

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 18, 2018

Advice Letter 1072-G

Justin Lee Brown
Vice-President/Regulatory Affairs
Southwest Gas Corporation
PO Box 98510
Las Vegas, NV 89193-8510

SUBJECT: To implement the Residential California Climate Credit and to Include GHG Compliance Costs into Rates Pursuant to OPs 1 and 3 through 9 in D.18-03-017

Dear Mr. Brown:

Advice Letter 1072-G is effective as of July 1, 2018.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division



SOUTHWEST GAS CORPORATION

May 14, 2018

ATTN: Tariff Unit, Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4005
San Francisco, CA 94102

Subject: Southwest Gas Corporation (U 905 G)
Advice Letter No. 1072

Enclosed herewith is one (1) copy of Southwest Gas Corporation's Advice Letter No. 1072, together with California Gas Tariff Sheet Nos. 2, 65-77, 79, 81, 83, 87, 88, 91 and 104.

Sincerely,

Valerie J. Ontiveroz
Regulatory Manager/California

VJO:jjp
Enclosures



SOUTHWEST GAS CORPORATION

Advice Letter No. 1072

May 14, 2018

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas or Company) (U 905 G) tenders herewith for filing the following tariff sheets:

Cal. P.U.C. Sheet No.	California Gas Tariff Title of Sheet	Canceling Cal. P.U.C. Sheet No.
7th Revised Sheet No. 2	Table of Contents	6th Revised Sheet No. 2
107th Revised Sheet No. 65	Statement of Rates - Rates Applicable to Southern California Service Area	106th Revised Sheet No. 65
108th Revised Sheet No. 66	Statement of Rates - Rates Applicable to Southern California Service Area	107th Revised Sheet No. 66
55th Revised Sheet No. 67	Statement of Rates - Rates Applicable to Southern California Service Area	53rd Revised Sheet No. 67
105th Revised Sheet No. 68	Statement of Rates - Rates Applicable to Northern California Service Area	104th Revised Sheet No. 68
107th Revised Sheet No. 69	Statement of Rates - Rates Applicable to Northern California Service Area	106th Revised Sheet No. 69
72nd Revised Sheet No. 70	Statement of Rates - Rates Applicable to Northern California Service Area	71st Revised Sheet No. 70
107th Revised Sheet No. 71	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	106th Revised Sheet No. 71
45th Revised Sheet No. 72	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	44th Revised Sheet No. 72
11th Revised Sheet No. 73	Statement of Rates - Rates Applicable to South Lake Tahoe Service Area	10th Revised Sheet No. 73
1st Revised Sheet No. 74-77	Held for Future Use	Original Sheet No. 74-77
3rd Revised Sheet No. 79	GS-10/GN-10/SLT-10 - Residential Gas Service	2nd Revised Sheet No. 79



California Gas Tariff		
Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
3rd Revised Sheet No. 81	GS-11 – Residential Air-Conditioning Gas Service	2nd Revised Sheet No. 81
3rd Revised Sheet No. 83	GS-12/GN-12/SLT-12 – CARE Residential Gas Service	2nd Revised Sheet No. 83
2nd Revised Sheet No. 87	GS-15/GN-15/SLT-15 – Secondary Residential Gas Service	1st Revised Sheet No. 87
3rd Revised Sheet No. 88	GS-20/GN-20/SLT-20 – Multi-Family Master-Metered Gas Service	2nd Revised Sheet No. 88
3rd Revised Sheet No. 91	GS-25/GN-25/SLT-25 – Multi-Family Master-Metered Gas Service – Submetered	2nd Revised Sheet No. 91
1st Revised Sheet No. 104	GS-40/GN-40/SLT-40 – Core General Gas Service	Original Sheet No. 104

Purpose

The purpose of this filing is to implement the residential California Climate Credit and to include Greenhouse Gas (GHG) compliance costs into rates pursuant to the provisions outlined in Ordering Paragraphs (OP) 1 and 3 through 9 in Decision (D.) 18-03-017.

Background

On October 22, 2015, the Commission issued D.15-10-032 resolving Phase 2 issues in Rulemaking (R.) 14-03-003,¹ including,

...methodologies for natural gas utilities to use when calculating forecast and recorded GHG allowance proceeds and GHG costs associated with complying with Cap-and-Trade, and it approves an advice letter process for the utilities to use when forecasting and reconciling reasonable GHG costs and allowance proceeds. Today's decision approves the 2015 forecasts presented in the utilities' preliminary statements and requires the utilities to include GHG costs in customers' rates on an equal-cents-per-therm basis. The decision also adopts a natural gas California Climate Credit for residential customer of those utilities.²

¹ R.14-03-003, "Order Instituting Rulemaking to Address Natural Gas Distribution Utility Cost and Revenue Issues Associated with Greenhouse Gas Emissions," adopted by the Commission March 12, 2014.

² D.15-10-032, at pgs. 2-3.



Background *(continued)*

The Commission directed the natural gas utilities to utilize the tables provided in Appendix A to D.15-10-032 to annually forecast its GHG compliance costs and allowance proceeds and also include a "...narrative summary describing activities completed in the current year, including any deviations from what was forecasted for the current year, and projecting activities in the forecast year..."³ On April 7, 2016, the Commission approved D.16-04-013, which granted limited rehearing of D.15-10-032 regarding the return of GHG allowance proceeds to residential customers. D.16-04-013 vacated certain OPs, which effectively suspended the introduction of GHG costs into customer rates as well as the return of any GHG allowance proceeds.⁴

On March 22, 2018, the Commission approved D.18-03-017, providing the legal rationale to distribute GHG allowance proceeds solely to residential customers of the natural gas utilities. Additionally, D.18-03-017 sets forth the methodologies the natural gas utilities are to utilize to include GHG costs into rates utilizing the Appendix A Tables A through E adopted in D.15-10-032. OP 9 states:

Within 45 days of issuance of this decision, Pacific Gas and Electric Company, Southern California Gas Company, San Diego Gas & Electric Company and Southwest Gas Corporation [sic] must file a Tier 2 Advice Letter providing information necessary to implement the residential California Climate Credit and to include greenhouse gas compliance costs in rates, including the netting of greenhouse gas costs and proceeds for the years 2015, 2016, and 2017. The advice letters must include the following information:

- a. Detailed calculations showing the amount of greenhouse gas proceeds available for residential ratepayers in 2018. Utilities must provide the 2018 Residential California Climate Credit. This information should be displayed using the format of Table C, adopted in Appendix A to Decision 15-10-032.
- b. Detailed calculations of greenhouse gas compliance costs to be included in rates beginning in July of 2018, including calculations showing the amortization of 2018 compliance costs. This information shall be displayed using the format of Table A and Table B, adopted in Appendix A to Decision 15-10-032.
- c. Detailed accounting of the netting of 2015-2017 greenhouse gas compliance costs and proceeds for residential customers as well as an amortization schedule for residual greenhouse gas compliance costs, if any. If there are residual residential greenhouse proceeds, the utilities shall include a final calculated 2018 residential Climate Credit reflecting the inclusion of the net surplus.

³ Id. at pg. 19.

⁴ D.16-04-013, OP 4 at pg. 6.



