

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 7, 2013

**Advice Letter 905-G**

Don Soderberg, Vice-President/Pricing  
Southwest Gas Corporation  
P O Box 98510  
Las Vegas, NV 89193-8510

**Subject: UPDATE BALANCING ACCOUNT SURCHARGES, ADJUST  
TRANSPORTATION AND STORAGE RATES**

Dear Mr. Soderberg:

Advice Letter 905-G is effective January 1, 2013.

Sincerely,

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

Edward F. Randolph, Director  
Energy Division



# **SOUTHWEST GAS CORPORATION**

November 29, 2012

ATTN: Honesto Gatchalian  
Tariff Unit, Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4005  
San Francisco, CA 94102

Subject: Southwest Gas Corporation (U 905 G)  
Advice Letter No. 905

Dear Mr. Gatchalian:

Enclosed herewith are five (5) copies of Southwest Gas Corporation's Advice Letter No. 905 together with California Gas Tariff P.U.C. Sheet Nos. 65 through 73.

Sincerely,

Edward B. Giesecking  
Director/Pricing and Tariffs

EBG:kt  
Enclosures

c: Richard A. Myers, Energy Division  
Clayton Tang, Division of Ratepayer Advocates  
Robert M. Pocta, Division of Ratepayer Advocates



# SOUTHWEST GAS CORPORATION

Advice Letter No. 905

November 29, 2012

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas or Company) (U 905 G) hereby tenders for filing the following tariff sheets:

### California Gas Tariff

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
23rd Revised Sheet No. 65	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	21st Revised Sheet No. 65
23rd Revised Sheet No. 66	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	21st Revised Sheet No. 66
23rd Revised Sheet No. 67	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	21st Revised Sheet No. 67
23rd Revised Sheet No. 68	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	21st Revised Sheet No. 68
23rd Revised Sheet No. 69	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	21st Revised Sheet No. 69
6th Revised Sheet No. 70	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	5th Revised Sheet No. 70
23rd Revised Sheet No. 71	Statement of Rates - Effective Rates Applicable to South Lake Tahoe District Schedules	21st Revised Sheet No. 71
23rd Revised Sheet No. 72	Statement of Rates - Effective Rates Applicable to South Lake Tahoe District Schedules	21st Revised Sheet No. 72
5th Revised Sheet No. 73	Statement of Rates - Effective Rates Applicable to South Lake Tahoe District Schedules	4th Revised Sheet No. 73



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### **Purpose**

The purpose of this filing is to adjust rates applicable to Southwest Gas' Northern and Southern California Divisions, as well as Southwest Gas' South Lake Tahoe District.

This filing: (1) calculates Balancing Account Surcharge adjustments to amortize balances in Southwest Gas' Fixed Cost Adjustment Mechanism (FCAM) and Interstate Transportation Cost Adjustment Mechanism (ITCAM) and (2) adjusts transportation and storage rates to reflect forecast period upstream pipeline charges.

The calculation of Southwest Gas' 2013 balancing account surcharges and upstream transportation and storage rates for Southwest Gas' Southern California Division and Northern California Division, and South Lake Tahoe District are reflected in Tabs A, B and C, respectively, of the workpapers. All revenue comparisons include the effect of Southwest Gas' 2013 Post Test Year margin revenue adjustment filed in Advice Letter No. 904, Southwest Gas' 2013 Public Purpose Program surcharges filed in Advice Letter No. 900, and Southwest Gas' forecasted weighted average 2013 cost of gas.

The combined effect of these changes will result in annual revenue increases of approximately \$1.4 million or 1.1 percent in the Southern California Division, \$1.8 million or 6.0 percent in the Northern California Division, and \$1.1 million or 5.4 percent in the South Lake Tahoe District

### **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's approval) pursuant to General Order 96-B. Southwest Gas respectfully requests the rate changes proposed herein be approved December 29, 2012, which is thirty (30) calendar days from the date of filing, with rates effective January 1, 2013.

### **Protest**

Anyone wishing to protest this filing may do so by sending a letter within 20 days of the filing. The protest should set forth the grounds upon which it is based and should be submitted expeditiously. There is no restriction on who may file a protest.

