

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 23, 2012

**Advice Letter 891-G**

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

**Subject: Southwest Gas Corporation (U 905 G) Advice Letter No. 891**

Dear Mr. Soderberg:

Advice Letter 891-G is effective July 1, 2012.

Sincerely,

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

Edward F. Randolph, Director  
Energy Division



## **SOUTHWEST GAS CORPORATION**

Donald L. Soderberg, Vice President/Pricing

June 27, 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. 891

Dear Mr. Gatchalian:

Enclosed herewith are five (5) copies of Southwest Gas Corporation's Advice Letter No. 891, together with California Gas Tariff Sheet Nos. 65-69, 71, 72, and 123.

Sincerely,

Donald L. Soderberg

DLS:kt  
Enclosures



**SOUTHWEST GAS CORPORATION**

Advice Letter No. 891

June 27, 2012

**PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

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

<u>Cal. P.U.C. Sheet No.</u>	<u>California Gas Tariff Title of Sheet</u>	<u>Canceling Cal.P.U.C.Sheet No.</u>
17th Revised Sheet No. 65	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	16th Revised Sheet No. 65
17th Revised Sheet No. 66	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	16th Revised Sheet No. 66
17th Revised Sheet No. 67	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	16th Revised Sheet No. 67
17th Revised Sheet No. 68	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	16th Revised Sheet No. 68
17th Revised Sheet No. 69	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	16th Revised Sheet No. 69
17th Revised Sheet No. 71	Statement of Rates - Effective Rates Applicable to South Lake Tahoe District Schedules	16th Revised Sheet No. 71
17th Revised Sheet No. 72	Statement of Rates - Effective Rates Applicable to South Lake Tahoe District Schedules	16th Revised Sheet No. 72
15th Revised Sheet No. 123	Schedule No. GCP - Gas Procurement For Core Customers	14th Revised Sheet No. 123



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June 27, 2012

### **Purpose**

The purpose of this routine monthly filing is to revise the above listed tariff sheets by updating: (1) procurement charges applicable to Schedule No. GCP, Gas Procurement for Core Customers, in compliance with the Commission's letter dated October 20, 2000, approving Southwest Gas' Advice Letter No. 619; and (2) the Transportation Franchise Fee (TFF) Surcharge applicable to core and noncore customers who secure their own sources of supply, pursuant to Public Utilities Code, Sections 6350 to 6354, *et seq.*

For core sales customers, the July 2012 cost of gas, including adjustment for franchises and uncollectibles, is \$0.26612 per therm for Southwest Gas' Southern California Division, \$0.23177 per therm for Southwest Gas' Northern California Division and \$0.23488 per therm for Southwest Gas' South Lake Tahoe District.

The TFF Surcharge rate is \$0.00393 per therm for Southwest Gas' Southern California Division, \$0.00249 per therm for Southwest Gas' Northern California Division and \$0.00495 per therm for Southwest Gas' South Lake Tahoe District.

### **Effective Date**

Advice Letter No. 626 authorized Southwest Gas to make its monthly gas cost adjustment effective between the first and seventh calendar day of each month. Therefore, Southwest Gas requests the gas cost adjustments be effective July 1, 2012, and believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to General Order 96-B.

### **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 or faxed 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

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



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**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 General Order 96-B since this advice letter is filed in accordance with previously authorized procedures to change gas rates based on changes in the price of gas.

