



Southwest Gas Corporation

DOCKET NO. G-01551A-19-0055

2019 General Rate Case

Application
Tariff Sheets

Vol. 1 of 3

May 1, 2019

Application

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 **Bob Burns, Chairman**

4 **Boyd Dunn**

5 **Andy Tobin**

6 **Sandra Kennedy**

7 **Justin Olson**

8 In the Matter of the Application of Southwest
9 Gas Corporation for the Establishment of Just
10 and Reasonable Rates and Charges Designed
11 to Realize a Reasonable Rate of Return on the
12 Fair Value of the Properties of Southwest Gas
13 Corporation Devoted to Its Arizona Operations

DOCKET NO. G-01551A-19-0055

14 **APPLICATION**

15 **1. Introduction.**

16 Southwest Gas Corporation (Southwest Gas or Company) hereby submits to the Arizona
17 Corporation Commission (Commission) its application requesting approval of an increase in
18 the retail natural gas utility service rates in its Arizona rate jurisdiction due to a revenue
19 deficiency of approximately \$57 million. As set forth more fully in the supporting testimony,
20 it has been approximately three years since the Company last filed a general rate case, and
21 currently effective rates are based upon the level of operating expenses and capital
22 investments made by the Company prior to November 30, 2015. The Company proposes
23 to increase revenues by approximately 8.1 percent to adequately recover its current level of
24 operating expenses and to begin recovering the costs associated with the significant capital
25 investments the Company has made in its natural gas distribution system since its last rate
26 case, which are not presently included in rates. Additionally, the Company's cost of service
27 must be updated to fully reflect the impact of the Tax Cuts and Jobs Act (Tax Reform), which
28 reduced the corporate income tax rate from 35 percent to 21 percent. As discussed in
further detail below and in the accompanying testimony, Southwest Gas is also seeking
authority to implement an infrastructure program and associated cost recovery mechanism
for the enhanced evaluation and replacement of certain plastic pipe that is not performing as

1 expected; authority to incorporate Renewable Natural Gas (RNG) into its gas supply
2 portfolio; and various tariff changes.

3 This application is based upon and supported by the material facts, points and
4 authorities, and all other information contained herein, the supporting testimony and
5 schedules submitted herewith, and such other matters as may be presented to the
6 Commission at the time of any hearing on this application. In support of its application,
7 Southwest Gas states as follows:

8 **2. Applicant.**

9 **2.1** Southwest Gas is a corporation in good standing under the laws of the state
10 of Arizona, and is a corporation duly organized, validly existing, and qualified to transact
11 intrastate business.

12 **2.2** Southwest Gas' corporate offices are located at 5241 Spring Mountain Road,
13 P.O. Box 98510, Las Vegas, Nevada 89193-8510. Communications regarding this
14 application should be addressed to:

15 Catherine M. Mazzeo, Esq.
16 Managing Counsel
17 Southwest Gas Corporation
18 P.O. Box 98510
19 Las Vegas, Nevada 89193-8510
20 Telephone: (702) 876-7250
21 Email: catherine.mazzeo@swgas.com

Matthew D. Derr
Director of Regulation & EE
Southwest Gas Corporation
1600 E. Northern Avenue
Phoenix, Arizona 85020
Telephone No. (602) 395-4058
Email: matt.derr@swgas.com

22 **2.3** Southwest Gas is a public utility subject to the jurisdiction of the Commission
23 pursuant to Article XV of the Arizona Constitution and the applicable provisions of Title 40 of
24 the Arizona Revised Statutes (A.R.S.). Southwest Gas is engaged in the retail distribution,
25 transportation and sale of natural gas for domestic, commercial, agricultural and industrial
26 uses. Southwest Gas currently serves approximately 2.0 million customers in Arizona,
27 California, and Nevada. Approximately 54 percent, or 1.1 million, of the Company's
28 customers are located in the state of Arizona, including portions of Cochise, Gila, Graham,
Greenlee, La Paz, Maricopa, Mohave, Pima, Pinal and Yuma counties. For operational

1 purposes, Southwest Gas' central Arizona division is headquartered in Phoenix and its
2 southern Arizona division is headquartered in Tucson.

3 **3. Authority.**

4 Southwest Gas submits this application pursuant to Article XV, Sections 3 and 14, of
5 the Arizona Constitution, Sections 40-250 and 40-251 of the A.R.S., as well as other
6 applicable provisions of A.R.S. Title 40, and Section R14-2-103 of the Arizona Administrative
7 Code (A.A.C.). The Application consists of three volumes, organized as follows: Volume I
8 contains the application, proposed tariff sheets and current tariff sheets; Volume II contains
9 the prepared direct testimony supporting the relief requested herein; and Volume III contains
10 supporting schedules. Southwest Gas is a Class A utility, as defined by A.A.C. R14-2-103.
11 Accordingly, the schedules required by A.A.C. R14-2-103 are included herewith as Volume
12 III of this application.

13 **4. Brief Overview of Application.**

14 **4.1** Southwest Gas' requested revenue increase is necessary to maintain and
15 provide safe and reliable natural gas service to its Arizona customers at a level they both
16 expect and are entitled to receive. Southwest Gas' application includes only those proposals
17 it believes necessary to provide safe and reliable service at reasonable rates.

18 **4.2** Southwest Gas requests authorization to increase its retail rates in Arizona to
19 recover its revenue deficiency of approximately \$57 million.

20 **4.3** In addition to Southwest Gas' request for authority to increase its retail natural
21 gas rates, the Company requests authority to implement a new infrastructure program which
22 involves the proactive assessment and, if necessary, replacement of certain 7000 and 8000
23 Driscopipe, along with the associated cost recovery mechanism.

24 **4.4** The Company also seeks approval of an RNG Program to incorporate RNG
25 into its gas supply portfolio and include the associated costs of those purchases, as well as
26 any revenue from the sale of environmental attributes that may be associated with the RNG,
27 in the Company's Purchased Gas Cost Adjustment Provision.

1 **4.5** Finally, Southwest Gas proposes minor tariff changes to reflect current
2 business practices and Pipeline and Hazardous Materials Safety Administration (PHMSA)
3 rule changes, as well as to correct minor inconsistencies and incorporate non-substantive
4 housekeeping edits.

5 **5. Request for Authority to Increase Rates.**

6 **5.1** Southwest Gas' current rates and charges were approved by the Commission
7 in Decision No. 76069, based on a test year ended November 30, 2015.

8 **5.2** As set forth more fully in the supporting testimony, it has been approximately
9 three years since the Company last filed a general rate case, and currently effective rates
10 are based upon the level of operating expenses and capital investments made by the
11 Company prior to November 30, 2015. Although Southwest Gas has efficiently managed
12 operating expenses over the past three years, it has invested more than \$667 million into its
13 Arizona gas distribution system. Authorized revenues therefore need to be updated to reflect
14 overall changes in the level of operating expenses currently being experienced by the
15 Company and to reflect the significant capital investments the Company has made in its
16 natural gas distribution system since its last rate case, which are not presently included in
17 rates.

18 **5.3** Southwest Gas also proposes adjustments related to the enactment of Tax
19 Reform which went into effect after the Company's last general rate case and reduced the
20 corporate income tax rate from 35 percent to 21 percent. The Company's cost of service
21 must therefore be updated to fully reflect the impact of Tax Reform.

22 **5.4** Southwest Gas' request is based upon a test period ended January 31, 2019,
23 adjusted for changes in revenues and expenses, including its cost of capital, that are known
24 and measurable with reasonable accuracy at the time of filing. Southwest Gas requests
25 authority to increase rates to achieve an increase in total revenues of approximately \$57
26 million to produce the Company's requested 5.98 percent fair value rate of return.

1 **5.5** Southwest Gas also proposes adjustments related to events that have
2 occurred, or will occur, after the end of the test period. By including these proposed
3 adjustments in its application, the Company presents a more accurate level of costs and
4 expenses that will be incurred once the rates approved in this proceeding become effective.
5 The proposed adjustments include the Company's 2019 wage increase and within-grade
6 movement; software projects expected to close through December 31, 2019 and non-
7 revenue producing plant additions anticipated through July 31, 2019; and the plant and
8 annualized operations & maintenance (O&M) expense related to the Liquefied Natural Gas
9 (LNG) storage facility being constructed in Tucson.

10 **5.6** Southwest Gas' requested revenue increase is based upon a 10.30 percent
11 cost of common equity capital relative to the Company's actual capital structure at the end
12 of the test period, consisting of a common equity ratio of 51.1 percent. Southwest Gas
13 submits that the recommended cost of common equity capital represents a conservative
14 estimate of investor expectations given recent financial market conditions, that is in line with
15 the Company's proxy group.

16 **5.7** The proposed increase in revenues is necessary to provide Southwest Gas a
17 reasonable opportunity to earn a fair and reasonable rate of return on the fair value of its
18 Arizona investments in order to attract the capital necessary to ensure that it can continue
19 to provide reliable service to present and future Arizona customers at reasonable rates.
20 Additional information regarding Southwest Gas' proposed rate increase is provided in the
21 supporting testimony and schedules accompanying this application.

22 **6. Request for Approval of 7000/8000 Pipe Replacement Program.**

23 **6.1** As a natural gas distribution company, Southwest Gas takes pipeline safety
24 very seriously and is dedicated to providing safe and reliable service to its customers. An
25 important part of providing that safe and reliable service is developing infrastructure
26 proposals that respond to both operational concerns and customer needs.

27

28

1 **6.2** In prior proceedings, Southwest Gas worked collaboratively with the
2 Commission and other parties to develop infrastructure recovery mechanisms for the
3 Company's Customer Owned Yard Line (COYL) and Vintage Steel Pipe (VSP) Replacement
4 programs. In this proceeding, Southwest Gas requests authority to implement its proposed
5 7000/8000 Pipe Replacement Program which involves the enhanced assessment and
6 replacement, as necessary, of certain 7000 and 8000 Driscopipe installed in the Company's
7 Arizona distribution system prior to 2001. Southwest Gas has observed material degradation
8 in its 7000 and 8000 Driscopipe inventory, including some degradation that has resulted in
9 leakage. While the Company has efforts in place to evaluate the degradation when pipe is
10 exposed during normal field excavations, the proposed 7000/8000 Pipe Replacement
11 Program will allow the Company to proactively assess a larger portion of its 7000 and 8000
12 Driscopipe inventory through enhanced field inspections. This Program will also allow the
13 Company to replace 7000 and 8000 Driscopipe, as necessary, before the degradation
14 results in a leak.

15 **6.3** Cost recovery for the proposed 7000/8000 Pipe Replacement Program is
16 structured in a manner similar to the first phase of the COYL program, which was approved
17 by the Commission in Southwest Gas' 2010 general rate case. In that case, the Company
18 was authorized a certain level of O&M expense in base rates to leak survey COYLs and if
19 they were found to be leaking, the Company would offer the customer the opportunity to
20 relocate the COYL at no direct cost to the customer.

21 **7. Request for Approval of RNG Program.**

22 **7.1** RNG is biogas that is cleaned or upgraded to pipeline quality gas and can be
23 injected into and distributed through an existing natural gas delivery system. RNG is
24 considered a carbon-neutral fuel and offers even greater benefits when it is produced from
25 organic waste that would otherwise decay and create methane emissions.

26 **7.2** There are many sources of biogas in Arizona, including wastewater treatment
27 plants, dairies, and landfills. Many wastewater treatment plants and landfills in Arizona
28 capture biogas to prevent the direct release of the harmful greenhouse gas, methane, into

1 the atmosphere. However, most Arizona biogas is not currently cleaned or upgraded to
2 RNG and, therefore, is not capable of being injected into an existing natural gas delivery
3 system. Further, the RNG that is currently being produced in Arizona is likely being
4 transported to California where it qualifies under the Federal EPA Renewable Fuel Standard
5 Program and California's Low Carbon Fuel Standard Program.

6 **7.3** To develop RNG resources and keep the supply in the state, the Company
7 seeks approval to of an RNG Program that would allow the Company to meet up to 1 percent
8 of its forecasted annual Arizona retail sales with RNG purchases by 2025, 2 percent by 2030,
9 and 3 percent by 2035. As part of the RNG Program, the Company would include the cost
10 of the RNG purchases in the Company's Purchased Gas Cost Adjustment Provision.

11 **8. Miscellaneous Items.**

12 Bill Impact

13 **8.1** Southwest Gas is mindful of the impact rate increases have on its customers
14 and does its best to implement cost saving strategies to minimize increases for its customers.
15 As discussed above and in the supporting testimony, the Company has effectively managed
16 its costs in the three years since its last general rate case filing in 2016. However, the
17 Company has also invested more than \$667 million in its Arizona natural gas system in that
18 same timeframe.

19 **8.2** If the Company's application is accepted as filed, the proposed average
20 monthly single family residential bill would increase \$4.75 a month, resulting in an average
21 monthly bill of approximately \$40.91.

22 Rate Design

23 **8.3** Southwest Gas proposes the same rate design approved by the Commission
24 in the Company's last general rate case – consisting of a monthly basic service charge and
25 a volumetric rate that captures both delivery charges and gas costs. Southwest Gas'
26 proposed rate design strives to accomplish four objectives: 1) the fair and equitable recovery
27 of costs; 2) rates that work well in concert with the Delivery Charge Adjustment; 3) customer
28 acceptance and understandability; and 4) the effect of the rate design on the promotion of

1 the Company's energy efficiency and conservation efforts. Moreover, the revenue stability
2 offered by the Company's decoupled rate structure affords it the opportunity to recover its
3 revenue deficiency in variable charges. As a result, Southwest Gas' proposed rate design
4 maintains basic service charges at their current levels – for example, the single family
5 residential basic service charge is proposed to remain at \$10.70.

6 Witnesses – Prepared Direct Testimony

7 **8.4** Southwest Gas' application and the requests made herein are supported by
8 the prepared direct testimony and exhibits of the following Company witnesses, all of which
9 are included in Volume II of the application:

- 10 • **Matthew D. Derr** provides a summary of the Company's application for rate relief,
11 testimony regarding the Company's currently authorized infrastructure recovery
12 mechanisms, and supports, from a ratemaking perspective, the Company's proposed
13 7000/8000 Pipe Replacement Program. Mr. Derr also supports the Company's
14 proposed tariff changes.
- 15 • **Byron C. Williams** provides testimony supporting the Company's calculation of the
16 federal income tax expense and the impact of Tax Reform on the calculation of the
17 federal income taxes, the Company's calculation and treatment of excess
18 accumulated deferred income taxes, and application of the Modified Business Tax.
- 19 • **Kevin M. Lang** provides testimony supporting, from an operations perspective, the
20 Company's proposed 7000/8000 Pipe Replacement Program.
- 21 • **John R. Olenick** provides testimony supporting the Company's proposed RNG
22 Program.
- 23 • **Carla D. Ayala** provides testimony supporting the methodology used by the
24 Company to develop billing determinants for the test period under present rates, and
25 Company's proposed adjustments to test year bills and volumes, including its
26 proposed weather normalization adjustment. Ms. Ayala also sponsors schedules and
27 work papers supporting the Company's billing determinants for the test year.

- 1 • **Kristien M. Tary** sponsors the Company's embedded class cost of service study and
2 supports the Company's proposed rate design.
- 3 • **Dane A. Watson** sponsors the removal cost allocation study conducted in
4 compliance with Decision No. 76069 in Docket No. G-01551A-16-0107. Mr. Watson
5 is a Certified Depreciation Professional and Partner in Alliance Consulting Group and
6 was engaged by Southwest Gas to conduct the required removal cost allocation
7 study.
- 8 • **Randi L. Cunningham** provides testimony supporting the overall results of
9 operations in Southwest Gas' Arizona rate jurisdiction, including the determination of
10 revenue deficiency. Ms. Cunningham identifies and explains the major reasons and
11 underlying causes of the revenue deficiency and sponsors various schedules and
12 work papers supporting the Company's requested revenue requirement, as well as
13 various revenue requirement schedules. Ms. Cunningham also provides testimony
14 supporting the Company's methodology for determining cost responsibility and
15 allocation and sponsors various schedules and work papers supporting the
16 Company's operating expense and rate base adjustments, as well as certain financial
17 and statistical statements and projections. Finally, Ms. Cunningham discusses the
18 appropriate fair value rate of return to apply to incremental capital projects.
- 19 • **Theodore K. Wood** provides testimony supporting the overall rate of return
20 requested in this proceeding. Mr. Wood supports the Company's requested capital
21 structure and embedded cost of long-term debt used for determining the appropriate
22 cost of capital, including various schedules and supporting work papers. Mr. Wood
23 also discusses the importance of the Company's overall rate of return on the
24 Company's bond ratings and financial profile as well as the inequities associated with
25 using the fair value rate of return from a utility's last general rate case when
26 calculating the revenue requirement associated with incremental investment in
27 facilities.

28

- 1 • **Robert B. Hevert** provides testimony supporting the Company's proposed cost of
2 common equity. Mr. Hevert is a Partner at ScottMadden, Inc., and was engaged by
3 Southwest Gas to perform an analysis and provide a recommendation concerning
4 the Company's cost of common equity, an analysis of the methodology used by the
5 Company to calculate fair value rate base, and a recommendation concerning the
6 Company's fair value rate of return.

7 **9. Conclusion.**

8 **9.1** Southwest Gas believes that Commission approval of the proposed rate
9 increase will result in just and reasonable rates.

10 **9.2** Southwest Gas further submits that approval of this application as proposed
11 will provide the Company with an opportunity to earn a reasonable rate of return on the fair
12 value of its Arizona properties commensurate with other similarly situated natural gas
13 utilities.