Background *(continued)*

- d. Detailed accounting of the greenhouse outreach and administrative expenses for 2015-2017 time period. This information shall be displayed using the format of Table D, adopted in Appendix A to Decision 15-10-032.
- e. Report of annual compliance obligations. This information shall be displayed using the format of Table E, adopted in Appendix A to Decision 15-10-032.⁵

Accordingly, as set forth below, Southwest Gas has utilized Tables A through E (Attachment 1) to calculate its proposed rates incorporating its netted 2015 through 2017 and 2018 GHG costs into rates and its proposed 2018 California Climate Credit.

California Climate Credit and GHG Compliance Costs

Table A – Forecasted Revenue Requirement

Table A illustrates Southwest Gas' calculation of the forecasted revenue requirement associated with its recorded GHG compliance costs as follows:

1. Pursuant to OP 4 in D.18-03-017, Southwest Gas netted its 2015 through 2017 GHG compliance costs against the Company's total available GHG proceeds. This netting amounted to excess compliance costs of \$602,115.⁶ Southwest Gas proposes to amortize these costs over a 12-month period beginning July 1, 2018, in accordance with OP 5 in D.18-03-017.⁷ The 2015-2017 netting and 12-month amortization is illustrated on Attachment 2 to this Advice Letter.
2. Pursuant to OP 7 in D.18-03-017, Southwest Gas proposes to amortize its forecasted 2018 GHG compliance costs over an 18-month period and begin including these costs into rates on July 1, 2018.⁸

Southwest Gas considers certain information contained in Table A confidential, including Gross Throughput (Line 1), Throughput to Covered Entities (Line 2), and is providing this information to the Energy Division confidentially under separate cover pursuant to D.15-10-032 and D.16-08-024.

⁵ D.18-03-017, at pgs. 55-56.

⁶ Id. at pgs. 53-54.

⁷ Id. at pg. 54.

⁸ Id. at pgs. 54-55.



California Climate Credit and GHG Compliance Costs *(continued)*

Table B – Recorded GHG Costs

Southwest Gas has included recorded costs in Table B utilizing the weighted average cost methodology. Because Table B contains confidential information, it is being provided to the Energy Division confidentially under separate cover pursuant to D.15-10-032 and D.16-08-024.

Table C – GHG Allowance Proceeds

Under the Cap-and-Trade Program, the California Air Resources Board (CARB) annually allocates GHG allowances to natural gas utilities for the benefit of their ratepayers, and CARB requires the utilities to consign a minimum percentage of the allowances for sale in CARB's allowance auctions, with consignment requirements beginning at 25 percent in 2015 and increasing 5 percent annually through 2020.⁹ In D.15-10-032 and D.18-03-017, the Commission found it appropriate to return allowance proceeds received from the sale of GHG allowances to residential customers only as the on-bill California Climate Credit annually each April, with the exception of 2018, in which the California Climate Credit shall be distributed in October.¹⁰ The California Climate Credit is to be calculated as the GHG allowance proceeds remaining after subtracting Southwest Gas' outreach and administrative expenses from the total allowance proceeds and dividing the result by the number of residential households.¹¹ Southwest Gas' administrative and outreach expenses are discussed below. Southwest Gas forecasts approximately \$4.1 million net GHG allowance proceeds available for return to customers in 2018. Southwest Gas' 2018 California Climate Credit is \$22.38.

Table D – Outreach and Administrative Expenses

Southwest Gas' Outreach and Education Plan (Plan) was approved with a total forecasted cost of \$65,500.¹² However, the Plan was not effectuated due to the suspension of the California Climate Credit and GHG compliance costs recovery, which also included a suspension of related outreach and education.¹³ As such, Southwest Gas has experienced minimal costs to date related to its Plan. Additionally, due to the timing of D.18-03-017, Southwest Gas has determined to delay its Post Phone Survey until 2019, which results in the reduction of approximately \$55,000 in Plan expenses for 2018. Therefore, Southwest Gas forecasts its Plan costs to be approximately \$11,220 for 2018. Southwest Gas will include this amount in its annual balancing account update filing for 2019.

⁹ D.15-10-032, at pg. 5.

¹⁰ D.18-03-017, at pgs. 2 and 40; OP 8, at pg. 55.

¹¹ D.15-10-032, at pg. 37.

¹² Advice Letter No. 994, approved December 30, 2015.

¹³ Letter from the Energy Division to Pacific Gas & Electric Company, San Diego Gas & Electric Company, Southern California Gas Company and Southwest Gas Corporation [sic], "Suspend April 2016 Natural Gas Climate Credit and Introduction of GHG Costs in Rates," dated March 7, 2016.



California Climate Credit and GHG Compliance Costs *(continued)*

Table E – Compliance Obligation Over Time

Southwest Gas has included its 2015 and 2016 verified emissions in Table E.

Compliance Instrument Procurement Limit

The Commission adopted a GHG compliance instrument procurement limit formula for the natural gas utilities in D.14-12-040. Pursuant to D.15-10-032, procurement limits shall be provided to the Energy Division confidentially. As such, Southwest Gas will provide its annual GHG procurement limit to the Energy Division under separate cover.

Tariff Revisions

Southwest Gas has updated its residential rate schedules to remove outdated references pertaining to the implementation of the California Climate Credit. Additionally, the Statement of Rates tariff sheets for each of Southwest Gas' three rate jurisdictions have been updated to clearly distinguish GHG compliance cost rates for non-Covered Entities and Covered Entities under CARB Cap-and-Trade Program. The proposed tariff sheets are included as Attachment 3 to this Advice Letter.

Effective Date

Southwest Gas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 2 (effective after Energy Division approval) pursuant to GO 96-B. Southwest Gas respectfully requests the tariff rates and revisions and California Climate Credit proposed herein be approved July 1, 2018.

Protest

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based with specificity. The protest must be sent no later than 20 days after the date of this Advice Letter filing and shall be sent by letter via U.S. Mail, facsimile, or electronically mailed. The address for mailing or delivering a protest to the Commission is:

ATTN: Tariff Unit
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102
Email: edtariffunit@cpuc.ca.gov
Facsimile: 415-703-2200



Advice Letter No. 1072
Page 7
May 14, 2018

Protest (continued)

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004, at the same address as above and mailed or faxed to:

Mr. Justin Lee Brown
Senior VP/General Counsel
Southwest Gas Corporation
P.O. Box 98510
Las Vegas, NV 89193-8510
Email: justin.brown@swgas.com
Facsimile: 702-364-3452

Notice

Pursuant to Energy Industry Rule 3.1(1), Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since this Advice Letter is being filed in compliance with OP 9 in D.18-03-017.

Service

In accordance with GO 96-B, General Rule 7.2, Southwest Gas is serving copies of this Advice Letter and related tariff sheets to the utilities and interested parties shown on the attached list.

