

March 27, 2007

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

Subject: Revision No. 125

This revision reflects authorization by the Arizona Corporation Commission for Southwest to revise the Demand Side Management (DSM) surcharge effective the first billing cycle in April 2007. This sheet reflects the revised rate effective April 2, 2007.

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

Insert A.C.C. Sheet No.

Supersedes A.C.C. Sheet No.

Twenty- Seventh Revised Sheet No. 13

Twenty-Sixth Revised Sheet No. 13

Debra Jacobson, Director Government and State Regulatory Affairs