

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 13, 2018

Advice Letter 1085-G

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

SUBJECT: Revised Tariff Sheets to Recover Costs in the Natural Gas Leak Abatement Program Balancing Accounts for 2018, Pursuant to Resolution G-3538

Dear Mr. Brown:

Advice Letter 1085-G is effective as of January 1, 2019. All balances in the accounts authorized for recovery are subject to audit, verification and adjustment.

Sincerely,

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

Edward Randolph
Director, Energy Division



SOUTHWEST GAS CORPORATION

November 13, 2018

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. 1085

Enclosed herewith is an original and one (1) copy of Southwest Gas Corporation's Advice Letter No. 1085, together with California Gas Tariff Sheet Nos. 65 - 73.

Sincerely,

Valerie J. Ontiveroz
Regulatory Manager/California

VJO:jjp
Enclosures



SOUTHWEST GAS CORPORATION

Advice Letter No. 1085

November 13, 2018

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas) (U 905 G) tenders herewith for submission the following tariff sheets:

Cal. P.U.C. Sheet No.	California Gas Tariff Title of Sheet	Canceling Cal. P.U.C. Sheet No.
115th Revised Sheet No. 65	Statement of Rates - Rates Applicable to Southern California Service Area	114th Revised Sheet No. 65
116th Revised Sheet No. 66	Statement of Rates - Rates Applicable to Southern California Service Area	115th Revised Sheet No. 66
58th Revised Sheet No. 67	Statement of Rates - Rates Applicable to Southern California Service Area	57th Revised Sheet No. 67
112th Revised Sheet No. 68	Statement of Rates - Rates Applicable to Northern California Service Area	111th Revised Sheet No. 68
114th Revised Sheet No. 69	Statement of Rates - Rates Applicable to Northern California Service Area	113th Revised Sheet No. 69
73rd Revised Sheet No. 70	Statement of Rates - Rates Applicable to Northern California Service Area	72nd Revised Sheet No. 70
114th Revised Sheet No. 71	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	113th Revised Sheet No. 71
51st Revised Sheet No. 72	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	50th Revised Sheet No. 72
12th Revised Sheet No. 73	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	11th Revised Sheet No. 73

Purpose

The purpose of this submission is to revise Southwest Gas' tariff sheets to recover 2018 forecasted costs for its 2018-2019 Natural Gas Leak Abatement Program Compliance Plan (Compliance Plan) pursuant to Ordering Paragraph (OP) 5 in Resolution G-3538.

Background

On June 19, 2017, the Commission approved Decision (D.) 17-06-015, which established 26 Best Practices (BPs) and reporting requirements for the Commission's Natural Gas Leak Abatement Program to minimize natural gas emissions from California's regulated transmission and distribution gas systems. Pursuant to OP 10 in D.17-06-015:



On or prior to October 31, 2017, Pacific Gas and Electric Company, Southern California Gas Company, San Diego Gas & Electric Company, and Southwest Gas Corporation shall each file a Tier 3 Advice Letter to provide the following to establish 2018 and 2019 ratemaking forecasts and caps for the Natural Gas Leak Abatement Program:

- a) Identify the costs for incremental costs associated with each individual Best Practice, Pilot Projects and Research & Development (R&D), broken down by type of expenditure including capital, operations and maintenance, and administrative.
- b) Provide the justifications consistent with the criteria to evaluate Pilot Projects and R&D in [PU] Code § 740.1.
- c) The proposed allocation methodology for amortization of the account and the corresponding Commission decision authorizing the allocation methodology.¹

On October 31, 2017, Southwest Gas submitted its Tier 3 Advice Letter No. 1055 in compliance with OP 10 above. Subsequently, Southwest Gas submitted supplemental Advice Letter No. 1055-A on April 20, 2018, replacing Advice Letter No. 1055 in its entirety to provide updated 2018 and 2019 incremental BP cost forecasts consistent with the proposals set forth in Southwest Gas' Compliance Plan submitted in March 2018, pursuant to D.17-06-015. Later, on August 8, 2018, Southwest Gas submitted Advice Letter No. 1055-B to update costs in relation to Southwest Gas Southern California jurisdiction only.

