UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2011

Commission File Number 1-7850

SOUTHWEST GAS CORPORATION

(Exact name of registrant as specified in its charter)

California (State or other jurisdiction of incorporation or organization)	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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No __

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes X No __

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," "non-accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.
Large accelerated filer X Accelerated filer __ Non-accelerated filer __ Smaller reporting company __

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes __ No X

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Common Stock, $1 Par Value, 45,848,692 shares as of April 29, 2011.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(Thousands of dollars, except par value)
(Unaudited)

	MARCH 31, 2011	DECEMBER 31, 2010
ASSETS		
Utility plant:		
Gas plant	$ 4,597,189	$ 4,569,105
Less: accumulated depreciation	(1,560,134)	(1,535,429)
Acquisition adjustments, net	1,226	1,271
Construction work in progress	30,673	37,489
Net utility plant	3,068,954	3,072,436
Other property and investments	151,705	134,648
Restricted cash	37,781	37,781
Current assets:		
Cash and cash equivalents	108,375	116,096
Accounts receivable, net of allowances	169,037	147,605
Accrued utility revenue	41,500	64,400
Income taxes receivable, net	-	21,514
Deferred income taxes	10,028	8,046
Deferred purchased gas costs	-	356
Prepaids and other current assets	61,360	87,877
Total current assets	390,300	445,894
Deferred charges and other assets	293,194	293,434
Total assets	$ 3,941,934	$ 3,984,193
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Common stock, $1 par (authorized - 60,000,000 shares; issued and outstanding - 45,843,792 and 45,599,036 shares)	$ 47,474	$ 47,229
Additional paid-in capital	814,632	807,885
Accumulated other comprehensive income (loss), net	(29,867)	(30,784)
Retained earnings	399,339	343,131
Total Southwest Gas Corporation equity	1,231,578	1,167,461
Noncontrolling interest	(660)	(465)
Total equity	1,230,918	1,166,996
Long-term debt, less current maturities	1,122,694	1,124,681
Total capitalization	2,353,612	2,291,677
Current liabilities:		
Current maturities of long-term debt	-	75,080
Accounts payable	114,458	165,536
Customer deposits	88,067	86,891
Income taxes payable	15,389	-
Accrued general taxes	54,946	40,438
Accrued interest	19,541	20,162
Deferred purchased gas costs	90,836	123,344
Other current liabilities	94,453	85,510
Total current liabilities	477,690	596,961
Deferred income taxes and other credits:		
Deferred income taxes and investment tax credits	483,121	466,628
Taxes payable	2,577	1,234
Accumulated removal costs	216,000	211,000
Other deferred credits	408,934	416,693
Total deferred income taxes and other credits	1,110,632	1,095,555
Total capitalization and liabilities	$ 3,941,934	$ 3,984,193

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share amounts)

(Unaudited)

	THREE MONTHS ENDED MARCH 31,		TWELVE MONTHS ENDED MARCH 31,	
	2011	2010	2011	2010
Operating revenues:				
Gas operating revenues	$ 553,853	$ 614,509	$ 1,451,251	$ 1,594,246
Construction revenues	74,587	54,242	338,809	278,467
Total operating revenues	628,440	668,751	1,790,060	1,872,713
Operating expenses:				
Net cost of gas sold	283,806	352,255	667,726	823,075
Operations and maintenance	90,950	86,705	359,188	350,985
Depreciation and amortization	48,862	47,696	191,629	189,256
Taxes other than income taxes	9,869	9,766	38,972	36,973
Construction expenses	68,618	50,597	295,825	245,030
Total operating expenses	502,105	547,019	1,553,340	1,645,319
Operating income	126,335	121,732	236,720	227,394
Other income and (expenses):				
Net interest deductions	(17,959)	(18,175)	(75,461)	(74,855)
Net interest deductions on subordinated debentures	-	(1,912)	-	(7,710)
Other income (deductions)	(278)	(523)	4,095	7,826
Total other income and (expenses)	(18,237)	(20,610)	(71,366)	(74,739)
Income before income taxes	108,098	101,122	165,354	152,655
Income tax expense	39,744	36,662	58,007	51,058
Net income	68,354	64,460	107,347	101,597
Net income (loss) attributable to noncontrolling interest	(195)	(188)	(431)	(552)
Net income attributable to Southwest Gas Corporation	$ 68,549	$ 64,648	$ 107,778	$ 102,149
Basic earnings per share	$ 1.50	$ 1.43	$ 2.37	$ 2.27
Diluted earnings per share	$ 1.48	$ 1.42	$ 2.34	$ 2.26
Dividends declared per share	$ 0.2650	$ 0.2500	$ 1.0150	$ 0.9625
Average number of common shares outstanding	45,763	45,221	45,538	44,948
Average shares outstanding (assuming dilution)	46,178	45,595	45,966	45,287

