

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

FRANCISCO, CA 94102-3298



June 27, 2007

Advice Letter 780

John P. Hester, Sr. Vice-President
Regulatory Affairs and Energy Resources
Southwest Gas Corporation
P O Box 98510
Las Vegas, NV 89193-8510

Subject: To Update Procurement Charges Applicable to Schedule No. GCP for Core Customers and the Transportation Franchise Fee (TFF) Surcharges Applicable to Core and Non-Core Customers in the Southern and Northern California Divisions and the Gas Cost Procurement in the South Lake Tahoe District

Dear Mr. Hester:

Advice Letter 780 is effective June 07, 2007.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean H. Gallagher".

Sean H. Gallagher, Director
Energy Division

PLEASE STAMP AND RETURN IN
THE ENCLOSED SELF-
ADDRESSED ENVELOPE
ENERGY DIVISION

07 JUN -4 PM 4:22

JUN -7 2007
REGULATORY AFFAIRS



SOUTHWEST GAS CORPORATION

Roger C. Montgomery, Vice President/Pricing

June 1, 2007

California Public Utilities Commission
Energy Division
Attention: Sean Gallagher, Director
505 Van Ness Avenue, Room 4004
San Francisco, CA 94102

Subject: Southwest Gas Corporation (U 905 G)
Advice Letter No. 780

Dear Mr. Gallagher:

Enclosed herewith are six (6) copies of Southwest Gas Corporation's Advice Letter No. 780, together with: 1) California Gas Tariff Sheet Nos. 6474-G through 6482-G and 2) California - South Lake Tahoe Gas Tariff Sheet Nos. 25 and 26.

Sincerely,

Roger C. Montgomery

RCM:tl
Enclosures



SOUTHWEST GAS CORPORATION

Advice Letter No. 780

June 1, 2007

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest) (U 905 G) tenders herewith 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.
6474-G	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules	6458-G
6475-G	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules (<i>Continued</i>)	6459-G
6476-G	Statement of Rates - Effective Rates Applicable to Southern California Division Schedules (<i>Continued</i>)	6460-G
6477-G	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules	6461-G
6478-G	Statement of Rates - Effective Rates Applicable to Northern California Division Schedules (<i>Continued</i>)	6462-G
6479-G	Schedule No. GCP – Gas Procurement For Core Customers	6463-G
6480-G	Table of Contents (<i>Continued</i>)	6470-G
6481-G	Table of Contents (<i>Continued</i>)	6465-G
6482-G	Table of Contents	6473-G

California – South Lake Tahoe Gas Tariff

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
Twenty-Seventh Revised Sheet No. 25	Statement of Rates – South Lake Tahoe District	Twenty-Sixth Revised Sheet No. 25



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June 1, 2007

California – South Lake Tahoe Gas Tariff (Continued)

<u>Cal. P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Cal. P.U.C. Sheet No.</u>
Twenty-Seventh Revised Sheet No. 26	Statement of Rates – South Lake Tahoe District	Twenty-Sixth Revised Sheet No. 26

The purpose of this routine monthly filing is to revise the above listed tariff sheets by updating the: 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's Advice Letter No. 619; and 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.*

In its approval of Advice Letter No. 626, the Commission authorized Southwest to make its monthly gas cost adjustment effective between the first and seventh calendar day of each month.

For core sales customers, the June 7, 2007 cost of gas, including adjustment for franchises and uncollectibles, is \$0.72437 therm for Southwest's Southern California Division and \$0.40216 therm for Southwest's Northern California Division and South Lake Tahoe District.

For Southwest's Southern California Division, the TFF Surcharge rate is \$0.00951 per therm. For Southwest's Northern California Division and South Lake Tahoe District, the TFF Surcharge rate is \$0.00606 per therm.

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

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



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June 1, 2007

In accordance with General Order 96-A, Section III, Paragraph G, Southwest is mailing copies of this advice letter and related tariff sheets to the utilities and interested parties shown on the attached list.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By *Roger C. Montgomery*
Roger C. Montgomery

Attachments

DISTRIBUTION LIST

Advice Letter No. 780

In Conformance with G.O. 96-A, III-G

Southern California Edison Company

Pacific Gas & Electric Company

Sierra Pacific Power Company

San Diego Gas & Electric Company

Southern California Gas Company

Director/Division of Ratepayer Advocates

Canceling

STATEMENT OF RATES
EFFECTIVE RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES (1) [2]