On October 11, 2018, Resolution G-3538 approved the utilities Compliance Plans and forecasts as submitted in their respective Advice Letters with generally minor modifications. Pursuant to OP 5, within 30 days of Resolution G-3538, the natural gas utilities were required to submit a Tier 1 Advice Letter with revised tariff sheets to recover its 2018 forecasted costs. Southwest Gas' 2018 forecasted costs and applicable rates by balancing account as approved in Advice Letter Nos. 1055-A and 1055-B are illustrated below:

Service Territory	Balancing Account ²	Capital (\$)	O&M (\$)	Rate \$/therm
Southern California	NERBA	296,000	0	.00052
	NGLAPBA	150,000	376,806	.00071
Northern California	NERBA	55,000	0	.00035
	NGLAPBA	0	113,697	.00069
South Lake Tahoe	NERBA	24,000	0	.00019
	NGLAPBA	0	93,997	.00051

¹ D.17-06-015 at p.161-162.

² Southwest Gas Advice Letter No. 1042 (as supplemented), was approved effective July 14, 2017, and established the New Environmental Regulatory Balancing Account (NERBA), Natural Gas Leak Abatement Program Memorandum Account (NGLAPMA) and Natural Gas Leak Abatement Program Balancing Account (NGLAPBA).



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Southwest Gas will recover its 2018 BP forecasted costs on an equal-cents-per-therm basis beginning on January 1, 2019.

Effective Date

Southwest Gas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to OP 5 in Resolution G-3538, and respectfully requests an effective date of November 13, 2018, which is the date of submission. Southwest Gas will begin recovering its 2018 forecasted costs on January 1, 2019.

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 submission 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
Email: 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
Senior Vice President/General Counsel
Southwest Gas Corporation
P.O. Box 98510
Las Vegas, NV 89193-8510
Email: justin.brown@swgas.com
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 submitted in compliance with OP 5 in Resolution G-3538.

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.



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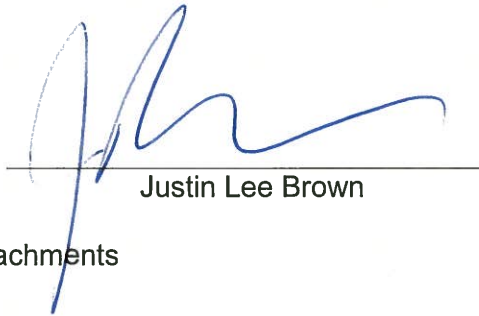
Communications regarding this filing should be directed to:

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

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By:



Justin Lee Brown

Attachments

Distribution List

Advice Letter No. 1085

In conformance with GO 96-B, General Rule 4.3

The following individuals or entities have been served by electronic mail:

Elizabeth Echols, Director
Public Advocates Office
California Public Utilities Commission
elizabeth.echols@cpuc.ca.gov

Pacific Gas & Electric Company
PGETariffs@pge.com

Southern California Gas Company
ROrtiz@SempraUtilities.com

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

Belinda Gatti
Energy Division
California Public Utilities Commission
belinda.gatti@cpuc.ca.gov

Robert M. Pocta
Public Advocates Office
California Public Utilities Commission
robert.pocta@cpuc.ca.gov

Nathaniel Skinner
Public Advocates Office
California Public Utilities Commission
nathaniel.skinner@cpuc.ca.gov

Pearlie Sabino
Public Advocates Office
California Public Utilities Commission
pearlie.sabino@cpuc.ca.gov



ADVICE LETTER 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:

- ELC GAS WATER
 PLC HEAT

Contact Person: Valerie J. Ontiveroz

Phone #: 702 876-7323

E-mail: valerie.ontiveroz@swgas.com

E-mail Disposition Notice to: valerie.ontiveroz@swgas.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 1085

Tier Designation: Tier 1

Subject of AL: Rate update to recover costs in the Natural Gas Leak Abatement Program Balancing Account, pursuant to Resolution G-3538.