Communications regarding this filing should be directed to:

Valerie J. Ontiveroz
Regulatory Manager/California
Southwest Gas Corporation
P.O. Box 98510
Las Vegas, NV 89193-8510
Telephone: 702-876-7323
Email: valerie.ontiveroz@swgas.com

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 

Justin Lee Brown

Attachments

Distribution List

Advice Letter No. 1072

In conformance with GO 96-B, General Rule 4.3

The following individual has been served by regular, first-class mail:

Elizabeth Echols, Director
Office of Ratepayer Advocates
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94105

The following individuals or entities have been served by electronic mail:

Pacific Gas & Electric Company
PGETariffs@pge.com

Southern California Gas Company
ROrtiz@SemptraUtilities.com

San Diego Gas & Electric Company
SDG&ETariffs@SemptraUtilities.com

Belinda Gatti
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California Public Utilities Commission
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Pearlie Sabino
Office of Ratepayer Advocates
California Public Utilities Commission
pzs@cpuc.ca.gov

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)	
Company name/CPUC Utility No. Southwest Gas Corporation (U 905 G)	
Utility type: <input type="checkbox"/> ELC <input checked="" type="checkbox"/> GAS <input type="checkbox"/> PLC <input type="checkbox"/> HEAT <input type="checkbox"/> WATER	Contact Person: Valerie J. Ontiveroz Phone #: (702) 876-7323 E-mail: valerie.ontiveroz@swgas.com
EXPLANATION OF UTILITY TYPE ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat WATER = Water	(Date Filed/ Received Stamp by CPUC)
Advice Letter (AL) #: 1072	
Subject of AL: <u>To implement the residential California Climate Credit and to include GHG compliance costs into rates pursuant to OPs 1 and 3 through 9 in D.18-03-017.</u>	
Keywords (choose from CPUC listing): <u>California Climate Credit and GHG Costs</u>	
AL filing type: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual <input checked="" type="checkbox"/> One-Time <input type="checkbox"/> Other	
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:	
Does AL replace a withdrawn or rejected AL? If so, identify the prior AL <u>Not applicable</u>	
Summarize differences between the AL and the prior withdrawn or rejected AL ¹⁴ : <u>Not applicable</u>	
Resolution Required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Requested effective date: <u>July 1, 2018</u>	No. of tariff sheets: <u>18</u>
Estimated system annual revenue effect (%): <u>Increase of 4.45% SCA, 4.21% NCA, and 5.58% SLT</u>	
Estimated system average rate effect (%): <u>Increase of 4.45% SCA, 4.21% NCA, and 5.58% SLT</u>	
When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).	
Tariff schedules affected: <u>Not applicable</u>	
Service affected and changes proposed ¹⁴ : <u>See 'Subject of AL' above</u>	
Pending advice letters that revise the same tariff sheets: <u>None</u>	
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:	
CPUC, Energy Division Attention: Tariff Unit 505 Van Ness Ave. San Francisco, CA 94102 E-mail: edtariffunit@cpuc.ca.gov	Utility Info (including e-mail) Mr. Justin Lee Brown, Senior Vice President/General Counsel Southwest Gas Corporation P. O. Box 98510 Las Vegas, NV 89193-8510 E-mail: justin.brown@swgas.com Facsimile: 702-364-3452

¹⁴ Discuss in AL if more space is needed.

Advice Letter No. 1072
Attachment 1

D.15-10-032 Appendix A Tables

SOUTHWEST GAS CORPORATION

Advice Letter No. 1072

D.15-10-032 - Appendix A

Table A: Forecast Revenue Requirement

Line	Description	2018 - 18 Month Amortization		
		Net Costs 2015 - 2017	Forecast	Recorded
1	Gross Throughput (MMcf)			
2	Throughput to Covered Entities (MMcf)			
3	Net Throughput to End Users (MMcf) (Line 1 + Line 2)	14,022	22,146	
4	Lost and Unaccounted for Gas ¹ (MMcf)	99	156	
5	Total Supplied Gas (MMcf) (Line 3 + Line 4)	14,121	22,302	
6	Emissions Conversion Factor (MTCO ₂ e/MMcf)	54.64437	54.64437	
7	Compliance Obligation for End Users and LUAF (MTCO ₂ e) (Line 5 * Line 6)	771,612	1,218,658	
8	Compliance Obligation for Company Facilities (MTCO ₂ e)	0	0	
9	Gross Compliance Obligation (MTCO₂e) (Line 7 + Line 8)	771,612	1,218,658	
10	Directly Allocated Allowances	0	(1,020,735)	
11	Percentage Consigned to Auction	35%	42%	
12	Consigned Allowances (Line 10 * Line 11)	0	425,062	
13	Net Compliance Obligation (MTCO₂e) (Line 9 + Line 10+ Line 12)	771,612	622,985	
14	Proxy GHG Allowance Price ²		\$ 15.66	
15	Compliance Instrument Cost	\$ 594,165	\$ 9,755,951	
16	Interest	\$ 7,884		
17	Franchise Fees & Uncollectibles ³	\$ 9,685	\$ 159,022	
18	Revenue Requirement (Line 15 + Line 16 + Line 17)	\$ 611,734	\$ 9,914,973	
19	Previous Year's Cost Balancing Subaccount Balance			
20	Revenue Requirement to be Included in Rates (Line 18 + Line 19)	\$ 611,734	\$ 9,914,973	
21	Covered Entity Rate Impact (\$/therm)	\$ 0.00003	\$ 0.00063	
22	Non-Covered Entity Rate Impact (\$/therm)	\$ 0.00424	\$ 0.04354	

Footnotes

1 Lost and unaccounted for gas percentages were authorized in Southwest Gas' last General Rate Case (GRC) Decision 14-06-028

2 The forecasted proxy price is the April 23, 2018, futures settlement price for vintage year 2018 allowances for delivery in December. The future settlements price was obtained from the Intercontinental Exchange dated April 23, 2018, Futures Daily Market Report for Physical Environmental, "CAW-California Carbon Allowance Future-Vintage 2018 -

3 The F&U Rate was authorized in Southwest Gas' last General Rate Case (GRC) Decision 14-06-028

SOUTHWEST GAS CORPORATION
Advice Letter No. 1072
D.15-10-032 - Appendix A
Table C: GHG Allowance Proceeds

Line	Description	2018	
		Forecast	Recorded
1	Proxy GHG Allowance Price (\$/MT) ¹	\$ 15.08	
2	Directly Allocated Allowances	685,378	
3	Percentage Consigned to Auction	40%	
4	Consigned Allowances	274,151	
5	Allowance Proceeds	\$ (4,134,197)	
6	Previous Year's Revenue Balancing Subaccount Balance		
7	Interest		
8	Subtotal Allowance Proceeds (\$) (Line 5 + Line 6 + Line 7)	\$ (4,134,197)	
9	Outreach and Admin Expenses (\$) (from Table D)	\$ 11,220	
10	Net GHG Proceeds Available for Customer Returns (\$) (Line 8 +	\$ (4,122,977)	
11	Number of Residential Households	184,203	
12	Per Household California Climate Credit (\$) (Line 10 / Line 11)	\$ 22.38	

Footnotes

1 The forecasted proxy price is the April 23, 2018, futures settlement price for vintage year 2018 allowances for delivery in December. The future settlements price was obtained from the Intercontinental Exchange dated April 23, 2018, Futures Daily Market Report for Physical Environmental, "CAW-California Carbon Allowance Future-Vintage 2018 - California Carbon Allowance Vintage 2018 ." This methodology is consistent with Southwest Gas' methodology for forecasting gas supply prices.

