April 29, 2009

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

Subject: Revision No. 163

This revision reflects authorization by the Arizona Corporation Commission (ACC) for Southwest to update the distribution shrinkage charge, LIRA program charge, and Gas Research Fund charge applicable to its customers in Arizona. The attached tariff sheets reflect revised rates effective May 1, 2009.

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

Insert A.C.C. Sheet No.

Supersedes A.C.C. Sheet No.

118th Revised Sheet No. 11
121st Revised Sheet No. 12
40th Revised Sheet No. 13

117th Revised Sheet No. 11 120th Revised Sheet No. 12 39th Revised Sheet No. 13

Debra Gallo, Director Government and State Regulatory Affairs

118th Revised	A.C.C. Sheet No.	11
117th Revised	ACC Sheet No.	11

STATEMENT OF RATES <u>EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES</u> $^{1/2/2}$

Canceling

Description		Delivery Charge	Ad	<u>3</u> / Rate ljustment		Monthly as Cost	E	Currently Effective ariff Rate
G-5 - Single-Family Residential								
Gas Service Basic Service Charge per Month	\$	10.70					\$	10.70
Commodity Charge per Therm:	Ψ	10.70					Ψ	10.70
All Usage	\$.57070	\$.02076	\$.86918	\$	1.46064
G-6 - Multi-Family Residential Gas Service		·						
Basic Service Charge per Month	\$	9.70					\$	9.70
Commodity Charge per Therm:	_		_				_	
All Usage	\$.55343	\$.02076	\$.86918	\$	1.44337
G-10 – Single-Family Low Income Residential Gas Service								
Basic Service Charge per Month Commodity Charge per Therm: Summer (May–October):	\$	7.50					\$	7.50
All Usage	\$.55343	\$.00649	\$.86918	\$	1.42910
Winter (November-April):								
First 150 Therms	\$.26761	\$.00649	\$.86918	\$	1.14328
Over 150 Therms		.55343		.00649		.86918		1.42910
G-11 – Multi-Family Low Income Residential Gas Service								
Basic Service Charge per Month	\$	7.50					\$	7.50
Commodity Charge per Therm:								
Summer (May-October):		~~~.	•	00040	•	00040	•	4 40040
All Usage	\$.55343	\$.00649	\$.86918	\$	1.42910
Winter (November–April):	e	.26761	\$.00649	\$.86918	\$	1.14328
First 150 Therms Ovel 150 Thelms	\$.55343	Ф	.00649	Ф	.86918	Ф	1.42910
Over 150 Therms		.55545		.00049		.00910		1.42510
G-15 – Special Residential Gas Service for Air Conditioning								
Basic Service Charge per Month	\$	10.70					\$	10.70
Commodity Charge per Therm:								
Summer (May-October):								
First 15 Therms	\$.57070	\$.00649	\$.86918	\$	1.44637
Over 15 Therms		.28860		.00649		.86918		1.16427
Winter (November–April):	-					00010	•	4.4400***
All Usage	\$.57070	\$.00649	\$.86918	\$	1.44637

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	121st Revised A.C.C. Sheet No.	12
Canceling	120th Revised A.C.C. Sheet No.	12

STATEMENT OF RATES <u>EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES</u> (Continued)

