

PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298



Southwest Gas Corporation
GAS (Corp ID 905)
Status of Advice Letter 1275G
As of December 14, 2023

Subject: 2024 Post-Test Year Margin Adjustment, including EADIT Amortization and ATM Adjustment

Division Assigned: Energy

Date Filed: 11-03-2023

Date to Calendar: 11-10-2023

Authorizing Documents: D2103052

Disposition:	Accepted
Effective Date:	01-01-2024

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Valerie J. Ontiveroz

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PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298



To: Energy Company Filing Advice Letter

From: Energy Division PAL Coordinator

Subject: Your Advice Letter Filing

The Energy Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Energy Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Energy Division staff based on the information contained in the Energy Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Energy Division's Tariff Unit by e-mail to
edtariffunit@cpuc.ca.gov



SOUTHWEST GAS CORPORATION

November 3, 2023

Advice Letter No. 1275-G

(U 905 G)

Public Utilities Commission of the State of California

Subject: 2024 Post-Test Year Margin Adjustment, including Excess Accumulated Deferred Income Tax Adjustment Amortization and Rate of Return Adjustment as a result of the Automatic Trigger Mechanism, Authorized in Decision 21-03-052.

Southwest Gas Corporation (Southwest Gas or Company) hereby submits for approval by the California Public Utilities Commission (Commission) revisions to its California Gas Tariff. The tariff sheet being modified as a result of this submission is listed in Attachment A.

Purpose

The purpose of this submission is to: 1) adjust rates applicable to Southwest Gas' Southern California, Northern California, and South Lake Tahoe rate jurisdictions to recover the Company's 2023 Post Test-Year Margin (PTYM) revenue adjustment of 2.75%; 2) amortize Southwest Gas' Excess Accumulated Deferred Income Tax (EADIT); and 3) adjust the Company's authorized rate base to adjust the Rate of Return as a result of the Automatic Trigger Mechanism (ATM). Southwest Gas' PTYM revenue adjustment, EADIT amortization, and ATM are authorized per Decision (D.) 21-03-052,¹ which approved Southwest Gas' Test Year 2021 General Rate Case (Application 19-08-015).² The cumulative adjustments are \$4,992,868, \$1,158,078, and \$754,765 in Southwest Gas' Southern California, Northern California, and South Lake Tahoe rate jurisdictions, respectively.

Southwest Gas 2024 PTYM Adjustment

Southwest Gas 2024 PTYM adjustments result in increases of \$2,314,709 in Southern California, \$625,898 in Northern California, and \$395,208 in South Lake Tahoe.

Southwest Gas 2024 EADIT Adjustment

Effective January 1, 2021, Southwest Gas began amortizing its EADIT balances. This includes 1) amortizing the plant-related EADIT balances using the Average Rate Assumption Method (ARAM) as defined in the Internal Revenue Code and associated Treasury

¹ D.21-03-052 authorized the continuation of the ATM initially established in D.08-11-0481 and continued in D.14-06-028 with certain modifications.

² On August 3, 2020, Southwest Gas, the Public Advocates Office (Cal Advocates) of the California Public Utilities Commission (Commission) and the City of Victorville filed a Joint Motion for Adoption of Settlement Agreement resolving all outstanding issues. D.21-03-052 approved the Joint Motion.



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Regulations, along with an annual adjustment to reflect the actual ARAM amounts once finalized; and 2) amortizing the non-plant EADIT over Southwest Gas' five-year rate case cycle (2021-2025). Southwest Gas EADIT adjustments result in decreases of \$631,652 in Southern California, \$135,154 in Northern California and \$48,221 in South Lake Tahoe.

Automatic Rate of Return Adjustment Trigger Mechanism

Southwest Gas' threshold established for its ATM was exceeded as of the annual measurement period ended September 2023, resulting in increases in the Company's 2021 Base Margin Rates authorized in D.21-03-052. The ATM adjustments result in increases of \$3,309,811, \$667,334, and \$407,778 in its Southern California, Northern California, and South Lake Tahoe rate jurisdictions, respectively. The calculation of Southwest Gas 2024 cost of capital adjustment and 2024 base margin rates are reflected in Schedule 2 and supporting Appendix A workpapers.

Residential Gas Rate and Bill Impact

On May 8, 2020, the Energy Division issued a standing data request to all energy utilities requiring detailed rate and bill impacts (utilizing the provided template) for any Advice Letter that requests the implementation of a rate change (i.e., margin adjustment, annual balancing account update, etc.). To provide a cumulative revenue requirement and bill impact, Southwest Gas will include this information with its Annual Balancing Account Update, effective January 1, 2024, to be submitted to the Energy Division in Advice Letter No. 1276.

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 Disposition) pursuant to General Order (GO) 96-B. Southwest Gas respectfully requests the revised tariff sheets be approved December 3, 2023, which is thirty (30) days from the date submitted, with an effective date of January 1, 2024.

Protest

Anyone may protest this Advice Letter to the Commission's Energy Division. The protest must state the grounds upon which it is based with specificity and must be sent no later than 20 days after the date of this Advice Letter submission. Protests are to be submitted electronically to the Commission's Energy Division at:

Email: edtariffunit@cpuc.ca.gov

In addition, protests and all other correspondence regarding this Advice Letter should be sent electronically to:

Ms. Valerie J. Ontiveroz
Regulatory Manager/California



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Email: valerie.ontiveroz@swgas.com
regserve@swgas.com

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 submitted in accordance with D.21-03-052.

Service

In accordance with GO 96-B, General Rule 7.2, Southwest Gas is serving copies of this Advice Letter and related tariff sheets to the utilities and interested parties shown on the attached distribution list.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 
Valerie J. Ontiveroz

Attachments

Distribution List

Advice Letter No. 1275-G

In conformance with GO 96-B, General Rule 4.3

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

Matt Baker, Director
Public Advocates Office
Matt.Baker@cpuc.ca.gov

Pacific Gas & Electric Company
PGETariffs@pge.com

Southern California Gas Company
GLenart@socalgas.com
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Kevin Johnston
KVNJ@yahoo.com

ATTACHMENT A
Advice Letter No. 1275-G

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
17th Revised Sheet No. 18	Preliminary Statement (Continued)	16th Revised Sheet No. 18
194th Revised Sheet No. 65	Statement of Rates - Rates Applicable to Southern California Service Area	193rd Revised Sheet No. 65
196th Revised Sheet No. 66	Statement of Rates - Rates Applicable to Southern California Service Area	195th Revised Sheet No. 66
193rd Revised Sheet No. 68	Statement of Rates - Rates Applicable to Northern California Service Area	192nd Revised Sheet No. 68
195th Revised Sheet No. 69	Statement of Rates - Rates Applicable to Northern California Service Area	194th Revised Sheet No. 69
193rd Revised Sheet No. 71	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	192nd Revised Sheet No. 71
130th Revised Sheet No. 72	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	129th Revised Sheet No. 72

PRELIMINARY STATEMENT
(Continued)

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

9F. ACCOUNTING PROCEDURE (Continued)

ANNUAL 2024 MARGIN

	<u>Southern California</u>	<u>Northern California</u>	<u>South Lake Tahoe</u>
January	\$ 11,396,786	\$ 3,060,643	\$ 1,975,379
February	\$ 9,929,707	\$ 2,844,781	\$ 1,767,482
March	\$ 9,010,525	\$ 2,733,592	\$ 1,670,271
April	\$ 7,447,780	\$ 2,277,547	\$ 1,402,259
May	\$ 6,593,174	\$ 1,796,347	\$ 1,140,659
June	\$ 6,175,722	\$ 1,515,836	\$ 934,548
July	\$ 5,815,011	\$ 1,273,216	\$ 801,203
August	\$ 4,113,924	\$ 808,363	\$ 519,017
September	\$ 5,817,663	\$ 1,294,215	\$ 815,537
October	\$ 6,061,860	\$ 1,519,774	\$ 992,702
November	\$ 7,134,248	\$ 1,989,930	\$ 1,345,412
December	\$ 9,667,718	\$ 2,803,749	\$ 1,761,500
<u>Total</u>	<u>\$89,164,118</u>	<u>\$23,917,993</u>	<u>\$15,125,969</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		
GS-10-Residential Gas Service								
Basic Service Charge	\$ 5.75							\$ 5.75
Cost per Therm								
Baseline Quantities	\$.91028	\$.35628	\$ 1.26656	\$.00300	\$.21467	\$.85150	\$ 2.33573	I
Tier II	\$ 1.12439	.35628	1.48067	.00300	.21467	.85150	2.54984	I
GS-11-Residential Air-Conditioning Gas Service								
Basic Service Charge	\$ 5.00							\$ 5.00
Cost per Therm								
Tier I	\$.91028	\$.35628	\$ 1.26656	\$.00300	\$.21467	\$.85150	\$ 2.33573	I
Tier II	1.12439	.35628	1.48067	.00300	.21467	.85150	2.54984	I
Air-Conditioning	\$.49997	.35628	.85625	.00300	.21467	.85150	1.92542	I
GS-12-CARE Residential Gas Service								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$.48667	\$.35628	\$.84295	\$.00300	\$.06533	\$.85150	\$ 1.76278	I
Tier II	\$.65796	.35628	1.01424	.00300	.06533	.85150	1.93407	I
GS-15-Secondary Residential Gas Service								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$ 1.40541	\$.35628	\$ 1.76169	\$.00300	\$.21467	\$.85150	\$ 2.83086	I
GS-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm								
Baseline Quantities	\$.91028	\$.35628	\$ 1.26656	\$.00300	\$.21467	\$.85150	\$ 2.33573	I
Tier II	1.12439	.35628	1.48067	.00300	.21467	.85150	2.54984	I
GS-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm								
Baseline Quantities	\$.91028	\$.35628	\$ 1.26656	\$.00300	\$.21467	\$.85150	\$ 2.33573	I
Tier II	1.12439	.35628	1.48067	.00300	.21467	.85150	2.54984	I
Submetered Discount per Occupied Space	(\$8.64)						(\$8.64)	I
GS-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$.40761	\$.35628	\$.76389	\$.00300	\$.06533	\$.85150	\$ 1.68372	I
Next 500	\$.24232	.35628	.59860	.00300	.06533	.85150	1.51843	I
Next 2,400	\$.11009	.35628	.46637	.00300	.06533	.85150	1.38620	I
Over 3,000	(\$.03486)	.35628	.32142	.00300	.06533	.85150	1.24125	I
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	\$.81146	\$.35628	\$ 1.16774	\$.00300	\$.21467	\$.85150	\$ 2.23691	I
Next 500	\$.60484	.35628	.96112	.00300	.21467	.85150	2.03029	I
Next 2,400	\$.43956	.35628	.79584	.00300	.21467	.85150	1.86501	I
Over 3,000	\$.25837	.35628	.61465	.00300	.21467	.85150	1.68382	I