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Thousands of dollars)
(Unaudited)

	THREE MONTHS ENDED MARCH 31,		TWELVE MONTHS ENDED MARCH 31,	
	2011	2010	2011	2010
CASH FLOW FROM OPERATING ACTIVITIES:				
Net income	$ 68,354	$ 64,460	$ 107,347	$ 101,597
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	48,862	47,696	191,629	189,256
Deferred income taxes	13,949	1,198	62,862	34,519
Changes in current assets and liabilities:				
Accounts receivable, net of allowances	(21,432)	(18,485)	7,170	(2,639)
Accrued utility revenue	22,900	28,000	2,200	800
Deferred purchased gas costs	(32,152)	3,369	(2,508)	73,629
Accounts payable	(51,078)	(38,528)	(5,870)	4,210
Accrued taxes	52,754	57,882	(20,368)	40,167
Other current assets and liabilities	29,281	25,540	16,636	(2,100)
Gains on sale	(885)	(232)	(2,200)	(2,458)
Changes in undistributed stock compensation	2,843	2,687	4,585	4,414
AFUDC and property-related changes	(124)	(278)	(791)	(1,029)
Changes in other assets and deferred charges	(6,633)	(3,567)	(15,328)	(18,570)
Changes in other liabilities and deferred credits	4,152	(7,122)	(6,200)	(1,911)
Net cash provided by operating activities	130,791	162,620	339,164	419,885
CASH FLOW FROM INVESTING ACTIVITIES:				
Construction expenditures and property additions	(51,817)	(34,152)	(233,104)	(198,692)
Change in restricted cash	-	(7)	11,995	(49,776)
Changes in customer advances	(880)	(1,264)	(446)	(1,972)
Miscellaneous inflows	1,371	957	4,489	6,467
Miscellaneous outflows	(2,500)	-	(5,300)	(2,448)
Net cash used in investing activities	(53,826)	(34,466)	(222,366)	(246,421)
CASH FLOW FROM FINANCING ACTIVITIES:				
Issuance of common stock, net	4,003	4,006	11,095	14,255
Dividends paid	(11,446)	(10,742)	(45,550)	(42,694)
Interest rate swap settlement	-	-	(11,691)	-
Issuance of long-term debt, net	125,000	-	248,960	49,834
Retirement of long-term debt	(202,243)	(328)	(205,242)	(10,636)
Redemption of subordinated debentures	-	(100,000)	-	(100,000)
Change in long-term portion of credit facility	-	(47,400)	(45,000)	(69,000)
Net cash used in financing activities	(84,686)	(154,464)	(47,428)	(158,241)
Change in cash and cash equivalents	(7,721)	(26,310)	69,370	15,223
Cash and cash equivalents at beginning of period	116,096	65,315	39,005	23,782
Cash and cash equivalents at end of period	$ 108,375	$ 39,005	$ 108,375	$ 39,005
Supplemental information:				
Interest paid, net of amounts capitalized	$ 17,715	$ 20,676	$ 84,039	$ 80,122
Income taxes paid (received)	(16,859)	(3,655)	5,996	(25,364)

The accompanying notes are an integral part of these statements.

Note 1 – Nature of Operations and Basis of Presentation

Nature of Operations. Southwest Gas Corporation and its subsidiaries (the “Company”) are composed of two segments: natural gas operations (“Southwest” or the “natural gas operations” segment) and construction services. Southwest is engaged in the business of purchasing, distributing, and transporting natural gas in portions of Arizona, Nevada, and California. The public utility rates, practices, facilities, and service territories of Southwest are subject to regulatory oversight. The timing and amount of rate relief can materially impact results of operations. Natural gas sales are seasonal, peaking during the winter months; therefore, results of operations for interim periods are not necessarily indicative of the results for a full year. Variability in weather from normal temperatures, primarily in Arizona, can materially impact results of operations. Natural gas purchases and the timing of related recoveries can materially impact liquidity. NPL Construction Co. (“NPL” or the “construction services” segment), a wholly owned subsidiary, is a full-service underground piping contractor that provides utility companies with trenching and installation, replacement, and maintenance services for energy distribution systems.