14 WHEREFORE, Southwest Gas respectfully requests that the Commission issue a
15 special order pursuant to A.A.C. R14-3-101.C, to establish notice, filing, discovery and
16 hearing procedures, and that upon conclusion of the hearing, the Commission issue a final
17 order:

18 1. Authorizing a retail natural gas service rate increase in Southwest Gas' Arizona rate
19 jurisdiction of \$57 million annually, based upon the fair value of the Company's Arizona
20 properties and a test year ended January 31, 2019;

21 2. Approving the Company's proposed 7000/8000 Pipe Replacement Program as set
22 forth herein;

23 3. Approving the Company's proposed RNG Program as set forth herein;

24 4. Approving the Company's proposed rate design;

25 5. Approving the Company's proposed revisions to its Arizona Gas Tariff; and

26 ///

27 ///

28 ///

1 6. For any other relief the Commission deems just and reasonable based upon the
2 requests contained within this filing.

3 Dated this 1st day of May 2019.

4 Respectfully submitted,

5 SOUTHWEST GAS CORPORATION

6 

7 Catherine M. Mazzeo
8 Arizona Bar No. 028939
9 5241 Spring Mountain Road
10 Las Vegas, NV 89150-0002
11 Telephone: (702) 876-7250
12 Facsimile: -(702) 252-7283
13 catherine.mazzeo@swgas.com
14 *Attorney for Southwest Gas Corporation*

1 I hereby certify that I have on this 1st day of May 2019, electronically filed the foregoing
2 with the Arizona Corporation Commission using the ACC Portal. On the 2nd day of May
3 2019, an original and 8 copies will be hand delivered to the Commission's Docket Control
4 and to the following:

5 Jordy Fuentes
6 Director, Residential Utility Consumer Office
7 1110 West Washington Street, Suite #220
8 Phoenix, AZ 85007

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
By:  _____

Tariff sheet

TABLE OF CONTENTS
(Continued)

<u>Schedule No.</u>	<u>Title of Sheet</u>	<u>A.C.C. Sheet No.</u>
T-1	Transportation of Customer-Secured Natural Gas	51 – 69
	Held for Future Use	70 – 76
SB-1	Standby Gas Service	77 – 79
	Held for Future Use	80
	Held for Future Use	81 – 86
<u>SPECIAL SUPPLEMENTARY TARIFF</u>		
	Purchased Gas Cost Adjustment Provision	87 – 88
	Renewable Natural Gas (RNG) Program Environmental Attribute Provision	89
	Low Income Ratepayer Assistance (LIRA) Rate Adjustment Provision	90
	Interstate Pipeline Capacity Release Service Provision	91
	Delivery Charge Adjustment (DCA)	92 – 93
	Held for Future Use	94 – 103

N
N
T

T

TABLE OF CONTENTS
(Continued)

<u>Schedule No.</u>	<u>Title of Sheet</u>	<u>A.C.C. Sheet No.</u>
T-1	Transportation of Customer-Secured Natural Gas	51 – 69
	Held for Future Use	70 – 76
SB-1	Standby Gas Service	77 – 79
	Held for Future Use	80
	Held for Future Use	81 – 86
<u>SPECIAL SUPPLEMENTARY TARIFF</u>		
	Purchased Gas Cost Adjustment Provision	87 – 88
	Held for Future Use <u>Renewable Natural Gas (RNG) Program Environmental Attribute Provision</u>	89
	Low Income Ratepayer Assistance (LIRA) Rate Adjustment Provision	90
	Interstate Pipeline Capacity Release Service Provision	91
	Delivery Charge Adjustment (DCA)	92 – 93
	Held for Future Use	94 – 103

N
N
I

TABLE OF CONTENTS
(Continued)

RULES

<u>Rule No.</u>	<u>Title of Sheet</u>	<u>A.C.C. Sheet No.</u>
1	Definitions	104 – 120
2	Certificated Gas Service Area	121 – 181
3	Establishment of Service	182 – 191
4	Minimum Customer Information Requirements	192 – 193
5	Master Metering	194
6	Service and Main Extensions	195 – 206B
7	Provision of Service	207 – 219
8	Meter Reading	220 – 222B
9	Billing and Collection	223 – 232A
10	Termination of Service	233 – 238
11	Administrative and Hearing Requirements	239 – 241

TABLE OF CONTENTS
(Continued)

RULES

<u>Rule No.</u>	<u>Title of Sheet</u>	<u>A.C.C. Sheet No.</u>
1	Definitions	104 – 120
2	Certificated Gas Service Area	121 – 181
3	Establishment of Service	182 – 191
4	Minimum Customer Information Requirements	192 – 193
5	Master Metering	194
6	Service and Main Extensions	195 – 206 B
7	Provision of Service	207 – 219
8	Meter Reading	220 – 222 B
9	Billing and Collection	223 – 232A
10	Termination of Service	233 – 238
11	Administrative and Hearing Requirements	239 – 241

SOUTHWEST GAS CORPORATION
 P.O. Box 98510
 Las Vegas, Nevada 89193-8510
 Arizona Gas Tariff No. 7
 Arizona Division

Canceling _____ A.C.C. Sheet No. 11
 _____ A.C.C. Sheet No. _____

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/} ^{2/}

Description	Delivery Charge	^{3/} Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
<u>G-5 – Single-Family Residential Gas Service</u>				
Basic Service Charge per Month	\$ 10.70			\$ 10.70
Commodity Charge per Therm:				
All Usage	\$.93493	(\$.01239)	\$.35399	\$ 1.27653
<u>G-6 – Multi-Family Residential Gas Service</u>				
Basic Service Charge per Month	\$ 9.70			\$ 9.70
Commodity Charge per Therm:				
All Usage	\$ 1.05686	(\$.01239)	\$.35399	\$ 1.39846
<u>G-10– Single-Family Low Income Residential Gas Service</u>				
Basic Service Charge per Month	\$ 7.50			\$ 7.50
Commodity Charge per Therm:				
Summer (May–October):				
All Usage	\$.93493	(\$.03328)	\$.35399	\$ 1.25564
Winter (November–April):				
First 150 Therms	.55488	(\$.03328)	\$.35399	.87559
Over 150 Therms	\$.93493	(\$.03328)	\$.35399	\$ 1.25564
<u>G-11– Multi-Family Low Income Residential Gas Service</u>				
Basic Service Charge per Month	\$ 7.50			\$ 7.50
Commodity Charge per Therm:				
Summer (May–October):				
All Usage	\$ 1.05686	(\$.03328)	\$.35399	\$ 1.37757
Winter (November–April):				
First 150 Therms	.54025	(\$.03328)	\$.35399	.86096
Over 150 Therms	\$ 1.05686	(\$.03328)	\$.35399	\$ 1.37757
<u>G-15– Special Residential Gas Service for Air Conditioning</u>				
Basic Service Charge per Month	\$ 10.70			\$ 10.70
Commodity Charge per Therm:				
Summer (May–October):				
First 15 Therms	\$.93493	(\$.02996)	\$.35399	\$ 1.25896
Over 15 Therms	.15422	(\$.02996)	\$.35399	.47825
Winter (November–April):				
All Usage	\$.93493	(\$.02996)	\$.35399	\$ 1.25896
<u>G-20– Master-Metered Mobile Home Park Gas Service</u>				
Basic Service Charge per Month	\$ 66.00			\$ 66.00
Commodity Charge per Therm:				
All Usage	\$.51948	(\$.01452)	\$.35399	\$.85895

Issued On _____
 Docket No. G-01551A-19-0055

Issued by
 Justin Lee Brown
 Senior Vice President

Effective _____
 Decision No. _____

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

Description	Delivery Charge	^{3/} Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
<u>G-25- General Gas Service</u>				
Basic Service Charge per Month:				
Small	\$ 27.50			\$ 27.50
Medium	43.50			43.50
Large-1	80.00			80.00
Large-2	470.00			470.00
Transportation Eligible	950.00			950.00
Commodity Charge per Therm:				
Small, All Usage	\$ 1.01717	(\$.02783)	\$.35399	\$ 1.34333
Medium, All Usage	.48608	(.02783)	.35399	.81224
Large-1, All Usage	.43783	(.02783)	.35399	.76399
Large-2, All Usage	.32700	(.02783)	.35399	.65316
Transportation Eligible	.12480	(.02996)	.35399	.44883
Demand Charge per Month-				
Transportation Eligible:				
Demand Charge ^{4/}	\$.0089287			\$.089287
<u>G-30- Optional Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 27.			
Commodity Charge per Therm:	As specified on A.C.C. Sheet No. 28.			
All Usage	As specified on A.C.C. Sheet No. 28.			
<u>G-40- Air Conditioning Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 32.			
Commodity Charge per Therm:	As specified on A.C.C. Sheet No. 32.			
All Usage	\$.15422	(\$.02996)	\$.35399	\$.47825
<u>G-45- Street Lighting Gas Service</u>				
Commodity Charge per Therm of Rated Capacity:	As specified on A.C.C. Sheet No. 32.			
All Usage	\$.87963	(\$.02996)	\$.35399	\$ 1.20366
<u>G-50- Compression Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 36.			
Commodity Charge per Therm:	As specified on A.C.C. Sheet No. 36.			
All Usage	As specified on A.C.C. Sheet No. 36.			
<u>G-55- Gas Service for Compression ^{5/} on Customer's Premises</u>				
Basic Service Charge per Month:				
Small	\$ 27.50			\$ 27.50
Large	250.00			250.00
Residential	10.70			10.70
Commodity Charge per Therm:				
All Usage	\$.24048	(\$.02996)	\$.35399	\$.56451
<u>G-60- Electric Generation Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 40.			
Commodity Charge per Therm:	As specified on A.C.C. Sheet No. 40.			
All Usage	\$.17367	(\$.02996)	\$.35399	\$.49770
<u>G-65- Biogas and Renewable Natural Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 41A.			
Commodity Charge per Therm:	As specified on A.C.C. Sheet No. 41A.			
All Usage	As specified on A.C.C. Sheet No. 41A.			

SOUTHWEST GAS CORPORATION
 P.O. Box 98510
 Las Vegas, Nevada 89193-8510
 Arizona Gas Tariff No. 7
 Arizona Division

Canceling _____ A.C.C. Sheet No. 13
 _____ A.C.C. Sheet No. _____

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
 (Continued)

Description	Delivery Charge	^{3/} Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
<u>G-75– Small Essential Agricultural User Gas Service</u>				
Basic Service Charge per Month	\$ 120.00			\$ 120.00
Commodity Charge per Therm:				
All Usage	\$.30638	(\$.02996)	\$.35399	\$.63041
<u>G-80 – Natural Gas Engine ^{6/} Water Pumping Gas Service</u>				
Basic Service Charge per Month:				
Off-Peak Season (October–March)	\$.00			\$.00
Peak Season (April–September)	\$ 125.00			\$ 125.00
Commodity Charge per Therm:				
All Usage	\$.23275	\$.01972	\$.18273	\$.43520

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 \$0.00283 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.

Issued On _____
 Docket No. G-1551A-19-0055

Issued by
 Justin Lee Brown
 Senior Vice President

Effective _____
 Decision No. _____

SOUTHWEST GAS CORPORATION
 P.O. Box 98510
 Las Vegas, Nevada 89193-8510
 Arizona Gas Tariff No. 7
 Arizona Division

Canceling _____ A.C.C. Sheet No. 14
 _____ A.C.C. Sheet No. _____

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

3/ The Rate Adjustment applicable to each tariff rate schedule includes the following components.

Description	G-5, G-6	G-10, G-11	G-15	G-20	Adjustment Date
Low Income Ratepayer Assistance	\$ 0.01544	n/a	n/a	\$ 0.01544	1st Billing Cycle in May
Demand Side Management	0.00745	\$ 0.00200	\$ 0.00745	0.00745	Per Commission Order
Gas Infrastructure Recovery Charge	0.00952	0.00952	0.00952	0.00952	Per Commission Order
Department of Transportation	0.00275	0.00275	0.00275	0.00275	1st Billing Cycle in March
Gas Cost Balancing Account	(0.04968)	(0.04968)	(0.04968)	(0.04968)	Per Commission Notification
DCA	0.00213	0.00213	n/a	n/a	Per Commission Order
Total Rate Adjustment	\$ <u>(0.01239)</u>	\$ <u>(0.03328)</u>	\$ <u>(0.02996)</u>	\$ <u>(0.01452)</u>	

Description	G-25S, G-25M, G-25-L1, G-25-L2	G-25TE, G-40, G-45, G-55, G-60, G-75	G-80	G-30, SB-1, Special Contracts	Adjustment Date
Low Income Ratepayer Assistance	n/a	n/a	n/a	n/a	1st Billing Cycle in May
Demand Side Management	\$ 0.00745	\$ 0.00745	\$ 0.00745	n/a	Per Commission Order
Gas Infrastructure Recovery Charge	0.00952	0.00952	0.00952	n/a	Per Commission Order
Department of Transportation	0.00275	0.00275	0.00275	\$ 0.00275	1st Billing Cycle in March
Gas Cost Balancing Account	(0.04968)	(0.04968)	n/a	n/a	Per Commission Notification
DCA	0.00213	n/a	n/a	n/a	Per Commission Order
Total Rate Adjustment	\$ <u>(\$0.02783)</u>	\$ <u>(0.02996)</u>	\$ <u>\$0.01972</u>	\$ <u>0.00275</u>	

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.

Issued On _____
 Docket No. G-01551A-19-0055

Issued by
 Justin Lee Brown
 Senior Vice President

Effective _____
 Decision No. _____

SOUTHWEST GAS CORPORATION
 P.O. Box 98510
 Las Vegas, Nevada 89193-8510
 Arizona Gas Tariff No. 7
 Arizona Division

Canceling _____ A.C.C. Sheet No. 14
 _____ A.C.C. Sheet No. _____

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/2/}
(Continued)

3/ The Rate Adjustment applicable to each tariff rate schedule includes the following components.

Description	G-5, G-6	G-10, G-11	G-15	G-20	Adjustment Date
Low Income Ratepayer Assistance	\$ 0.01544	n/a	n/a	\$ 0.01544	1st Billing Cycle in May
Demand Side Management	0.00745	\$ 0.00200	\$ 0.00745	0.00745	Per Commission Order
VSP Replacement Program	0.00386	0.00386	0.00386	0.00386	Per Commission Order
Gas Infrastructure Recovery Charge	0.00952	0.00952	0.00952	0.00952	Per Commission Order
Department of Transportation	0.00275	0.00275	0.00275	0.00275	1st Billing Cycle in March
Gas Cost Balancing Account	(0.04968)	(0.04968)	(0.04968)	(0.04968)	Per Commission Notification
COYL Cost Recovery	0.00566	0.00566	0.00566	0.00566	Per Commission Order
DCA	0.00213	0.00213	n/a	n/a	Per Commission Order
Tax Reform Credit	(0.03170)	(0.03170)	(0.03170)	(0.03170)	Per Commission Order
Total Rate Adjustment	\$ (0.01239) (0.04409)	\$ (0.03328) (0.06498)	\$ (0.02996) (0.06166)	\$ (0.01452) (0.04622)	

Description	G-25S, G-25M, G-25-L1, G-25-L2	G-25TE, G-40, G-45, G-55, G-60, G-75	G-80	G-30, SB-1, Special Contracts	Adjustment Date
Low Income Ratepayer Assistance	n/a	n/a	n/a	n/a	1st Billing Cycle in May
Demand Side Management	\$ 0.00745	\$ 0.00745	\$ 0.00745	n/a	Per Commission Order
VSP	0.00386	0.00386	0.00386	n/a	Per Commission Order
Gas Infrastructure Recovery Charge	0.00952	0.00952	0.00952	n/a	Per Commission Order
Department of Transportation	0.00275	0.00275	0.00275	\$ 0.00275	1st Billing Cycle in March
Gas Cost Balancing Account	(0.04968)	(0.04968)	n/a	n/a	Per Commission Notification
COYL Cost Recovery	0.00566	0.00566	0.00566	n/a	Per Commission Order
DCA	0.00213	n/a	n/a	n/a	Per Commission Order
Tax Reform Credit	(0.03170)	(0.03170)	(0.03170)	n/a	Per Commission Order
Total Rate Adjustment	\$ (0.05953) (0.02783)	\$ (0.06166) (0.02996)	\$ (0.01198) <u>0.01972</u>	\$ 0.00275	

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.

Issued On _____ Issued by Justin Lee Brown Effective _____
 Docket No. G-01551A-19-0055 Senior Vice President Decision No. _____

Schedule No. G-10

SINGLE-FAMILY LOW INCOME RESIDENTIAL GAS SERVICE
(Continued)

SPECIAL CONDITIONS (Continued)

2. Eligible customers shall be billed under this schedule with the next regularly scheduled billing period after the Utility has received the customer's properly completed application form or recertification.
3. Eligibility information provided by the customer on the application form may be subject to verification by the Utility. Refusal or failure of a customer to provide current documentation of eligibility acceptable to the Utility, upon request of the Utility, shall result in removal from or ineligibility for this schedule.
4. Customers who wrongfully declare eligibility or fail to notify the Utility when they no longer meet the eligibility requirements may be rebilled for the period of ineligibility under their otherwise applicable residential schedule.
5. It is the responsibility of the customer to notify the Utility within 30 days of any changes in the customer's eligibility status.
6. All monetary discounts will be tracked through a balancing account established by the Utility and recovered through the Utility's Low Income Ratepayer Assistance (LIRA) Rate Adjustment Provision.
7. The charges specified for this schedule are subject to adjustment for the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of the gross revenues of the Utility.

PURCHASED GAS ADJUSTMENT CLAUSE

The rates specified for this schedule are subject to increases or decreases in the cost of gas purchased in accordance with those provisions set forth in the "Special Supplementary Tariff, Purchased Gas Cost Adjustment Provision," contained in this Arizona Gas Tariff.

RULES AND REGULATIONS

The standard Rules and Regulations of the Utility as authorized by the Commission shall apply where consistent with this schedule.