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	\$.81146	\$.21187	\$ 1.02333	\$.00300	\$.21467	\$.85150	\$ 2.09250	
Next 500	\$.60484	.21187	.81671	.00300	.21467	.85150	1.88588	
Next 2,400	\$.43956	.21187	.65143	.00300	.21467	.85150	1.72060	
Over 3,000	\$.25837	.21187	.47024	.00300	.21467	.85150	1.53941	
<u>GS-50-Core Natural Gas Service for Motor Vehicles</u>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$.17683	\$.35628	\$.53311	\$.00300	\$.21467	\$.85150	\$ 1.60228	
<u>GS-60-Core Internal Combustion Engine Gas Service</u>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$.27811	\$.35628	\$.63439	\$.00300	\$.21467	\$.85150	\$ 1.70356	
<u>GS-66-Core Small Electric Power Generation Gas Service</u>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm	\$.38998	\$.35628	\$.74626	\$.00300		\$.85150	\$ 1.60076	
<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	\$.19263	\$.28479	\$.47742	\$.00300	\$.21467		\$.69509	
<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	\$.16966	\$.33973	\$.50939	\$.00300		\$.85150	\$ 1.36389	
<u>TFF-Transportation Franchise Fee Surcharge Provision</u>								
TFF Surcharge per Therm								\$.00388
<u>TDS – Transportation Distribution System Shrinkage Charge</u>								
TDS Charge per Therm								\$.00434
<u>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</u>								
MHPS Surcharge per Space per Month								\$.21000

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	\$ 5.75							\$ 5.75
Cost per Therm								
Baseline Quantities	\$.83554	\$.34019	\$ 1.17573	\$.00300	\$.08786	\$.66228	\$ 1.92887	
Tier II	.96077	.34019	1.30096	.00300	.08786	.66228	2.05410	
GN-12-CARE Residential Gas Service								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$.46794	\$.34019	\$.80813	\$.00300	\$.06533	\$.66228	\$ 1.53874	
Tier II	.56812	.34019	.90831	.00300	.06533	.66228	1.63892	
GN-15-Secondary Residential Gas Service								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$ 1.02993	\$.34019	\$ 1.37012	\$.00300	\$.08786	\$.66228	\$ 2.12326	
GN-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm								
Baseline Quantities	\$.83554	\$.34019	\$ 1.17573	\$.00300	\$.08786	\$.66228	\$ 1.92887	
Tier II	.96077	.34019	1.30096	.00300	.08786	.66228	2.05410	
GN-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$ 25.00							\$ 25.00
Cost per Therm								
Baseline Quantities	\$.83554	\$.34019	\$ 1.17573	\$.00300	\$.08786	\$.66228	\$ 1.92887	
Tier II	.96077	.34019	1.30096	.00300	.08786	.66228	2.05410	
Submetered Discount per Occupied Space	(\$ 9.33)							(\$ 9.33)
GN-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$.36114	\$.34019	\$.70133	\$.00300	\$.06533	\$.66228	\$ 1.43194	
Next 500	.21631	.34019	.55650	.00300	.06533	.66228	1.28711	
Next 2,400	.09330	.34019	.43349	.00300	.06533	.66228	1.16410	
Over 3,000	(.09023)	.34019	.24996	.00300	.06533	.66228	.98057	
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	\$.70204	\$.34019	\$ 1.04223	\$.00300	\$.08786	\$.66228	\$ 1.79537	
Next 500	.52101	.34019	.86120	.00300	.08786	.66228	1.61434	
Next 2,400	.36724	.34019	.70743	.00300	.08786	.66228	1.46057	
Over 3,000	.13783	.34019	.47802	.00300	.08786	.66228	1.23116	

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

	Margin	Charges [3] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges CPUC PPP		Gas Cost	Effective Sales Rate
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	\$.70204	\$.19578	\$.89782	\$.00300	\$.08786	\$.66228	\$ 1.65096
Next 500	.52101	.19578	.71679	.00300	.08786	.66228	1.46993
Next 2,400	.36724	.19578	.56302	.00300	.08786	.66228	1.31616
Over 3,000	.13783	.19578	.33361	.00300	.08786	.66228	1.08675
GN-50-Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm	\$.03176	\$.34019	\$.37195	\$.00300	\$.08786	\$.66228	\$ 1.12509
GN-60-Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm	\$.75976	\$.34019	\$ 1.09995	\$.00300	\$.08786	\$.66228	\$ 1.85309
GN-66-Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm	\$.75976	\$.34019	\$ 1.09995	\$.00300		\$.66228	\$ 1.76523
GN-70-Noncore General Gas Transportation Service							
Basic Service Charge	\$ 100.00						\$ 100.00
Transportation Service Charge	\$ 780.00						\$ 780.00
Cost per Therm	\$.18496	\$.11963	\$.30459	\$.00300	\$.08786		\$.39545
TFF-Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.01229
TDS – Transportation Distribution System Shrinkage Charge							
TDS Charge per Therm							\$.00497
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]

Schedule No. and Type of Charge	Margin	Charges [2]		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
		Adjustments	and		CPUC	PPP		
SLT-10-Residential Gas Service								
Basic Service Charge	\$ 5.75							\$ 5.75
Cost per Therm								
Baseline Quantities	\$.60502	\$.44380	\$ 1.04882	\$.00300	\$.08786	\$.66228	\$ 1.80196	
Tier II	.71556	.44380	1.15936	.00300	.08786	.66228	1.91250	
SLT-12-CARE Residential Gas Service								
Basic Service Charge	\$ 4.00							\$ 4.00
Cost per Therm								
Baseline Quantities	\$.26280	\$.44380	\$.70660	\$.00300	\$.06533	\$.66228	\$ 1.43721	
Tier II	.35123	.44380	.79503	.00300	.06533	.66228	1.52564	
SLT-15-Secondary Residential Gas Service								
Basic Service Charge	\$ 6.00							\$ 6.00
Cost per Therm	\$.81165	\$.44380	\$ 1.25545	\$.00300	\$.08786	\$.66228	\$ 2.00859	
SLT-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm								
Baseline Quantities	\$.60502	\$.44380	\$ 1.04882	\$.00300	\$.08786	\$.66228	\$ 1.80196	
Tier II	.71556	.44380	1.15936	.00300	.08786	.66228	1.91250	
SLT-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$ 11.00							\$ 11.00
Cost per Therm								
Baseline Quantities	\$.60502	\$.44380	\$ 1.04882	\$.00300	\$.08786	\$.66228	\$ 1.80196	
Tier II	.71556	.44380	1.15936	.00300	.08786	.66228	1.91250	
Submetered Discount per Occupied Space	(\$10.71)							(\$10.71)
SLT-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$.28080	\$.44380	\$.72460	\$.00300	\$.06533	\$.66228	\$ 1.45521	
Next 500	.20773	.44380	.65153	.00300	.06533	.66228	1.38214	
Next 2,400	.13467	.44380	.57847	.00300	.06533	.66228	1.30908	
Over 3,000	.00897	.44380	.45277	.00300	.06533	.66228	1.18338	
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	\$.62752	\$.44380	\$ 1.07132	\$.00300	\$.08786	\$.66228	\$ 1.82446	
Next 500	.53618	.44380	.97998	.00300	.08786	.66228	1.73312	
Next 2,400	.44486	.44380	.88866	.00300	.08786	.66228	1.64180	
Over 3,000	.28773	.44380	.73153	.00300	.08786	.66228	1.48467	

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	\$.62752	\$.29939	\$.92691	\$.00300	\$.08786	\$.66228	\$ 1.68005
Next 500	.53618	.29939	.83557	.00300	.08786	.66228	1.58871
Next 2,400	.44486	.29939	.74425	.00300	.08786	.66228	1.49739
Over 3,000	.28773	.29939	.58712	.00300	.08786	.66228	1.34026
SLT-50-Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$11.00						\$11.00
Cost per Therm	\$.49809	\$.44380	\$.94189	\$.00300	\$.08786	\$.66228	\$ 1.69503
SLT-60-Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm	\$.36271	\$.44380	\$.80651	\$.00300	\$.08786	\$.66228	\$ 1.55965
SLT-66-Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm	\$.36271	\$.44380	\$.80651	\$.00300		\$.66228	\$ 1.47179
SLT-70-Noncore General Gas Transportation Service							
Basic Service Charge	\$ 100.00						\$ 100.00
Transportation Service Charge	\$ 780.00						\$ 780.00
Cost per Therm	\$.37296	\$.22324	\$.59620	\$.00300	\$.08786		\$.68706
TFF-Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.01229
TDS-Transportation Distribution System Shrinkage Charge							
TDS Charge per Therm							\$.00497
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision							
MHPS Surcharge per Space per Month							\$.21000

**SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA
2024 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2023 (d)	2024 (e)	Line No.
1	Previous Year's Authorized Margin [1]	\$ 82,225,706	\$ 84,171,249	1
2	Post-Test Year Adjustment Percent [2]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 2,261,207</u>	<u>\$ 2,314,709</u>	3
4	Authorized Margin [1][2]	<u>\$ 84,486,913</u>	<u>\$ 86,485,958</u>	4
5	ATM Cost of Capital Adjustment [3]	\$ 0	\$ 3,309,811	5
6	EADIT Adjustment	<u>\$ (315,663)</u>	<u>\$ (631,652)</u>	6
7	Adjusted Authorized Margin	<u>\$ 84,171,249</u>	<u>\$ 89,164,118</u>	7
8	Adjustments for Special Contract Gas Service and/or Prior Year Period Adjustment	<u>\$ -</u>	<u>\$ -</u>	8
9	Total Authorized Margin Amount	<u>\$ 84,171,249</u>	<u>\$ 89,164,118</u>	9
10	Adjusted Percent Increase Including EADIT	<u>2.37%</u>	<u>5.93%</u>	10

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

[2] Approved by Commission in D.21-03-052.

