

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Application of Southwest Gas Corporation for authority )  
to establish the Accumulated Deferred Interest rate in )  
Southern Nevada pursuant to the Variable Interest ) Docket No. 22-11017  
Expense Recovery mechanism, Unrecovered Gas Cost )  
Expense rates, system shrinkage rates, excess Imbalance )  
Commodity and Reservation Charges, Renewable )  
Energy Program Rates, General Revenues Adjustment )  
rates, Conservation and Energy Efficiency rates, )  
Mesquite Infrastructure Expansion Rates, and Spring )  
Creek Infrastructure Expansion Rates. )  
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NOTICE OF CONSUMER SESSION

On November 15, 2022, Southwest Gas Corporation (“SWG”) filed with the Public Utilities Commission of Nevada (“Commission”) its Annual Rate Adjustment Application (“ARA”), also known as an “Application for Deferred Energy Account Adjustment, designated as Docket No. 22-11017, for authority to establish: (1) the Accumulated Deferred Interest (“ADI”) rate in Southern Nevada pursuant to the Variable Interest Expense Recovery (“VIER”) mechanism; (2) Unrecovered Gas Cost Expense (“UGCE”) rates; (3) system shrinkage rates for transportation customers; (4) Imbalance Commodity and Reservation Charges used to calculate transportation customer excess imbalance charges; (5) Renewable Energy Program Rates (“REPR”); (6) General Revenues Adjustment (“GRA”) rates; (7) Conservation and Energy Efficiency (“CEE”) rates; (8) Mesquite Infrastructure Expansion rates (“IERS”); and (9) Spring Creek IERS.

SWG filed this Application pursuant to the Nevada Revised Statutes (“NRS”) and the Nevada Administrative Code (“NAC”) Chapters 703 and 704, including, but not limited to, NRS 704.110 and NAC 701B.245, 703.535, 704.116, and 704.953 through 704.9718.

In its Application, SWG further seeks an order: (i) finding that its gas procurement practices are reasonable; (ii) finding that its gas purchases were reasonable and prudent; and (iii) finding that, during the applicable test period, the transportation costs it first incurred and its management and performance of its previously contracted resources were both reasonable and prudent; and iv) establishing July 1, 2023, as the effective date for the requested rate adjustments.

SWG proposes an average VIR rate of \$0.00192 and an ADI rate of \$0.00144 per therm in Southern Nevada, as it relates to the VIER mechanism.

SWG proposes a \$0.00711 per therm UGCE rate in Southern Nevada and a \$0.00763 per therm UGCE rate in Northern Nevada.

SWG proposes a shrinkage rate of \$0.00008 per therm for high pressure service transportation customers in Southern Nevada, and a shrinkage rate of \$0.00263 per therm for low pressure service transportation customers in Southern Nevada. In Northern Nevada, SWG proposes a shrinkage rate of \$0.00175 per therm.

In Southern Nevada, SWG proposes Imbalance Commodity and Reservation Charges of \$0.62701 and \$0.04067 per therm, respectively. In Northern Nevada, SWG proposes Imbalance Commodity and Reservation Charges of \$0.58077 and \$0.35252 per therm, respectively.

SWG proposes a REPR of (\$0.00125) per therm in Southern Nevada. In Northern Nevada, SWG proposes a REPR of (\$0.00054) per therm.

In Southern Nevada, SWG proposes: (1) a single-family residential GRA rate of \$0.04748 per therm; (2) a multi-family residential GRA rate of \$0.02870 per therm; (3) a General Gas Service – 1 GRA rate of \$0.05143 per therm; (4) a General Gas Service – 2 GRA

rate of \$0.00696 per therm; (5) a General Gas Service – 3 GRA rate of \$0.01309 per therm; and (6) a General Gas Service – 4 GRA rate of \$0.00582 per therm.

In Northern Nevada, SWG proposes: (1) a single-family residential GRA rate of \$0.04047 per therm; (2) a multi-family residential GRA rate of \$0.03717 per therm; (3) a General Gas Service – 1 GRA rate of \$0.00871 per therm; (4) a General Gas Service – 2 GRA rate credit of (\$0.00081) per therm; a (5) a General Gas Service – 3 GRA rate of \$0.01821 per therm; and (6) a General Gas Service – 4 GRA rate of \$0.00526 per therm.

