

**RULE NO. 1**

**DEFINITIONS**

For the purpose of these Tariff Schedules, the terms and expressions listed below shall have the meanings set forth opposite:

- Adult:** A person 18 years of age or older.
- Agent:** Any party a customer may contract with for purposes of administering the customer's service agreement with the Company. An Agent has only those rights designated in writing by such customer for the effective time period, excluding the right for the Agent to be directly billed by the Company.
- Applicant:** A person or agency requesting the Company to supply gas service.
- Application:** A request to the Company for gas service, as distinguished from an inquiry as to the availability or charges for such service.
- Average Month:** 30.4 days.
- Basic Service Charge:** An amount the customer must pay the Company for the availability of gas service, irrespective of whether any gas is used, as specified by the applicable rate schedule.
- Billing Period:** The time interval between two consecutive meter readings that are taken for billing purposes.
- British Thermal Unit:** The amount of heat required to raise the temperature of one pound of water from 59°F to 60°F at constant pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia).
- Btu:** British Thermal Unit.
- Ccf:** 100 cubic feet.

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**Cogeneration:** The sequential production of electricity (or mechanical shaft power) and some useful form of thermal energy from a single input energy source.

**Commercial Customer:** A customer who is engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation.

**Commission:** Refers to the Public Utilities Commission of Nevada (PUCN).

**Company:** Southwest Gas Corporation.

**Company's Operating Convenience:** The term refers to the utilization, under certain circumstances of facilities or practices not ordinarily employed which contribute to the overall efficiency of the Company's operations; it does not refer to customer convenience nor to the use of facilities or adoption of practices required to comply with applicable laws, ordinances, rules or regulations, or similar requirements of public authorities.

**Cubic Foot:**

1. In cases where gas is supplied to customers at the standard delivery pressure, as specified in Rule No. 2, the volume of gas which, at the temperature and pressure existing in the meter, occupies one cubic foot.
2. In cases where gas is supplied to customers through positive displacement meters at other than standard delivery pressure, the volume of gas which, at 60°F and an absolute pressure of 14.73 pounds per square inch, occupies one cubic foot.

**Curtailment Priority:** As defined in the Nevada Administrative Code (NAC).

**Customer:** The person or entity who receives or applies to receive service from the Company, as evidenced by the signature on the application or contract for that service, or, in the absence of a signed instrument, by the receipt and payment of bills regularly issued in the name of the service.

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DEFINITIONS  
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- Daily Nomination: A Nomination submitted to the Company for one or more Gas Days. Daily Nominations must be submitted at least one calendar day prior to the effective Gas Day, subject to the provisions outlined in Schedule No. ST-1/NT-1.
- Date of Presentation: The date upon which a bill or notice is mailed (as postmarked) or delivered to the customer by the Company.
- Day: Calendar day.
- Delinquent Bill: A bill for service which is not paid prior to issuance of the next regular billing.
- Deposit: Security provided by a customer to ensure payment for service provided by the Company.
- Disabled: A person who (1) is affected by any physical or mental disability as described in NRS 615.110 or a substantial limitation to employment as defined in NRS 615.130; or (2) receives disability benefits from the Social Security Administration.
- Discontinuance of Service: Cessation of service by the Company at the request of the customer.
- Distribution Main: A gas main of the Company from which service lines are extended to customers and which normally operates at a pressure of 60 psi or less.
- Elderly: Sixty-two (62) years of age or older.
- Electric Generation Customer: A customer who is engaged solely in the generation of electric power for resale to its customers.

