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SOUTHWEST GAS CORPORATION

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AZ CORP COMMISSION
DOCKET CONTROL

August 5, 2013

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

Re: Docket No. G-01551A-10-0458 – Decision No. 73883

Please accept the enclosed original and thirteen (13) copies of Southwest Gas Corporation's (Southwest) Customer Owned Yard Line (COYL) Response and Participation Plan.

The enclosed Plan is submitted in response to the request in Decision No. 73883, in the matter of application of Southwest Gas' Initial COYL surcharge rate and expansion of the COYL program. The proposals set forth in the Plan are intended to increase customer response and participation in the COYL leak inspection process.

Should you have any questions regarding this matter, please do not hesitate to contact me. You may reach me directly at (702) 876-7163.

Thank you for your assistance in this matter.

Respectfully,

Debra S. Gallo
Director/Government and State Regulatory Affairs

Enclosures

c: Janice M. Alward, Chief Counsel, ACC Legal Division
Steven M. Olea, Director, ACC Utilities Division

Arizona Corporation Commission
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**SOUTHWEST GAS CORPORATION
DOCKET NO. G-01551A-10-0458
DECISION 73883**

**CUSTOMER OWNED YARD LINE
RESPONSE AND PARTICIPATION PLAN**

I. Introduction

In compliance with Decision No. 73883 (Docket No. G-01551A-10-0458), Southwest Gas Corporation ("Southwest Gas" or "Company") hereby submits its plan for increasing customer response and participation in the customer-owned yard line ("COYL") inspection process.

As outlined in Southwest Gas' 2013 Annual COYL Report (Report), the Company employs a communications process aimed at educating customers about the COYL program and obtaining their permission, where necessary, to conduct COYL leak surveys. In an effort to increase response and participation Southwest Gas has immediately enhanced its existing COYL communications process. The Company also continues to evaluate additional communications strategies that may deliver additional results.

II. Current efforts

In recent months Southwest Gas has taken several immediate actions to improve customer response and participation in the COYL inspection process. Those immediate actions include adding an additional step to the existing customer communications process, testing time of day response, and engaging a communications firm to assist the Company in the development and execution of its COYL communications process.

Customer outreach regarding the COYL program was previously accomplished through a communications process consisting of direct door-to-door communication, informational leave-behinds, and subsequent mailings aimed at educating customers and encouraging participation in the COYL inspections. The Company continues to utilize this approach; however, in an effort to increase customer response, the Company recently implemented an additional step in its outreach process by adding telephone outreach to the mix of communications mediums. With this addition, Southwest Gas' customer communications process now includes four separate contact attempts. Further, in adding the telephonic component to the existing communications process, the Company hopes to elicit responses from customers who might otherwise not respond to the written materials provided in the door hanger and by mail.

Below is a schedule of the four customer outreach actions which are currently executed upon entry into a new zone:

Step 1. (Original) -A Field Coordinator attempts door-to-door customer contact and leaves a door hanger if no one is home. The door hanger consists of a letter detailing the program and a COYL brochure.¹

Step 2. (Original) - If no response is received from the customer, the same COYL letter that was left at the residence is mailed to the property owner.²

Step 3. (New) - If no response is received, office personnel attempt to contact the customer (or property owner, if telephone information is available) by telephone.²

Step 4. (Original) - If no response is received, a final reminder letter is sent to property owner.³

In order to achieve a greater rate of contact during the first step of its outreach process, Southwest Gas instituted a short pilot program to test whether the time of day was a factor in the Company's door-to-door contact rate. The Company continued its practice of knocking on doors during normal business hours, but also pursued outreach efforts during evening hours and on weekends. The Company found no appreciable improvement in the contact rate; therefore, efforts to personally contact customers during the evening hours and/or weekends have been discontinued. Finally, Southwest Gas has engaged a third party communications firm to assist with the development of the COYL communications program with the goal of increasing participation in the inspection process.

III. Prospective efforts

While direct outreach has provided positive results, the Company is currently exploring additional options for communicating with COYL customers, which would supplement the existing communications process and maximize the effectiveness of the Company's outreach efforts. These additional options include utilization of web-based functionality and additional outreach actions.

Possible enhancements to the Communications Plan include:

- a. Supplementation of face-to-face contact
 - i. Prior to work beginning in a given zone and the initiation of the communications process (detailed above), COYL customers would be alerted by an automated phone call (Robo-Call) and an email alert (emails

¹ See EXHIBIT A

² See EXHIBIT B

³ See EXHIBIT C

would only go to COYL customers within the given service area who have provided an email via My Account through Southwest Gas' website).