In Southern Nevada, SWG proposes a CEE rate of \$0.00139 per therm for sales customers. In Northern Nevada, SWG proposes a CEE rate of (\$0.00348) per therm for sales customers.

SWG proposes a Southern Nevada IER rate of \$0.00569 and a Mesquite Expansion Area IER of \$0.10814.

SWG proposes no changes to the Spring Creek IERs; however, changes to the Spring Creek IERs may be proposed in a future application.

SWG states that the overall effect of the proposed rate changes is an increase in annualized revenues of \$21,224,337 or 3.52 percent in Southern Nevada, and an increase in annualized revenues of \$142,411 or 0.1 percent in Northern Nevada.

Under SWG’s proposal, SWG states that the customer bill impacts are as follows:

Southern Nevada Rate Jurisdiction Annual Average Monthly Bills

	Under Current Rates	Under Proposed Rates	Change
Single-Family Residential	\$57.42	\$60.19	\$2.77
Multi-Family Residential	\$35.44	\$36.31	\$0.87
General Service – 1	\$164.58	\$165.47	\$0.89

General Service – 2	\$1,252.92	\$1,248.29	(\$4.63)
General Service – 3	\$6,127.42	\$6,089.67	(\$37.75)
General Service – 4	\$46,722.58	\$47,449.06	\$726.48

Northern Nevada Rate Jurisdiction Annual Average Monthly Bills

	Under Current Rates	Under Proposed Rates	Change
Single-Family Residential	\$95.86	\$96.01	\$0.15
Multi-Family Residential	\$58.95	\$58.86	(\$0.09)
General Service – 1	\$177.39	\$176.82	(\$0.57)
General Service – 2	\$1,557.52	\$1,546.67	(\$10.85)
General Service – 3	\$8,085.89	\$8,171.39	\$85.50
General Service – 4	\$40,688.65	\$40,905.70	\$217.05

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NOTICE IS HEREBY GIVEN that the Commission has scheduled a CONSUMER SESSION in this Docket to be held in-person and telephonically as follows:

TUESDAY, FEBRUARY 21, 2023  
6:00 p.m.  
Hearing Room A  
Public Utilities Commission of Nevada  
1150 East William Street  
Carson City, Nevada 89701

VIA VIDEOCONFERENCE TO:

Hearing Room A  
Public Utilities Commission of Nevada  
9075 West Diablo Drive, Suite 250  
Las Vegas, Nevada 89148

and TELEPHONICALLY:  
Live telephone conference: 1-415-655-0001.  
Access Code: 2593 682 3743.

Interested persons may appear in-person or telephonically and be heard regarding the above-captioned matter and the effect this matter may have on their utility service. Members of the public can view the consumer session at the time noticed herein via the Commission's live stream link on its website at <https://puc.nv.gov>. A representative from the Regulatory Operations Staff of the Commission and SWG will be present at the consumer session to answer questions. Public comments may be limited to five minutes per person. To accommodate individuals who enter the Commission office who are sensitive to fragrance and other chemical products, please use sparingly or not at all: perfumes, colognes, and perfumed body lotions, aftershave, hair products, etc.


Interested persons may also submit written comments instead of or in addition to participating in the consumer session for this docket electronically through the Electronic Filing System on the Commission's website or via U.S. Mail addressed to either of the Commission's

offices, 1150 East William Street, Carson City, Nevada 89701 or 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148.

The Commission is not responsible for providing clerical or administrative assistance or materials to parties during Commission proceedings. If such assistance is necessary, parties must make other arrangements for this type of assistance.

The filing is available for public viewing at the Commission's website: <http://puc.nv.gov>; and at the offices of the Commission: 1150 East William Street, Carson City, Nevada 89701 and 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148.

By the Commission,

  
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TRISHA OSBORNE,  
Assistant Commission Secretary

Dated: Carson City, Nevada

11/24/23

(SEAL)