Schedule No. G-10

SINGLE-FAMILY LOW INCOME RESIDENTIAL GAS SERVICE
(Continued)

SPECIAL CONDITIONS (Continued)

2. Eligible customers shall be billed under this schedule with the next regularly scheduled billing period after the Utility has received the customer's properly completed application form or recertification.
3. Eligibility information provided by the customer on the application form may be subject to verification by the Utility. Refusal or failure of a customer to provide current documentation of eligibility acceptable to the Utility, upon request of the Utility, shall result in removal from or ineligibility for this schedule.
4. Customers who wrongfully declare eligibility or fail to notify the Utility when they no longer meet the eligibility requirements may be rebilled for the period of ineligibility under their otherwise applicable residential schedule.
5. It is the responsibility of the customer to notify the Utility within 30 days of any changes in the customer's eligibility status.
- ~~6. Customers with connected service to pools, spas or hot tubs are eligible for this schedule, only if usage is prescribed, in writing, by a licensed physician.~~ D
- 7.6. All monetary discounts will be tracked through a balancing account established by the Utility and recovered through the Utility's Low Income Ratepayer Assistance (LIRA) Rate Adjustment Provision. I
- 8.7. The charges specified for this schedule are subject to adjustment for the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of the gross revenues of the Utility. I

PURCHASED GAS ADJUSTMENT CLAUSE

The rates specified for this schedule are subject to increases or decreases in the cost of gas purchased in accordance with those provisions set forth in the "Special Supplementary Tariff, Purchased Gas Cost Adjustment Provision," contained in this Arizona Gas Tariff.

RULES AND REGULATIONS

The standard Rules and Regulations of the Utility as authorized by the Commission shall apply where consistent with this schedule.

Schedule No. G-11

MULTI-FAMILY LOW INCOME RESIDENTIAL GAS SERVICE
(Continued)

SPECIAL CONDITIONS (Continued)

2. Eligible customers shall be billed under this schedule with the next regularly scheduled billing period after the Utility has received the customer's properly completed application form or recertification.
3. Eligibility information provided by the customer on the application form may be subject to verification by the Utility. Refusal or failure of a customer to provide current documentation of eligibility acceptable to the Utility, upon request of the Utility, shall result in removal from or ineligibility for this schedule.
4. Customers who wrongfully declare eligibility or fail to notify the Utility when they no longer meet the eligibility requirements may be rebilled for the period of ineligibility under their otherwise applicable residential schedule.
5. It is the responsibility of the customer to notify the Utility within 30 days of any changes in the customer's eligibility status.
6. All monetary discounts will be tracked through a balancing account established by the Utility and recovered through the Utility's Low Income Ratepayer Assistance (LIRA) Rate Adjustment Provision.
7. The charges specified for this schedule are subject to adjustment for the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of the gross revenues of the Utility.

PURCHASED GAS ADJUSTMENT CLAUSE

The rates specified for this schedule are subject to increases or decreases in the cost of gas purchased in accordance with those provisions set forth in the "Special Supplementary Tariff, Purchased Gas Cost Adjustment Provision," contained in this Arizona Gas Tariff.

RULES AND REGULATIONS

The standard Rules and Regulations of the Utility as authorized by the Commission shall apply where consistent with this schedule.

Schedule No. G-11

MULTI-FAMILY LOW INCOME RESIDENTIAL GAS SERVICE
(Continued)

SPECIAL CONDITIONS (Continued)

2. Eligible customers shall be billed under this schedule with the next regularly scheduled billing period after the Utility has received the customer's properly completed application form or recertification.
3. Eligibility information provided by the customer on the application form may be subject to verification by the Utility. Refusal or failure of a customer to provide current documentation of eligibility acceptable to the Utility, upon request of the Utility, shall result in removal from or ineligibility for this schedule.
4. Customers who wrongfully declare eligibility or fail to notify the Utility when they no longer meet the eligibility requirements may be rebilled for the period of ineligibility under their otherwise applicable residential schedule.
5. It is the responsibility of the customer to notify the Utility within 30 days of any changes in the customer's eligibility status.
- ~~6. Customers with connected service to pools, spas or hot tubs are eligible for this schedule, only if usage is prescribed, in writing, by a licensed physician.~~ D
- 7.6. All monetary discounts will be tracked through a balancing account established by the Utility and recovered through the Utility's Low Income Ratepayer Assistance (LIRA) Rate Adjustment Provision. I
- ~~8.7.~~ 7.7. The charges specified for this schedule are subject to adjustment for the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of the gross revenues of the Utility. I

PURCHASED GAS ADJUSTMENT CLAUSE

The rates specified for this schedule are subject to increases or decreases in the cost of gas purchased in accordance with those provisions set forth in the "Special Supplementary Tariff, Purchased Gas Cost Adjustment Provision," contained in this Arizona Gas Tariff.

RULES AND REGULATIONS

The standard Rules and Regulations of the Utility as authorized by the Commission shall apply where consistent with this schedule.

Schedule No. G-80

NATURAL GAS ENGINE WATER PUMPING GAS SERVICE

APPLICABILITY

Applicable to gas service to all customers using gas for fuel in internal combustion engines for pumping water for agricultural, domestic, and municipal purposes.

TERRITORY

Throughout the certificated area served by the Utility in the communities as set forth on A.C.C. Sheet No. 8 of this Arizona Gas Tariff.

RATES

The basic service charge and commodity charge are set forth in the currently effective Statement of Rates of this Arizona Gas Tariff and are incorporated herein by reference.

MINIMUM CHARGE

The minimum charge per meter per month is the basic service charge.

SPECIAL CONDITIONS

1. All gas shall be supplied at a single point of delivery and measured through one meter. No other equipment may be supplied through this meter.
2. The charges specified for this schedule are subject to adjustment for the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of the gross revenues of the Utility.

Schedule No. G-80

NATURAL GAS ENGINE WATER PUMPING GAS SERVICE

APPLICABILITY

Applicable to gas service to all customers using gas for fuel in internal combustion engines for pumping water for agricultural ~~irrigation purposes~~, domestic, and municipal, ~~electric generation (excluding utility electric generation) or other mechanical~~ purposes.

TERRITORY

Throughout the certificated area served by the Utility in the communities as set forth on A.C.C. Sheet No. 8 of this Arizona Gas Tariff.

RATES

The basic service charge and commodity charge are set forth in the currently effective Statement of Rates of this Arizona Gas Tariff and are incorporated herein by reference.

MINIMUM CHARGE

The minimum charge per meter per month is the basic service charge.

SPECIAL CONDITIONS

1. All gas shall be supplied at a single point of delivery and measured through one meter. No other equipment may be supplied through this meter.
2. The charges specified for this schedule are subject to adjustment for the applicable proportionate part of any taxes or governmental impositions which are assessed on the basis of the gross revenues of the Utility.

PURCHASED GAS ADJUSTMENT CLAUSE

~~The rates specified for this schedule are subject to increases or decreases in the cost of gas purchased in accordance with those provisions set forth in the "Special Supplementary Tariff, Purchased Gas Cost Adjustment Provision," contained in this Arizona Gas Tariff.~~

SPECIAL SUPPLEMENTARY TARIFF
PURCHASED GAS COST ADJUSTMENT PROVISION

APPLICABILITY

This Purchased Gas Cost Adjustment Provision shall apply to all schedules except for Rate Schedule Nos. G-30, G-80, T-1, and SB-1 of this Arizona Gas Tariff.

CHANGE IN RATES

The Monthly Gas Cost (MGC) rate for schedules covered by this provision includes the sum of the rolling twelve-month average purchased gas (PGA) rate plus the Gas Cost Balancing Account Adjustment, if applicable. Monthly adjustments will be made to the MGC to reflect the most currently available PGA rate. In accordance with Decision No. 70665, the PGA rate included in the MGC rate cannot be more than \$.15 per therm different than any PGA rate in effect during the preceding 12 months.

BANK BALANCE

The Utility shall establish and maintain a Gas Cost Balancing Account, if necessary, for the schedules subject to this provision. Entries shall be made to this account each month, if appropriate, as follows:

1. A debit or credit entry equal to the difference between (a) the actual purchased gas cost for the month and (b) an amount determined by multiplying the Monthly Gas Cost Rate as set forth on Sheet Nos. 11 and 12 of this Arizona Gas Tariff by the therms billed during the month under the applicable schedules of this Arizona Gas Tariff.
2. A debit or credit entry for refunds or payments authorized by the Commission.
3. A debit or credit entry for interest to be applied to over- and under-collected bank balances based on the monthly one-year nominal Treasury constant maturities rate.

P.O. Box 98510

Las Vegas, Nevada 89193-8510

Arizona Gas Tariff No. 7

Arizona Division

Canceling 87th Revised A.C.C. Sheet No. 87
76th Revised A.C.C. Sheet No. 87

SPECIAL SUPPLEMENTARY TARIFF
PURCHASED GAS COST ADJUSTMENT PROVISION

APPLICABILITY

This Purchased Gas Cost Adjustment Provision shall apply to all schedules except for Rate Schedule Nos. G-30, G-80, T-1, and SB-1 of this Arizona Gas Tariff.

CHANGE IN RATES

The Monthly Gas Cost (MGC) rate for schedules covered by this provision includes the sum of the rolling twelve-month average purchased gas (PGA) rate plus the Gas Cost Balancing Account Adjustment, if applicable. Monthly adjustments will be made to the MGC to reflect the most currently available PGA rate. In accordance with Decision No. 70665, the PGA rate included in the MGC rate cannot be more than \$.15 per therm different than any PGA rate in effect during the preceding 12 months.

BANK BALANCE

The Utility shall establish and maintain a Gas Cost Balancing Account, if necessary, for the schedules subject to this provision. Entries shall be made to this account each month, if appropriate, as follows:

1. A debit or credit entry equal to the difference between (a) the actual purchased gas cost for the month and (b) an amount determined by multiplying the Monthly Gas Cost Rate as set forth on Sheet Nos. 11 and 12 of this Arizona Gas Tariff by the therms billed during the month under the applicable schedules of this Arizona Gas Tariff.
2. A debit or credit entry for refunds or payments authorized by the Commission.
3. A debit or credit entry for interest to be applied to over- and under-collected bank balances based on the monthly one-year nominal Treasury constant maturities rate.

Issued On April 21, 2017
Docket No G-01551A-19-005516-0107

Issued by
Justin Lee Brown
Senior Vice President

Effective April 1, 2017
Decision No. 76069

SPECIAL SUPPLEMENTARY TARIFF

RENEWABLE NATURAL GAS PROGRAM ENVIRONMENTAL ATTRIBUTE PROVISION

ENVIRONMENTAL ATTRIBUTES

The Utility's sale or other monetization of any Environmental Attributes associated with the Renewable Natural Gas Program (RNG Program) will be permitted pursuant to the terms of the RNG Program. All funds received by the Utility from the sale or other monetization of any Environmental Attributes associated with the RNG Program shall be credited to Account No. 191, Unrecovered Purchased Gas Costs.

N
N
T

P.O. Box 98510

Las Vegas, Nevada 89193-8510

Arizona Gas Tariff No. 7

Arizona Division

	3rd Revised	A.C.C. Sheet No.	<u>89</u>
Canceling	2nd Revised	A.C.C. Sheet No.	<u>89</u>

HELD FOR FUTURE USE SPECIAL SUPPLEMENTARY TARIFF

RENEWABLE NATURAL GAS PROGRAM ENVIRONMENTAL ATTRIBUTE PROVISION

ENVIRONMENTAL ATTRIBUTES

The Utility's sale or other monetization of any Environmental Attributes associated with the Renewable Natural Gas Program (RNG Program) will be permitted pursuant to the terms of the RNG Program. All funds received by the Utility from the sale or other monetization of any Environmental Attributes associated with the RNG Program shall be credited to Account No. 191, Unrecovered Purchased Gas Costs.

Issued On April 21, 2017
 Docket No G-01551A-19-005516-0107-

Issued by
 Justin Lee Brown
 Senior Vice President

Effective April 1, 2017
 Decision No. 76069

SPECIAL SUPPLEMENTARY TARIFF
LOW INCOME RATEPAYER ASSISTANCE (LIRA) RATE ADJUSTMENT PROVISION

APPLICABILITY

Applicable to all gas delivered by the Utility to all customers served under Rate Schedule Nos. G-5, G-6 and G-20.

RATES

The unit LIRA rate adjustment is set forth in the currently effective Statement of Rates, Footnote 3, of Sheet No. 14 of this Arizona Gas Tariff and is incorporated herein by reference.

CHANGES IN RATES

Rates applicable to each schedule of this Arizona Gas Tariff subject to this provision shall be adjusted for changes in the LIRA Balancing Account's balance in accordance with the rate adjustment provisions hereof such that the Utility will be reimbursed for all LIRA discounts, plus interest and administrative expenses.

ADJUSTMENT DATE

The LIRA rate adjustment shall be updated annually effective May 1.

RATE ADJUSTMENT PROVISIONS

Calculation of the LIRA rate adjustment shall include:

1. The LIRA program benefits provided during the prior Winter Season.
2. Incremental administrative and general expenses associated with the LIRA program.
3. The amounts accumulated in the LIRA Balancing Account as described below at the end of the latest available recorded month prior to the applicable Adjustment Date.
4. The sum of paragraphs (1), (2), and (3) above divided by the most recent 12 month's applicable sales volumes shall be the LIRA rate adjustment amount.

P.O. Box 98510

Las Vegas, Nevada 89193-8510

Arizona Gas Tariff No. 7

Arizona Division

Canceling	<u>65th Revised</u>	A.C.C. Sheet No.	<u>90</u>
	<u>54th Revised</u>	A.C.C. Sheet No.	<u>90</u>

SPECIAL SUPPLEMENTARY TARIFF
LOW INCOME RATEPAYER ASSISTANCE (LIRA) RATE ADJUSTMENT PROVISION

APPLICABILITY

Applicable to all gas delivered by the Utility to all customers served under Rate Schedule Nos. G-5, G-6 and G-20.

RATES

The unit LIRA rate adjustment is set forth in the currently effective Statement of Rates, Footnote 3, of Sheet No. 14 of this Arizona Gas Tariff and is incorporated herein by reference.

CHANGES IN RATES

Rates applicable to each schedule of this Arizona Gas Tariff subject to this provision shall be adjusted for changes in the LIRA Balancing Account's balance in accordance with the rate adjustment provisions hereof such that the Utility will be reimbursed for all LIRA discounts, plus interest and administrative expenses.

ADJUSTMENT DATE

The LIRA rate adjustment shall be updated annually effective May 1.

RATE ADJUSTMENT PROVISIONS

Calculation of the LIRA rate adjustment shall include:

1. The LIRA program benefits provided during the prior Winter Season.
2. Incremental administrative and general expenses associated with the LIRA program.
3. The amounts accumulated in the LIRA Balancing Account as described below at the end of the latest available recorded month prior to the applicable Adjustment Date.
4. The sum of paragraphs (1), (2), and (3) above divided by the most recent 12 month's applicable sales volumes shall be the LIRA rate adjustment amount.

Issued On April 21, 2017
 Docket No G-01551A-16-010719-0055

Issued by
 Justin Lee Brown
 Senior Vice President

Effective April 1, 2017
 Decision No. 76069

SOUTHWEST GAS CORPORATION
 P.O. Box 98510
 Las Vegas, Nevada 89193-8510
 Arizona Gas Tariff No. 7
 Arizona Division

Canceling 6th Revised A.C.C. Sheet No. 92
5th Revised A.C.C. Sheet No. 92

**SPECIAL SUPPLEMENTARY TARIFF
DELIVERY CHARGE ADJUSTMENT**

APPLICABILITY

The Delivery Charge Adjustment (DCA) applies to residential Rate Schedule Nos. G-5, G-6, G-10 and G-11 and to General Service Schedule Nos. G-25(Small), G-25(Medium), G-25(Large-1) and G-25(Large-2) included in this Arizona Gas Tariff. The DCA specifies the accounting procedures and rate setting adjustments necessary to assure the Utility neither over-recovers, nor under-recovers, the margin-per-customer amounts authorized in its most recent general rate case proceeding.

CHANGE IN RATES

Annually, the DCA surcharge will adjust to recover or refund any differences between the Utility's billed margin and the margin amounts authorized in its most recent general rate case proceeding. The process is set forth below.

1) **BALANCING ACCOUNT**

The Utility shall maintain accounting records that accumulate the difference between authorized and actual billed margin. Entries shall be recorded to the DCA Balancing Account (DCABA) each month as follows:

- A. A debit or credit entry equal to the difference between authorized margin and actual billed margin for each rate schedule subject to this provision. Authorized margin is the product of the monthly margin-per-customer authorized in the Utility's last general rate case, as stated below, and the actual number of customers billed during the month.

	<u>G-5</u>	<u>G-6</u>	<u>G-10</u>	<u>G-11</u>
January	\$ 59.82	\$ 34.86	\$ 57.36	\$ 40.05
February	\$ 52.31	\$ 32.06	\$ 51.01	\$ 36.41
March	\$ 42.52	\$ 28.01	\$ 40.19	\$ 30.62
April	\$ 31.33	\$ 23.88	\$ 29.56	\$ 25.11
May	\$ 25.07	\$ 21.37	\$ 23.39	\$ 21.94
June	\$ 24.27	\$ 21.00	\$ 22.62	\$ 21.78
July	\$ 22.39	\$ 19.66	\$ 20.95	\$ 20.22
August	\$ 21.43	\$ 19.01	\$ 20.08	\$ 19.48
September	\$ 21.94	\$ 19.35	\$ 20.40	\$ 19.75
October	\$ 22.96	\$ 19.75	\$ 21.20	\$ 20.09
November	\$ 25.29	\$ 21.13	\$ 24.01	\$ 21.71
December	\$ 44.07	\$ 28.85	\$ 42.59	\$ 31.89

Issued On _____
 Docket No. G-01551A-19-0055

Issued by
 Justin Lee Brown
 Senior Vice President

Effective _____
 Decision No. _____

SOUTHWEST GAS CORPORATION
 P.O. Box 98510
 Las Vegas, Nevada 89193-8510
 Arizona Gas Tariff No. 7
 Arizona Division

Canceling ~~5th-6th Revised~~ A.C.C. Sheet No. 92
~~4th-5th Revised~~ A.C.C. Sheet No. 92

**SPECIAL SUPPLEMENTARY TARIFF
DELIVERY CHARGE ADJUSTMENT**

APPLICABILITY

The Delivery Charge Adjustment (DCA) applies to residential Rate Schedule Nos. G-5, G-6, G-10 and G-11 and to General Service Schedule Nos. G-25(Small), G-25(Medium), G-25(Large-1) and G-25(Large-2) included in this Arizona Gas Tariff. The DCA specifies the accounting procedures and rate setting adjustments necessary to assure the Utility neither over-recovers, nor under-recovers, the margin-per-customer amounts authorized in its most recent general rate case proceeding.

