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OPEN MEETING AGENDA ITEM



SOUTHWEST GAS CORPORATION

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Arizona Corporation Commission

AZ CORP COMMISSION
DOCKET CONTROL

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JAN 3 2012

Donald L. Soderberg, Vice President/Pricing

December 30, 2011

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

DOCKETED BY

Re: **Docket No. G-01551A-10-0458**

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:

<u>A.C.C. Sheet No.</u>	<u>Canceling A.C.C. Sheet No.</u>
9th Revised A.C.C. Sheet No. 4	8th Revised A.C.C. Sheet No. 4
155th Revised A.C.C. Sheet No. 11	154th Revised A.C.C. Sheet No. 11
158th Revised A.C.C. Sheet No. 12	157th Revised A.C.C. Sheet No. 12
52nd Revised A.C.C. Sheet No. 13	51st Revised A.C.C. Sheet No. 13
11th Revised A.C.C. Sheet No. 14	10th Revised A.C.C. Sheet No. 14
4th Revised A.C.C. Sheet No. 19	3rd Revised A.C.C. Sheet No. 19
2nd Revised A.C.C. Sheet No. 20	1st Revised A.C.C. Sheet No. 20
1st Revised A.C.C. Sheet No. 20A	Original A.C.C. Sheet No. 20A
1st Revised A.C.C. Sheet No. 20B	Original A.C.C. Sheet No. 20B
3rd Revised A.C.C. Sheet No. 25	2nd Revised A.C.C. Sheet No. 25
3rd Revised A.C.C. Sheet No. 32	2nd Revised A.C.C. Sheet No. 32
1st Revised A.C.C. Sheet No. 33	Original A.C.C. Sheet No. 33
2nd Revised A.C.C. Sheet No. 38	1st Revised A.C.C. Sheet No. 38
2nd Revised A.C.C. Sheet No. 40	1st Revised A.C.C. Sheet No. 40
1st Revised A.C.C. Sheet No. 42	Original A.C.C. Sheet No. 42
3rd Revised A.C.C. Sheet No. 44	2nd Revised A.C.C. Sheet No. 44
4th Revised A.C.C. Sheet No. 54	3rd Revised A.C.C. Sheet No. 54
2nd Revised A.C.C. Sheet No. 77	1st Revised A.C.C. Sheet No. 77
2nd Revised A.C.C. Sheet No. 78	1st Revised A.C.C. Sheet No. 78
1st Revised A.C.C. Sheet No. 79	Original A.C.C. Sheet No. 79
1st Revised A.C.C. Sheet No. 80	Original A.C.C. Sheet No. 80
4th Revised A.C.C. Sheet No. 90	3rd Revised A.C.C. Sheet No. 90
2nd Revised A.C.C. Sheet No. 92	1st Revised A.C.C. Sheet No. 92
3rd Revised A.C.C. Sheet No. 93	2nd Revised A.C.C. Sheet No. 93



A.C.C. Sheet No.

2nd Revised A.C.C. Sheet No. 94
2nd Revised A.C.C. Sheet No. 95
2nd Revised A.C.C. Sheet No. 96
2nd Revised A.C.C. Sheet No. 107
2nd Revised A.C.C. Sheet No. 114
2nd Revised A.C.C. Sheet No. 117
1st Revised A.C.C. Sheet No. 207
1st Revised A.C.C. Sheet No. 208
1st Revised A.C.C. Sheet No. 218
1st Revised A.C.C. Sheet No. 219
1st Revised A.C.C. Sheet No. 235

**Canceling
A.C.C. Sheet No.**

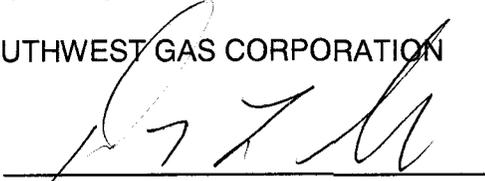
1st Revised A.C.C. Sheet No. 94
1st Revised A.C.C. Sheet No. 95
1st Revised A.C.C. Sheet No. 96
1st Revised A.C.C. Sheet No. 107
1st Revised A.C.C. Sheet No. 114
1st Revised A.C.C. Sheet No. 117
Original A.C.C. Sheet No. 207
Original A.C.C. Sheet No. 208
Original A.C.C. Sheet No. 218
Original A.C.C. Sheet No. 219
Original A.C.C. Sheet No. 235

The attached tariff sheets are being submitted in compliance with the Commission's Order in Docket No. G-01551A-10-0458, effective January 1, 2012, to reflect changes proposed by Southwest and modified in the Commission's final order. To comply with the Commission's Order requiring the tariff sheets to be filed with the Commission by December 31, 2011, the tariff sheets are being submitted without a Decision Number, which has yet to be issued. The tariff sheets will be resubmitted with the decision number when issued.