Keywords (choose from CPUC listing): Preliminary Statement

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: Not applicable

Summarize differences between the AL and the prior withdrawn or rejected AL: Not Applicable

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 1/1/19

No. of tariff sheets: 9

Estimated system annual revenue effect (%): Not applicable

Estimated system average rate effect (%): Not applicable

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: Not applicable

Service affected and changes proposed¹: See 'Subject of AL' above

Pending advice letters that revise the same tariff sheets: Not applicable

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Mr. Justin Lee Brown
Title: Senior Vice-President/General Counsel
Utility Name: Southwest Gas Corporation
Address: P. O. Box 98510
City: Las Vegas State: Nevada
Telephone (xxx) xxx-xxxx: 702-876-7183
Facsimile (xxx) xxx-xxxx: 702-364-3452
Email: justin.brown@swgas.com

Name:
Title:
Utility Name:
Address:
City: State: Nevada
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Clear Form

STATEMENT OF RATES
RATES APPLICABLE TO SOUTHERN CALIFORNIA SERVICE AREA [1]

Schedule No. and Type of Charge	Margin	Charges [2]		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
		and Adjustments			CPUC	PPP		
GS-10-Residential Gas Service								
Basic Service Charge	\$5.00							\$5.00
Cost per Therm								
Baseline Quantities	\$.71361	\$.19582	\$.90943	\$.00166	\$.11505	\$.27564	\$ 1.30178	
Tier II	\$.88488	.19582	1.08070	.00166	.11505	.27564	1.47305	
GS-11-Residential Air-Conditioning Gas Service								
Basic Service Charge	\$5.00							\$5.00
Cost per Therm								
Tier I	\$.71361	\$.19582	\$.90943	\$.00166	\$.11505	\$.27564	\$ 1.30178	
Tier II	.88488	.19582	1.08070	.00166	.11505	.27564	1.47305	
Air-Conditioning	\$.35681	.19582	.55263	.00166	.11505	.27564	.94498	
GS-12-CARE Residential Gas Service								
Basic Service Charge	\$4.00							\$4.00
Cost per Therm								
Baseline Quantities	\$.47660	\$.19582	\$.67242	\$.00166	\$.01587	\$.27564	\$.96559	
Tier II	.61361	.19582	.80943	.00166	.01587	.27564	\$ 1.10260	
GS-15-Secondary Residential Gas Service								
Basic Service Charge	\$6.00							\$6.00
Cost per Therm	\$1.09366	\$.19582	\$ 1.28948	\$.00166	\$.11505	\$.27564	\$ 1.68183	
GS-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$.71361	\$.19582	\$.90943	\$.00166	\$.11505	\$.27564	\$ 1.30178	
Tier II	.88488	.19582	1.08070	.00166	.11505	.27564	1.47305	
GS-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$.71361	\$.19582	\$.90943	\$.00166	\$.11505	\$.27564	\$ 1.30178	
Tier II	.88488	.19582	1.08070	.00166	.11505	.27564	1.47305	
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	\$.41443	\$.19582	\$.61025	\$.00166	\$.01587	\$.27564	\$.90342	
Next 500	.28068	.19582	.47650	.00166	.01587	.27564	.76967	
Next 2,400	.17368	.19582	.36950	.00166	.01587	.27564	.66267	
Over 3,000	.04776	.19582	.24358	.00166	.01587	.27564	.53675	
GS-40-Core General Gas Service (non-Covered Entities)								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$.63590	\$.19582	\$.83172	\$.00166	\$.11505	\$.27564	\$ 1.22407	
Next 500	\$.46871	.19582	.66453	.00166	.11505	.27564	1.05688	
Next 2,400	\$.33496	.19582	.53078	.00166	.11505	.27564	.92313	
Over 3,000	\$.17757	.19582	.37339	.00166	.11505	.27564	.76574	

