice Letter be approved December 30, 2017, which is thirty (30) calendar days after the date filed, with the proposed rate changes effective January 1, 2018.

### **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:

Energy Division  
California Public Utilities Commission  
Attention: Investigation, Monitoring & Compliance Program Manager  
505 Van Ness Avenue, Room 4002  
San Francisco, CA 94102  
Email: [edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)  
Facsimile: 415-703-2200

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004, at the same address as above and mailed, emailed or faxed to:

Mr. Justin Lee Brown  
Vice President/Regulation & Public Affairs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Email: [justin.brown@swgas.com](mailto:justin.brown@swgas.com)  
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.



Advice Letter No. 1058  
Page 3  
November 30, 2017

**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 distribution 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  
Email: [valerie.ontiveroz@swgas.com](mailto:valerie.ontiveroz@swgas.com)

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By:

A handwritten signature in blue ink, appearing to read "Justin Lee Brown".

Justin Lee Brown

Attachments

**Distribution List**

Advice Letter No. 1058

In conformance with General Order 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](mailto:PGETariffs@pge.com)

Southern California Gas Company  
[ROrtiz@semprautilities.com](mailto:ROrtiz@semprautilities.com)

San Diego Gas & Electric Company  
[SDG&ETariffs@SempraUtilities.com](mailto:SDG&ETariffs@SempraUtilities.com)

Belinda Gatti  
Energy Division  
California Public Utilities Commission  
[belinda.gatti@cpuc.ca.gov](mailto:belinda.gatti@cpuc.ca.gov)

Robert M. Pocta  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[rmp@cpuc.ca.gov](mailto:rmp@cpuc.ca.gov)

Nathaniel Skinner  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[nws@cpuc.ca.gov](mailto:nws@cpuc.ca.gov)

Pearlie Sabino  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[pzs@cpuc.ca.gov](mailto:pzs@cpuc.ca.gov)

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)	
Company name/CPUC Utility No. <b>Southwest Gas Corporation (U 905 G)</b>	
Utility type: <input type="checkbox"/> ELC <input checked="" type="checkbox"/> <b>GAS</b> <input type="checkbox"/> PLC <input type="checkbox"/> HEAT <input type="checkbox"/> WATER	Contact Person: <b>Valerie J. Ontiveroz</b> Phone #: <b>(702) 876-7323</b> E-mail: <b>valerie.ontiveroz@swgas.com</b>
EXPLANATION OF UTILITY TYPE ELC = Electric     GAS = Gas PLC = Pipeline     HEAT = Heat     WATER = Water	(Date Filed/ Received Stamp by CPUC)
Advice Letter (AL) #: <b>1058</b>	
Subject of AL: <b><u>To adjust rates to recover Southwest Gas' 2018 Post Test-Year margin revenue in compliance with D.14-06-028.</u></b>	
Keywords (choose from CPUC listing): <b>Attrition</b>	
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 #: <b>D.14-06-028</b>	
Does AL replace a withdrawn or rejected AL? If so, identify the prior AL <b>Not applicable</b>	
Summarize differences between the AL and the prior withdrawn or rejected AL <sup>1</sup> : <b>Not applicable</b>	
Resolution Required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Requested effective date: <b>January 1, 2018</b>	No. of tariff sheets: 7
Estimated system annual revenue effect (%): <b>1.33% SCA, 1.66% NCA and 1.14% SLT</b>	
Estimated system average rate effect (%): <b>1.33% SCA, 1.66% NCA and 1.14% SLT</b>	
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: <b>Not applicable</b>	
Service affected and changes proposed <sup>1</sup> : <b>See 'Subject of AL' above</b>	
Pending advice letters that revise the same tariff sheets: <b>AL 1055: Tariff Sheet Nos. 69 and 71.</b>	
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:	
<b>CPUC, Energy Division</b> <b>Attention: Tariff Unit</b> <b>505 Van Ness Ave.</b> <b>San Francisco, CA 94102</b> <b>E-mail: edtariffunit@cpuc.ca.gov</b>	<b>Utility Info (including e-mail)</b> <b>Mr. Justin Lee Brown,</b> <b>Vice-President/Regulation &amp; Public Affairs</b> <b>Southwest Gas Corporation</b> <b>P. O. Box 98510</b> <b>Las Vegas, NV 89193-8510</b> <b>E-mail: justin.brown@swgas.com</b> <b>Facsimile: 702-364-3452</b>

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

PRELIMINARY STATEMENT  
(Continued)

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

9F. ACCOUNTING PROCEDURE (Continued)

