



SOUTHWEST GAS CORPORATION

July 31, 2025

Advice Letter No. 1340-G

(U 905 G)

Public Utilities Commission of the State of California

Subject: Request for Authorization to Make an Accounting Entry to Reflect Shared Savings Associated with Southwest Gas' Gas Cost Incentive Mechanism (GCIM) for the Reporting Period November 1, 2020 through October 31, 2021.

Southwest Gas Corporation (Southwest Gas) hereby submits for approval by the California Public Utilities Commission (Commission) this Advice Letter. There are no tariff sheets being modified as a result of this submission.

Background

In May 2005, the Commission approved Southwest Gas' GCIM¹ as an objective standard by which to measure Southwest Gas' natural gas procurement performance, provide an incentive to lower overall gas costs, and provide a mechanism for sharing the achieved benefits between Southwest Gas and its customers. The annual GCIM period begins each November 1 and concludes the following October 31. The GCIM is calculated separately for Southwest Gas' Southern California and Northern California service territories. On January 31, 2022, Southwest Gas submitted its GCIM Report for the period November 1, 2020, through October 31, 2021 (2020-2021 GCIM Report).

Shared savings of \$623,509 in Northern California and \$1,565,388 in Southern California were experienced. In accordance with Preliminary Statement (PS) 17, Section E.2.c of Southwest Gas' California Gas Tariff, these savings are to be shared 75 percent and 25 percent between Southwest Gas' customers and shareholders, respectively. The following table demonstrates the breakdown of the shared savings.

Shared Savings for 2020-2021 GCIM Reporting Period

Service Territory	Total Savings	Customers (75%)	Shareholders (25%)
Northern California	\$623,509	\$467,632	\$155,877
Southern California	\$1,565,388	\$1,174,041	\$391,347

On July 21, 2025, the Public Advocates Office (Cal Advocates) issued its Monitoring and Evaluation Report regarding Southwest Gas' 2020-2021 GCIM Report. In its report, Cal Advocates verified Southwest Gas' reported shared savings for the 2020-2021 GCIM

¹ Application of Southwest Gas Corporation for Approval of a Gas Cost Incentive Mechanism (Application 04-11-009) was approved by the Commission in Decision 05-05-033.



Advice Letter No. 1340-G
Page 2
July 31, 2025

reporting period. Therefore, Southwest Gas requests authority to make an accounting entry in its Purchased Gas Cost Balancing Account for the shareholder portion of the savings applicable to its Northern and Southern California service territories pursuant to Southwest Gas Tariff PS 17, Section I.

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 General Order (GO) 96-B. Southwest Gas respectfully requests that this Advice Letter be made effective August 30, 2025, which is thirty (30) calendar days after the date submitted.

Protest

Anyone may protest this Advice Letter to the Commission's Energy Division. The protest must state the grounds upon which it is based with specificity and must be sent no later than 20 days after the date of this Advice Letter submission. Protests are to be submitted electronically to the Commission's Energy Division at:

Email: edtariffunit@cpuc.ca.gov

In addition, protests and all other correspondence regarding this Advice Letter should be sent electronically to:

Ms. Valerie J. Ontiveroz/Senior Manager/Regulatory Affairs and Compliance

Mr. A. Brooks Congdon/Manager Regulation

Email: valerie.ontiveroz@swgas.com

brooks.congdon@swgas.com

regserve@swgas.com

Notice

Southwest Gas believes it is exempt from the notice requirements set forth in General Rule 4.2 of GO 96-B, since this Advice Letter is being filed in accordance with Southwest Gas approved tariff as noted above.



Advice Letter No. 1340-G
Page 3
July 31, 2025

Service

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

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 
Valerie J. Ontiveroz

Attachments

Distribution List

Advice Letter No. 1340-G

In conformance with GO 96-B, General Rule 4.3

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

Tamera Godfrey
Public Advocates Office
California Public Utilities Commission
tamera.godfrey@cpuc.ca.gov

Pacific Gas & Electric Company
PGETariffs@pge.com

Southern California Gas Company
GLenart@socalgas.com
Tariffs@socalgas.com

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

Michael Campbell
Public Advocates Office
California Public Utilities Commission
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Stacey Hunter
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Scott Blaising
blaising@braunlegal.com

Jim Mosher
copperbeechllc@gmail.com



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

☐ ELC ☐ GAS ☐ WATER
☐ PLC ☐ HEAT

Contact Person:

Phone #:

E-mail:

E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☐ One-Time ☐ Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? ☐ Yes ☐ No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? ☐ Yes ☐ No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtailable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	