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		
<u>GS-40-Core General Gas Service (Covered Entities)</u>								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$.63590	\$.14870	\$.78460	\$.00166	\$.11505	\$.27564	\$ 1.17695	I
Next 500	\$.46871	.14870	.61741	.00166	.11505	.27564	1.00976	I
Next 2,400	\$.33496	.14870	.48366	.00166	.11505	.27564	.87601	I
Over 3,000	\$.17757	.14870	.32627	.00166	.11505	.27564	.71862	I
<u>GS-50-Core Natural Gas Service for Motor Vehicles</u>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$.12468	\$.19582	\$.32050	\$.00166	\$.11505	\$.27564	\$.71285	I
<u>GS-60-Core Internal Combustion Engine Gas Service</u>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$.18581	\$.19582	\$.38163	\$.00166	\$.11505	\$.27564	\$.77398	I
<u>GS-LUZ-Solar Electric Generation Gas Service</u>								
Basic Service Charge	\$50.00							\$50.00
Cost per Therm	\$.05338	\$.00242	\$.05580	\$.00166			\$.05746	
<u>GS-66-Core Small Electric Power Generation Gas Service</u>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$.26781	\$.19582	\$.46363	\$.00166		\$.27564	\$.74093	I
<u>GS-70-Noncore General Gas Transportation Service</u>								
Basic Service Charge	\$100.00							\$100.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm	\$.13597	\$.09620	\$.23217	\$.00166	\$.11505		\$.34888	I
<u>GS-VIC City of Victorville Gas Service</u>								
Basic Service Charge	\$11.00							\$ 11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm	\$.37960	\$.19582	\$.57542	\$.00166		\$.27564	\$.85272	I
<u>TFF-Transportation Franchise Fee Surcharge Provision</u>								
TFF Surcharge per Therm								\$.00340
<u>TDS – Transportation Distribution System Shrinkage Charge</u>								
TDS Charge per Therm								\$.00209
<u>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</u>								
MHPS Surcharge per Space per Month								\$.21000

STATEMENT OF RATES
RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES [1]

[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 0.76%. 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] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

Charges and Adjustments Description	GS-10, GS-11, GS-12, GS-15, GS-20, GS-25, GS-35,	GS-40 (non- Covered Entities), GS-50, GS-60, GS-66	GS-40, (Covered Entities)	GS-70	GS-VIC	GS-LUZ
Upstream Intrastate Charges						
Storage	\$.01157		\$.01157		\$.01157	
Variable	.03932		.03932	\$.03932	.03932	
Upstream Interstate Reservation Charges	.05352		.05352		.05352	
IRRAM Surcharge	.00000		.00000	.00000		
Balancing Account Adjustments						
FCAM*	.03629		.03629	.00176	.03629	\$.00176
ITCAM	.00611		.00611	.00611	.00611	
GHGBA**						
Non-Covered Entities [a]	.04778			.04778	.04778	
Covered Entities [a]			.00066			.00066
NERBA	.00052		.00052	.00052	.00052	
NGLAPBA	.00071		.00071	.00071	.00071	
Total Rate Adjustment	\$.19582		\$.14870	\$.09620	\$.19582	\$.00242

* The FCAM surcharge includes an amount of \$.00176 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).

[a] Pursuant to D.18-03-017, Covered and non-Covered entities have a component to recover the 2015-2017 net compliance costs and proceeds amortized over a twelve month period. Also included are the 2018 GHG costs which are amortized over an eighteen month period.

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	\$.75614	\$.16254	\$.91868	\$.00166	\$.02841	\$.28918	\$ 1.23793	I
Tier II	.86695	.16254	1.02949	.00166	.02841	.28918	1.34874	I
GN-12-CARE Residential Gas Service								
Basic Service Charge	\$4.00							\$4.00
Cost per Therm								
Baseline Quantities	\$.51457	\$.16254	\$.67711	\$.00166	\$.01587	\$.28918	\$.98382	I
Tier II	.60322	.16254	.76576	.00166	.01587	.28918	1.07247	I
GN-15-Secondary Residential Gas Service								
Basic Service Charge	\$6.00							\$6.00
Cost per Therm	\$.90881	\$.16254	\$ 1.07135	\$.00166	\$.02841	\$.28918	\$ 1.39060	I
GN-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$.75614	\$.16254	\$.91868	\$.00166	\$.02841	\$.28918	\$ 1.23793	I
Tier II	.86695	.16254	1.02949	.00166	.02841	.28918	1.34874	I
GN-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$.75614	\$.16254	\$.91868	\$.00166	\$.02841	\$.28918	\$ 1.23793	I
Tier II	.86695	.16254	1.02949	.00166	.02841	.28918	1.34874	I
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	\$.40901	\$.16254	\$.57155	\$.00166	\$.01587	\$.28918	\$.87826	I
Next 500	.30825	.16254	.47079	.00166	.01587	.28918	.77750	I
Next 2,400	.21016	.16254	.37270	.00166	.01587	.28918	.67941	I
Over 3,000	.06280	.16254	.22534	.00166	.01587	.28918	.53205	I
GN-40-Core General Gas Service (non-Covered Entities)								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$.62419	\$.16254	\$.78673	\$.00166	\$.02841	\$.28918	\$ 1.10598	I
Next 500	.49824	.16254	.66078	.00166	.02841	.28918	.98003	I
Next 2,400	.37563	.16254	.53817	.00166	.02841	.28918	.85742	I
Over 3,000	.19143	.16254	.35397	.00166	.02841	.28918	.67322	I