ANNUAL 2018 MARGIN

	<u>Southern California</u>	<u>Northern California</u>	<u>South Lake Tahoe</u>
January	\$ 10,254,831	\$ 2,976,510	\$ 1,261,121
February	\$ 8,935,371	\$ 2,610,790	\$ 1,170,684
March	\$ 7,716,730	\$ 2,392,281	\$ 1,093,150
April	\$ 5,736,015	\$ 1,987,139	\$ 930,428
May	\$ 4,618,156	\$ 1,444,700	\$ 751,415
June	\$ 4,980,979	\$ 1,103,402	\$ 621,146
July	\$ 4,464,254	\$ 786,279	\$ 501,090
August	\$ 4,550,633	\$ 698,395	\$ 468,717
September	\$ 4,842,679	\$ 743,922	\$ 489,483
October	\$ 3,589,702	\$ 931,851	\$ 600,985
November	\$ 4,969,469	\$ 1,538,369	\$ 836,995
December	\$ 8,246,968	\$ 2,480,883	\$ 1,112,453
<u>Total</u>	<u>\$ 72,905,787</u>	<u>\$ 19,694,521</u>	<u>\$ 9,837,667</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		
<b>GS-10-Residential Gas Service</b>								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Baseline Quantities	\$ .71361	\$ .12657	\$ .84018	\$ .00139	\$ .14256	\$ .28928	\$ 1.27341	
Tier II	\$ .88488	.12657	1.01145	.00139	.14256	.28928	1.44468	
<b>GS-11-Residential Air-Conditioning Gas Service</b>								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Tier I	\$ .71361	\$ .12657	\$ .84018	\$ .00139	\$ .14256	\$ .28928	\$ 1.27341	
Tier II	.88488	.12657	1.01145	.00139	.14256	.28928	1.44468	
Air-Conditioning	\$ .35681	.12657	.48338	.00139	.14256	.28928	.91661	
<b>GS-12-CARE Residential Gas Service</b>								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$ .48772	\$ .12657	\$ .61429	\$ .00139	\$ .01755	\$ .28928	\$ .92251	
Tier II	.62473	.12657	.75130	.00139	.01755	.28928	\$ 1.05952	
<b>GS-15-Secondary Residential Gas Service</b>								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$ 1.09366	\$ .12657	\$ 1.22023	\$ .00139	\$ .14256	\$ .28928	\$ 1.65346	
<b>GS-20-Multi-Family Master-Metered Gas Service</b>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$ .71361	\$ .12657	\$ .84018	\$ .00139	\$ .14256	\$ .28928	\$ 1.27341	
Tier II	.88488	.12657	1.01145	.00139	.14256	.28928	1.44468	
<b>GS-25 -Multi-Family Master-Metered Gas Service-Submetered</b>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$ .71361	\$ .12657	\$ .84018	\$ .00139	\$ .14256	\$ .28928	\$ 1.27341	
Tier II	.88488	.12657	1.01145	.00139	.14256	.28928	1.44468	
Submetered Discount per Occupied Space	(\$7.69)						(\$7.69)	
<b>GS-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$ .42555	\$ .12657	\$ .55212	\$ .00139	\$ .01755	\$ .28928	\$ .86034	
Next 500	.29180	.12657	.41837	.00139	.01755	.28928	.72659	
Next 2,400	.18480	.12657	.31137	.00139	.01755	.28928	.61959	
Over 3,000	.05888	.12657	.18545	.00139	.01755	.28928	.49367	
<b>GS-40-Core General Gas Service</b>								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$ .63590	\$ .12657	\$ .76247	\$ .00139	\$ .14256	\$ .28928	\$ 1.19570	
Next 500	\$ .46871	.12657	.59528	.00139	.14256	.28928	1.02851	
Next 2,400	\$ .33496	.12657	.46153	.00139	.14256	.28928	.89476	
Over 3,000	\$ .17757	.12657	.30414	.00139	.14256	.28928	.73737	

Advice Letter No. 1058  
Decision No. \_\_\_\_\_

Issued by  
Justin Lee Brown  
Vice President

Date Filed November 30, 2017  
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		
<b>GS-50-Core Natural Gas Service for Motor Vehicles</b>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$ .12468	\$ .12657		\$ .25125	\$ .00139	\$ .14256	\$ .28928	\$ .68448
<b>GS-60-Core Internal Combustion Engine Gas Service</b>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$ .18581	\$ .12657		\$ .31238	\$ .00139	\$ .14256	\$ .28928	\$ .74561
<b>GS-LUZ-Solar Electric Generation Gas Service</b>								
Basic Service Charge	\$50.00							\$50.00
Cost per Therm	\$ .05338	\$ .00133		\$ .05471	\$ .00139			\$ .05610
<b>GS-66-Core Small Electric Power Generation Gas Service</b>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$ .26781	\$ .12657		\$ .39438	\$ .00139		\$ .28928	\$ .68505
<b>GS-70-Noncore General Gas Transportation Service</b>								
Basic Service Charge	\$100.00							\$100.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm	\$ .13597	\$ .03661		\$ .17258	\$ .00139	\$ .14256		\$ .31653
<b>GS-VIC City of Victorville Gas Service</b>								
Basic Service Charge	\$11.00							\$ 11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm	\$ .37960	\$ .12657		\$ .50617	\$ .00139		\$ .28928	\$ .79684
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>								
TFF Surcharge per Therm								\$ .00349
<b>TDS - Transportation Distribution System Shrinkage Charge</b>								
TDS Charge per Therm								\$ .00220
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>								
MHPS Surcharge per Space per Month								\$ .21000