Basis of Presentation. The condensed consolidated financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) have been condensed or omitted pursuant to such rules and regulations. The preparation of the condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates. In the opinion of management, all adjustments, consisting of normal recurring items and estimates necessary for a fair presentation of the results for the interim periods, have been made. It is suggested that these condensed consolidated financial statements be read in conjunction with the consolidated financial statements and the notes thereto included in the 2010 Annual Report to Shareholders, which is incorporated by reference into the 2010 Form 10-K.

Intercompany Transactions. NPL recognizes revenues generated from contracts with Southwest (see **Note 3** below). Accounts receivable for these services are presented in the table below (thousands of dollars):

	March 31, 2011	December 31, 2010
Accounts receivable for NPL services	$ 6,956	$ 8,111

The accounts receivable balance, revenues, and associated profits are included in the condensed consolidated financial statements of the Company and were not eliminated during consolidation in accordance with accounting treatment for rate-regulated entities.

Other Income (Deductions). The following table provides the composition of significant items included in Other income (deductions) on the consolidated statements of income (thousands of dollars):

	Three Months Ended March 31		Twelve Months Ended March 31	
	2011	2010	2011	2010
Change in COLI policies	$ 2,200	$ 1,490	$ 10,480	$ 11,630
Interest income	92	21	265	148
Pipe replacement costs	(886)	(1,570)	(4,339)	(3,881)
Miscellaneous income and (expense)	(1,684)	(464)	(2,311)	(71)
Total other income (deductions)	$ (278)	$ (523)	$ 4,095	$ 7,826

Reflected in the table above is the change in cash surrender values of company-owned life insurance (“COLI”) policies (including net death benefits recognized). These life insurance policies on members of management and other key employees are used by Southwest to indemnify itself against the loss of talent, expertise, and knowledge, as well as to provide indirect funding for certain nonqualified benefit plans. Current tax regulations provide for tax-free treatment of life insurance (death benefit) proceeds. Therefore, the change in the cash surrender value components of COLI policies, as they progress toward the ultimate death benefits, is also recorded without tax consequences.

Reclassifications. A reclassification between two miscellaneous operating cash flow categories was made to the prior year's financial information to present it on a basis comparable with the current year's presentation with no impact on net cash provided by operating activities.

Note 2 – Components of Net Periodic Benefit Cost

Southwest has a noncontributory qualified retirement plan with defined benefits covering substantially all employees and a separate unfunded supplemental retirement plan ("SERP") which is limited to officers. Southwest also provides postretirement benefits other than pensions ("PBOP") to its qualified retirees for health care, dental, and life insurance benefits.

	Qualified Retirement Plan			
	Period Ended March 31,			
	Three Months		Twelve Months	
	2011	2010	2011	2010
(Thousands of dollars)				
Service cost	$ 4,431	$ 4,233	$ 17,130	$ 15,775
Interest cost	9,319	8,904	36,029	34,800
Expected return on plan assets	(10,029)	(9,135)	(37,432)	(35,551)
Amortization of prior service costs (credits)	-	-	-	(1)
Amortization of net loss	3,587	2,620	11,445	5,810
Net periodic benefit cost	$ 7,308	$ 6,622	$ 27,172	$ 20,833

	SERP			
	Period Ended March 31,			
	Three Months		Twelve Months	
	2011	2010	2011	2010
(Thousands of dollars)				
Service cost	$ 55	$ 93	$ 334	$ 239
Interest cost	441	511	1,975	2,060
Amortization of net loss	157	289	1,023	971
Net periodic benefit cost	$ 653	$ 893	$ 3,332	$ 3,270

	PBOP			
	Period Ended March 31,			
	Three Months		Twelve Months	
	2011	2010	2011	2010
(Thousands of dollars)				
Service cost	$ 215	$ 214	$ 857	$ 761
Interest cost	658	623	2,527	2,400
Expected return on plan assets	(595)	(523)	(2,165)	(1,725)
Amortization of transition obligation	216	217	866	867
Amortization of net loss	147	122	513	448
Net periodic benefit cost	$ 641	$ 653	$ 2,598	$ 2,751

Note 3 – Segment Information

The following tables list revenues from external customers, intersegment revenues, and segment net income (thousands of dollars):