**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

  
Donald L. Soderberg

Attachments

DISTRIBUTION LIST

Advice Letter No. 891

In Conformance with General Order 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

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	\$ .53352	\$ .12205	\$ .65557	\$ .00068	\$ .15496	\$ .26612	\$ 1.07733
Tier II	.69516	.12205	.81721	.00068	.15496	.26612	1.23897
<b>GS-11-Residential Air-Conditioning Gas Service</b>							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm:							
Tier I	\$ .53352	\$ .12205	\$ .65557	\$ .00068	\$ .15496	\$ .26612	\$ 1.07733
Tier II	.69516	.12205	.81721	.00068	.15496	.26612	1.23897
Air-Conditioning	.32282	.12205	.44487	.00068	.15496	.26612	.86663
<b>GS-12-CARE Residential Gas Service</b>							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm:							
Baseline Quantities	\$ .34918	\$ .12205	\$ .47123	\$ .00068	\$ .02411	\$ .26612	\$ .76214
Tier II	.47849	.12205	.60054	.00068	.02411	.26612	.89145
<b>GS-15-Secondary Residential Gas Service</b>							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm:	\$ .83284	\$ .12014	\$ .95298	\$ .00068	\$ .15496	\$ .26612	\$ 1.37474
<b>GS-20-Multi-Family Master-Metered Gas Service</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$ .53352	\$ .12205	\$ .65557	\$ .00068	\$ .15496	\$ .26612	\$ 1.07733
Tier II	.69516	.12205	.81721	.00068	.15496	.26612	1.23897
<b>GS-25-Multi-Family Master-Metered Gas Service-Submetered</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Baseline Quantities	\$ .53352	\$ .12205	\$ .65557	\$ .00068	\$ .15496	\$ .26612	\$ 1.07733
Tier II	.69516	.12205	.81721	.00068	.15496	.26612	1.23897
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	\$ .30030	\$ .10779	\$ .40809	\$ .00068	\$ .02411	\$ .26612	\$ .69900
Next 500	.21750	.10779	.32529	.00068	.02411	.26612	.61620
Next 2,400	.14270	.10779	.25049	.00068	.02411	.26612	.54140
Over 3,000	.01952	.10779	.12731	.00068	.02411	.26612	.41822
Winter (November – April)							
First 100	\$ .29725	\$ .12303	\$ .42028	\$ .00068	\$ .02411	\$ .26612	\$ .71119
Next 500	.21445	.12303	.33748	.00068	.02411	.26612	.62839
Next 2,400	.13965	.12303	.26268	.00068	.02411	.26612	.55359
Over 3,000	.01646	.12303	.13949	.00068	.02411	.26612	.43040

Advice Letter No. 891  
Decision No. \_\_\_\_\_

Issued by  
John P. Hester  
Senior Vice President

Date Filed June 27, 2012  
Effective July 1, 2012  
