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**BEFORE THE ARIZONA CORPORATION COMMISSION**

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2015 APR 29 A 10:30

Arizona Corporation Commission

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BOB BURNS  
DOUG LITTLE  
TOM FORESE

AT 00:00 DO  
DOCKET COM

**DOCKETED**

APR 29 2015

DOCKETED BY *LC*

RICHARD GAYER,

Complainant,

v.

SOUTHWEST GAS CORPORATION,

Respondent.

DOCKET NO. G-01551A-13-0327

**SOUTHWEST GAS CORPORATION'S  
OPPOSITION TO COMPLAINANT'S  
THIRD MOTION TO COMPEL**

Southwest Gas Corporation ("Southwest Gas" or "Company") hereby submits to the Arizona Corporation Commission ("Commission") its Opposition to Complainant's Third Motion to Compel Compliance with Order No. 74780 ("Motion") served by Complainant Richard Gayer ("Mr. Gayer") April 15, 2015. This opposition is filed pursuant to Section R14-3-106 of the Arizona Administrative Code ("A.A.C.") and all other relevant sections of the A.A.C. and the Arizona Revised Statutes ("A.R.S."), including 16 A.R.S. Rules of Civil Procedure, Rule 7.1.

On October 24, 2014, the Commission issued Decision No. 74780 in the instant docket ("Decision"). The Decision includes six different compliance items which are required of the Company. Decision at 7-8. As detailed below, and previously discussed in Southwest Gas' February 26, 2015 Response and Opposition to Complainant's Objection and Motion to Comply and Strike, Southwest Gas has fully complied with each of the required items.

First, Southwest Gas was ordered to “amend its tariff pages to reflect its use of the linear regression analysis, metered use cap (i.e. upper limit rule), and zero use floor (i.e. lower limit rule) as secondary mechanics or checks in calculating the [Energy Efficiency Enabling Provision (“EEP”) Weather Adjustment].” *Id.* at 7. On November 7, 2014, the Company filed its revised tariff sheets in this docket to reflect its use of the linear regression analysis, metered use cap, and zero use floor as secondary mechanics or checks in calculating the EEP Weather Adjustment, all in accordance with the Decision. A copy of these revised tariff sheets is attached hereto as Exhibit A.

Second, the Decision ordered Southwest Gas to “publish on its website the 10-year averages used for normal Heating Degree Days (“HDD”) in the calculation of the [monthly weather adjustment], which averages were approved as part of the Company’s last general rate case.” Decision at 7. On or about February 20, 2015, the Company published the 10-year average HDD information on its Arizona Rates and Regulations webpage. A screenshot of this information is included as Attachment 6 to the Company’s February 20, 2015 compliance filing, as attached hereto as Exhibit B.

Third, the Commission ordered Southwest Gas to “continue to use the actual HDD information it has historically used in the calculation of the [monthly weather adjustment] from the vendor of its choice.” Decision at 7. Consistent with the Decision, Southwest Gas has continued to use the actual HDD information derived from National Weather Service/National Oceanic and Atmospheric Administration (NOAA), as provided to the Company by a commercial weather subscription service, in the calculation of the EEP Weather Adjustment.

Fourth, Southwest Gas was ordered to “make a filing in this docket indicating the steps it will take to communicate clearly and quickly with customers who wish to understand how the details of the decoupling components of their bills (including the [monthly weather adjustment]) have been calculated.” Decision at 7. On December 23, 2014, Southwest Gas filed the required communications plan in the instant docket. A copy of this plan is attached hereto as Exhibit C.

Fifth, the Decision ordered Southwest Gas to “revise its Arizona rates and regulations page on its website to provide additional content for its customers regarding revenue decoupling.” Decision at 7. The Company was given 120 days to “file a report in this docket to identify the changes it has made to its website.” *Id.* On February 20, 2015, as part of its required compliance filing, the Company included screenshots of various updates to its webpage, including:

- Links to information on decoupling and the EEP on its Arizona Rates and Regulations homepage;
- An updated Frequently Asked Questions page which includes questions on the EEP;
- An updated description of decoupling and the EEP on its Arizona Rates and Regulations webpage; and
- The addition of information on the EEP Weather Adjustment calculation, including a graphical depiction of the calculation, to its Arizona Rates and Regulations webpage.

Copies of these screenshots are included as Attachments 1 through 5 to the Company’s February 20, 2015 compliance filing, as attached hereto as Exhibit B. Pursuant to the Decision, the Utilities Division of the Commission (“Staff”) filed a memorandum March 23, 2015 relating to their review of the Company’s website update regarding revenue decoupling. In its memorandum, Staff suggested four improvements that could be made to Southwest Gas’ webpage, including:

- Making the decoupling information on the webpage easier to locate;
- Providing further information on the annual component of the EEP;
- Providing further information regarding the relationship between the annual and monthly components of the EEP; and
- Providing a reference regarding the basis for the HDD data Southwest Gas uses.

In response to this filing, Southwest Gas has added a link to the homepage of its website that leads users directly to the updated decoupling information. A screenshot of Southwest Gas' homepage showing the added link is attached hereto as Exhibit D. Southwest Gas has also included a note on the page of its Arizona Rates and Regulations webpage that reflects the 10-year average HDD information indicating that the published actual and normal HDD data is obtained from National Weather Service/National Oceanic and Atmospheric Administration (NOAA) reporting stations, as recommended by Staff. A screenshot showing this updated information is attached hereto as Exhibit E. Southwest Gas is currently in the process of preparing additional information for its webpage in response to Staff's other recommendations, and will publish the same once it is finalized.

Sixth, the Commission ordered Southwest Gas to "modify all Arizona customer bills to include additional line items showing the [monthly weather adjustment] and the [energy efficiency enabling provision] charge, in accordance with the Company's agreement at the hearing." Decision at 7. Southwest Gas was further ordered to file a letter in this docket indicating that it had satisfied this term. *Id.* at 8. Beginning in early November 2014, Southwest Gas' Arizona customer bills reflected a line item showing the EEP Weather Adjustment. On December 23, 2014, Southwest Gas made the required compliance filing in the instant docket, which included a sample bill showing the appropriate line item. A copy of this filing is attached hereto as Exhibit F. Since making this filing, and following various discussions with Staff on how Southwest Gas can further enhance the information provided to its customers – above and beyond compliance with the Decision, the Company intends to further modify the line item pertaining to the monthly weather adjustment to show the following description: "EEP Mo. Weather Adj". In addition, based on further discussions with Staff, Southwest Gas is currently working on implementing various programming changes to ensure that the monthly weather adjustment line item is reflected on Arizona customer bills each month of the year, regardless of whether this item results in a zero value.

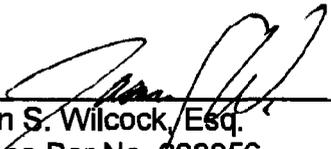
As a consequence, and contrary to the allegations made by Mr. Gayer in his Motion, Southwest Gas has complied with the Decision with respect to each ordered item, including the requirement to modify all Arizona customer bills. Moreover, above and beyond Southwest Gas' compliance with the Decision, Southwest Gas continues to have ongoing discussions with Staff regarding additional improvements relating to the information and methods utilized by the Company to communicate with and educate its customers about the decoupling components of their bills, including the monthly weather adjustment. Southwest Gas values the input provided by Staff, and intends to continue working collaboratively with Staff to ensure that the Company is doing the most it can to provide useful information to its customers.