Schedule No. and Type of Charge	Southwest Margin	Upstream Intrastate Charges		Interstate Reservation Charge	Balancing Account Adjustments		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
		Storage	Variable		CFCAM [3] NFCAM	ITCAM		CPPUC	PPP [4]		
GS-10 — Residential Gas Service											
Basic Service Charge	\$ 5.00										\$ 5.00
Cost per Therm	\$ 0.50280	\$ 0.01762	\$ 0.03670	\$ 0.01893	\$ 0.03296	\$ 0.00848	\$ 0.61749	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.47296
Baseline Quantities	\$ 0.65208	0.01762	0.03670	0.01893	0.03296	0.00848	0.76677	0.00076	0.13034	0.72437	1.62224
Tier II											
GS-11 — Residential Air-Conditioning											
Gas Service	\$ 5.00										\$ 5.00
Basic Service Charge	\$ 0.50280	\$ 0.01842	\$ 0.03670	\$ 0.02025	\$ 0.03296	\$ 0.00848	\$ 0.61861	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.47508
Cost per Therm	\$ 0.65208	0.01842	0.03670	0.02025	0.03296	0.00848	0.76889	0.00076	0.13034	0.72437	1.62436
Tier I	\$ 0.32604	0.01842	0.03670	0.02025	0.03296	0.00848	0.44285	0.00076	0.13034	0.72437	1.26832
Tier II											
Air-Conditioning											
GS-12 — CARE Residential Gas Service											
Basic Service Charge	\$ 4.00										\$ 4.00
Cost per Therm	\$ 0.23443	\$ 0.01762	\$ 0.03670	\$ 0.01893	\$ 0.03296	\$ 0.00848	\$ 0.34912	\$ 0.00076	\$ 0.00880	\$ 0.72437	\$ 1.08305
Baseline Quantities	\$ 0.35385	0.01762	0.03670	0.01893	0.03296	0.00848	0.46854	0.00076	0.00880	0.72437	1.20247
Tier II											
GS-15 — Secondary Residential Gas Service											
Basic Service Charge	\$ 6.00										\$ 6.00
Cost per Therm	\$ 0.78169	\$ 0.01779	\$ 0.03670	\$ 0.01911	\$ 0.03296	\$ 0.00848	\$ 0.89673	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.75220
Baseline Quantities											
Tier II											
GS-20 — Multi-Family Master-Metered Gas Service											
Basic Service Charge	\$ 25.00										\$ 25.00
Cost per Therm	\$ 0.50013	\$ 0.01881	\$ 0.03670	\$ 0.02041	\$ 0.03296	\$ 0.00848	\$ 0.61749	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.47296
Baseline Quantities	\$ 0.64941	0.01881	0.03670	0.02041	0.03296	0.00848	0.76677	0.00076	0.13034	0.72437	1.62224
Tier II											
GS-25 — Multi-Family Master-Metered Gas Service — Submetered											
Basic Service Charge	\$ 25.00										\$ 25.00
Cost per Therm	\$ 0.35283	\$ 0.01881	\$ 0.03670	\$ 0.02041	\$ 0.03296	\$ 0.00848	\$ 0.47019	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.32566
Baseline Quantities	\$ 0.64941	0.01881	0.03670	0.02041	0.03296	0.00848	0.76677	0.00076	0.13034	0.72437	1.62224
Tier II											
GS-30 — Street and Outdoor Lighting											
Gas Service	\$ 0.57411	\$ 0.01754	\$ 0.03670	\$ 0.01937	\$ 0.03296	\$ 0.00848	\$ 0.68916	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.54463
Charge per Therm of											
Rated Capacity											

Canceling

STATEMENT OF RATES
EFFECTIVE RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES [1] [2]

