

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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SOUTHWEST GAS CORP

CIK: **92416** | IRS No.: **880085720** | State of Incorporation: **CA** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-07850** | Film No.: **111185403**
SIC: **4923** Natural gas transmission & distribution

| Mailing Address | Business Address |
|--|--|
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) November 7, 2011

SOUTHWEST GAS CORPORATION
(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of
incorporation or organization)

1-7850
(Commission
File Number)

88-0085720
(I.R.S. Employer
Identification No.)

5241 Spring Mountain Road
Post Office Box 98510
Las Vegas, Nevada
(Address of principal executive offices)

89193-8510
(Zip Code)

Registrant's telephone number, including area code: (702) 876-7237

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On November 7, 2011, Southwest Gas Corporation (the Company) released summary financial information to the general public, including the investment community, regarding the Company's operating performance for the quarter, nine, and twelve months ended September 30, 2011. A copy of the Company's press release and summary financial information is attached hereto as Exhibit 99.

This Form 8-K and the attached exhibit are provided under Item 2.02 of Form 8-K and are furnished to, but not filed with, the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SOUTHWEST GAS CORPORATION

Date: November 7, 2011

/s/ GREGORY J. PETERSON

Gregory J. Peterson
Vice President/Controller and
Chief Accounting Officer

EXHIBIT INDEX

| Exhibit No. | Description |
|------------------------|---|
| 99 | Press Release and summary financial information dated November 7, 2011. |

November 7, 2011

Media Contact: Cynthia Messina, Las Vegas, NV (702) 876-7132

Shareholder Contact: Ken Kenny, Las Vegas, NV (702) 876-7237

For Immediate Release

**SOUTHWEST GAS CORPORATION
REPORTS THIRD QUARTER 2011 RESULTS**

Las Vegas, Nev. – Southwest Gas Corporation (NYSE: SWX) recorded a net loss of \$0.34 per share for the third quarter of 2011, compared to a net loss of \$0.11 per share recorded for the third quarter of 2010. Consolidated net loss was \$15.6 million for the third quarter of 2011, compared to a net loss of \$4.8 million for the prior-year quarter. The current quarter includes a \$6.7 million (\$0.15 per share) expense associated with decreases in cash surrender values of company-owned life insurance (“COLI”) policies (net of recognized death benefits). The prior-year quarter includes \$7.8 million (\$0.17 per share) of income associated with increases in the cash surrender values (including net death benefits recognized) of COLI policies. Due to the seasonal nature of the business, results for quarterly periods are not generally indicative of earnings for a complete twelve-month period.

According to Jeffrey W. Shaw, Chief Executive Officer, “Although net financial results declined between quarters due to COLI, consolidated operating income (which excludes COLI) showed improvement. This occurred because of a strong contribution from NPL, our pipeline construction services subsidiary, which offset a reduction in gas operations results. Lower financing costs were also a favorable factor.” Shaw noted that, “NPL had a very strong quarter contributing \$9.9 million in earnings, a \$5.9 million increase as compared to the prior-year quarter. The factors currently driving NPL operations,

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mainly the replacement of aging infrastructure, are likely to persist for a number of years.” In conclusion, Shaw stated, “Our current Arizona general rate case continues to progress. Hearings took place in August on a settlement agreement filed with the Arizona Corporation Commission that is supported by a majority of the interested parties. We are optimistic that a decision on the rate case can be reached before the end of the year.”

For the twelve months ended September 30, 2011, consolidated net income was \$102 million, or \$2.23 per basic share, compared to \$105 million, or \$2.33 per basic share, during the twelve-month period ended September 30, 2010. The decline between periods was primarily due to higher operating costs, a decrease in other income, and lower operating margin, partially offset by an \$11.1 million increased contribution from construction services activities. Other income in the current twelve-month period includes \$2.3 million (\$0.05 per share) associated with increases in cash surrender values of COLI policies (including recognized net death benefits). The prior twelve-month period included \$7.2 million (\$0.16 per share) in income associated with net death benefits and increased COLI cash surrender values.

Natural Gas Operations Segment Results

Third Quarter

Operating margin, defined as operating revenues less the cost of gas sold, decreased \$4 million in the third quarter of 2011 compared to the third quarter of 2010, primarily

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due to an isolated out-of-period adjustment of \$3.7 million related to a regulatory deferral mechanism that overstated revenues for periods prior to the third quarter of 2011 (of which approximately \$800,000 relates to the first half of 2011 and \$2.9 million pertains to years prior to 2011). Rate relief, weather, and customer growth were not significant components of the change in margin between the third quarters of 2011 and 2010. Approximately 16,000 net new customers were added during the last twelve months.