Based on the foregoing, Mr. Gayer's allegations of non-compliance are without merit and the Motion should be denied in its entirety.

Dated this 29<sup>th</sup> day of April 2015.

Respectfully submitted,

SOUTHWEST GAS CORPORATION



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Jason S. Wilcock, Esq.  
Arizona Bar No. 028856  
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Las Vegas, Nevada 89150  
Telephone: (702) 364-3227  
Facsimile: (702) 252-7283  
Email: [jason.wilcock@swgas.com](mailto:jason.wilcock@swgas.com)

*Attorney for Southwest Gas Corporation*

1 **CERTIFICATE OF SERVICE**

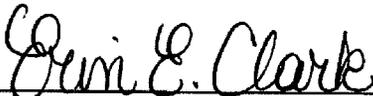
2  
3 I hereby certify that I have this day served the foregoing documents on all  
4 parties of record in this proceeding by mailing a copy thereof, properly addressed with  
5 first class postage prepaid to:

6  
7 Dwight D. Nodes  
8 Assistant Chief Administrative  
9 Law Judge  
10 Arizona Corporation Commission  
11 1200 Washington St.  
12 Phoenix, AZ 85007-2927

Charles Hains  
Legal Division  
Arizona Corporation Commission  
1200 Washington St.  
Phoenix, AZ 85007-2927

11 Richard Gayer  
12 526 West Wilshire Dr.  
13 Phoenix, AZ 85003

14  
15 Dated at Las Vegas, Nevada, this 29 day of April, 2015.

16  
17   
18 \_\_\_\_\_  
19 an employee of Southwest Gas Corporation

## **Exhibit A**

ORIGINAL



**SOUTHWEST GAS CORPORATION**

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2014 NOV - 7 P 12: 27

Justin Lee Brown , Vice President/Regulation and Public Affairs

AZ CORP COMMISSION  
DOCKET CONTROL

November 7, 2014

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

**Subject: Docket No. G-01551A-13-0327; Decision No. 74780**

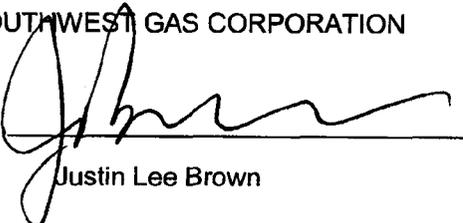
Pursuant to Ordering Paragraph No. 1 of Decision No. 74780, Southwest Gas Corporation (Southwest Gas) herewith submits for filing an original and thirteen (13) copies of the following tariff sheets applicable to its Arizona Gas Tariff No. 7:

3rd Revised A.C.C. Sheet No. 92  
4th Revised A.C.C. Sheet No. 93  
3rd Revised A.C.C. Sheet No. 94  
3rd Revised A.C.C. Sheet No. 95  
3rd Revised A.C.C. Sheet No. 96

This compliance filing amends Southwest Gas' tariff sheets to reflect its use of the linear regression analysis, metered use cap, and zero use floor as secondary mechanics or checks in calculating the EEP Weather Adjustment.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 

Justin Lee Brown

c Mr. Steve Olea, ACC  
Compliance Division  
Mr. Richard Gayer

Arizona Corporation Commission  
**DOCKETED**  
NOV - 7 2014

DOCKETED BY 

**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.

**EEP WEATHER ADJUSTMENT**

The EEP Weather Adjustment accounts for variations between the actual temperatures and normal temperatures for each winter day in the customer's billing cycle. When actual temperatures are colder than normal, the delivery charge portion of customer bills will be adjusted downward to reflect what the customer would have used under normal temperature conditions. When actual temperatures are warmer than normal, the delivery charge portion of customer bills will be adjusted upward to reflect what the customer would have used under normal temperature conditions. Weather is quantified in Heating Degree Days (HDD). HDD is defined as the difference between 65 degrees Fahrenheit and the average daily temperature when the average daily temperature is below 65 degrees. When the average daily temperature is equal to or greater than 65 degrees, there are zero HDD. The EEP Weather Adjustment will apply to consumption during the winter season months of November through April. Two analyses are performed to determine customers' weather sensitive use; an analysis of the customer's current billing cycle and an analysis of the customer's multi-season billing data.

**1) BILLING CYCLE ANALYSIS**

The billing cycle analysis uses the customer's current billing cycle HDD variance and billing cycle use per HDD to determine weather sensitive gas use and to calculate the billing cycle analysis volume adjustment.

**A. Determine Billing Cycle HDD Variance**

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

**SPECIAL SUPPLEMENTARY TARIFF**  
**ENERGY EFFICIENCY ENABLING PROVISION**  
*(Continued)*

**B. Determine Billing Cycle Use per HDD**

Billing cycle use per HDD is calculated for each customer bill by subtracting the customer's billing cycle base load volume from current monthly metered use and dividing the difference by the billing cycle actual HDDs.

Billing cycle base load volume is equal to the customer's base load volume per day multiplied by the number of days in the customer's billing cycle. Base load volume per day for each customer is 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.

**C. Calculate Billing Cycle Analysis Volume Adjustment**

The billing cycle analysis volume adjustment is calculated by multiplying the customer's billing cycle HDD variance by the billing cycle use per HDD.

**2) MULTI-SEASON ANALYSIS**

The multi-season analysis uses winter billing data from the previous 24 months to determine weather sensitive gas use and to calculate the multi-season analysis volume adjustment. A linear regression is used to compare the customer's historical monthly metered use to the actual weather in each billing cycle to determine use per HDD. The multi-season analysis volume adjustment is calculated by multiplying the result of the linear regression by the billing cycle HDD variance for the customer's current billing cycle.

**3) BILL ADJUSTMENT**

The EEP Weather Adjustment for each customer bill is calculated by multiplying the applicable volume adjustment by the Delivery Charge component of the customer's Commodity Charge. The EPP Weather Adjustment will be applied to the customer's Delivery Charge revenue calculated on metered volumes. For each customer, the applicable volume adjustment is whichever of the following three quantities is the closest to zero: 1) the billing cycle analysis volume adjustment, 2) the multi-season analysis volume adjustment or 3) the customer's current monthly metered use.

**SPECIAL SUPPLEMENTARY TARIFF**  
**ENERGY EFFICIENCY ENABLING PROVISION**  
*(Continued)*

3) **BILL ADJUSTMENT** *(Continued)*

However, in instances where the customer's billing cycle base load volume is greater than the customer's current monthly metered use or the sum of the actual HDDs in the customer's current billing cycle is equal to zero, the volume adjustment will be equal to zero and there will be no EEP Weather Adjustment to the customer's bill.

**EEP ANNUAL ADJUSTMENT**

The EEP Annual Adjustment 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 Annual Adjustment Rate.

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 ANNUAL ADJUSTMENT RATE

The EEP Annual Adjustment Rate 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 Annual Adjustment Rate 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.

