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**SOUTHWEST GAS CORPORATION**

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Donald L. Soderberg, Vice President/Pricing

AZ CORP COMMISSION  
DOCKET CONTROL

January 28, 2010

Docket Control Office  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007-2996

Subject: Department of Transportation (DOT) Safety Program Surcharge,  
G-01551A-07-0504, D. 70665

Southwest Gas Corporation (Southwest) herewith submits for filing an original and thirteen (13) copies of the following tariff sheets applicable to its Arizona Gas Tariff No. 7:

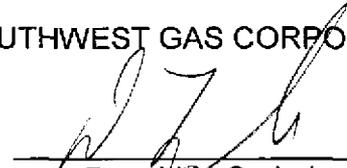
- 128th Revised A.C.C. Sheet No. 11
- 131st Revised A.C.C. Sheet No. 12
- 43rd Revised A.C.C. Sheet No. 13

The purpose of this filing is to revise the Department of Transportation (DOT) surcharge applicable to the *Transmission Integrity Management Program* mandated by the Federal Pipeline Safety Improvement Act of 2002. Pursuant to A.C.C. Sheet No. 13, the DOT Safety Program surcharge is updated annually effective March 1.

The attached tariff sheets and supporting schedules reflect the calculation of the revised surcharge effective March 1, 2010.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By:   
Donald L. Soderberg

- c: Mr. Steven Olea, ACC
- Mr. Robert Gray, ACC
- Ms. Jodi Jerich, RUCO

Arizona Corporation Commission  
**DOCKETED**

JAN 29 2010

DOCKETED BY 

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

Canceling 128th Revised A.C.C. Sheet No. 11  
127th Revised A.C.C. Sheet No. 11

**STATEMENT OF RATES**  
**EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES <sup>1/ 2/</sup>**

Description	Delivery Charge	3/ Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate	
<b>G-5 – Single-Family Residential Gas Service</b>					
Basic Service Charge per Month	\$ 10.70			\$ 10.70	
Commodity Charge per Therm:					
All Usage	\$ .57070	(\$ .05940)	\$ .80161	\$ 1.31291	R
<b>G-6 – Multi-Family Residential Gas Service</b>					
Basic Service Charge per Month	\$ 9.70			\$ 9.70	
Commodity Charge per Therm:					
All Usage	\$ .55343	(\$ .05940)	\$ .80161	\$ 1.29564	R
<b>G-10– Single-Family Low Income Residential Gas Service</b>					
Basic Service Charge per Month	\$ 7.50			\$ 7.50	
Commodity Charge per Therm:					
Summer (May–October):					
All Usage	\$ .55343	(\$ .07367)	\$ .80161	\$ 1.28137	R
Winter (November–April):					
First 150 Therms	\$ .29716	(\$ .07367)	\$ .80161	\$ 1.02510	R
Over 150 Therms	.55343	( .07367)	.80161	1.28137	R
<b>G-11– Multi-Family Low Income Residential Gas Service</b>					
Basic Service Charge per Month	\$ 7.50			\$ 7.50	
Commodity Charge per Therm:					
Summer (May–October):					
All Usage	\$ .55343	(\$ .07367)	\$ .80161	\$ 1.28137	R
Winter (November–April):					
First 150 Therms	\$ .29716	(\$ .07367)	\$ .80161	\$ 1.02510	R
Over 150 Therms	.55343	( .07367)	.80161	1.28137	R
<b>G-15– Special Residential Gas Service for Air Conditioning</b>					
Basic Service Charge per Month	\$ 10.70			\$ 10.70	
Commodity Charge per Therm:					
Summer (May–October):					
First 15 Therms	\$ .57070	(\$ .07367)	\$ .80161	\$ 1.29864	R
Over 15 Therms	.28860	( .07367)	.80161	1.01654	R
Winter (November–April):					
All Usage	\$ .57070	(\$ .07367)	\$ .80161	\$ 1.29864	R

Issued On January 28, 2010  
Docket No. G-01551A-07-0504

Issued by  
John P. Hester  
Senior Vice President

Effective March 1, 2010  
Decision No. 70665

**STATEMENT OF RATES**  
**EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES <sup>1/ 2/</sup>**  
*(Continued)*

Description	Delivery Charge	<sup>3/</sup> Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate	
<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	\$ .40830	(\$ .05940)	\$ .80161	\$ 1.15051	R
<u>G-25- General Gas Service</u>					
Basic Service Charge per Month:					
Small	\$ 27.50			\$ 27.50	
Medium	43.50			43.50	
Large	160.00			160.00	
Transportation Eligible	950.00			950.00	
Commodity Charge per Therm:					
Small, All Usage	\$ .57059	(\$ .07367)	\$ .80161	\$ 1.29853	R
Medium, All Usage	.37996	( .07367)	.80161	1.10790	R
Large, All Usage	.29084	( .07367)	.80161	1.01878	R
Transportation Eligible	.10776	( .07367)	.80161	.83570	R
Demand Charge per Month--					
Transportation Eligible:					
Demand Charge <sup>4/</sup>	\$ .062340			\$ .062340	
<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:					
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:					
All Usage	\$ .11010	(\$ .07367)	\$ .80161	\$ .83804	R
<u>G-45- Street Lighting Gas Service</u>					
Commodity Charge per Therm of Rated Capacity:					
All Usage	\$ .61050	(\$ .07367)	\$ .80161	\$ 1.33844	R
<u>G-55- Gas Service for Compression <sup>5/</sup> 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	\$ .18678	(\$ .07367)	\$ .80161	\$ .91472	R
<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:					
All Usage	\$ .13535	(\$ .07367)	\$ .80161	\$ .86329	R
<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	\$ .24396	(\$ .07367)	\$ .80161	\$ .97190	R