Operating expenses for the quarter increased \$4 million, or 3%, compared to the third quarter of 2010 primarily due to general cost increases, an increase in depreciation expense resulting from additional plant in service, and higher Arizona property tax rates. Other income, which principally includes returns on COLI policies and non-utility expenses, decreased \$14.8 million between quarters. This was primarily due to a decline in income associated with COLI policies (including net death benefits recognized). Net financing costs decreased \$2 million between the comparative quarters, primarily due to cost savings from refinancing and reduced interest rates on variable-rate debt (including reductions relating to the interest tracking mechanism for certain Industrial Development Revenue Bonds).

Twelve Months to Date

Operating margin decreased \$3 million between periods. Margin increases due to rate relief totaled \$5 million (\$2 million in Nevada and \$3 million in California). Customer growth contributed \$1 million of operating margin. Differences in heating demand

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caused by weather variations between periods resulted in a decrease of \$5 million. The remaining decrease was due to the regulatory deferral mechanism adjustment in the third quarter of 2011.

Operating expenses rose \$18 million, or 3%, between periods principally due to higher general costs, increases in employee-related costs including pension expense, an increase in depreciation expense resulting from additional plant in service, and an increase in Arizona property tax rates. The increases were mitigated by cost containment efforts (including lower staffing levels).

Other income decreased \$6.8 million between periods, primarily due to a decline in COLI-related income. Net financing costs decreased \$7.1 million between periods largely due to the redemption of \$100 million of subordinated debentures in March 2010, cost savings from debt refinancing, and reduced interest rates on variable-rate debt.

Southwest Gas Corporation provides natural gas service to 1,836,000 customers in Arizona, Nevada, and California.

This press release may contain statements which constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (Reform Act). All such forward-looking statements are intended to be subject to the safe harbor protection provided by the Reform Act. A number of important factors affecting the business and financial results of the Company could cause actual results to differ materially from those stated in the forward-looking statements. These factors include, but are not limited to, the impact of weather variations on customer usage, customer growth rates, conditions in the housing market, the effects of regulation/deregulation, the timing and amount of rate relief, changes in rate design, and the impacts of stock market volatility.

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SOUTHWEST GAS CONSOLIDATED EARNINGS DIGEST

(In thousands, except per share amounts)

| <u>QUARTER ENDED SEPTEMBER 30,</u> | <u>2011</u> | <u>2010</u> |
|---|--------------|--------------|
| Consolidated Operating Revenues | \$ 352,592 | \$ 307,683 |
| Net Income (Loss) | \$ (15,641) | \$ (4,823) |
| Average Number of Common Shares Outstanding | 45,881 | 45,447 |
| Earnings (Loss) Per Share | \$ (0.34) | \$ (0.11) |
| | | |
| <u>NINE MONTHS ENDED SEPTEMBER 30,</u> | <u>2011</u> | <u>2010</u> |
| Consolidated Operating Revenues | \$ 1,369,537 | \$ 1,362,259 |
| Net Income | \$ 56,963 | \$ 58,892 |
| Average Number of Common Shares Outstanding | 45,837 | 45,354 |
| Basic Earnings Per Share | \$ 1.24 | \$ 1.30 |
| Diluted Earnings Per Share | \$ 1.23 | \$ 1.29 |

**TWELVE MONTHS ENDED SEPTEMBER
30,**

2011

2010

| | | |
|--|--------------|--------------|
| Consolidated Operating Revenues | \$ 1,837,649 | \$ 1,861,064 |
| Net Income | \$ 101,948 | \$ 105,284 |
| Average Number of Common Shares Outstanding | 45,766 | 45,262 |
| Basic Earnings Per Share | \$ 2.23 | \$ 2.33 |
| Diluted Earnings Per Share | \$ 2.21 | \$ 2.31 |

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SOUTHWEST GAS CORPORATION
SUMMARY UNAUDITED OPERATING RESULTS
(In thousands, except per share amounts)

| | THREE MONTHS ENDED SEPTEMBER 30, | | NINE MONTHS ENDED SEPTEMBER 30, | | TWELVE MONTHS ENDED SEPTEMBER 30, | |
|--|-------------------------------------|-------------------|------------------------------------|------------------|--------------------------------------|-------------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Results of Consolidated Operations | | | | | | |
| Contribution to net income (loss) - gas operations | \$ (25,566) | \$ (8,813) | \$ 42,648 | \$ 52,403 | \$ 81,627 | \$ 96,074 |
| Contribution to net income - construction services | 9,925 | 3,990 | 14,315 | 6,489 | 20,321 | 9,210 |
| Net income (loss) | <u>\$ (15,641)</u> | <u>\$ (4,823)</u> | <u>\$ 56,963</u> | <u>\$ 58,892</u> | <u>\$ 101,948</u> | <u>\$ 105,284</u> |
| Basic earnings (loss) per share | <u>\$ (0.34)</u> | <u>\$ (0.11)</u> | <u>\$ 1.24</u> | <u>\$ 1.30</u> | <u>\$ 2.23</u> | <u>\$ 2.33</u> |
| Diluted earnings (loss) per share | <u>\$ (0.34)</u> | <u>\$ (0.11)</u> | <u>\$ 1.23</u> | <u>\$ 1.29</u> | <u>\$ 2.21</u> | <u>\$ 2.31</u> |
| Average outstanding common shares | 45,881 | 45,447 | 45,837 | 45,354 | 45,766 | 45,262 |
| Average shares outstanding (assuming dilution) | - | - | 46,264 | 45,756 | 46,203 | 45,657 |