- b. Informational web-based resource for COYL customers
 1. Creation of a semi-private website where targeted COYL customers can learn about the COYL program.
 - a. COYL customers reached via door, direct-mail, telephone, and email contact would receive a notice of the website address where they can learn about the program.
 2. The Company is also considering adding engaging website content (video, diagrams, etc.) that could also help educate customers who are unresponsive to traditional direct mail or telephone calls.

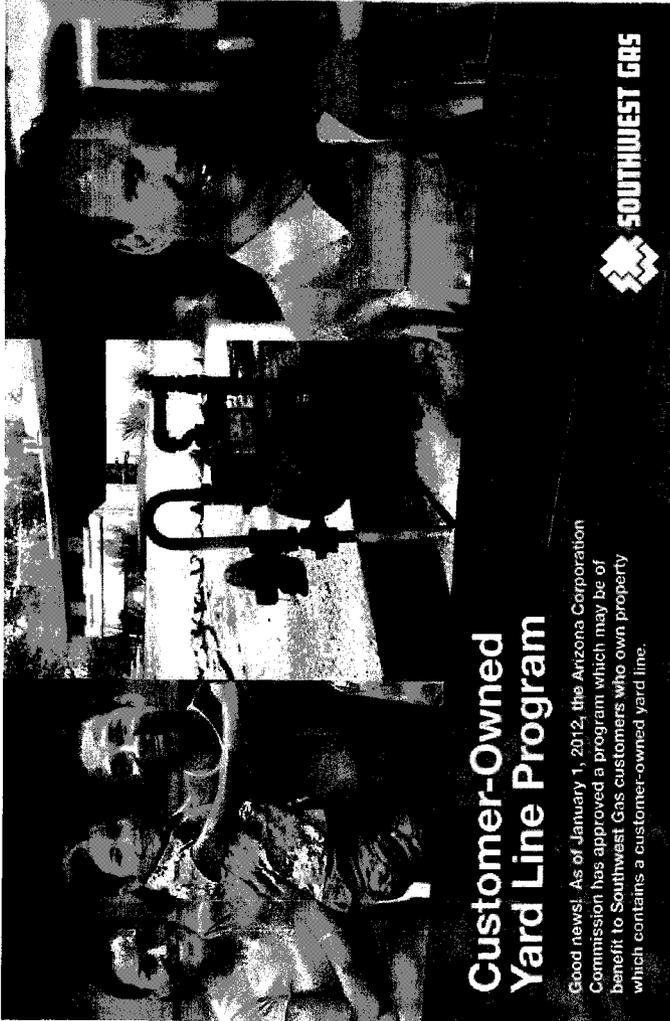
These potential enhancements, when paired with the Company's current outreach efforts (door to door, telephone, and mail) would provide additional avenues for customers to access COYL information, which may increase response and participation levels. All communications delivered through these additional mediums would be consistent with the materials and messaging being delivered at the door, on the phone, and in the mail.

IV. Conclusion

Southwest Gas is committed to effectively engaging COYL customers and encouraging participation in the COYL inspection process. Since the program's inception, the Company has been working to encourage participation from all affected customers and to ensure customers receive the highest level of customer service. The Company will continue to evaluate any further program augmentations aimed at increasing customer response and participation in the COYL inspection process.

