



SOUTHWEST GAS CORPORATION

March 2, 2018

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

Subject: Revision No. 317

This revision reflects the changes to the Arizona monthly gas cost rates, the Department of Transportation (DOT) Surcharge, and the Gas Cost Balancing Account (GCBA) Surcharge, all effective on March 2, 2018.

The monthly gas cost rate calculation utilizes the 12-month average gas cost for the period ended January 2018. In addition, the Commission provided Southwest Gas authorization to adjust its Gas Cost Balancing Account (GCBA) Surcharge in its monthly gas cost rate adjustment. The Arizona DOT surcharge is applicable to the Transmission Integrity Management Program mandated by the Federal Pipeline Safety Improvement Act of 2002. Pursuant to A.C.C. Sheet No. 14, the DOT Safety Program Surcharge is updated annually effective the first billing cycle in March.

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

Insert A.C.C. Sheet No.

258th Revised Sheet No. 11
260th Revised Sheet No. 12
90th Revised Sheet No. 13
61st Revised Sheet No. 14

Supersedes A.C.C. Sheet No.

257th Revised Sheet No. 11
259th Revised Sheet No. 12
89th Revised Sheet No. 13
60th Revised Sheet No. 14

Matthew Derr
Regulatory Manager/Arizona

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}

Description	Delivery Charge	3/ Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate	
G-5 – Single-Family Residential Gas Service					
Basic Service Charge per Month	\$ 10.70			\$ 10.70	
Commodity Charge per Therm:					
All Usage	\$.72575	\$.03503	\$.42541	\$ 1.18619	R
G-6 – Multi-Family Residential Gas Service					
Basic Service Charge per Month	\$ 9.70			\$ 9.70	
Commodity Charge per Therm:					
All Usage	\$.75311	\$.03503	\$.42541	\$ 1.21355	R
G-10– Single-Family Low Income Residential Gas Service					
Basic Service Charge per Month	\$ 7.50			\$ 7.50	
Commodity Charge per Therm:					
Summer (May–October):					
All Usage	\$.72575	\$.01972	\$.42541	\$ 1.17088	R
Winter (November–April):					
First 150 Therms	.37509	\$.01972	\$.42541	.82022	R
Over 150 Therms	\$.72575	\$.01972	\$.42541	\$ 1.17088	R
G-11– Multi-Family Low Income Residential Gas Service					
Basic Service Charge per Month	\$ 7.50			\$ 7.50	
Commodity Charge per Therm:					
Summer (May–October):					
All Usage	\$.75311	\$.01972	\$.42541	\$ 1.19824	R
Winter (November–April):					
First 150 Therms	.39424	\$.01972	\$.42541	.83937	R
Over 150 Therms	\$.75311	\$.01972	\$.42541	\$ 1.19824	R
G-15– Special Residential Gas Service for Air Conditioning					
Basic Service Charge per Month	\$ 10.70			\$ 10.70	
Commodity Charge per Therm:					
Summer (May–October):					
First 15 Therms	\$.60445	\$.02304	\$.42541	\$ 1.05290	R
Over 15 Therms	.13935	\$.02304	\$.42541	.58780	R
Winter (November–April):					
All Usage	\$.60445	\$.02304	\$.42541	\$ 1.05290	R
G-20– Master-Metered Mobile Home Park Gas Service					
Basic Service Charge per Month	\$ 66.00			\$ 66.00	
Commodity Charge per Therm:					
All Usage	\$.48181	\$.03290	\$.42541	\$ 0.94012	R