	Natural Gas Operations	Construction Services	Total
Three months ended March 31, 2011			
Revenues from external customers	$ 553,853	$ 61,777	$ 615,630
Intersegment revenues	-	12,810	12,810
Total	$ 553,853	$ 74,587	$ 628,440
Segment net income	$ 68,015	$ 534	$ 68,549
Three months ended March 31, 2010			
Revenues from external customers	$ 614,509	$ 42,157	$ 656,666
Intersegment revenues	-	12,085	12,085
Total	$ 614,509	$ 54,242	$ 668,751
Segment net income (loss)	$ 65,317	$ (669)	$ 64,648
Twelve months ended March 31, 2011			
Revenues from external customers	$1,451,251	$ 276,833	$1,728,084
Intersegment revenues	-	61,976	61,976
Total	$1,451,251	$ 338,809	$1,790,060
Segment net income	$ 94,080	$ 13,698	$ 107,778
Twelve months ended March 31, 2010			
Revenues from external customers	$1,594,246	$ 226,969	$1,821,215
Intersegment revenues	-	51,498	51,498
Total	$1,594,246	$ 278,467	$1,872,713
Segment net income	$ 94,885	$ 7,264	$ 102,149

Note 4 – Derivatives and Fair Value Measurements

Derivatives. In managing its natural gas supply portfolios, Southwest has historically entered into fixed- and variable-price contracts, which qualify as derivatives. Additionally, Southwest utilizes fixed-for-floating swap contracts (“Swaps”) to supplement its fixed-price contracts. The fixed-price contracts, firm commitments to purchase a fixed amount of gas in the future at a fixed price, qualify for the normal purchases and normal sales exception that is allowed for contracts that are probable of delivery in the normal course of business and are exempt from fair value reporting. The variable-price contracts have no significant market value. The Swaps are recorded at fair value.

The fixed-price contracts and Swaps are utilized by Southwest under its volatility mitigation programs to effectively fix the price on a portion (ranging from 25% to 50%, depending on the jurisdiction) of its natural gas supply portfolios. The maturities of the Swaps highly correlate to forecasted purchases of natural gas, during time frames ranging from April 2011 through October 2012. Under such contracts, Southwest pays the counterparty at a fixed rate and receives from the counterparty a floating rate per MMBtu (“dekatherm”) of natural gas. Only the net differential is actually paid or received. The differential is calculated based on the notional amounts under the contracts, which are detailed in the table below (thousands of dekatherms):

	March 31, 2011	December 31, 2010
Swaps contracts	16,657	14,207

Southwest does not utilize derivative financial instruments for speculative purposes, nor does it have trading operations.

Gains (losses) recognized in income for derivatives not designated as hedging instruments:
(Thousands of dollars)

Instrument	Location of Gain or (Loss) Recognized in Income on Derivative	Three Months Ended March 31 2011	Three Months Ended March 31 2010	Twelve Months Ended March 31 2011	Twelve Months Ended March 31 2010
Swaps	Net cost of gas sold	$ 289	$(16,342)	$(11,059)	$(11,765)
Swaps	Net cost of gas sold	(289) *	16,342 *	11,059 *	11,765 *
Total		$ -	$ -	$ -	$ -

* Represents the impact of regulatory deferral accounting treatment under U.S. GAAP for rate-regulated entities.

In January 2010, Southwest entered into two forward starting interest rate swaps (“FSIRS”) to hedge the risk of interest rate variability during the period leading up to the planned issuance of fixed-rate debt to replace $200 million of debt that matured in February 2011 and $200 million maturing in May 2012. The counterparties to each agreement are four major banking institutions. The first FSIRS was a designated cash flow hedge and terminated in December 2010 concurrent with the related issuance of $125 million 4.45% 10-year Senior Notes. The terms of the second FSIRS are as follows:

Notional amount	$100 million
Fixed rate to be paid by Southwest	4.78%
Mandatory termination date (on or before)	March 20, 2012

Southwest previously designated the second FSIRS agreement as a cash flow hedge of forecasted future interest payments. At the inception of the hedge, the terms of the derivative were the same as a perfect hypothetical derivative; thus, there is an expectation that there will be no ineffectiveness, and that the effective portion of unrealized gains and losses on the FSIRS leading up to the forecasted debt issuance will be reported as a component of other comprehensive income. At termination, the final value will be reclassified from accumulated other comprehensive income into earnings over the term of the debt issuance, which is the same period the hedged forecasted transaction affects earnings. However, should conditions occur that indicate the existence of ineffectiveness (e.g., deterioration of counterparty creditworthiness, delay in the forecasted debt issuance, etc.), Southwest will measure ineffectiveness by comparing the change in fair value of the FSIRS with the change in fair value of a hypothetical swap (the hypothetical derivative method). Gains and losses due to ineffectiveness will be recognized immediately in earnings. At March 31, 2011, the remaining FSIRS continued to qualify as an effective hedge. There was no gain or (loss) reclassified from accumulated other comprehensive income (“AOCI”) into income (effective portion) and no gain or (loss) recognized in income (ineffective portion) for the Company's remaining derivative designated as a hedging instrument. See **Note 6 – Equity, Comprehensive Income, and Accumulated Other Comprehensive Income** for additional information on both FSIRS contracts.