Schedule No. and Type of Charge	Southwest Margin	Upstream Intrastate Charges		Interstate Reservation Charge	Balancing Account Adjustments		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
		Storage	Variable		CFCAM [3]	ITCAM		CPUC	PPP [4]		
GS-35 — Agricultural Employee Housing and Nonprofit Group Living Facility Gas Service											
Basic Service Charge	\$ 8.80										\$ 8.80
Cost per Therm											
Summer (May - October)											
First 100	\$ 0.19930	\$ 0.00152	\$ 0.03670	\$ 0.02107	\$ 0.03296	\$ 0.00848	\$ 0.30003	\$ 0.00076	\$ 0.00880	\$ 0.72437	\$ 1.03396
Next 500	0.10696	0.00152	0.03670	0.02107	0.03296	0.00848	0.20771	0.00076	0.00880	0.72437	0.94164
Next 2,400	0.02698	0.00152	0.03670	0.02107	0.03296	0.00848	0.12771	0.00076	0.00880	0.72437	0.86164
Over 3,000	(0.08168)	0.00152	0.03670	0.02107	0.03296	0.00848	0.01905	0.00076	0.00880	0.72437	0.75298
Winter (November - April)											
First 100	\$ 0.19479	\$ 0.02406	\$ 0.03670	\$ 0.02107	\$ 0.03296	\$ 0.00848	\$ 0.31806	\$ 0.00076	\$ 0.00880	\$ 0.72437	\$ 1.05199
Next 500	0.10247	0.02406	0.03670	0.02107	0.03296	0.00848	0.22574	0.00076	0.00880	0.72437	0.95987
Next 2,400	0.02247	0.02406	0.03670	0.02107	0.03296	0.00848	0.14574	0.00076	0.00880	0.72437	0.87987
Over 3,000	(0.08619)	0.02406	0.03670	0.02107	0.03296	0.00848	0.03708	0.00076	0.00880	0.72437	0.77101
GS-40 — Core General Gas Service											
Basic Service Charge	\$ 11.00										\$ 11.00
Cost per Therm											
Summer (May - October)											
First 100	\$ 0.45540	\$ 0.00152	\$ 0.03670	\$ 0.02107	\$ 0.03296	\$ 0.00848	\$ 0.55613	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.41160
Next 500	0.34000	0.00152	0.03670	0.02107	0.03296	0.00848	0.44073	0.00076	0.13034	0.72437	1.29620
Next 2,400	0.24000	0.00152	0.03670	0.02107	0.03296	0.00848	0.34073	0.00076	0.13034	0.72437	1.19620
Over 3,000	0.10417	0.00152	0.03670	0.02107	0.03296	0.00848	0.20490	0.00076	0.13034	0.72437	1.06037
Winter (November - April)											
First 100	\$ 0.45540	\$ 0.02406	\$ 0.03670	\$ 0.02107	\$ 0.03296	\$ 0.00848	\$ 0.57667	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.43414
Next 500	0.34000	0.02406	0.03670	0.02107	0.03296	0.00848	0.46327	0.00076	0.13034	0.72437	1.31874
Next 2,400	0.24000	0.02406	0.03670	0.02107	0.03296	0.00848	0.36327	0.00076	0.13034	0.72437	1.21874
Over 3,000	0.10417	0.02406	0.03670	0.02107	0.03296	0.00848	0.22744	0.00076	0.13034	0.72437	1.08291
GS-50 — Core Natural Gas Service for Motor Vehicles											
Basic Service Charge	\$ 25.00										\$ 25.00
Cost per Therm											
Summer (May - October)											
First 100	\$ 0.09320	\$ 0.00079	\$ 0.03670	\$ 0.02852	\$ 0.03296	\$ 0.00848	\$ 0.20165	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.05712
Next 500	0.09320	0.00079	0.03670	0.02852	0.03296	0.00848	0.23066	0.00076	0.13034	0.72437	1.08613
Next 2,400											
Over 3,000											
Winter (November - April)											
First 100	\$ 0.09320	\$ 0.00127	\$ 0.03670	\$ 0.01892	\$ 0.03296	\$ 0.00848	\$ 0.55373	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.40920
Next 500	0.34000	0.00127	0.03670	0.01892	0.03296	0.00848	0.43853	0.00076	0.13034	0.72437	1.29580
Next 2,400	0.24000	0.00127	0.03670	0.01892	0.03296	0.00848	0.33853	0.00076	0.13034	0.72437	1.19380
Over 3,000	0.10417	0.00127	0.03670	0.01892	0.03296	0.00848	0.20250	0.00076	0.13034	0.72437	1.05797
Winter (November - April)											
First 100	\$ 0.45540	\$ 0.02830	\$ 0.03670	\$ 0.01892	\$ 0.03296	\$ 0.00848	\$ 0.58076	\$ 0.00076	\$ 0.13034	\$ 0.72437	\$ 1.43623
Next 500	0.34000	0.02830	0.03670	0.01892	0.03296	0.00848	0.46536	0.00076	0.13034	0.72437	1.32083
Next 2,400	0.24000	0.02830	0.03670	0.01892	0.03296	0.00848	0.36536	0.00076	0.13034	0.72437	1.22083
Over 3,000	0.10417	0.02830	0.03670	0.01892	0.03296	0.00848	0.22953	0.00076	0.13034	0.72437	1.08500

Canceling

Revised
Revised

Cal. P.U.C. Sheet No. 6476-G
Cal. P.U.C. Sheet No. 6460-G

STATEMENT OF RATES
EFFECTIVE RATES APPLICABLE TO SOUTHERN CALIFORNIA DIVISION SCHEDULES [1] [2]