Each of the tendered tariff sheets is marked with the appropriate symbol(s) to denote the type of revision made.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 

Donald L. Soderberg

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SOUTHWEST GAS CORPORATION

P.O. Box 98510

Las Vegas, Nevada 89193-8510

Arizona Gas Tariff No. 7

Arizona Division

Canceling 9th Revised A.C.C. Sheet No. 4
8th Revised A.C.C. Sheet No. 4

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Issued On December 31, 2011
Docket No. G-01551A-10-0458

Issued by
John P. Hester
Senior Vice President

Effective January 1, 2012
Decision No. TBD

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	
G-5 – Single-Family Residential Gas Service					
Basic Service Charge per Month	\$ 10.70			\$ 10.70	
Commodity Charge per Therm:					
All Usage	\$.70314	(\$.06399)	\$.63105	\$ 1.27020	I
G-6 – Multi-Family Residential Gas Service					
Basic Service Charge per Month	\$ 9.70			\$ 9.70	
Commodity Charge per Therm:					
All Usage	\$.70314	(\$.06399)	\$.63105	\$ 1.27020	I
G-10– Single-Family Low Income Residential Gas Service					
Basic Service Charge per Month	\$ 7.50			\$ 7.50	
Commodity Charge per Therm:					
Summer (May–October):					
All Usage	\$.70314	(\$.07675)	\$.63105	\$ 1.25744	I
Winter (November–April):					
First 150 Therms	\$.32591	(\$.07675)	\$.63105	\$.88021	R
Over 150 Therms	\$.70314	(\$.07675)		\$ 1.25744	I
G-11– Multi-Family Low Income Residential Gas Service					
Basic Service Charge per Month	\$ 7.50			\$ 7.50	
Commodity Charge per Therm:					
Summer (May–October):					
All Usage	\$.70314	(\$.07675)	\$.63105	\$ 1.25744	I
Winter (November–April):					
First 150 Therms	\$.32591	(\$.07675)	\$.63105	\$.88021	R
Over 150 Therms	\$.70314	(\$.07675)		\$ 1.25744	I
G-15– Special Residential Gas Service for Air Conditioning					
Basic Service Charge per Month	\$ 10.70			\$ 10.70	
Commodity Charge per Therm:					
Summer (May–October):					
First 15 Therms	\$.70314	(\$.07675)	\$.63105	\$ 1.25744	I
Over 15 Therms	.13077	(\$.07675)	.63105	.68507	R
Winter (November–April):					
All Usage	\$.70314	(\$.07675)	\$.63105	\$ 1.25744	I

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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-20--Master-Metered Mobile Home Park Gas Service</u>					
Basic Service Charge per Month	\$ 66.00			\$ 66.00	
Commodity Charge per Therm:					
All Usage	\$.47189	(\$.06399)	\$.63105	\$ 1.03895	I
<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	N
Large-2	470.00			470.00	N
Transportation Eligible	950.00			950.00	
Commodity Charge per Therm:					
Small, All Usage	\$.83914	(\$.07675)	\$.63105	\$ 1.39344	I
Medium, All Usage	.45834	(.07675)	.63105	1.01264	I
Large-1, All Usage	.41263	(.07675)	.63105	.96693	N
Large-2, All Usage	.28856	(.07675)	.63105	.84286	N
Transportation Eligible	.10923	(.07675)	.63105	.66353	I
Demand Charge per Month--					
Transportation Eligible:					
Demand Charge ^{4/}	\$.082459			\$.082459	D
<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	\$.13077	(\$.07675)	\$.63105	\$.68507	I
<u>G-45--Street Lighting Gas Service</u>					
Commodity Charge per Therm of Rated Capacity:					
All Usage	\$.69242	(\$.07675)	\$.63105	\$ 1.24672	I
<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	\$.21470	(\$.07675)	\$.63105	\$.76900	I
<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	\$.15421	(\$.07675)	\$.63105	\$.70851	I
<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	\$.28037	(\$.07675)	\$.63105	\$.83467	I

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Docket No. G-01551A-10-0458

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John P. Hester
Senior Vice President

Effective January 1, 2012
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SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
Arizona Gas Tariff No. 7
Arizona Division

Canceling 52nd Revised A.C.C. Sheet No. 13
51st Revised A.C.C. Sheet No. 13

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-80 – Natural Gas Engine ^{6/} Water Pumping Gas Service</u>				
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	\$.22065	\$.00325	\$.50469	\$.72859

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 \$.00574 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 December 31, 2011
Docket No. G-01551A-10-0458

Issued by
John P. Hester
Senior Vice President

Effective January 1, 2012
Decision No. TBD

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.