Protests should be mailed to:

Investigation, Monitoring & Compliance Program Manager  
California Public Utilities Commission, Energy Division  
505 Van Ness Avenue, Room 4002  
San Francisco, CA 94102  
Facsimile: 415-703-2200



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

Mr. John P. Hester, Senior Vice President  
Regulatory Affairs and Energy Resources  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, Nevada 89193-8510  
Facsimile: 702-876-7037

**Notice**

Pursuant to Energy Industry Rule 3.1(1), Southwest is exempt from the notice requirements set forth in General Rule 4.2 in G.O. 96-B since the adjustments proposed herein are being filed pursuant to Southwest's approved California Tariff.

**Service**

In accordance with General Order 96-B, General Rule 4.3, Southwest Gas is mailing copies of this advice letter and related tariff sheets to the utilities and interested parties shown on the attached list.

Communications regarding this filing should be directed to:

Ed Giesecking  
Director/Pricing and Tariffs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Telephone: 702-364-3271  
E-mail: [ed.giesecking@swgas.com](mailto:ed.giesecking@swgas.com)

Debra S. Gallo  
Director/Government and State  
Regulatory Affairs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Telephone: 702-876-7163  
E-mail: [debra.gallo@swgas.com](mailto:debra.gallo@swgas.com)

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By   
Edward B. Giesecking

Attachments

DISTRIBUTION LIST

Advice Letter No. 905

In Conformance with G.O. 96-B, General Rule 4.3

Southern California Edison Company

Pacific Gas & Electric Company

Sierra Pacific Power Company

San Diego Gas & Electric Company

Southern California Gas Company

Southern California Water Company

R. Thomas Beach

Duane Morris, LLP

Director/Division of Ratepayer Advocates

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

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP [3]		
<b>GS-10-Residential Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Baseline Quantities	\$ .54629	\$ .12737	\$ .67366	\$ .00068	\$ .15289	\$ .40030	\$ 1.22753
Tier II	.70793	.12737	.83530	.00068	.15289	.40030	1.38917
<b>GS-11-Residential Air-Conditioning Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Tier I	\$ .54629	\$ .12737	\$ .67366	\$ .00068	\$ .15289	\$ .40030	\$ 1.22753
Tier II	.70793	.12737	.83530	.00068	.15289	.40030	1.38917
Air-Conditioning	.32282	.12737	.45019	.00068	.15289	.40030	1.00406
<b>GS-12-CARE Residential Gas Service</b>							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm:							
Baseline Quantities	\$ .33150	\$ .12737	\$ .45887	\$ .00068	\$ .02354	\$ .40030	\$ .88339
Tier II	.46081	.12737	.58818	.00068	.02354	.40030	1.01270
<b>GS-15-Secondary Residential Gas Service</b>							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm:	\$ .85149	\$ .12546	\$ .97695	\$ .00068	\$ .15289	\$ .40030	\$ 1.53082
<b>GS-20-Multi-Family Master-Metered Gas Service</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$ .54629	\$ .12737	\$ .67366	\$ .00068	\$ .15289	\$ .40030	\$ 1.22753
Tier II	.70793	.12737	.83530	.00068	.15289	.40030	1.38917
<b>GS-25-Multi-Family Master-Metered Gas Service-Submetered</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$ .54629	\$ .12737	\$ .67366	\$ .00068	\$ .15289	\$ .40030	\$ 1.22753
Tier II	.70793	.12737	.83530	.00068	.15289	.40030	1.38917
Submetered Discount per Occupied Space	\$ (8.35)						\$ (8.35)
<b>GS-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm:							
Summer (May – October)							
First 100	\$ .27756	\$ .11254	\$ .39010	\$ .00068	\$ .02354	\$ .40030	\$ .81462
Next 500	.19476	.11254	.30730	.00068	.02354	.40030	.73182
Next 2,400	.11996	.11254	.23250	.00068	.02354	.40030	.65702
Over 3,000	(.00322)	.11254	.10932	.00068	.02354	.40030	.53384
Winter (November – April)							
First 100	\$ .27435	\$ .12858	\$ .40293	\$ .00068	\$ .02354	\$ .40030	\$ .82745
Next 500	.19155	.12858	.32013	.00068	.02354	.40030	.74465
Next 2,400	.11675	.12858	.24533	.00068	.02354	.40030	.66985
Over 3,000	(.00642)	.12858	.12216	.00068	.02354	.40030	.54668