CHANGE IN RATES

Annually, the DCA surcharge will adjust to recover or refund any differences between the Utility's billed margin and the margin amounts authorized in its most recent general rate case proceeding. The process is set forth below.

1) **BALANCING ACCOUNT**

The Utility shall maintain accounting records that accumulate the difference between authorized and actual billed margin. Entries shall be recorded to the DCA Balancing Account (DCABA) each month as follows:

- A. A debit or credit entry equal to the difference between authorized margin and actual billed margin for each rate schedule subject to this provision. Authorized margin is the product of the monthly margin-per-customer authorized in the Utility's last general rate case, as stated below, and the actual number of customers billed during the month.

	<u>G-5</u>	<u>G-6</u>	<u>G-10</u>	<u>G-11</u>
January	\$ 56.27 <u>59.82</u>	\$ 31.70 <u>34.86</u>	\$ 54.75 <u>57.36</u>	\$ 37.15 <u>40.05</u>
February	\$ 48.76 <u>52.31</u>	\$ 28.90 <u>32.06</u>	\$ 48.40 <u>51.01</u>	\$ 33.54 <u>36.41</u>
March	\$ 38.97 <u>42.52</u>	\$ 24.85 <u>28.01</u>	\$ 37.58 <u>40.19</u>	\$ 27.72 <u>30.62</u>
April	\$ 27.78 <u>31.33</u>	\$ 20.72 <u>23.88</u>	\$ 26.95 <u>29.56</u>	\$ 22.24 <u>25.11</u>
May	\$ 24.52 <u>25.07</u>	\$ 18.20 <u>21.37</u>	\$ 20.78 <u>23.39</u>	\$ 19.04 <u>21.94</u>
June	\$ 20.72 <u>24.27</u>	\$ 17.83 <u>21.00</u>	\$ 20.00 <u>22.62</u>	\$ 18.88 <u>21.78</u>
July	\$ 18.83 <u>22.39</u>	\$ 16.49 <u>19.66</u>	\$ 18.33 <u>20.95</u>	\$ 17.34 <u>20.22</u>
August	\$ 17.87 <u>21.43</u>	\$ 15.84 <u>19.01</u>	\$ 17.46 <u>20.08</u>	\$ 16.57 <u>19.48</u>
September	\$ 18.38 <u>21.94</u>	\$ 16.18 <u>19.35</u>	\$ 17.79 <u>20.40</u>	\$ 16.84 <u>19.75</u>
October	\$ 19.44 <u>22.96</u>	\$ 16.58 <u>19.75</u>	\$ 18.59 <u>21.20</u>	\$ 17.19 <u>20.09</u>
November	\$ 21.74 <u>25.29</u>	\$ 17.96 <u>21.13</u>	\$ 21.40 <u>24.01</u>	\$ 18.84 <u>21.71</u>
December	\$ 40.52 <u>44.07</u>	\$ 25.69 <u>28.85</u>	\$ 39.98 <u>42.59</u>	\$ 28.99 <u>31.89</u>
Total	\$ 350.77	\$ 250.94	\$ 342.04	\$ 274.22

SOUTHWEST GAS CORPORATION
 P.O. Box 98510
 Las Vegas, Nevada 89193-8510
 Arizona Gas Tariff No. 7
 Arizona Division

Canceling 7th Revised A.C.C. Sheet No. 93
6th Revised A.C.C. Sheet No. 93

SPECIAL SUPPLEMENTARY TARIFF
DELIVERY CHARGE ADJUSTMENT
(Continued)

	<u>G-25(S)</u>	<u>G-25(M)</u>	<u>G-25(L1)</u>	<u>G-25(L2)</u>
January	\$ 76.28	\$ 244.57	\$ 939.99	\$ 3,804.36
February	\$ 68.08	\$ 229.14	\$ 876.86	\$ 3,557.24
March	\$ 57.90	\$ 198.71	\$ 764.23	\$ 3,487.57
April	\$ 45.03	\$ 169.70	\$ 680.24	\$ 3,020.26
May	\$ 40.50	\$ 149.51	\$ 590.81	\$ 2,670.55
June	\$ 40.20	\$ 144.59	\$ 552.87	\$ 2,515.92
July	\$ 38.62	\$ 131.49	\$ 477.48	\$ 2,089.24
August	\$ 37.99	\$ 127.90	\$ 454.29	\$ 2,000.23
September	\$ 38.29	\$ 132.53	\$ 472.04	\$ 2,079.33
October	\$ 38.78	\$ 139.45	\$ 514.31	\$ 2,257.53
November	\$ 40.77	\$ 153.39	\$ 593.95	\$ 2,714.62
December	\$ 57.73	\$ 206.62	\$ 809.83	\$ 3,400.78

- B. A debit or credit entry equal to the terms billed during the month under the schedules subject to this provision multiplied by the DCA surcharge rate.
- C. A debit or credit entry for interest to be applied to over- and under-collected bank balances based on the monthly one-year nominal Treasury constant maturities rate.

2) RATE ADJUSTMENT

The DCA Rate Adjustment applicable to each schedule subject to this provision shall be revised annually to reflect the difference between the margin-per-customer authorized in the Utility's last general rate case and the margin billed. The DCA Rate Adjustment will be calculated by dividing the balance in the DCABA by the most recent 12-month volume of natural gas for the applicable rate schedules.

3) AMOUNTS RECOVERED AND REFUNDED

Over-collected or under-collected balances in the DCABA will be refunded over the next amortization period.

4) TIMING AND MANNER OF FILING

The Utility shall file its DCA Rate Adjustment revisions with the Commission in accordance with all statutory and regulatory requirements. The DCA Rate Adjustment shall be effective on the date of the first bill cycle in the month following the Commission's approval unless otherwise provided for by the Commission.

Issued On _____
 Docket No. G-01551A-19-0055

Issued by
 Justin Lee Brown
 Senior Vice President

Effective _____
 Decision No. _____

SOUTHWEST GAS CORPORATION
 P.O. Box 98510
 Las Vegas, Nevada 89193-8510
 Arizona Gas Tariff No. 7
 Arizona Division

Canceling ~~6th~~ 7th Revised A.C.C. Sheet No. 93
~~5th~~ 6th Revised A.C.C. Sheet No. 93

**SPECIAL SUPPLEMENTARY TARIFF
 DELIVERY CHARGE ADJUSTMENT**

(Continued)

	<u>G-25(S)</u>	<u>G-25(M)</u>	<u>G-25(L1)</u>	<u>G-25(L2)</u>
January	\$ 72.34 <u>76.28</u>	\$ 221.00 <u>244.57</u>	\$ 896.24 <u>939.99</u>	\$ 3,550.90 <u>3,804.36</u>
February	\$ 64.14 <u>68.08</u>	\$ 205.57 <u>229.14</u>	\$ 833.11 <u>876.86</u>	\$ 3,303.78 <u>3,557.24</u>
March	\$ 53.95 <u>57.90</u>	\$ 175.14 <u>198.71</u>	\$ 720.48 <u>764.23</u>	\$ 3,234.11 <u>3,487.57</u>
April	\$ 41.08 <u>45.03</u>	\$ 146.13 <u>169.70</u>	\$ 636.49 <u>680.24</u>	\$ 2,766.80 <u>3,020.26</u>
May	\$ 36.55 <u>40.50</u>	\$ 125.94 <u>149.51</u>	\$ 547.06 <u>590.81</u>	\$ 2,417.09 <u>2,670.55</u>
June	\$ 36.25 <u>40.20</u>	\$ 121.02 <u>144.59</u>	\$ 509.11 <u>552.87</u>	\$ 2,262.46 <u>2,515.92</u>
July	\$ 34.67 <u>38.62</u>	\$ 107.92 <u>131.49</u>	\$ 433.72 <u>477.48</u>	\$ 1,835.78 <u>2,089.24</u>
August	\$ 34.04 <u>37.99</u>	\$ 104.32 <u>127.90</u>	\$ 410.53 <u>454.29</u>	\$ 1,746.76 <u>2,000.23</u>
September	\$ 34.34 <u>38.29</u>	\$ 108.96 <u>132.53</u>	\$ 428.28 <u>472.04</u>	\$ 1,825.86 <u>2,079.33</u>
October	\$ 34.83 <u>38.78</u>	\$ 115.88 <u>139.45</u>	\$ 470.55 <u>514.31</u>	\$ 2,004.07 <u>2,257.53</u>
November	\$ 36.82 <u>40.77</u>	\$ 129.82 <u>153.39</u>	\$ 550.20 <u>593.95</u>	\$ 2,461.16 <u>2,714.62</u>
December	\$ 53.78 <u>57.73</u>	\$ 183.05 <u>206.62</u>	\$ 766.08 <u>809.83</u>	\$ 3,147.32 <u>3,400.78</u>
Total	\$ 532.79	\$ 1,744.75	\$ 7,201.85	\$ 30,556.09

B. A debit or credit entry equal to the terms billed during the month under the schedules subject to this provision multiplied by the DCA surcharge rate.

C. A debit or credit entry for interest to be applied to over- and under-collected bank balances based on the monthly one-year nominal Treasury constant maturities rate.

2) RATE ADJUSTMENT

The DCA Rate Adjustment applicable to each schedule subject to this provision shall be revised annually to reflect the difference between the margin-per-customer authorized in the Utility's last general rate case and the margin billed. The DCA Rate Adjustment will be calculated by dividing the balance in the DCABA by the most recent 12-month volume of natural gas for the applicable rate schedules.

3) AMOUNTS RECOVERED AND REFUNDED

Over-collected or under-collected balances in the DCABA will be refunded over the next amortization period.

4) TIMING AND MANNER OF FILING

The Utility shall file its DCA Rate Adjustment revisions with the Commission in accordance with all statutory and regulatory requirements. The DCA Rate Adjustment shall be effective on the date of the first bill cycle in the month following the Commission's approval unless otherwise provided for by the Commission.

Issued On _____
 Docket No. G-01551A-19-0055

Issued by
 Justin Lee Brown
 Senior Vice President

Effective _____
 Decision No. _____

RULE NO. 1

DEFINITIONS

For the purpose of these Tariffs, the terms and expressions listed below shall have the meanings set forth opposite:

Advance in Aid of Construction:	Funds provided to the Utility by an applicant for service under the terms of a main extension agreement, the amount of which may be refundable.
Agent:	Any party a customer may contract with for purposes of administering the customer's service agreement with the Utility excluding the right for the Agent to be billed directly by the Utility. An Agent has only those rights designated in writing by such customer for the effective time period.
Alternate Fuel:	Any fuel, gaseous, liquid, or solid, that may be used in lieu of natural gas.
Alternate Fuel Capability:	A situation where an alternate fuel can be utilized whether or not the facilities for such use have actually been installed.
Applicant:	A person requesting the Utility to supply natural gas service.
Application:	A request to the Utility for natural gas service, as distinguished from an inquiry as to the availability or charges for such service.
Arizona Corporation Commission:	The regulatory authority of the State of Arizona having jurisdiction over the public service corporations operating in Arizona.
Average Month:	30.4 days.
Base Gas Supply:	Natural gas purchased by the Utility from its primary supplier.
Basic Service Charge:	A fixed amount a customer must pay the Utility for the availability of gas service, independent of consumption, as specified in the Utility's tariffs.
Billing Month:	The period between any two regular readings of the Utility's meters at intervals of approximately 30 days.

N
N

D/L

Canceling 4th~~3rd~~ Revised A.C.C. Sheet No. 104
3rd~~2nd~~ Revised A.C.C. Sheet No. 104

RULE NO. 1

DEFINITIONS

For the purpose of these Tariffs, the terms and expressions listed below shall have the meanings set forth opposite:

Advance in Aid of Construction: Funds provided to the Utility by an applicant for service under the terms of a main extension agreement, the amount of which may be refundable.

Agent: Any party a customer may contract with for purposes of administering the customer's service agreement with the Utility excluding the right for the Agent to be billed directly by the Utility. An Agent has only those rights designated in writing by such customer for the effective time period.

Alternate Fuel: Any fuel, gaseous, liquid, or solid, that may be used in lieu of natural gas.

N
N

Alternate Fuel Capability: A situation where an alternate fuel can be utilized whether or not the facilities for such use have actually been installed.

Applicant: A person requesting the Utility to supply natural gas service.

Application: A request to the Utility for natural gas service, as distinguished from an inquiry as to the availability or charges for such service.

Arizona Corporation Commission: The regulatory authority of the State of Arizona having jurisdiction over the public service corporations operating in Arizona.

Average Month: 30.4 days.

Base Gas Supply: Natural gas purchased by the Utility from its primary supplier.

Basic Service Charge: A fixed amount a customer must pay the Utility for the availability of gas service, independent of consumption, as specified in the Utility's tariffs.

Billing Month: The period between any two regular readings of the Utility's meters at intervals of approximately 30 days.

Billing Period: The time interval between two consecutive meter readings that are taken for billing purposes.

D/L

RULE NO. 1

DEFINITIONS

(Continued)

Billing Period:	The time interval between two consecutive meter readings that are taken for billing purposes.	L L
Billing Units:	The billing unit shall be in either therms or hundreds of cubic feet (Ccf), whichever is applicable.	
Biogas:	A mixture of methane, carbon dioxide, and other constituents that is produced by the anaerobic digestion with anaerobic bacteria or fermentation of biodegradable materials such as biomass (manure, sewage, green waste, plant material, crops, and municipal waste or landfills).	N N N
Branch Service:	A service that is not connected to a natural gas main and has as its source of supply another service.	
British Thermal Unit:	The amount of heat required to raise the temperature of one pound of water from 59°F. to 60°F at constant pressure of 14.73 pounds per square inch absolute (psia).	
Btu:	British thermal unit.	
Bypass:	The ability to supplement or replace the Utility's natural gas service with another energy source not provided or delivered by the Utility.	N N
Bypass Customer:	A customer who has the ability, because of its physical proximity to the facilities of an alternative pipeline, or who possesses the ability to bypass the Utility's system and secure natural gas service from that pipeline or from another energy source not provided by the Utility.	T T D/L D/L D/L

L
L
N
N
N
N
N
T
T
D/L
D/L
D/L

Canceling 1st Revised~~Original~~ Original A.C.C. Sheet No. 105
Original A.C.C. Sheet No. 105

RULE NO. 1

DEFINITIONS

(Continued)

Billing Period: The time interval between two consecutive meter readings that are taken for billing purposes.

Billing Units: The billing unit shall be in either therms or hundreds of cubic feet (Ccf), whichever is applicable.

Biogas: A mixture of methane, carbon dioxide, and other constituents that is produced by the anaerobic digestion with anaerobic bacteria or fermentation of biodegradable materials such as biomass (manure, sewage, green waste, plant material, crops, and municipal waste or landfills).

Branch Service: A service that is not connected to a natural gas main and has as its source of supply another service.

British Thermal Unit: The amount of heat required to raise the temperature of one pound of water from 59°F. to 60°F at constant pressure of 14.73 pounds per square inch absolute (psia).

Btu: British thermal unit.

Bypass: The ability to supplement or replace the Utility's natural gas service with another energy source not provided or delivered by the Utility.

Bypass Customer: A ~~transportation~~ customer who has the ability, because of its physical proximity to the facilities of an alternative pipeline, or who possesses the ability to bypass the Utility's system and secure natural gas service from that pipeline or from another energy source not provided by the Utility.

~~Capacity Curtailment:~~ ~~A condition occurring when the total system demand for natural gas exceeds the system's capability to deliver gas.~~

Issued On August 29, 1997
U-1551-96-596
Docket No. G-01551A-19-0055

Issued by
John P. Hester
Justin Lee Brown
Senior Vice President

Effective September 1, 1997 I
Decision No. 60352

SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
Arizona Gas Tariff No. 7
Arizona Division

PROPOSED TARIFF SHEET (REDLINE)

Canceling 1st Revised ~~Original~~ A.C.C. Sheet No. 105
Original A.C.C. Sheet No. 105

D/L

D/L

~~Cogeneration: The use of gas to generate electricity and thermal energy at a facility that meets the efficiency standards outlined in Title 18, Code of Federal Regulation, Part 292, Subparts A and B, and where the customer's generators and load are located at the same site.~~

~~Commercial Customer: A customer who is engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation.~~

D/L

Issued On August 29, 1997
U-1551-96-596
Docket No. G-01551A-19-0055

Issued by
John P. Hester
Justin Lee Brown
Senior Vice President

Effective September 1, 1997
Decision No. 60352

I

RULE NO. 1

DEFINITIONS
(Continued)

Capacity Curtailment:

A condition occurring when the total system demand for natural gas exceeds the system's capability to deliver gas.

Cogeneration:

The use of gas to generate electricity and thermal energy at a facility that meets the efficiency standards outlined in Title 18, Code of Federal Regulation, Part 292, Subparts A and B, and where the customer's generators and load are located at the same site.

Commercial Customer:

A customer who is engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation.

RULE NO. 1

DEFINITIONS
(Continued)

Capacity Curtailment: A condition occurring when the total system demand for natural gas exceeds the system's capability to deliver gas.