[3] The ATM was triggered for the twelve-month period ending September 2023.

SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA RATE JURISDICTION
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES
POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2024

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2023 Authorized Margin [1]		2024 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<u>Residential Gas Service</u>										
1	Basic Service Charge	GS-10	1,684,420		\$ 5.75	\$ 9,685,415	\$ 5.75	\$ 9,685,415		1
2	Commodity Charge	GS-12		43,294,071	\$ 0.84732	\$ 36,683,932	\$ 0.91028	\$ 39,409,727		2
3	Baseline Quantities			18,977,328	\$ 1.06143	\$ 20,143,105	\$ 1.12439	\$ 21,337,918		3
4	Tier II			62,271,399						4
	Total Residential Gas Service		1,684,420			\$ 66,512,452		\$ 70,433,060	\$ 70,433,350	
<u>Residential Air-Conditioning Gas Service</u>										
5	Basic Service Charge	GS-11	0		\$ 5.00	\$ 0	\$ 5.00	\$ 0		5
6	Commodity Charge				\$ 0.84732	\$ 0	\$ 0.91028	\$ 0		6
7	Baseline Quantities			0	\$ 1.06143	\$ 0	\$ 1.12439	\$ 0		7
8	Tier II			0	\$ 0.46751	\$ 0	\$ 0.49997	\$ 0		8
9	Air Conditioning			0		\$ 0		\$ 0	\$ 0	9
	Total Residential Air-Conditioning Gas Service		0			\$ 0		\$ 0		
<u>Secondary Residential Gas Service</u>										
10	Basic Service Charge	GS-15	55,937		\$ 6.00	\$ 335,622	\$ 6.00	\$ 335,622		10
11	Commodity Charge									11
12	All Usage			1,696,288	\$ 1.31563	\$ 2,231,687	\$ 1.40541	\$ 2,383,980		12
	Total Secondary Residential Gas Service		55,937	1,696,288		\$ 2,567,309		\$ 2,719,602	\$ 2,719,602	
13	Total Residential Gas Service		1,740,357	63,967,687		\$ 69,079,761		\$ 73,152,662		13
<u>Multi-Family Master-Metered Gas Service</u>										
14	Basic Service Charge	GS-20	228		\$ 25.00	\$ 5,700	\$ 25.00	\$ 5,700		14
15	Commodity Charge									15
16	Baseline Quantities			150,924	\$ 0.84732	\$ 127,881	\$ 0.91028	\$ 137,383		16
17	Tier II			57,701	\$ 1.06143	\$ 61,246	\$ 1.12439	\$ 64,878		17
	Total Multi-Family Master-Metered Gas Service		228	208,625		\$ 194,827		\$ 207,961	\$ 208,251	
<u>Multi-Family Master Metered Gas Service - Submetered</u>										
18	Basic Service Charge	GS-25	456		\$ 25.00	\$ 11,400	\$ 25.00	\$ 11,400		18
19	Submeter Discount		27,552		\$ (8.64302)	\$ (238,133)	\$ (8.64)	\$ (238,133)		19
20	Commodity Charge									20
21	Baseline Quantities			759,117	\$ 0.84732	\$ 643,215	\$ 0.91028	\$ 691,009		21
22	Tier II			77,626	\$ 1.06143	\$ 82,395	\$ 1.12439	\$ 87,282		22
	Total Multi-Family Master Metered Gas Service - Submetered		456	836,743		\$ 498,877		\$ 551,558	\$ 551,848	
23	Total Multi-Family Master Metered Gas Service		684	1,045,368		\$ 693,704		\$ 759,519		23

SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA RATE JURISDICTION
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES
POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2024

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2023 Authorized Margin [1]		2024 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<u>Core General Gas Service</u>										
24	Basic Service Charge	GS-35	77,457		\$ 11.00	\$ 852,027	\$ 11.00	\$ 852,027		24
25	Transportation Service Charge	GS-40	0		\$ 780.00	\$ 0	\$ 780.00	\$ 0		25
	Commodity Charge									
26	First 100			3,247,592	\$ 0.76180	\$ 2,474,016	\$ 0.81146	\$ 2,635,291		26
27	Next 500			5,968,554	\$ 0.56783	\$ 3,389,124	\$ 0.60484	\$ 3,610,020		27
28	Next 2400			4,876,800	\$ 0.41266	\$ 2,012,460	\$ 0.43956	\$ 2,143,646		28
29	Over 3000			3,088,234	\$ 0.24256	\$ 749,082	\$ 0.25837	\$ 797,907		29
30	Total Core General Gas Service		<u>77,457</u>	<u>17,181,180</u>		<u>\$ 9,476,709</u>		<u>\$ 10,038,891</u>	\$ 10,038,874	30
<u>Core Natural Gas Service for Motor Vehicles</u>										
31	Basic Service Charge	GS-50	72		\$ 25.00	\$ 1,800	\$ 25.00	\$ 1,800		31
	Commodity Charge									
32	All Usage		<u>72</u>	<u>1,898,071</u>	\$ 0.16687	\$ 316,731	\$ 0.17683	\$ 335,636		32
33	Total Core Natural Gas Service for Motor Vehicles					<u>\$ 318,531</u>		<u>\$ 337,436</u>	\$ 337,434	33
<u>Core Internal Combustion Engine Gas Service</u>										
34	Basic Service Charge	GS-60	96		\$ 25.00	\$ 2,400	\$ 25.00	\$ 2,400		34
	Commodity Charge									
35	All Usage		<u>96</u>	<u>23,084</u>	\$ 0.25672	\$ 5,926	\$ 0.27811	\$ 6,420		35
36	Total Core Internal Combustion Engine Gas Service					<u>\$ 8,326</u>		<u>\$ 8,820</u>	\$ 8,820	36
<u>Solar Electric Generation Gas Service</u>										
37	Basic Service Charge	GS-LUZ	0		\$ 50.00	\$ 0	\$ 50.00	\$ 0		37
	Commodity Charge									
38	All Usage		<u>0</u>	<u>0</u>	\$ 0.00000	\$ 0	\$ 0.00000	\$ 0		38
39	Total Solar Electric Generation Gas Service					<u>\$ 0</u>		<u>\$ 0</u>	\$ 0	39
<u>Core Small Electric Power Generation Gas Service</u>										
40	Basic Service Charge	GS-66	288		\$ 25.00	\$ 7,200	\$ 25.00	\$ 7,200		40
	Commodity Charge									
41	All Usage		<u>288</u>	<u>2,817,803</u>	\$ 0.36800	\$ 1,036,952	\$ 0.38998	\$ 1,098,887		41
42	Total Core Small Electric Power Generation Gas Service					<u>\$ 1,044,152</u>		<u>\$ 1,106,087</u>	\$ 1,106,074	42
<u>Noncore General Gas Transportation Service</u>										
43	Basic Service Charge	GS-70	132		\$ 100.00	\$ 13,200	\$ 100.00	\$ 13,200		43
44	Transportation Service Charge		132		\$ 780.00	\$ 102,960	\$ 780.00	\$ 102,960		44
	Commodity Charge									
45	All Usage		<u>132</u>	<u>6,248,240</u>	\$ 0.18080	\$ 1,129,682	\$ 0.19263	\$ 1,203,598		45
46	Total Noncore General Gas Transportation Service					<u>\$ 1,245,842</u>		<u>\$ 1,319,758</u>	\$ 1,280,103	46

SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA RATE JURISDICTION
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES
POST TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2024

Line No.	Rate Schedule / Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2023 Authorized Margin [1]		2024 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
	City of Victorville Gas Service									
47	Basic Service Charge	GS-VIC	24		\$ 11.00	\$ 264	\$ 11.00	\$ 264		47
48	Transportation Service Charge		0		\$ 780.00	\$ 18,720	\$ 780.00	\$ 18,720		48
	Commodity Charge									
49	All Usage			1,855,782	\$ 0.15959	\$ 296,164	\$ 0.16966	\$ 314,852		49
50	Total City of Victorville Gas Service		24	1,855,782		\$ 315,148		\$ 333,836	\$ 333,842	50
51	Total All Schedules		1,819,110	95,037,215		\$ 82,182,173		\$ 87,057,009		51
52	Other Operating Revenues					\$ 1,988,868		\$ 2,106,844		52
53	Special Contract Gas Service	GN-T				\$ 0		\$ 0		53
54	Total FCAM Margin					\$ 84,171,041		\$ 89,163,853		54
55	Total Authorized Margin [2]					\$ 84,171,249		\$ 89,164,118		55
56	Over / (Under)					\$ (208)		\$ (264)		56
57	PTYR Escalation Rate					1,0593		1,0593		57

[1] Statement of Rates Authorized Margin Rates D.21-03-052.