STATEMENT OF RATES							
EFFECTIVE RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES [1]							
Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP [3]		
<b>GS-40-Core General Gas Service</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)							
First 100	\$ .47516	\$.11254	\$.58770	\$.00068	\$.15289	\$.40030	\$ 1.14157
Next 500	.37166	.11254	.48420	.00068	.15289	.40030	1.03807
Next 2,400	.27816	.11254	.39070	.00068	.15289	.40030	.94457
Over 3,000	.12419	.11254	.23673	.00068	.15289	.40030	.79060
Winter (November – April)							
First 100	\$ .47516	\$.12858	\$.60374	\$.00068	\$.15289	\$.40030	\$ 1.15761
Next 500	.37166	.12858	.50024	.00068	.15289	.40030	1.05411
Next 2,400	.27816	.12858	.40674	.00068	.15289	.40030	.96061
Over 3,000	.12419	.12858	.25277	.00068	.15289	.40030	.80664
<b>GS-50-Core Natural Gas Service for Motor Vehicles</b>							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (May – October)							
Summer (May – October)	\$ .10125	\$.10791	\$.20916	\$.00068	\$.15289	\$.40030	\$ .76303
Winter (November – April)	.10125	.11668	.21793	.00068	.15289	.40030	.77180
<b>GS-60-Core Internal Combustion Engine Gas Service</b>							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (May – October)							
Summer (May – October)	\$ .14743	\$.10841	\$.25584	\$.00068	\$.15289	\$.40030	\$ .80971
Winter (November – April)	.14743	.12809	.27552	.00068	.15289	.40030	\$.82939
<b>GS-66-Core Small Electric Power Generation Gas Service</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Summer (May – October)							
Summer (May – October)	\$ .10800	\$.10860	\$.21660	\$.00068		\$.40030	\$ .61758
Winter (November – April)	.10800	.12447	.23247	.00068		.40030	\$.63345
<b>GS-70-Noncore General Gas Transportation Service</b>							
Basic Service Charge	\$100.00						\$ 100.00
Cost per Therm:							
Summer (May – October)							
Summer (May – October)	\$ .10080	\$.06673	\$.16753	\$.00068	\$.15289		\$ .32110
Winter (November – April)	.10080	.06673	.16753	.00068	.15289		.32110
<b>GSR-Sale for Resale Natural Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Transportation Service Charge	\$ 780.00						\$ 780.00
Cost per Therm:							
Summer (May – October)							
First 100	\$ .47516	\$.11254	\$.58770	\$.00068		\$.40030	\$ .98868
Next 500	.37166	.11254	.48420	.00068		.40030	.88518
Next 2,400	.27816	.11254	.39070	.00068		.40030	.79168
Over 3,000	.12419	.11254	.23673	.00068		.40030	.63771
Winter (November – April)							
First 100	\$ .47516	\$.12858	\$.60374	\$.00068		\$.40030	\$ 1.00472
Next 500	.37166	.12858	.50024	.00068		.40030	.90122
Next 2,400	.27816	.12858	.40674	.00068		.40030	.80772
Over 3,000	.12419	.12858	.25277	.00068		.40030	.65375

Advice Letter No. 905  
Decision No. \_\_\_\_\_

Issued by  
John P. Hester  
Senior Vice President

Date Filed November 29, 2012  
Effective January 1, 2013  
Resolution No. \_\_\_\_\_



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

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges			Effective Sales Rate
				CPUC	PPP [3]	Gas Cost	
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>							
TFF Surcharge per Therm							\$ .00573
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>							
MHPS Surcharge per Space per Month							\$ .21000

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation/Firm Access Charge and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount of \$.00291 per therm for distribution system shrinkage. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for the greater period of either 12 months or the conclusion of the amortization period upon which the Balancing Account Adjustment was developed. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge, if applicable. The TFF Surcharge shall be the product of the customer-secured volumes transported, multiplied by the monthly projected cost of gas, excluding franchise fees and uncollectibles, multiplied by the most current authorized franchise fee factor.