Schedule No. and Type of Charge	Upstream Intrastate Charges		Interstate Reservation Charge	Balancing Account Adjustments		Subtotal Gas Usage Rate	Other Surcharges CPUC PPP [4]	Gas Cost	Effective Sales Rate
	Storage	Variable		CFCAM [3] NFCAM	ITCAM				
GS-60 — Core Internal Combustion									
Engine Gas Service									\$ 25.00
Basic Service Charge	\$ 0.00103	\$ 0.03670	\$ 0.01807	\$ 0.03296	\$ 0.00848	\$ 0.23065	\$ 0.00076	\$ 0.72437	\$ 1.08612
Cost per Therm						0.26566	0.00076	0.72437	1.12113
Summer (May - October)									
Winter (November - April)									
GS-66 — Small Electric Power Generation									
Gas Service									\$ 25.00
Basic Service Charge	\$ 0.00123	\$ 0.03670	\$ 0.01807	\$ 0.03296	\$ 0.00848	\$ 0.19696	\$ 0.00076	\$ 0.72437	\$ 0.92209
Cost per Therm						0.22621	0.00076	0.72437	0.95134
Summer (May - October)									
Winter (November - April)									
GS-70 — Non-Core General Gas									
Transportation Service									\$ 100.00
Basic Service Charge	\$ 0.08969	\$ 0.03670	\$ 0.01807	\$ 0.03296	\$ 0.00848	\$ 0.13094	\$ 0.00076	\$ 0.72437	\$ 0.26204
Cost per Therm						0.13094	0.00076	0.72437	0.26204
Summer (May - October)									
Winter (November - April)									
GSR — Sale for Resale Natural Gas Service									
Basic Service Charge	\$ 11.00								\$ 11.00
Transportation Service Charge	\$ 780.00								
Cost per Therm									
Summer (May - October)									
First 100	\$ 0.45540	\$ 0.00152	\$ 0.02107	\$ 0.03296	\$ 0.00848	\$ 0.55613	\$ 0.00076	\$ 0.72437	\$ 1.41160
Next 500	0.34000	0.00152	0.02107	0.03296	0.00848	0.44073	0.00076	0.72437	1.28620
Next 2,400	0.24000	0.00152	0.02107	0.03296	0.00848	0.34073	0.00076	0.72437	1.19620
Over 3,000	0.10417	0.00152	0.02107	0.03296	0.00848	0.20480	0.00076	0.72437	1.06037
Winter (November - April)									
First 100	\$ 0.45540	\$ 0.02406	\$ 0.02107	\$ 0.03296	\$ 0.00848	\$ 0.57867	\$ 0.00076	\$ 0.72437	\$ 1.43414
Next 500	0.34000	0.02406	0.02107	0.03296	0.00848	0.46327	0.00076	0.72437	1.31874
Next 2,400	0.24000	0.02406	0.02107	0.03296	0.00848	0.36327	0.00076	0.72437	1.21874
Over 3,000	0.10417	0.02406	0.02107	0.03296	0.00848	0.22744	0.00076	0.72437	1.08291
Transportation Franchise Fee (TFF) Surcharge Provision									\$ 0.00951
TFF Surcharge per Therm									
MHPS — Master-Metered Mobile Home Park Safety Inspection Provision									\$ 0.21000
MHPS Surcharge per Space per Month									

[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 \$0.00565 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] For the purpose of administering the tariff provisions of Rule No. 22, Transportation of Customer-Secured Natural Gas, the otherwise applicable Procurement Charge is equal to the monthly projected cost of gas.

[3] The CFCAM surcharge includes an amount of \$0.00368 per therm related to the difference between Southwest's authorized core margin and recorded revenues intended to recover these costs.

[4] The PPP Surcharge applies to all gas sales and transportation service excluding exempt customers as defined in Rate Schedule No. G-FPPS. The PPP Surcharge includes \$.00134 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] [4]

Schedule No. and Type of Charge	Upstream Charges		Balancing Acct. Adj CFCAM [5] NFCAM	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
	Reservation	Storage			CPUC	PPP [6]		
GN-10 — Residential Gas Service								
Basic Service Charge								5.00
Cost per Therm	\$ 0.61318	\$ 0.03094	\$ 0.01985	\$ 0.83454	\$ 0.00076	\$ 0.01957	\$ 0.40216	1.25703 R
Baseline Quantities	0.71541	0.03094	0.01985	0.93877	0.00076	0.01957	0.40216	1.35926 R
Tier II								
GN-12 — CARE Residential Gas Service								
Basic Service Charge								4.00
Cost per Therm	\$ 0.36584	\$ 0.03094	\$ 0.01985	\$ 0.58720	\$ 0.00076	\$ 0.00676	\$ 0.40216	0.98688 R
Baseline Quantities	0.44762	0.03094	0.01985	0.66998	0.00076	0.00676	0.40216	1.07866 R
Tier II								
GN-15 — Secondary Residential Gas Service								
Basic Service Charge	\$ 6.00							6.00
Cost per Therm	\$ 0.76091	\$ 0.03101	\$ 0.01985	\$ 0.98271	\$ 0.00076	\$ 0.01957	\$ 0.40216	1.40520 R
GN-20 — Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$ 25.00							25.00
Cost per Therm	\$ 0.61760	\$ 0.03026	\$ 0.01985	\$ 0.83454	\$ 0.00076	\$ 0.01957	\$ 0.40216	1.25703 R
Baseline Quantities	0.71983	0.03026	0.01985	0.93677	0.00076	0.01957	0.40216	1.35926 R
Tier II								
GN-25 — Multi-Family Master-Metered Gas Service — Submetered								
Basic Service Charge	\$ 25.00							25.00
Cost per Therm	\$ 0.49190	\$ 0.03026	\$ 0.01985	\$ 0.70884	\$ 0.00076	\$ 0.01957	\$ 0.40216	1.13133 R
Baseline Quantities	0.71983	0.03026	0.01985	0.93677	0.00076	0.01957	0.40216	1.35926 R
Tier II								
GN-30 — Street and Outdoor Lighting Gas Service								
Charge per Therm of Rated Capacity	\$ 0.72306	\$ 0.03069	\$ 0.01985	\$ 0.94280	\$ 0.00076	\$ 0.01957	\$ 0.40216	1.36529 R
GN-35 — Agricultural Employee Housing and Nonprofit Group Living Facility Gas Service								
Basic Service Charge	\$ 8.80							8.80
Cost per Therm	\$ 0.25449	\$ 0.00000	\$ 0.01985	\$ 0.43986	\$ 0.00076	\$ 0.00676	\$ 0.40216	0.84954 R
Summer (June - September)	0.17449	0.00000	0.01985	0.35986	0.00076	0.00676	0.40216	0.76954 R
First 100	0.10089	0.00000	0.01985	0.28626	0.00076	0.00676	0.40216	0.69594 R
Next 500	(0.00341)	0.00000	0.01985	0.18196	0.00076	0.00676	0.40216	0.59164 R
Next 2,400								
Over 3,000								
Winter (October - May)	\$ 0.24693	\$ 0.03780	\$ 0.01985	\$ 0.47010	\$ 0.00076	\$ 0.00676	\$ 0.40216	0.87978 R
First 100	0.16693	0.03780	0.01985	0.39010	0.00076	0.00676	0.40216	0.79978 R
Next 500	0.09333	0.03780	0.01985	0.31650	0.00076	0.00676	0.40216	0.72618 R
Next 2,400	(0.01097)	0.03780	0.01985	0.21220	0.00076	0.00676	0.40216	0.62188 R
Over 3,000								