Cogeneration: The use of gas to generate electricity and thermal energy at a facility that meets the efficiency standards outlined in Title 18, Code of Federal Regulation, Part 292, Subparts A and B, and where the customer's generators and load are located at the same site.

Commercial Customer: A customer who is engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation.

RULE NO. 1

DEFINITIONS
(Continued)

- Cubic Foot: (Continued) 3. For the testing of gas for heating value the standard cubic foot shall be that volume of gas which, when saturated with water vapor and at a temperature of 60°F and under a pressure equivalent to that of 30 inches of mercury (mercury at 32°F and under standard gravity), occupies 1 cubic foot.
- Ccf: One hundred (100) cubic feet.
- Curtailement Priority: The order in which natural gas service is to be curtailed to various classifications of customers, as set forth in Rule No. 7 on A.C.C. Sheet Nos. 216 - 218 of this Arizona Gas Tariff.
- Customer: The person in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or in the absence of a signed instrument, by the receipt and payment of bills regularly issued in his name, regardless of the identity of the actual user of the service.
- Customer Piping System: All pipe, tubing, valves, fittings, regulators, meters, or other components from the point of delivery to the outlets of the appliance shutoff valves. The term excludes appliance connectors and appliances.

D/N
|
N

RULE NO. 1

DEFINITIONS
(Continued)

Cubic Foot: (Continued) 3. For the testing of gas for heating value the standard cubic foot shall be that volume of gas which, when saturated with water vapor and at a temperature of 60°F and under a pressure equivalent to that of 30 inches of mercury (mercury at 32°F and under standard gravity), occupies 1 cubic foot.

Ccf: One hundred (100) cubic feet.

Curtailement Priority: The order in which natural gas service is to be curtailed to various classifications of customers, as set forth in Rule No. 7 on A.C.C. Sheet Nos. 216 - 218 of this Arizona Gas Tariff.

Customer: The person in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or in the absence of a signed instrument, by the receipt and payment of bills regularly issued in his name, regardless of the identity of the actual user of the service.

Customer Piping System: ~~1. House piping - All above-ground piping downstream of the point of delivery; and~~
~~2. Yard piping - All below-ground piping downstream of the point of delivery.~~
~~Both of which are the responsibility of the customer. Customer piping does not include meters and any associated regulators, pipe, fixtures, apparatus, etc., owned and operated by the Utility.~~
All pipe, tubing, valves, fittings, regulators, meters, or other components from the point of delivery to the outlets of the appliance shutoff valves. The term excludes appliance connectors and appliances.

RULE NO. 1

DEFINITIONS

(Continued)

Inter-Divisional Capacity Transfer:	A mechanism by which the unused off-peak interstate capacity of one of the Utility's divisions is utilized by another of the Utility's divisions to procure and transport otherwise inaccessible economically priced gas. The division owning the off-peak capacity receives benefit in the form of credits to its Gas Cost Balancing Account. The division utilizing the off-peak capacity receives benefit through reduction in its purchased gas costs.
Input Rating:	The number of Btus specified on the appliance rating tag needed to operate the appliance. Normally expressed in Btus per hour.
Irrigation Customer:	Where natural gas is utilized by internal combustion engines for agricultural irrigation purposes.
Law:	A rule or rules as established and enforced by government authorities.
Leak Check:	A pressure test of the customer piping system using natural gas at standard delivery pressure as the test medium, or, in the judgment of the utility, at a higher pressure.
Main Extension	The addition of pipe to an existing main to provide service to new customers.
Margin:	The currently effective commodity delivery charges multiplied by the units of gas used, plus the Demand Delivery charges multiplied by the billing determinant, if applicable, plus the basic service charge is the margin.
Master Meter Customer:	A customer who receives gas at a central point and distributes said gas through a piping system not owned and operated by the Utility to tenants or occupants for their individual consumption.
Mcf:	One thousand (1,000) cubic feet.

L/T
|
L

D/L

Canceling 3rd~~2nd~~ Revised A.C.C. Sheet No. 112
2nd~~1st~~ Revised A.C.C. Sheet No. 112

RULE NO. 1

DEFINITIONS

(Continued)

Inter-Divisional Capacity Transfer: A mechanism by which the unused off-peak interstate capacity of one of the Utility's divisions is utilized by another of the Utility's divisions to procure and transport otherwise inaccessible economically priced gas. The division owning the off-peak capacity receives benefit in the form of credits to its Gas Cost Balancing Account. The division utilizing the off-peak capacity receives benefit through reduction in its purchased gas costs.

Input Rating: The number of Btus specified on the appliance rating tag needed to operate the appliance. Normally expressed in Btus per hour.

Irrigation Customer: Where natural gas is utilized by internal combustion engines for agricultural irrigation purposes.

Law: A rule or rules as established and enforced by government authorities.

Leak Check: A pressure test of the customer's piping system using natural gas at standard delivery pressure as the test medium, or, in the judgment of the utility, at a higher pressure.

L/T
|
L

Main Extension The addition of pipe to an existing main to provide service to new customers.

Margin: The currently effective commodity delivery charges multiplied by the units of gas used, plus the Demand Delivery charges multiplied by the billing determinant, if applicable, plus the basic service charge is the margin.

Master Meter Customer: A customer who receives gas at a central point and distributes said gas through a piping system not owned and operated by the Utility to tenants or occupants for their individual consumption.

Mcf: One thousand (1,000) cubic feet.

~~Leak Check:~~ ~~A pressure test of the customer's piping using natural gas at standard delivery pressure as the test medium, or, in the judgment of the utility, at a higher pressure.~~

D/L
D/L
D/L

RULE NO. 1

DEFINITIONS
(Continued)

Police Protection Uses:	Natural gas used by law enforcement agencies in the performance of their appointed duties.
Preemption of Gas Supply:	An emergency condition where the Utility may, under specified conditions, utilize the customer-owned gas supplies of low priority transportation customers to serve the requirements of higher priority transportation and sales customers.
Premises:	All real property and apparatus employed in a single-owner enterprise located on an integral parcel of land or on contiguous properties that are located immediately across a public right-of-way.
Process Gas:	Natural gas use for which alternate fuels are not technically feasible, such as in applications requiring precise temperature controls and precise flame characteristics. For the purpose of this definition, propane and other gaseous fuels shall not be considered alternate fuels.
Regular Working Hours:	Except for Utility observed holidays, the period from 8 a.m. to 5 p.m., Monday through Friday.
Renewable Natural Gas (RNG):	A biogas which has been upgraded to pipeline quality gas that is suitable for distribution via the existing natural gas pipeline system, by increasing the percentage of methane in biogas by removing carbon dioxide and other trace components and adding a warning odorant.
Residential Dwelling:	A house, apartment, townhouse, or any other permanent residential unit.
Residential Subdivision:	Any tract of land which has been divided into four or more contiguous lots for use for the construction of residential buildings or permanent mobile homes for either single or multiple occupancy.
Residential Use:	Service to customers using natural gas for domestic purposes such as space heating, air conditioning, water heating, cooking, clothes drying, and other residential uses and includes use in apartment buildings, mobile home parks, and other multi-unit residential buildings.

RULE NO. 1

DEFINITIONS

(Continued)

Police Protection Uses:	Natural gas used by law enforcement agencies in the performance of their appointed duties.
Preemption of Gas Supply:	An emergency condition where the Utility may, under specified conditions, utilize the customer-owned gas supplies of low priority transportation customers to serve the requirements of higher priority transportation and sales customers.
Premises:	All real property and apparatus employed in a single-owner enterprise located on an integral parcel of land or on contiguous properties that are located immediately across a public right-of-way.
Process Gas:	Natural gas use for which alternate fuels are not technically feasible, such as in applications requiring precise temperature controls and precise flame characteristics. For the purpose of this definition, propane and other gaseous fuels shall not be considered alternate fuels.
Regular Working Hours:	Except for Utility observed holidays, the period from 8 a.m. to 5 p.m., Monday through Friday.
<u>Renewable Natural Gas (RNG):</u>	<u>A biogas which has been upgraded to pipeline quality gas that is suitable for distribution via the existing natural gas pipeline system, by increasing the percentage of methane in biogas by removing carbon dioxide and other trace components and adding a warning odorant.</u>
Residential Dwelling:	A house, apartment, townhouse, or any other permanent residential unit.
Residential Subdivision:	Any tract of land which has been divided into four or more contiguous lots for use for the construction of residential buildings or permanent mobile homes for either single or multiple occupancy.
Residential Use:	Service to customers using natural gas for domestic purposes such as space heating, air conditioning, water heating, cooking, clothes drying, and other residential uses and includes use in apartment buildings, mobile home parks, and other multi-unit residential buildings.

RULE NO. 1

DEFINITIONS

(Continued)

Service Establishment Charge:	A charge as specified in the Utility's tariffs for establishing a new account.
Service Line:	A natural gas pipe that transports gas from a common source of supply (normally a distribution main) to the point of delivery.
Service Line Extension:	Consists of a service line provided for a new customer at a premise not heretofore served, in accordance with the service line extension rule.
Service Line Shut-Off Valve:	A curb valve or other manually operated valve located near the service that is safely accessible to Company personnel or other personnel authorized by the Company to manually shut off gas flow to the service.
Service Reconnect Charge:	A charge as specified in the Utility's tariffs which must be paid by the customer prior to reconnection of natural gas service each time the service is disconnected for nonpayment or whenever service is discontinued for failure to comply with the Utility's tariffs.
Service Reestablishment Charge:	A charge as specified in the Utility's tariffs for service at the same location where the same customer had ordered a service disconnection within the preceding 12-month period.
Shrinkage:	The cost of the gas volumes lost, unaccounted for, or used as company fuel in the transportation process and represented by the differential between the cost of gas on a sales basis and the cost of gas on a purchased basis.
Shrinkage Rate:	The rate used to recover the cost of shrinkage from non-exempt transportation customers.
Single-Family Residential:	A permanent residential dwelling, excluding multi-family residential structures.
Southwest Vista:	A fully integrated website that allows for the Utility's Transportation customers and designated agents the ability to submit Transportation nominations to the interstate pipelines. Users may also have the ability to view monthly volume statements, master detail reports, Transportation pipeline charges allocated to them from the Utility, and informational reports.

N
|
N

RULE NO. 1

DEFINITIONS

(Continued)

Service Establishment Charge:	A charge as specified in the Utility's tariffs for establishing a new account.
Service Line:	A natural gas pipe that transports gas from a common source of supply (normally a distribution main) to the point of delivery.
Service Line Extension:	Consists of a service line provided for a new customer at a premise not heretofore served, in accordance with the service line extension rule.
<u>Service Line Shut-Off Valve:</u>	<u>A curb valve or other manually operated valve located near the service that is safely accessible to Company personnel or other personnel authorized by the Company to manually shut off gas flow to the service.</u>
Service Reconnect Charge:	A charge as specified in the Utility's tariffs which must be paid by the customer prior to reconnection of natural gas service each time the service is disconnected for nonpayment or whenever service is discontinued for failure to comply with the Utility's tariffs.
Service Reestablishment Charge:	A charge as specified in the Utility's tariffs for service at the same location where the same customer had ordered a service disconnection within the preceding 12-month period.
Shrinkage:	The cost of the gas volumes lost, unaccounted for, or used as company fuel in the transportation process and represented by the differential between the cost of gas on a sales basis and the cost of gas on a purchased basis.
Shrinkage Rate:	The rate used to recover the cost of shrinkage from non-exempt transportation customers.
Single-Family Residential:	A permanent residential dwelling, excluding multi-family residential structures.
Southwest Vista:	A fully integrated website that allows for the Utility's Transportation customers and designated agents the ability to submit Transportation nominations to the interstate pipelines. Users may also have the ability to view monthly volume statements, master detail reports, Transportation pipeline charges allocated to them from the Utility, and informational reports.

Rule No. 3

ESTABLISHMENT OF SERVICE
(Continued)

B. ESTABLISHMENT AND REESTABLISHMENT OF CREDIT/DEPOSITS (Continued)

3. Deposits (Continued)

e. Interest on Deposits

The Utility will pay interest on cash deposits held by the Company twelve (12) months or longer. The interest rate shall be the established one-year U.S. Treasury Constant Maturities rate, effective on the first business day of the year, as published on the Federal Reserve Website.

f. The Utility may review the customer's usage after service has been connected and adjust the deposit amount based upon the customer's actual usage.

g. A separate deposit may be required for each meter installed.

h. The Utility shall issue a non-negotiable receipt to the applicant for the deposit. The inability of the customer to produce such a receipt shall in no way impair his right to receive a refund of the deposit which is reflected on the Utility's records.

C. GROUNDS FOR REFUSAL OF SERVICE

1. The Utility has the right, but not the responsibility, to refuse to establish service if any of the following conditions exists:

a. The applicant has an outstanding amount due for the same class of service with the Utility and the applicant is unwilling to make satisfactory arrangements with the Utility for payment.

b. A condition exists which in the Utility's judgment is unsafe or hazardous to the applicant, the customer, the general population, or the Utility's personnel or facilities.

c. Refusal by the applicant to provide the Utility with a deposit when the customer has failed to meet the credit criteria for waiver of deposit requirements.#

Rule No. 3

ESTABLISHMENT OF SERVICE*(Continued)*B. ESTABLISHMENT AND REESTABLISHMENT OF CREDIT/DEPOSITS *(Continued)*3. Deposits *(Continued)*

e. Interest on Deposits

The Utility will pay ~~6 percent~~ interest on cash deposits held by the Company twelve (12) months or longer from the date of deposit until the date of settlement or withdrawal of deposit. Where such deposit remains for a period of one year or more and the person making the deposit continues to be a customer, the interest on the deposit at the end of the year shall be applied to the customer's account. The interest rate shall be the established one-year U.S. Treasury Constant Maturities rate, effective on the first business day of the year, as published on the Federal Reserve Website.

f. The Utility may review the customer's usage after service has been connected and adjust the deposit amount based upon the customer's actual usage.

g. A separate deposit may be required for each meter installed.

h. The Utility shall issue a non-negotiable receipt to the applicant for the deposit. The inability of the customer to produce such a receipt shall in no way impair his right to receive a refund of the deposit which is reflected on the Utility's records.

C. GROUNDS FOR REFUSAL OF SERVICE

1. The Utility has the right, but not the responsibility, to may refuse to establish service if any of the following conditions exists:

a. The applicant has an outstanding amount due for the same class of service with the Utility and the applicant is unwilling to make satisfactory arrangements with the Utility for payment.

b. A condition exists which in the Utility's judgment is unsafe or hazardous to the applicant, the customer, the general population, or the Utility's personnel or facilities.

c. Refusal by the applicant to provide the Utility with a deposit when the customer has failed to meet the credit criteria for waiver of deposit requirements.#

Rule No. 3

ESTABLISHMENT OF SERVICE
(Continued)

C. GROUND FOR REFUSAL OF SERVICE (Continued)

- d. Customer is known to be in violation of the Utility's tariffs filed with and approved by the Commission.
- e. Failure of the customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the customer and which have been specified by the Utility as a condition for providing service.
- f. Applicant falsifies his or her identity for the purpose of obtaining service.
- g. Where service has been discontinued for fraudulent use, in which case Rule No. 11 will apply.
- h. If the intended use of the service is for any restricted apparatus or prohibited use.
- i. Failure of the applicant to provide an easement in a form and upon terms that are satisfactory to the Utility when such is requested by the Utility as provided in Rule No. 8D.

2. Notification to Applicants or Customers

When an applicant or customer is refused service or service has been discontinued under the provisions of this rule, the Utility will notify the applicant or customer of the reasons for the refusal to serve and of the right of applicant or customer to appeal the Utility's decision to the Commission.

D. SERVICE ESTABLISHMENT, REESTABLISHMENT OR RECONNECTION

- 1. To recover the operating and clerical costs, the Utility shall collect a service charge whenever service is established, reestablished or reconnected as set forth and referred to as "Service Establishment Charge" in the currently effective Statement of Rates, A.C.C. Sheet No. 15 of this Arizona Gas Tariff. This charge will be applicable for (1) establishing a new account, (2) reestablishing service at the same location where the same customer had ordered a service disconnection, or (3) reconnecting service after having been discontinued for nonpayment of bills or for failure to otherwise comply with filed rules or tariff schedules.

N
N
N

T
T

Rule No. 3

ESTABLISHMENT OF SERVICE
(Continued)

C. GROUND FOR REFUSAL OF SERVICE (Continued)

- d. Customer is known to be in violation of the Utility's tariffs filed with and approved by the Commission.
- e. Failure of the customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the customer and which have been specified by the Utility as a condition for providing service.
- f. Applicant falsifies his or her identity for the purpose of obtaining service.
- g. Where service has been discontinued for fraudulent use, in which case Rule No. 11 will apply.
- h. If the intended use of the service is for any restricted apparatus or prohibited use.
- i. Failure of the applicant to provide an easement in a form and upon terms that are satisfactory to the Utility when such is requested by the Utility as provided in Rule No. 8D.

2. Notification to Applicants or Customers

When an applicant or customer is refused service or service has been discontinued under the provisions of this rule, the Utility will notify the applicant or customer of the reasons for the refusal to serve and of the right of applicant or customer to appeal the Utility's decision to the Commission.

D. SERVICE ESTABLISHMENT, REESTABLISHMENT OR RECONNECTION

- 1. To recover the operating and clerical costs, the Utility shall collect a service charge whenever service is established, reestablished or reconnected as set forth and referred to as "Service Establishment Charge" in the currently effective Statement of Rates, A.C.C. Sheet No. 15 of this Arizona Gas Tariff. This charge will be applicable for (1) establishing a new account, (2) reestablishing service at the same location where the same customer had ordered a service disconnection, or (3) reconnecting service after having been discontinued for nonpayment of bills or for failure to otherwise comply with filed rules or tariff schedules.