Rate Schedule	G-5, G-6	G-10, G-11, G-15, G25S, G-25M, G-25L1, G-25L2	G-20	G-25TE, G-40, G-45, G-55, G-60, G-75	Adjustment Date
Low Income Ratepayer Assistance	\$ 0.01276	n/a	\$ 0.01276	n/a	1st Billing Cycle in May
Demand Side Management	0.00200	\$ 0.00200	0.00200	\$ 0.00200	1st Billing Cycle in April
Gas Research Fund	0.00075	0.00075	0.00075	0.00075	1st Billing Cycle in May
Department of Transportation	0.00050	0.00050	0.00050	0.00050	1st Billing Cycle in March
Gas Cost Balancing Account	(0.08000)	(0.08000)	(0.08000)	(0.08000)	Per Commission Order
COYL Cost Recovery	0.00000	0.00000	0.00000	0.00000	Per Commission Order
Energy Efficiency	0.00000	0.00000	n/a	n/a	Per Commission Order
Total Rate Adjustment	\$ (0.06399)	\$ (0.07675)	\$ (0.06399)	\$ (0.07675)	

Rate Schedule	G-80	G-30, B-1, Special Contract	Adjustment Date
Low Income Ratepayer Assistance	n/a	n/a	1st Billing Cycle in May
Demand Side Management	\$ 0.00200	n/a	1st Billing Cycle in April
Gas Research Fund	0.00075	n/a	1st Billing Cycle in May
Department of Transportation	0.00050	\$ 0.00050	1st Billing Cycle in March
Gas Cost Balancing Account	n/a	n/a	Per Commission Order
COYL Cost Recovery	0.00000	n/a	Per Commission Order
Energy Efficiency	n/a	n/a	Per Commission Order
Total Rate Adjustment	\$ 0.00325	\$ 0.00050	

- 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.

Schedule No. G-10

SINGLE-FAMILY LOW INCOME RESIDENTIAL GAS SERVICE

APPLICABILITY

Applicable to gas service to the primary residences of low income residential customers who would otherwise be provided service under Schedule No. G-5 and who meet the criterion which establishes that a qualifying customer's household income must not exceed 150 percent of the Federal poverty level.

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 is set forth in the currently effective Statement of Rates of this Arizona Gas Tariff and is incorporated herein by reference. The commodity charge during the winter season (November through April) delivered under this schedule shall reflect a 30 percent reduction from the commodity charge (excluding the LIRA rate adjustment) applicable to Schedule No. G-5, the customer's otherwise applicable gas sales tariff schedule.

MINIMUM CHARGE

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

SPECIAL CONDITIONS

1. Eligibility requirements for the Low Income Residential Gas Service are set forth on the Utility's Application and Declaration of Eligibility for Low Income Ratepayer Assistance form. Customers must have an approved application form on file with the Utility. Recertification will be required prior to November 1 every two years and whenever a customer moves to a new residence within the Utility's service area.

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.
7. 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.
8. 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

APPLICABILITY

Applicable to gas service to the primary residences of low income residential customers who would otherwise be provided service under Schedule No. G-6 and who meet the criterion which establishes that a qualifying customer's household income must not exceed 150 percent of the Federal poverty level.

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 is set forth in the currently effective Statement of Rates of this Arizona Gas Tariff and is incorporated herein by reference. The commodity charge during the winter season (November through April) delivered under this schedule shall reflect a 30 percent reduction from the commodity charge (excluding the LIRA rate adjustment) applicable to Schedule No. G-6, the customer's otherwise applicable gas sales tariff schedule.

MINIMUM CHARGE

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

SPECIAL CONDITIONS

1. Eligibility requirements for the Low Income Residential Gas Service are set forth on the Utility's Application and Declaration of Eligibility for Low Income Ratepayer Assistance form. Customers must have an approved application form on file with the Utility. Recertification will be required prior to November 1 every two years and whenever a customer moves to a new residence within the Utility's service area.