Advice Letter No. 780
Decision No. _____

Issued by
John P. Hester
Senior Vice President

Date Filed June 1, 2007
Effective June 7, 2007
Resolution No. _____

Canceling

STATEMENT OF RATES
EFFECTIVE RATES APPLICABLE TO NORTHERN CALIFORNIA DIVISION SCHEDULES [1] [2] [3] [4]

Schedule No. and Type of Charge	Southwest Margin	Upstream Charges		Balancing Acct. Adj CFCAM [5] NFCAM	Subtotal Gas Usage Rate	Other Surcharges CPUC	PPP [6]	Gas Cost	Effective Sales Rate
		Reservation	Storage						
GN-40 — Core General Gas Service	11.00								11.00
Basic Service Charge									
Cost per Therm									
Summer (June - September)	\$ 0.46500	\$ 0.16552	\$ 0.00000	\$ 0.01985	\$ 0.65037	\$ 0.00076	\$ 0.01957	\$ 0.40216	1.07286 R
First 100	0.36500	0.16552	0.00000	0.01985	0.55037	0.00076	0.01957	0.40216	0.97286 R
Next 500	0.27300	0.16552	0.00000	0.01985	0.45837	0.00076	0.01957	0.40216	0.88086 R
Over 3,000	0.14262	0.16552	0.00000	0.01985	0.32799	0.00076	0.01957	0.40216	0.75048 R
Winter (October - May)									
First 100	\$ 0.46500	\$ 0.16552	\$ 0.03780	0.01985	\$ 0.68817	\$ 0.00076	0.01957	\$ 0.40216	1.11066 R
Next 500	0.36500	0.16552	0.03780	0.01985	0.58817	0.00076	0.01957	0.40216	1.01066 R
Next 2,400	0.27300	0.16552	0.03780	0.01985	0.49617	0.00076	0.01957	0.40216	0.91866 R
Over 3,000	0.14262	0.16552	0.03780	0.01985	0.36579	0.00076	0.01957	0.40216	0.78828 R
GN-50 — Core Natural Gas Service for Motor Vehicles	25.00								25.00
Basic Service Charge									
Cost per Therm									
Summer (June - September)	\$ 0.06999	\$ 0.13335	\$ 0.00000	\$ 0.01985	\$ 0.22319	\$ 0.00076	\$ 0.01957	\$ 0.40216	0.64568 R
Winter (October - May)	0.06999	0.13335	0.03553	0.01985	0.25902	0.00076	0.01957	0.40216	0.58151 R
GN-60 — Core Internal Combustion Engine Gas Service	25.00								25.00
Basic Service Charge									
Cost per Therm									
Summer (May - October)	\$ 0.24709	\$ 0.15688	\$ 0.00000	\$ 0.01985	\$ 0.42362	\$ 0.00076	\$ 0.01957	\$ 0.40216	0.84631 R
Winter (November - April)	0.24709	0.15688	0.03237	0.01985	0.45619	0.00076	0.01957	0.40216	0.87868 R
GN-66 — Small Electric Power Generation Gas Service	25.00								25.00
Basic Service Charge									
Cost per Therm									
Summer (June - September)	\$ 0.08413	\$ 0.16552	\$ 0.00000	\$ 0.01985	\$ 0.26950	\$ 0.00076	\$ 0.01957	\$ 0.40216	0.67242 R
Winter (October - May)	0.08413	0.16552	0.03780	0.01985	0.30730	0.00076	0.01957	0.40216	0.71022 R
GN-70 — Noncore General Gas Transportation Service	100.00								100.00
Basic Service Charge									
Cost per Therm									
Summer (June - September)	\$ 0.08969	\$ 0.08969	\$ 0.00076	\$ 0.01957	\$ 0.08969	\$ 0.00076	\$ 0.01957	\$ 0.00076	0.11002
Winter (October - May)	0.08969	0.08969	0.00076	0.01957	0.08969	0.00076	0.01957	0.00076	0.11002
Transportation Franchise Fee (TFF) Surcharge Provision									
TFF Surcharge per Therm									0.00606 R