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		Gas Cost	Effective Sales Rate
				CPUC	PPP [3]		
<b>GS-40-Cofe General Gas Service</b>							
Basic Service Charge	\$11.00						\$ 11.00
Cost per Therm:							
Summer (May – October)							
First 100	\$ .46885	\$ .10779	\$ .57664	\$ .00068	\$ .15496	\$ .26612	\$ .99840
Next 500	.36535	.10779	.47314	.00068	.15496	.26612	.89490
Next 2,400	.27185	.10779	.37964	.00068	.15496	.26612	.80140
Over 3,000	.11788	.10779	.22567	.00068	.15496	.26612	.64743
Winter (November – April)							
First 100	\$ .46885	\$ .12303	\$ .59188	\$ .00068	\$ .15496	\$ .26612	\$ 1.01364
Next 500	.36535	.12303	.48838	.00068	.15496	.26612	.91014
Next 2,400	.27185	.12303	.39488	.00068	.15496	.26612	.81664
Over 3,000	.11788	.12303	.24091	.00068	.15496	.26612	.66267
<b>GS-50-Core Natural Gas Service for Motor Vehicles</b>							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (May – October)	\$ .09935	\$ .10318	\$ .20253	\$ .00068	\$ .15496	\$ .26612	\$ .62429
Winter (November – April)	.09935	.11151	.21086	.00068	.15496	.26612	.63262
<b>GS-60-Core Internal Combustion Engine Gas Service</b>							
Basic Service Charge	\$25.00						\$ 25.00
Cost per Therm:							
Summer (May – October)	\$ .14448	\$ .10366	\$ .24814	\$ .00068	\$ .15496	\$ .26612	\$ .66990
Winter (November – April)	.14448	.12235	.26683	.00068	.15496	.26612	.68859
<b>GS-66-Core Small Electric Power Generation Gas Service</b>							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm:							
Summer (May – October)	\$ .10603	\$ .10384	\$ .20987	\$ .00068		\$ .26612	\$ .47667
Winter (November – April)	.10603	.11891	.22494	.00068		.26612	.49174
<b>GS-70-Noncore General Gas Transportation Service</b>							
Basic Service Charge	\$100.00						\$ 100.00
Cost per Therm:							
Summer (May – October)	\$ .09842	\$ .06985	\$ .16827	\$ .00068	\$ .15496		\$ .32391
Winter (November – April)	.09842	.06985	.16827	.00068	.15496		.32391
<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	\$ .46885	\$ .10779	\$ .57664	\$ .00068		\$ .26612	\$ .84344
Next 500	.36535	.10779	.47314	.00068		.26612	.73994
Next 2,400	.27185	.10779	.37964	.00068		.26612	.64644
Over 3,000	.11788	.10779	.22567	.00068		.26612	.49247
Winter (November – April)							
First 100	\$ .46885	\$ .12303	\$ .59188	\$ .00068		\$ .26612	\$ .85868
Next 500	.36535	.12303	.48838	.00068		.26612	.75518
Next 2,400	.27185	.12303	.39488	.00068		.26612	.66168
Over 3,000	.11788	.12303	.24091	.00068		.26612	.50771