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- Electronic Billing: A billing option customers may elect whereby the customer receives, views, and pays his/her gas bill electronically.
- Electronic Billing Service Provider: An agent of the Company that provides electronic bill presentment payment service for the Company and serves as a common link between the Company and the customer.
- Electronic Transfer: Paperless exchange of data and/or funds.
- Especially Dangerous to Health: A condition or event likely to cause serious impairment to the health of a person who appears to be unable, without assistance, to manage his/her own resources, carry out the activities of daily living or protect himself/herself from neglect or a hazardous situation.
- Excess Flow Valve: A device designed to restrict the flow of gas in a customer's natural gas service line by automatically closing in the event of a service line break, thus mitigating the consequences of service line failures.
- FERC: Federal Energy Regulatory Commission.
- Gas Day: A period of twenty-four (24) consecutive hours, except for those days that are adjusted for Daylight Savings Time, commencing and ending at 7:00 A.M. Pacific Clock Time (PCT). Clock Time indicates that the Company will adjust its Gas Day to reflect changes for Daylight Savings Time.
- Guarantor: A customer of the Company currently receiving service under this Nevada Gas Tariff who assumes liability for the payment of the bill of another customer in an amount not to exceed the appropriate amount of the deposit for the account of the customer.

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Industrial Customer: A customer who is engaged primarily in a process which creates or changes raw or unfinished materials into another form or product.

Inter-Divisional Capacity Transfer: A mechanism by which the unused off-peak interstate capacity of one of the Company's divisions is utilized by another of the Company's divisions to procure and transport otherwise inaccessible economically priced gas. The division owning the off-peak capacity receives benefit in the form of credits to its Deferred Energy Account. The division utilizing the off-peak capacity receives benefit through reduction in its purchased gas costs.

Interruptible Gas Service: Gas service subject to interruption or curtailment.

Intra-day Nomination: A Nomination submitted after the nominating deadline for Daily and Standing Nominations specified in Schedule No. ST-1/NT-1 which has an effective time no earlier than the beginning of the next Gas Day, and which has an ending time no later than the end of that Gas Day.

Law: A rule, or rules, established and enforced by federal, state, county or municipal authorities.

Main Extension: The length of main and its related facilities required to transport gas from the existing distribution facilities of the Company to the point of connecting with the service piping.

Margin: The currently effective tariff sales rate, less the average cost of purchased gas and the surcharge(s) to amortize the balancing account(s), if any, included in the sales rate, multiplied by the units of gas used, plus the basic service charge, demand charge and transportation service charge, calculated on an annual basis.

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Master Meter Customer: A customer served by a master meter system.

Master Meter System: A pipeline system for distributing gas within, but not limited to, a definable area, such as a mobile home park, housing project, or apartment complex, where the operator purchases metered gas from an outside source for resale through an exterior or underground pipeline to more than one building. The gas distribution pipeline system supplies the ultimate consumer who either purchases the gas directly through a meter or by other means, such as by rents.

Maximum Daily Quantity (MDQ): The maximum daily quantity of gas the Company agrees to receive or deliver, in a twenty-four (24) hour period, at each receipt or Delivery point or in the aggregate as specified in the service agreement.

Mcf: 1,000 cubic feet.

Meter: A measuring device and its related facilities, if necessary, such as regulators and valves.

Mobile Home: A portable unit designed and built to be towed on its own chassis and connected to utilities. It is without a permanent foundation and is designed for year-round living.

Multi-Family Apartment: Apartment complexes where more than one permanent residential dwelling receives the benefits of natural gas service through individual meters.

Multi-Family Complex: A location at which more than one dwelling unit receives the benefits of a natural gas service through a single meter including, without limitation, apartment complexes and mobile home parks.

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DEFINITIONS  
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Normal Working Hours: Except for Company-observed holidays, the period from 8 a.m. to 5 p.m., Monday through Friday.

Ownership: The legal right of possession or proprietorship of the premise(s) where service is established.

Pacific Clock Time (PCT): Pacific Standard Time or Pacific Daylight Time, whichever is currently in effect.

Past Due Bill: A bill for service which is not paid within fifteen (15) days after issuance, or nineteen (19) days if payment is made by first-class mail.