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 gas service areas in both its Southern and Northern California Divisions, 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 Division

Cost of Gas	\$.71336
F&U	<u>.01101</u>
Total	\$.72437

Northern California Division including South Lake Tahoe

Cost of Gas	\$.39546
F&U	<u>.00670</u>
Total	\$.40216

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STATEMENT OF RATES
EFFECTIVE RATES APPLICABLE TO SOUTH LAKE TAHOE DISTRICT SCHEDULES. [1] [2] [3]

Schedule No. and Type of Charge	Southwest Margin	Upstream Interstate Charges		CFCAM	Subtotal Gas Usage Rate	CPUC	PPP [3]	Gas Cost	Effective Sales Rate
		Reservation	Storage						
GT-211 — Permanent Residential Natural Gas Service									
Basic Service Charge	\$ 5.50								\$ 5.50
Cost per Therm	\$ 0.17467	\$ 0.04354	\$ 0.03092	\$ 0.02044	\$ 0.26957	\$ 0.00076	\$ 0.01957	\$ 0.40216	\$ 0.69206 R
Baseline Quantities	0.00000	0.38724	0.03092	0.02044	0.43860	0.00076	0.01957	0.40216	0.86109 R
Tier II									
GT-211 — Seasonal Residential Natural Gas Service									
Basic Service Charge	\$ 5.50	\$ 0.38724	\$ 0.03092	\$ 0.02044	\$ 0.43860	\$ 0.00076	\$ 0.01957	\$ 0.40216	\$ 5.50
Cost per Therm	\$ 0.00000								\$ 0.86109 R
GLT-212 — Limited Income Residential Natural Gas Service									
Basic Service Charge	\$ 4.40								\$ 4.40
Cost per Therm	\$ 0.04032	\$ 0.04354	\$ 0.03092	\$ 0.02044	\$ 0.13522	\$ 0.00076	\$ 0.00676	\$ 0.40216	\$ 0.54490 R
Baseline Quantities	(0.16815)	0.38724	0.03092	0.02044	0.27045	0.00076	0.00676	0.40216	0.68013 R
Tier II									
GT-221 — General Natural Gas Service									
Basic Service Charge	\$ 5.50								\$ 5.50
Cost per Therm	\$ 0.12173	\$ 0.16552	\$ 0.00000	\$ 0.02044	\$ 0.30769	\$ 0.00076	\$ 0.01957	\$ 0.40216	\$ 0.73018 R
Summer	0.12173	0.16552	0.03780	0.02044	0.34549	0.00076	0.01957	0.40216	0.76798 R
Winter									
GLT-222 — Limited Income General Natural Gas Service									
Basic Service Charge	\$ 4.40								\$ 4.40
Cost per Therm	(0.02024)	\$ 0.16552	\$ 0.00000	\$ 0.02044	\$ 0.16572	\$ 0.00076	\$ 0.00676	\$ 0.40216	\$ 0.57540 R
Summer	(0.02780)	0.16552	0.03780	0.02044	0.19596	0.00076	0.00676	0.40216	0.60564 R
Winter									
GST-223 — Multi-Family Natural Gas Service (Submetered) [4]									
Basic Service Charge per Month per Dwelling	\$ 5.50								\$ 5.50
Cost per Therm	\$ 0.17467	\$ 0.04354	\$ 0.03092	\$ 0.02044	\$ 0.26957	\$ 0.00076	\$ 0.01957	\$ 0.40216	\$ 0.69206 I
Baseline Quantities	0.00000	0.38724	0.03092	0.02044	0.43860	0.00076	0.01957	0.40216	0.86109 I
Tier II									
GMT-224 — Multi-Family Natural Gas Service (Not Submetered)									
Basic Service Charge per Month per Dwelling	\$ 5.50								\$ 5.50
Cost per Therm	\$ 0.17467	\$ 0.04354	\$ 0.03092	\$ 0.02044	\$ 0.26957	\$ 0.00076	\$ 0.01957	\$ 0.40216	\$ 0.69206 R
Baseline Quantities	0.00000	0.38724	0.03092	0.02044	0.43860	0.00076	0.01957	0.40216	0.86109 R
Tier II									

STATEMENT OF RATES
EFFECTIVE RATES APPLICABLE TO SOUTH LAKE TAHOE DISTRICT SCHEDULES. [1] [2] [3]
(Continued)