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

Schedule No. and Type of Charge	Margin	Charges [3] and		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
		Adjustments			CPUC	PPP		
GN-40-Core General Gas Service (Covered Entities)								
Basic Service Charge	\$ 11.00							\$ 11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$.62419	\$.11542		\$.73961	\$.00166	\$.02841	\$.28918	\$ 1.05886
Next 500	.49824	.11542		.61366	.00166	.02841	.28918	.93291
Next 2,400	.37563	.11542		.49105	.00166	.02841	.28918	.81030
Over 3,000	.19143	.11542		.30685	.00166	.02841	.28918	.62610
GN-50-Core Natural Gas Service for Motor Vehicles								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$.10425	\$.16254		\$.26679	\$.00166	\$.02841	\$.28918	\$.58604
GN-60-Core Internal Combustion Engine Gas Service								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$.29193	\$.16254		\$.45447	\$.00166	\$.02841	\$.28918	\$.77372
GN-66-Core Small Electric Power Generation Gas Service								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm	\$.28373	\$.16254		\$.44627	\$.00166		\$.28918	\$.73711
GN-70-Noncore General Gas Transportation Service								
Basic Service Charge	\$ 100.00							\$ 100.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm	\$.17550	(\$.07601)		\$.09949	\$.00166	\$.02841		\$.12956
TFF-Transportation Franchise Fee Surcharge Provision								
TFF Surcharge per Therm								\$.00398
TDS – Transportation Distribution System Shrinkage Charge								
TDS Charge per Therm								\$.00162
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]

[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 (non-Covered Entities), GN-50, GN-60, GN-66	GN-40, (Covered Entities)	GN-70
Upstream Interstate Charges				
Storage	\$.02077		\$.02077	
Reservation	.26515		.26515	
IRRAM Surcharge	.00000		.00000	\$.00000
Balancing Account Adjustments				
FCAM*	(.17220)		(.17220)	(.12483)
GHGBA**				
Non-Covered Entities [a]	.04778			.04778
Covered Entities [a]			.00066	
NERBA	.00035		.00035	.00035
NGLAPBA	.00069		.00069	.00069
Total Rate Adjustment	\$.16254		\$.11542	(\$.07601)

* The FCAM surcharge includes an amount of (\$.12483) 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).

[a] Pursuant to D.18-03-017, Covered and non-Covered entities have a component to recover the 2015-2017 net compliance costs and proceeds amortized over a twelve month period. Also included are the 2018 GHG costs which are amortized over an eighteen month period.

STATEMENT OF RATES
RATES APPLICABLE TO SOUTH LAKE TAHOE SERVICE AREA [1]