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.
7. 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.
8. 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-25

GENERAL GAS SERVICE

APPLICABILITY

Applicable to commercial, industrial, United States Armed Forces, and essential agricultural customers as defined in Rule No. 1 of this Arizona Gas Tariff. Small general gas service customers are defined as those whose average annual requirements are less than or equal to 600 therms. Medium general gas service customers are defined as those whose average annual requirements are greater than 600 therms but less than or equal to 7,200. Large-1 general gas service customers are defined as those whose average annual requirements are greater than 7,200 therms but less than or equal to 50,000. Large-2 general gas service customers are defined as those whose average annual requirements are greater than 50,000 therms but less than or equal to 180,000 therms. Transportation-Eligible general gas customers are defined as those whose average annual requirements are greater than 180,000 therms.

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

1. Small, Medium, Large-1 and Large-2 General Gas Service.

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.

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

2. Transportation-Eligible General Gas Service

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

The monthly demand charge shall be the product of the demand charge rate multiplied by the customer's billing determinant. The billing determinant shall be equal to each customer's highest monthly throughput during the most recent 12-month period, ending the month prior to the current billing period. For new customers, the initial billing determinant shall be calculated by multiplying the customer's estimated average daily use by the number of days in the billing period.

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Schedule No. G-40

AIR CONDITIONING GAS SERVICE

APPLICABILITY

Applicable to gas service to customers who have installed and regularly operate gas-fired air conditioning equipment. The volume of gas used for air conditioning purposes shall be determined by metering equipment installed by the Utility.

If the customer's gas-fired air conditioning equipment is capable of providing space heating, only the metered usage during the months of March through November shall be billed under this schedule.

Service for any other end use of gas such as space heating, water heating, processing or boiler fuel use shall be billed at the otherwise applicable gas sales tariff schedule rate. Volumes billed under this schedule may not be used for purposes of establishing the customer's otherwise applicable gas sales tariff schedule rate.

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 is the charge under the customer's otherwise applicable gas sales tariff schedule. The basic service charge and the 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 as set forth in the customer's otherwise applicable gas sales tariff schedule.

Schedule No. G-40

AIR CONDITIONING GAS SERVICE
(Continued)

SPECIAL CONDITIONS

1. Service to any customers served under this schedule pursuant to a written agreement executed by the customer and the Utility setting forth the estimated gas volumes to be billed under this schedule will continue until such time the Utility elects to install, or the Customer elects to pay for, metering equipment to determine the volume of gas to be billed under this schedule.
2. Gas service under this schedule is not available for "standby" or occasional temporary service.
3. 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.
4. If the customer is receiving service under this schedule in combination with another schedule, the Utility, at its sole discretion may elect to charge the customer only one basic service charge.

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.

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Schedule No. G-55

GAS SERVICE FOR COMPRESSION ON CUSTOMER'S PREMISES

APPLICABILITY

Applicable to gas service to natural gas vehicle (NGV) operators and retail distributors for the sole purpose of compressing natural gas for use as a fuel in vehicular internal combustion engines. The volume of gas used for compression purposes shall be determined by metering equipment installed by the Utility. Small compressed natural gas customers are defined as NGV operators and retail distributors whose compression equipment is rated at 30 cubic feet per minute (cfm) or less, and who receive service at 5 pounds per square inch gauge (psig) or less. Large compressed natural gas customers are defined as NGV operators and retail distributors whose compression equipment is rated above 30 cfm or receive service at a delivery pressure greater than 5 psig.

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.

Schedule No. G-60

ELECTRIC GENERATION GAS SERVICE

APPLICABILITY

Applicable to gas service to customers who have installed and regularly operate gas-fired electric generation equipment. The volume of gas used for electric generation purposes shall be determined by metering equipment installed by the Utility.

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 is the charge under the customer's otherwise applicable gas sales tariff schedule. The basic service charge and the 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 is the basic service charge.

SPECIAL CONDITIONS

1. Gas service under this schedule is not available unless accompanied by a signed contract for a minimum of one year as the precedent to service under this schedule, and said contract shall continue in force and effect from year to year thereafter until either the Utility or the customer shall give the other written notice of a desire to terminate the same at least 30 days prior to the expiration of any such year. If the customer permanently ceases operation, such contract shall not thereafter continue in force.
2. Gas service under this schedule is not available for "standby" or occasional temporary service.
3. 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.
4. If the customer is receiving service under this schedule in combination with another schedule, the Utility, at its sole discretion, may elect to charge the customer only one basic service charge.

Schedule No. G-75

SMALL ESSENTIAL AGRICULTURAL USER GAS SERVICE

APPLICABILITY

Applicable to gas service to customers whose gas use is certified by the Secretary of Agriculture as an "essential agricultural use" and whose maximum annual requirements are estimated by the Utility to be less than 125,000 dekatherms. This schedule is closed to new customers.