[2] Schedule 1, Sheet 1 of 10.

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA
2024 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2023 (f)	2024 (f)	Line No.
1	Previous Year's Authorized Margin	\$ 21,443,829	\$ 22,759,916	1
2	Post-Test Year Adjustment Percent [1]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 589,705</u>	<u>\$ 625,898</u>	3
4	Authorized Margin [1]	<u>\$ 22,033,534</u>	<u>\$ 23,385,813</u>	4
5	ATM Cost of Capital Adjustment [2]	<u>\$ 0</u>	<u>\$ 667,334</u>	5
6	EADIT Adjustment	<u>\$ (586,880)</u>	<u>\$ (135,154)</u>	6
7	North Lake Tahoe Lateral Adjustment [1] [3]	1,313,261	0	7
8	Adjusted Authorized Margin	<u><u>\$ 22,759,916</u></u>	<u><u>\$ 23,917,993</u></u>	8
9	Adjusted Percent Increase Including EADIT	<u><u>6.14%</u></u>	<u><u>5.09%</u></u>	9

[1] Approved by Commission in D.21-03-052.

[2] The ATM was triggered for the twelve-month period ending September 2023.

[3] 2024 North Lake Tahoe Lateral Adjustment to be filed in a later Advice Letter.

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA RATE JURISDICTION
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES
TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2024**

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2023 Authorized Margin [1]		2024 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<u>Core Natural Gas Service for Motor Vehicles</u>										
26	Basic Service Charge	GN-50	36		\$ 25.00	\$ 900	\$ 25.00	\$ 900		26
	Commodity Charge									
27	All Usage		36	181,069	\$ 0.02998	\$ 5,428	\$ 0.03176	\$ 5,751		27
28	Total Core Natural Gas Service for Motor Vehicles			181,069		\$ 6,328		\$ 6,651	\$	28
<u>Core Internal Combustion Engine Gas Service</u>										
29	Basic Service Charge	GN-60	24		\$ 25.00	\$ 600	\$ 25.00	\$ 600		29
	Commodity Charge									
30	All Usage		24	202	\$ 0.57916	\$ 117	\$ 0.75976	\$ 153		30
31	Total Core Internal Combustion Engine Gas Service			202		\$ 717		\$ 753	\$	31
<u>Core Small Electric Power Generation Gas Service</u>										
32	Basic Service Charge	GN-66	0		\$ 25.00	\$ 0	\$ 25.00	\$ 0		32
	Commodity Charge									
33	All Usage		0	0	\$ 0.57916	\$ 0	\$ 0.75976	\$ 0		33
34	Total Core Small Electric Power Generation Gas Service			0		\$ 0		\$ 0		34
<u>Noncore General Gas Transportation Service</u>										
35	Basic Service Charge	GN-70	408		\$ 100.00	\$ 40,800	\$ 100.00	\$ 40,800		35
	Transportation Service Charge		420		\$ 780.00	\$ 318,240	\$ 780.00	\$ 318,240		36
	Commodity Charge									
37	All Usage		408	989,670	\$ 0.15844	\$ 156,803	\$ 0.18496	\$ 183,049		37
38	Total Noncore General Gas Transportation Service			989,670		\$ 515,843		\$ 542,089	\$	38
39	Total All Schedules		336,145	27,256,165		\$ 22,600,701		\$ 23,750,665		39
40	Other Operating Revenues					\$ 159,240		\$ 167,343		40
41	<u>Special Contract Gas Service</u>	GN-T				\$ 0		\$ 0		41
42	Total FCAM Margin					\$ 22,759,941		\$ 23,918,008		42
43	Total Authorized Margin [2]					\$ 22,759,916		\$ 28,542,545		43
44	Over / (Under)					\$ 25		\$ (4,624,537)		44
45	PTYR Escalation Rate					1.0509		1.0509		45

[1] Statement of Rates Authorized Margin Rates D.21-03-052.

[2] Schedule 1, Sheet 5 of 10.

**SOUTHWEST GAS CORPORATION
 SOUTH LAKE TAHOE
 2024 POST-TEST YEAR ADJUSTED AUTHORIZED MARGIN**

Line No.	Description (a)	2023 (e)	2024 (e)	Line No.
1	Previous Year's Authorized Margin	\$ 14,122,438	\$ 14,371,204	1
2	Post-Test Year Adjustment Percent [1]	2.75%	2.75%	2
3	Post-Test Year Adjustment Dollars	<u>\$ 388,367</u>	<u>\$ 395,208</u>	3
4	Authorized Margin [1]	<u>\$ 14,510,805</u>	<u>\$ 14,766,412</u>	4
5	ATM Cost of Capital Adjustment [2]	<u>\$ 0</u>	<u>\$ 407,778</u>	5
6	EADIT Adjustment	<u>\$ (139,601)</u>	<u>\$ (48,221)</u>	6
7	Adjusted Authorized Margin	<u>\$ 14,371,204</u>	<u>\$ 15,125,969</u>	7
8	Adjusted Percent Increase Including EADIT	<u>1.76%</u>	<u>5.25%</u>	8

[1] Approved by Commission in D.21-03-052.

[2] The ATM was triggered for the twelve-month period ending September 2023.

SOUTHWEST GAS CORPORATION
SOUTH LAKE TAHOE RATE JURISDICTION
CALCULATION OF REVENUES BY CLASS AT AUTHORIZED RATES
TEST YEAR TWELVE MONTHS ENDED DECEMBER 31, 2024

Line No.	Description (a)	Schedule No. (b)	Number of Bills (c)	Volumes (Therms) (d)	2023 Authorized Margin [1]		2024 Authorized Margin		Class Margin Requirement (i)	Line No.
					Rates (e)	Revenues (f)	Rates (g)	Revenues (h)		
<u>Core Internal Combustion Engine Gas Service</u>										
28	Basic Service Charge	SLT-60	0		\$ 11.00	\$ 0	\$ 11.00	\$ 0		28
	Commodity Charge									
29	All Usage			0	\$ 0.34345	\$ 0	\$ 0.36271	\$ 0		29
30	Total Core Internal Combustion Engine Gas Service		0	0		\$ 0		\$ 0	\$ 0	30
<u>Core Small Electric Power Generation Gas Service</u>										
31	Basic Service Charge	SLT-66	0		\$ 11.00	\$ 0	\$ 11.00	\$ 0		31
	Commodity Charge									
32	All Usage			0	\$ 0.34345	\$ 0	\$ 0.36271	\$ 0		32
33	Total Core Small Electric Power Generation Gas Service		0	0		\$ 0		\$ 0	\$ 0	33
<u>Noncore General Gas Transportation Service</u>										
34	Basic Service Charge	SLT-70	108		\$ 100.00	\$ 10,800	\$ 100.00	\$ 10,800		34
35	Transportation Service Charge		108		\$ 780.00	\$ 84,240	\$ 780.00	\$ 84,240		35
	Commodity Charge									
36	All Usage			479,260	\$ 0.34445	\$ 165,081	\$ 0.37296	\$ 178,745		36
37	Total Noncore General Gas Transportation Service		108	479,260		\$ 260,121		\$ 273,785	\$ 273,785	37
38	Total All Schedules		245,185	22,287,164		\$ 14,215,612		\$ 14,962,131		38
39	Other Operating Revenues					\$ 155,598		\$ 163,770		39
40	<u>Special Contract Gas Service</u>	GN-T				\$ 0		\$ 0		40
41	Total FCAM Margin					\$ 14,371,210		\$ 15,125,901		41
42	Total Authorized Margin [2]					\$ 14,371,204		\$ 15,125,969		42
43	Over / (Under)					\$ 6		\$ (68)		43
44	PTYR Escalation Rate					1.0525		1.0525		44

[1] Statement of Rates Authorized Margin Rates D 21-03-052.

[2] Schedule 1, Sheet 8 of 10.