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

Canceling 3rd Revised A.C.C. Sheet No. 96  
2nd Revised A.C.C. Sheet No. 96

**SPECIAL SUPPLEMENTARY TARIFF**  
**ENERGY EFFICIENCY ENABLING PROVISION**  
*(Continued)*

4) **TIMING AND MANNER OF FILING**

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

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Issued On November 7, 2014  
Docket No. G-01551A-13-0327

Issued by  
Justin Lee Brown  
Vice President

Effective November 7, 2014  
Decision No. 74780

## **Exhibit B**



# SOUTHWEST GAS CORPORATION

February 20, 2015

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AZ CORP COMMISSION  
DOCKET CONTROL

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

ORIGINAL

Re: **Docket No. G-01551A-13-0327; Decision No. 74780**

Decision No. 74780 requires Southwest Gas (Company) to revise its Rates and Regulations webpages to provide additional content for its customers regarding revenue decoupling and how the calculation works. Additionally, the Company is required to publish on its website 10-year averages for normal Heating Degree Days (HDD) used in the calculation of the Energy Efficiency Enabling Provision (EEP) Weather Adjustment.

The Company has made the following changes to comply with the order:

1. Links to information on decoupling and the EEP are on the Arizona Rates and Regulations homepage (see Attachment 1 and Attachment 2).
2. The Frequently Asked Questions page has been updated to include questions on the EEP (see Attachment 3).
3. The description of decoupling and the EEP on the Arizona Rates and Regulations webpage has been updated (see Attachment 4).
4. Information on the EEP Weather Adjustment calculation, including a graphical depiction of the calculation, has been added to the Arizona Rates and Regulations webpage (see Attachment 5).
5. The 10-year average HDD information has been published on the Arizona Rates and Regulations webpage (see Attachment 6).

These changes can be found by visiting: <http://www.swgas.com/tariffs/aztariff/decoupling/>.

If you have any questions or comments regarding the attached, please do not hesitate to contact me at 602-395-4058.

Respectfully submitted,

Matthew D. Derr  
Regulatory Manager, Arizona

Arizona Corporation Commission  
**DOCKETED**

FEB 20 2015

DOCKETED BY



Cc: Richard Gayer  
Steve Olea, ACC  
Bob Gray, ACC

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**Taxes / Assessments**

**Request other information**

## Decoupling and Energy Efficiency Enabling Provision

### Arizona General Rate Case

### Arizona General Rate Case Bill Insert - January 2012

# Arizona Gas Tariff No. 7

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Preliminary Statement  
Index of Communities

## Statement of Rates:

Statement of Rates  
Other Service Charges

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- 2012
- 2011
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- 2002
- 2001

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## Rate Schedules:

- G-5 Single-Family Residential Gas Service
- G-6 Multi-Family Residential Gas Service
- G-10 Single-Family Low Income Residential Gas Service
- G-11 Multi-Family Low Income Residential Gas Service
- G-15 Special Residential Gas Service for Air Conditioning
- G-20 Master-Metered Mobile Home Park Service
- G-25 General Gas Service
- G-30 Optional Gas Service
- G-40 Air Conditioning Gas Service

G-45 Street Lighting Gas Service  
G-55 Gas Service for Compression on Customer's Premises  
G-60 Electric Generation Gas Service  
G-75 Small Essential Agricultural User Gas Service  
G-80 Natural Gas Engine Gas Service  
T-1 Transportation of Customer-Secured Natural Gas  
SB-1 Standby Gas Service

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## Special Supplementary Tariff:

- Purchased Gas Cost Adjustment Provision
- Gas Research Fund (GRF) Rate Adjustment Provision
- Low Income Rate Assistance (LIRA) Rate Adjustment Provision
- Interstate Pipeline Capacity Service Provision
- Energy Efficiency Enabling Provision

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1. Definitions
2. Certificated Gas Service Area
3. Establishment of Service
4. Minimum Customer Information Requirements
5. Master Metering
6. Service and Main Extensions
7. Provision of Service
8. Meter Reading
9. Billing and Collection
10. Termination of Service
11. Administrative and Hearing Requirements

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## You may download the entire Arizona Gas Tariff:

[Entire Arizona Gas Tariff](#)

To learn how gas rates are set [click here](#).

### NOTES ABOUT VIEWING THE TARIFFS:

Tariff Schedules are provided as PDF (Portable Document Format) files. The Adobe® Acrobat® Reader plug-in (version 6.0 or higher) is needed to view the documents and can be downloaded for free. Versions are available for most platforms.

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# Decoupling and Energy Efficiency Enabling Provision

[Frequently Asked Questions](#)

[Description of Decoupling](#)

[Details of the EEP Weather Adjustment Calculation](#)

[10-Year Normal HDD Information](#)

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# Decoupling and Energy Efficiency Enabling Provision

[Frequently Asked Questions](#)

[Description of Decoupling](#)

[Details of the EEP Weather Adjustment Calculation](#)

[10-Year Normal HDD Information](#)

## Frequently Asked Questions

Q. Temperatures have been warm, why isn't my bill as low as I thought it would be?

A. The cost of natural gas constitutes the largest portion of your natural gas bill. Southwest Gas does not make money on the cost of natural gas purchased for our customers. These costs are passed onto customers and are adjusted monthly based on a 12-month rolling average, doing so helps minimize the large swings in the cost of natural gas. With relatively constant usage from one year to the next your bill may be higher or lower due to changes in the cost of natural gas.

Q. Why do I have an EEP Weather Adjustment on my bill?

A. The EEP Weather Adjustment and EEP Annual Adjustment used to be included in the Usage Charge line item on your bill. Southwest Gas separated these two line items to provide more transparency on your bills.

Q. What makes up the EEP Annual Adjustment?

A. The EEP Annual Adjustment recovers or refunds differences between Southwest Gas' Arizona Corporation Commission (ACC or Commission) authorized non-gas revenue and its actual revenue. The EEP Annual Adjustment ensures that Southwest Gas recovers only the revenue authorized by the Commission, no more and no less.

Q. What is the company's authorized revenue?

A. The revenue authorized by the Commission is the sum of all the costs associated with providing safe and reliable natural gas service to our customers. This amount is collected through the basic service charge and the delivery charge.

Q. Why does Southwest Gas need the EEP Annual Adjustment?

A. The EEP Annual Adjustment helps align the interests of Southwest Gas and its customers. The company currently has a volumetric rate whereby it recovers both gas costs and non-gas costs (or delivery charges) based upon how much gas it sells. Since the cost of providing service is recovered primarily through a volumetric rate, and approximately 99% of the company's costs are fixed regardless of customer consumption, the Commission approved the EEP to financially protect both customers and the company. The EEP enables Southwest Gas to help its customers save money by using gas more efficiently and saving on the cost of gas, while at the same time allowing the Company to recover the fixed costs of providing gas service that have been approved by the Commission. For energy saving tips to help lower the amount of gas you use see [www.swgasliving.com](http://www.swgasliving.com).