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. Any customer who uses or who is estimated to use in excess of 50 dekatherms in any one month may be required to sign a contract for one year as the precedent to service under this schedule, and said contract shall continue in force and effect from year to year thereafter until either the Utility or the customer shall give the other written notice of a desire to terminate the same at least 30 days prior to the expiration of any such year. If the customer permanently ceases operation, such contract shall not thereafter continue in force.
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.

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Schedule No. G-80

NATURAL GAS ENGINE WATER PUMPING GAS SERVICE

APPLICABILITY

Applicable to gas service to 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.

PURCHASED GAS ADJUSTMENT CLAUSE

The charges specified for this schedule are subject to increases or decreases in the cost of gas purchased by the Utility. Such change shall be reflected in the commodity charge of the currently effective tariff rates as shown on A.C.C. Sheet No. 13 of this Arizona Gas Tariff.

Schedule No. T-1

TRANSPORTATION OF CUSTOMER-SECURED NATURAL GAS
(Continued)

3. RATES (Continued)

The Utility may adjust from time to time the applicable charges to any individual customer, provided, however, that such adjusted rates are mutually acceptable to both the customer and the Utility.

In addition to the above charges and any applicable imbalance charges, the Utility shall include on the customer's bill any charges from upstream pipeline transporters or suppliers which have been incurred by the Utility because of the transportation service rendered for the customer under this schedule.

3.2 Any customer served under this schedule who requests service under a sales schedule will be permitted to change schedules to the extent that the Utility is able to procure additional gas supply and upstream pipeline resources and services to serve the customer's incremental sales volumes. Upon switching from transportation to sales service, the customer's gas cost component of the customer's commodity charge per therm will be determined as follows:

(a) Any customer served under this schedule who switches to a gas sales schedule will be billed the higher of the following charges for the gas cost component of the customer's commodity charge per therm for a period of 12 months:

(1) The Monthly Gas Cost component of the currently effective tariff rate contained in the customer's applicable sales schedule as stated in the Statement of Rates; or

(2) The incremental cost of gas procured by the Utility to serve the customer's additional sales volumes, including upstream interstate pipeline charges,

(b) Customers electing to return to sales service may be charged all, or a portion of the cost of any upstream pipeline resources incurred by the Utility to provide such service.

Exclusive of any charges pursuant to Section 3.2 (b) above, after the conclusion of the initial 12-month period of receiving sales service, the customer shall be billed at the Currently Effective Tariff Rate.

3.3 The charges specified for this schedule are subject to adjustment for the applicable proportionate part of any taxes, assessments or governmental impositions assessed on the Utility.

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Schedule No. SB-1

STANDBY GAS SERVICE

APPLICABILITY

Applicable to gas service to customers for stand-by service or as a back-up energy resource when the customer's requirements cannot be adequately served under the Utility's otherwise applicable sales schedules.

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

Basic Service Charge: The basic service charge shall be that set forth in the customer's service agreement.

Reservation Charge: The reservation charge per month shall be the maximum daily therms sold to the customer under this rate schedule during the most recent 12-month period or those set forth in the customer's service agreement (hereinafter referred to as "maximum daily quantity") at an individual rate negotiated and agreed upon by the customer and the Utility times 30 days. This charge shall not be less than costs incurred by the Utility to provide this service.

If, on any day, the customer exceeds the maximum daily quantity by an amount over 3 percent of such quantity, the customer will pay for such excess volumes at the above negotiated reservation charge rate. The customer's total purchased volumes for that day shall establish a new maximum daily quantity, until such time as a substitute quantity may be negotiated between customer and the Utility.

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Schedule No. SB-1

STANDBY GAS SERVICE
(Continued)

RATES (Continued)

Commodity Charge: In the event gas is taken under this schedule, the customer's commodity charge will be the Delivery Charge per therm in the customer's applicable sales schedule; plus the higher of:

1. The Monthly Gas Cost component of the currently effective tariff rate contained in the customer's applicable sales schedule as stated in the Statement of Rates; or
2. The incremental cost of gas procured by the Utility to serve the customer's additional sales volumes, including upstream interstate pipeline charges.

The minimum charge is the sum of the Basic Service Charge and the Reservation Charge set forth in the customers service agreement.