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

	GS-10, GS-11, GS-12, GS-20, GS-25	GS-15	GS-35, GS-40, GSR	GS-50	GS-60	GS-66	GS-70
<b>Upstream Intrastate Charges</b>							
Storage	\$ .01273	\$ .01238					
Summer			\$ .00109	\$ .00033	\$ .00083	\$ .00102	
Winter			.01713	.00910	.02051	.01689	
Variable	.01997	.01997	.01997	.01997	.01997	.01997	\$ .01997
Interstate Reservation/Firm Access Charge	.04195	.04039	.03876	.03489	.03489	.03489	
<b>Balancing Account Adjustments</b>							
FCAM*	.05158	.05158	.05158	.05158	.05158	.05158	.04562
ITCAM	.00114	.00114	.00114	.00114	.00114	.00114	.00114
<b>Total Rate Adjustment</b>	<b>\$ .12737</b>	<b>\$ .12546</b>					
Total Rate Adjustment (Summer)			\$ .11254	\$ .10791	\$ .10841	\$ .10860	\$ .06673
Total Rate Adjustment (Winter)			\$ .12858	\$ .11668	\$ .12809	\$ .12447	\$ .06673

\* The FCAM surcharge includes an amount of \$.04562 per therm related to the difference between Southwest's authorized margin and recorded revenues intended to recover these costs.

[3] The PPP Surcharge applies to all gas sales and transportation service excluding exempt customers as defined in Rate Schedule No. G-PPPS. The PPP Surcharge includes <\$.04321> per therm to amortize the CARE Balancing Account. This amount is not related to current program year expenses.

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO NORTHERN CALIFORNIA DIVISION SCHEDULES [1] [2] [3]**

Schedule No. and Type of Change	Southwest Margin	Charges [4] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges			Effective Sales Rate
				CPUC	PPP [5]	Gas Cost	
<b>GN-10-Residential Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Baseline Quantities	\$ .56870	\$ .23773	\$ .80643	\$ .00068	\$ .03747	\$ .39492	\$ 1.23950
Tier II	.67941	.23773	.91714	.00068	.03747	.39492	1.35021
<b>GN-12-CARE Residential Gas Service</b>							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm:							
Baseline Quantities	\$ .32843	\$ .23773	\$ .56616	\$ .00068	\$ .02354	\$ .39492	\$ .98530
Tier II	.41700	.23773	.65473	.00068	.02354	.39492	1.07387
<b>GN-15-Secondary Residential Gas Service</b>							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm:							
Baseline Quantities	\$ .70491	\$ .23948	\$ .94439	\$ .00068	\$ .03747	\$ .39492	\$ 1.37746
<b>GN-20-Multi-Family Master-Metered Gas Service</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$ .56870	\$ .23773	\$ .80643	\$ .00068	\$ .03747	\$ .39492	\$ 1.23950
Tier II	.67941	.23773	.91714	.00068	.03747	.39492	1.35021
<b>GN-25-Multi-Family Master-Metered Gas Service-Submetered</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$ .56870	\$ .23773	\$ .80643	\$ .00068	\$ .03747	\$ .39492	\$ 1.23950
Tier II	.67941	.23773	.91714	.00068	.03747	.39492	1.35021
Submetered Discount per Occupied Space	\$(10.95)						\$ (10.95)
<b>GN-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm:							
Summer (June – September)							
First 100	\$ .24242	\$ .20736	\$ .44978	\$ .00068	\$ .02354	\$ .39492	\$ .86892
Next 500	.16562	.20736	.37298	.00068	.02354	.39492	.79212
Next 2,400	.09122	.20736	.29858	.00068	.02354	.39492	.71772
Over 3,000	(.00626)	.20736	.20110	.00068	.02354	.39492	.62024
Winter (October – May)							
First 100	\$ .23738	\$ .23256	\$ .46994	\$ .00068	\$ .02354	\$ .39492	\$ .88908
Next 500	.16058	.23256	.39314	.00068	.02354	.39492	.81228
Next 2,400	.08618	.23256	.31874	.00068	.02354	.39492	.73788
Over 3,000	(.01130)	.23256	.22126	.00068	.02354	.39492	.64040