**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>TFF-Transportation Franchise Fee Surcharge Provision</b>							
TFF Surcharge per Therm							\$ .00393
<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 \$.00325 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	\$ .01209	\$ .01176					
Summer			\$ .00104	\$ .00031	\$ .00079	\$ .00097	
Winter			.01628	.00864	.01948	.01604	
Variable	.02779	.02779	.02779	.02779	.02779	.02779	\$ .02779
Interstate Reservation/Firm Access Charge	.04211	.04053	.03890	.03502	.03502	.03502	
<b>Balancing Account Adjustments</b>							
FCAM*	.03178	.03178	.03178	.03178	.03178	.03178	.03378
ITCAM	.00828	.00828	.00828	.00828	.00828	.00828	.00828
<b>Total Rate Adjustment</b>	<b>\$ .12205</b>	<b>\$ .12014</b>					
Total Rate Adjustment (Summer)			\$ .10779	\$ .10318	\$ .10366	\$ .10384	\$ .06985
Total Rate Adjustment (Winter)			\$ .12303	\$ .11151	\$ .12235	\$ .11891	\$ .06985

\* The FCAM surcharge includes an amount of \$.03378 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 <\$.01158> 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		Gas Cost	Effective Sales Rate	
				CPUC	PPP [5]			
<b>GN-10-Residential Gas Service</b>								
Basic Service Charge	\$ 5.00						\$ 5.00	
Cost per Therm:								
Baseline Quantities	\$ .56970	\$ .16008	\$ .72978	\$ .00068	\$ .03742	\$ .23177	\$ 0.99965	R
Tier II	.68041	.16008	.84049	.00068	.03742	.23177	1.11036	R
<b>GN-12-CARE Residential Gas Service</b>								
Basic Service Charge	\$ 4.00						\$ 4.00	
Cost per Therm:								
Baseline Quantities	\$ .37739	\$ .16008	\$ .53747	\$ .00068	\$ .02411	\$ .23177	\$ .79403	R
Tier II	.46596	.16008	.62604	.00068	.02411	.23177	.88260	R
<b>GN-15-Secondary Residential Gas Service</b>								
Basic Service Charge	\$ 6.00						\$ 6.00	
Cost per Therm:	\$ .70610	\$ .16169	\$ .86779	\$ .00068	\$ .03742	\$ .23177	\$ 1.13766	R
<b>GN-20-Multi-Family Master-Metered Gas Service</b>								
Basic Service Charge	\$ 25.00						\$ 25.00	
Cost per Therm:								
Baseline Quantities	\$ .56970	\$ .16008	\$ .72978	\$ .00068	\$ .03742	\$ .23177	\$ 0.99965	R
Tier II	.68041	.16008	.84049	.00068	.03742	.23177	1.11036	R
<b>GN-25-Multi-Family Master-Metered Gas Service-Submetered</b>								
Basic Service Charge	\$ 25.00						\$ 25.00	
Cost per Therm:								
Baseline Quantities	\$ .56970	\$ .16008	\$ .72978	\$ .00068	\$ .03742	\$ .23177	\$ 0.99965	R
Tier II	.68041	.16008	.84049	.00068	.03742	.23177	1.11036	R
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	\$ .29089	\$ .13026	\$ .42115	\$ .00068	\$ .02411	\$ .23177	\$ .67771	R
Next 500	.21409	.13026	.34435	.00068	.02411	.23177	.60091	R
Next 2,400	.13969	.13026	.26995	.00068	.02411	.23177	.52651	R
Over 3,000	.04221	.13026	.17247	.00068	.02411	.23177	.42903	R
Winter (October – May)								
First 100	\$ .28584	\$ .15551	\$ .44135	\$ .00068	\$ .02411	\$ .23177	\$ .69791	R
Next 500	.20904	.15551	.36455	.00068	.02411	.23177	.62111	R
Next 2,400	.13464	.15551	.29015	.00068	.02411	.23177	.54671	R
Over 3,000	.03716	.15551	.19267	.00068	.02411	.23177	.44923	R