RULE NO. 6

SERVICE AND MAIN EXTENSIONS
(Continued)

B. SERVICE AND MAIN EXTENSIONS TO APPLICANTS FOR SERVICE (Continued)

- a. Allowable investment shall mean a determination by the Utility that the revenues less the incremental cost to serve the applicant customer provides a rate of return on the Utility's investment no less than the overall rate of return authorized by the Commission in the Utility's most recent general rate case.
- b. The Utility, after conducting an Incremental Contribution study may, at its option, extend its facilities to Customers whose usage does not satisfy the definition of Economic Feasibility but who otherwise are Permanent Customers provided such Customer signs an extension agreement and advances as much of the cost, and/or agrees to pay a nonrefundable Facility Charge necessary to make the extension economically feasible.
- c. Customers provided with line extensions using the Incremental Contribution Method shall be reviewed annually to determine the amount of any refund for a period of ten years.

5. Method of Refund

Amounts advanced by the applicant in accordance with this rule, less any unpaid Facility Charges, shall be refunded, without interest, in the following manner:

- a. Refunds of an advance shall be made for each additional separately metered permanent connections to the main extension for which an advance was collected when an excess allowable investment is calculated by the Incremental Contribution Study for the additional customer(s).

C
D
D

T

D

T
T

RULE NO. 6

SERVICE AND MAIN EXTENSIONS
(Continued)

B. SERVICE AND MAIN EXTENSIONS TO APPLICANTS FOR SERVICE (Continued)

a. Allowable investment shall mean a determination by the Utility that the revenues less the incremental cost to serve the applicant customer provides a rate of return on the Utility's investment no less than the overall rate of return authorized by the Commission in the Utility's most recent general rate case.

b. The Utility, after conducting an Incremental Contribution study may, at its option, extend its facilities to Customers whose usage does not satisfy the definition of Economic Feasibility but who otherwise are Permanent Customers provided such Customer signs an extension agreement and advances as much of the cost, and/or agrees to pay a nonrefundable Facility Charge necessary to make the extension economically feasible.

c. Customers provided with line extensions using the Incremental Contribution Method shall be reviewed annually to determine the amount of any refund ~~as follows:~~ for a period of ten years.

~~(1) For a period of five years except as in Item (2) below.~~

~~(2) For a period of ten years for feeder mains to serve master-planned subdivisions.~~

5. Method of Refund

Amounts advanced by the applicant in accordance with this rule, less any unpaid Facility Charges, shall be refunded, without interest, in the following manner:

a. Refunds of an advance shall be made for each additional separately metered permanent ~~service connected connections~~ connections to the main extension for which an advance was collected when an excess allowable investment is calculated by the Incremental Contribution Study for the additional customer(s).

~~b. No refunds will be made for additional customers connecting to a further extension or series of extensions constructed beyond the original extension.~~

RULE NO. 6

SERVICE AND MAIN EXTENSIONS
(Continued)

B. SERVICE AND MAIN EXTENSIONS TO APPLICANTS FOR SERVICE (Continued)

- b. Refunds will be made annually, or intermittently within the annual period at the option of the Utility. Amounts refunded may be accumulated to a minimum of \$50, or the total refundable balance if less than \$50. T
- c. When two or more parties make a joint advance on the same extension, refundable amounts will be distributed to these parties in the same proportion as their individual percentages of the total joint advance. T
- d. The refund period shall be ten years from the date of the completion of the extension. No refunds will be made by the Utility after the termination of the refund period. Any portion of the advance that remains unrefunded at the end of the refund period shall remain the property of the Utility. C
D
D
- e. Any assignment by a customer of their interest in any part of an advance, which at the time remains unrefunded, must be made in writing and approved by the Utility. T
- f. Amounts advanced under a gas main extension rule previously in effect will be refunded in accordance with the provisions of such rule. T

C. SERVICE AND MAIN EXTENSIONS TO SERVE INDIVIDUALLY-METERED SUBDIVISIONS, TRACTS, HOUSING PROJECTS, MULTI-FAMILY DWELLINGS AND MOBILE HOME PARKS OR ESTATES

1. Advances

- a. Gas distribution service and main extensions to and within individually-metered subdivisions, housing projects, multi-family dwellings and mobile home parks or estates will be constructed, owned and maintained by the Utility in advance of applications for service by bona fide customers only when the entire estimated cost of such extensions as determined by the Utility is advanced to the Utility, and a main extension contract is executed. This advance may include the cost of any gas facilities installed at the Utility's expense in conjunction with a previous service or main extension in anticipation of the current extension.

RULE NO. 6

SERVICE AND MAIN EXTENSIONS
(Continued)

B. SERVICE AND MAIN EXTENSIONS TO APPLICANTS FOR SERVICE (Continued)

eb. Refunds will be made annually, or intermittently within the annual period at the option of the Utility. Amounts refunded may be accumulated to a minimum of \$50, or the total refundable balance if less than \$50. I

ec. When two or more parties make a joint advance on the same extension, refundable amounts will be distributed to these parties in the same proportion as their individual percentages of the total joint advance. I

ed. The refund period shall be five-ten years from the date of the completion of the extension, ~~except that in the case of feeder mains to serve master-planned subdivisions, the refund period shall be ten years.~~ No refunds will be made by the Utility after the termination of the refund period. Any portion of the advance that remains unrefunded at the end of the refund period shall remain the property of the Utility. C
D
D

ef. Any assignment by a customer of their interest in any part of an advance, which at the time remains unrefunded, must be made in writing and approved by the Utility. I

gf. Amounts advanced under a gas main extension rule previously in effect will be refunded in accordance with the provisions of such rule. I

C. SERVICE AND MAIN EXTENSIONS TO SERVE INDIVIDUALLY-METERED SUBDIVISIONS, TRACTS, HOUSING PROJECTS, MULTI-FAMILY DWELLINGS AND MOBILE HOME PARKS OR ESTATES

1. Advances

a. Gas distribution service and main extensions to and within individually-metered subdivisions, housing projects, multi-family dwellings and mobile home parks or estates will be constructed, owned and maintained by the Utility in advance of applications for service by bona fide customers only when the entire estimated cost of such extensions as determined by the Utility is advanced to the Utility, and a main extension contract is executed. This advance may include the cost of any gas facilities installed at the Utility's expense in conjunction with a previous service or main extension in anticipation of the current extension.

RULE NO. 6

SERVICE AND MAIN EXTENSIONS
(Continued)

D. RESIDENTIAL AMORTIZATION PROGRAM (Continued)

In instances where a customer that is a party to a line extension contract disconnects service, the entirety of the remaining balance of the principal of the contract shall become due and payable immediately by the customer to the Utility, unless such customer arranges for the subsequent customer requesting gas service at the same service address to execute a new line extension contract. This new contract shall obligate the subsequent customer to pay the monthly amortization charge under terms identical to those of the original contract.

In instances where the remaining balance of the principal becomes due and payable immediately, the Utility shall make reasonable efforts to collect such remaining balance from the customer; however, if such efforts prove unsuccessful, the defaulted balance shall become the Utility's investment in gross plant.

The residential amortization program shall not be available to developers, contractors or other commercial entities.

E. GENERAL CONDITIONS

1. Postponement of Advance

The Utility, at its option, may postpone, for a period not to exceed ten years, that portion of an advance which it estimates would be refunded under the provisions of this rule. At the end of such refund period, the Utility shall collect all such amounts not previously advanced which were not then refundable. When advances are postponed, the applicant may be required to furnish to the Utility evidence of the necessary approvals to commence construction and of adequate financing. A surety bond, or other Utility-approved surety, may be required to assure payment of any postponed amounts at the end of the postponement period.

RULE NO. 6

SERVICE AND MAIN EXTENSIONS
(Continued)

D. RESIDENTIAL AMORTIZATION PROGRAM (Continued)

In instances where a customer that is a party to a line extension contract disconnects service, the entirety of the remaining balance of the principal of the contract shall become due and payable immediately by the customer to the Utility, unless such customer arranges for the subsequent customer requesting gas service at the same service address to execute a new line extension contract. This new contract shall obligate the subsequent customer to pay the monthly amortization charge under terms identical to those of the original contract.

In instances where the remaining balance of the principal becomes due and payable immediately, the Utility shall make reasonable efforts to collect such remaining balance from the customer; however, if such efforts prove unsuccessful, the defaulted balance shall become the Utility's investment in gross plant.

The residential amortization program shall not be available to developers, contractors or other commercial entities.

E. GENERAL CONDITIONS

1. Postponement of Advance

The Utility, at its option, may postpone, for a period not to exceed ~~five-ten~~ five years, that portion of an advance which it estimates would be refunded under the provisions of this rule. At the end of such refund period, the Utility shall collect all such amounts not previously advanced which were not then refundable. When advances are postponed, the applicant may be required to furnish to the Utility evidence of the necessary approvals to commence construction and of adequate financing. A surety bond, or other Utility-approved surety, may be required to assure payment of any postponed amounts at the end of the postponement period.

RULE NO. 6

SERVICE AND MAIN EXTENSIONS

(Continued)

E. GENERAL CONDITIONS *(Continued)*

- (3) Description and sketch of the requested main extension.
- (4) Description of requested service.
- (5) A cost estimate to include materials, labor, and other costs as necessary.
- (6) Payment terms.
- (7) A concise explanation of any refunding provisions, if applicable.
- (8) The Utility's estimated start date and completion date for construction of the main extension.
- (9) A summary of the results of the Incremental Contribution analysis performed by the Utility to determine the amount of advance required from the applicant for the proposed main extensions.
- (10) Each applicant shall be provided a copy of the approved main extension agreement.

6. Relocation or Improvement of Services and Mains

- a. When, in the judgment of the Utility, the relocation or improvement of a main or service is necessary and is due either to maintenance of adequate service or the operating convenience of the Utility, the Utility shall perform such work at its own expense.
- b. If relocation or improvement of a main or service line is due solely to meet the convenience or the requirements of the applicant or the customer, such relocation or improvement, including metering and regulating facilities, shall be performed by the Utility at the expense of the applicant or the customer.

RULE NO. 6

SERVICE AND MAIN EXTENSIONS
(Continued)

E. GENERAL CONDITIONS (Continued)

- (3) Description and sketch of the requested main extension.
- (4) Description of requested service.
- (5) A cost estimate to include materials, labor, and other costs as necessary.
- (6) Payment terms.
- (7) A concise explanation of any refunding provisions, if applicable.
- (8) The Utility's estimated start date and completion date for construction of the main extension.
- (9) A summary of the results of the Incremental Contribution analysis performed by the Utility to determine the amount of advance required from the applicant for the proposed main extensions.
- (10) Each applicant shall be provided a copy of the approved main extension agreement.

6. Relocation or Improvement of Services and Mains

- a. When, in the judgment of the Utility, the relocation or improvement of a main or service is necessary and is due either to maintenance of adequate service or the operating convenience of the Utility, the Utility shall perform such work at its own expense.
- b. If relocation or improvement of a main or service line is due solely to meet the convenience or the requirements of the applicant or the customer, such relocation or improvement, including metering and regulating facilities, shall be performed by the Utility at the expense of the applicant or the customer.

RULE NO. 6

SERVICE AND MAIN EXTENSIONS

(Continued)

E. GENERAL CONDITIONS *(Continued)*

c. Relocation or improvement of facilities will be mandatory and at the customer's expense when actions of the customer restrict the Utility's access to or the safety of the facility.

7. Standby Service or Residential Pool Heating

No allowance will be made for equipment used for standby or emergency purposes only. No allowance will be made for pool heaters for residential customers.

8. Temporary Service

Extensions for temporary service or for operations, which in the opinion of the Utility are of a speculative character or of questionable permanency will not be made under this rule, but will be made in accordance with Rule No. 3.

9. Length and Location

The length of main or service required for an extension will be considered as the distance along the shortest practical and available route, as determined by the Utility, from the Utility's nearest permanent distribution main.

10. Service Impairment to Other Customers

When, in the judgment of the Utility, providing service to an applicant would impair service to other customers, the cost of necessary reinforcement to eliminate such impairment may be included in the cost calculation for the extension.

11. Service From Transmission Lines

The Utility will not tap a gas transmission main except when conditions in its sole opinion justify such a tap. Where such taps are made, the applicant will pay the Utility the cost of such tap, and extensions therefrom will be made in accordance with the provisions of this rule.

RULE NO. 6

SERVICE AND MAIN EXTENSIONS

(Continued)

E. GENERAL CONDITIONS (Continued)

c. Relocation or improvement of facilities will be mandatory and at the customer's expense when actions of the customer restrict the Utility's access to or the safety of the facility. I

7. Standby Service or Residential Pool Heating

No allowance will be made for equipment used for standby or emergency purposes only. No allowance will be made for pool heaters for residential customers.

8. Temporary Service

Extensions for temporary service or for operations, which in the opinion of the Utility are of a speculative character or of questionable permanency will not be made under this rule, but will be made in accordance with Rule No. 3.

9. Length and Location

The length of main or service required for an extension will be considered as the distance along the shortest practical and available route, as determined by the Utility, from the Utility's nearest permanent distribution main.

10. Service Impairment to Other Customers

When, in the judgment of the Utility, providing service to an applicant would impair service to other customers, the cost of necessary reinforcement to eliminate such impairment may be included in the cost calculation for the extension.

11. Service From Transmission Lines

The Utility will not tap a gas transmission main except when conditions in its sole opinion justify such a tap. Where such taps are made, the applicant will pay the Utility the cost of such tap, and extensions therefrom will be made in accordance with the provisions of this rule.

RULE NO. 6

SERVICE AND MAIN EXTENSIONS

(Continued)

E. GENERAL CONDITIONS *(Continued)*

12. Other Types of Connections

Where an applicant or customer requests a type of service connection other than standard such as curb meters and vaults, etc., the Utility will consider each such request and will grant such reasonable allowance as it may determine. The Utility shall install only those facilities that it determines are necessary to provide standard natural gas service in accordance with this tariff. Where the applicant requests the Utility to install special facilities which are in addition to, or in substitution for, or which result in higher costs than the standard facilities which the Utility would normally install, the extra cost thereof shall be borne by the applicant.

13. Excess Flow Valve and Service Line Shut-off Valve Installation

The installation of an Excess Flow Valve (EFV) or Service Line Shut-off Valve (SLSV) shall be performed on all newly installed or replaced service pipes connected to the Utility's distribution system before the service is activated as provided by this Rule. Nothing in this Rule prevents the Utility from installing or specifying, in its sole discretion, the installation of an EFV or a SLSV in additional service types.

a. Applicable service line types.

- (1) A single service line to one single-family residence;
- (2) A branched service line to a single-family residence (SFR) installed concurrently with the primary SFR service line (i.e. a single EFV may be installed to protect both service lines);
- (3) A branched service line to a SFR installed off a previously installed SFR service line that does not contain an EFV;
- (4) Multifamily residences with known customer loads not exceeding 5,500 SCFH per service at time of service installation based on installed meter capacity;

N
N
D
N
N
D/L
D/L

RULE NO. 6

SERVICE AND MAIN EXTENSIONS
(Continued)

E. GENERAL CONDITIONS (Continued)

12. Other Types of Connections

Where an applicant or customer requests a type of service connection other than standard such as curb meters and vaults, etc., the Utility will consider each such request and will grant such reasonable allowance as it may determine. The Utility shall install only those facilities that it determines are necessary to provide standard natural gas service in accordance with this tariff. Where the applicant requests the Utility to install special facilities which are in addition to, or in substitution for, or which result in higher costs than the standard facilities which the Utility would normally install, the extra cost thereof shall be borne by the applicant.

13. Excess Flow Valve and Service Line Shut-off Valve Installation

The installation of an Excess Flow Valve (EFV) or Service Line Shut-off Valve (SLSV) shall be performed on all newly installed or replaced service pipes connected to the Utility's distribution system before the service is activated as provided by this Rule. Nothing in this Rule prevents the Utility from installing or specifying, in its sole discretion, the installation of an EFV or a SLSV in additional service types.~~In accordance with The Pipeline Inspection, Protection, Enforcement and Safety Act of 2006 and Title 49, Sections 192.381, 192.383 and 192.385 of the Code of Federal Regulations, the installation of an Excess Flow Valve (EFV) or Manual Service Line Shut-off Valve (MSV), as defined in Rule No. 1, shall be performed by the Utility on all newly installed or replaced single residence service lines connected to its distribution system before the service line is activated. If any other customer requests the installation of an excess flow valve, the Utility shall perform the installation subject to the feasibility of such installation and the customer assuming responsibility for all costs associated with installation.~~

a. Applicable service line types.

(1) A single service line to one single-family residence;

(2) A branched service line to a single-family residence (SFR) installed concurrently with the primary SFR service line (i.e. a single EFV may be installed to protect both service lines);

(3) A branched service line to a SFR installed off a previously installed SFR service line that does not contain an EFV;

(4) Multifamily residences with known customer loads not exceeding 5,500 SCFH per service at time of service installation based on installed meter capacity;

N
I
N

~~14. Exceptional Cases~~

~~In unusual circumstances, when the application of this Rule appears impractical or unjust to either party, the Utility or the applicant may refer the matter to the Commission for special ruling or for the approval of special conditions which may be mutually agreed upon, prior to commencing construction.~~

D/L

~~15. Taxes Associated with Nonrefundable Contributions and Advances~~

~~Any federal, state or local income taxes resulting from a nonrefundable contribution or advance by the customer in compliance with this rule will be recorded as a deferred tax and appropriately reflected in the Utility's rate base. These deferred taxes will be amortized over the remaining tax life of the asset.~~

D/L

I

RULE NO. 6

SERVICE AND EXTENSIONS
(Continued)

E. GENERAL CONDITIONS *(Continued)*

13. Excess Flow Valve and Service Line Shut off Valve Installation *(Continued)*

a. Applicable service line types. *(Continued)*

(5) A single, small commercial customer served by a single service line with a known customer load not exceeding 5,500 SCFH, at the time of meter installation, based on installed meter capacity; and,

(6) For service lines with meter capacity that exceeds 5,500 SCFH, a SLSV or, if possible, based on sound engineering analysis and availability, an EFV, shall be installed.

b. The Utility is not required to install an EFV if one or more of the following conditions are present:

(1) The service line does not operate at a pressure of 10 psig or greater throughout the year;

(2) The Utility has prior experience with contaminants in the gas stream that could interfere with the EFV's operation or cause loss of service to a customer;

(3) An EFV could interfere with the necessary operation or maintenance activities such as blowing liquids from the line; or

(4) An EFV meeting the performance standards in 49 C.F.R. § 192.381 is not commercially available to the Utility.

c. The Applicant shall provide the Utility information concerning the gas usage and demand requirements. The EFV or SLSV will be designed and constructed so that suitable gas capacity is available and satisfactory to the Utility.

d. The Utility will construct, own, operate and maintain the EFV or SLSV in connection with the service line installation.