Description G-20 – Master-Metered Mobile		Delivery Charge	Ad	<u>3</u> / Rate justment		Monthly as Cost		Currently Effective ariff Rate
Home Park Gas Service	\$	66.00					\$	66.00
Basic Service Charge per Month Commodity Charge per Therm:	Ф	00.00					φ	00.00
All Usage	\$.40830	\$.02076	\$.86918	\$	1.29824
	Ψ	.40000	Ψ	.02010	Ψ	.00010	Ψ	1,20021
G-25 – General Gas Service								
Basic Service Charge per Month: Small	\$	27.50					\$	27.50
Medium	φ	43.50					Ψ	43.50
Large		160.00						160.00
Transportation Eligible		950.00						950.00
Commodity Charge per Therm:		550.00						000.00
Small, All Usage	\$.57059	\$.00649	\$.86918	\$	1.44626
Medium, All Usage	*	.37996	•	.00649	•	.86918	•	1.25563
Large, All Usage		.29084		.00649		.86918		1.16651
Transportation Eligible		.10776		.00649		.86918		.98343
Demand Charge per Month-								
Transportation Eligible:								
Demand Charge 4/	\$.062340					\$.062340
G-30 - Optional Gas Service								
Basic Service Charge per Month	As s	specified on A.C	.C. Shee	t No. 27.				
Commodity Charge per Therm:								
All Usage	As s	specified on A.C	.C. Shee	t No. 28.				
G-40 – Air-Conditioning Gas Service Basic Service Charge per Month Commodity Charge per Therm: All Usage	As s	specified on A.C	C.C. Shee	et No. 32.	\$.86918	\$.98577
G-45 – Street Lighting Gas Service Commodity Charge per Therm of Rated Capacity:			·		·			
All Usage	\$.61050	\$.00649	\$.86918	\$	1.48617
G-55 – Gas Service for Compression on Customer's Premises 5/ Basic Service Charge per Month: Small	\$	27.50					\$	27.50
Large	Ψ	250.00					•	250.00
Residential		10.70						10.70
Commodity Charge per Therm:								
All Usage	\$.18678	\$.00649	\$.86918	\$	1.06245
G-60 – Electric Generation Gas Service								
Basic Service Charge per Month Commodity Charge per Therm:	As s	specified on A.C	C.C. Shee	et No. 40.				
All Usage	\$.13535	\$.00649	\$.86918	\$	1.01102
G-75 – Small Essential Agricultural User Gas Service								
Basic Service Charge per Month	\$	120.00					\$	120.00
basic service charge per month								
Commodity Charge per Therm: All Usage	\$.24396	\$.00649	\$.86918	\$	1.11963

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Arizona Division

	40th Revised	A.C.C. Sheet No.	13
Canceling	39th Revised	A.C.C. Sheet No.	13

STATEMENT OF RATES <u>EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES</u> (Continued)

Description	Delivery Charge	<u>3</u> / Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
G-80 – Natural Gas Engine 6/ Gas Service				
Basic Service Charge per Month: Off-Peak Season (October–March) Peak Season (April–September)	\$ 0.00 \$125.00			\$ 0.00 \$125.00
Commodity Charge per Therm: All Usage	\$.19069	\$.00649	\$.83006	\$ 1.02724

- 1/ All charges are subject to adjustment for any applicable taxes or governmental impositions.
- 2/ Customers taking transportation service will pay the Basic Service Charge, the Commodity Charge per Therm less the Monthly Gas Cost, and Demand Charge, if applicable, of the Currently Effective Tariff Rate for each meter included in the transportation service agreement, plus an amount of \$.00832 per therm for distribution shrinkage as defined in Rule No. 1 of this Arizona Gas Tariff. The shrinkage charge shall be updated annually effective May 1. For customers converting from sales service, an additional amount equal to the currently effective Gas Cost Balancing Account Adjustment will be assessed for a period of 12 months.
- 3/ (a) For Schedule Nos. G-5, G-6 and G-20, the Rate Adjustment includes \$.01427 per therm to recover LIRA program costs. This charge shall be updated annually effective May 1.
 - (b) For all rate schedules except for Schedule Nos. G-30 and B-1, the Rate Adjustment includes \$0.00423 per therm to fund DSM Program costs. This charge shall be updated annually effective the first billing cycle in April.
 - (c) For all rate schedules, except for Schedule Nos. G-30 and B-1, the Rate Adjustment includes \$.00135 per therm for the Gas Research Fund. This charge shall be updated annually effective May 1.
 - (d) For all rate schedules, the Rate Adjustment includes \$0.00091 per therm for the Department of Transportation (DOT) Safety Program costs. This charge shall be updated annually effective March 1.
- 4/ The total monthly demand charge is equal to the unit rate shown multiplied by the customer's billing determinant.
- 5/ The charges for Schedule No. G-55 are subject to adjustment for applicable state and federal taxes on fuel used in motor vehicles.
- 6/ The gas cost for this rate schedule shall be updated seasonally, April 1 and October 1 of each year.

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