Southwest Gas Corporation
COYL COMMUNICATIONS PLAN

EXHIBIT A



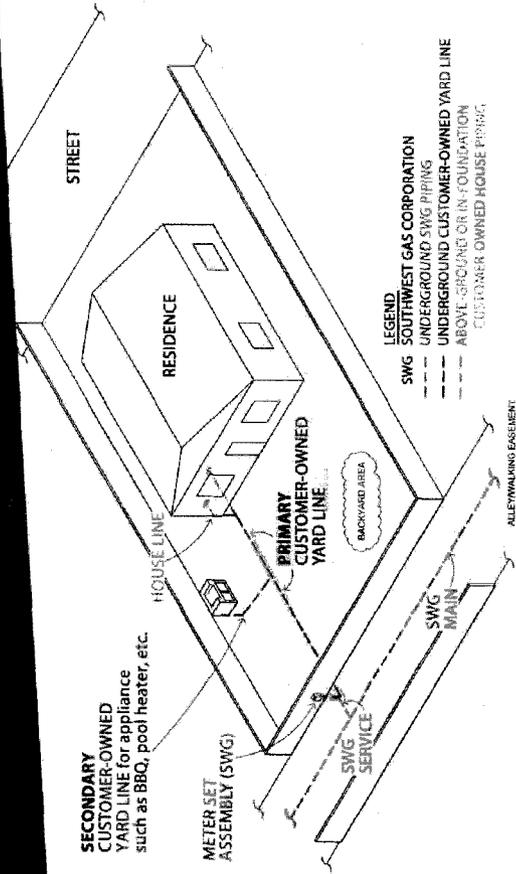
Customer-Owned Yard Line Program

Good news! As of January 1, 2012, the Arizona Corporation Commission has approved a program which may be of benefit to Southwest Gas customers who own property which contains a customer-owned yard line.



SOUTHWEST GAS

Did you know that the outside gas piping located between the meter and your home or business and any outside natural gas appliances, is owned and must be maintained by the property owner? This natural gas piping is not owned by Southwest Gas, and it is the responsibility of the property owner to maintain and pay for any cost of repairing or replacing if necessary. Once the gas line enters your home, it is considered the house line, and the property owner is also responsible to maintain and repair the house line.



THE NEW CUSTOMER-OWNED YARD LINE PROGRAM PROVIDES YOU WITH THE FOLLOWING OPPORTUNITIES NOT PREVIOUSLY AVAILABLE:

- Free leak survey of your customer-owned yard line, and
- If a leak is found, we will replace your primary customer-owned yard line at no cost.

SOUTHWEST GAS WILL TAKE THE FOLLOWING STEPS, IF YOU TELL US YOU WANT TO PARTICIPATE IN THIS PROGRAM:

Make arrangements with you to conduct an inspection of the customer-owned yard line at no cost. We will require access to your property for this service.

A Southwest Gas employee or contractor will perform this inspection and leak survey. Representatives bearing proper identification will require access to your property to conduct the leak survey. If no leak is found, we will let you know in person or we'll leave a tag on your door.

If a gas leak is identified, here's what happens next:
Your gas service will be shut off for safety reasons and we will notify you of the leak.

We will notify you in person or by leaving a notice at the property identifying the next steps to take, including contact information. A service technician will be dispatched to confirm the leak. The technician will require access to your home.

When our service technician confirms the leak, you will be given a letter explaining your options to have gas service restored.

Options available under the new Customer-Owned Yard Line Program (which may save you thousands of dollars if you have a gas leak) include:

Free relocation of your gas meter to a site near your residence or business.

Free replacement of the primary customer-owned yard line. Southwest Gas will also be responsible for maintaining and repairing that line in the future.

When considering options under the program, it is important that you know this:

Replacing your primary customer-owned yard line will not remedy any leaks that may exist on your house or secondary lines. Leaking house or secondary lines must be repaired or replaced before your gas service can be restored. House and secondary lines are not covered under this Customer-Owned Yard Line Program and remain the property owner's responsibility. However, we can help you identify a plumber to repair or replace a leaking house line, in order to help restore your gas service as quickly as possible.

TO SAY "YES" AND PARTICIPATE IN THIS PROGRAM, CALL US WITHIN 14 DAYS OF RECEIVING THIS BROCHURE AT 1-800-654-2765

TO PARTICIPATE IN THE CUSTOMER-OWNED YARD LINE PROGRAM, PLEASE CONTACT US AT 1-800-654-2765 WITHIN 14 DAYS OF RECEIPT OF THIS BROCHURE.



SOUTHWEST GAS

At Southwest Gas, your safety is our priority. This optional program does not replace our on-going safety programs. At any time, if you notice a natural gas appliance not functioning properly, a hissing noise coming from the ground or an above-ground pipeline, and/or the smell of rotten eggs, you should leave the area immediately and then call 911 and Southwest Gas from a safe location.

OUR EMERGENCY NUMBERS IN ARIZONA ARE:

- Central Arizona (Areas in and around Phoenix and Wickenburg) - 1-800-528-4277
- Southern Arizona (Areas in and around Tucson, Casa Grande, Globe, Sierra Vista, and Yuma) - 1-800-722-4277
- Bullhead City - 1-800-447-5422

For questions regarding the Customer-Owned Yard Line Program or your Southwest Gas account, call our Energy Services at 1-800-654-2765

PROGRAMA DE LÍNEAS DE CLIENTES

¡Buenas noticias! A partir del primero de Enero de 2012, la Arizona Corporation Commission aprobó un programa que beneficiará a los clientes de Southwest Gas que tengan propiedades con líneas perteneciendo al cliente.