Schedule No. and Type of Charge	Southwest Margin	Upstream Interstate Charges	Subtotal Gas Usage Rate	CPUC	PPP [3]	Gas Cost	Effective Sales Rate
		Reservation	Storage	CFCAM			
GT-244 — Large General Natural Gas Service	\$ 495.00						\$ 495.00
Minimum Annual Charge							
Cost per Therm	\$ 0.12173	\$ 0.16552	\$ 0.00000	\$ 0.02044	\$ 0.00076	\$ 0.40216	\$ 0.73018 R
Summer							
Winter	\$ 0.12173	\$ 0.16552	\$ 0.03780	\$ 0.02044	\$ 0.00076	\$ 0.40216	\$ 0.76798 R
GT-255 — Transportation Service For Customer-Owned Gas							
Minimum Annual Charge	\$ 33,073.00						\$ 33,073.00
Basic Service Charge	\$ 5.50						\$ 5.50
Cost per Therm	\$ 0.12173				\$ 0.00076	\$ 0.01957	\$ 0.14206
Summer							
Winter	\$ 0.12173				\$ 0.00076	\$ 0.01957	\$ 0.14206
Transportation Franchise Fee (TFF) Surcharge Provision							
TFF Surcharge per Therm							\$ 0.00606 R
MHPS — Master-Metered Mobile Home Park Safety Inspection Provision							
MHPS Surcharge per Space per Month							\$ 0.21000

[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. 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] For the purpose of administering the tariff provisions of Rule No. 22, Transportation of Customer-Secured Natural Gas, the otherwise applicable Procurement Charge is equal to the monthly projected cost of gas.

[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 ~\$.00082> per therm to amortize the CARE Balancing Account. This amount is not related to current program year expenses.

[4] A discount of \$4.00 per month per occupied dwelling unit will be applied to Schedule GST-223.

**SOUTHWEST GAS CORPORATION
CALCULATION OF MONTHLY CORE PROCUREMENT CHARGES
FOR THE MONTH OF JUNE 2007**

Line No.	Description (a)	Amount (b)	Line No.
<u>Southern California</u>			
1	Projected Cost of Gas [1]	\$ 0.71351	1
2	Monthly Account No. 191 Surcharge [2]	(0.00015)	2
3	Subtotal	<u>\$ 0.71336</u>	3
4	Franchise & Uncollectibles @ 1.5437% [3]	<u>0.01101</u>	4
5	Total June Core Procurement Charge	<u><u>\$ 0.72437</u></u>	5
 <u>Northern California and South Lake Tahoe District</u>			
6	Projected Cost of Gas [4]	\$ 0.38167	6
7	Monthly Account No. 191 Surcharge [5]	0.01379	7
8	Subtotal	<u>\$ 0.39546</u>	8
9	Franchise & Uncollectibles @ 1.6933% [3]	<u>0.00670</u>	9
10	Total June Core Procurement Charge	<u><u>\$ 0.40216</u></u>	10

[1] Schedule I, Sheet 2.

[2] Schedule I, Sheet 4.

[3] Order Approving Southwest Application 02-02-012 (D.04-03-034).

[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 JUNE 2007**

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	379,886			1
2	Projected Imbalance for Storage Injection	90,113			2
3	Total Demand and Storage Injections	<u>469,999</u>			3
<u>Southern California Basin Gas Purchases</u>					
			[1]		
4	Term Purchases	-	\$ -	\$ -	4
5	First of Month Purchases	171,000	\$ 6.8394	1,169,541	5
6	Spot Purchases	-	\$ -	-	6
7	In Kind Fuel	(4,908)			7
8	El Paso Variable Transmission	166,092	\$ 0.0196	3,255	8
9	Basin Gas Delivered To California Border			<u>\$ 1,172,796</u>	9
<u>Southern California Border Gas Purchases</u>					
			[1]		
10	Term Purchases	78,000	\$ 7.0297	\$ 548,313	10
11	First of Month Purchases	225,907	\$ 7.2260	1,632,402	11
12	Spot Purchases	-	\$ -	-	12
13	Total Border Gas Purchases			<u>\$ 2,180,715</u>	13
<u>Storage Withdrawals</u>					
14	Projected Volume	-	\$ -	\$ -	14
15	O&M Withdrawal Variable Charge	-	\$ -	-	15
16	Total Average Cost of Gas			<u>\$ -</u>	16
17	Total Cost of Gas at the City Gate	<u>469,999</u>	<u>\$ 7.1351</u>	<u>\$ 3,353,511</u>	17

[1] Based on May 24, 2007 first of the month forwards.

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA INCLUDING SOUTH LAKE TAHOE DISTRICT
CALCULATION OF PROJECTED MONTHLY GAS COST
FOR THE MONTH OF JUNE 2007**

Line No.	Description (a)	Dth (b)	Average Cost Per Unit (c)	Amount (d)	Line No.
1	Total City Gate Demand (Dth-Net)	<u>147,665</u>			1
			[1]		
2	Projected Purchases Into NWPL	11,618	\$ 3.2708	\$ 38,000	2
3	Projected Purchases Into Tuscarora	-	\$ -	-	3
4	Projected Purchases Into Paiute	137,000	\$ 3.8321	525,000	4
5	Total Projected Gas Purchases into Mainline			<u>\$ 563,000</u>	5
	<u>Transportation Cost</u>				
6	NWPL Volumetric Charge [2]	11,407	\$ 0.0316	\$ 360	6
7	Paiute Volumetric Charge [3]	147,665	\$ 0.0016	236	7
8	Tuscarora Volumetric Charge [4]	-	\$ -	-	8
9	Total Transportation Variable Cost			<u>\$ 597</u>	9
10	Total Cost at the City Gate (Excluding LNG and Pipeline Fixed Charges)	<u>147,665</u>	<u>\$ 3.8167</u>	<u>\$ 563,597</u>	10

[1] Based on May 24, 2007 first of the month forwards.