SPECIAL CONDITIONS

1. Prior to the establishment of service under this schedule, the customer shall execute a service agreement. If subsequently the customer should add facilities that would increase capacity demands upon the Utility's system or exceed quantities of gas deliveries by the Utility as previously mutually agreed upon, then the customer will notify the Utility so that a revised service agreement can be executed.
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.
3. Nothing herein shall prevent the Utility from transferring customers served hereunder back to their otherwise applicable sales or optional schedule if costs or conditions change. However, if any customer is able to qualify for service under more than a single rate schedule, the customer may select the schedule which the customer reasons as the most advantageous for gas service by the Utility.

Schedule No. SB-1

STANDBY GAS SERVICE
(Continued)

SPECIAL CONDITIONS (Continued)

4. In the event any customer served under this rate schedule elects to receive service under their otherwise applicable tariff rate schedule, such customer may receive service pursuant to terms and conditions normally available to new customers under the Utility's 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.

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

Canceling 1st Revised A.C.C. Sheet No. 80
Original A.C.C. Sheet No. 80

HELD FOR FUTURE USE

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Issued On December 31, 2011
Docket No. G-01551A-10-0458

Issued by
John P. Hester
Senior Vice President

Effective January 1, 2012
Decision No. TBD

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

APPLICABILITY

Applicable to all gas delivered by the Utility to all customers served under 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, Sheet No. 13 of this Arizona Gas Tariff.

CHANGES IN RATES

Rates applicable to each schedule of this Arizona Gas Tariff subject to this provision shall be adjusted 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 (November through April).
2. Incremental administrative and general expenses associated with the LIRA program.
3. The amounts accumulated in the LIRA Balancing Account 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.

SPECIAL SUPPLEMENTARY TARIFF
ENERGY EFFICIENCY ENABLING PROVISION

APPLICABILITY

The Energy Efficiency Enabling Provision (EEP) 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 EEP 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.

MONTHLY COMPONENT

The Monthly Component of the EEP adjusts customer's bills to account for variations between the actual temperatures and normal temperatures for the days in the customer's billing cycle. The Monthly Component will apply to bills during the winter season months of November through April. The process is set forth below.

1) CYCLE HEATING DEGREE DAY (HDD) VARIANCE

Determine the difference between normal and actual HDDs for each customer bill. Normal HDDs are the ten-year average HDDs for each operating district used to establish rates in the Company's last general rate case for each day during the winter season months. Actual HDDs are calculated as the number of degrees that any winter season day's average temperature is below 65 degrees.

Normal Cycle HDD	=	The sum of the ten-year average HDDs for each day in the billing cycle
Actual Cycle HDD	=	The sum of the actual HDDs for each day in the billing cycle
Cycle HDD Variance	=	The sum of Normal Cycle HDDs for each day in the billing cycle less the sum of Actual Cycle HDDs for each day in the billing cycle

**SPECIAL SUPPLEMENTARY TARIFF
ENERGY EFFICIENCY ENABLING PROVISION**

(Continued)

2) **BASE LOAD VOLUME PER DAY**

Base Load Volume per day for each customer will be used to establish monthly non-temperature sensitive usage. The Base Load Volume per Day is equal to the customer's lowest average daily use for the May through October summer billing periods. Average daily use is the customer's total monthly use divided by the number of days in the billing cycle. For new customers, Base Load Volume per Day will be the average Base Load Volume per Day in the customer's operating district. If necessary, customers' Base Load Volume per Day may be adjusted to reflect a more representative amount.

3) **CYCLE USAGE PER HDD**

Cycle Usage per HDD will be calculated for each customer bill by subtracting the customer's Base Load Volume (Base Load Volume per Day multiplied by the number of days in the billing cycle) from actual usage dividing the difference by the Actual Cycle HDDs. If the actual usage is less than the customer's Base Load Volume no weather adjustment will be made to the customer's bill.

4) **VOLUME ADJUSTMENT**

The Volume Adjustment will be calculated by multiplying the customer's Cycle Usage per HDD by the Cycle HDD Variance.

5) **DOLLAR ADJUSTMENT**

The Dollar Adjustment will be calculated for each customer by multiplying the customer's Volume Adjustment by Southwest's non-gas delivery charge rates. The Dollar Adjustment will be applied to the customer's non-gas revenue calculated on actual metered volumes and the resulting total shall be the Utility's billed margin.