Advice Letter No. 1058  
Decision No. \_\_\_\_\_

Issued by  
Justin Lee Brown  
Vice President

Date Filed November 30, 2017  
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		
<b>GN-10-Residential Gas Service</b>								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Baseline Quantities	\$ .75614	\$ .19984	\$ .95598	\$ .00139	\$ .02947	\$ .29111	\$ 1.27795	
Tier II	.86695	.19984	1.06679	.00139	.02947	.29111	1.38876	
<b>GN-12-CARE Residential Gas Service</b>								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$ .50672	\$ .19984	\$ .70656	\$ .00139	\$ .01755	\$ .29111	\$ 1.01661	
Tier II	.59537	.19984	.79521	.00139	.01755	.29111	1.10526	
<b>GN-15-Secondary Residential Gas Service</b>								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$ .90881	\$ .19984	\$ 1.10865	\$ .00139	\$ .02947	\$ .29111	\$ 1.43062	
<b>GN-20-Multi-Family Master-Metered Gas Service</b>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$ .75614	\$ .19984	\$ .95598	\$ .00139	\$ .02947	\$ .29111	\$ 1.27795	
Tier II	.86695	.19984	1.06679	.00139	.02947	.29111	1.38876	
<b>GN-25-Multi-Family Master-Metered Gas Service-Submetered</b>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$ .75614	\$ .19984	\$ .95598	\$ .00139	\$ .02947	\$ .29111	\$ 1.27795	
Tier II	.86695	.19984	1.06679	.00139	.02947	.29111	1.38876	
Submetered Discount per Occupied Space	(\$11.01)							(\$11.01)
<b>GN-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$ .40116	\$ .19984	\$ .60100	\$ .00139	\$ .01755	\$ .29111	\$ .91105	
Next 500	.30040	.19984	.50024	.00139	.01755	.29111	.81029	
Next 2,400	.20231	.19984	.40215	.00139	.01755	.29111	.71220	
Over 3,000	.05495	.19984	.25479	.00139	.01755	.29111	.56484	
<b>GN-40-Core General Gas Service</b>								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$ .62419	\$ .19984	\$ .82403	\$ .00139	\$ .02947	\$ .29111	\$ 1.14600	
Next 500	.49824	.19984	.69808	.00139	.02947	.29111	1.02005	
Next 2,400	.37563	.19984	.57547	.00139	.02947	.29111	.89744	
Over 3,000	.19143	.19984	.39127	.00139	.02947	.29111	.71324	
<b>GN-50-Core Natural Gas Service for Motor Vehicles</b>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$ .10425	\$ .19984	\$ .30409	\$ .00139	\$ .02947	\$ .29111	\$ .62606	

Advice Letter No. 1058  
Decision No. \_\_\_\_\_

Issued by  
Justin Lee Brown  
Vice President

Date Filed November 30, 2017  
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 Adjustments		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
					CPUC	PPP		
<b>GN-60-Core Internal Combustion Engine Gas Service</b>								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$ .29193	\$ .19984		\$ .49177	\$ .00139	\$ .02947	\$ .29111	\$ .81374
<b>GN-66-Core Small Electric Power Generation Gas Service</b>								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$ .28373	\$ .19984		\$ .48357	\$ .00139		\$ .29111	\$ .77607
<b>GN-70-Noncore General Gas Transportation Service</b>								
Basic Service Charge	\$ 100.00							\$ 100.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm	\$ .17550	(\$ .02764)		\$ .14786	\$ .00139	\$ .02947		\$ .17872
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>								
TFF Surcharge per Therm								\$ .00383
<b>TDS - Transportation Distribution System Shrinkage Charge</b>								
TDS Charge per Therm								\$ .00163
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>								
MHPS Surcharge per Space per Month								\$ .21000

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.56%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge.

[2] A Franchise Fee differential of 2.5% will be applied to monthly billings calculated for all rate schedules for all customers within the limits of the Town of Truckee.

[3] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

Charges and Adjustments Description	GN-10, GN-12, GN-15, GN-20, GN-25,	GN-35, GN-40, GN-50, GN-60, GN-66	GN-70
<b>Upstream Interstate Charges</b>			
Storage	\$ .02249		
Reservation	.22103		
IRRAM Surcharge	.00000		\$ .00000
<b>Balancing Account Adjustments</b>			
FCAM*	(.04368)	(.02764)	
<b>GHGBA**</b>			
Non-Covered Entities			
Covered Entities			
<b>Total Rate Adjustment</b>	<b>\$ .19984</b>	<b>(\$ .02764)</b>	

\* 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).