Results of Natural Gas Operations

| | | | | | | |
|--|--------------------|-------------------|------------------|------------------|------------------|------------------|
| Gas operating revenues | \$ 195,647 | \$ 213,893 | \$ 1,022,914 | \$ 1,133,671 | \$ 1,401,150 | \$ 1,561,644 |
| Net cost of gas sold | 67,165 | 81,303 | 468,026 | 581,294 | 622,907 | 779,911 |
| Operating margin | 128,482 | 132,590 | 554,888 | 552,377 | 778,243 | 781,733 |
| Operations and maintenance expense | 89,087 | 86,746 | 268,745 | 260,386 | 363,302 | 352,047 |
| Depreciation and amortization | 43,640 | 42,574 | 130,997 | 127,416 | 174,037 | 168,653 |
| Taxes other than income taxes | 10,585 | 10,006 | 30,750 | 29,388 | 40,231 | 38,826 |
| Operating income (loss) | (14,830) | (6,736) | 124,396 | 135,187 | 200,673 | 222,207 |
| Other income (deductions) | (8,093) | 6,704 | (6,804) | 997 | (3,785) | 2,998 |
| Net interest deductions | 17,116 | 19,115 | 52,097 | 56,001 | 71,209 | 74,475 |
| Net interest deductions on subordinated debentures | - | - | - | 1,912 | - | 3,845 |
| Income (loss) before income taxes | (40,039) | (19,147) | 65,495 | 78,271 | 125,679 | 146,885 |
| Income tax expense (benefit) | (14,473) | (10,334) | 22,847 | 25,868 | 44,052 | 50,811 |
| Contribution to net income (loss) - gas operations | <u>\$ (25,566)</u> | <u>\$ (8,813)</u> | <u>\$ 42,648</u> | <u>\$ 52,403</u> | <u>\$ 81,627</u> | <u>\$ 96,074</u> |

SOUTHWEST GAS CORPORATION
SELECTED STATISTICAL DATA
SEPTEMBER 30, 2011

FINANCIAL STATISTICS

| | |
|---|------|
| Market value to book value per share at quarter end | 140% |
| Twelve months to date return on equity -- total company | 8.6% |
| -- gas segment | 7.2% |
| Common stock dividend yield at quarter end | 2.9% |

GAS OPERATIONS SEGMENT

| Rate Jurisdiction | Authorized Rate Base (In thousands) | Authorized Rate of Return | Authorized Return on Common Equity |
|-----------------------------|---|---------------------------------|---|
| Arizona | \$ 1,066,108 | 8.86% | 10.00% |
| Southern Nevada | 819,717 | 7.40 | 10.15 |
| Northern Nevada | 116,584 | 8.29 | 10.15 |
| Southern California | 143,851 | 7.87 | 10.50 |
| Northern California | 52,285 | 8.99 | 10.50 |
| South Lake Tahoe | 11,815 | 8.99 | 10.50 |
| Paiute Pipeline Company (1) | 84,717 | 9.47 | 12.00 |

(1) Estimated amounts based on rate case settlement.

SYSTEM THROUGHPUT BY CUSTOMER CLASS

| (In dekatherms) | NINE MONTHS ENDED SEPTEMBER 30, | | TWELVE MONTHS ENDED SEPTEMBER 30, | |
|--------------------------------|------------------------------------|--------------------|--------------------------------------|--------------------|
| | 2011 | 2010 | 2011 | 2010 |
| Residential | 53,725,340 | 54,112,309 | 70,082,331 | 70,938,044 |
| Small commercial | 22,795,163 | 22,708,979 | 30,180,185 | 30,278,902 |
| Large commercial | 8,463,944 | 8,398,127 | 11,249,112 | 11,115,230 |
| Industrial / Other | 3,703,507 | 4,209,420 | 5,386,300 | 5,839,319 |
| Transportation | 73,355,700 | 77,978,668 | 95,236,981 | 101,060,532 |
| Total system throughput | 162,043,654 | 167,407,503 | 212,134,909 | 219,232,027 |

HEATING DEGREE DAY COMPARISON

| | | | | |
|------------------|-------|-------|-------|-------|
| Actual | 1,414 | 1,475 | 1,936 | 2,018 |
| Ten-year average | 1,363 | 1,359 | 1,879 | 1,894 |

Heating degree days for prior periods have been recalculated using the current period customer mix.