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO NORTHERN CALIFORNIA DIVISION SCHEDULES [1] [2] [3]**

Schedule No. and Type of Change	Southwest Margin	Charges [4] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP [5]		
<b>GN-40-Core General Gas Service</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (June – September)							
First 100	\$ .45360	\$ .20736	\$ .66096	\$ .00068	\$ .03747	\$ .39492	\$ 1.09403
Next 500	.35760	.20736	.56496	.00068	.03747	.39492	.99803
Next 2,400	.26460	.20736	.47196	.00068	.03747	.39492	.90503
Over 3,000	.14275	.20736	.35011	.00068	.03747	.39492	.78318
Winter (October – May)							
First 100	\$ .45360	\$ .23256	\$ .68616	\$ .00068	\$ .03747	\$ .39492	\$ 1.11923
Next 500	.35760	.23256	.59016	.00068	.03747	.39492	1.02323
Next 2,400	.26460	.23256	.49716	.00068	.03747	.39492	.93023
Over 3,000	.14275	.23256	.37531	.00068	.03747	.39492	.80838
<b>GN-50-Core Natural Gas Service for Motor Vehicles</b>							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (June – September)	\$ .07276	\$ .19158	\$ .26434	\$ .00068	\$ .03747	\$ .39492	\$ .69741
Winter (October – May)	.07276	.22271	.29547	.00068	.03747	.39492	.72854
<b>GN-60-Core Internal Combustion Engine Gas Service</b>							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (June – September)	\$ .76217	\$ .19158	\$ .95375	\$ .00068	\$ .03747	\$ .39492	\$ 1.38682
Winter (October – May)	.76217	.21965	.98182	.00068	.03747	.39492	1.41489
<b>GN-66-Core Small Electric Power Generation Gas Service</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Summer (June – September)	\$ .09015	\$ .20736	\$ .29751	\$ .00068		\$ .39492	\$ .69311
Winter (October – May)	.09015	.23256	.32271	.00068		.39492	.71831
<b>GN-70-Noncore General Gas Transportation Service</b>							
Basic Service Charge	\$100.00						\$ 100.00
Cost per Therm:							
Summer (June – September)	\$ .14698	\$ .00894	\$ .15592	\$ .00068	\$ .03747		\$ .19407
Winter (October – May)	.14698	.00894	.15592	.00068	.03747		.19407
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>							
TFF Surcharge per Therm							\$ .00415
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>							
MHPS Surcharge per Space per Month							\$ .21000

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO NORTHERN CALIFORNIA DIVISION SCHEDULES [1] [2] [3]**

Schedule No. and Type of Change	Southwest Margin	Charges [4] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges			Effective Sales Rate
				CPUC	PPP [5]	Gas Cost	

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation Charge and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount of \$.00263 per therm for distribution system shrinkage. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for the greater period of either 12 months or the conclusion of the amortization period upon which the Balancing Account Adjustment was developed. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge, if applicable. The TFF Surcharge shall be the product of the customer-secured volumes transported, multiplied by the monthly projected cost of gas, excluding franchise fees and uncollectibles, multiplied by the most current authorized franchise fee factor.

[2] In addition to the Effective Sales Rate, a Facilities Surcharge per therm applies to all natural gas volumes delivered in the Utility's Northern California Expansion Areas pursuant to the provisions of Section 16 of the Preliminary Statements of this California Gas Tariff.

[3] 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.