RULE NO. 6

SERVICE AND EXTENSIONS
(Continued)

E. GENERAL CONDITIONS (Continued)

13. Excess Flow Valve and Service Line Shut off Valve Installation (Continued)

a. Applicable service line types. (Continued)

(5) A single, small commercial customer served by a single service line with a known customer load not exceeding 5,500 SCFH, at the time of meter installation, based on installed meter capacity; and,

(6) For service lines with meter capacity that exceeds 5,500 SCFH, a SLSV or, if possible, based on sound engineering analysis and availability, an EFV, shall be installed.

b. The Utility is not required to install an EFV if one or more of the following conditions are present:

(1) The service line does not operate at a pressure of 10 psig or greater throughout the year;

(2) The Utility has prior experience with contaminants in the gas stream that could interfere with the EFV's operation or cause loss of service to a customer;

(3) An EFV could interfere with the necessary operation or maintenance activities such as blowing liquids from the line; or

(4) An EFV meeting the performance standards in 49 C.F.R. § 192.381 is not commercially available to the Utility.

c. The Applicant shall provide the Utility information concerning the gas usage and demand requirements. The EFV or SLSV will be designed and constructed so that suitable gas capacity is available and satisfactory to the Utility.

d. The Utility will construct, own, operate and maintain the EFV or SLSV in connection with the service line installation.

RULE NO. 6

SERVICE AND EXTENSIONS

(Continued)

E. GENERAL CONDITIONS *(Continued)*

13. Excess Flow Valve and Service Line Shut off Valve Installation *(Continued)*

e. The Utility shall pay for all costs associated with the installation, replacement or maintenance of the EFV or SLSV unless the work is made necessary by the relocation of a main or service line that is due solely to meet the Customer's convenience, or the work is made to redress a Customer's violation of any of the Utility's tariffs, or is an additional service line for a single premise as described in Rule 6(E)(a).

f. The Customer has the right to request that an EFV be installed on their existing service line if the load does not exceed 5,500 SCFH and the conditions in part 13(b) are not present. In such instances, the Utility shall notify the Customer of the following:

(1) Any costs associated with the installation that shall be paid by the Customer.

(2) The Company shall install the EFV at a mutually agreeable date.

g. If a Customer requests the installation of an EFV on their existing service line, the Utility shall perform the installation subject to the practicability of the installation at a mutually agreeable date.

14. Exceptional Cases

In unusual circumstances, when the application of this Rule appears impractical or unjust to either party, the Utility or the applicant may refer the matter to the Commission for special ruling or for the approval of special conditions which may be mutually agreed upon, prior to commencing construction.

15. Taxes Associated with Nonrefundable Contributions and Advances

Any federal, state or local income taxes resulting from a nonrefundable contribution or advance by the customer in compliance with this rule will be recorded as a deferred tax and appropriately reflected in the Utility's rate base. These deferred taxes will be amortized over the remaining tax life of the asset.

RULE NO. 6

SERVICE AND EXTENSIONS
(Continued)

E. GENERAL CONDITIONS (Continued)

13. Excess Flow Valve and Service Line Shut off Valve Installation (Continued)

e. The Utility shall pay for all costs associated with the installation, replacement or maintenance of the EFV or SLSV unless the work is made necessary by the relocation of a main or service line that is due solely to meet the Customer's convenience, or the work is made to redress a Customer's violation of any of the Utility's tariffs, or is an additional service line for a single premise as described in Rule 6(E)(a).

f. The Customer has the right to request that an EFV be installed on their existing service line if the load does not exceed 5,500 SCFH and the conditions in part 13(b) are not present. In such instances, the Utility shall notify the Customer of the following:

(1) Any costs associated with the installation that shall be paid by the Customer.

(2) The Company shall install the EFV at a mutually agreeable date.

g. If a Customer requests the installation of an EFV on their existing service line, the Utility shall perform the installation subject to the practicability of the installation at a mutually agreeable date.

14. Exceptional Cases

In unusual circumstances, when the application of this Rule appears impractical or unjust to either party, the Utility or the applicant may refer the matter to the Commission for special ruling or for the approval of special conditions which may be mutually agreed upon, prior to commencing construction.

15. Taxes Associated with Nonrefundable Contributions and Advances

(1) Any federal, state or local income taxes resulting from a nonrefundable contribution or advance by the customer in compliance with this rule will be recorded as a deferred tax and appropriately reflected in the Utility's rate base. These deferred taxes will be amortized over the remaining tax life of the asset.

RULE NO. 7

PROVISION OF SERVICE

A. UTILITY RESPONSIBILITY

1. The Utility shall be responsible for the safe transmission and distribution of gas until it passes the point of delivery to the customer. Where the Utility owns and operates a meter, regulator, pipe, fixtures, apparatus, etc. downstream of the point of delivery, the Utility shall be responsible for the Utility's equipment as provided for in this Rule.
2. All meters, regulators, service pipe, fixtures, and other apparatus, etc. owned and operated by the Utility upon the customer's premises for the purpose of delivering or metering gas to the customer shall continue to be the property of the Utility, and may be repaired, replaced or removed by the Utility at any time. Such equipment installed on customer's premises shall be maintained in safe operating condition by the Utility.
3. The Utility shall not be responsible for any loss or damage occasioned or caused by the negligence or wrongful act of the customer or any of his agents, employees or licensees in installing, maintaining, using, operating, interfering with, or failing to support or protect any such meters, regulators, gas piping, appliances, fixtures or apparatus, etc.
4. The customer shall provide a leak tight system for receiving gas. The Utility shall perform a leak check on the customer's piping system when the gas is turned on. If any uncontrolled hazardous leakage exists at the time of turn-on, service will be denied until the customer has eliminated all such leaks. The Utility may also refuse service until a certificate executed by an authorized public official is issued. Except as provided in this Rule, the Utility has no duty to inspect, maintain, or repair the customer's premises and has no duty to warn of any condition it observes thereon; the Utility shall not be liable for any failure to inspect, maintain, or repair the customer's premises or for the failure to warn of any condition.

T
T
T
N
N
D

T

RULE NO. 7

PROVISION OF SERVICE

A. UTILITY RESPONSIBILITY

1. The Utility shall be responsible for the safe transmission and distribution of gas until it passes the point of delivery to the customer. Where the Utility owns and operates a meter, regulator, pipe, fixtures, apparatus, etc. downstream of the point of delivery, the Utility shall be responsible for the Utility's equipment as provided for in this Rule.
2. All meters, regulators, service pipe, fixtures, and other apparatus, etc. owned and operated by the Utility upon the customer's premises for the purpose of delivering or metering gas to the customer shall continue to be the property of the Utility, and may be repaired, replaced or removed by the Utility at any time. Such equipment installed on customer's premises shall be maintained in safe operating condition by the Utility.
3. The Utility shall not be responsible for any loss or damage occasioned or caused by the negligence or wrongful act of the customer or any of his agents, employees or licensees in installing, maintaining, using, operating, interfering with, or failing to support or protect any such meters, regulators, gas piping, appliances, fixtures or apparatus, etc.
4. The customer shall provide a leak tight system for receiving gas. The Utility shall perform a leak check on the customer's piping system when the gas is turned on. If any uncontrolled hazardous leakage exists at the time of turn-on, service will be denied until the customer has eliminated all such leaks. The Utility may also refuse service until a certificate executed by an authorized public official is issued. Except as provided in this Rule, the Utility has no duty to inspect, maintain, or repair the customer's premises and has no duty to warn of any condition it observes thereon; the Utility shall not be liable for any failure to inspect, maintain, or repair the customer's premises or for the failure to warn of any condition.~~The Utility has the right but not the obligation to refuse service to any customer or discontinue service with or without notice if, in the Utility's opinion, the facilities beyond the point of delivery are unsafe or present a hazardous or potentially hazardous condition.~~

I
I
I
N
N/D
D

RULE NO. 7

PROVISION OF SERVICE
(Continued)

B. CUSTOMER RESPONSIBILITY

1. The customer shall, at the customer's sole risk and expense, furnish, install and keep in good, safe and leak free condition a customer piping system, and all appliances, alarms, fixtures, and apparatus of any kind or character located beyond the point of delivery which may be required for receiving gas from the Utility and for applying and utilizing gas, including all necessary protective appliances and suitable housing therefore.
2. The customer will be solely responsible for any injury, damage or loss resulting from the gas, or its use or loss, after such gas passes beyond the point of delivery, and the Utility shall not be responsible for any loss, injury or damage occasioned or caused by the negligence or wrongful act of the Customer or any of the Customer's agents, employees or licensees in installing, maintaining, using, operating or interfering with any such customer piping system, appliances, alarms, fixtures or apparatus. Where the Utility owns and operates a meter, regulator, pipe, fixtures, apparatus, etc., downstream of the point of delivery, the customer shall not be responsible for the injury, damage, or loss resulting from the gas, or its use or loss caused by that Utility equipment except as provided in paragraph (3), below.
3. No rent or other charge whatsoever will be made by the customer against the Utility for placing or maintaining said meters, regulators, service pipe, fixtures, etc., upon the customer's premises. All meters will be sealed or soldered by the Utility, and no such seal or solder shall be tampered with or broken except by a representative of the Utility appointed for that purpose. The customer shall exercise reasonable care to prevent the meters, regulators, service pipe, fixtures, etc., of the Utility upon said premises from being injured or destroyed, and shall refrain from interfering with the same and, in case of defect therein or damage thereto shall be discovered, shall promptly notify the Utility thereof. The customer shall reimburse the Utility for the cost of repairs arising from the customer's neglect, carelessness, misuse or abuse.

RULE NO. 7

PROVISION OF SERVICE

(Continued)

B. CUSTOMER RESPONSIBILITY

1. The customer shall, at the customer's sole risk and expense, furnish, install and keep in good, ~~and safe~~ and leak free condition ~~all regulators,~~ customer piping system, and all appliances, alarms, fixtures, and apparatus of any kind or character located beyond the point of delivery which may be required for receiving gas from the Utility and for applying and utilizing gas, including all necessary protective appliances and suitable housing therefore.
2. The customer will be solely responsible for any injury, damage or loss resulting from the gas, or its use or loss, after such gas passes beyond the point of delivery, and the Utility shall not be responsible for any loss, injury or damage occasioned or caused by the negligence or wrongful act of the Customer or any of the Customer's agents, employees or licensees in installing, maintaining, using, operating or interfering with any such customer piping system, appliances, alarms, fixtures or apparatus. Where the Utility owns and operates a meter, regulator, pipe, fixtures, apparatus, etc., downstream of the point of delivery, the customer shall not be responsible for the injury, damage, or loss resulting from the gas, or its use or loss caused by that Utility equipment except as provided in paragraph (3), below.
3. No rent or other charge whatsoever will be made by the customer against the Utility for placing or maintaining said meters, regulators, service pipe, fixtures, etc., upon the customer's premises. All meters will be sealed or soldered by the Utility, and no such seal or solder shall be tampered with or broken except by a representative of the Utility appointed for that purpose. The customer shall exercise reasonable care to prevent the meters, regulators, service pipe, fixtures, etc., of the Utility upon said premises from being injured or destroyed, and shall refrain from interfering with the same and, in case of defect therein or damage thereto shall be discovered, shall promptly notify the Utility thereof. The customer shall reimburse the Utility for the cost of repairs arising from the customer's neglect, carelessness, misuse or abuse.

RULE NO. 7

PROVISION OF SERVICE
(Continued)

G. CURTAILMENT (Continued)

- Priority 4: Industrial requirements for boiler fuel use at less than 30,000 therms per peak day, but more than 15,000 therms per peak day, where alternate fuel capabilities can meet such requirements.
- Priority 5: Industrial requirements for large volume (30,000 therms per peak day or more) boiler fuel use where alternate fuel capabilities can meet such requirements.
3. In the event of isolated incidents in order to avoid hazards and protect the public, the Utility may temporarily interrupt service to certain customers without regard to priority or any other customer classification.
4. The Utility shall not be responsible for any damage or claim of damage attributable to the aforementioned curtailment.

H. CONSTRUCTION STANDARDS AND SAFETY

1. The Utility shall fulfill its responsibility for warning and for the safe distribution of gas by designing, constructing, testing, inspecting, operating, and maintaining its transmission and distribution systems upstream of the point of delivery in compliance with the Federal Safety Standards for intrastate natural gas pipeline facilities and the Commission's safety standards for natural gas pipeline facilities.
2. When Utility owned and operated equipment is located downstream of the point of delivery:
- a. The Federal Safety Standards for intrastate natural gas pipeline facilities and the Commission's safety standards for natural gas pipeline facilities do not apply to the customer piping system.

RULE NO. 7

PROVISION OF SERVICE
(Continued)

G. CURTAILMENT (Continued)

- Priority 4: Industrial requirements for boiler fuel use at less than 30,000 therms per peak day, but more than 15,000 therms per peak day, where alternate fuel capabilities can meet such requirements.
- Priority 5: Industrial requirements for large volume (30,000 therms per peak day or more) boiler fuel use where alternate fuel capabilities can meet such requirements.
3. In the event of isolated incidents in order to avoid hazards and protect the public, the Utility may temporarily interrupt service to certain customers without regard to priority or any other customer classification.
4. The Utility shall not be responsible for any damage or claim of damage attributable to the aforementioned curtailment.

H. CONSTRUCTION STANDARDS AND SAFETY

1. The Utility shall fulfill its responsibility for warning and for the safe distribution of gas by designing, constructing, testing, inspecting, operating, and maintaining its transmission and distribution systems upstream of the point of delivery in compliance with the Federal Safety Standards for intrastate natural gas pipeline facilities and the Commission's safety standards for natural gas pipeline facilities.
2. When Utility owned and operated equipment is located downstream of the point of delivery:
- a. The Federal Safety Standards for intrastate natural gas pipeline facilities and the Commission's safety standards for natural gas pipeline facilities do not apply to the customer piping system.

RULE NO. 8

METER READING
(Continued)

C. CUSTOMER REQUESTED METER TESTS (Continued)

2. In the event the customer should at any time request that the meter be tested by an independent certified testing agency mutually accepted by all parties, the customer shall be directly responsible to and shall be charged by said independent testing agency for the full costs of such test, unless the meter is inaccurate in excess of 3 percent, in which case the Utility shall be liable for such cost. Further, in this regard, the customer shall be notified in advance as to the existence of this provision and the nature of the charge herein provided.

D. FACILITIES ON CUSTOMER'S PREMISES

1. Meter Installation
 - a. All meters will be installed by the Utility in some convenient location approved by the Utility and so placed as to be at all times accessible for inspection, reading and testing. The Utility will change the meter location on customer's premises for reasonable cause but when such request is made solely to suit the customer's convenience, or to overcome unsafe conditions other than those caused by the Utility, a charge may be made to cover the actual cost of the change.
 - b. In all buildings in which separate meters are hereafter required to be installed for various floors or groups of rooms in order to measure the gas supplied to each tenant, the Utility may require all meters to be located at a central point, and each such meter will be clearly marked to indicate the particular location supplied by it.

D

RULE NO. 8

METER READING
(Continued)

C. CUSTOMER REQUESTED METER TESTS (Continued)

2. In the event the customer should at any time request that the meter be tested by an independent certified testing agency mutually accepted by all parties, the customer shall be directly responsible to and shall be charged by said independent testing agency for the full costs of such test, unless the meter is inaccurate in excess of 3 percent, in which case the Utility shall be liable for such cost. Further, in this regard, the customer shall be notified in advance as to the existence of this provision and the nature of the charge herein provided.

D. FACILITIES ON CUSTOMER'S PREMISES

1. Meter Installation

- a. All meters will be installed by the Utility in some convenient location approved by the Utility and so placed as to be at all times accessible for inspection, reading and testing. The Utility will change the meter location on customer's premises for reasonable cause but when such request is made solely to suit the customer's convenience, or to overcome unsafe conditions other than those caused by the Utility, a charge may be made to cover the actual cost of the change.
- b. In all buildings in which separate meters are hereafter required to be installed for various floors or groups of rooms in order to measure the gas supplied to each tenant, the Utility may require all meters to be located at a central point, and each such meter will be clearly marked to indicate the particular location supplied by it.