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

Description	Delivery Charge	^{3/} Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate	
<u>G-25- General Gas Service</u>					
Basic Service Charge per Month:					
Small	\$ 27.50			\$ 27.50	
Medium	43.50			43.50	
Large-1	80.00			80.00	
Large-2	470.00			470.00	
Transportation Eligible	950.00			950.00	
Commodity Charge per Therm:					
Small, All Usage	\$.79569	\$.02517	\$.42541	\$ 1.24627	R
Medium, All Usage	.40723	.02517	.42541	.85781	R
Large-1, All Usage	.38374	.02517	.42541	.83432	R
Large-2, All Usage	.28386	.02517	.42541	.73444	R
Transportation Eligible	.11421	.02304	.42541	.56266	R
Demand Charge per Month-					
Transportation Eligible:					
Demand Charge ^{4/}	\$.083393			\$.083393	
<u>G-30- Optional Gas Service</u>					
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 27.				
Commodity Charge per Therm:	As specified on A.C.C. Sheet No. 28.				
All Usage					
<u>G-40- Air Conditioning Gas Service</u>					
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 32.				
Commodity Charge per Therm:					
All Usage	\$.13935	\$.02304	\$.42541	\$.58780	R
<u>G-45- Street Lighting Gas Service</u>					
Commodity Charge per Therm of Rated Capacity:					
All Usage	\$.73507	\$.02304	\$.42541	\$ 1.18352	R
<u>G-50- Compression Gas Service</u>					
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 36.				
Commodity Charge per Therm:	As specified on A.C.C. Sheet No. 36.				
All Usage					
<u>G-55- Gas Service for Compression ^{5/} on Customer's Premises</u>					
Basic Service Charge per Month:					
Small	\$ 27.50			\$ 27.50	
Large	250.00			250.00	
Residential	10.70			10.70	
Commodity Charge per Therm:					
All Usage	\$.21935	\$.02304	\$.42541	\$.66780	R
<u>G-60- Electric Generation Gas Service</u>					
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 40.				
Commodity Charge per Therm:					
All Usage	\$.15923	\$.02304	\$.42541	\$.60768	R
<u>G-75- Small Essential Agricultural User Gas Service</u>					
Basic Service Charge per Month	\$ 120.00			\$ 120.00	
Commodity Charge per Therm:					
All Usage	\$.28755	\$.02304	\$.42541	\$.73600	R

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

Description	Delivery Charge	^{3/} Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
G-80 – Natural Gas Engine ^{6/} Water Pumping Gas Service				
Basic Service Charge per Month:				
Off-Peak Season (October–March)	\$.00			\$.00
Peak Season (April–September)	\$ 125.00			\$ 125.00
Commodity Charge per Therm:				
All Usage	\$.22430	\$.01304	\$.28833	\$.52567

^{1/} All charges are subject to adjustment for any applicable taxes or governmental impositions.

^{2/} Customers taking transportation service will pay the Basic Service Charge, the Commodity Charge per Therm less the Monthly Gas Cost, and Demand Charge, if applicable, of the Currently Effective Tariff Rate for each meter included in the transportation service agreement, plus an amount of \$0.00282 per therm for distribution shrinkage as defined in Rule No. 1 of this Arizona Gas Tariff. The shrinkage charge shall be updated annually effective May 1. For customers converting from sales service, an additional amount equal to the currently effective Gas Cost Balancing Account Adjustment will be assessed for a period of 12 months.

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

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

Description	G-5, G-6	G-10, G-11	G-15	G-20	Adjustment Date
Low Income Ratepayer Assistance	\$ 0.00986	n/a	n/a	\$ 0.00986	1st Billing Cycle in May
Demand Side Management	0.00745	\$ 0.00200	\$ 0.00745	0.00745	Per Commission Order
VSP Replacement Program	0.00000	0.00000	0.00000	0.00000	Per Commission Order
Department of Transportation	0.00275	0.00275	0.00275	0.00275	1st Billing Cycle in March
Gas Cost Balancing Account	0.01000	0.01000	0.01000	0.01000	Per Commission Notification
COYL Cost Recovery	0.00284	0.00284	0.00284	0.00284	Per Commission Order
DCA	0.00213	0.00213	n/a	n/a	Per Commission Order
Total Rate Adjustment	<u>\$ 0.03503</u>	<u>\$ 0.01972</u>	<u>\$ 0.02304</u>	<u>\$ 0.03290</u>	

Description	G-25S, G-25M, G-25-L1, G-25-L2	G-25TE, G-40, G-45, G-55, G-60, G-75	G-80	G-30, SB-1, Special Contracts	Adjustment Date
Low Income Ratepayer Assistance	n/a	n/a	n/a	n/a	1st Billing Cycle in May
Demand Side Management	\$ 0.00745	\$ 0.00745	\$ 0.00745	n/a	Per Commission Order
VSP Replacement Program	0.00000	0.00000	0.00000	n/a	Per Commission Order
Department of Transportation	0.00275	0.00275	0.00275	\$ 0.00275	1st Billing Cycle in March
Gas Cost Balancing Account	0.01000	0.01000	n/a	n/a	Per Commission Notification
COYL Cost Recovery	0.00284	0.00284	0.00284	n/a	Per Commission Order
DCA	0.00213	n/a	n/a	n/a	Per Commission Order
Total Rate Adjustment	<u>\$ 0.02517</u>	<u>\$ 0.02304</u>	<u>\$ 0.01304</u>	<u>\$ 0.00275</u>	

4/ The total monthly demand charge is equal to the unit rate shown multiplied by the customer's billing determinant.

5/ The charges for Schedule No. G-55 are subject to adjustment for applicable state and federal taxes on fuel used in motor vehicles.

6/ The gas cost for this rate schedule shall be updated seasonally, April 1 and October 1 of each year.