Q. What makes up the EEP Weather Adjustment?

A. The EEP Weather Adjustment provides stability for customer bills by providing a real time adjustment when actual weather from November to April differs from the average weather used to calculate rates during this time period. The EEP Weather Adjustment is designed to adjust customer bills when weather is either warmer or colder than normal, to protect customers from overpaying the delivery charge when it is colder than normal and to allow the company to recover its fixed costs of providing service when it is warmer than normal. The adjustments are unique to each customer's weather sensitive consumption patterns – so each customer's adjustment may vary and will simply adjust the bill to an amount that reflects normal weather conditions. The mechanism is symmetrical as it makes upward adjustments when it is warmer than normal and downward adjustments when it is colder than normal. The effect of the mechanism is to minimize volatility in customer's bills during the winter months and protect them from overpaying when weather is colder than normal.

Q. Where can I find more information on the EEP Annual Adjustment?

A. The EEP Annual Adjustment is discussed on Sheets 94 through 96 of the Energy Efficiency Enabling Provision of Southwest Gas' Arizona Gas Tariff and can be found at [http://www.swgas.com/tariffs/aztariff/special/energy\\_efficiency\\_provision.pdf](http://www.swgas.com/tariffs/aztariff/special/energy_efficiency_provision.pdf).

Q. Where can I find more information on the EEP Weather Adjustment?

A. The EEP Weather Adjustment is discussed on Sheets 92 through 94 of Southwest Gas' Arizona Gas Tariff and can be found at [http://www.swgas.com/tariffs/aztariff/special/energy\\_efficiency\\_provision.pdf](http://www.swgas.com/tariffs/aztariff/special/energy_efficiency_provision.pdf).

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# Decoupling and Energy Efficiency Enabling Provision

[Frequently Asked Questions](#)[Description of Decoupling](#)[Details of the EEP Weather Adjustment Calculation](#)[10-Year Normal HDD Information](#)

## Description of Decoupling

### What is decoupling?

Decoupling is a rate design methodology that separates a utility's fixed cost recovery from its sales. Decoupled utilities collect revenues according to a predetermined revenue requirement, or revenue per customer, established by the Arizona Corporation Commission (ACC or the Commission).

With decoupling, the ACC establishes a fixed revenue per customer and adjusts the rate per therm to ensure that Southwest Gas never retains more or less revenue than what the ACC approved in its last rate case.

Southwest Gas' decoupling mechanism (also referred to as the Energy Efficiency Enabling Provision or EEP) has two components:

1. A weather component which stabilizes customer bills by providing a "real time" adjustment when actual weather during the winter months of November through April differs from the average weather used to calculate rates during this time period.
2. An annual adjustment that adjusts revenues to reflect any difference between Southwest Gas' authorized revenues and actual revenues. The annual adjustment ensures that Southwest Gas recovers no more than its ACC authorized revenue, which means if customer usage results in the company over or under-collecting its authorized revenue, the EEP rate will adjust to bring revenues back to authorized levels.

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# Decoupling and Energy Efficiency Enabling Provision

[Frequently Asked Questions](#)[Description of Decoupling](#)[Details of the EEP Weather Adjustment Calculation](#)[10-Year Normal HDD Information](#)

## Details of the EEP Weather Adjustment Calculation

### What is the Energy Efficiency Enabling Provision (EEP) Weather Adjustment?

The EEP Weather Adjustment accounts for differences between the actual temperatures and normal temperatures for each winter day in a customer's billing cycle. The EEP Weather Adjustment applies to consumption during the winter season months of November through April.

### What factors would give me a positive or negative EEP Weather Adjustment on my bill?

When the actual temperatures are colder than normal, usage is typically higher and the delivery charge portion of the customer's bill (i.e. the cost of delivering gas) will be adjusted downward to reflect what the customer would have used under normal temperature conditions. When actual temperatures are warmer than normal, usage is typically lower and the delivery charge portion of the customer's bill will be adjusted upward to reflect what the customer would have used under normal temperature conditions. These adjustments help provide bill stability for customers and also financial protection to both the company and its customers by ensuring no party is paying or recovering more than what was authorized by the Commission.

### How do you determine when weather is either warmer or colder than normal?

Weather is quantified in Heating Degree Days (HDD), which is defined as the difference between 65 degrees Fahrenheit and the average daily temperature when the average daily temperature is below 65 degrees. When the average daily temperature is equal to or greater than 65 degrees, there are zero HDD. [Click here for the 10-Year Normal HDD information.](#)

### How is the EEP Weather Adjustment calculated?

In order to determine the EEP Weather Adjustment and in an attempt to ensure that the adjustment is only reflective of changes in consumption due to colder or warmer weather, the Company compares the following three analyses and utilizes the lower of the three:

1. **Billing Cycle Analysis Volume Adjustment** – The billing cycle analysis uses the customer's current billing cycle HDD variance (defined below) and billing cycle use per HDD to determine weather-sensitive gas use and to calculate the billing cycle analysis volume adjustment. Depicted below is an illustration of the calculation.

*Normal HDDs is the sum of the ten-year average HDDs for each day in the customer's billing cycle.*

*Actual HDDs is the sum of the actual HDDs for each day in the customer's billing cycle.*

*HDD variance is equal to Normal HDDs less the Actual HDDs.*

**Customer's Billing Cycle HDD Variance**

**26**

(Normal HDDs less the Actual HDDs)

**Billing Cycle Use Per HDD**

**X 2.083333**

((current monthly metered use – customer's billing cycle base load volume)/billing cycle actual HDDs)

**Billing Cycle Analysis Volume Adjustment**

**= 54**

**Example:**

**Customer's Billing Cycle HDD Variance = 26**  
Actual HDD: 60  
Normal HDD: 34

$$60 - 34 = 26$$

**Billing Cycle Use Per HDD = 2.083333**

**Current Monthly Metered Use: 129**  
**Billing Cycle Base Load Volume: 4**  
**Actual HDD: 60**

$$\frac{(129 - 4)}{60} = 2.083333$$

*(Click on the image above to view a larger image size.)*

- 2. Multi-Season Analysis Volume Adjustment** – The multi-season analysis uses winter billing data from the previous 24 months to determine weather-sensitive gas use and to calculate the multi-season analysis volume adjustment. A linear regression is used to compare the customer's historical monthly metered use to the actual weather in each billing cycle to determine use per HDD. The multi-season analysis volume adjustment is calculated by multiplying the result of the linear regression by the billing cycle HDD variance for the customer's current billing cycle.