Advice Letter No. 1058  
Decision No. \_\_\_\_\_

Issued by  
Justin Lee Brown  
Vice President

Date Filed November 30, 2017  
Effective \_\_\_\_\_  
Resolution No. \_\_\_\_\_

**STATEMENT OF RATES**  
**RATES APPLICABLE TO SOUTH LAKE TAHOE 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		
<b>SLT-10-Residential Gas Service</b>								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Baseline Quantities	\$ .33324	\$ .26560	\$ .59884	\$ .00139	\$ .02947	\$ .29111	\$ .92081	
Tier II	.42078	.26560	.68638	.00139	.02947	.29111	1.00835	
<b>SLT-12-CARE Residential Gas Service</b>								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$ .15525	\$ .26560	\$ .42085	\$ .00139	\$ .01755	\$ .29111	\$ .73090	
Tier II	.22528	.26560	.49088	.00139	.01755	.29111	.80093	
<b>SLT-15-Secondary Residential Gas Service</b>								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$ .46121	\$ .26560	\$ .72681	\$ .00139	\$ .02947	\$ .29111	\$ 1.04878	
<b>SLT-20-Multi-Family Master-Metered Gas Service</b>								
Basic Service Charge	\$11.00							\$11.00
Cost per Therm								
Baseline Quantities	\$ .33324	\$ .26560	\$ .59884	\$ .00139	\$ .02947	\$ .29111	\$ .92081	
Tier II	.42078	.26560	.68638	.00139	.02947	.29111	1.00835	
<b>SLT-25-Multi-Family Master-Metered Gas Service-Submetered</b>								
Basic Service Charge	\$11.00							\$11.00
Cost per Therm								
Baseline Quantities	\$ .33324	\$ .26560	\$ .59884	\$ .00139	\$ .02947	\$ .29111	\$ .92081	
Tier II	.42078	.26560	.68638	.00139	.02947	.29111	1.00835	
Submetered Discount per Occupied Space	(\$7.69)							(\$ 7.69)
<b>SLT-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$ .24534	\$ .26560	\$ .51094	\$ .00139	\$ .01755	\$ .29111	\$ .82099	
Next 500	.19183	.26560	.45743	.00139	.01755	.29111	.76748	
Next 2,400	.13833	.26560	.40393	.00139	.01755	.29111	.71398	
Over 3,000	.04415	.26560	.30975	.00139	.01755	.29111	.61980	
<b>SLT-40-Core General Gas Service</b>								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$ .44585	\$ .26560	\$ .71145	\$ .00139	\$ .02947	\$ .29111	\$ 1.03342	
Next 500	.37897	.26560	.64457	.00139	.02947	.29111	.96654	
Next 2,400	.31209	.26560	.57769	.00139	.02947	.29111	.89966	
Over 3,000	.19436	.26560	.45996	.00139	.02947	.29111	.78193	
<b>SLT-50-Core Natural Gas Service for Motor Vehicles</b>								
Basic Service Charge	\$11.00							\$11.00
Cost per Therm	\$ .21501	\$ .26560	\$ .48061	\$ .00139	\$ .02947	\$ .29111	\$ .80258	

Advice Letter No. 1058  
Decision No. \_\_\_\_\_

Issued by  
Justin Lee Brown  
Vice President

Date Filed November 30, 2017  
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 CPUC PPP		Gas Cost	Effective Sales Rate
<b>SLT-60-Core Internal Combustion Engine Gas Service</b>								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm	\$ .24467	\$ .26560		\$ .51027	\$ .00139	\$ .02947	\$ .29111	\$ .83224
<b>SLT-66-Core Small Electric Power Generation Gas Service</b>								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm	\$ .24467	\$ .26560		\$ .51027	\$ .00139		\$ .29111	\$ .80277
<b>SLT-70-Noncore General Gas Transportation Service</b>								
Basic Service Charge	\$ 100.00							\$ 100.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm	\$ .17842	\$ .03812		\$ .21654	\$ .00139	\$ .02947		\$ .24740
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>								
TFF Surcharge per Therm								\$ .00383
<b>TDS-Transportation Distribution System Shrinkage Charge</b>								
TDS Charge per Therm								\$ .00163
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>								
MHPS Surcharge per Space per Month								\$ .21000

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.56%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation service will also be subject to the TFF Surcharge.

[2] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

Charges and Adjustments Description	SLT-10, SLT-35, SLT-12, SLT-40, SLT-15, SLT-50, SLT-20, SLT-60, SLT-25, SLT-66			SLT-70
Upstream Interstate Charges				
Storage	\$ .02249			
Reservation	.22103			
IRRAM Surcharge	.00000		\$ .00000	
Balancing Account Adjustment				
FCAM *	.02208		.03812	
GHGBA				
Non-Covered Entities				
Covered Entities				
<b>Total Rate Adjustment</b>	<b>\$ .26560</b>		<b>\$ .03812</b>	

\* The FCAM surcharge includes an amount of \$.03812 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. 1058  
Decision No. \_\_\_\_\_

Issued by  
Justin Lee Brown  
Vice President

Date Filed November 30, 2017  
Effective \_\_\_\_\_  
Resolution No. \_\_\_\_\_

**SOUTHWEST GAS CORPORATION  
SOUTHERN CALIFORNIA  
2018 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2017 (b)	2018 (c)	Line No.
1	Previous Year's Authorized Margin [1], [3]	\$ 69,029,712	\$ 70,954,538	1
2	Post-Test Year Adjustment Percent [2]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 1,898,317</u>	<u>\$ 1,951,250</u>	3
4	Authorized Margin [1],[2]	<u>\$ 70,928,030</u>	<u>\$ 72,905,787</u>	4
5	ATM Cost of Capital Adjustment	\$ 0	\$ 0	5
6	PIMA - Victor Valley Transmission System	<u>\$ 176,379</u>	<u>\$ 0</u>	6
7	Adjusted Authorized Margin	<u>\$ 71,104,409</u>	<u>\$ 72,905,787</u>	7
8	Adjustments for Special Contract Gas Service and/or Prior Year Period Adjustment [3]	<u>\$ 22,379</u>	<u>\$ (127,492)</u>	8
9	Total Authorized Margin Amount	<u><u>\$ 71,126,788</u></u>	<u><u>\$ 72,778,295</u></u>	9

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

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

[3] Adjustment for an overcollection in revenue requirement related to the PIMA-Victor Valley Transmission System in the amount of \$149,871.