Advice Letter No. 891  
Decision No. \_\_\_\_\_

Issued by  
John P. Hester  
Senior Vice President

Date Filed June 27, 2012  
Effective July 1, 2012  
Resolution No. \_\_\_\_\_

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	\$ .45412	\$ .13026	\$ .58438	\$ .00068	\$ .03742	\$ .23177	\$ .85425	R
Next 500	.35812	.13026	.48838	.00068	.03742	.23177	.75825	R
Next 2,400	.26512	.13026	.39538	.00068	.03742	.23177	.66525	R
Over 3,000	.14327	.13026	.27353	.00068	.03742	.23177	.54340	R
Winter (October – May)								
First 100	\$ .45412	\$ .15551	\$ .60963	\$ .00068	\$ .03742	\$ .23177	\$ .87950	R
Next 500	.35812	.15551	.51363	.00068	.03742	.23177	.78350	R
Next 2,400	.26512	.15551	.42063	.00068	.03742	.23177	.69050	R
Over 3,000	.14327	.15551	.29878	.00068	.03742	.23177	.56865	R
<b>GN-50-Core Natural Gas Service for Motor Vehicles</b>								
Basic Service Charge	\$25.00						\$ 25.00	
Cost per Therm:								
Summer (June – September)	\$ .07287	\$ .11589	\$ .18876	\$ .00068	\$ .03742	\$ .23177	\$ .45863	R
Winter (October – May)	.07287	.14708	.21995	.00068	.03742	.23177	.48982	R
<b>GN-60-Core Internal Combustion Engine Gas Service</b>								
Basic Service Charge	\$25.00						\$ 25.00	
Cost per Therm:								
Summer (June – September)	\$ .77630	\$ .11589	\$ .89219	\$ .00068	\$ .03742	\$ .23177	\$ 1.16206	R
Winter (October – May)	.77630	.14401	.92031	.00068	.03742	.23177	1.19018	R
<b>GN-66-Core Small Electric Power Generation Gas Service</b>								
Basic Service Charge	\$ 25.00						\$ 25.00	
Cost per Therm:								
Summer (June – September)	\$ .09028	\$ .13026	\$ .22054	\$ .00068		\$ .23177	\$ .45299	R
Winter (October – May)	.09028	.15551	.24579	.00068		.23177	.47824	R
<b>GN-70-Noncore General Gas Transportation Service</b>								
Basic Service Charge	\$100.00						\$ 100.00	
Cost per Therm:								
Summer (June – September)	\$ .14698	\$ (.03688)	\$ .11010	\$ .00068	\$ .03742		\$ .14820	
Winter (October – May)	.14698	(.03688)	.11010	.00068	.03742		.14820	
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>								
TFF Surcharge per Therm							\$ .00249	R
<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		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	\$ .16644	\$ .20056	\$ .36700	\$ .00068	\$ .03742	\$ .23488	\$ .63998	R
Tier II	.26740	.20056	.46796	.00068	.03742	.23488	.74094	R
<b>SLT-12-CARE Residential Gas Service</b>								
Basic Service Charge	\$ 4.00						\$ 4.00	
Cost per Therm:								
Baseline Quantities	\$ .04606	\$ .20056	\$ .24662	\$ .00068	\$ .02411	\$ .23488	\$ .50629	R
Tier II	.12683	.20056	.32739	.00068	.02411	.23488	.58706	R
<b>SLT-15-Secondary Residential Gas Service</b>								
Basic Service Charge	\$ 6.00						\$ 6.00	
Cost per Therm:	\$ .25158	\$ .20218	\$ .45376	\$ .00068	\$ .03742	\$ .23488	\$ .72674	R
<b>SLT-20-Multi-Family Master-Metered Gas Service</b>								
Basic Service Charge	\$ 11.00						\$ 11.00	
Cost per Therm:								
Baseline Quantities	\$ .16644	\$ .20056	\$ .36700	\$ .00068	\$ .03742	\$ .23488	\$ .63998	R
Tier II	.26740	.20056	.46796	.00068	.03742	.23488	.74094	R
<b>SLT-25-Multi-Family Master-Metered Gas Service-Submetered</b>								
Basic Service Charge	\$ 11.00						\$ 11.00	
Cost per Therm:								
Baseline Quantities	\$ .16644	\$ .20056	\$ .36700	\$ .00068	\$ .03742	\$ .23488	\$ .63998	R
Tier II	.26740	.20056	.46796	.00068	.03742	.23488	.74094	R
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	\$ .07605	\$ .17033	\$ .24638	\$ .00068	\$ .02411	\$ .23488	\$ .50605	R
Next 500	.06405	.17033	.23438	.00068	.02411	.23488	.49405	R
Next 2,400	.05205	.17033	.22238	.00068	.02411	.23488	.48205	R
Over 3,000	.03288	.17033	.20321	.00068	.02411	.23488	.46288	R
Winter (November – April)								
First 100	\$ .07093	\$ .19592	\$ .26685	\$ .00068	\$ .02411	\$ .23488	\$ .52652	R
Next 500	.05893	.19592	.25485	.00068	.02411	.23488	.51452	R
Next 2,400	.04693	.19592	.24285	.00068	.02411	.23488	.50252	R
Over 3,000	.02776	.19592	.22368	.00068	.02411	.23488	.48335	R