SOUTHWEST GAS CORPORATION**Advice Letter No. 1072****D.15-10-032 - Appendix A****Table D: GHG Outreach and Administrative Expenses**

Line	Description	2018	
		Forecast	Recorded
1	Outreach Expenses		
2	Detail of Outreach Activity (\$)		
3	Website Page	\$ 2,000	
4	E-Blasts	\$ 5,000	
5	Bill Insert	\$ 3,000	
6	On-Bill Message	\$ -	
7	On-Hold Phone Message	\$ 1,000	
8	Post Phone Survey	\$ -	
9	Subtotal Outreach (\$)	\$ 11,000	\$ -
10	Administrative Expenses		
11	Detail of Administrative Activity (\$)		
12	Programming	\$ -	
13	Testing	\$ -	
14	Subtotal Administrative (\$)	\$ -	\$ -
15	Subtotal Outreach and Administrative (\$)	\$ 11,000	\$ -
16	Interest (\$)	\$ 220	\$ -
17	Total (\$)	\$ 11,220	\$ -

SOUTHWEST GAS CORPORATION

Advice Letter No. 1072

D.15-10-032 - Appendix A

Table E: Compliance Obligation Over Time

	2015	2016	2017	2018	2019	2020
Natural Gas Fuel Supplier Compliance Obligation (MTCO ₂ e)	668,077	695,462				
Company Facility Compliance Obligation (MTCO ₂ e)	0	0				

Advice Letter No. 1072
Attachment 2

2015 through 2017 Netting of GHG Compliance Costs
and Proceeds, including Amortization Schedule

SOUTHWEST GAS CORPORATION

Advice Letter No. 1072

D.15-10-032 - Appendix A

Netting of 2015-2017 GHG Compliance Costs and Allowance Proceeds

Line	Description	2015	2016	2017	Total
		Recorded	Recorded	Recorded	
1	Compliance Costs	\$ 1,813,190	\$ 2,520,540	\$ 4,684,465	\$ 9,018,195
2	Interest	\$ 3,062	\$ 33,264	\$ 121,354	\$ 157,680
3	Subtotal Compliance Costs (\$) (Line 1 + Line 2)	\$ 1,816,252	\$ 2,553,804	\$ 4,805,819	\$ 9,175,875
4	Allowance Proceeds	\$ (2,247,731)	\$ (2,726,511)	\$ (3,449,787)	\$ (8,424,030)
5	Interest	\$ (4,019)	\$ (32,300)	\$ (113,477)	\$ (149,796)
6	Subtotal Allowance Proceeds (\$) (Line 4 + Line 5)	\$ (2,251,750)	\$ (2,758,811)	\$ (3,563,265)	\$ (8,573,826)
7	Administrative Costs	\$ -	\$ 65	\$ 1	\$ 66
8	Subtotal Available Proceeds for Customer Returns (\$) (Line 6 + Line 7)	\$ (2,251,750)	\$ (2,758,746)	\$ (3,563,264)	\$ (8,573,760)
9	Netting of 2015-2017 GHG Compliance Costs and Available Proceeds (Line 3 + Line 8)	\$ (435,498)	\$ (204,942)	\$ 1,242,555	\$ 602,115 (A)

**Amortization Schedule over 12 months beginning July 1, 2018
(\$602,115/12 months = \$50,176/month)**

Jul-18	\$ 50,176
Aug-18	\$ 50,176
Sep-18	\$ 50,176
Oct-18	\$ 50,176
Nov-18	\$ 50,176
Dec-18	\$ 50,176
Jan-19	\$ 50,176
Feb-19	\$ 50,176
Mar-19	\$ 50,176
Apr-19	\$ 50,176
May-19	\$ 50,176
Jun-19	\$ 50,176
	\$ 602,115 (A)

SOUTHWEST GAS CORPORATION**Advice Letter No. 1072****D.15-10-032 - Appendix A****Netting of 2015-2017 GHG Compliance Costs and Allowance Proceeds**

Line	Description	2015	2016	2017	Total
		Recorded	Recorded	Recorded	
1	Outreach Expenses				
2	Detail of Outreach Activity (\$)	\$ -	\$ 65	\$ -	\$ 65
3	Subtotal Outreach (\$)	\$ -	\$ 65	\$ -	\$ 65
4	Administrative Expenses				
5	Acquisition (\$)	\$ -	\$ -	\$ -	\$ -
6	Billing (\$)	\$ -	\$ -	\$ -	\$ -
7	Subtotal Administrative (\$)	\$ -	\$ -	\$ -	\$ -
8	Subtotal Outreach and Administrative (\$) (Line 3 + Line 7)	\$ -	\$ 65	\$ -	\$ 65
9	Interest (\$)	\$ -	\$ 0	\$ 1	\$ 1
10	Total (\$) (Line 8 + Line 9)	\$ -	\$ 65	\$ 1	\$ 66

Advice Letter No. 1072
Attachment 3

Tariff Sheets

SOUTHWEST GAS CORPORATION

P.O. Box 98510

Las Vegas, Nevada 89193-8510

California Gas Tariff

Canceling 7th Revised Cal. P.U.C. Sheet No. 2
6th Revised Cal. P.U.C. Sheet No. 2

TABLE OF CONTENTS

The following listed sheets contain all the effective rates and rules affecting rates and service and information relating thereto in effect on and after the date indicated thereon.

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Advice Letter No. 1072
Decision No. 18-03-017

Issued by
Justin Lee Brown
Senior Vice President

Date Filed May 14, 2018
Effective _____
Resolution No. _____

T

SOUTHWEST GAS CORPORATION

P.O. Box 98510

Las Vegas, Nevada 89193-8510

California Gas Tariff

Canceling

107th Revised Cal. P.U.C. Sheet No. 65

106th Revised Cal. P.U.C. Sheet No. 65

STATEMENT OF RATES

RATES APPLICABLE TO SOUTHERN CALIFORNIA SERVICE AREA [1]

Schedule No. and Type of Charge	Margin	Charges [2] and		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
		Adjustments			CPUC	PPP		
<u>GS-10-Residential Gas Service</u>								
Basic Service Charge	\$5.00							\$5.00
Cost per Therm								
Baseline Quantities	\$.71361	\$.19459	\$.90820	\$.00166	\$.11505	\$.20164	\$ 1.22655	I
Tier II	\$.88488	.19459	1.07947	.00166	.11505	.20164	1.39782	I
<u>GS-11-Residential Air-Conditioning Gas Service</u>								
Basic Service Charge	\$5.00							\$5.00
Cost per Therm								
Tier I	\$.71361	\$.19459	\$.90820	\$.00166	\$.11505	\$.20164	\$ 1.22655	I
Tier II	.88488	.19459	1.07947	.00166	.11505	.20164	1.39782	I
Air-Conditioning	\$.35681	.19459	.55140	.00166	.11505	.20164	.86975	I
<u>GS-12-CARE Residential Gas Service</u>								
Basic Service Charge	\$4.00							\$4.00
Cost per Therm								
Baseline Quantities	\$.49164	\$.19459	\$.68623	\$.00166	\$.01587	\$.20164	\$.90540	I
Tier II	.62866	.19459	.82325	.00166	.01587	.20164	\$ 1.04242	I
<u>GS-15-Secondary Residential Gas Service</u>								
Basic Service Charge	\$6.00							\$6.00
Cost per Therm	\$1.09366	\$.19459	\$ 1.28825	\$.00166	\$.11505	\$.20164	\$ 1.60660	I
<u>GS-20-Multi-Family Master-Metered Gas Service</u>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$.71361	\$.19459	\$.90820	\$.00166	\$.11505	\$.20164	\$ 1.22655	I
Tier II	.88488	.19459	1.07947	.00166	.11505	.20164	1.39782	I
<u>GS-25-Multi-Family Master-Metered Gas Service-Submetered</u>								
Basic Service Charge	\$25.00							\$25.00
Cost per Therm								
Baseline Quantities	\$.71361	\$.19459	\$.90820	\$.00166	\$.11505	\$.20164	\$ 1.22655	I
Tier II	.88488	.19459	1.07947	.00166	.11505	.20164	1.39782	I
Submetered Discount per Occupied Space	(\$7.69)						(\$7.69)	
<u>GS-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service</u>								
Basic Service Charge	\$8.80							\$8.80
Cost per Therm								
First 100	\$.42947	\$.19459	\$.62406	\$.00166	\$.01587	\$.20164	\$.84323	I
Next 500	.29572	.19459	.49031	.00166	.01587	.20164	.70948	I
Next 2,400	.18872	.19459	.38331	.00166	.01587	.20164	.60248	I
Over 3,000	.06281	.19459	.25740	.00166	.01587	.20164	.47657	I
<u>GS-40-Core General Gas Service (non-Covered Entities)</u>								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$.63590	\$.19459	\$.83049	\$.00166	\$.11505	\$.20164	\$ 1.14884	I
Next 500	\$.46871	.19459	.66330	.00166	.11505	.20164	.98165	I
Next 2,400	\$.33496	.19459	.52955	.00166	.11505	.20164	.84790	I
Over 3,000	\$.17757	.19459	.37216	.00166	.11505	.20164	.69051	I

