What has conspired up to this point?

After working for several years with the Spring Creek Homeowners Association, the Elko County Commission, local elected officials and potential residential and commercial customers, Southwest Gas made a filing with the PUCN for approval to extend natural gas from its existing Elko system into the area of Spring Creek in June 2019. Since receiving approval for our Spring Creek expansion project from the PUCN in late December of 2019, Southwest Gas has begun work on finalizing the design of its natural gas infrastructure and obtaining needed permits and easements, as required, in anticipation of beginning construction in the summer of 2020.

Why is natural gas good for rural areas?

Natural gas provides both rural and urban customers with a safe, clean and cost-effective energy choice. For previously unserved rural areas, the establishment of natural gas service can often help both residential and commercial customers reduce their energy costs, and promotes new economic development by having an energy choice in place for new and expanding businesses.

What's the difference between natural gas and propane?

Natural gas is produced directly from wells, sometimes in conjunction with oil producing wells, and is then cleaned, compressed, and typically delivered by an underground pipeline system. Most propane is produced as part of the crude oil refining process at refineries, and delivered by rail and then tanker truck. Natural gas does have lower emissions when burned than propane, and is generally considered safer than propane due to its narrow flammability range and being lighter than air (i.e., does not "pool" but rather rises and dissipates if released into the atmosphere).

Which options is cheaper between natural gas and propane?

Prices of both natural gas and propane fluctuate but historically and throughout most of the U.S., natural gas is less expensive than propane. Natural gas delivered by a local distribution utility like Southwest Gas is regulated by the Public Utilities Commission of Nevada to ensure prudent purchasing practices. Propane prices are not regulated in the same manner and can be volatile based on regional market demand, supplies, and transportation costs for example.

How much does natural gas compared to propane?

The current Southwest Gas single-family residential service commodity rate in our Northern Nevada Division is approximately \$1.14 per therm, which would be approximately \$1.04 per gallon (equivalent to propane). Reports on local propane costs over the past 12 months in the Spring Creek area range from \$2.50 to \$3.80 per gallon. Our rates public and can be found on-line at https://www.swgas.com/en/nevada-rates-and-regulation under Statement of Rates.

What is the exact timeline to bring service to Spring Creek?

Southwest Gas is planning to begin the construction of its high pressure approach main from south Elko (near 12th Street and Lamoille Highway) into the Spring Creek area in the summer of 2020, with gas service to some initial customers (Elko Summit Estates) to be available by the end of the year. Over the next six-years, we will complete the extension of our high pressure main and extend new natural gas distribution system within the Spring Creek area to provide gas service to residential and commercial customers.

How do residents find updated information on what is going on regarding natural gas?

Currently, general information on the Spring Creek Expansion Project and natural gas information can be found at <u>https://www.swgas.com/en/springcreek</u> and residents/businesses/interested parties can email Southwest Gas directly at <u>springcreekoutreach@swgas.com</u> with any questions and comments. A dedicated phone number, along with additional more specific information, will soon be available.

How do residents hook up to natural gas with Southwest Gas?

The process will begin with a visit from a Southwest Gas Energy Solutions representative. At that time, the representative will explain the natural gas service establishment process which will include information on existing appliance conversions to natural gas; confirm the customer's appliances to be operated on natural gas; determine an agreeable natural gas meter location and delivery point to the home or business; and provide a Natural Gas Facilities Installation Contract for the customer's signature. The customer is then responsible for any existing appliance conversions to natural gas, or new appliance purchases, and any gas houseline plumbing work needed to take natural gas service at the gas meter location. Additional details on each step of the process will be provided by the Southwest Gas representative.