Advice Letter No. 891  
Decision No. \_\_\_\_\_

Issued by  
John P. Hester  
Senior Vice President

Date Filed June 27, 2012  
Effective July 1, 2012  
Resolution No. \_\_\_\_\_

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-40-Core General Gas Service</b>								
Basic Service Charge	\$11.00						\$ 11.00	
Cost per Therm:								
Summer (May – October)								
First 100	\$ .19636	\$ .17033	\$ .36669	\$ .00068	\$ .03742	\$ .23488	\$ .63967	R
Next 500	.18136	.17033	.35169	.00068	.03742	.23488	.62467	R
Next 2,400	.16636	.17033	.33669	.00068	.03742	.23488	.60967	R
Over 3,000	.14240	.17033	.31273	.00068	.03742	.23488	.58571	R
Winter (November – April)								
First 100	\$ .19636	\$ .19592	\$ .39228	\$ .00068	\$ .03742	\$ .23488	\$ .66526	R
Next 500	.18136	.19592	.37728	.00068	.03742	.23488	.65026	R
Next 2,400	.16636	.19592	.36228	.00068	.03742	.23488	.63526	R
Over 3,000	.14240	.19592	.33832	.00068	.03742	.23488	.61130	R
<b>SLT-50-Core Natural Gas Service for Motor Vehicles</b>								
Basic Service Charge	\$11.00						\$ 11.00	
Cost per Therm:								
Summer (May – October)	\$ .14360	\$ .15577	\$ .29937	\$ .00068	\$ .03742	\$ .23488	\$ .57235	R
Winter (November – April)	.14360	.18738	.33098	.00068	.03742	.23488	.60396	R
<b>SLT-60-Core Internal Combustion Engine Gas Service</b>								
Basic Service Charge	\$11.00						\$ 11.00	
Cost per Therm:								
Summer (May – October)	\$ .16344	\$ .15577	\$ .31921	\$ .00068	\$ .03742	\$ .23488	\$ .59219	R
Winter (November – April)	.16344	.18428	.34772	.00068	.03742	.23488	.62070	R
<b>SLT-66-Core Small Electric Power Generation Gas Service</b>								
Basic Service Charge	\$ 11.00						\$ 11.00	
Cost per Therm:								
Summer (May – October)	\$ .09554	\$ .17033	\$ .26587	\$ .00068		\$ .23488	\$ .50143	R
Winter (November – April)	.09554	.19592	.29146	.00068		.23488	.52702	R
<b>SLT-70-Noncore General Gas Transportation Service</b>								
Basic Service Charge	\$100.00						\$ 100.00	
Cost per Therm:								
Summer (May – October)	\$ .13518	\$ .00095	\$ .13613	\$ .00068	\$ .03742		\$ .17423	
Winter (November – April)	.13518	.00095	.13613	.00068	.03742		.17423	
<b>TFF-Transportation Franchise Fee Surcharge Provision</b>								
TFF Surcharge per Therm							\$ .00495	R
<b>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</b>								
MHPS Surcharge per Space per Month							\$ .21000	

Schedule No. GCP

GAS PROCUREMENT FOR CORE CUSTOMERS

APPLICABILITY

Applicable to core customers who purchase natural gas from the Company. Service under this schedule will be provided in conjunction with the customer's otherwise applicable sales rate schedule.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

The Company shall adjust the Cost of Gas for this schedule monthly to reflect its estimated average gas costs. This revised rate shall become effective between the first and seventh calendar day of each month.

Procurement Charges:

Southern California

Cost of Gas	\$ .26140
F&U	<u>.00472</u>
Total	\$ .26612

Northern California

Cost of Gas	\$ .22927
F&U	<u>.00250</u>
Total	\$ .23177

South Lake Tahoe

Cost of Gas	\$ .22927
F&U	<u>.00561</u>
Total	\$ .23488

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**SOUTHWEST GAS CORPORATION  
CALCULATION OF MONTHLY CORE PROCUREMENT CHARGES  
FOR THE MONTH OF JULY 2012**

Line No.	Description (a)	Amount (b)	Line No.
<u>Southern California</u>			
1	Projected Cost of Gas [1]	\$ 0.26932	1
2	Monthly Account No. 191 Surcharge [2]	(0.00792)	2
3	Subtotal	\$ 0.26140	3
4	Franchise & Uncollectibles @ 1.8067% [3]	0.00472	4
5	Total July Core Procurement Charge	<u>\$ 0.26612</u>	5
<u>Northern California</u>			
6	Projected Cost of Gas [4]	\$ 0.24145	6
7	Monthly Account No. 191 Surcharge [5]	(0.01218)	7
8	Subtotal	\$ 0.22927	8
9	Franchise & Uncollectibles @ 1.0906% [3]	0.00250	9
10	Total July Core Procurement Charge	<u>\$ 0.23177</u>	10
<u>South Lake Tahoe</u>			
11	Projected Cost of Gas [4]	\$ 0.24145	11
12	Monthly Account No. 191 Surcharge [5]	(0.01218)	12
13	Subtotal	\$ 0.22927	13
14	Franchise & Uncollectibles @ 2.4488% [3]	0.00561	14
15	Total July Core Procurement Charge	<u>\$ 0.23488</u>	15

[1] Schedule I, Sheet 2.