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

	GN-10, GN-12, GN-20, GN-25	GN-15	GN-35, GN-40	GN-50	GN-60	GN-66	GN-70
<b>Upstream Intrastate Charges</b>							
Reservation	\$ .19734	\$ .19890	\$ .19072	\$ .17494	\$ .17494	\$ .19072	
Storage	.02375	.02394					
Summer			.00000	.00000	.00000	.00000	
Winter			.02520	.03113	.02807	.02520	
FCAM Balancing Account Adjustment *	.01664	.01664	.01664	.01664	.01664	.01664	\$ .00894
<b>Total Rate Adjustment</b>	<u>\$ .23773</u>	<u>\$ .23948</u>					
Total Rate Adjustment (Summer)			<u>\$ .20736</u>	<u>\$ .19158</u>	<u>\$ .19158</u>	<u>\$ .20736</u>	<u>\$ .00894</u>
Total Rate Adjustment (Winter)			<u>\$ .23256</u>	<u>\$ .22271</u>	<u>\$ .21965</u>	<u>\$ .23256</u>	<u>\$ .00894</u>

\* The FCAM surcharge includes an amount of \$.00894 per therm related to the difference between Southwest's authorized margin and recorded revenues intended to recover these costs.

[5] The PPP Surcharge applies to all gas sales and transportation service excluding exempt customers as defined in Rate Schedule No. G-PPPS. The PPP Surcharge includes <\$.00093> per therm to amortize the CARE Balancing Account. This amount is not related to current program year expenses.

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTH LAKE TAHOE DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP [3]		
<b>SLT-10-Residential Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Baseline Quantities	\$ .16623	\$ .24924	\$ .41547	\$ .00068	\$ .03747	\$ .40023	\$ .85385
Tier II	.26719	.24924	.51643	.00068	.03747	.40023	\$.95481
<b>SLT-12-CARE Residential Gas Service</b>							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm:							
Baseline Quantities	\$ .00309	\$ .24924	\$ .25233	\$ .00068	\$ .02354	\$ .40023	\$ .67678
Tier II	.08386	.24924	.33310	.00068	.02354	.40023	\$.75755
<b>SLT-15-Secondary Residential Gas Service</b>							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm:							
Baseline Quantities	\$ .25130	\$ .25100	\$ .50230	\$ .00068	\$ .03747	\$ .40023	\$ .94068
<b>SLT-20-Multi-Family Master-Metered Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm:							
Baseline Quantities	\$ .16623	\$ .24924	\$ .41547	\$ .00068	\$ .03747	\$ .40023	\$ .85385
Tier II	.26719	.24924	.51643	.00068	.03747	.40023	\$.95481
<b>SLT-25-Multi-Family Master-Metered Gas Service-Submetered</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm:							
Baseline Quantities	\$ .16623	\$ .24924	\$ .41547	\$ .00068	\$ .03747	\$ .40023	\$ .85385
Tier II	.26719	.24924	.51643	.00068	.03747	.40023	\$.95481
Submetered Discount per Occupied Space	\$ (5.65)						\$ (5.65)
<b>SLT-35-Agriculture Employee Housing &amp; Nonprofit Group Living Facility Gas Service</b>							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm:							
Summer (May – October)							
First 100	\$ .03322	\$ .21845	\$ .25167	\$ .00068	\$ .02354	\$ .40023	\$ .67612
Next 500	.02122	.21845	.23967	.00068	.02354	.40023	.66412
Next 2,400	.00922	.21845	.22767	.00068	.02354	.40023	.65212
Over 3,000	(.00994)	.21845	.20851	.00068	.02354	.40023	.63296
Winter (November – April)							
First 100	\$ .02812	\$ .24399	\$ .27211	\$ .00068	\$ .02354	\$ .40023	\$ .69656
Next 500	.01612	.24399	.26011	.00068	.02354	.40023	.68456
Next 2,400	.00412	.24399	.24811	.00068	.02354	.40023	.67256
Over 3,000	(.01505)	.24399	.22894	.00068	.02354	.40023	.65339