Permanent Service: Service which, in the opinion of the Company, is of an enduring and established character. The use of gas may be continuous, intermittent or seasonal in nature.

Person: Any individual, partnership, corporation, governmental agency or other organization operating as a single entity.

Pipeline Supplier: An interstate natural gas pipeline company subject to the Federal Energy Regulatory Commission's jurisdiction under the Natural Gas Act.

Point of Delivery: The point where pipes owned, leased or under license by a customer contact the Company's pipes or outlet side at meter.

Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided by public highways, streets, alleys or railways.

Priority: Classification of gas use as determined in the Nevada Administrative Code.

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DEFINITIONS  
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- PUCN:** Public Utilities Commission of Nevada.
- Residential Dwelling:** A house, apartment, townhouse or any other permanent residential unit that is used as a permanent home.
- Rule:** A provision included herein which establishes the application of all rates, charges and standards for service when such applicability is not set forth in, and as a part of, a rate schedule.
- Satisfactory Credit:** The payment of bills for utility service for twelve (12) consecutive months, without a termination of service and with not more than three (3) delinquent payments made during that period. Any history of payment that does not meet these requirements is unsatisfactory credit.
- Service Area:** Territory in which the Company has the right to supply or make available gas service and is ready and willing to do so.
- Service Line:** All pipes, valves and fittings from the service main to and including the stop cock on the riser(s).
- Service Line Extension:** Service line as above defined when constructed for a new customer at a premise not heretofore served in accordance with the service line extension rule.
- Shrinkage:** The cost of the gas volumes lost, unaccounted for, or used as company fuel in the transportation process and represented by the differential between the cost of gas on a sales basis and the cost of gas on a purchased basis.
- Single-Family Residential:** A detached house or any other permanent residential dwelling, excluding multi-family apartments, that receives the benefits of natural gas service through an individual meter.

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- Standing Nomination:** A Daily Nomination which is effective for multiple Gas Days. Standing Nominations cannot exceed the term of the customer's Transportation Service Agreement. A Standing Nomination can be replaced by a new Daily Nomination or Intra-day Nomination; however, upon the expiration of such replacement Nomination, the Standing Nomination becomes effective again.
- Subdivision:** An area for single-family dwellings which may be identified by filed plans.
- Summer Season:** The six (6) month period beginning May 1 and ending October 31.
- Tariff:** The entire body of effective rates, charges and rules, collectively, of the Company, as set forth herein.
- Tariff Sheet:** An individual sheet of the tariff schedules.
- Temporary Service:** Service to premises, enterprises or activities which are provisional or interim in nature, or where it is known in advance that the service will be of limited duration. Service which, in the opinion of the Company, is for operations of a speculative character, or the permanency of which has not been established, is also considered temporary service.
- Termination of Service:** The intentional cessation of service by the Company to a customer which has not been requested by the customer and which occurs pursuant to the tariff of the Company.
- Therm:** A unit of heating value equivalent to 100,000 British Thermal Units (Btu).
- Third-Party:** Any person or public agency willing to receive notification of the pending termination of service of a residential customer, who assumes no liability for the payment of the customer's bill.

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DEFINITIONS  
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- Timely Payment: The payment of a bill for service prior to the date the bill is past due, unless otherwise specified.
- Transmission Main: A pipeline installed for the purpose of transmitting gas from a source of supply to distribution center, storage facility or large volume customer(s).
- Transportation Billing Quantity: A customer's monthly scheduled transportation quantity or, if transportation service is provided at separate premises under a single service agreement, the sum of a customer's metered quantities, including the effect of any adjustment for cycle billing.
- Utility: Southwest Gas Corporation.
- Weighted Average Cost of Gas: (WACOG) The unit price of gas including the actual cost of the gas and delivery charges.
- Winter Season: The six (6) month period beginning November 1 and ending April 30.

All Definitions are subject to interpretation by the Commission from time to time as the case for such interpretation may arise.

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