Schedule No. and Type of Charge	Margin	Charges [2] and		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
		Adjustments			CPUC	PPP		
SLT-10-Residential Gas Service								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Baseline Quantities	\$.33324	\$.26767	\$.60091	\$.00166	\$.02841	\$.28918	\$.92016	
Tier II	.42078	.26767	.68845	.00166	.02841	.28918	1.00770	
SLT-12-CARE Residential Gas Service								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$.15522	\$.26767	\$.42289	\$.00166	\$.01587	\$.28918	\$.72960	
Tier II	.22525	.26767	.49292	.00166	.01587	.28918	.79963	
SLT-15-Secondary Residential Gas Service								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$.46121	\$.26767	\$.72888	\$.00166	\$.02841	\$.28918	\$ 1.04813	
SLT-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm								
Baseline Quantities	\$.33324	\$.26767	\$.60091	\$.00166	\$.02841	\$.28918	\$.92016	
Tier II	.42078	.26767	.68845	.00166	.02841	.28918	1.00770	
SLT-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm								
Baseline Quantities	\$.33324	\$.26767	\$.60091	\$.00166	\$.02841	\$.28918	\$.92016	
Tier II	.42078	.26767	.68845	.00166	.02841	.28918	1.00770	
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	\$.24531	\$.26767	\$.51298	\$.00166	\$.01587	\$.28918	\$.81969	
Next 500	.19181	.26767	.45948	.00166	.01587	.28918	.76619	
Next 2,400	.13830	.26767	.40597	.00166	.01587	.28918	.71268	
Over 3,000	.04412	.26767	.31179	.00166	.01587	.28918	.61850	
SLT-40-Core General Gas Service (non-Covered Entities)								
Basic Service Charge	\$ 11.00							\$ 11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$.44585	\$.26767	\$.71352	\$.00166	\$.02841	\$.28918	\$ 1.03277	
Next 500	.37897	.26767	.64664	.00166	.02841	.28918	.96589	
Next 2,400	.31209	.26767	.57976	.00166	.02841	.28918	.89901	
Over 3,000	.19436	.26767	.46203	.00166	.02841	.28918	.78128	

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-40-Core General Gas Service (Covered Entities)								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$.44585	\$.22055		\$.66640	\$.00166	\$.02841	\$.28918	\$.98565
Next 500	.37897	.22055		.59952	.00166	.02841	.28918	.91877
Next 2,400	.31209	.22055		.53264	.00166	.02841	.28918	.85189
Over 3,000	.19436	.22055		.41491	.00166	.02841	.28918	.73416
SLT-50-Core Natural Gas Service for Motor Vehicles								
Basic Service Charge	\$11.00							\$11.00
Cost per Therm	\$.21501	\$.26767		\$.48268	\$.00166	\$.02841	\$.28918	\$.80193
SLT-60-Core Internal Combustion Engine Gas Service								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm	\$.24467	\$.26767		\$.51234	\$.00166	\$.02841	\$.28918	\$.83159
SLT-66-Core Small Electric Power Generation Gas Service								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm	\$.24467	\$.26767		\$.51234	\$.00166		\$.28918	\$.80318
SLT-70-Noncore General Gas Transportation Service								
Basic Service Charge	\$ 100.00							\$ 100.00
Transportation Service Charge	\$ 780.00							\$ 780.00
Cost per Therm	\$.17842	\$.02912		\$.20754	\$.00166	\$.02841		\$.23761
TFF-Transportation Franchise Fee Surcharge Provision								
TFF Surcharge per Therm								\$.00398
TDS-Transportation Distribution System Shrinkage Charge								
TDS Charge per Therm								\$.00162
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision								
MHPS Surcharge per Space per Month								\$.21000

STATEMENT OF RATES

RATES APPLICABLE TO SOUTH LAKE TAHOE SERVICE AREA [1]

[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-12, SLT-15, SLT-20, SLT-25, SLT-35,	SLT-40 (non- Covered Entities), SLT-50, SLT-60, SLT-66	SLT-40, (Covered Entities)	SLT-70
Upstream Interstate Charges				
Storage	\$.02077		\$.02077	
Reservation	.26515		.26515	
IRRAM Surcharge	.00000		.00000	\$.00000
Balancing Account Adjustments				
FCAM*	(.06673)		(.06673)	(.01936)
GHGBA**				
Non-Covered Entities [a]	.04778			.04778
Covered Entities [a]			.00066	
NERBA	.00019		.00019	.00019
NGLAPBA	.00051		.00051	.00051
Total Rate Adjustment	\$.26767		\$.22055	\$.02912

* The FCAM surcharge includes an amount of (\$.01936) per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

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[a] Pursuant to D.18-03-017, Covered and non-Covered entities have a component to recover the 2015-2017 net compliance costs and proceeds amortized over a twelve month period. Also included are the 2018 GHG costs which are amortized over an eighteen month period.