**SOUTHWEST GAS CORPORATION**  
**SOUTHERN CALIFORNIA RATE JURISDICTION**  
**CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES**  
**POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2017**

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2017 Authorized Margin [1]		2018 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
	<b><u>Residential Gas Service</u></b>									
1	Basic Service Charge	GS-10	1,534,970		\$ 5.00	\$ 7,674,850	\$ 5.00	\$ 7,674,850		1
2	Commodity Charge	GS-12		42,313,225	\$0.69366	\$29,350,979	\$0.71361	\$30,195,345		2
3	Baseline Quantities			19,535,277	\$0.86493	\$16,896,641	\$0.88488	\$17,286,470		3
4	Tier II			61,848,502		\$53,922,470		\$55,156,665	\$ 55,156,665	4
	Total Residential Gas Service		1,534,970							
	<b><u>Residential Air-Conditioning Gas Service</u></b>									
5	Basic Service Charge	GS-11	0		\$ 5.00	\$ 0	\$ 5.00	\$ 0		5
6	Commodity Charge				\$0.69366	\$ 0	\$0.71361	\$ 0		6
7	Baseline Quantities			0	\$0.86493	\$ 0	\$0.88488	\$ 0		7
8	Tier II			0	\$0.34683	\$ 0	\$0.35681	\$ 0		8
9	Air Conditioning		0	0		\$ 0		\$ 0	\$ 0	9
	Total Residential Air-Conditioning Gas Service		0							
	<b><u>Secondary Residential Gas Service</u></b>									
10	Basic Service Charge	GS-15	92,030		\$ 6.00	\$ 552,180	\$ 6.00	\$ 552,180		10
11	Commodity Charge				\$1.06499	\$ 3,310,013	\$1.09366	\$ 3,399,119		11
12	All Usage		92,030	3,108,030		\$ 3,862,193		\$ 3,951,299	\$ 3,951,299	12
	Total Secondary Residential Gas Service		92,030	3,108,030						
13	Total Residential Gas Service		1,627,000	64,956,532		\$57,784,663		\$59,107,964		13
	<b><u>Multi-Family Master-Metered Gas Service</u></b>									
14	Basic Service Charge	GS-20	240		\$ 25.00	\$ 6,000	\$ 25.00	\$ 6,000		14
15	Commodity Charge				\$0.69366	\$ 103,342	\$0.71361	\$ 106,315		15
16	Baseline Quantities			148,981	\$0.86493	\$ 41,008	\$0.88488	\$ 41,954		16
17	Tier II			47,412		\$ 150,350		\$ 154,269	\$ 154,269	17
	Total Multi-Family Master-Metered Gas Service		240	196,393						
	<b><u>Multi-Family Master Metered Gas Service - Submetered</u></b>									
18	Basic Service Charge	GS-25	540		\$ 25.00	\$ 13,500	\$ 25.00	\$ 13,500		18
19	Submeter Discount		32,520		\$ (7.69)	\$ (250,079)	\$ (7.69)	\$ (250,079)		19
20	Commodity Charge				\$0.69366	\$ 696,191	\$0.71361	\$ 716,219		20
21	Baseline Quantities			1,003,649	\$0.86493	\$ 169,801	\$0.88488	\$ 173,719		21
22	Tier II		540	1,199,967		\$ 629,413		\$ 653,359	\$ 653,359	22
	Total Multi-Family Master Metered Gas Service - Submetered		540	1,199,967						
23	Total Multi-Family Master Metered Gas Service		780	1,396,360		\$ 779,763		\$ 807,628		23



**SOUTHWEST GAS CORPORATION**  
**SOUTHERN CALIFORNIA RATE JURISDICTION**  
**CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES**  
**POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2017**

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2017 Authorized Margin [1] Rates (e)	2017 Authorized Margin [1] Revenues (f)	2018 Authorized Margin Rates (g)	2018 Authorized Margin Revenues (h)	Class Margin Requirement (i)	Line No.
<b><u>Core General Gas Service</u></b>										
24	Basic Service Charge	GS-35	73,730		\$ 11.00	\$ 811,030	\$ 11.00	\$ 811,030		24
25	Transportation Service Charge	GS-40	12		\$ 780.00	\$ 9,360	\$ 780.00	\$ 9,360		25
Commodity Charge										
26	First 100			3,417,780	\$ 0.61888	\$ 2,115,209	\$ 0.63590	\$ 2,173,377		26
27	Next 500			5,958,021	\$ 0.45617	\$ 2,717,864	\$ 0.46871	\$ 2,792,605		27
28	Next 2400			4,888,184	\$ 0.32599	\$ 1,593,523	\$ 0.33496	\$ 1,637,345		28
29	Over 3000			3,637,366	\$ 0.17612	\$ 640,630	\$ 0.17757	\$ 645,878		29
30	Total Core General Gas Service-		73,730	17,901,351		\$ 7,887,616		\$ 8,069,595	\$ 8,069,595	30
<b><u>Core Natural Gas Service for Motor Vehicles</u></b>										
31	Basic Service Charge	GS-50	48		\$ 25.00	\$ 1,200	\$ 25.00	\$ 1,200		31
Commodity Charge										
32	All Usage		48	734,243	\$ 0.12183	\$ 89,455	\$ 0.12468	\$ 91,547		32
33	Total Core Natural Gas Service for Motor Vehicles		48	734,243		\$ 90,655		\$ 92,747	\$ 92,747	33
<b><u>Core Internal Combustion Engine Gas Service</u></b>										
34	Basic Service Charge	GS-60	132		\$ 25.00	\$ 3,300	\$ 25.00	\$ 3,300		34
Commodity Charge										
35	All Usage		132	251,790	\$ 0.18132	\$ 45,655	\$ 0.18581	\$ 46,784		35
36	Total Core Internal Combustion Engine Gas Service		132	251,790		\$ 48,955		\$ 50,084	\$ 50,084	36
<b><u>Solar Electric Generation Gas Service</u></b>										
37	Basic Service Charge	GS-LUZ	24		\$ 50.00	\$ 1,200	\$ 50.00	\$ 1,200		37
Commodity Charge										
38	All Usage		24	9,694,392	\$ 0.05217	\$ 505,766	\$ 0.05338	\$ 517,462		38
39	Total Solar Electric Generation Gas Service		24	9,694,392		\$ 506,966		\$ 518,662	\$ 518,662	39
<b><u>Core Small Electric Power Generation Gas Service</u></b>										
40	Basic Service Charge	GS-66	12		\$ 25.00	\$ 300	\$ 25.00	\$ 300		40
Commodity Charge										
41	All Usage		12	236	\$ 0.26205	\$ 62	\$ 0.26781	\$ 63		41
42	Total Core Small Electric Power Generation Gas Service		12	236		\$ 362		\$ 363	\$ 445	42
<b><u>Noncore General Gas Transportation Service</u></b>										
43	Basic Service Charge	GS-70	156		\$ 100.00	\$ 15,600	\$ 100.00	\$ 15,600		43
44	Transportation Service Charge		120		\$ 780.00	\$ 93,600	\$ 780.00	\$ 93,600		44
Commodity Charge										
45	All Usage		156	8,336,330	\$ 0.13261	\$ 1,105,469	\$ 0.13597	\$ 1,133,493		45
46	Total Noncore General Gas Transportation Service		156	8,336,330		\$ 1,214,669		\$ 1,242,693	\$ 1,248,072	46