Para participar en el Programa de líneas de clientes, llámenos al 1-800-654-2765 en el lapso de 14 días a partir de la recepción de este folleto.

EL NUEVO PROGRAMA DE LÍNEAS DE CLIENTES LE OFRECE LAS SIGUIENTES OPORTUNIDADES QUE NO ESTABAN DISPONIBLES ANTES:

- Inspección gratuita de fugas en las líneas de clientes.
- Si se detecta una fuga, reemplazaremos su línea principal de cliente sin costo.

SOUTHWEST GAS REALIZARÁ LOS SIGUIENTES PASOS SI NOS CONFIRMA QUE DESEA PARTICIPAR EN ESTE PROGRAMA:

Se pondrá de acuerdo con usted para realizar una inspección de la línea de cliente sin costo. Necesitaremos acceso a su propiedad para este servicio.

Un empleado o contratista de Southwest Gas realizará esta inspección y la inspección de fugas. Los representantes portarán identificación correspondiente y le solicitarán acceso a su propiedad para realizar la inspección de fugas. Si no hay fuga, se lo comunicaremos en persona o le dejaremos una etiqueta en su puerta.

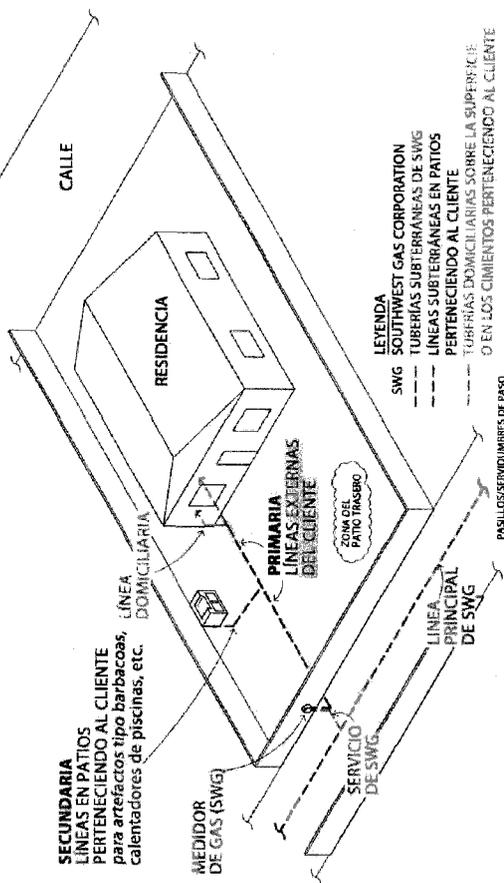
Si se identifica una fuga de gas, esto es lo que se hará después:

El servicio de gas se cortará por motivos de seguridad y le notificaremos la fuga.

Le informaremos en persona o por medio de un aviso en la propiedad los pasos a seguir, incluyendo la información de contacto. Se enviará a un técnico de servicio para confirmar la fuga. El técnico le solicitará acceso a su casa.

Cuando nuestro técnico de servicio confirme la fuga, a usted se le entregará una carta con la explicación de sus opciones para que se le restablezca el servicio de gas.

¿Sabía que las tuberías de gas externas ubicadas entre el medidor y su casa o negocio, y los aparatos de gas natural externos, pertenecen al propietario del lugar y es el quien debe darles mantenimiento? Esta tubería de gas natural no es propiedad de Southwest Gas, y es responsabilidad del propietario darle mantenimiento y pagar cualquier costo de reparación o reemplazo, si fuera necesario. Una vez que la línea entra en su casa, se considera su línea y usted es responsable de darle mantenimiento y repararla.



Las opciones disponibles con el nuevo Programa de líneas de clientes incluyen lo siguiente:
 Reubicación sin costo de su medidor de gas a un lugar cerca de su casa o negocio.
 Reemplazo gratuito de la línea principal de cliente. Southwest Gas también será responsable de dar mantenimiento y reparar dicha línea en el futuro.

Cuando considere las opciones del programa, es importante que sepa esto:

El reemplazo de su línea principal de cliente no resolverá ninguna fuga que haya en su casa o en líneas secundarias. Las líneas secundarias o de la casa que tengan fuga se deben reparar o reemplazar antes de que se restablezca su servicio de gas. La línea de la casa y la secundaria no están cubiertas por el programa y siguen siendo responsabilidad del propietario. Sin embargo, podemos ayudarle a conseguir un plomero que repare o reemplace la línea de la casa para ayudarle a restablecer su servicio de gas lo más pronto posible.