Advice Letter No. 1072
Decision No. 18-03-017

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Justin Lee Brown
Senior Vice President

Date Filed May 14, 2018
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Resolution No.

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STATEMENT OF RATES
RATES APPLICABLE TO SOUTHERN CALIFORNIA SERVICE AREA [1]

STATEMENT OF RATES							
RATES APPLICABLE TO SOUTHERN CALIFORNIA SERVICE AREA [1]							
Schedule No. and Type of Charge	Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP		
<u>GS-40-Core General Gas Service (Covered Entities)</u>							
Basic Service Charge	\$11.00						\$11.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm							
First 100	\$.63590	\$.14747	\$.78337	\$.00166	\$.11505	\$.20164	\$ 1.10172
Next 500	\$.46871	.14747	.61618	.00166	.11505	.20164	.93453
Next 2,400	\$.33496	.14747	.48243	.00166	.11505	.20164	.80078
Over 3,000	\$.17757	.14747	.32504	.00166	.11505	.20164	.64339
<u>GS-50-Core Natural Gas Service for Motor Vehicles</u>							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm	\$.12468	\$.19459	\$.31927	\$.00166	\$.11505	\$.20164	\$.63762
<u>GS-60-Core Internal Combustion Engine Gas Service</u>							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm	\$.18581	\$.19459	\$.38040	\$.00166	\$.11505	\$.20164	\$.69875
<u>GS-LUZ-Solar Electric Generation Gas Service</u>							
Basic Service Charge	\$50.00						\$50.00
Cost per Therm	\$.05338	\$.04954	\$.10292	\$.00166			\$.10458
<u>GS-66-Core Small Electric Power Generation Gas Service</u>							
Basic Service Charge	\$25.00						\$25.00
Cost per Therm	\$.26781	\$.19459	\$.46240	\$.00166		\$.20164	\$.66570
<u>GS-70-Noncore General Gas Transportation Service</u>							
Basic Service Charge	\$100.00						\$100.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm	\$.13597	\$.09497	\$.23094	\$.00166	\$.11505		\$.34765
<u>GS-VIC City of Victorville Gas Service</u>							
Basic Service Charge	\$11.00						\$ 11.00
Transportation Service Charge	\$ 50.00						\$ 50.00
Cost per Therm	\$.37960	\$.19459	\$.57419	\$.00166		\$.20164	\$.77749
<u>TFF-Transportation Franchise Fee Surcharge Provision</u>							
TFF Surcharge per Therm							\$.00221
<u>TDS – Transportation Distribution System Shrinkage Charge</u>							
TDS Charge per Therm							\$.00153
<u>MHPS-Master-Metered Mobile Home Park Safety Inspection Provision</u>							
MHPS Surcharge per Space per Month							\$.21000

SOUTHWEST GAS CORPORATION

P.O. Box 98510

Las Vegas, Nevada 89193-8510

California Gas Tariff

55th Revised Cal. P.U.C. Sheet No. 67
 Canceling 53rd Revised Cal. P.U.C. Sheet No. 67

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

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.76%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge.

[2] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

Charges and Adjustments Description	GS-10, GS-11, GS-12, GS-15, GS-20, GS-25, GS-35,	GS-40 (non- Covered Entities), GS-50, GS-60, GS-66	GS-40, (Covered Entities)	GS-70	GS-VIC	GS-LUZ
Upstream Intrastate Charges						
Storage	\$.01157		\$.01157		\$.01157	
Variable	.03932		.03932	\$.03932	.03932	
Upstream Interstate Reservation Charges	.05352		.05352		.05352	
IRRAM Surcharge	.00000		.00000	.00000		
Balancing Account Adjustments						
FCAM*	.03629		.03629	.00176	.03629	\$.00176
ITCAM	.00611		.00611	.00611	.00611	
GHGBA**						
Non-Covered Entities [a]	.04778			.04778	.04778	.04778
Covered Entities [a]			.00066			
NERBA						
NGLAPBA						
Total Rate Adjustment	\$.19459		\$.14747	\$.09497	\$.19459	\$.04954

* The FCAM surcharge includes an amount of \$.00176 per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

** Pursuant to D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap-and-Trade Program are to be included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAF).

[a] Pursuant to D.18-03-017, Covered and non-Covered entities have a component to recover the 2015-2017 net compliance costs and proceeds amortized over a twelve month period. Also included are the 2018 GHG costs which are amortized over an eighteen month period.

Advice Letter No. 1072
 Decision No. 18-03-017

Issued by
 Justin Lee Brown
 Senior Vice President

Date Filed May 14, 2018
 Effective
 Resolution No.

SOUTHWEST GAS CORPORATION

P.O. Box 98510

Las Vegas, Nevada 89193-8510

California Gas Tariff

Canceling

105th Revised

104th Revised

Cal. P.U.C. Sheet No. 68

Cal. P.U.C. Sheet No. 68

STATEMENT OF RATES

RATES APPLICABLE TO NORTHERN CALIFORNIA SERVICE AREA [1] [2]

