



SOUTHWEST GAS CORPORATION

July 12, 2019

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

Subject: Revision No. 340

This revision reflects the rate changes to the Demand Side Management (DSM) Surcharge effective July 12, 2019:

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

| <u>Insert A.C.C. Sheet No.</u> | <u>Supersedes A.C.C. Sheet No.</u> |
|--------------------------------|------------------------------------|
| 281st Revised Sheet No. 11 | 280th Revised Sheet No. 11 |
| 281st Revised Sheet No. 12 | 280th Revised Sheet No. 12 |
| 117th Revised Sheet No. 13 | 116th Revised Sheet No. 13 |
| 82nd Revised Sheet No. 14 | 81st Revised Sheet No. 14 |

Matthew Derr
Director – Regulation and Energy Efficiency

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 | (\$.02222) | \$.27042 | \$ 0.97395 | R |
| G-6 – Multi-Family Residential Gas Service | | | | | |
| Basic Service Charge per Month | \$ 9.70 | | | \$ 9.70 | |
| Commodity Charge per Therm: | | | | | |
| All Usage | \$.75311 | (\$.02222) | \$.27042 | \$ 1.00131 | 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 | (\$.03592) | \$.27042 | \$ 0.96025 | |
| Winter (November–April): | | | | | |
| First 150 Therms | .43828 | (\$.03592) | \$.27042 | 0.67278 | |
| Over 150 Therms | \$.72575 | (\$.03592) | \$.27042 | \$ 0.96025 | |
| 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 | (\$.03592) | \$.27042 | \$ 0.98761 | |
| Winter (November–April): | | | | | |
| First 150 Therms | .45743 | (\$.03592) | \$.27042 | 0.69193 | |
| Over 150 Therms | \$.75311 | (\$.03592) | \$.27042 | \$ 0.98761 | |
| 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 | (\$.18153) | \$.27042 | \$ 0.69334 | R |
| Over 15 Therms | .13935 | (\$.18153) | \$.27042 | 0.22824 | R |
| Winter (November–April): | | | | | |
| All Usage | \$.60445 | (\$.18153) | \$.27042 | \$ 0.69334 | 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 | (\$.17124) | \$.27042 | \$ 0.58099 | 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 | (\$.03251) | \$.27042 | \$ 1.03360 | R |
| Medium, All Usage | .40723 | (.03251) | .27042 | 0.64514 | R |
| Large-1, All Usage | .38374 | (.03251) | .27042 | 0.62165 | R |
| Large-2, All Usage | .28386 | (.03251) | .27042 | 0.52177 | R |
| Transportation Eligible | .11421 | (.18153) | .27042 | 0.20310 | R |
| Demand Charge per Month- | | | | | |
| Transportation Eligible: | | | | | |
| Demand Charge ^{4/} | \$.083393 | | | \$ 0.083393 | |
| <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 | (\$.18153) | \$.27042 | \$ 0.22824 | R |
| <u>G-45- Street Lighting Gas Service</u> | | | | | |
| Commodity Charge per Therm of Rated Capacity: | | | | | |
| All Usage | \$.73507 | (\$.18153) | \$.27042 | \$ 0.82396 | 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 | (\$.18153) | \$.27042 | \$ 0.30824 | 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 | (\$.18153) | \$.27042 | \$ 0.24812 | R |
| <u>G-65- Biogas and Renewable Natural Gas Service</u> | | | | | |
| Basic Service Charge per Month | As specified on A.C.C. Sheet No. 41A. | | | | |
| Commodity Charge per Therm: | As specified on A.C.C. Sheet No. 41A. | | | | |
| All Usage | | | | | |

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-75– Small Essential Agricultural User Gas Service</u> | | | | |
| Basic Service Charge per Month | \$ 120.00 | | | \$ 120.00 |
| Commodity Charge per Therm: | | | | |
| All Usage | \$.28755 | (\$.18153) | \$.27042 | \$ 0.37644 |
| <u>G-80 – Natural Gas Engine ^{6/} Water Pumping Gas Service</u> | | | | |
| Basic Service Charge per Month: | | | | |
| Off-Peak Season (October–March) | \$.00 | | | \$ 0.00 |
| Peak Season (April–September) | \$ 125.00 | | | \$ 125.00 |
| Commodity Charge per Therm: | | | | |
| All Usage | \$.22430 | (\$.01525) | \$.13789 | \$ 0.34694 |

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 \$0.00212 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 | \$ 0.01029 | n/a | n/a | \$ 0.01029 | 1st Billing Cycle in May |
| Demand Side Management | 0.00541 | \$ 0.00200 | \$ 0.00541 | 0.00541 | Per Commission Order |
| VSP Replacement Program | 0.00386 | 0.00386 | 0.00386 | 0.00386 | Per Commission Order |
| Department of Transportation | 0.00152 | 0.00152 | 0.00152 | 0.00152 | 1st Billing Cycle in March |
| Gas Cost Balancing Account | (0.06209) | (0.06209) | (0.06209) | (0.06209) | Per Commission Notification |
| COYL Cost Recovery | 0.00566 | 0.00566 | 0.00566 | 0.00566 | Per Commission Order |
| DCA | 0.14902 | 0.14902 | n/a | n/a | Per Commission Order |
| El Paso Credit | (0.10419) | (0.10419) | (0.10419) | (0.10419) | Per Commission Order |
| Tax Reform Credit | (0.03170) | (0.03170) | (0.03170) | (0.03170) | Per Commission Order |
| Total Rate Adjustment | <u>\$ (0.02222)</u> | <u>\$ (0.03592)</u> | <u>\$ (0.18153)</u> | <u>\$ (0.17124)</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 | \$ 0.00541 | \$ 0.00541 | \$ 0.00541 | n/a | Per Commission Order |
| VSP | 0.00386 | 0.00386 | 0.00386 | n/a | Per Commission Order |
| Department of Transportation | 0.00152 | 0.00152 | 0.00152 | \$ 0.00152 | 1st Billing Cycle in March |
| Gas Cost Balancing Account | (0.06209) | (0.06209) | n/a | n/a | Per Commission Notification |
| COYL Cost Recovery | 0.00566 | 0.00566 | 0.00566 | n/a | Per Commission Order |
| DCA | 0.14902 | n/a | n/a | n/a | Per Commission Order |
| El Paso Credit | (0.10419) | (0.10419) | n/a | n/a | Per Commission Order |
| Tax Reform Credit | (0.03170) | (0.03170) | (0.03170) | n/a | Per Commission Order |
| Total Rate Adjustment | <u>\$ (\$0.03251)</u> | <u>\$ (0.18153)</u> | <u>\$ (\$0.01525)</u> | <u>\$ 0.00152</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.