**SOUTHWEST GAS CORPORATION**  
**SOUTHERN CALIFORNIA RATE JURISDICTION**  
**CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES**  
**POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2017**

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2017 Authorized Margin [1] Rates (e)	2017 Authorized Margin [1] Revenues (f)	2018 Authorized Margin Rates (g)	2018 Authorized Margin Revenues (h)	Class Margin Requirement (i)	Line No.
	<b>City of Victorville Gas Service</b>	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	\$0.37077	\$ 291,299	\$0.37960	\$ 298,239		49
50	Total City of Victorville Gas Service		12	785,669		\$ 300,791		\$ 307,731	\$ 307,731	50
51	Total All Schedules		1,701,894	104,056,903		\$68,614,440		\$70,197,467		51
52	Other Operating Revenues					\$ 2,489,647		\$ 2,558,112		52
53	<b>Special Contract Gas Service</b>	GN-T				\$ 22,379		\$ 22,379		53
54	Total FCAM Margin					\$71,126,466		\$72,777,958		54
55	Total Authorized Margin [2]					\$71,126,788		\$72,778,295		55
56	Over / (Under)					\$ (322)		\$ (337)		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 1 of 10.

**SOUTHWEST GAS CORPORATION  
NORTHERN CALIFORNIA  
2018 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2017 (b)	2018 (c)	Line No.
1	Previous Year's Authorized Margin	\$ 18,654,421	\$ 19,167,418	1
2	Post-Test Year Adjustment Percent [1]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 512,997</u>	<u>\$ 527,104</u>	3
4	Authorized Margin [1]	<u>\$ 19,167,418</u>	<u>\$ 19,694,522</u>	4
5	ATM Cost of Capital Adjustment	<u>\$ 0</u>	<u>\$ 0</u>	5
6	Adjusted Authorized Margin	<u><u>\$ 19,167,418</u></u>	<u><u>\$ 19,694,522</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, 2017**

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2017 Authorized Margin [1]		2018 Authorized Margin		Class Margin Requirement (i)
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)	
<b><u>Residential Gas Service</u></b>									
1	Basic Service Charge	GN-10	147,742		\$ 5.00	\$ 738,710	\$ 5.00	\$ 738,710	
2	Commodity Charge	GN-12		6,613,336	\$0.73294	\$ 4,847,172	\$0.75614	\$ 5,000,622	
3	Baseline Quantities			3,001,688	\$0.84375	\$ 2,532,671	\$0.86695	\$ 2,602,320	
4	Tier II			9,615,024		\$ 8,118,553		\$ 8,341,652	
	Total Residential Gas Service		147,742						\$ 8,341,651
<b><u>Secondary Residential Gas Service</u></b>									
5	Basic Service Charge	GN-15	143,168		\$ 6.00	\$ 859,008	\$ 6.00	\$ 859,008	
6	Commodity Charge			8,278,230	\$0.88171	\$ 7,298,984	\$0.90881	\$ 7,523,328	
7	All Usage			8,278,230		\$ 8,157,992		\$ 8,382,336	
	Total Secondary Residential Gas Service		143,168						\$ 8,382,336
8	Total Residential Gas Service		290,910	17,893,254		\$16,276,545		\$16,723,988	
<b><u>Multi-Family Master-Metered Gas Service</u></b>									
9	Basic Service Charge	GN-20	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600	
10	Commodity Charge			13,872	\$0.73294	\$ 10,167	\$0.75614	\$ 10,489	
11	Baseline Quantities			0	\$0.84375	\$ 0	\$0.86695	\$ 0	
12	Tier II			13,872		\$ 10,767		\$ 11,089	
	Total Multi-Family Master-Metered Gas Service		24					\$ 11,089	\$ 11,088
<b><u>Multi-Family Master Metered Gas Service - Submetered</u></b>									
13	Basic Service Charge	GN-25	12		\$ 25.00	\$ 300	\$ 25.00	\$ 300	
14	Submeter Discount		312		\$ (11.01)	\$ (3,435)	\$ (11.01)	\$ (3,435)	
15	Commodity Charge			16,473	\$0.73294	\$ 12,074	\$0.75614	\$ 12,456	
16	Baseline Quantities			2,818	\$0.84375	\$ 2,378	\$0.86695	\$ 2,443	
17	Tier II			19,291		\$ 11,317		\$ 11,764	
	Total Multi-Family Master Metered Gas Service - Submetered		12					\$ 11,764	\$ 11,763
18	Total Multi-Family Master Metered Gas Service		36	33,163		\$ 22,084		\$ 22,853	
<b><u>Core General Gas Service</u></b>									
19	Basic Service Charge	GN-35	18,784		\$ 11.00	\$ 206,624	\$ 11.00	\$ 206,624	
20	Transportation Service Charge	GN-40	0		\$ 780.00	\$ 0	\$ 780.00	\$ 0	
21	Commodity Charge			1,071,977	\$0.60748	\$ 651,207	\$0.62419	\$ 669,115	
22	First 100			1,861,214	\$0.48490	\$ 902,504	\$0.49824	\$ 927,323	
23	Next 500			1,574,988	\$0.36557	\$ 575,775	\$0.37563	\$ 591,609	
24	Next 2400			1,311,622	\$0.18209	\$ 238,829	\$0.19143	\$ 251,079	
25	Over 3000			5,819,801		\$ 2,574,939		\$ 2,645,750	
	Total Core General Gas Service		18,784					\$ 2,645,750	\$ 2,645,750