Southwest Gas Corporation
California Automatic Trigger Mechanism (ATM)
Rate of Return Adjustment
Preferred to Common Equity

Components	Authorized			Adjusted/Actual			
	Cost	Cap Structure	Gross Up Factor	Weighted Cost	Cap Structure	Gross Up Factor	Weighted Cost
Long-Term Debt	3.98%	48.00%	1.0000	1.91%	48.00%	1.000000	2.22%
Preferred Equity	0.00%	0.00%	-	0.00%	0.00%	-	0.00%
Equity	10.00%	52.00%	1.41069	7.34%	52.00%	1.41069	8.19%
Pretax ROR				9.25%			10.40%

Northern California/South Lake Tahoe Jurisdictions

Components	Authorized			Adjusted/Actual			
	Cost	Cap Structure	Gross Up Factor[1]	Weighted Cost	Cap Structure	Gross Up Factor[1]	Weighted Cost
Long-Term Debt	4.67%	48.00%	1.00000	2.24%	48.00%	1.00000	2.10%
Preferred Equity	0.00%	0.00%	-	0.00%	0.00%	-	0.00%
Equity	10.00%	52.00%	1.41793	7.37%	52.00%	1.41793	8.23%
				9.61%			10.33%

Authorized Rate Base	Southern		South Lake Tahoe		Northern		South Lake Tahoe		Total
	\$	%	\$	%	\$	%	\$	%	
Rate of Return	285,691,044	9.25%	56,817,683	9.61%	92,982,933	10.33%	56,817,683	10.33%	\$ 435,491,660
Revenue Requirement	26,413,817		8,938,669		9,606,003		5,869,796		\$ 45,199,427
Difference					\$ 3,309,811		\$ 667,334		\$ 4,384,923

[1] Net to Gross Factor	Rate Base	Net to Gross	Total
Northern	\$ 92,982,933	1.41793	\$ 131,843,290
South Lake Tahoe	\$ 56,817,683	1.41793	\$ 80,563,497
	\$ 149,800,616	1.41793	\$ 212,406,787

ADVICE LETTER NO. 1075

APPENDIX A

SOUTHWEST GAS CORPORATION
AUTOMATIC RATE OF RETURN ADJUSTMENT TRIGGER MECHANISM (ATM)[1]
CPUC DECISION 21-03-052, PAGE 9
MOODY'S A UTILITY BOND INDEX YIELDS[2]
BLOOMBERG - MOODUA Index

Line No.	Month-Year	Initial Benchmark 12 Months Ending Sep-20	2020-21	2021-22	2022-23	2023-24	Line No.
	(a)	(b)	(c)	(d)	(e)	(f)	
1	Oct	3.39%	2.95%	3.09%	5.88%		1
2	Nov	3.42%	2.85%	3.02%	5.75%		2
3	Dec	3.40%	2.77%	3.04%	5.29%		3
4	Jan	3.29%	2.91%	3.33%	5.20%		4
5	Feb	3.11%	3.09%	3.68%	5.29%		5
6	Mar	3.50%	3.44%	3.98%	5.39%		6
7	Apr	3.19%	3.30%	4.32%	5.13%		7
8	May	3.14%	3.33%	4.75%	5.36%		8
9	Jun	3.07%	3.16%	4.86%	5.38%		9
10	Jul	2.74%	2.95%	4.78%	5.41%		10
11	Aug	2.73%	2.95%	4.76%	5.71%		11
12	Sep	2.84%	2.96%	5.28%	5.86%		12
13	Average	3.15%	3.06%	4.07%	5.47%		13
14	Upper Bound +100 bps	4.15%	4.15%	4.15%	4.15%	6.47%	14
15	Benchmark	3.15%	3.15%	3.15%	3.15%	5.47%	15
16	Lower Bound - 100 bps	2.15%	2.15%	2.15%	2.15%	4.47%	16
17	Spread from Benchmark	-	-0.10%	0.92%	2.32%	0.00%	17
18	ATM Triggered		No	No	Yes		18

[1] D.21-03-052 continues the ATM originally established in D.08-11-045 and continued in D.14-06-028 with some modifications, replacing the annual cost of capital filings by Southwest Gas and adjusting the rate of return up and down as a result of changes in utility bond yields. The adjustment occurs in the rate of return when the average benchmark yield, measured by the Moody's A Utility Bond Index, changes by more than 100 basis points. The initial benchmark was established as the twelve-month period of October 2019 to September 2020, which was 3.15%. The annual measurement period on a go forward basis is the twelve-month period ending in September. If the ATM is triggered, the current authorized rate of return on common equity would adjust 50 percent of the change in utility bond rates, and the debt would be recalculated to reflect the actual September month-end costs in that year. The authorized capital structure would be used to compute the adjusted rate of return.

[2] Source: Bloomberg L.P.

**SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA**

**Adjusted Authorized Cost of Capital - Automatic Trigger Mechanism (ATM)
CPUC Decision 21-03-052, Page 9
Beginning January 1, 2021**

<u>Line No.</u>	<u>Description</u> (a)	<u>Authorized Capital Structure</u> (b)	<u>Authorized Capital Cost</u> (c)	<u>Weighted Cost of Capital</u> (d)	<u>Line No.</u>
1	Long-Term Debt	48.00%	4.62% [1]	2.22%	1
2	Preferred Equity	0.00%	0.00%	0.00%	2
3	Common Equity	<u>52.00%</u>	11.16% [2]	<u>5.80%</u>	3
4	Total	<u>100.00%</u>		<u>8.02%</u>	4

[1] Appendix A, Sheet 5 of 9, Line No. 20, column (d)

[2] ATM Adjusted Return on Common Equity:

Authorized Return on Common Equity		10.00%
Moody's A Utility Bond Rate (2023)	5.47%	
Benchmark Moody's A Utility Bond Rate (2020)	<u>3.15%</u>	
Increase (decrease)	<u>2.32%</u>	
Change x 50%		<u>1.16%</u>
Adjusted Return on Common Equity		<u>11.16%</u>

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA**

**Adjusted Authorized Cost of Capital - Automatic Trigger Mechanism (ATM)
CPUC Decision 21-03-052, Page 9
Beginning January 1, 2021**

<u>Line No.</u>	<u>Description</u> (a)	<u>Authorized Capital Structure</u> (b)	<u>Authorized Capital Cost</u> (c)	<u>Weighted Cost of Capital</u> (d)	<u>Line No.</u>
1	Long-Term Debt	48.00%	4.38% [1]	2.10%	1
2	Preferred Equity	0.00%	0.00%	0.00%	2
3	Common Equity	<u>52.00%</u>	11.16% [2]	<u>5.80%</u>	3
4	Total	<u>100.00%</u>		<u>7.91%</u>	4

[1] Appendix A, Sheet 7 of 9, Line No. 20, column (c)

[2] ATM Adjusted Return on Common Equity:

Authorized Return on Common Equity		10.00%
Moody's A Utility Bond Rate (2023)	5.47%	
Benchmark Moody's A Utility Bond Rate (2020)	<u>3.15%</u>	
Increase (decrease)	<u>2.32%</u>	
Change x 50%		<u>1.16%</u>
Adjusted Return on Common Equity		<u>11.16%</u>

**SOUTHWEST GAS CORPORATION
SOUTH LAKE TAHOE**

**Adjusted Authorized Cost of Capital - Automatic Trigger Mechanism (ATM)
CPUC Decision 21-03-052, Page 9
Beginning January 1, 2021**

<u>Line No.</u>	<u>Description</u> (a)	<u>Authorized Capital Structure</u> (b)	<u>Authorized Capital Cost</u> (c)	<u>Weighted Cost of Capital</u> (d)	<u>Line No.</u>
1	Long-Term Debt	48.00%	4.38% [1]	2.10%	1
2	Preferred Equity	0.00%	0.00%	0.00%	2
3	Common Equity	<u>52.00%</u>	11.16% [2]	<u>5.80%</u>	3
4	Total	<u>100.00%</u>		<u>7.91%</u>	4

[1] Appendix A, Sheet 8 of 9, Line No. 20, column (c)

[2] ATM Adjusted Return on Common Equity:

Authorized Return on Common Equity		10.00%
Moody's A Utility Bond Rate (2023)	5.47%	
Benchmark Moody's A Utility Bond Rate (2020)	<u>3.15%</u>	
Increase (decrease)	<u>2.32%</u>	
Change x 50%		<u>1.16%</u>
Adjusted Return on Common Equity		<u>11.16%</u>

**SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA
EMBEDDED COST OF LONG-TERM DEBT
AT SEPTEMBER 30, 2023**

Line No.	Description	Net Proceeds	Effective Interest Rate	Cost of Debt	Line No.
	(a)	(b)	(c)	(d)	
Fixed Rate					
Debentures					
1	8.0% Debenture, Due 2026[1]	74,427,029	8.50%	\$ 6,326,297	1
2	6.1% Notes, Due 2041	124,870,291	6.11%	7,629,312	2
3	4.875% Notes, Due 2043	247,733,061	4.95%	12,255,163	3
4	3.80% Notes, Due 2046	296,306,952	3.88%	11,500,876	4
5	3.70% Notes, Due 2028	298,338,514	3.84%	11,456,199	5
6	4.15% Notes, Due 2049	296,729,279	4.22%	12,521,976	6
7	2.2% Notes, Due 2030	446,790,935	2.32%	10,365,550	7
8	3.18% Notes, Due 2051	296,705,676	3.24%	9,613,264	8
9	4.05% Notes, Due 2032	593,043,267	4.21%	24,967,122	9
10	5.80% Notes, Due 2027	297,257,613	6.05%	17,984,086	10
11	5.45% Notes, Due 2028	297,181,243	5.69%	16,909,613	11
12	Total Debentures	<u>\$ 3,269,383,859</u>	<u>4.33%</u>	<u>\$ 141,529,456</u>	12
Medium Term Notes					
13	7.92% Series A, Due 2027	24,935,466	8.00%	1,995,462	13
14	6.76% Series A, Due 2027	7,500,000	6.76%	507,000	14
15	Total Medium-Term Notes	<u>\$ 32,435,466</u>	<u>7.72%</u>	<u>\$ 2,502,462</u>	15
16	Unamortized Loss on Reacquired Debt[2]	\$ (3,437,236)	-5.00%	\$ 171,862	16
17	Total Fixed Rate Debt	<u>\$ 3,298,382,090</u>	<u>4.37%</u>	<u>\$ 144,203,779</u>	17
Variable Rate					
18	1993 Big Bear IDR, Series A	\$ 49,745,251	5.05%	\$ 2,511,731	18
19	Term Facility	\$ (211,003)	-174.51%	\$ 368,226	19
20	Total Variable Rate Debt	<u>\$ 49,534,248</u>	<u>5.81%</u>	<u>\$ 2,879,957</u>	20
21	Total Fixed and Variable Rate Debt	<u>\$ 3,347,916,338</u>	<u>4.39%</u>	<u>\$ 147,083,736</u>	21
Clark County Tax Exempt [3]					
22	1999 Series A, Due 2038	\$ (283,897)	-6.59%	\$ 18,718	22
23	1999 Series C, Due 2038	(386,983)	-6.59%	25,515	23
24	1999 Series D, Due 2038	(223,992)	-6.59%	14,769	24
25	2003 Series A, Due 2038	48,720,540	5.64%	2,747,407	25
26	2003 Series C, Due 2038	(709,733)	-6.94%	49,230	26
27	2003 Series D, Due 2038	(847,221)	-6.94%	58,767	27
28	2003 Series E, Due 2038	(111,908)	-6.94%	7,762	28
29	2004 Series A, Due 2034	(644,489)	-9.30%	59,952	29
30	2004 Series B, Due 2033	2,284,811	-9.84%	(224,736)	30
31	2005 Series A, Due 2035	(715,763)	-8.33%	59,647	31
32	2006 Series A Due, 2036	3,160,114	-7.74%	(244,654)	32
33	2008 Series A Due, 2038	47,487,222	5.72%	876,186	33
34	2009 Series A Due, 2039	49,605,328	4.69%	3,695,925	34
35	Total Clark County Tax Exempt	<u>\$ 147,334,029</u>	<u>5.17%</u>	<u>\$ 7,144,489</u>	35

[1] Based on the modified PG&E Method 2. All other fixed rate debt costs are based on yield-to-maturity method. Variable rate debt based on net proceeds method.