Month	Billing Cycle Actual HDDs (e)	Monthly Metered Use (b)	Current Month Actual HDDs - Average Actual HDDs (c)	Current Month Metered Use - Average Metered Use (d)	(c) * (d) (e)	(c) * (e) (f)
April-14	5.0	8	-139.3000	-30.6000	4248.6500	19404.49
March-14	9.0	11	-135.3000	-27.5000	3720.7500	18308.09
February-14	87.0	31	-67.3000	-7.5000	429.7500	3283.2900
January-14	243.0	60	98.7000	21.5000	2122.0500	9741.6900
December-13	222.0	45	77.7000	8.5000	505.0500	6037.2900
April-13	4.0	9	-140.3000	-29.5000	4138.8500	19884.0900
March-13	139.0	37	-5.3000	-1.5000	7.9500	28.0900
February-13	188.0	60	43.7000	21.5000	939.5500	1909.6900
January-13	463.0	101	318.7000	62.5000	19918.7500	101569.6900
December-12	83.0	23	-61.3000	-15.5000	950.1500	3757.6900
<b>Average</b>	<b>144.3000</b>	<b>38.5000</b>		<b>Total</b>	<b>36681.5000</b>	<b>183722.1000</b>

Linear Regression Result = Total Column (e) / Total Column (f) 0.2613

Current Billing Cycle HDD Variance 26

Multi-Season Analysis Volume Adjustment = Linear Regression Result x Billing Cycle HDD Variance 5

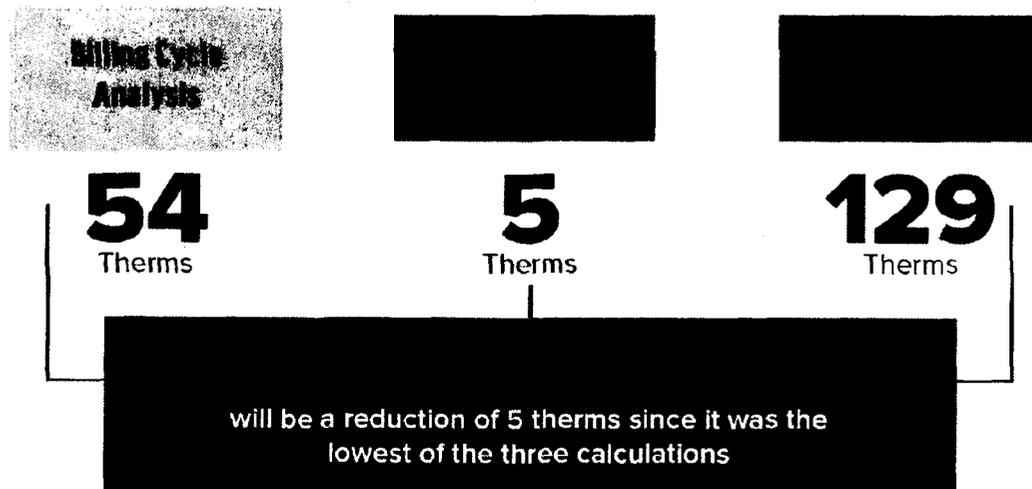
(Click on the image above to view a larger image size.)

3. **Current monthly metered usage** – For this example, the customer used 129 therms. This is the amount of gas used within the month.

**How is the EEP Weather Adjustment applied to my bill?**

The EEP weather adjustment is calculated by multiplying the applicable volume adjustment by the delivery charge component of the customer's commodity charge (which is the charge per unit of billed usage). The applicable volume adjustment is whichever of the three components identified above is the closest to zero.

From the example calculation above, the EEP Weather Adjustment applied would be:



(Click on the image above to view a larger image size.)

Illustrated in the example above, the weather was colder than normal.

# Attachment 6

Southwest Gas Corporation  
Normal Heating Degree Days for the EEP Weather Adjustment

For Account Numbers Beginning with 34, 42, 44, 48 or 49

Date	Normal HDD
11/01	1.0
11/02	1.0
11/03	1.0
11/04	1.0
11/05	1.0
11/06	1.5
11/07	1.5
11/08	1.5
11/09	1.0
11/10	1.5
11/11	1.5
11/12	1.5
11/13	2.0
11/14	2.0
11/15	2.5
11/16	2.5
11/17	2.5
11/18	2.0
11/19	2.0
11/20	1.0
11/21	0.5
11/22	2.5
11/23	5.0
11/24	4.5
11/25	5.0
11/26	5.0
11/27	6.0
11/28	6.5
11/29	7.5
11/30	7.0
12/01	6.5
12/02	6.5
12/03	6.0
12/04	8.0
12/05	7.5
12/06	7.5
12/07	6.5
12/08	8.0
12/09	8.0
12/10	9.5
12/11	10.0
12/12	10.0
12/13	10.5
12/14	10.5
12/15	10.5
12/16	11.0
12/17	9.0
12/18	10.0
12/19	9.5
12/20	9.0
12/21	10.5
12/22	12.0
12/23	12.5
12/24	11.5
12/25	12.0
12/26	12.5
12/27	13.0
12/28	13.0
12/29	10.5
12/30	10.0
12/31	10.0

Date	Normal HDD
01/01	9.5
01/02	6.0
01/03	7.5
01/04	8.0
01/05	8.5
01/06	9.5
01/07	8.0
01/08	6.5
01/09	6.5
01/10	6.0
01/11	6.0
01/12	8.0
01/13	8.5
01/14	8.0
01/15	9.0
01/16	9.0
01/17	10.0
01/18	9.0
01/19	8.5
01/20	9.0
01/21	9.5
01/22	8.0
01/23	7.0
01/24	7.0
01/25	7.0
01/26	9.0
01/27	9.5
01/28	9.0
01/29	9.0
01/30	9.5
01/31	10.5
02/01	9.0
02/02	7.5
02/03	7.0
02/04	6.5
02/05	6.0
02/06	7.0
02/07	6.0
02/08	8.0
02/09	8.0
02/10	6.5
02/11	7.0
02/12	6.0
02/13	6.5
02/14	7.0
02/15	6.5
02/16	5.5
02/17	4.0
02/18	4.0
02/19	5.5
02/20	6.0
02/21	5.0
02/22	5.0
02/23	6.5
02/24	5.5
02/25	5.0
02/26	3.5
02/27	4.0
02/28	6.0
03/01	6.0
03/02	5.5

Date	Normal HDD
03/03	6.0
03/04	4.5
03/05	3.0
03/06	2.5
03/07	3.5
03/08	4.0
03/09	2.5
03/10	3.0
03/11	4.0
03/12	3.0
03/13	2.0
03/14	2.0
03/15	2.0
03/16	3.0
03/17	3.0
03/18	2.0
03/19	3.0
03/20	1.5
03/21	1.0
03/22	1.0
03/23	1.0
03/24	1.0
03/25	0.5
03/26	0.5
03/27	0.5
03/28	1.0
03/29	0.5
03/30	0.5
03/31	0.0
04/01	0.5
04/02	1.0
04/03	0.5
04/04	0.5
04/05	0.5
04/06	1.5
04/07	0.0
04/08	0.5
04/09	0.5
04/10	1.0
04/11	1.5
04/12	0.0
04/13	0.0
04/14	0.0
04/15	0.5
04/16	1.0
04/17	0.0
04/18	0.0
04/19	0.0
04/20	0.0
04/21	1.0
04/22	1.0
04/23	0.5
04/24	0.0
04/25	0.0
04/26	0.0
04/27	0.0
04/28	0.0
04/29	0.0
04/30	0.0

Note: For actual heating degree day information please contact Southwest Gas Customer Service at (877) 860-6020

Southwest Gas Corporation  
Normal Heating Degree Days for the EEP Weather Adjustment