Gains (losses) recognized in other comprehensive income for derivatives designated as cash flow hedging instruments:
(Thousands of dollars)

	Three Months Ended		Twelve Months Ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
Amount of gain (loss) on unrealized FSIRS recognized in other comprehensive income on derivative (effective portion)	$ 671	$ (987)	$ (5,097)	$ (987)
Amount of loss on realized FSIRS recognized in other comprehensive income on derivative	-	-	(11,691)	-
	$ 671	$ (987)	$ (16,788)	$ (987)

The following table sets forth the fair values of the Company's Swaps and FSIRS and their location in the balance sheets (thousands of dollars):

Fair values of derivatives not designated as hedging instruments:

March 31, 2011 Instrument	Balance Sheet Location	Asset Derivatives	Liability Derivatives	Net Total
Swaps	Deferred charges and other assets	$ 733	$ (4)	$ 729
Swaps	Other current liabilities	902	(8,189)	(7,287)
Total		$ 1,635	$ (8,193)	$ (6,558)

December 31, 2010 Instrument	Balance Sheet Location	Asset Derivatives	Liability Derivatives	Net Total
Swaps	Deferred charges and other assets	$ 656	$ -	$ 656
Swaps	Other current liabilities	65	(11,547)	(11,482)
Total		$ 721	$ (11,547)	$(10,826)

Fair values of derivatives designated as hedging instruments:

March 31, 2011 Instrument	Balance Sheet Location	Asset Derivatives	Liability Derivatives	Net Total
FSIRS	Other current liabilities	$ -	$ (6,084)	$ (6,084)

December 31, 2010 Instrument	Balance Sheet Location	Asset Derivatives	Liability Derivatives	Net Total
FSIRS	Other deferred credits	$ -	$ (6,755)	$ (6,755)

The estimated fair values of the natural gas derivatives were determined using future natural gas index prices (as more fully described below). The Company has master netting arrangements with each counterparty that provide for the net settlement of all contracts through a single payment. As applicable, the Company has elected to reflect the net amounts in its balance sheets.

Pursuant to regulatory deferral accounting treatment for rate-regulated entities, Southwest records the unrealized gains and losses in fair value of the Swaps as a regulatory asset and/or liability. When the Swaps settle, Southwest reverses any prior positions held and records the settled position as an increase or decrease in purchased gas under the related purchased gas adjustment ("PGA") mechanism in determining its deferred PGA balances. Neither changes in the fair value of the Swaps nor settled amounts have a direct effect on earnings or other comprehensive income.

The following table shows the amounts Southwest paid to and received from counterparties for settlements of matured Swaps.

(Thousands of dollars)	Three Months Ended March 31, 2011	Twelve Months Ended March 31, 2011
Paid to counterparties	$ 3,979	$ 17,833

No amounts were received from counterparties for settlements of matured Swaps for the three months and twelve months ended March 31, 2011.

The following table details the regulatory assets/(liabilities) offsetting the amounts in the balance sheets (thousands of dollars).

March 31, 2011

Instrument	Balance Sheet Location	Net Total
Swaps	Other deferred credits	$ (729)
Swaps	Prepaids and other current assets	7,287

December 31, 2010

Instrument	Balance Sheet Location	Net Total
Swaps	Other deferred credits	$ (656)
Swaps	Prepaids and other current assets	11,482

Fair Value Measurements. The estimated fair values of Southwest's Swaps were determined at March 31, 2011 and December 31, 2010 using NYMEX futures settlement prices for delivery of natural gas at Henry Hub adjusted by the price of NYMEX ClearPort basis Swaps, which reflect the difference between the price of natural gas at a given delivery basin and the Henry Hub pricing points. These Level 2 inputs are observable in the marketplace throughout the full term of the Swaps, but have been credit-risk adjusted with no significant impact to the overall fair value measure.

