

SCHEDULE NO. SG-71

OPTIONAL GAS SERVICE

APPLICABILITY

Applicable to natural gas use by general gas service customers whose requirements are at least 500 therms per day on an annualized basis and who qualify for service under this schedule according to either Applicability provision (1) or (2) below:

1. General gas service customers who have installed facilities capable of burning alternate fuels or energy.
2. General gas service customers whose requirements may be served by other natural gas suppliers at rates lower than the customer's otherwise applicable gas sales tariff schedule. As a condition precedent to qualifying for service under this Applicability provision, the customer must qualify for transportation service under Schedule No. ST-1 and establish that bypass is economically, operationally and physically feasible and imminent. In addition, prior to initiating service under this Applicability provision, the Utility shall file the executed service agreement and supporting economic studies with the Commission.

This optional schedule is not available for partial requirements gas service where gas is utilized in combination with alternate fuels or energy. Any gas service rendered to customers not in conformance with the provisions of this schedule shall be billed under the otherwise applicable gas sales tariff schedule.

TERRITORY

Throughout the certificated area of the Utility's Southern Nevada Division, except as may hereafter be provided.

Issued:
August 31, 2004

Effective:
September 1, 2004

Advice Letter No.:
408

Issued by
John P. Hester
Vice President

Schedule No. SG-71

OPTIONAL GAS SERVICE

(Continued)

RATES

The basic service charge is the charge under the otherwise applicable gas sales tariff schedule in the currently-effective Statement of Rates, Sheet No. 14 of this Nevada Gas Tariff, and is incorporated herein by reference.

The commodity charge per therm shall be determined in accordance with Special Condition (1) or (2) and the paragraphs below describing the accounting for purchased gas costs.

The minimum charge per month is the basic service charge, unless otherwise provided in the executed service agreement with the customer.

For purposes of accounting for purchased gas costs for sales to general gas service customers under this schedule, the Utility shall use the monthly average actual purchased gas cost per therm. If using the monthly average actual purchased gas cost per therm results in a zero or negative margin in the total commodity sales rate, the Utility shall reduce the upstream pipeline reservation charge component of the gas cost so that the margin in the total commodity sales rate is greater than zero, and so that the commodity sales rate fully recovers appropriate purchased gas commodity and reservation charges. The cost of purchased gas used for accounting purposes shall not be less than the actual monthly average commodity purchased gas cost per therm, plus some portion of the upstream pipeline reservation charge.

LATE CHARGE

The monthly bill is due and payable as of the date of presentation. Included in the bill will be a late charge of 5 percent on the first \$200 of the monthly bill, plus 2 percent of any balance above \$200, which will be imposed if payment is not received by the next month's billing.

Issued:
November 4, 2005

Effective:
November 1, 2005

Advice Letter No.:
416-S

Issued by
John P. Hester
Vice President

Schedule No. SG-71

OPTIONAL GAS SERVICE
(Continued)

SPECIAL CONDITIONS

1. The commodity charge per therm for general gas service customers served hereunder may vary from customer to customer based on value of the service, the market price of alternate fuels and on the customer's ability to change from one fuel to another and may be increased or decreased as costs and conditions change.
2. Prior to the establishment of service under this schedule, the customer shall execute a service agreement.
3. Customers that qualify for service under Applicability provision (1) above must have and maintain adequate alternate fuel standby facilities of equivalent capacity to those natural gas facilities served hereunder. These facilities are subject to Utility inspection and verification of operating capacity and capability.
4. In no event shall the cost of gas assigned to sales under this schedule be such that will result in an economic detriment to the Utility's system.
5. The term "otherwise applicable gas sales tariff schedule" as used herein excludes transportation tariff schedules.

Issued:
September 27, 1996

Effective:
October 27, 1996

Advice Letter No.:
345

Issued by
Edward S. Zub
Senior Vice President

SCHEDULE NO. SG-71

OPTIONAL GAS SERVICE

(Continued)

SPECIAL CONDITIONS *(Continued)*

6. Alternate fuel capable customers served under this schedule may be asked by the Utility to voluntarily switch to their alternate fuel source. In the event that the Utility requests that any customer served hereunder switch to its alternate fuel source in order to continue service to a lower priority (numerically higher priority number) customer, the Utility shall credit to such customer the incremental cost of the alternate fuel, i.e., the difference between the actual cost of using the alternate fuel and the currently-effective rate for natural gas purchased under this schedule. Such credit shall be applied to Utility's next scheduled billing after customer has furnished adequate proof to Utility concerning replacement volumes and incremental costs. The Utility reserves the right to verify alternate fuel consumption and cost and to quantify the associated reduction in deliveries of natural gas for the period requested by the Utility. This provision shall not apply when higher priority (numerically lower priority number) customers are being curtailed or when curtailment volumes exceed the aggregate volumes displaced by alternate fuel under this provision.

GENERAL TERMS AND CONDITIONS

1. Except as qualified in this schedule, all of the General Terms and Conditions are applicable to this schedule and are hereby made a part hereof.
2. All service under this schedule will be provided in accordance with the provisions of NAC 704.516 through NAC 704.528, except as otherwise provided for in this Nevada Gas Tariff.

Issued:
September 8, 2006

Effective:
September 26, 2006

Advice Letter No.:
425

Issued by
John P. Hester
Senior Vice President