For Account Numbers Beginning with 32, 33, 36, 46 or 47

Date	Normal HDD	Date	Normal HDD	Date	Normal HDD
11/01	1.5	01/01	12.0	03/03	12.0
11/02	1.5	01/02	10.5	03/04	9.5
11/03	2.0	01/03	9.0	03/05	7.0
11/04	2.0	01/04	12.0	03/06	6.5
11/05	2.0	01/05	12.5	03/07	7.0
11/06	1.5	01/06	12.0	03/08	8.0
11/07	1.5	01/07	11.0	03/09	5.5
11/08	1.0	01/08	9.0	03/10	5.0
11/09	1.0	01/09	10.0	03/11	5.5
11/10	2.0	01/10	10.0	03/12	5.0
11/11	2.5	01/11	9.5	03/13	5.0
11/12	3.5	01/12	11.5	03/14	4.5
11/13	3.0	01/13	12.5	03/15	5.5
11/14	4.0	01/14	11.5	03/16	6.5
11/15	5.0	01/15	13.0	03/17	6.5
11/16	4.0	01/16	13.0	03/18	6.0
11/17	2.5	01/17	13.0	03/19	6.5
11/18	3.0	01/18	12.5	03/20	4.5
11/19	3.0	01/19	11.5	03/21	3.5
11/20	2.0	01/20	12.5	03/22	3.0
11/21	2.5	01/21	13.0	03/23	3.0
11/22	4.5	01/22	13.0	03/24	3.5
11/23	8.0	01/23	13.0	03/25	3.0
11/24	9.0	01/24	12.0	03/26	2.5
11/25	8.5	01/25	11.5	03/27	3.0
11/26	8.0	01/26	12.0	03/28	3.5
11/27	9.5	01/27	12.0	03/29	3.5
11/28	11.0	01/28	14.0	03/30	2.5
11/29	11.5	01/29	13.5	03/31	2.0
11/30	11.0	01/30	14.5	04/01	1.5
12/01	10.0	01/31	14.5	04/02	2.5
12/02	9.0	02/01	13.0	04/03	2.0
12/03	10.0	02/02	11.5	04/04	2.5
12/04	12.0	02/03	12.5	04/05	3.5
12/05	10.5	02/04	10.5	04/06	3.5
12/06	10.5	02/05	10.0	04/07	2.5
12/07	9.5	02/06	11.0	04/08	1.0
12/08	12.0	02/07	10.0	04/09	2.0
12/09	12.5	02/08	12.5	04/10	3.0
12/10	11.5	02/09	13.0	04/11	4.0
12/11	13.5	02/10	12.5	04/12	2.0
12/12	13.0	02/11	10.5	04/13	1.5
12/13	13.0	02/12	10.0	04/14	0.0
12/14	13.5	02/13	11.0	04/15	1.0
12/15	14.5	02/14	11.0	04/16	2.5
12/16	13.5	02/15	11.5	04/17	2.0
12/17	11.5	02/16	9.5	04/18	1.0
12/18	14.5	02/17	6.5	04/19	0.5
12/19	13.5	02/18	6.0	04/20	0.5
12/20	12.0	02/19	9.5	04/21	1.5
12/21	13.5	02/20	10.5	04/22	3.0
12/22	15.0	02/21	9.0	04/23	2.5
12/23	15.5	02/22	8.0	04/24	1.0
12/24	15.0	02/23	9.0	04/25	0.0
12/25	16.5	02/24	9.0	04/26	0.0
12/26	17.0	02/25	8.5	04/27	0.0
12/27	17.5	02/26	7.5	04/28	0.5
12/28	17.5	02/27	7.5	04/29	0.0
12/29	13.5	02/28	9.5	04/30	1.0
12/30	13.5	03/01	10.0		
12/31	12.5	03/02	10.5		

Note: For actual heating degree day information please contact Southwest Gas Customer Service at (877) 860-6020

## **Exhibit C**



# SOUTHWEST GAS CORPORATION

2014 DEC 23 A 10:24

December 23, 2014

ESGP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
**DOCKETED**

DEC 23 2014

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

**ORIGINAL**

DOCKETED BY 

Re: Docket Nos. G-01551A-13-0327; Decision No. 74780

Pursuant to Decision No. 74780, Southwest Gas Corporation (Company) submits the following compliance item on customer communications.

The Decision requires the Company to file a communications plan indicating the steps it will take to communicate clearly and quickly with customers who wish to understand how the details of the decoupling components of their bills have been calculated. This plan is attached.

If you have any questions, please contact me at (602) 395-4058.

Respectfully,



Matt Derr  
Regulatory Manager/Arizona

Enclosures

Cc: Richard Gayer  
Steve Olea, ACC Utilities Director  
Bob Gray, ACC Utilities Division

**Southwest Gas Corporation**  
**Plan for Responding to Customer Inquiries Regarding Arizona Decoupling and Weather Adjustments**

**Purpose:**

The purpose of this plan is to establish the steps Southwest Gas will take to communicate clearly and quickly with customers who wish to understand how the details of the decoupling components of their bills have been calculated, including the Energy Efficiency Enabling Provision (EEP) Weather Adjustment, as required by the Arizona Corporation Commission's Decision No. 74780.

**Communication Steps:**

- Front-line customer assistance representatives, who have been provided background information and a high level understanding of the decoupling components of a customer's bill – including the EEP Weather Adjustment, will attempt to respond to initial inquiries from customers.
- In the event a customer desires more information regarding the decoupling components of her/his bill after speaking with a front-line customer assistance representative, the customer will be referred to a senior customer assistance representative who has more in-depth knowledge of the mechanics of the decoupling mechanism.
- If the senior customer assistance representative is unable to adequately address the customer inquiry, a subject matter expert from the Company's Rates and Regulatory Analysis Department will then contact the customer to discuss the customer's specific inquiry and provide necessary technical support.

**Additional Communication Tools:**

**Website**

- As required by Decision No. 74780, Southwest Gas is currently updating its website content to include:
  - Detailed discussion of revenue decoupling and the EEP Weather Adjustment, including a description of the purpose of facilitating promotion of energy efficiency and stabilization of customers' winter bills through the decoupling mechanism.
  - Information to assist customers in calculating their EEP Weather Adjustment including: 10-year average heating degree days and Southwest Gas contact information for additional technical support and for customer specific daily heating degree day information.
  - Links to energy saving tips and information for Southwest Gas' Arizona Corporation Commission approved energy efficiency programs.

**Other**

- On-hold messages alerting customers to the EEP Weather Adjustment (November through April) and directing customers to Southwest Gas' website for detailed information on decoupling, including the EEP Weather Adjustment.