**SOUTHWEST GAS CORPORATION  
NORTHERN CALIFORNIA RATE JURISDICTION  
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES  
TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2017**

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2017 Authorized Margin [1] Rates (e)	Revenues (f)	2018 Authorized Margin Rates (g)	Revenues (h)	Class Margin Requirement (i)	Line No.
<b><u>Core Natural Gas Service for Motor Vehicles</u></b>										
26	Basic Service Charge	GN-50	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600		26
27	Commodity Charge									
28	All Usage		24	140,747	\$ 0.10134	\$ 14,264	\$ 0.10425	\$ 14,672		27
	Total Core Natural Gas Service for Motor Vehicles			140,747		\$ 14,864		\$ 15,272	\$ 15,272	28
<b><u>Core Internal Combustion Engine Gas Service</u></b>										
29	Basic Service Charge	GN-60	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600		29
30	Commodity Charge									
31	All Usage		24	355	\$ 0.28220	\$ 100	\$ 0.29193	\$ 104		30
	Total Core Internal Combustion Engine Gas Service			355		\$ 700		\$ 704	\$ 1,124	31
<b><u>Core Small Electric Power Generation Gas Service</u></b>										
32	Basic Service Charge	GN-66	0		\$ 25.00	\$ 0	\$ 25.00	\$ 0		32
33	Commodity Charge									
34	All Usage		0	0	\$ 0.27613	\$ 0	\$ 0.28373	\$ 0		33
	Total Core Small Electric Power Generation Gas Service			0		\$ 0		\$ 0		34
<b><u>Noncore General Gas Transportation Service</u></b>										
35	Basic Service Charge	GN-70	12		\$ 100.00	\$ 1,200	\$ 100.00	\$ 1,200		35
36	Transportation Service Charge		12		\$ 780.00	\$ 9,360	\$ 780.00	\$ 9,360		36
37	Commodity Charge									
38	All Usage		12	300,400	\$ 0.16986	\$ 51,026	\$ 0.17550	\$ 52,720		37
	Total Noncore General Gas Transportation Service			300,400		\$ 61,586		\$ 63,280	\$ 63,280	38
39	Total All Schedules		309,790	24,187,720		\$ 18,950,718		\$ 19,471,847		39
40	Other Operating Revenues					\$ 216,357		\$ 222,307		40
41	<b><u>Special Contract Gas Service</u></b>	GN-T				\$ 0		\$ 0		41
42	Total FCAM Margin					\$ 19,167,075		\$ 19,694,154		42
43	Total Authorized Margin [2]					\$ 19,167,418		\$ 19,694,522		43
44	Over / (Under)					\$ (343)		\$ (368)		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 5 of 10.

**SOUTHWEST GAS CORPORATION  
SOUTH LAKE TAHOE  
2018 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2017 (b)	2018 (c)	Line No.
1	Previous Year's Authorized Margin	\$ 9,318,124	\$ 9,574,372	1
2	Post-Test Year Adjustment Percent [1]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 256,248</u>	<u>\$ 263,295</u>	3
4	Authorized Margin [1]	<u>\$ 9,574,372</u>	<u>\$ 9,837,667</u>	4
5	ATM Cost of Capital Adjustment	<u>\$ 0</u>	<u>\$ 0</u>	5
6	Adjusted Authorized Margin	<u><u>\$ 9,574,372</u></u>	<u><u>\$ 9,837,667</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, 2017**