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTH LAKE TAHOE DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges			Effective Sales Rate
				CPUC	PPP [3]	Gas Cost	
<b>SLT-40-Core General Gas Service</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)							
First 100	\$ .19620	\$ .21845	\$ .41465	\$ .00068	\$ .03747	\$ .40023	\$ .85303
Next 500	.18120	.21845	.39965	.00068	.03747	.40023	.83803
Next 2,400	.16620	.21845	.38465	.00068	.03747	.40023	.82303
Over 3,000	.14224	.21845	.36069	.00068	.03747	.40023	.79907
Winter (November – April)							
First 100	\$ .19620	\$ .24399	\$ .44019	\$ .00068	\$ .03747	\$ .40023	\$ .87857
Next 500	.18120	.24399	.42519	.00068	.03747	.40023	.86357
Next 2,400	.16620	.24399	.41019	.00068	.03747	.40023	.84857
Over 3,000	.14224	.24399	.38623	.00068	.03747	.40023	.82461
<b>SLT-50-Core Natural Gas Service for Motor Vehicles</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)	\$ .14348	\$ .20246	\$ .34594	\$ .00068	\$ .03747	\$ .40023	\$ .78432
Winter (November – April)	.14348	.23401	.37749	.00068	.03747	.40023	.81587
<b>SLT-60-Core Internal Combustion Engine Gas Service</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)	\$ .16331	\$ .20246	\$ .36577	\$ .00068	\$ .03747	\$ .40023	\$ .80415
Winter (November – April)	.16331	.23091	.39422	.00068	.03747	.40023	.83260
<b>SLT-66-Core Small Electric Power Generation Gas Service</b>							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)	\$ .09546	\$ .21845	\$ .31391	\$ .00068		\$ .40023	\$ .71482
Winter (November – April)	.09546	.24399	.33945	.00068		.40023	.74036
<b>SLT-70-Noncore General Gas Transportation Service</b>							
Basic Service Charge	\$100.00						\$ 100.00
Cost per Therm:							
Summer (May – October)	\$ .13507	\$ .01737	\$ .15244	\$ .00068	\$ .03747		\$ .19059
Winter (November – April)	.13507	.01737	.15244	.00068	.03747		.19059
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>							
TFF Surcharge per Therm							\$ .00825
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>							
MHPS Surcharge per Space per Month							\$ .21000

**STATEMENT OF RATES**  
**EFFECTIVE RATES APPLICABLE TO SOUTH LAKE TAHOE DIVISION SCHEDULES [1]**

Schedule No. and Type of Change	Southwest Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges			Effective Sales Rate
				CPUC	PPP [3]	Gas Cost	

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation Charge and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount of \$.00267 for distribution system shrinkage. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for the greater of either 12 months or the conclusion of the amortization period upon which the Balancing Account Adjustment was developed. The volume charge for customer-secured natural gas transportation service will also be subject to the TFF Surcharge, if applicable. The TFF Surcharge shall be the product of the customer-secured volumes transported, multiplied by the monthly projected cost of gas excluding franchise fees and uncollectibles, multiplied by the most current authorized franchise fee factor.

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

	SLT-10, SLT-12, SLT-20, SLT-25	SLT-15	SLT-35, SLT-40	SLT-50	SLT-60	SLT-70
Upstream Intrastate Charges						
Reservation	\$ .20000	\$ .20157	\$ .19328	\$ .17729	\$ .17729	
Storage	.02407	.02426				
Summer			.00000	.00000	.00000	
Winter			.02554	.03155	.02845	
FCAM Balancing Account Adjustment *	.02517	.02517	.02517	.02517	.02517	\$ .01737
Total Rate Adjustment	<u>\$ .24924</u>	<u>\$ .25100</u>				
Total Rate Adjustment (Summer)			<u>\$ .21845</u>	<u>\$ .20246</u>	<u>\$ .20246</u>	<u>\$ .01737</u>
Total Rate Adjustment (Winter)			<u>\$ .24399</u>	<u>\$ .23401</u>	<u>\$ .23091</u>	<u>\$ .01737</u>

\* The FCAM surcharge includes an amount of \$0.01737 per therm related to the difference between Southwest's authorized margin and recorded revenues intended to recover these costs.

[3] The PPP Surcharge applies to all gas sales and transportation service excluding exempt customers as defined in Rate Schedule No. PPPS-292. The PPP Surcharge includes <\$.00093> per therm to amortize the CARE Balancing Account. This amount is not related to current program year expenses.