The estimated fair values of Southwest's FSIRS were determined using a discounted cash flow model that utilizes forward interest rate curves. The inputs to the model are the terms of the FSIRS. These Level 2 inputs are observable in the marketplace throughout the full term of the FSIRS, but have been credit-risk adjusted with no significant impact to the overall fair value measure.

The following table sets forth, by level within the three-level fair value hierarchy that ranks the inputs used to measure fair value by their reliability, the Company's financial assets and liabilities that were accounted for at fair value:

Level 2 - Significant other observable inputs

(Thousands of dollars)	March 31, 2011	December 31, 2010
Assets at fair value:		
Deferred charges and other assets - Swaps	$ 729	$ 656
Liabilities at fair value:		
Other current liabilities - Swaps	(7,287)	(11,482)
Other current liabilities - FSIRS	(6,084)	-
Other deferred credits - FSIRS	-	(6,755)
Net Assets (Liabilities)	$ (12,642)	$ (17,581)

No financial assets or liabilities accounted for at fair value fell within Level 1 or Level 3 of the fair value hierarchy.

Related Tax Effects of Designated Hedging Activities Allocated to Each Component of Other Comprehensive Income

	Three Months Ended March 31,					
	2011			2010		
	Before-Tax Amount	Tax (Expense) or Benefit (1)	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) or Benefit (1)	Net-of-Tax Amount
(Thousands of dollars)						
FSIRS:						
Realized/unrealized gain (loss)	$ 671	$ (255)	$ 416	$(987)	$ 375	$(612)
Amounts reclassified into net income	292	(111)	181	-	-	-
Other comprehensive (income) loss	$ 963	$ (366)	$ 597	$(987)	$ 375	$(612)

	Twelve Months Ended March 31,					
	2011			2010		
	Before-Tax Amount	Tax (Expense) or Benefit (1)	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) or Benefit (1)	Net-of-Tax Amount
(Thousands of dollars)						
FSIRS:						
Realized/unrealized gain (loss)	$(16,788)	$ 6,380	$(10,408)	$(987)	$ 375	$(612)
Amounts reclassified into net income	389	(148)	241	-	-	-
Other comprehensive (income) loss	$(16,399)	$ 6,232	$(10,167)	$(987)	$ 375	$(612)

(1) Tax amounts are calculated using a 38% rate.

Note 5 – Long-Term Debt

Carrying amounts of the Company's long-term debt and their related estimated fair values as of March 31, 2011 and December 31, 2010 are disclosed in the following table. The fair values of the revolving credit facility and the variable-rate Industrial Development Revenue Bonds ("IDRBs") approximate carrying value. Market values for the debentures, fixed-rate IDRBs, and other indebtedness were determined based on dealer quotes using trading records for March 31, 2011 and December 31, 2010, as applicable, and other secondary sources which are customarily consulted for data of this kind.

	March 31, 2011		December 31, 2010	
	Carrying Amount	Market Value	Carrying Amount	Market Value
(Thousands of dollars)				
Debentures:				
Notes, 8.375%, due 2011	$ -	$ -	$ 200,000	$201,560
Notes, 7.625%, due 2012	200,000	212,374	200,000	214,666
Notes, 4.45%, due 2020	125,000	113,301	125,000	125,325
Notes, 6.1%, due 2041	125,000	117,327	-	-
8% Series, due 2026	75,000	88,918	75,000	99,968
Medium-term notes, 7.59% series, due 2017	25,000	28,775	25,000	30,295
Medium-term notes, 7.78% series, due 2022	25,000	29,010	25,000	32,063
Medium-term notes, 7.92% series, due 2027	25,000	29,568	25,000	33,211
Medium-term notes, 6.76% series, due 2027	7,500	7,977	7,500	8,956
Unamortized discount	(2,394)		(2,534)	
	605,106		679,966	
Revolving credit facility and commercial paper, due 2012	-	-	-	-
Industrial development revenue bonds:				
Variable-rate bonds:				
Tax-exempt Series A, due 2028	50,000	50,000	50,000	50,000
2003 Series A, due 2038	50,000	50,000	50,000	50,000
2008 Series A, due 2038	50,000	50,000	50,000	50,000
2009 Series A, due 2039	50,000	50,000	50,000	50,000
Fixed-rate bonds:				
6.10% 1999 Series A, due 2038	12,410	11,757	12,410	11,968
5.95% 1999 Series C, due 2038	14,320	13,327	14,320	13,594
5.55% 1999 Series D, due 2038	8,270	7,301	8,270	7,468
5.45% 2003 Series C, due 2038 (rate resets in 2013)	30,000	31,729	30,000	31,547
5.25% 2003 Series D, due 2038	20,000	17,075	20,000	17,474
5.80% 2003 Series E, due 2038 (rate resets in 2013)	15,000	15,258	15,000	15,436
5.25% 2004 Series A, due 2034	65,000	57,247	65,000	58,574
5.00% 2004 Series B, due 2033	31,200	26,669	31,200	27,295
4.85% 2005 Series A, due 2035	100,000	82,417	100,000	84,485
4.75% 2006 Series A, due 2036	24,855	20,007	24,855	20,518
Unamortized discount	(3,467)		(3,502)	
	517,588		517,553	
Other	-	-	2,242	2,473
	1,122,694		1,199,761	
Less: current maturities	-		(75,080)	
Long-term debt, less current maturities	$1,122,694		$1,124,681	