PARA "ACEPTAR" Y PARTICIPAR EN ESTE PROGRAMA, LLÁMENOS DENTRO DE LOS 14 DÍAS DESPUÉS DE RECIBIR ESTE FOLLETO AL 1-800-654-2765

En Southwest Gas, su seguridad es nuestra prioridad. Este programa es opcional y no sustituye nuestros programas de seguridad. Si en algún momento detecta un aparato de gas natural que no funciona correctamente, un ruido como silbido que proviene de la tierra o de una línea expuesta, u olor a huevos podridos, debe abandonar el área de inmediato y llamar al 911 y a Southwest Gas desde una ubicación segura.

NUESTROS TELÉFONOS DE EMERGENCIA EN ARIZONA SON LOS SIGUIENTES:

- Centro de Arizona (Áreas de Phoenix y Wickenburg y sus alrededores) - 1-800-528-4277
- Sur de Arizona (Áreas de Tucson, Casa Grande, Globe, Sierra Vista y Yuma y sus alrededores) - 1-800-722-4277
- Bullhead City - 1-800-447-5422

Si tiene preguntas sobre el Programa de líneas de clientes o de su cuenta de Southwest Gas, llame a Servicios de Energía a 1-800-654-2765

EXHIB
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SOUTHWEST GAS



SOUTHWEST GAS

IMPORTANT INFORMATION ABOUT YOUR CUSTOMER-OWNED YARD LINE THAT COULD SAVE YOU MONEY

Dear Southwest Gas Customer:

At Southwest Gas, safety is our priority. That's why we want to tell you about a new program that will continue to ensure the safety and reliability of the natural gas system in your neighborhood and could save you money.

Did you know that the outside gas piping located between the meter and your home or business, and any outside natural gas appliances, is owned and must be maintained by the property owner? This natural gas piping is not owned by Southwest Gas, and it is the responsibility of the property owner to maintain and pay for any cost of repairing or replacing if necessary. Once the gas line enters your home, it is considered the house line, and the property owner is also responsible to maintain and repair the house line.

Here's the good news: Recently, the Arizona Corporation Commission, the state agency that regulates Southwest Gas, approved a program that enables us to inspect customer-owned yard lines for leaks, and if a leak is found, we will relocate the meter and the primary yard line at no cost to the property owner. **Note that any secondary underground lines serving appliances such as barbecues are not included in this program, nor are any appliance updates or houseline repairs.**

We've outlined how this program works in the enclosed brochure.

We'll be in your neighborhood within the next 45 days, conducting leak surveys on customer-owned yard lines.

Based on our visual assessment of your property, we believe your customer-owned piping will require the following type of survey:

An exterior leak survey requiring access to your property.

A pressure test of your line requiring entry into your home or business. (Due to terrain, landscaping, or other factors, we are unable to conduct an exterior leak survey on your property.)

Please contact us at 1-800-654-2765 immediately to make entry arrangements.

Taking advantage of the program can save you money, and it helps to continue to ensure the safety and reliability of the natural gas system for you and your neighbors. If you have any questions regarding this special opportunity, please call our Energy Services Department at 1-800-654-2765.

Sincerely,

Southwest Gas



SOUTHWEST GAS

INFORMACIÓN IMPORTANTE DE SU LÍNEA DE CLIENTE QUE PODRÁ AHORRARLE DINERO

Estimado cliente de Southwest Gas:

En Southwest Gas, la seguridad es nuestra prioridad. Por eso, deseamos informarle sobre un nuevo programa que seguirá garantizando la seguridad y la confiabilidad del sistema de gas natural en su vecindario y que podrá ahorrarle dinero.

¿Sabía que las tuberías de gas externas ubicadas entre el medidor y su casa o negocio, y los aparatos de gas natural externos, pertenecen al propietario del lugar y es él quien debe darles mantenimiento? Esta tubería de gas natural no es propiedad de Southwest Gas, y es responsabilidad del propietario darle mantenimiento y pagar cualquier costo de reparación o reemplazo, si fuera necesario. Una vez que la línea entra en su casa, se considera su línea y usted es responsable de darle mantenimiento y repararla.