**SPECIAL SUPPLEMENTARY TARIFF
ENERGY EFFICIENCY ENABLING PROVISION**

(Continued)

ANNUAL COMPONENT

The Annual Component of the EEP recovers or refunds 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) **EEP BALANCING ACCOUNT**

The Utility shall maintain accounting records that accumulate the difference between authorized and actual billed margin. Entries shall be recorded to the EEP Balancing Account (EEPBA) 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	\$ 55.33	\$ 31.33	\$ 51.33	\$ 34.95
February	\$ 47.83	\$ 28.54	\$ 44.98	\$ 31.31
March	\$ 38.04	\$ 24.48	\$ 34.16	\$ 25.52
April	\$ 26.85	\$ 20.35	\$ 23.53	\$ 20.01
May	\$ 20.58	\$ 17.83	\$ 17.36	\$ 16.84
June	\$ 19.78	\$ 17.46	\$ 16.58	\$ 16.68
July	\$ 17.89	\$ 16.12	\$ 14.91	\$ 15.11
August	\$ 16.93	\$ 15.47	\$ 14.04	\$ 14.36
September	\$ 17.44	\$ 15.81	\$ 14.37	\$ 14.63
October	\$ 18.48	\$ 16.21	\$ 15.17	\$ 14.99
November	\$ 20.80	\$ 17.59	\$ 17.98	\$ 16.61
December	\$ 39.58	\$ 25.32	\$ 36.56	\$ 26.79

SPECIAL SUPPLEMENTARY TARIFF
ENERGY EFFICIENCY ENABLING PROVISION
(Continued)

	<u>G-25(S)</u>	<u>G-25(M)</u>	<u>G-25(L1)</u>	<u>G-25(L2)</u>
January	\$ 71.33	\$ 216.68	\$ 881.62	\$ 3,489.92
February	\$ 63.14	\$ 201.26	\$ 818.49	\$ 3,242.82
March	\$ 52.94	\$ 170.82	\$ 705.86	\$ 3,173.15
April	\$ 40.07	\$ 141.81	\$ 621.87	\$ 2,705.83
May	\$ 35.54	\$ 121.62	\$ 532.44	\$ 2,356.11
June	\$ 35.24	\$ 116.70	\$ 494.49	\$ 2,201.48
July	\$ 33.66	\$ 103.60	\$ 419.09	\$ 1,774.80
August	\$ 33.03	\$ 100.00	\$ 395.90	\$ 1,685.78
September	\$ 33.33	\$ 104.64	\$ 413.65	\$ 1,764.88
October	\$ 33.82	\$ 111.56	\$ 455.93	\$ 1,943.09
November	\$ 35.81	\$ 125.50	\$ 535.58	\$ 2,400.18
December	\$ 52.77	\$ 178.73	\$ 751.46	\$ 3,086.35

- B. A debit or credit entry equal to the therms billed during the month under the schedules subject to this provision multiplied by the EEP Rate Adjustment.
- 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) EEP RATE ADJUSTMENT

The EEP 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 EEP Rate Adjustment will be calculated by dividing the balance in the EEPBA by the most recent 12-month volume of natural gas for the customer class included in the EEP.

3) AMOUNTS RECOVERED AND REFUNDED

The Utility is prohibited from recovering any under-collections in the EEPBA to the extent that recovery would increase earnings such that the Company would be earning more than its authorized return on common equity. In addition, the amount of deferred amounts to be recovered in any amortization period shall not exceed five percent (5%) of the test year average non-gas revenue per customer. Deferred amounts exceeding five percent of the test year average non-gas revenue per customer will be carried forward for recovery in the next year and subsequent years with no carrying charges. One-hundred percent (100%) of over-collected balances in the EEPBA will be refunded, without limitation, over the next amortization period.

SPECIAL SUPPLEMENTARY TARIFF
ENERGY EFFICIENCY ENABLING PROVISION

(Continued)

4) TIMING AND MANNER OF FILING

The Utility shall file its EEP Rate Adjustment revisions with the Commission in accordance with all statutory and regulatory requirements following twelve (12) months of activity in the EEPBA. The EEP Rate Adjustment shall be effective on the date of the first bill cycle in the month following the Commission's approval.

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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.

Curtailed 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: 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.

RULE NO. 1

DEFINITIONS
(Continued)