Note 6 – Equity, Comprehensive Income, and Accumulated Other Comprehensive Income

The table below provides details of activity in equity during the three months ended March 31, 2011.

	Southwest Gas Corporation Equity						
	Common Stock		Additional	Accumulated Other		Non-	
(In thousands, except per share amounts)	Shares	Amount	Paid-in Capital	Comprehensive Income (Loss)	Retained Earnings	controlling Interest	Total
DECEMBER 31, 2010	45,599	$ 47,229	$807,885	$ (30,784)	$343,131	$ (465)	$1,166,996
Common stock issuances	245	245	6,747				6,992
Net income (loss)					68,549	(195)	68,354
Other comprehensive income (loss):							
Net actuarial gain (loss) arising during period, less amortization of unamortized benefit plan cost, net of tax				320			320
FSIRS unrealized gains, net of tax				416			416
Amounts reclassified to net income, net of tax (Note 4)				181			181
Dividends declared							
Common: $0.265 per share					(12,341)		(12,341)
MARCH 31, 2011	45,844	$ 47,474	$814,632	$ (29,867)	$399,339	$ (660)	$1,230,918

The tables below provide details of comprehensive income and year-to-date activity in AOCI. See **Note 4 – Derivatives and Fair Value Measurements** for additional information on the FSIRS, including reclassifications into net income.

Comprehensive Income

(Thousands of dollars)	Three Months Ended March 31,		Twelve Months Ended March 31,	
	2011	**2010**	**2011**	**2010**
Net income	$ 68,354	$ 64,460	$ 107,347	$ 101,597
Net actuarial gain (loss) arising during period, less amortization of unamortized benefit plan cost, net of tax	320	341	2,821	(2,690)
FSIRS realized and unrealized gains (losses), net of tax	416	(612)	(10,408)	(612)
Amounts reclassified into net income, net of tax	181	-	241	-
Comprehensive income	69,271	64,189	100,001	98,295
Comprehensive loss attributable to noncontrolling interest	(195)	(188)	(431)	(552)
Comprehensive income attributable to Southwest Gas Corporation	$ 69,466	$ 64,377	$ 100,432	$ 98,847
Tax (expense) benefit associated with net actuarial gain (loss) arising during period	$ (196)	$ (210)	$ (1,727)	$ 1,648
Tax (expense) benefit associated with FSIRS realized and unrealized gain (loss) recognized in other comprehensive income	$ (255)	$ 375	$ 6,380	$ 375
Tax (expense) benefit associated with FSIRS reclassified out of AOCI to net income	$ (111)	$ -	$ (148)	$ -

AOCI - Rollforward

(Thousands of dollars)

	Defined Benefit Plans			FSIRS			
	Before-Tax	**Tax (Expense) Benefit**	**After-Tax**	**Before-Tax**	**Tax (Expense) Benefit**	**After-Tax**	**AOCI**
Beginning Balance AOCI December 31, 2010	$(31,304)	$ 11,896	$(19,408)	$(18,349)	$ 6,973	$ (11,376)	$(30,784)
Current period change	516	(196)	320 *	963	(366)	597 **	917
Ending Balance AOCI March 31, 2011	$(30,788)	$ 11,700	$(19,088)	$(17,386)	$ 6,607	$ (10,779)	$(29,867)

* Net actuarial gain (loss), less amortization of unamortized benefit plan cost

** FSIRS unrealized gain of $416,000 recognized in other comprehensive income plus the portion of the previous FSIRS realized loss that was reclassified to net income in the current period ($181,000).