Schedule No. and Type of Charge	Margin	Charges [3]	Subtotal Gas	Other Surcharges		Gas Cost	Effective	
		and Adjustments		Usage Rate	CPUC			
GN-10-Residential Gas Service								
Basic Service Charge	\$5.00						\$5.00	
Cost per Therm								
Baseline Quantities	\$.75614	\$.16150	\$.91764	\$.00166	\$.02841	\$.19173	\$ 1.13944	I
Tier II	.86695	.16150	1.02845	.00166	.02841	.19173	1.25025	I
GN-12-CARE Residential Gas Service								
Basic Service Charge	\$4.00						\$4.00	
Cost per Therm								
Baseline Quantities	\$.53427	\$.16150	\$.69577	\$.00166	\$.01587	\$.19173	\$.90503	I
Tier II	.62291	.16150	.78441	.00166	.01587	.19173	.99367	I
GN-15-Secondary Residential Gas Service								
Basic Service Charge	\$6.00						\$6.00	
Cost per Therm	\$.90881	\$.16150	\$ 1.07031	\$.00166	\$.02841	\$.19173	\$ 1.29211	I
GN-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$25.00						\$25.00	
Cost per Therm								
Baseline Quantities	\$.75614	\$.16150	\$.91764	\$.00166	\$.02841	\$.19173	\$ 1.13944	I
Tier II	.86695	.16150	1.02845	.00166	.02841	.19173	1.25025	I
GN-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$25.00						\$25.00	
Cost per Therm								
Baseline Quantities	\$.75614	\$.16150	\$.91764	\$.00166	\$.02841	\$.19173	\$ 1.13944	I
Tier II	.86695	.16150	1.02845	.00166	.02841	.19173	1.25025	I
Submetered Discount per Occupied Space	(\$11.01)						(\$11.01)	
GN-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service								
Basic Service Charge	\$ 8.80						\$ 8.80	
Cost per Therm								
First 100	\$.42871	\$.16150	\$.59021	\$.00166	\$.01587	\$.19173	\$.79947	I
Next 500	.32795	.16150	.48945	.00166	.01587	.19173	.69871	I
Next 2,400	.22986	.16150	.39136	.00166	.01587	.19173	.60062	I
Over 3,000	.08250	.16150	.24400	.00166	.01587	.19173	.45326	I
GN-40-Core General Gas Service (non-Covered Entities)								
Basic Service Charge	\$11.00						\$11.00	T
Transportation Service Charge	\$780.00						\$780.00	
Cost per Therm								
First 100	\$.62419	\$.16150	\$.78569	\$.00166	\$.02841	\$.19173	\$ 1.00749	I
Next 500	.49824	.16150	.65974	.00166	.02841	.19173	.88154	I
Next 2,400	.37563	.16150	.53713	.00166	.02841	.19173	.75893	I
Over 3,000	.19143	.16150	.35293	.00166	.02841	.19173	.57473	I

Advice Letter No. 1072
Decision No. 18-03-017

Issued by
Justin Lee Brown
Senior Vice President

Date Filed May 14, 2018
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Resolution No. _____

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STATEMENT OF RATES
RATES APPLICABLE TO NORTHERN CALIFORNIA SERVICE AREA [1] [2]

Schedule No. and Type of Charge	Margin	Charges [3] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges CPUC	PPP	Gas Cost	Effective Sales Rate
GN-40-Core General Gas Service (Covered Entities)							
Basic Service Charge	\$ 11.00						\$ 11.00
Transportation Service Charge	\$780.00						\$780.00
Cost per Therm							
First 100	\$.62419	\$.11438	\$.73857	\$.00166	\$.02841	\$.19173	\$.96037
Next 500	.49824	.11438	.61262	.00166	.02841	.19173	.83442
Next 2,400	.37563	.11438	.49001	.00166	.02841	.19173	.71181
Over 3,000	.19143	.11438	.30581	.00166	.02841	.19173	.52761
GN-50-Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm	\$.10425	\$.16150	\$.26575	\$.00166	\$.02841	\$.19173	\$.48755
GN-60-Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm	\$.29193	\$.16150	\$.45343	\$.00166	\$.02841	\$.19173	\$.67523
GN-66-Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm	\$.28373	\$.16150	\$.44523	\$.00166		\$.19173	\$.63862
GN-70-Noncore General Gas Transportation Service							
Basic Service Charge	\$ 100.00						\$ 100.00
Transportation Service Charge	\$ 780.00						\$ 780.00
Cost per Therm	\$.17550	(\$.07705)	\$.09845	\$.00166	\$.02841		\$.12852
TFF-Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.00241
TDS – Transportation Distribution System Shrinkage Charge							
TDS Charge per Therm							\$.00107
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision							
MHPS Surcharge per Space per Month							\$.21000

SOUTHWEST GAS CORPORATION

P.O. Box 98510

Las Vegas, Nevada 89193-8510

California Gas Tariff

Canceling 72nd Revised Cal. P.U.C. Sheet No. 70
71st Revised Cal. P.U.C. Sheet No. 70

STATEMENT OF RATES

RATES APPLICABLE TO NORTHERN CALIFORNIA SERVICE AREA [1] [2]

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.56%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge.

[2] A Franchise Fee differential of 2.5% will be applied to monthly billings calculated for all rate schedules for all customers within the limits of the Town of Truckee.

[3] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

Charges and Adjustments Description	GN-10, GN-12, GN-15, GN-20, GN-25, GN-35,	GN-40 (non- Covered Entities), GN-50, GN-60, GN-66	GN-40, (Covered Entities)	GN-70
Upstream Intrastate Charges				
Storage	\$.02077		\$.02077	
Variable	.26515		.26515	
IRRAM Surcharge	.00000		.00000	\$.00000
Balancing Account Adjustments				
FCAM*	(.17220)		(.17220)	(.12483)
GHGBA**				
Non-Covered Entities [a]	.04778			.04778
Covered Entities [a]			.00066	
NERBA				
NGLAPBA				
Total Rate Adjustment	\$.16150		\$.11438	(\$.07705)

* The FCAM surcharge includes an amount of (\$.12483) per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

** Pursuant to D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap- and-Trade Program are to be included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAF).

[a] Pursuant to D.18-03-017, Covered and non-Covered entities have a component to recover the 2015-2017 net compliance costs and proceeds amortized over a twelve month period. Also included are the 2018 GHG costs which are amortized over an eighteen month period.

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Decision No. 18-03-017

Issued by
Justin Lee Brown
Senior Vice President

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SOUTHWEST GAS CORPORATION

P.O. Box 98510

Las Vegas, Nevada 89193-8510

California Gas Tariff

107th Revised Cal. P.U.C. Sheet No. 71
 Canceling 106th Revised Cal. P.U.C. Sheet No. 71

STATEMENT OF RATES
RATES APPLICABLE TO SOUTH LAKE TAHOE SERVICE AREA [1]