## **Exhibit D**



[Home](#)

[My Account](#)

[Residential](#)

[Business](#)

[Investor Relations](#)

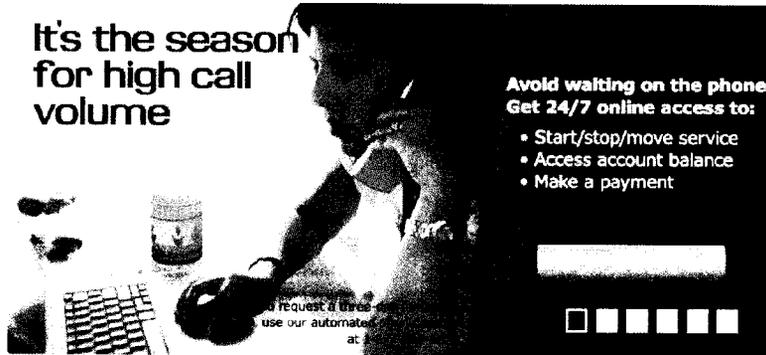
[SWGASLiving.com](#)

## MyAccount

[Access MyAccount](#)

[Create MyAccount](#)

### It's the season for high call volume



**Avoid waiting on the phone!**  
**Get 24/7 online access to:**

- Start/stop/move service
- Access account balance
- Make a payment

For Arizona customers interested in learning about EEP [Please click here](#)

**Important SAFETY information for you.** [learn more](#)

**Underground pipelines can be located anywhere.**

1.877.860.6020

911

811

### Create your online account



View, manage, and customize your account online.

[Create MyAccount](#)

#### MyAccount features

- [Get Paperless Bills](#)
- [Make automatic payments](#)
- [Get a payment extension](#)

### Start, stop or move service



Start/Stop/Move - It's easy.

[Request Service](#)

#### Service request options

- [Start your gas service](#)
- [Stop your gas service](#)
- [Move your gas service to a new address](#)

### Make a payment online today



Pay your gas bill online. It's fast, easy and secure.

[Make Payment](#)

#### You can also

- [View other payment options](#)
- [Assistance Programs](#)

### Save energy & money



Save money by using energy-efficient gas appliances

[Gas Appliances](#)

#### Learn more

- [Get rebates](#)
- [Get tips for saving money on your gas bill](#)
- [Buy or repair gas appliances](#)

## **Exhibit E**

Southwest Gas Corporation  
Normal Heating Degree Days for the EEP Weather Adjustment

For Account Numbers Beginning with 32, 33, 36, 46 or 47

Date	Normal HDD	Date	Normal HDD	Date	Normal HDD
11/01	1.5	01/01	12.0	03/03	12.0
11/02	1.5	01/02	10.5	03/04	9.5
11/03	2.0	01/03	9.0	03/05	7.0
11/04	2.0	01/04	12.0	03/06	6.5
11/05	2.0	01/05	12.5	03/07	7.0
11/06	1.5	01/06	12.0	03/08	8.0
11/07	1.5	01/07	11.0	03/09	5.5
11/08	1.0	01/08	9.0	03/10	5.0
11/09	1.0	01/09	10.0	03/11	5.5
11/10	2.0	01/10	10.0	03/12	5.0
11/11	2.5	01/11	9.5	03/13	5.0
11/12	3.5	01/12	11.5	03/14	4.5
11/13	3.0	01/13	12.5	03/15	5.5
11/14	4.0	01/14	11.5	03/16	6.5
11/15	5.0	01/15	13.0	03/17	6.5
11/16	4.0	01/16	13.0	03/18	6.0
11/17	2.5	01/17	13.0	03/19	6.5
11/18	3.0	01/18	12.5	03/20	4.5
11/19	3.0	01/19	11.5	03/21	3.5
11/20	2.0	01/20	12.5	03/22	3.0
11/21	2.5	01/21	13.0	03/23	3.0
11/22	4.5	01/22	13.0	03/24	3.5
11/23	8.0	01/23	13.0	03/25	3.0
11/24	9.0	01/24	12.0	03/26	2.5
11/25	8.5	01/25	11.5	03/27	3.0
11/26	8.0	01/26	12.0	03/28	3.5
11/27	9.5	01/27	12.0	03/29	3.5
11/28	11.0	01/28	14.0	03/30	2.5
11/29	11.5	01/29	13.5	03/31	2.0
11/30	11.0	01/30	14.5	04/01	1.5
12/01	10.0	01/31	14.5	04/02	2.5
12/02	9.0	02/01	13.0	04/03	2.0
12/03	10.0	02/02	11.5	04/04	2.5
12/04	12.0	02/03	12.5	04/05	3.5
12/05	10.5	02/04	10.5	04/06	3.5
12/06	10.5	02/05	10.0	04/07	2.5
12/07	9.5	02/06	11.0	04/08	1.0
12/08	12.0	02/07	10.0	04/09	2.0
12/09	12.5	02/08	12.5	04/10	3.0
12/10	11.5	02/09	13.0	04/11	4.0
12/11	13.5	02/10	12.5	04/12	2.0
12/12	13.0	02/11	10.5	04/13	1.5
12/13	13.0	02/12	10.0	04/14	0.0
12/14	13.5	02/13	11.0	04/15	1.0
12/15	14.5	02/14	11.0	04/16	2.5
12/16	13.5	02/15	11.5	04/17	2.0
12/17	11.5	02/16	9.5	04/18	1.0
12/18	14.5	02/17	6.5	04/19	0.5
12/19	13.5	02/18	6.0	04/20	0.5
12/20	12.0	02/19	9.5	04/21	1.5
12/21	13.5	02/20	10.5	04/22	3.0
12/22	15.0	02/21	9.0	04/23	2.5
12/23	15.5	02/22	8.0	04/24	1.0
12/24	15.0	02/23	9.0	04/25	0.0
12/25	16.5	02/24	9.0	04/26	0.0
12/26	17.0	02/25	8.5	04/27	0.0
12/27	17.5	02/26	7.5	04/28	0.5
12/28	17.5	02/27	7.5	04/29	0.0
12/29	13.5	02/28	9.5	04/30	1.0
12/30	13.5	03/01	10.0		
12/31	12.5	03/02	10.5		

Note: For actual heating degree day (HDD) information please contact Southwest Gas Customer Service at (877) 860-6020.

The Actual HDD and Normal HDD data is from National Weather Service/National Oceanic and Atmospheric Administration (NOAA) reporting stations.

Southwest Gas Corporation  
Normal Heating Degree Days for the EEP Weather Adjustment