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2017 Authorized Margin [1] Rates (e)	2017 Authorized Margin [1] Revenues (f)	2018 Authorized Margin Rates (g)	2018 Authorized Margin Revenues (h)	Class Margin Requirement (i)	Line No.
<b><u>Residential Gas Service</u></b>										
1	Basic Service Charge	SLT-10	142,714		\$ 5.00	\$ 713,570	\$ 5.00	\$ 713,570		1
2	Commodity Charge									2
3	Baseline Quantities			7,091,497	\$0.32198	\$2,283,332	\$0.33324	\$2,363,196		3
4	Tier II			3,301,815	\$0.40952	\$1,352,165	\$0.42078	\$1,389,350		4
	Total Residential Gas Service		142,714	10,393,312		\$4,349,067		\$4,466,116	\$ 4,466,116	
<b><u>Secondary Residential Gas Service</u></b>										
5	Basic Service Charge	SLT-15	72,767		\$ 6.00	\$ 436,602	\$ 6.00	\$ 436,602		5
6	Commodity Charge									6
7	All Usage			4,382,074	\$0.44620	\$1,955,296	\$0.46121	\$2,021,073		7
	Total Secondary Residential Gas Service		72,767	4,382,074		\$2,391,898		\$2,457,675	\$ 2,457,675	
8	Total Residential Gas Service		215,481	14,775,386		\$6,740,965		\$6,923,791		8
<b><u>Multi-Family Master-Metered Gas Service</u></b>										
9	Basic Service Charge	SLT-20	1,152		\$ 11.00	\$ 12,672	\$ 11.00	\$ 12,672		9
10	Commodity Charge									10
11	Baseline Quantities			553,605	\$0.32198	\$ 178,251	\$0.33324	\$ 184,485		11
12	Tier II			194,887	\$0.40952	\$ 79,810	\$0.42078	\$ 82,005		12
	Total Multi-Family Master-Metered Gas Service		1,152	748,492		\$ 270,733		\$ 279,162	\$ 279,162	
<b><u>Multi-Family Master-Metered Gas Service - Submetered</u></b>										
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
15	Commodity Charge									15
16	Baseline Quantities			116,348	\$0.32198	\$ 37,462	\$0.33324	\$ 38,772		16
17	Tier II			299,433	\$0.40952	\$ 122,624	\$0.42078	\$ 125,997		17
	Total Multi-Family Master Metered Gas Service - Submetered		144	415,781		\$ 113,315		\$ 117,998	\$ 117,998	
18	Total Multi-Family Master Metered Gas Service		1,296	1,164,273		\$ 384,048		\$ 397,160		18
<b><u>Core General Gas Service</u></b>										
19	Basic Service Charge	SLT-35	16,124		\$ 11.00	\$ 177,364	\$ 11.00	\$ 177,364		19
20	Commodity Charge									20
21	First 100			960,393	\$0.43392	\$ 416,730	\$0.44585	\$ 428,190		21
22	Next 500			1,795,993	\$0.36883	\$ 662,413	\$0.37897	\$ 680,630		22
23	Next 2400			1,621,343	\$0.30374	\$ 492,468	\$0.31209	\$ 506,011		23
24	Over 3000			1,768,501	\$0.18647	\$ 329,774	\$0.19436	\$ 343,720		24
	Total Core General Gas Service		16,124	6,146,230		\$2,078,749		\$2,135,915	\$ 2,135,915	
<b><u>Core Natural Gas Service for Motor Vehicles</u></b>										
25	Basic Service Charge	SLT-50	12		\$ 11.00	\$ 132	\$ 11.00	\$ 132		25
26	Commodity Charge									26
27	All Usage			91,877	\$0.20921	\$ 19,222	\$0.21501	\$ 19,754		27
	Total Core Natural Gas Service for Motor Vehicles		12	91,877		\$ 19,354		\$ 19,886	\$ 19,886	

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Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2017 Authorized Margin [1] Rates (e)	2017 Authorized Margin [1] Revenues (f)	2018 Authorized Margin Rates (g)	2018 Authorized Margin Revenues (h)	Class Margin Requirement (i)	Line No.
	<b><u>Core Internal Combustion Engine Gas Service</u></b>									
28	Basic Service Charge	SLT-60	0		\$ 11.00	\$ 0	\$ 11.00	\$ 0		28
29	Commodity Charge									
30	All Usage		0	0	\$0.23812	\$ 0	\$0.24467	\$ 0		29
	Total Core Internal Combustion Engine Gas Service		0	0		\$ 0		\$ 0		30
	<b><u>Core Small Electric Power Generation Gas Service</u></b>									
31	Basic Service Charge	SLT-66	0		\$ 11.00	\$ 0	\$ 11.00	\$ 0		31
32	Commodity Charge									
33	All Usage		0	0	\$0.23812	\$ 0	\$0.24467	\$ 0		32
	Total Core Small Electric Power Generation Gas Service		0	0		\$ 0		\$ 0		33
	<b><u>Noncore General Gas Transportation Service</u></b>									
34	Basic Service Charge	SLT-70	24		\$ 100.00	\$ 2,400	\$ 100.00	\$ 2,400		34
35	Transportation Service Charge		24		\$ 780.00	\$ 18,720	\$ 780.00	\$ 18,720		35
36	Commodity Charge									
37	All Usage		24	579,100	\$0.17267	\$ 99,994	\$0.17842	\$ 103,325		36
	Total Noncore General Gas Transportation Service		24	579,100		\$ 121,114		\$ 124,445	\$ 124,445	37
38	Total All Schedules		232,937	22,756,866		\$9,344,230		\$9,601,197		38
39	Other Operating Revenues					\$ 230,197		\$ 236,527		39
40	<b><u>Special Contract Gas Service</u></b>	GN-T				\$ 0		\$ 0		40
41	Total FCAM Margin					\$9,574,427		\$9,837,724		41
42	Total Authorized Margin [2]					\$9,574,372		\$9,837,667		42
43	Over / (Under)					\$ 55		\$ 57		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 8 of 10.