Schedule No. and Type of Charge	Margin	Charges [2] and Adjustments		Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
					CPUC	PPP		
SLT-10-Residential Gas Service								
Basic Service Charge	\$5.00							\$5.00
Cost per Therm								
Baseline Quantities	\$.33324	\$.26697	\$.60021	\$.00166	\$.02841	\$.19173	\$.82201	
Tier II	.42078	.26697	.68775	.00166	.02841	.19173	.90955	
SLT-12-CARE Residential Gas Service								
Basic Service Charge	\$4.00							\$4.00
Cost per Therm								
Baseline Quantities	\$.17485	\$.26697	\$.44182	\$.00166	\$.01587	\$.19173	\$.65108	
Tier II	.24488	.26697	.51185	.00166	.01587	.19173	.72111	
SLT-15-Secondary Residential Gas Service								
Basic Service Charge	\$6.00							\$6.00
Cost per Therm	\$.46121	\$.26697	\$.72818	\$.00166	\$.02841	\$.19173	\$.94998	
SLT-20-Multi-Family Master-Metered Gas Service								
Basic Service Charge	\$11.00							\$11.00
Cost per Therm								
Baseline Quantities	\$.33324	\$.26697	\$.60021	\$.00166	\$.02841	\$.19173	\$.82201	
Tier II	.42078	.26697	.68775	.00166	.02841	.19173	.90955	
SLT-25-Multi-Family Master-Metered Gas Service-Submetered								
Basic Service Charge	\$11.00							\$11.00
Cost per Therm								
Baseline Quantities	\$.33324	\$.26697	\$.60021	\$.00166	\$.02841	\$.19173	\$.82201	
Tier II	.42078	.26697	.68775	.00166	.02841	.19173	.90955	
Submetered Discount per Occupied Space	(\$7.69)							(\$ 7.69)
SLT-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service								
Basic Service Charge	\$ 8.80							\$ 8.80
Cost per Therm								
First 100	\$.26494	\$.26697	\$.53191	\$.00166	\$.01587	\$.19173	\$.74117	
Next 500	.21144	.26697	.47841	.00166	.01587	.19173	.68767	
Next 2,400	.15793	.26697	.42490	.00166	.01587	.19173	.63416	
Over 3,000	.06375	.26697	.33072	.00166	.01587	.19173	.53998	
SLT-40-Core General Gas Service (non-Covered Entities)								
Basic Service Charge	\$11.00							\$11.00
Transportation Service Charge	\$780.00							\$780.00
Cost per Therm								
First 100	\$.44585	\$.26697	\$.71282	\$.00166	\$.02841	\$.19173	\$.93462	
Next 500	.37897	.26697	.64594	.00166	.02841	.19173	.86774	
Next 2,400	.31209	.26697	.57906	.00166	.02841	.19173	.80086	
Over 3,000	.19436	.26697	.46133	.00166	.02841	.19173	.68313	

Advice Letter No. 1072
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 Justin Lee Brown
 Senior Vice President

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STATEMENT OF RATES
RATES APPLICABLE TO SOUTH LAKE TAHOE SERVICE AREA [1]

STATEMENT OF RATES								
RATES APPLICABLE TO SOUTH LAKE TAHOE SERVICE AREA [1]								
Schedule No. and Type of Charge	Margin	Charges [2] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges CPUC PPP		Gas Cost	Effective Sales Rate	
SLT-40-Core General Gas Service (Covered Entities)								
Basic Service Charge	\$11.00						\$11.00	
Transportation Service Charge	\$780.00						\$780.00	
Cost per Therm								
First 100	\$.44585	\$.21985	\$.66570	\$.00166	\$.02841	\$.19173	\$.88750	
Next 500	.37897	.21985	.59882	.00166	.02841	.19173	.82062	
Next 2,400	.31209	.21985	.53194	.00166	.02841	.19173	.75374	
Over 3,000	.19436	.21985	.41421	.00166	.02841	.19173	.63601	
SLT-50-Core Natural Gas Service for Motor Vehicles								
Basic Service Charge	\$11.00						\$11.00	
Cost per Therm	\$.21501	\$.26697	\$.48198	\$.00166	\$.02841	\$.19173	\$.70378	
SLT-60-Core Internal Combustion Engine Gas Service								
Basic Service Charge	\$ 11.00						\$ 11.00	
Cost per Therm	\$.24467	\$.26697	\$.51164	\$.00166	\$.02841	\$.19173	\$.73344	
SLT-66-Core Small Electric Power Generation Gas Service								
Basic Service Charge	\$ 11.00						\$ 11.00	
Cost per Therm	\$.24467	\$.26697	\$.51164	\$.00166		\$.19173	\$.70503	
SLT-70-Noncore General Gas Transportation Service								
Basic Service Charge	\$ 100.00						\$ 100.00	
Transportation Service Charge	\$ 780.00						\$ 780.00	
Cost per Therm	\$.17842	\$.02842	\$.20684	\$.00166	\$.02841		\$.23691	
TFF-Transportation Franchise Fee Surcharge Provision								
TFF Surcharge per Therm							\$.00241	
TDS-Transportation Distribution System Shrinkage Charge								
TDS Charge per Therm							\$.00107	
MHPS-Master-Metered Mobile Home Park Safety Inspection Provision								
MHPS Surcharge per Space per Month							\$.21000	

STATEMENT OF RATES

RATES APPLICABLE TO SOUTH LAKE TAHOE SERVICE AREA [1]

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.56%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation service will also be subject to the TFF Surcharge.

[2] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

Charges and Adjustments Description	SLT-10, SLT-12, SLT-15, SLT-20, SLT-25, SLT-35,	SLT-40 (non- Covered Entities), SLT-50, SLT-60, SLT-66	SLT-40, (Covered Entities)	SLT-70
Upstream Intrastate Charges				
Storage	\$.02077		\$.02077	
Variable	.26515		.26515	
IRRAM Surcharge	.00000		.00000	\$.00000
Balancing Account Adjustments				
FCAM*	(.06673)		(.06673)	(.01936)
GHGBA**				
Non-Covered Entities [a]	.04778			.04778
Covered Entities [a]			.00066	
NERBA				
NGLAPBA				
Total Rate Adjustment	\$.26697		\$.21985	\$.02842

* The FCAM surcharge includes an amount of (\$.01936) per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

** Pursuant to D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap- and-Trade Program are to be included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAF).

[a] Pursuant to D.18-03-017, Covered and non-Covered entities have a component to recover the 2015-2017 net compliance costs and proceeds amortized over a twelve month period. Also included are the 2018 GHG costs which are amortized over an eighteen month period.

SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
California Gas Tariff

Canceling 1st Revised Cal. P.U.C. Sheet No. 74-77
Original Cal. P.U.C. Sheet No. 74-77

HELD FOR FUTURE USE

Advice Letter No. 1072
Decision No. 18-03-017

Issued by
Justin Lee Brown
Senior Vice President

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Resolution No. _____

Schedule Nos. GS-10/GN-10/SLT-10

RESIDENTIAL GAS SERVICEAPPLICABILITY

Applicable to gas service to customers which consists of direct domestic gas usage in a residential dwelling for space heating, air conditioning, cooking, water heating, and other residential uses. This schedule is available only to primary residences.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

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

Customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.^[1] The credit will display as a line item on the customer's bill. The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given.

The baseline daily quantity in therms for all individually-metered residential uses are:

Climate Zone	Summer Season (May – October)	Winter Season (November – April)
Barstow	.39	1.71
Needles	.26	0.79
Victorville	.46	1.78
	Summer Season (June – September)	Winter Season (October – May)
Big Bear	.53	2.37
North Lake Tahoe	.66	2.63
South Lake Tahoe	.66	2.83
Truckee	.66	2.70

For billing purposes all quantities sold each month in excess of the baseline quantities shall be billed at the Tier II rate.

^[1]Due to cycle billing, some customers may receive the CA Climate Credit on their May bills. Pursuant to Commission Decision 18-03-017, the 2018 CA Climate Credit will be distributed in October.

Schedule No. GS-11

RESIDENTIAL AIR-CONDITIONING GAS SERVICEAPPLICABILITY

Applicable to gas service to customers which consists of direct domestic gas usage in a residential dwelling for air conditioning in conjunction with space heating, cooking, water heating, and other residential uses. This schedule is available as an option only to primary residences with installed natural gas air-conditioning systems for customers who would otherwise receive service pursuant to Schedule No. GS-10, Residential Gas Service of this California Gas Tariff.

