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**SOUTHWEST GAS CORPORATION**

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Donald L. Soderberg, Vice President/Pricing

AZ CORP COMMISSION  
DOCKET CONTROL

February 28, 2012

Arizona Corporation Commission  
**DOCKETED**

FEB 29 2012

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

DOCKETED BY 

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:

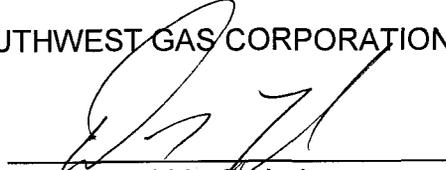
- 159th Revised A.C.C. Sheet No. 11
- 162nd Revised A.C.C. Sheet No. 12
- 53rd Revised A.C.C. Sheet No. 13
- 12th Revised A.C.C. Sheet No. 14

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. 14, the DOT Safety Program surcharge is updated annually effective the first billing cycle in March.

The attached tariff sheets and supporting schedules reflect the calculation of the revised surcharge effective March 2, 2012.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 

Donald L. Soderberg

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

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

Description	Delivery Charge	<sup>3/</sup> 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	\$ .70314	(\$ .06286)	\$ .60796	\$ 1.24824	I
<b>G-6 – Multi-Family Residential Gas Service</b>					
Basic Service Charge per Month	\$ 9.70			\$ 9.70	
Commodity Charge per Therm:					
All Usage	\$ .70314	(\$ .06286)	\$ .60796	\$ 1.24824	I
<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	\$ .70314	(\$ .07562)	\$ .60796	\$ 1.23548	I
Winter (November–April):					
First 150 Therms	\$ .33250	(\$ .07562)	\$ .60796	\$ .86484	I
Over 150 Therms	.70314	( .07562)	.60796	1.23548	I
<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	\$ .70314	(\$ .07562)	\$ .60796	\$ 1.23548	I
Winter (November–April):					
First 150 Therms	\$ .33250	(\$ .07562)	\$ .60796	\$ .86484	I
Over 150 Therms	.70314	( .07562)	.60796	1.23548	I
<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	\$ .70314	(\$ .07562)	\$ .60796	\$ 1.23548	I
Over 15 Therms	.13077	( .07562)	.60796	.66311	I
Winter (November–April):					
All Usage	\$ .70314	(\$ .07562)	\$ .60796	\$ 1.23548	I

**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	\$ .47189	(\$ .06286)	\$ .60796	\$ 1.01699
<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
Large-2	470.00			470.00
Transportation Eligible	950.00			950.00
Commodity Charge per Therm:				
Small, All Usage	\$ .83914	(\$ .07562)	\$ .60796	\$ 1.37148
Medium, All Usage	.45834	( .07562)	.60796	.99068
Large-1, All Usage	.41263	( .07562)	.60796	.94497
Large-2, All Usage	.28856	( .07562)	.60796	.82090
Transportation Eligible	.10923	( .07562)	.60796	.64157
Demand Charge per Month—				
Transportation Eligible:				
Demand Charge <sup>4/</sup>	\$ .082459			\$ .082459
<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	(\$ .07562)	\$ .60796	\$ .66311
<u>G-45—Street Lighting Gas Service</u>				
Commodity Charge per Therm of Rated Capacity:				
All Usage	\$ .69242	(\$ .07562)	\$ .60796	\$ 1.22476
<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	\$ .21470	(\$ .07562)	\$ .60796	\$ .74704
<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	(\$ .07562)	\$ .60796	\$ .68655
<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	(\$ .07562)	\$ .60796	\$ .81271

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

<u>Description</u>	<u>Delivery Charge</u>	<u>3/ Rate Adjustment</u>	<u>Monthly Gas Cost</u>	<u>Currently Effective Tariff Rate</u>
G-80 – Natural Gas Engine <sup>6/</sup> Water Pumping Gas Service				
Basic Service Charge per Month:				
Off-Peak Season (October–March)	\$ .00			\$ .00
Peak Season (April–September)	\$ 125.00			\$ 125.00
Commodity Charge per Therm:				
All Usage	\$ .22065	\$ .00438	\$ .50469	\$ .72972

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.

**STATEMENT OF RATES**  
**EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES** <sup>1/ 2/</sup>  
(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	0.00163	0.00163	0.00163	0.00163	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	\$ (0.06236)	\$ (0.07562)	\$ (0.06236)	\$ (0.07562)	

Rate Schedule	G-80	G-30, SB-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	0.00163	\$ 0.00163	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	\$ 0.00433	\$ 0.00163	

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.

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

Line No.	Description (a)	Volume (b)	Amount (c)	Line No.
1	2012 Projected DOT Safety Program Costs		\$ 1,659,867	1
<b>Adjustments to calculate new DOT Surcharge:</b>				
2	DOT Account Balance @ January 31, 2012		(17,225)	2
3	Estimated Recoveries, February 2012 [1]		<u>(505,331)</u>	3
4	Estimated Balance on February 29, 2012 (Line 2 + 3)		<u>(522,556)</u>	4
5	Total to be Recovered (Line 1 + 4)		<u>1,137,311</u>	5
<b>Terms applicable to:</b>				
6	DOT Surcharge Volumes [2]	697,160,914		6
7	DOT Surcharge Rate Per Therm (Line 5 / 6)		<u>\$ 0.00163</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	February, 2012	<u>101,066,223</u>	\$ 0.00500	<u>\$(505,331)</u>	1
2	Total	<u><u>101,066,223</u></u>		<u><u>\$(505,331)</u></u>	2

[1] 2011 Actual volumes are used for projection.

SOUTHWEST GAS CORPORATION  
ARIZONA

TOTAL VOLUMES APPLICABLE TO DEPARTMENT OF TRANSPORTATION (DOT) SAFETY PROGRAM SURCHARGE

Line No.	February-11	March-11	April-11	May-11	June-11	July-11	August-11	September-11	October-11	November-11	December-11	January-12	Total	Line No.
1	101,066,223	76,857,590	51,895,079	44,854,779	40,456,385	35,134,339	42,625,741	24,912,731	36,024,167	48,476,000	86,782,106	108,075,774	697,160,914	1

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

Line No.	Description	Expenditures	Recoveries	Transfers/ Tax Payments	Ending Balance	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	Ending Balance, per books, 1/31/2011				\$(507,568)	1
2	February-11	\$ 6,521	\$ (75,062)	-	\$(576,109)	2
3	March-11	28,074	(45,480)	-	(593,515)	3
4	April-11	7,355	(26,180)	-	(612,340)	4
5	May-11	177	(22,281)	-	(634,444)	5
6	June-11	3,160	(19,872)	-	(651,156)	6
7	July-11	80,766	(16,784)	-	(587,174)	7
8	August-11	101,067	(15,681)	-	(501,788)	8
9	September-11	42,518	(15,719)	-	(474,989)	9
10	October-11	176,527	(18,037)	23,112	(293,387)	10
11	November-11	161,744	(24,315)		(155,958)	11
12	December-11	238,180	(43,611)	-	38,611	12
13	January-12	(1,631)	(54,205)		(17,225)	13
14	Annual Total	<u>\$ 844,458</u>	<u>\$ (377,227)</u>	<u>\$ 23,112</u>	<u>\$ (17,225)</u>	14