[2] In March 2010, Southwest Gas redeemed the \$100 million, 7.70% Subordinated Debentures (Preferred Securities), due 9/15/2043, at par. The unamortized debt expenses were recorded as a reacquisition loss and will be amortized over the remaining life of the retired securities.

[3] The effective cost of the Clark County, Nevada IDRBs are excluded, as they are designated to finance gas distribution facilities in Clark County, Nevada.

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA
EMBEDDED COST OF LONG-TERM DEBT
AT SEPTEMBER 30, 2023**

Line No.	Description (a)	Net Proceeds (b)	Effective Interest Rate (c)	Cost of Debt (d)	Line No.
Fixed Rate					
Debentures					
1	8.0% Debenture, Due 2026[1]	74,427,029	8.50%	\$ 6,326,297	1
2	6.1% Notes, Due 2041	124,870,291	6.11%	7,629,312	2
3	4.875% Notes, Due 2043	247,733,061	4.95%	12,255,163	3
4	3.80% Notes, Due 2046	296,306,952	3.88%	11,500,876	4
5	3.70% Notes, Due 2028	298,338,514	3.84%	11,456,199	5
6	4.15% Notes, Due 2049	296,729,279	4.22%	12,521,976	6
7	2.2% Notes, Due 2030	446,790,935	2.32%	10,365,550	7
8	3.18% Notes, Due 2051	296,705,676	3.24%	9,613,264	8
9	4.05% Notes, Due 2032	593,043,267	4.21%	24,967,122	9
10	5.80% Notes, Due 2027	297,257,613	6.05%	17,984,086	10
11	5.45% Notes, Due 2028	297,181,243	5.69%	16,909,613	11
12	Total Debentures	<u>\$ 3,269,383,859</u>	<u>4.33%</u>	<u>\$ 141,529,456</u>	12
Medium Term Notes					
13	7.92% Series A, Due 2027	24,935,466	8.00%	1,995,462	13
14	6.76% Series A, Due 2027	7,500,000	6.76%	507,000	14
15	Total Medium-Term Notes	<u>\$ 32,435,466</u>	<u>7.72%</u>	<u>\$ 2,502,462</u>	15
16	Unamortized Loss on Reacquired Debt[2]	\$ (3,437,236)	-5.00%	\$ 171,862	16
17	Total Fixed Rate Debt	<u>\$ 3,298,382,090</u>	<u>4.37%</u>	<u>\$ 144,203,779</u>	17
Variable Rate					
18	Term Facility	\$ (211,003)	-174.51%	\$ 368,226	18
19	Total Variable Rate Debt	<u>\$ (211,003)</u>	<u>-174.51%</u>	<u>\$ 368,226</u>	19
20	Total Fixed and Variable Rate Debt	<u>\$ 3,298,171,087</u>	<u>4.38%</u>	<u>\$ 144,572,005</u>	20
Southern California Tax Exempt [3]					
21	1993 Big Bear IDR, Series A	\$ 49,745,251	5.05%	\$ 2,511,731	21
Clark County Tax Exempt [3]					
22	1999 Series A, Due 2038	\$ (283,897)	-6.59%	\$ 18,718	22
23	1999 Series C, Due 2038	(386,983)	-6.59%	25,515	23
24	1999 Series D, Due 2038	(223,992)	-6.59%	14,769	24
25	2003 Series A, Due 2038	48,720,540	5.64%	2,747,407	25
26	2003 Series C, Due 2038	(709,733)	-6.94%	49,230	26
27	2003 Series D, Due 2038	(847,221)	-6.94%	58,767	27
28	2003 Series E, Due 2038	(111,908)	-6.94%	7,762	28
29	2004 Series A, Due 2034	(644,489)	-9.30%	59,952	29
30	2004 Series B, Due 2033	2,284,811	-9.84%	(224,736)	30
31	2005 Series A, Due 2035	(715,763)	-8.33%	59,647	31
32	2006 Series A Due, 2036	3,160,114	-7.74%	(244,654)	32
33	2008 Series A Due, 2038	47,487,222	5.72%	876,186	33
34	2009 Series A Due, 2039	49,605,328	4.69%	3,695,925	34
35	Total Clark County Tax Exempt	<u>\$ 147,334,029</u>	<u>5.17%</u>	<u>\$ 7,144,489</u>	35

[1] Based on the modified PG&E Method 2. All other fixed rate debt costs are based on yield-to-maturity method. Variable rate debt based on net proceeds method.

[2] In March 2010, Southwest Gas redeemed the \$100 million, 7.70% Subordinated Debentures (Preferred Securities), due 9/15/2043, at par. The unamortized debt expenses were recorded as a reacquisition loss and will be amortized over the remaining life of the retired securities.

[3] For the Northern California jurisdiction, the effective cost of the Big Bear Industrial Development Revenue Bonds (IDRBs) and the Clark County, Nevada IDRBs are excluded, as they are designated to finance gas distribution facilities in Southern California and Clark County, Nevada, respectively.

**SOUTHWEST GAS CORPORATION
SOUTH LAKE TAHOE
EMBEDDED COST OF LONG-TERM DEBT
AT SEPTEMBER 30, 2023**

Line No.	Description	Net Proceeds	Effective Interest Rate	Cost of Debt	Line No.
	(a)	(b)	(c)	(d)	
Fixed Rate					
Debentures					
1	8.0% Debenture, Due 2026[1]	74,427,029	8.50%	\$ 6,326,297	1
2	6.1% Notes, Due 2041	124,870,291	6.11%	7,629,312	2
3	4.875% Notes, Due 2043	247,733,061	4.95%	12,255,163	3
4	3.80% Notes, Due 2046	296,306,952	3.88%	11,500,876	4
5	3.70% Notes, Due 2028	298,338,514	3.84%	11,456,199	5
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11	5.45% Notes, Due 2028	297,181,243	5.69%	16,909,613	11
12	Total Debentures	<u>\$ 3,269,383,859</u>	<u>4.33%</u>	<u>\$ 141,529,456</u>	12
Medium Term Notes					
13	7.92% Series A, Due 2027	24,935,466	8.00%	1,995,462	13
14	6.76% Series A, Due 2027	7,500,000	6.76%	507,000	14
15	Total Medium-Term Notes	<u>\$ 32,435,466</u>	<u>7.72%</u>	<u>\$ 2,502,462</u>	15
16	Unamortized Loss on Reacquired Debt[2]	\$ (3,437,236)	-5.00%	\$ 171,862	16
17	Total Fixed Rate Debt	<u>\$ 3,298,382,090</u>	<u>4.37%</u>	<u>\$ 144,203,779</u>	17
Variable Rate					
18	Term Facility	\$ (211,003)	-174.51%	\$ 368,226	18
19	Total Variable Rate Debt	<u>\$ (211,003)</u>	<u>-174.51%</u>	<u>\$ 368,226</u>	19
20	Total Fixed and Variable Rate Debt	<u>\$ 3,298,171,087</u>	<u>4.38%</u>	<u>\$ 144,572,005</u>	20
Southern California Tax Exempt [3]					
21	1993 Big Bear IDRB, Series A	\$ 49,745,251	5.05%	\$ 2,511,731	21
Clark County Tax Exempt [3]					
22	1999 Series A, Due 2038	\$ (283,897)	-6.59%	\$ 18,718	22
23	1999 Series C, Due 2038	(386,983)	-6.59%	25,515	23
24	1999 Series D, Due 2038	(223,992)	-6.59%	14,769	24
25	2003 Series A, Due 2038	48,720,540	5.64%	2,747,407	25
26	2003 Series C, Due 2038	(709,733)	-6.94%	49,230	26
27	2003 Series D, Due 2038	(847,221)	-6.94%	58,767	27
28	2003 Series E, Due 2038	(111,908)	-6.94%	7,762	28
29	2004 Series A, Due 2034	(644,489)	-9.30%	59,952	29
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31	2005 Series A, Due 2035	(715,763)	-8.33%	59,647	31
32	2006 Series A Due, 2036	3,160,114	-7.74%	(244,654)	32
33	2008 Series A Due, 2038	47,487,222	5.72%	876,186	33
34	2009 Series A Due, 2039	49,605,328	4.69%	3,695,925	34
35	Total Clark County Tax Exempt	<u>\$ 147,334,029</u>	<u>5.17%</u>	<u>\$ 7,144,489</u>	35

[1] Based on the modified PG&E Method 2. All other fixed rate debt costs are based on yield-to-maturity method. Variable rate debt based on net proceeds method.