For Account Numbers Beginning with 34, 42, 44, 48 or 49

Date	Normal HDD	Date	Normal HDD	Date	Normal HDD
11/01	1.0	01/01	9.5	03/03	6.0
11/02	1.0	01/02	6.0	03/04	4.5
11/03	1.0	01/03	7.5	03/05	3.0
11/04	1.0	01/04	8.0	03/06	2.5
11/05	1.0	01/05	8.5	03/07	3.5
11/06	1.5	01/06	9.5	03/08	4.0
11/07	1.5	01/07	8.0	03/09	2.5
11/08	1.5	01/08	6.5	03/10	3.0
11/09	1.0	01/09	6.5	03/11	4.0
11/10	1.5	01/10	6.0	03/12	3.0
11/11	1.5	01/11	6.0	03/13	2.0
11/12	1.5	01/12	8.0	03/14	2.0
11/13	2.0	01/13	8.5	03/15	2.0
11/14	2.0	01/14	8.0	03/16	3.0
11/15	2.5	01/15	9.0	03/17	3.0
11/16	2.5	01/16	9.0	03/18	2.0
11/17	2.5	01/17	10.0	03/19	3.0
11/18	2.0	01/18	9.0	03/20	1.5
11/19	2.0	01/19	8.5	03/21	1.0
11/20	1.0	01/20	9.0	03/22	1.0
11/21	0.5	01/21	9.5	03/23	1.0
11/22	2.5	01/22	8.0	03/24	1.0
11/23	5.0	01/23	7.0	03/25	0.5
11/24	4.5	01/24	7.0	03/26	0.5
11/25	5.0	01/25	7.0	03/27	0.5
11/26	5.0	01/26	9.0	03/28	1.0
11/27	6.0	01/27	9.5	03/29	0.5
11/28	6.5	01/28	9.0	03/30	0.5
11/29	7.5	01/29	9.0	03/31	0.0
11/30	7.0	01/30	9.5	04/01	0.5
12/01	6.5	01/31	10.5	04/02	1.0
12/02	6.5	02/01	9.0	04/03	0.5
12/03	6.0	02/02	7.5	04/04	0.5
12/04	8.0	02/03	7.0	04/05	0.5
12/05	7.5	02/04	6.5	04/06	1.5
12/06	7.5	02/05	6.0	04/07	0.0
12/07	6.5	02/06	7.0	04/08	0.5
12/08	8.0	02/07	6.0	04/09	0.5
12/09	8.0	02/08	8.0	04/10	1.0
12/10	9.5	02/09	8.0	04/11	1.5
12/11	10.0	02/10	6.5	04/12	0.0
12/12	10.0	02/11	7.0	04/13	0.0
12/13	10.5	02/12	6.0	04/14	0.0
12/14	10.5	02/13	6.5	04/15	0.5
12/15	10.5	02/14	7.0	04/16	1.0
12/16	11.0	02/15	6.5	04/17	0.0
12/17	9.0	02/16	5.5	04/18	0.0
12/18	10.0	02/17	4.0	04/19	0.0
12/19	9.5	02/18	4.0	04/20	0.0
12/20	9.0	02/19	5.5	04/21	1.0
12/21	10.5	02/20	6.0	04/22	1.0
12/22	12.0	02/21	5.0	04/23	0.5
12/23	12.5	02/22	5.0	04/24	0.0
12/24	11.5	02/23	6.5	04/25	0.0
12/25	12.0	02/24	5.5	04/26	0.0
12/26	12.5	02/25	5.0	04/27	0.0
12/27	13.0	02/26	3.5	04/28	0.0
12/28	13.0	02/27	4.0	04/29	0.0
12/29	10.5	02/28	6.0	04/30	0.0
12/30	10.0	03/01	6.0		
12/31	10.0	03/02	5.5		

Note: For actual heating degree day (HDD) information please contact Southwest Gas Customer Service at (877) 860-6020.

The Actual HDD and Normal HDD data is from National Weather Service/National Oceanic and Atmospheric Administration (NOAA) reporting stations.

## **Exhibit F**



# SOUTHWEST GAS CORPORATION

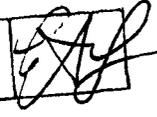
2014 DEC 23 A 10:25

December 23, 2014

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
**DOCKETED**

DEC 23 2014

DOCKETED BY 

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

**ORIGINAL**

Re: **Docket Nos. G-01551A-13-0327; Decision No. 74780**

Decision No. 74780 requires Southwest Gas (Company) to modify all Arizona customer bills to include two additional line items showing the Energy Efficiency Enabling Provision (EEP) monthly Weather Adjustment and the EEP annual adjustment.

The Company made these changes on customer bills in November. A copy of a customer bill reflecting the two line items is attached.

If you have any questions, please contact me at (602) 395-4058.

Respectfully,



Matt Derr  
Regulatory Manager/Arizona

Enclosures

Cc: Richard Gayer  
Steve Olea, ACC Utilities Director  
Bob Gray, ACC Utilities Division



Customer Assistance  
Asistencia al Cliente  
Toll Free/Llamada Gratis  
1-877-860-6020

PO Box 98890  
Las Vegas NV 89193-8890

Hearing Impaired: Dial 711  
www.swgas.com

PLEASE RETAIN THIS TOP PORTION FOR YOUR RECORDS



DUPLICATE

Service Address: [Redacted]  
Rate Schedule: 010/G-5 RESIDENTIAL GAS SERVICE

Your Local Office is 2200 N CENTRAL, STE 101, PHOENIX AZ 85004

ACCOUNT NUMBER	CYCLE	DATE MAILED	PAST DUE AFTER	PLEASE PAY AMOUNT DUE
[Redacted]	12	11/21/14	12/10/14	\$24.89
<b>PREVIOUS BILLING:</b>				
Previous Balance				22.55
Payment(s) Since Last Bill - Thank You				22.55CR
Balance Forward				\$0.00
<b>CURRENT BILLING:</b>				
34 Days				
Meter Reading:	Current	Previous	Billing Factor	Total Therms
	Nov. 15	Oct. 16	8 X .9949 =	8
	2269 -	2261 =		
Usage Charges				10.66
EEP Weather Adj				0.70
EEP Annual Adj				0.03CR
Basic Service Charge				10.70
DOT Safety Surcharge				0.01
Applicable Revenue Taxes				2.85
<b>Current Bill</b>				<b>\$24.89</b>

\*\*\* Sign up for paperless billing at www.swgas.com \*\*\*

**Due on or before: 12/10/14 Amount due: \$24.89**

Important Messages:  
Your next meter read date is: Dec. 19, 2014

OUR CALL CENTER RECEIVES THE MAJORITY OF CALLS ON MONDAYS, THE DAY AFTER A HOLIDAY, AND DURING THE COOLER WINTER MONTHS. CONVENIENCE IS JUST A CLICK AWAY AT WWW.SWGAS.COM TO START/STOP/MOVE SERVICE, PAY BILLS OR TO CREATE A MYACCOUNT TO MANAGE YOUR ACCOUNT. YOU CAN ALSO ACCESS YOUR ACCOUNT VIA OUR AUTOMATED PHONE SYSTEM 24/7.

Gas Usage History Information:

	Therms	Days	=	Avg Daily Therms
This Month	8	34	=	0.24
Last Month	7	29	=	0.24
Last Year	10	30	=	0.33

Month	Therms
Nov 13	10
Dec 13	10
Jan 14	65
Feb 14	30
Mar 14	10
Apr 14	10
May 14	10
Jun 14	10
Jul 14	10
Aug 14	10
Sep 14	10
Oct 14	10
Nov 14	10

Previous Balance	Payments & Adjustments	Balance Forward	Current Bill	Current Balance	AMOUNT DUE
22.55	- 22.55	= 0.00	+ 24.89	= 24.89	\$24.89

PLEASE SEE REVERSE SIDE FOR RULES AND REGULATIONS ● RETURN BOTTOM PORTION WITH PAYMENT

\*\*\* Sign up for paperless billing at www.swgas.com \*\*\*

ACCOUNT NUMBER	CYCLE	DATE MAILED	PAST DUE AFTER	AMOUNT DUE
[Redacted]	12	11/21/14	12/10/14	\$24.89



SOUTHWEST GAS CORPORATION  
PO Box 98890  
Las Vegas NV 89193-8890

This bill is now due and payable. Please make check payable to SWG and write account number on front of check or money order. Do not send cash through the mail or place cash in the night depository.