

Southwest Gas Corporation

Move2Zero Program Annual Report October 1, 2022 – September 31, 2023

November 2023



Overview

In July 2021, Southwest Gas filed for approval to offer the voluntary Move2Zero Program (Program) to its northern Nevada and southern Nevada sales customers and to establish a regulatory asset to track costs associated with the Program (Docket No. 21-07004), which was approved by the Commission on December 1, 2021.

Nevada residential and small commercial sales customers who are current on their bills are eligible for the Program. Eligible customers can enroll, make changes, and de-enroll from the Program by completing an online form at swgas.com/nvmove2zero or by contacting Southwest Gas.

In the Stipulation approved in Docket No. 21-07004, Southwest Gas agreed to file a Program report annually with its ARA application. The Company herewith submits its first Program report covering the October 2022 through September 2023 time period (Covered Period).

The following information is provided consistent with the requirements identified in Docket No. 21-07004

Exhibit A – Confidential Project Information

Information pertaining to the purchased carbon offsets and associated projects

Exhibit A provides the project name(s), registry number(s), purchased offset credits, and costs (confidential). The costs are commercially sensitive, and the Company deems that information to be confidential.

Exhibit B – Customer Participation

Customer Enrollment

The Company sent communications introducing the M2Z Program to its Nevada customers in December 2022 and the Company has subsequently done multiple e-mail blasts and Program-related social media posts. The Company also launched a dedicated page on its website (www.swgas.com/en/nevada-move2zero-offset-program) offering information about what a carbon offset is, how the Program works including the price per block and how their greenhouse gas (GHG) emissions from their natural gas usage are offset. The dedicated page also provides an overview of the two projects the M2Z Program is currently supporting, in addition to Frequently Asked Questions to offer further education and information about the Program. For customer convenience, a direct link to the Program sign up is also provided on this page.

Through September 2023 (August 2023 delivery period), there were 129 total Nevada customers (107 in Southern Nevada and 22 in Northern Nevada) enrolled in the Program.

Monthly customer participation by rate category and rate jurisdiction along with monthly purchased blocks by participating customers are provided in Exhibit B.

Quantity of GHG Emissions Offset

Natural gas combustion related GHG emissions offset by participating customers based on purchased blocks by participating customer at the current 10 therms per \$5.00 block (per month) conversion from purchased blocks uses the Environmental Protection Agency's greenhouse gas equivalency calculator: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator> (or 1 therm ~0.005291 mtCO₂e). Based on Nevada customer Program participation, approximately 63 mtCO₂e (natural gas combustion related) were offset during the Covered Period. That reduction equates to removing approximately 14 passenger vehicles from the road for one year.

EXHIBIT A
CONFIDENTIAL

Nevada Move2Zero Program Project Information

Purchased Carbon Offset Credits					
Registry	Project Name	Project Registry Number	Carbon Offset Credit Price (\$/mtCO2e)	Total Offset Credits Purchased	Total Carbon Offset Credit Costs per Project
American Carbon Registry (ACR)	Prairie Pothole Avoided Conversion of Grasslands and Shrublands (ACoGS)	ACR222	\$ [REDACTED]	5,000	\$ [REDACTED]
Climate Action Reserve (CAR)	South Jordan Landfill Gas Destruction Project	CAR400	\$ [REDACTED]	5,000	\$ [REDACTED]

EXHIBIT B

Nevada Move2Zero Program Participation Update

Monthly Customer Participation										
Rate Jurisdiction	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Total
NNV	1	5	4	13	12	18	15	16	22	106
SNV	7	29	43	56	64	75	73	69	107	523
Total	8	34	47	69	76	93	88	85	129	629

Monthly Purchased Blocks by Participating Customers										
Rate Jurisdiction	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Total
NNV	6	12	6	26	16	44	33	36	50	229
SNV	12	43	85	105	114	134	144	128	204	969
Total	18	55	91	131	130	178	177	164	254	1198

Monthly Customer Participation										
Rate Category	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Total
NN_NGRM		1	1	2	3	2	1	3	1	14
NN_NGRS	1	4	3	11	9	16	14	13	21	92
SN_SGRM		2	2	4	11	12	8	11	16	66
SN_SGRS	7	27	41	52	53	63	65	58	91	457
Total	8	34	47	69	76	93	88	85	129	629

Monthly Purchased Blocks by Participating Customers										
Rate Category	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Total
NN_NGRM		2	2	3	4	3	2	4	2	22
NN_NGRS	6	10	4	23	12	41	31	32	48	207
SN_SGRM		2	2	6	16	18	18	15	23	100
SN_SGRS	12	41	83	99	98	116	126	113	181	869
Total	18	55	91	131	130	178	177	164	254	1198

Natural Gas Combustion Related GHG Emissions Offset by Participating Customers										
Rate Jurisdiction	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Total
NNV	0.32	0.63	0.32	1.38	0.85	2.33	1.75	1.90	2.65	12
SNV	0.63	2.28	4.50	5.56	6.03	7.09	7.62	6.77	10.79	51
Total	1	3	5	7	7	9	9	9	13	63

Note: Conversion from purchased blocks uses the Environmental Protection Agency's greenhouse gas equivalency calculator: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator> (or 1 therm ~0.005291 mtCO2e)