[2] NWPL fuel at 1.82%.

[3] Paiute fuel at 0.50%.

[4] Tuscarora fuel at 0.00%.

**SOUTHWEST GAS CORPORATION
SOUTHERN CALIFORNIA
CALCULATION OF MONTHLY PGA BALANCING ACCOUNT ADJUSTMENTS
FOR THE MONTH OF JUNE 2007**

Line No.	Description (a)	Estimated May Activity (b)	June Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for April 2007		\$ (349,671)	1
2	March Imbalance Traded Out of Storage		391,155	2
3	No April Imbalance Activity		-	3
4	Adjusted Ending Balance		<u>\$ 41,484</u>	4
5	April Rate	\$ 0.00558		5
6	May Rate	<u>0.01441</u>		6
7	Average Rate	\$ 0.01000		7
8	Estimated May Sales	5,414,890		8
9	Estimated May Acct. No. 191 Activity (Line 7 x Line 8)		\$ (54,149)	9
10	Estimated May Acct. No. 191 Ending Balance Adjusted for Known and Unrecorded Activity		<u>\$ (12,665)</u>	10
11	Twelve Months Projected Sales		<u>84,346,178</u>	11
12	June Surcharge (Line 10 / Line 11)		<u><u>\$ (0.00015)</u></u>	12

**SOUTHWEST GAS CORPORATION
NORTHERN CALIFORNIA INCLUDING SOUTH LAKE TAHOE DISTRICT
CALCULATION OF MONTHLY PGA BALANCING ACCOUNT ADJUSTMENT
FOR THE MONTH OF JUNE 2007**

Line No.	Description (a)	Estimated May Activity (b)	June Surcharge (c)	Line No.
1	Acct. No. 191 Ending Balance for April 2007		\$ 669,187	1
2	April Rate	\$ 0.03200		2
3	May Rate	<u>0.02636</u>		3
4	Average Rate	\$ <u>0.02918</u>		4
5	Estimated May Sales	3,239,214		5
6	Estimated May Acct. No. 191 Activity (Line 4 x Line 5)		\$ (94,520)	6
7	Estimated May Acct. No. 191 Ending Balance		<u>\$ 574,667</u>	7
8	Twelve Months Projected Sales		<u>41,667,877</u>	8
9	June Surcharge (Line 7 / Line 8)		<u><u>\$ 0.01379</u></u>	9

**SOUTHWEST GAS CORPORATION
CALCULATION OF TRANSPORTATION FRANCHISE FEE (TFF) SURCHARGE
FOR THE MONTH OF JUNE 2007**

Line No.	Description (a)	* (\$/therm) (b)	Line No.
<u>Southern California</u>			
1	Estimated Cost of Gas [1]	\$ 0.71351	1
2	Franchise Tax @ 1.3329% [2]	<u>0.00951</u>	2
<u>Northern California and South Lake Tahoe District</u>			
3	Estimated Cost of Gas [1]	<u>\$ 0.38167</u>	3
4	Franchise Tax @ 1.5882% [2]	<u>\$ 0.00606</u>	4

[1] Schedule I, Sheet 1.

[2] Order Approving Southwest Application 02-02-012 (D.04-03-034).

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

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

Company name/CPUC Utility No. **Southwest Gas Corporation (U 905 G)**

Utility type:

ELC X GAS
 PLC HEAT WATER

Contact Person: **Roger C. Montgomery**

Phone #: **(702)876-7321**

E-mail: **roger.montgomery@swgas.com**

EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **780**

Subject of AL: **To update procurement charges applicable to Schedule No. GCP for core customers and the Transportation Franchise Fee (TFF) Surcharges applicable to core and noncore customers in the Southern and Northern California Divisions and the gas cost procurement in the South Lake Tahoe District**

Keywords (choose from CPUC listing): **Increase Rates (So. CA); Decrease Rates (No. CA and SLT)**

AL filing type: X Monthly Quarterly Annual One-Time Other _____

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

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

Summarize differences between the AL and the prior withdrawn or rejected AL¹: **Not applicable**

Resolution Required? Yes X No

Requested effective date: **June 7, 2007**

No. of tariff sheets: **10 in CA Gas Tariff; and 2 in CA South Lake Tahoe Tariff**

Estimated system annual revenue effect (%): **Not applicable**

Estimated system average rate effect (%): **0.43% So. CA, -10.63% No. CA and -15.80% So. Lake Tahoe**

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: **Schedule No. GCP – Gas Procurement for Core Customers**

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

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

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

**CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov**

**Utility Info (including e-mail)
Mr. John P. Hester, Sr. Vice-Pres.
Reg. Affairs & Energy Resources
Southwest Gas Corporation
P. O. Box 98510
Las Vegas, NV 89193-8510
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