



BEFORE THE ARIZONA CORPORATION COMMISSION

JIM IRVIN
Commissioner - Chairman
RENZ D. JENNINGS
Commissioner
CARL J. KUNASEK
Commissioner

IN THE MATTER OF THE APPLICATION)
OF SOUTHWEST GAS CORPORATION -)
FILING FOR APPROVAL OF THE)
ARIZONA SENIOR WEATHERIZATION)
PROGRAM)

DOCKET NO. G-01551A-98-0214

DECISION NO. 60967

ORDER Arizona Corporation Commission

DOCKETED

JUN 19 1998

Open Meeting
June 17 and 18, 1998
Phoenix, Arizona

DOCKETED BY *jul*

BY THE COMMISSION:

FINDINGS OF FACT

1. Southwest Gas Corporation (Southwest) is engaged in providing natural gas within portions of Arizona, pursuant to authority granted by the Arizona Corporation Commission (Commission).

2. On April 24, 1998, Southwest filed for Commission pre-approval of the Arizona Senior Weatherization (Seniors) program.

3. On May 18, 1998, Southwest filed a supplementary letter requesting that the Commission raise Southwest's demand side management (DSM) spending cap to enable Southwest to recover costs related to the Seniors program through the DSM adjustor mechanism.

4. The Commission previously pre-approved the Seniors program in Decision No. 59423 (dated December 30, 1995) for the 1995 - 1997 period.

5. The Seniors program provides weatherization and energy education services to Southwest's handicapped and low income elderly customers.

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1 6. The Seniors program was initiated in the Phoenix metro area in 1985 and in the
2 Tucson metro area in 1993. The Seniors program is administered in coordination with a number
3 of government and community organizations. Disabled customers and customers at least 55
4 years old are eligible to participate in the Seniors program.

5 7. The Seniors program involves teams of two volunteer senior citizens conducting
6 an inspection of eligible homes, installing weatherization measures, and educating the residents
7 on energy conservation. In certain cases, Southwest may install smoke alarms and/or door and
8 window locks if it is necessary to enhance the customer's safety. Typical weatherization
9 measures installed through the Seniors program include weatherstripping, caulking, water heater
10 jackets, pipe insulation, outlet gaskets and door sweeps. Program administration costs are low
11 because of the voluntary nature of the teams of senior citizen inspectors.

12 8. A review of program costs and measure installations in recent years indicates that
13 most measure installations are cost-effective.

14 9. Southwest's filing requests pre-approval of the program from 1998-2000. Each
15 year Southwest anticipates that there would be 1000 participants in the Phoenix metro area and
16 500 participants in the Tucson area. Southwest has requested pre-approval of a three (3) year
17 budget of \$350,819 for the Seniors program (\$113,644 in 1998, \$116,696 in 1999, and \$120,479
18 for 2000).

19 10. Commission Decision No. 60352 (dated August 29, 1997) placed an overall cap
20 of \$1,000,000 on Southwest's DSM spending. In the same Decision, the Commission also
21 ordered Southwest to file a low income program for Commission pre-approval and required
22 funding for that program at a level up to \$236,000.

23 11. Southwest has filed for Commission pre-approval of such a low income program
24 (Docket No. G-01551A-98-0216) at a funding level of \$236,000. Additionally, Southwest has
25 filed for Staff pre-approval of funding for the Energy Advantage Plus program at an on-going
26 annual level of \$764,000. At the time of Decision No. 60352, Southwest anticipated this
27 increase in spending on the Energy Advantage Plus program. The combined projected funding
28 level of these two programs is \$1,000,000.

ORDER

THEREFORE, IT IS ORDERED that the filing be and hereby is approved.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

James L. Levin
COMMISSIONER - CHAIRMAN

COMMISSIONER

Carl...
COMMISSIONER

IN WITNESS WHEREOF, I, JACK ROSE, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 19 day of June 1998.

Stewart R. Buckley
for JACK ROSE
Executive Secretary

DISSENT _____

RTW:BG:djg/JA

ARIZONA CORPORATION COMMISSION

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