TERRITORY

Throughout the Company's certificated gas service areas in its Southern California Division, except as may hereafter be provided.

RATES

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

Customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April. ^[1] The credit will display as a line item on the customer's bill. The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given.

The Tier I and summer season Tier II daily quantities in therms for all individually-metered residential uses are:

Southern California Division	Summer Season (May - October)		Winter Season (November - April)
	Tier I	Tier II	
Barstow	.39	.13	1.71
Needles	.26	.05	0.79
Victorville	.46	.18	1.78
	Summer Season (June - September)		Winter Season (October - May)
Big Bear	.53	.13	2.37

For billing purposes all summer season quantities sold each month in excess of the Tier II quantities shall be billed at the Gas Air-Conditioning rate, and all winter season quantities sold each month in excess of the Tier I quantities shall be billed at the Tier II rate.

^[1]Due to cycle billing, some customers may receive the CA Climate Credit on their May bills. Pursuant to Commission Decision 18-03-017, the 2018 CA Climate Credit will be distributed in October.

Schedule Nos. GS-12/GN-12/SLT-12

CARE RESIDENTIAL GAS SERVICEAPPLICABILITY

Applicable to gas service to customers whose qualifying income does not exceed 200 percent of the Federal poverty level, pursuant to California Alternate Rates for Energy (CARE) program eligibility requirements. This service is available only to primary residences.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

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

Customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.^[1] The credit will display as a line item on the customer's bill. The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given. The CA Climate Credit will be applied after the California Alternate Rates for Energy (CARE) is applied to the customer's bill to ensure the customer receives the maximum benefit of the CARE program.

The baseline daily quantity in therms for all individually-metered residential uses are:

Climate Zone	Summer Season (May – October)	Winter Season (November – April)
Barstow	.39	1.71
Needles	.26	0.79
Victorville	.46	1.78
	Summer Season (June – September)	Winter Season (October – May)
Big Bear	.53	2.37
North Lake Tahoe	.66	2.63
South Lake Tahoe	.66	2.83
Truckee	.66	2.70

For billing purposes all quantities sold each month in excess of the baseline quantities shall be billed at the Tier II rate.

^[1]Due to cycle billing, some customers may receive the CA Climate Credit on their May bills. Pursuant to Commission Decision 18-03-017, the 2018 CA Climate Credit will be distributed in October.

Schedule Nos. GS-15/GN-15/SLT-15

SECONDARY RESIDENTIAL GAS SERVICE

APPLICABILITY

Applicable to gas service to customers which consists of direct domestic gas usage in a residential dwelling for space heating, air conditioning, cooking, water heating, and other residential uses. This schedule is available only to recreational, vacation, or secondary homes.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

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

Customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.^[1] The credit will display as a line item on the customer's bill. The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given.

The number of therms shall be determined in accordance with the provisions of Rule No. 2C of this California Gas Tariff.

Minimum Charge:

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

SPECIAL CONDITIONS

Service under this schedule is subject to discontinuance without notice in case of an actual or threatened shortage of natural gas, whether due to insufficient supply or to inadequate transmission or delivery capacity of the facilities of either the Company or its wholesale supplier. The Company will not be liable for damages occasioned by interruption or discontinuance of service supplied under this schedule. Such interruption or discontinuance of service will be made in accordance with Rule No. 20 of this California Gas Tariff.

^[1]Due to cycle billing, some customers may receive the CA Climate Credit on their May bills. Pursuant to Commission Decision 18-03-017, the 2018 CA Climate Credit will be distributed in October.

Schedule Nos. GS-20/GN-20/SLT-20

MULTI-FAMILY MASTER-METERED GAS SERVICEAPPLICABILITY

Applicable to gas service for cooking, water heating, space heating, and other residential usages supplied to multi-family accommodations through one meter on a single premise in accordance with Rule No. 18 of this California Gas Tariff. This schedule is closed to new installations.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

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

Customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.^[1] The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given. The master-metered customer will receive one credit for each resident being served through the master-meter. It is the responsibility of the master-metered customer to pass the CA Climate Credit on to the resident.

The baseline daily quantity in therms per residential unit are:

Climate Zone	Summer Season (May – October)	Winter Season (November – April)
Barstow	.39	1.71
Needles	.26	0.79
Victorville	.46	1.78
	Summer Season (June – September)	Winter Season (October – May)
Big Bear	.53	2.37
North Lake Tahoe	.66	2.63
South Lake Tahoe	.66	2.83
Truckee	.66	2.70

For billing purposes all quantities sold each month in excess of the baseline quantities shall be billed at the Tier II rate.

^[1]Due to cycle billing, some customers may receive the CA Climate Credit on their May bills. Pursuant to Commission Decision 18-03-017, the 2018 CA Climate Credit will be distributed in October.

Schedule Nos. GS-25/GN-25/SLT-25

MULTI-FAMILY MASTER-METERED GAS SERVICE – SUBMETEREDAPPLICABILITY

This schedule is applicable to service for cooking, water heating, space heating, and other residential usages supplied to multi-family accommodations through one meter on a single premise and submetered to all individual tenants in accordance with Rule No. 18 of this California Gas Tariff. Pursuant to Assembly Bill No. 622 dated September 12, 1996, this schedule is closed to new installations for mobile home parks or manufactured housing communities for which construction has commenced on or after January 1, 1997.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

The commodity charge, basic service charge and submetering discount are set forth in the currently-effective Statement of Rates of this California Gas Tariff and are incorporated herein by reference. The submetering discount will be applied to each occupied submetered mobile home park space per month. However, in no instance shall the monthly bill be less than the minimum charge.

Customers on this schedule may receive the California (CA) Climate Credit, if applicable, annually each April.^[1] The CA Climate Credit will be issued to all active accounts receiving natural gas service on the date the credit is given. The CA Climate Credit will be applied after the California Alternate Rates for Energy (CARE) is applied to the customer's bill to ensure the customer receives the maximum benefit of the CARE program. The master-metered customer will receive one credit for each submetered resident. It is the responsibility of the master-metered customer to pass the CA Climate Credit on to the submetered resident.

^[1]Due to cycle billing, some customers may receive the CA Climate Credit on their May bills. Pursuant to Commission Decision 18-03-017, the 2018 CA Climate Credit will be distributed in October.

Schedule Nos. GS-40/GN-40/SLT-40

CORE GENERAL GAS SERVICE

APPLICABILITY

Applicable to gas service for customers that are engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies and to all classes of customers not qualifying for service under other rate schedules.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

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

In accordance with D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap-and-Trade program are included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAF). The surcharges (GHGBA) for both Non-Covered Entities and Covered Entities are set forth in the currently-effective Statement of Rates of this California Gas Tariff.

The number of therms shall be determined in accordance with the provisions of Rule No. 2C of this California Gas Tariff.

Minimum Charge:

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

SPECIAL CONDITIONS

Service under this schedule is subject to discontinuance without notice in case of an actual or threatened shortage of natural gas, whether due to insufficient supply or to inadequate transmission or delivery capacity of the facilities of either the Company or its wholesale supplier. The Company will not be liable for damages occasioned by interruption or discontinuance of service supplied under this schedule. Such interruption or discontinuance of service will be made in accordance with Rule No. 20 of this California Gas Tariff.