Ownership:	The legal right of possession or proprietorship of the premise(s) where service is established.
Peak Day:	Maximum daily consumption as determined by the best practical method available.
Peak Irrigation Season:	The six-month period beginning April 1 and ending September 30.
Permanent Customer:	A customer who is a tenant or owner of a service location who applies for and receives natural gas service in a status other than transient, temporary or agent.
Permanent Service:	Natural gas service which, in the opinion of the Utility, is of a permanent and established character. The use of gas may be continuous, intermittent or seasonal in nature.
Person:	Any individual, partnership, corporation, governmental agency, or other organization operating as a single entity.
Plant Protection Gas:	Minimum natural gas volumes required to prevent physical harm to the plant facilities or danger to plant personnel when such protection cannot be afforded through the use of an alternate fuel. This includes the protection of such material in process as would otherwise be destroyed, but shall not include deliveries required to maintain plant production. For the purposes of this definition, propane and other gaseous fuels shall not be considered alternate fuels.
Point of Delivery:	The point where pipes owned, leased, or under license by a customer and which are subject to inspection by the appropriate city, county, or state authority connect to the Utility's pipes or at the outlet side of the meter, whichever is further downstream. When there is more than one meter, it is the point where the pipes owned, leased, or under license by a customer and which are subject to inspection by the appropriate city, county, or state authority connect to the Utility's pipes that are connected to the upstream meter or at the outlet side of the upstream meter, whichever is further downstream.

RULE NO. 1

DEFINITIONS

(Continued)

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 Establishment Charge:	A charge as specified in the Utility's tariffs for establishing a new account.
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.
Single-Family Residential:	A detached house or any other permanent single-family residential dwelling that receives the benefits of natural gas service through an individual meter.
Southwest Vista:	An Electronic Bulletin Board service for subscribing users with computers and modems to dial up over telephone lines and access the many features available. The bulletin board is a communication tool that can support many users simultaneously.

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. If any leakage exists at time of turn-on, service will be denied until the customer has eliminated all leaks. The Utility may also refuse service until a certificate executed by an authorized public official is issued. 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.

B. CUSTOMER RESPONSIBILITY

1. The customer shall, at the customer's sole risk and expense, furnish, install and keep in good and safe condition all regulators, customer piping, appliances, alarms, fixtures, and apparatus of any kind or character located beyond the point of delivery, including all necessary protective appliances and suitable housing therefore.
2. The customer will be solely responsible for the loss of gas or damage caused by gas that passes beyond the point of delivery. 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 loss of gas or damage caused by that Utility equipment.

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RULE NO. 7

PROVISION OF SERVICE
(Continued)

B. CUSTOMER RESPONSIBILITY (Continued)

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.
4. 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.
5. The customer shall immediately call 911 and the Utility upon the discovery of any gas leaks or other hazardous or potentially hazardous conditions in or upon the customer's or the Utility's natural gas meter, regulators, piping, equipment, premises, etc. The customer shall call the Utility at following numbers at any time of the day or night:

Central Arizona: (800) 528-4277
(Areas in and around Phoenix and Wickenburg)

Southern Arizona: (800) 722-4277
(Areas in and around Tucson, Green Valley, Casa Grande, Coolidge,
Sierra Vista, Douglas, Morenci, Globe, Oracle, and Yuma)

Northwestern Arizona: (800) 447-5422
(Areas in and around Bullhead City, Parker, and Ehrenberg)

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.
- b. Although the gas within the Utility owned and operated equipment downstream of the point of delivery is not in transportation, the Utility shall fulfill its responsibility for warning and for designing, constructing, testing, inspecting, operating, and maintaining that Utility equipment by complying with the requirements of the Federal Safety Standards for intrastate natural gas pipeline facilities and the Commission's safety standards for natural gas pipeline facilities.

RULE NO. 7

PROVISION OF SERVICE
(Continued)

H. CONSTRUCTION STANDARDS AND SAFETY (Continued)

- c. No municipal, county or other local code, ordinance, franchise, regulation, rule, opinion, decision, order or other law, such as a development code, building code, plumbing code, fuel gas code, fire alarm and signaling code, administrative code, or electrical code, shall apply to the permitting, design, construction, testing, inspection, operation, or maintenance of any meter, regulator, pipe, fixtures, apparatus, etc. owned and operated by the Utility that is downstream of the point of delivery.

- 3. All accidents attributed to leakage or explosion of natural gas or fires which result in injury requiring hospitalization, fatality, or property damage estimated to exceed \$5,000, if said injury, death or damage is attributable to failure or accident involving the Utility or if the cause of said leakage, explosion or fire resulted from a failure or accident involving the Utility's property shall be reported. The location of all such accidents shall be reported by telephone within four hours after a responsible representative of the Utility becomes aware of said accident to the person holding one of the following positions with the Commission:
 - a. Gas Safety Engineer
 - b. Civil Engineer Technician II
 - c. Chief Engineer
 - d. Director of Utilities Division

- 4. Any accident reported by telephone shall be followed by a written report to the Commission.

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) The Utility does not assume the duty of inspecting customer piping, regulators, appliances, alarms, fixtures, or apparatus of any kind or character located beyond the point of delivery, including all 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.