He aquí las buenas noticias: Hace poco, la Arizona Corporation Commission, la agencia estatal que controla Southwest Gas, aprobó un programa que nos permite inspeccionar si hay fugas en las líneas de los clientes, y si las hay, reubicaremos el medidor y la línea principal sin costo para el propietario. **Tenga en cuenta que los aparatos que reciben servicio de las líneas subterráneas secundarias, como las parrillas, no están incluidos en este programa, ni tampoco las mejoras a los aparatos ni las reparaciones a las líneas del hogar.**

En el folleto anexo describimos cómo funciona este programa.

Estaremos en su vecindario en los próximos 45 días realizando inspecciones sobre fugas en las líneas de clientes.

Según la evaluación visual que realizamos de su propiedad, consideramos que de acuerdo a la tubería que posee, necesitará el siguiente tipo de inspección:

Inspección de fuga exterior en la que se necesitará acceso a su propiedad.

Una prueba de presión de su línea en la que se necesitará entrar a su casa o negocio. (Debido al terreno, al área verde o a otros factores, no podemos realizar una inspección de fuga exterior en su propiedad).

Llámenos al 1-800-654-2765 en su primer oportunidad para preparar los arreglos del acceso.

Si aprovecha el programa, ahorra dinero. Además, ayuda a seguir garantizando la seguridad y la confiabilidad del sistema de gas natural para usted y sus vecinos. Si tiene preguntas sobre esta oportunidad especial, llame a nuestro Departamento de Servicios de Energía al 1-800-654-2765.

Atentamente.

Southwest Gas

Southwest Gas Corporation
COYL COMMUNICATIONS PLAN

EXHIBIT B

COYL Phone Script

Message

Hi, This is _____ from Southwest Gas calling regarding the property at _____. We've sent you some information regarding a program that is being offered by Southwest Gas and wanted to follow up with you. We'll be in your neighborhood within the next month, conducting leak surveys to inspect customer owned yard lines for leaks at no cost to you. If you'd like to take advantage of the program, **Please contact our Energy Services Department at 1-800-654-2765.**

Contact is made

Hi, This is _____ from Southwest Gas calling regarding the property at _____. I'm calling about a program that is being offered by Southwest Gas and was hoping to speak to the owner of the property. Are you the owner of the property? The ACC (Arizona Corporation Commission) has approved a program that enables SWG to inspect customer owned yard lines for leaks at no cost to you. Your property qualifies for the program and we'd appreciate your permission to come out to do a survey.

*If customer is the owner and

- Agrees to a survey, note the name, date, and obtain entry if necessary.
- Declines a survey, note the name and date

*If customer is not the owner, try to obtain the owner information (phone # and address)

*****Additional Program Info*****

*The yard line (outside gas piping) located between the meter and your home or business, and any outside natural gas appliances, is owned and must be maintained by the property owner. This natural gas piping is not owned by Southwest Gas, and it is the responsibility of the property owner to maintain and pay for any cost of repairing or replacing if necessary. Once the gas line enters your home, it is considered the house line, and the property owner is also responsible to maintain and repair the house line.

*COYL Program that enables us to inspect customer-owned yard lines for leaks, and if a leak is found, we will relocate the meter and the primary yard line at no cost to the property owner.

Southwest Gas Corporation
COYL COMMUNICATIONS PLAN

EXHIBIT C



<date>

Dear Customer:

Recently, we contacted you about the Customer-Owned Yard Line Program offering a free leak survey and relocation of your gas meter with replacement of the customer-owned yard line in the event a gas leak exists on your property.

You've let us know that you have opted to not participate in this program, either by talking directly with a Southwest Gas representative or by failing to respond to our earlier letter within the requested 14-day time period.

If you want to reconsider this opportunity or need more information about the Customer-Owned Yard Line Program, **please contact our Energy Services team at (800) 654-2765.**

Sincerely,

Southwest Gas



<date>

Estimado propietario:

Hace poco, lo contactamos con respecto al Programa de líneas de clientes para ofrecerle una inspección de fugas gratuita y la reubicación de su medidor de gas con reemplazo de la línea en caso de haber fuga en su propiedad.

Usted nos informó que decidió no participar en este programa. Lo hizo por teléfono directamente con un representante de Southwest Gas o al no responder a nuestra carta previa dentro del período de 14 días que se solicitó.

Si desea reconsiderar esta oportunidad o necesita más información sobre el Programa de líneas de clientes, **llame a nuestro equipo de Servicios de Energía al (800) 654-2765.**

Atentamente,

Southwest Gas