~~c. The Utility, at its convenience, may install Automatic Meter Reading (AMR) or Offsite Meter Reading (OMR) devices on the customer's premises. When such a request is made solely for the convenience of the customer, a charge will be assessed for the actual cost of the device including installation.~~

Issued On July 20, 2000

Issued by

John P. Hester
Justin Lee Brown

Effective October 10, 2000 I

Docket No. G-01551A-00-053519-0055

Senior Vice President

Decision No. 62928 I

RULE NO. 8

METER READING
(Continued)

D. FACILITIES ON CUSTOMER'S PREMISES (Continued)

2. Utility Easements and Rights of Ingress and Egress

- a. Upon application for gas service and the establishment of service pursuant thereto, and upon the taking of service at any time thereafter, the customer shall be deemed to grant to the Utility and its successors and assigns, to whatever extent the customer may be empowered to make such grant, a perpetual easement and irrevocable license for the installation and maintenance of a gas pipeline or pipelines and appurtenances across, over, under and through the customer's premises, together with rights of ingress and egress and any temporary easements reasonably necessary to install, maintain, or replace the Utility's gas facilities. The terms of the grant are such that the Utility may, in conjunction with Rule 7(A)(2), relocate its gas facilities and the easement and license to a different location on the premises in order to continue to provide service to the customer or customers served by the Company's gas facilities. Any such grant from the owner of the premises serviced shall be deemed to be an easement running with the land, and shall bind his heirs and assigns.
- b. The Utility shall at all times have the right of ingress to and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with the furnishing of gas, and the exercise of any and all rights secured to it by law or these rules.

T
T
T
N
N
D/L
D/L

T

RULE NO. 8

METER READING
(Continued)

D. FACILITIES ON CUSTOMER'S PREMISES (Continued)

2. Utility Easements and Rights of Ingress and Egress~~Utility's Right of Ingress to and Egress from the Customer's Premises~~

a. Upon application for gas service and the establishment of service pursuant thereto, and upon the taking of service at any time thereafter, the customer shall be deemed to grant to the Utility and its successors and assigns, to whatever extent the customer may be empowered to make such grant, an a perpetual easement and irrevocable easement license for the installation and maintenance of a gas pipeline or pipelines and appurtenances across, over, under~~upon~~ and through the customer's premises, together with rights of ingress and egress and any temporary easements reasonably necessary to install, maintain, or replace the Utility's gas facilities for the location of the facilities of the Utility required to provide service. The terms of the grant are such that the Utility may, in conjunction with Rule 7(A)(2), relocate its gas facilities and the easement and license to a different location on the premises in order to continue to provide service to the customer or customers served by the Company's gas facilities. Any such grant from the owner of the premises serviced shall be deemed to be an easement running with the land, and shall bind his heirs and assigns.

b. The Utility shall at all times have the right of ingress to and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with the furnishing of gas, and the exercise of any and all rights secured to it by law or these rules.

~~c. The Utility shall have the right (but not the obligation) to remove any or all of its property installed on the customer's premises at the termination of service.~~

~~E. SERVICE CONNECTIONS MADE BY UTILITY'S EMPLOYEES~~

~~Only duly authorized employees or agents of the Utility are allowed to connect the service pipe to, or disconnect the same from the Utility's gas facilities, or to install, or establish service at the meter or regulator assembly.~~

I
I
I
N
N
D/L
D/L

RULE NO. 8

METER READING
(Continued)

D. FACILITIES ON CUSTOMER'S PREMISES (Continued)

2. Utility Easements and Rights of Ingress and Egress (Continued)

- c. Upon the Utility's request, an applicant for gas service shall provide, without cost to the Utility, a non-exclusive perpetual easement in a form and upon terms that are satisfactory to the Utility for the installation and maintenance of a gas pipeline or pipelines and appurtenances, across, over, under, and through the applicant's premises, together with the rights of ingress and egress and any temporary easements that are reasonably necessary for the Utility to install, maintain, or replace the Utility's gas facilities. If the applicant is not the property owner, then the applicant shall secure such easements from the property owner. The Utility may request such easements whenever it determines that its existing easements or other property rights are unsatisfactory. Failure to provide such easements may be grounds for refusal of service. An easement or other property right may be unsatisfactory if, among other things, it burdens the Utility with undue costs (including costs related to indemnification, insurance, or the maintenance and restoration of the burdened estate); fails to provide a safe, convenient, and economical means for the placement, operation, or access to the Utility's gas facilities; seeks to confer benefits for the applicant or a customer that are unjust, unreasonable, unjustly discriminatory, or preferential; is vague or ambiguous; or conflicts with this Tariff or with the Commission rules and regulations.
- d. The Utility shall have the right (but not the obligation) to remove any or all of its property installed on the customer's premises at the termination of service.
- e. If the customer is currently receiving service, then within ten (10) days of the Utility's request, the customer shall provide, without cost to the Utility, a non-exclusive perpetual easement as described in paragraph (c). If the customer is not the property owner, then the customer shall secure such easement from the property owner. The Utility may request such an easement whenever it determines that its existing easement or other property rights are unsatisfactory. Failure to provide such easements shall be grounds for termination of service as provided in Rule 10C.

RULE NO. 8

METER READING
(Continued)

D. FACILITIES ON CUSTOMER'S PREMISES (Continued)

2. Utility Easements and Rights of Ingress and Egress
and Egress from the Customer's Premises (Continued)

c. Upon the Utility's request, an applicant for gas service shall provide, without cost to the Utility, a non-exclusive perpetual easement in a form and upon terms that are satisfactory to the Utility for the installation and maintenance of a gas pipeline or pipelines and appurtenances, across, over, under, and through the applicant's premises, together with the rights of ingress and egress and any temporary easements that are reasonably necessary for the Utility to install, maintain, or replace the Utility's gas facilities. If the applicant is not the property owner, then the applicant shall secure such easements from the property owner. The Utility may request such easements whenever it determines that its existing easements or other property rights are unsatisfactory. Failure to provide such easements may be grounds for refusal of service. An easement or other property right may be unsatisfactory if, among other things, it burdens the Utility with undue costs (including costs related to indemnification, insurance, or the maintenance and restoration of the burdened estate); fails to provide a safe, convenient, and economical means for the placement, operation, or access to the Utility's gas facilities; seeks to confer benefits for the applicant or a customer that are unjust, unreasonable, unjustly discriminatory, or preferential; is vague or ambiguous; or conflicts with this Tariff or with the Commission rules and regulations.

d. The Utility shall have the right (but not the obligation) to remove any or all of its property installed on the customer's premises at the termination of service.

e. If the customer is currently receiving service, then within ten (10) days of the Utility's request, the customer shall provide, without cost to the Utility, a non-exclusive perpetual easement as described in paragraph (c). If the customer is not the property owner, then the customer shall secure such easement from the property owner. The Utility may request such an easement whenever it determines that its existing easement or other property rights are unsatisfactory. Failure to provide such easements shall be grounds for termination of service as provided in Rule 10C.

RULE NO. 8

METER READING
(Continued)

E. SERVICE CONNECTIONS MADE BY UTILITY'S EMPLOYEES

Only duly authorized employees or agents of the Utility are allowed to connect the customer piping system to, or disconnect the same from, the Utility's gas facilities, or to turn on the Utility's supply of gas.

RULE NO. 8

METER READING
(Continued)

E. SERVICE CONNECTIONS MADE BY UTILITY'S EMPLOYEES

Only duly authorized employees or agents of the Utility are allowed to connect the customer piping system service pipe to, or disconnect the same from, the Utility's gas facilities, or to install, or to turn on the Utility's supply of gas establish service at the meter or regulator assembly.

L
I
L/T

RULE NO. 9

BILLING AND COLLECTION
(Continued)

O. ELECTRONIC BILLING

Electronic Billing is an optional billing service whereby customers may elect to receive, view, and pay their gas bills electronically. An electronic bill may be generated in lieu of a paper bill under the following conditions:

1. Customers requesting this service may be required to complete additional forms and agreements with the Utility and/or the Electronic Billing Service Provider.
2. Electronic Billing may be discontinued at any time by the Utility, the customer or the Electronic Billing Service Provider.
3. Except as otherwise provided in this section, all other provisions of the Utility's Rules and Regulations as contained in this Arizona Gas Tariff are applicable to Electronic Billing and made a part hereof.

D
D
T
T

RULE NO. 9

BILLING AND COLLECTION
(Continued)

O. ELECTRONIC BILLING

Electronic Billing is an optional billing service ~~for residential sales customers~~ whereby customers may elect to receive, view, and pay their gas bills electronically. An electronic bill may be generated in lieu of a paper bill under the following conditions:

1. Customers requesting this service may be required to complete additional forms and agreements with the Utility and/or the Electronic Billing Service Provider.
- ~~2. Customers must use a third party Electronic Billing Service Provider.~~
- 3~~2~~. Electronic Billing may be discontinued at any time by the Utility, the customer or the Electronic Billing Service Provider.
- 4~~3~~. Except as otherwise provided in this section, all other provisions of the Utility's Rules and Regulations as contained in this Arizona Gas Tariff are applicable to Electronic Billing and made a part hereof.

RULE NO. 10

TERMINATION OF SERVICE
(Continued)

A. NONPERMISSIBLE REASONS TO DISCONNECT SERVICE (Continued)

- g. Residential service to ill, elderly, or handicapped persons who have an inability to pay will not be terminated until all of the following have been attempted:
 - (1) The customer has been informed of the availability of funds from various government and social assistance agencies
 - (2) A third party previously designated by the customer has been notified and has not made arrangements to pay the outstanding Utility bill.
- h. A customer utilizing the provisions of (f) or (g) above may be required to enter into a deferred payment agreement with the Utility within ten days after the scheduled termination date.
- i. The gas service will not be discontinued for nonpayment under any circumstances on the day prior to a national holiday or weekend.
- j. Disputed bills where the customer has complied with the Commission's rules on customer bill disputes.

B. TERMINATION OF SERVICE WITHOUT NOTICE

- 1. The Utility has the right, but not the responsibility, to terminate service without advance written notice under the following conditions:
 - a. For unsafe apparatus or where service is detrimental or damaging to the Utility, its customers, or the general public.

RULE NO. 10

TERMINATION OF SERVICE

(Continued)

A. NONPERMISSIBLE REASONS TO DISCONNECT SERVICE *(Continued)*

- g. Residential service to ill, elderly, or handicapped persons who have an inability to pay will not be terminated until all of the following have been attempted:
- (1) The customer has been informed of the availability of funds from various government and social assistance agencies
 - (2) A third party previously designated by the customer has been notified and has not made arrangements to pay the outstanding Utility bill.
- h. A customer utilizing the provisions of (f) or (g) above may be required to enter into a deferred payment agreement with the Utility within ten days after the scheduled termination date.
- i. The gas service will not be discontinued for nonpayment under any circumstances on the day prior to a national holiday or weekend.
- j. Disputed bills where the customer has complied with the Commission's rules on customer bill disputes.

B. TERMINATION OF SERVICE WITHOUT NOTICE

1. The Utility has the right, but not the responsibility, to terminate service ~~may be disconnected~~ without advance written notice under the following conditions:
- a. For unsafe apparatus or where service is detrimental or damaging to the Utility, its customers, or the general public.

RULE NO. 10

TERMINATION OF SERVICE
(Continued)

B. TERMINATION OF SERVICE WITHOUT NOTICE (Continued)

- (1) If any unsafe or hazardous condition is found to exist on the customer's premises, or if the use of gas thereon by apparatus, appliances, equipment, or otherwise is found to be detrimental or damaging to the Utility, its customers, or the general public, or if the utilization of gas by means thereof is prohibited or forbidden by law, the service may be disconnected without notice. The Utility will attempt to notify the customer or occupant immediately of the reasons for the discontinuance and the corrective action to be taken by the customer before service can be restored.
 - (2) Except as provided in Rule No. 7, the Utility does not assume the duty of inspecting the customer piping system, appliances, alarms, fixtures, or apparatus of any kind or character located beyond the point of delivery, including any necessary protective appliances and suitable housing therefore, and assumes no liability therefore.
- b. For Fraud
- The Utility shall have the right to refuse or to discontinue gas service if the acts of the customer or the conditions upon his premises are such as to indicate intention to defraud the Utility. When the Utility has discovered that a customer has obtained service by fraudulent means, or has used the gas service for unauthorized purposes, the service to that customer may be discontinued without notice. The Utility will not restore service to such customer until that customer has complied with all filed rules and reasonable requirements of the Utility and the Utility has been reimbursed for the full amount of the service rendered and the actual cost to the Utility incurred by reason of the fraudulent use.
- c. Unauthorized resale or use of Utility services.
- d. Failure of a customer to comply with the curtailment procedures imposed by the Utility during supply shortages.
2. The Utility shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the Utility.
 3. The Utility shall maintain a record of all terminations of service without notice. This record will be maintained for a minimum of one year and shall be available for inspection by the Commission.

P.O. Box 98510

Las Vegas, Nevada 89193-8510

Arizona Gas Tariff No. 7

Arizona Division

Canceling 2nd~~1st~~ Revised A.C.C. Sheet No. 235
1st Revised~~Original~~ A.C.C. Sheet No. 235

RULE NO. 10

TERMINATION OF SERVICE*(Continued)*B. TERMINATION OF SERVICE WITHOUT NOTICE *(Continued)*

- (1) If any unsafe or hazardous condition is found to exist on the customer's premises, or if the use of gas thereon by apparatus, appliances, equipment, or otherwise is found to be detrimental or damaging to the Utility, its customers, or the general public, or if the utilization of gas by means thereof is prohibited or forbidden by law, the service may be disconnected without notice. The Utility will attempt to notify the customer or occupant immediately of the reasons for the discontinuance and the corrective action to be taken by the customer before service can be restored.
- (2) Except as provided in Rule No. 7, The Utility does not assume the duty of inspecting the customer piping system, ~~regulators,~~ appliances, alarms, fixtures, or apparatus of any kind or character located beyond the point of delivery, including any necessary protective appliances and suitable housing therefore, and assumes no liability therefore.
- b. For Fraud
- The Utility shall have the right to refuse or to discontinue gas service if the acts of the customer or the conditions upon his premises are such as to indicate intention to defraud the Utility. When the Utility has discovered that a customer has obtained service by fraudulent means, or has used the gas service for unauthorized purposes, the service to that customer may be discontinued without notice. The Utility will not restore service to such customer until that customer has complied with all filed rules and reasonable requirements of the Utility and the Utility has been reimbursed for the full amount of the service rendered and the actual cost to the Utility incurred by reason of the fraudulent use.
- c. Unauthorized resale or use of Utility services.
- d. Failure of a customer to comply with the curtailment procedures imposed by the Utility during supply shortages.
2. The Utility shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the Utility.
3. The Utility shall maintain a record of all terminations of service without notice. This record will be maintained for a minimum of one year and shall be available for inspection by the Commission.

Issued On December 31, 2011

Issued by

John P. Hester
Justin Lee BrownEffective January 1, 2012Docket No G-01551A-10-045819-0055

Senior Vice President

Decision No. 72723

RULE NO. 10

TERMINATION OF SERVICE

(Continued)

C. TERMINATION OF SERVICE WITH NOTICE

1. The Utility has the right, but not the responsibility, to terminate service to any customer for any reason stated below provided the Utility has met the notice requirements established by the Commission:
 - a. Customer violation of any of the Utility's tariffs.
 - b. Failure of the customer to pay a delinquent bill for Utility service.
 - c. If a customer is receiving gas service at more than one location, service at all locations may be discontinued if bills for service at any one or more of these locations are not paid within 25 days, provided the Utility has given the customer at least five days' prior written notice of such intention. However, domestic residential service will not be discontinued because of nonpayment of bills for other classes of service.
 - d. Failure to meet or maintain the Utility's deposit requirements.
 - e. If, for the convenience of an applicant, the Utility should establish gas service to an applicant before he has established his credit, the Utility may discontinue service if the applicant fails to establish credit within five days thereafter.
 - f. Use of restricted apparatus.
 - g. Failure of the customer to provide the Utility reasonable access to its equipment and property.
 - h. Customer breach of a written contract or agreement for service or service-related work between the Utility and customer.
 - i. When necessary for the Utility to comply with an order of any governmental agency having such jurisdiction.
 - j. Failure to provide an easement in a form and upon terms that are satisfactory to the Utility for the installation and maintenance of a gas pipeline or pipelines and appurtenances as provided in Rule No. 8.
2. The Utility shall maintain a record of all terminations of service with notice. This record shall be maintained for one year and be available for Commission inspection.

P.O. Box 98510

Las Vegas, Nevada 89193-8510

Arizona Gas Tariff No. 7

Arizona Division

	<u>1st Revised</u> Original	A.C.C. Sheet No. <u>236</u>
Canceling	Original	A.C.C. Sheet No. <u>236</u>

RULE NO. 10

TERMINATION OF SERVICE

(Continued)

C. TERMINATION OF SERVICE WITH NOTICE

1. The Utility ~~may disconnect~~ has the right, but not the responsibility, to terminate service to any customer for any reason stated below provided the Utility has met the notice requirements established by the Commission:
 - a. Customer violation of any of the Utility's tariffs.
 - b. Failure of the customer to pay a delinquent bill for Utility service.
 - c. If a customer is receiving gas service at more than one location, service at all locations may be discontinued if bills for service at any one or more of these locations are not paid within 25 days, provided the Utility has given the customer at least five days' prior written notice of such intention. However, domestic residential service will not be discontinued because of nonpayment of bills for other classes of service.
 - d. Failure to meet or maintain the Utility's deposit requirements.
 - e. If, for the convenience of an applicant, the Utility should establish gas service to an applicant before he has established his credit, the Utility may discontinue service if the applicant fails to establish credit within five days thereafter.
 - f. Use of restricted apparatus.
 - g. Failure of the customer to provide the Utility reasonable access to its equipment and property.
 - h. Customer breach of a written contract or agreement for service or service-related work between the Utility and customer.
 - i. When necessary for the Utility to comply with an order of any governmental agency having such jurisdiction.
 - j. Failure to provide an easement in a form and upon terms that are satisfactory to the Utility for the installation and maintenance of a gas pipeline or pipelines and appurtenances as provided in Rule No. 8.
2. The Utility shall maintain a record of all terminations of service with notice. This record shall be maintained for one year and be available for Commission inspection.

I
I

N
N
N

Issued On August 29, 1997
~~U-1551-96-596~~

Issued by
John P. Hester
Justin Lee Brown
Senior Vice President

Effective September 1, 1997 I

Docket No. G-01551A-19-0055

Decision No. 60352 I