**STATEMENT OF RATES**  
**EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES <sup>1/ 2/</sup>**  
*(Continued)*

Description	Delivery Charge	<sup>3/</sup> Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
G-80 – Natural Gas Engine <sup>6/</sup> Gas Service				
Basic Service Charge per Month:				
Off-Peak Season (October–March)	\$ 0.00			\$ 0.00
Peak Season (April–September)	\$ 125.00			\$ 125.00
Commodity Charge per Therm:				
All Usage	\$ .19069	\$ .00633	\$ .64466	\$ .84168

- <sup>1/</sup> All charges are subject to adjustment for any applicable taxes or governmental impositions.
- <sup>2/</sup> 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 \$.00832 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.
- <sup>3/</sup> The Rate Adjustment applicable to each tariff rate schedule includes the following components:

	G-5, G-6 G-20	G-10, G-11, G-15 G-25, G-40, G-45, G-55, G-60, G-75	G-80	G-30, B-1	Adjustment Date
Low Income Ratepayer Assistance	\$0.01427	N/A	N/A	N/A	May 1
Demand Side Management	0.00423	\$0.00423	\$0.00423	N/A	1 <sup>st</sup> Bill Cycle in April
Gas Research Fund	0.00135	0.00135	0.00135	N/A	May 1
Department of Transportation	0.00075	0.00075	0.00075	\$0.00075	March 1
Gas Cost Balancing Account	(0.08000)	(0.08000)	N/A	N/A	As Required
Total Rate Adjustment	<u>(\$0.05940)</u>	<u>(\$0.07367)</u>	<u>\$0.00633</u>	<u>\$0.00075</u>	

- <sup>4/</sup> The total monthly demand charge is equal to the unit rate shown multiplied by the customer's billing determinant.
- <sup>5/</sup> The charges for Schedule No. G-55 are subject to adjustment for applicable state and federal taxes on fuel used in motor vehicles.
- <sup>6/</sup> The gas cost for this rate schedule shall be updated seasonally, April 1 and October 1 of each year.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
COMPUTATION OF DEPARTMENT OF TRANSPORTATION (DOT)  
SAFETY PROGRAM SURCHARGE**

Line No.	Description (a)	Volume (b)	Amount (c)	Line No.
1	2010 Projected DOT Safety Program Costs		\$ 921,000	1
	Adjustments to calculate new DOT Surcharge			
2	DOT Account Balance @ December 31, 2009		(246,389)	2
3	Estimated Recoveries, January - February 2010 [1]		(171,958)	3
4	Estimated Balance on February 28, 2010 (Lines 2 - 3)		<u>(418,347)</u>	4
5	Total to be Recovered (Lines 1 - 3)		<u>502,653</u>	5
	Therms applicable to			
6	DOT Surcharge Volumes [2]	668,540,664		6
7	DOT Surcharge Rate Per Therm		<u>\$ 0.00075</u>	7

[1] See Sheet 2 for estimated recoveries.

[2] For supporting volumes see Sheet 3.

**SOUTHWEST GAS CORPORATION  
ARIZONA  
ESTIMATED DEPARTMENT OF TRANSPORTATION (DOT)  
SAFETY PROGRAM RECOVERIES**

Line No.	Description (a)	Projected Volumes [1] (b)	Surcharge Per Therm (c)	Estimated Recovery (d)	Line No.
1	January, 2010	104,683,117	\$0.00091	\$ (95,262)	1
2	February, 2010	<u>84,282,210</u>	\$0.00091	<u>\$ (76,697)</u>	2
3	Total	<u><u>188,965,327</u></u>		<u><u>\$ (171,958)</u></u>	3

[1] 2009 Actual volumes are used for projection.

SOUTHWEST GAS CORPORATION  
ARIZONA  
TOTAL VOLUMES APPLICABLE TO DEPARTMENT OF TRANSPORTATION (DOT) SAFETY PROGRAM SURCHARGE

Line No.	January-09	February-09	March-09	April-09	May-09	June-09	July-09	August-09	September-09	October-09	November-09	December-09	Total	Line No.
1	104,683,117	84,282,210	68,241,831	52,913,743	45,266,628	39,605,496	37,077,859	34,802,516	35,103,779	40,319,107	47,478,494	78,765,884	668,540,664	1

**SOUTHWEST GAS CORPORATION  
ARIZONA  
MONTHLY DOT ACCOUNT ACTIVITY**

<u>Line No.</u>	<u>Description</u>	<u>Expenditures</u>	<u>Recoveries</u>	<u>Transfers/ Tax Payments</u>	<u>Balance</u>	<u>Line No.</u>
1	Ending Balance, per books, 12/31/2009				\$ 439,155	1
2	January-09	\$ 30,488	\$ (307,725)	\$ (15,244)	\$ 146,674	2
3	February-09	4,320	(247,454)	(2,160)	(98,620)	3
4	March-09	1,480	(115,117)	-	(212,257)	4
5	April-09	880	(48,163)	-	(259,540)	5
6	May-09	9,979	(41,206)	-	(290,767)	6
7	June-09	-	(36,040)	-	(326,807)	7
8	July-09	19,073	(33,598)	-	(341,332)	8
9	August-09	78,734	(31,405)	-	(294,003)	9
10	September-09	61,005	(31,774)	-	(264,772)	10
11	October-09	62,390	(36,825)	-	(239,207)	11
12	November-09	11,720	(43,235)	-	(270,722)	12
13	December-09	95,919	(71,586)	-	(246,389)	13
14	Annual Total	<u>\$ 375,988</u>	<u>\$ (1,044,128)</u>	<u>\$ (17,404)</u>	<u>\$ (246,389)</u>	14