[2] In March 2010, Southwest Gas redeemed the \$100 million, 7.70% Subordinated Debentures (Preferred Securities), due 9/15/2043, at par. The unamortized debt expenses were recorded as a reacquisition loss and will be amortized over the remaining life of the retired securities.

[3] For the Northern California jurisdiction, the effective cost of the Big Bear Industrial Development Revenue Bonds (IDRBs) and the Clark County, Nevada IDRBs are excluded, as they are designated to finance gas distribution facilities in Southern California and Clark County, Nevada, respectively.

**SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA
EMBEDDED COST OF DEBT
AS OF SEPTEMBER 30, 2023**

<u>Line No.</u>	(a)	(b)	(c)	(d)	(e)	<u>Line No.</u>
1	Southern California Rate Base		\$ 285,691,044		Per Decision 21-03-052	1
2	<u>Capital Structure</u>	Percent	Dollars			2
3	Common Equity	52.00%	\$ 148,559,343			3
4	Preferred Equity	0.00%	-			4
5	Debt	48.00%	137,131,701			5
6	Total Capital	<u>100.00%</u>	<u>\$ 285,691,044</u>			6
7	Implicit Amount of Debt		<u>\$ 137,131,701</u>			7
8	Big Bear IDRBS		\$ 49,769,498			8
9	Other Debt		87,362,203			9
10	Total Debt		<u>\$ 137,131,701</u>			10
<u>Embedded Cost of Big Bear IDRBS</u>						
			Balance	Rate	Interest	
11	Big Bear IDRBS		<u>\$ 49,745,251</u>	5.05%	<u>\$ 2,511,731</u>	11
12	Total IDRBS		<u>\$ 49,745,251</u>	5.05%	<u>\$ 2,511,731</u>	12
<u>Embedded Cost of Other Debt</u>						
13	Debentures	99.13%	\$ 3,269,383,859	4.33%	\$ 141,529,456	13
14	Medium-Term Notes	0.98%	32,435,466	7.72%	2,502,462	14
15	Unamortization of Loss on Reacquired Debt	-0.10%	(3,437,236)	-5.00%	171,862	15
16	Term / CP Facility	-0.01%	(211,003)	-174.51%	368,226	16
17	Total Other Debt	100.00%	<u>\$ 3,298,171,087</u>	4.38%	<u>\$ 144,572,005</u>	17
<u>Embedded Cost of Debt Southern California</u>						
18	Big Bear IDRBS	36.28%	\$ 49,745,251	5.05%	\$ 2,511,731	18
19	Other Debt	63.72%	87,386,450	4.38%	3,830,497	19
20	Total Debt	100.00%	<u>\$ 137,131,701</u>	4.62%	<u>\$ 6,342,228</u>	20
SOUTHERN CALIFORNIA						
<u>Detailed Capital Structure</u>						
21	Common Equity		\$ 148,559,343	Adjusted 52.00%		21
22	Preferred Equity		-	0.00%		22
23	Big Bear IDRBS		49,745,251	17.41%		23
24	Other Debt		87,386,450	30.59%		24
25	Total Capital		<u>\$ 285,691,044</u>	<u>100.00%</u>		25
26	Rate Base		\$ 285,691,044			26

**SOUTHWEST GAS CORPORATION
COST OF LONG-TERM DEBT
ORIGINAL NET PROCEEDS OF ISSUES OUTSTANDING**

Line No.	Description (a)	Origination Date (b)	Maturity Date (c)	Coupon Rate (d)	Gross Proceeds (e)	Underwriter's Commission and Discounts		Debt and Issuance Expense		Net Proceeds		Cost of Money [1] (l)	Line No.
						Amount (f)	Percent of Gross Proceeds (g)	Amount (h)	Percent of Gross Proceeds (i)	Amount (j)	Per \$100 Unit (k)		
Debentures													
1	8.0% Debenture, Due 2026	08/01/96	08/01/26	8.00%	\$ 75,000,000	\$ 894,750	1.19%	\$ 4,998,668	8.51%	\$ 69,106,582	92.14	9.13%	1
2	6.1% Notes, Due 2041	02/15/11	02/15/41	6.10%	125,000,000	0	0.00%	167,358	0.13%	124,832,642	99.87	6.11%	2
3	4.875% Notes, Due 2043	10/04/13	10/01/43	4.88%	250,000,000	2,382,500	0.95%	413,165	0.17%	247,204,335	98.88	4.95%	3
4	3.80% Notes, Due 2046	09/29/16	10/01/46	3.80%	300,000,000	3,531,000	1.18%	775,217	0.26%	295,693,783	98.56	3.88%	4
5	3.70% Notes, Due 2028	03/15/18	04/01/28	3.70%	300,000,000	2,505,000	0.84%	836,902	0.28%	\$ 296,658,098	98.89	3.84%	5
6	4.15% Notes, Due 2049	05/31/19	06/01/49	4.15%	300,000,000	2,778,000	0.93%	774,680	0.26%	296,447,320	98.82	4.22%	6
7	2.2% Notes, Due 2030	06/04/20	06/15/30	2.20%	450,000,000	3,492,000	0.78%	1,166,059	0.26%	445,341,941	98.96	2.32%	7
8	3.18% Notes, Due 2051	08/20/21	08/15/51	3.18%	300,000,000	2,682,000	0.89%	764,555	0.25%	296,553,446	98.85	3.24%	8
9	4.05% Notes, Due 2032	03/22/22	03/15/32	4.05%	600,000,000	6,138,000	1.02%	1,861,147	0.31%	\$ 592,000,853	98.67	4.21%	9
10	5.80% Notes, Due 2027	12/01/22	12/01/27	5.80%	300,000,000	2,199,000	0.73%	1,015,874	0.37%	296,785,126	98.93	6.05%	10
11	5.45% Notes, Due 2028	03/23/23	03/23/28	5.45%	300,000,000	2,241,000	0.75%	862,911	0.49%	296,896,089	98.97	5.69%	11
12	Total Debentures				\$ 3,300,000,000	\$ 28,843,250	0.87%	\$ 13,636,556	0.41%	\$ 3,257,520,214	98.71		12
Medium Term Notes													
13	7.92% Series A, Due 2027	06/04/97	06/04/27	7.92%	25,000,000	187,500	0.75%	45,761	0.18%	24,766,739	99.07	8.00%	13
14	6.76% Series A, Due 2027	09/23/97	09/24/27	6.76%	7,500,000	46,875	0.63%	17,228	0.23%	7,435,897	99.15	6.88%	14
15	Total Medium Term Notes				\$ 32,500,000	\$ 234,375	0.72%	\$ 62,990	0.19%	\$ 32,202,635	99.09		15
Tax Exempt Clark County													
16	1999 Series A, Due 2038	10/05/99	12/01/38	6.10%	\$ 12,410,000	\$ 53,920	0.43%	\$ 658,490	5.31%	\$ 11,697,590	94.26	6.63%	16
17	1999 Series C, Due 2038	07/19/00	12/01/38	5.95%	14,320,000	38,342	0.27%	936,800	6.54%	13,344,858	93.19	6.58%	17
18	1999 Series D, Due 2038	09/26/01	12/01/38	5.55%	8,270,000	21,451	0.26%	523,760	6.33%	7,724,789	93.41	6.13%	18
19	2003 Series A, Due 2038	03/20/03	03/01/38	Var	50,000,000	128,076	0.26%	2,820,818	5.64%	47,051,106	94.10	Var	19
20	2003 Series C, Due 2038	03/20/03	03/01/38	5.45%	30,000,000	200,538	0.67%	1,440,962	4.80%	28,358,500	94.53	5.93%	20
21	2003 Series D, Due 2038	03/20/03	03/01/38	3.35%	20,000,000	133,692	0.67%	154,313	0.77%	19,711,995	98.56	3.44%	21
22	2003 Series E, Due 2038	03/20/03	03/01/38	5.80%	15,000,000	100,269	0.67%	115,735	0.77%	14,783,996	98.56	5.93%	22
23	2004 Series A, Due 2034	07/16/04	07/01/34	5.25%	65,000,000	1,081,500	1.66%	2,915,229	4.48%	61,003,271	93.85	6.08%	23
24	2004 Series B, Due 2033	10/19/04	12/01/33	5.00%	75,000,000	956,250	1.28%	5,034,264	6.71%	69,009,487	92.01	5.99%	24
25	2005 Series A, Due 2035	10/05/05	10/01/35	4.85%	100,000,000	1,350,000	1.35%	2,724,048	2.72%	95,925,952	95.93	5.36%	25
26	2006 Series A, Due 2036	09/20/06	09/01/36	4.75%	56,000,000	686,000	1.23%	801,557	1.43%	54,512,443	97.34	5.09%	26
27	2008 Series A, Due 2038	09/24/08	03/01/38	Var	50,000,000	178,749	0.36%	4,771,935	9.54%	45,049,316	90.10	Var	27
28	2009 Series A, Due 2039	12/09/09	12/01/39	Var	50,000,000	175,000	0.35%	766,649	1.53%	49,058,351	98.12	Var	28
29	Total Tax Exempt Clark County				\$ 546,000,000	\$ 5,103,788	0.93%	\$ 23,664,560	4.33%	\$ 517,231,652	94.73		29
Tax Exempt Big Bear													
30	1993 Series A, Due 2028	12/15/93	12/01/28	Var	\$ 50,000,000	\$ 175,000	0.35%	\$ 656,763	1.31%	\$ 49,168,237	98.34	Var	30
31	Term Facility [2]	03/15/12	04/10/25	Var	\$ 150,000,000	\$ -	0.00%	\$ 575,880	0.38%	\$ 149,424,121	99.62	Var	31
32	Total Debt Capital				\$ 4,078,500,000	\$ 34,356,413	0.84%	\$ 38,596,729	0.95%	\$ 4,005,546,859	98.21		32

[1] Based on yield-to-maturity using net proceeds received, except for the 8.0% debentures which are based on the modified PG&E Method 2.