[2] Schedule I, Sheet 4.

[3] Order Approving Southwest Application 07-12-022 (D.08-11-048).

[4] Schedule I, Sheet 3.

[5] Schedule I, Sheet 5.

**SOUTHWEST GAS CORPORATION  
SOUTHERN CALIFORNIA  
CALCULATION OF PROJECTED MONTHLY GAS COST  
FOR THE MONTH OF JULY 2012**

Line No.	Description (a)	Dth (b)	Average Cost Per Unit (c)	Amount (d)	Line No.
<u>City Gate Demand and Storage Injections</u>					
1	Total City Gate Demand	295,740			1
2	Purchases for Storage Injection (Dth at City Gate) [3]	91,617			2
3	Total Demand and Storage Injections	<u>387,357</u>			3
<u>Southern California Gas Purchases into El Paso Mainline</u>					
4	Term Purchases	124,000	\$ 2.4400	\$ 302,560	4
5	First of Month Purchases [1]	-	-	-	5
6	Spot Purchases [1]	-	-	-	6
7	In Kind Fuel	(2,864)	-	-	7
8	El Paso Variable Transmission	121,136	\$ 0.0209	2,532	8
9	El Paso Basin Gas delivered to California Border			<u>\$ 305,092</u>	9
<u>Southern California Basin Gas Purchases into Transwestern</u>					
10	Term Purchases	-	\$ -	\$ -	10
11	First of Month Purchases [1]	145,793	2.5200	367,398	11
12	Spot Purchases [1]	-	-	-	12
13	In Kind Fuel	(3,572)	-	-	13
14	Transwestern Variable Transmission	142,221	\$ 0.0130	1,849	14
15	Transwestern Basin Gas Delivered to California Border			<u>\$ 369,247</u>	15
<u>Southern California Border Gas Purchases</u>					
16	Term Purchases	124,000	\$ 2.9750	\$ 368,900	16
17	First of Month Purchases [1]	-	-	-	17
18	Spot Purchases [1]	-	-	-	18
19	Total Border Gas Purchases			<u>\$ 368,900</u>	19
<u>Storage Withdrawals</u>					
20	Projected Volume	-	\$ -	\$ -	20
21	O&M Withdrawal Variable Charge	-	-	-	21
22	Total Average Cost of Gas	-	\$ -	\$ -	22
23	Total Cost of Gas at City Gate [2]	<u>387,357</u>	<u>\$ 2.6932</u>	<u>\$ 1,043,239</u>	23

[1] Based on June 18 2012, first of the month forwards.

[2] Excludes storage and interstate pipeline fixed charges and intrastate transportation.

[3] Does not include gas scheduled directly to storage.



**SOUTHWEST GAS CORPORATION  
NORTHERN CALIFORNIA INCLUDING SOUTH LAKE TAHOE DISTRICT  
CALCULATION OF PROJECTED MONTHLY GAS COST  
FOR THE MONTH OF JULY 2012**

Line No.	Description (a)	Dth (b)	Average Cost Per Unit (c)	Amount (d)	Line No.
1	Total City Gate Demand (Dth-Net)	<u>119,860</u>			1
2	Projected Purchases Into NWPL [1], [5]	123,917	\$ 2.3023	\$ 285,300	2
3	Projected Purchases Into Tuscarora [1]	-	-	-	3
4	Projected Purchases Into Paiute [1]	-	-	-	4
5	Total Projected Gas Purchases into Mainline		<u>\$ 2.3803</u>	<u>\$ 285,300</u>	5
	<u>Transportation Cost</u>				
6	NWPL Volumetric Charge [2]	122,306	\$ 0.0318	\$ 3,889	6
7	Paiute Volumetric Charge [3]	119,860	0.0018	216	7
8	Tuscarora Volumetric Charge [4]	-	0.0018	-	8
9	Total Transportation Variable Cost		<u>\$ 0.0342</u>	<u>\$ 4,105</u>	9
10	Total Cost at the City Gate (Excluding LNG and Pipeline Fixed Charges)	<u>119,860</u>	<u>\$ 2.4145</u>	<u>\$ 289,405</u>	10

[1] Based on June 18 2012, first of the month forwards.