[2] A Commercial Paper program was initiated in October 2002 and is backed by \$50 million of the term facility.

SOUTHWEST GAS CORPORATION
EFFECTIVE COST CALCULATION - \$150 MILLION TERM FACILITY/CP FACILITY
AT SEPTEMBER 30, 2023

<u>Line No.</u>	<u>Principal</u>				<u>Annualized Interest</u>	<u>Line No.</u>
	(a)	(b)	(c)	(d)	(e)	
	<u>Libor Loans</u>		SOFR	Spread	Rate[1]	
1	\$ -	0.00%	0.000%	0.00%	\$ -	1
	<u>CP Notes</u>		Discount Rate			
2	\$ -	0.00%	0.000%	0.00%	\$ -	2
	<u>Credit Facility Fees</u>					
3	Amortization Expense				\$ 130,726	3
4	Annual Fee				9,375	4
5	Unused Commitment Fees				228,125	5
6	Total Annualized Fees				<u>\$ 368,226</u>	6
7	Total Annualized Fees and Interest (365 day basis)				<u>\$ 368,226</u>	7
8	Unamortized Debt Expense - 9/30/2023				\$ 211,003	8
9	CP Discount				-	9
10	Net Proceeds - 9/30/2023				<u>\$ (211,003)</u>	10
11	<u>All-In Effective Rate</u>				<u>-174.51%</u>	11

Notes:
[1] 365-Day Rate

SOUTHWEST GAS CORPORATION
EFFECTIVE COST CALCULATION - 1993 BIG BEAR IDR SERIES A
AT SEPTEMBER 30, 2023

<u>Line No.</u>	<u>Origination</u>	<u>Maturity</u>	<u>Principal</u>	<u>Rate[1]</u>	<u>One Day Interest</u>	<u>Annualized Interest</u>	<u>Line No.</u>
	(a)	(b)	(c)	(d)	(e)	(f)	
1	9/30/2023	9/30/2023	\$ 50,000,000	3.85%	\$ 5,274	\$ 1,925,000	1
	<u>Amortization Expense and Credit Facility Fees</u>						
2	Annual Amortization Debt Expense					\$ 129,653	2
3	Annual Amortization Discount					5,000	3
4	Annual Fee					-	4
5	Drawing Fee (\$250 per month x 12)					3,000	5
6	Letter of Credit Fee					449,079	6
7	Fronting Fee					-	7
8	Total Amortization Expense and Fees					<u>586,731</u>	8
9	Total Annualized Interest, Amortization Expense, & Fees (365 day basis)					<u>\$ 2,511,731</u>	9
10	Unamortized Debt, Discount & Reacquired Debt Expense					\$ 254,749	10
11	Net Proceeds - September 30, 2023					<u>\$ 49,745,251</u>	11
12	<u>All-In Effective Rate</u>					<u>5.05%</u>	12
	<u>Notes</u>						
	[1] 365-Day Rate						

SOUTHWEST GAS CORPORATION
EFFECTIVE COST CALCULATION - 2023 CLARK COUNTY IDRB SERIES A
AT SEPTEMBER 30, 2023

Line No.	Origination (a)	Maturity (b)	Principal (c)	Average Rate[1] (d)	One Day Interest (e)	Annualized Interest (f)	Line No.
1	9/30/2023	9/30/2023	\$ 50,000,000	4.20%	\$ 5,753	\$ 2,100,000	1
	<u>Amortization Expense and Credit Facility Fees</u>						
2	Annual Amortization Debt Expense					\$ 126,678	2
3	Annual Amortization Discount					3,668	3
4	Annual Amortization Reacquired Debt Expense					65,900	4
5	Annual Agency Fee					-	5
6	Letter of Credit Fee					451,160	6
7	Fronting Fee					0	7
8	Total Amortization Expense and Fees					<u>647,407</u>	8
9	Total Annualized Interest, Amortization Expense, & Fees (365 day basis)					<u>\$ 2,747,407</u>	9
10	Unamortized Debt, Discount & Reacquired Debt Expense					\$ 1,279,460	10
11	Net Proceeds - September 30, 2023					<u>\$ 48,720,540</u>	11
12	<u>All-In Effective Rate</u>					<u>5.64%</u>	12
	<u>Notes</u>						
	[1] 365-Day Rate						

SOUTHWEST GAS CORPORATION
EFFECTIVE COST CALCULATION - 2008 CLARK COUNTY IDRB SERIES A
AT SEPTEMBER 30, 2023

Line No.	Origination (a)	Maturity (b)	Principal (c)	Average Rate[1] (d)	One Day Interest (e)	Annualized Interest (g)	Line No.
1	9/30/2023	9/30/2023	\$ 50,000,000	3.83%	\$ 5,246.58	\$ 1,915,000	1
	<u>Amortization Expense and Credit Facility Fees</u>						
2	Annual Amortization Debt Expense					\$ 89,028	2
3	Annual Amortization Discount					6,076	3
4	Annual Amortization Reacquired Debt Expense					140,990	4
5	Annual Agency Fee					-	5
6	Letter of Credit Fee					446,839	6
7	Fronting Fee					-	7
8	Total Amortization Expense and Fees					<u>\$ 682,933</u>	8
9	Total Annualized Interest, Amortization Expense, & Fees (365 day basis)					<u>\$ 2,597,933</u>	9
10	Unamortized Debt, Discount & Reacquired Debt Expense					\$ 2,512,778	10
11	Average Net Proceeds - September 30, 2023					<u>\$ 45,425,553</u>	11
12	<u>All-In Effective Rate</u>					<u>5.72%</u>	12
	<u>Notes</u>						
	[1] 365-Day Rate						

SOUTHWEST GAS CORPORATION
EFFECTIVE COST CALCULATION - 2009 CLARK COUNTY IDRB SERIES A
AT SEPTEMBER 30, 2023

<u>Line No.</u>	<u>Origination</u> (a)	<u>Maturity</u> (b)	<u>Principal</u> (c)	<u>Rate[1]</u> (d)	<u>One Day Interest</u> (e)	<u>Annualized Interest</u> (g)	<u>Line No.</u>
1	9/30/2023	9/30/2023	\$ 50,000,000	3.68%	\$ 5,041	\$ 1,840,000	1
	<u>Amortization Expense and Credit Facility Fees</u>						
2	Annual Amortization Debt Expense					\$ 39,310	2
3	Annual Amortization Discount					5,833	3
4	Annual Amortization Reacquired Debt Expense					-	4
5	Annual Agency Fee					-	5
6	Letter of Credit Fee					442,678	6
7	Fronting Fee					-	7
8	Total Amortization Expense and Fees					<u>\$ 487,821</u>	8
9	Total Annualized Interest, Amortization Expense, & Fees (365 day basis)					<u>\$ 2,327,821</u>	9
10	Unamortized Debt, Discount & Reacquired Debt Expense					\$ 394,672	10
11	Net Proceeds - September 30, 2023					<u>\$ 49,605,328</u>	11
12	<u>All-In Effective Rate</u>					<u>4.69%</u>	12
	<u>Notes</u>						
	[1] 365-Day Rate						

**SOUTHWEST GAS CORPORATION
SOUTHERN AND NORTHERN CALIFORNIA**

**AUTHORIZED COST OF CAPITAL - AUTOMATIC TRIGGER MECHANISM (ATM)
DECISION 21-03-052. PAGE 9
BEGINNING JANUARY 1, 2021**

SOUTHERN CALIFORNIA

<u>Line No.</u>	<u>Description</u>	<u>Structure</u>	<u>Cost [1]</u>	<u>Capital</u>	<u>Line No.</u>
1	Long-Term Debt	48.00%	3.98%	1.91%	1
2	Preferred Equity	0.00%	0.00%	0.00%	2
3	Common Equity	<u>52.00%</u>	10.00%	<u>5.20%</u>	3
4	Total	100.00%		7.11%	4

NORTHERN CALIFORNIA

Authorized Cost of Capital - Decision 21-03-052. Page 9

<u>Line No.</u>	<u>Description</u>	<u>Structure</u>	<u>Cost</u>	<u>Capital</u>	<u>Line No.</u>
5	Long-Term Debt	48.00%	4.67%	2.24%	5
6	Preferred Equity	0.00%	0.00%	0.00%	6
7	Common Equity	<u>52.00%</u>	10.00%	<u>5.20%</u>	7
8	Total	100.00%		7.44%	8

[1] D.21-03-052 continues the ATM originally established in D08-11-045 and continued in D.14-06-028 with some modifications, replacing the annual cost of capital filings by Southwest Gas and adjusting the rate of return up and down as a result of changes in utility bond yields. The adjustment occurs in the rate of return when the average benchmark yield, measured by the Moody's A Utility Bond Index, changes by more than 100 basis points. The current benchmark was established as the twelve-month period of October 2019 to September 2020, which was 3.15%. The annual measurement period on a go forward basis is the twelve-month period ending in September. If the ATM is triggered, the current authorized rate of return on common equity would adjust 50 percent of the change in utility bond rates, and the debt would be recalculated to reflect the actual September month-end costs in that year. The authorized capital structure would be used to compute the adjusted rate of return.



ADVICE LETTER SUMMARY

ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

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:

Summarize differences between the AL and the prior withdrawn or rejected AL:

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:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

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

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

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	