[2] NWPL less in-kind fuel at 1.30%.

[3] Paiute less in-kind fuel at 2.00%.

[4] Tuscarora less in-kind fuel at 0.20%.

[5] Assumes no volume is dispatched from LNG.

**SOUTHWEST GAS CORPORATION  
SOUTHERN CALIFORNIA  
CALCULATION OF MONTHLY PGA BALANCING ACCOUNT ADJUSTMENTS  
FOR THE MONTH OF JULY 2012**

Line No.	Description (a)	Estimated May Activity (b)	July Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for May 2012		\$ (553,677)	1
2	April Imbalance Traded into Storage		(609,195)	2
3	No Imbalance Activity for May		-	3
4	Adjusted Ending Balance		<u>\$ (1,162,872)</u>	4
5	May Rate	\$ (0.00236)		5
6	June Rate	<u>(0.00480)</u>		6
7	Average Rate	<u>\$ (0.00358)</u>		7
8	Estimated June Sales	11,008,468		8
9	Estimated June Acct. No. 191 Activity (Line 7 x Line 8)		\$ 39,410	9
10	Estimated June Acct. No. 191 Ending Balance Adjusted for Known and Unrecorded Activity		<u>\$ (1,123,462)</u>	10
11	Twelve Months Projected Sales		<u>141,903,922</u>	11
12	July Surcharge (Line 10 / Line 11)		<u><u>\$ (0.00792)</u></u>	12

**SOUTHWEST GAS CORPORATION  
NORTHERN CALIFORNIA INCLUDING SOUTH LAKE TAHOE DISTRICT  
CALCULATION OF MONTHLY PGA BALANCING ACCOUNT ADJUSTMENT  
FOR THE MONTH OF JULY 2012**

Line* No.	Description (a)	Estimated May Activity (b)	July Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for May 2012		\$ (528,758)	1
2	May Rate	\$ 0.00750		2
3	June Rate	0.00359		3
4	Average Rate	<u>\$ 0.00555</u>		4
5	Estimated June Sales	2,126,891		5
6	Estimated June Acct. No. 191 Activity (Line 4 x Line 5)		\$ (11,794)	6
7	Estimated June Acct. No. 191 Ending Balance Adjusted for Known and Unrecorded Activity		<u>\$ (540,552)</u>	7
8	Twelve Months Projected Sales		<u>44,382,072</u>	8
9	July Surcharge (Line 7 / Line 8)		<u><u>\$ (0.01218)</u></u>	9

**SOUTHWEST GAS CORPORATION  
CALCULATION OF TRANSPORTATION FRANCHISE FEE (TFF) SURCHARGE  
FOR THE MONTH OF JULY 2012**

Line No.	Description (a)	(\$/therm) (b)	Line No.
	<u>Southern California</u>		
1	Estimated Cost of Gas [1]	\$ 0.26932	1
2	Franchise Tax @ 1.4595% [2]	\$ 0.00393	2
	<u>Northern California</u>		
3	Estimated Cost of Gas [1]	\$ 0.24145	3
4	Franchise Tax @ 1.0306% [2]	\$ 0.00249	4
	<u>South Lake Tahoe</u>		
5	Estimated Cost of Gas [1]	\$ 0.24145	5
6	Franchise Tax @ 2.0490% [2]	\$ 0.00495	6

[1] Schedule I, Sheet 1.

[2] Order Approving Southwest Application 07-12-022 (D.08-11-048).