Approximately $741,000 of realized/unrealized losses (net of tax) related to the FSIRS reported in AOCI at March 31, 2011 will be reclassified into expense within the next 12 months as the related interest payments on long- term debt occur.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Southwest Gas Corporation and its subsidiaries (the "Company") consist of two business segments: natural gas operations ("Southwest" or the "natural gas operations" segment) and construction services.

Southwest is engaged in the business of purchasing, distributing, and transporting natural gas in portions of Arizona, Nevada, and California. Southwest is the largest distributor in Arizona, selling and transporting natural gas in most of central and southern Arizona, including the Phoenix and Tucson metropolitan areas. Southwest is also the largest distributor of natural gas in Nevada, serving the Las Vegas metropolitan area and northern Nevada. In addition, Southwest distributes and transports natural gas in portions of California, including the Lake Tahoe area and the high desert and mountain areas in San Bernardino County.

On a seasonally adjusted basis as of March 31, 2011, Southwest had 1,844,000 residential, commercial, industrial, and other natural gas customers, of which 996,000 customers were located in Arizona, 665,000 in Nevada, and 183,000 in California. Residential and commercial customers represented over 99% of the total customer base. During the twelve months ended March 31, 2011, 54% of operating margin was earned in Arizona, 35% in Nevada, and 11% in California. During this same period, Southwest earned 86% of its operating margin from residential and small commercial customers, 4% from other sales customers, and 10% from transportation customers. These general patterns are expected to remain materially consistent for the foreseeable future.

Southwest recognizes operating revenues from the distribution and transportation of natural gas (and related services) to customers. Operating margin is the measure of gas operating revenues less the net cost of gas sold. Management uses operating margin as a main benchmark in comparing operating results from period to period. The principal factors affecting operating margin are general rate relief, weather, conservation and efficiencies, and customer growth. Of these, weather is the primary reason for volatility in margin. Variances in temperatures from normal levels, primarily in Arizona, can have a significant impact on the margin and associated net income of the Company. A decoupled rate structure designed to mitigate the impact of weather variability as well as conservation on margin is utilized in the Nevada service territories. Weather impacts and conservation are also offset by the margin tracking mechanism in Southwest's California service territories.

NPL Construction Co. ("NPL" or the "construction services" segment), a wholly owned subsidiary, is a full-service underground piping contractor that provides utility companies with trenching and installation, replacement, and maintenance services for energy distribution systems. NPL operates in 18 major markets nationwide. Construction activity is cyclical and can be significantly impacted by changes in general and local economic conditions, including the housing market, interest rates, employment levels, job growth, the equipment resale market, pipe replacement programs of utilities, and local and federal tax rates. Generally, revenues and profits are lowest during the first quarter of the year due to less favorable winter weather conditions. Operating results typically improve as more favorable weather conditions occur during the summer and fall months.

This Management's Discussion and Analysis ("MD&A") of Financial Condition and Results of Operations should be read in conjunction with the consolidated financial statements and the notes thereto, as well as the MD&A, included in the 2010 Annual Report to Shareholders, which is incorporated by reference into the 2010 Form 10-K.

Executive Summary

The items discussed in this Executive Summary are intended to provide an overview of the results of the Company's operations. As needed, certain items are covered in greater detail in later sections of management's discussion and analysis. As reflected in the table below, the natural gas operations segment accounted for an average of 90% of twelve-month-to-date consolidated net income over the past two years. As such, management's discussion and analysis is primarily focused on that segment. Natural gas sales are seasonal, peaking during the winter months; therefore, results of operations for interim periods are not necessarily indicative of the results for a full year.

Summary Operating Results

	Period Ended March 31,			
	Three Months		Twelve Months	
	2011	2010	2011	2010
	(In thousands, except per share amounts)			
Contribution to net income				
Natural gas operations	$ 68,015	$ 65,317	$ 94,080	$ 94,885
Construction services	534	(669)	13,698	7,264
Net income	$ 68,549	$ 64,648	$107,778	$102,149
Average number of common shares outstanding	45,763	45,221	45,538	44,948
Basic earnings per share				
Consolidated	$ 1.50	$ 1.43	$ 2.37	$ 2.27
Natural Gas Operations				
Operating margin	$270,047	$262,254	$783,525	$771,171

Consolidated results for the first quarter of 2011 improved compared to the same period in 2010. The improvement primarily resulted from increased gas segment operating margin and lower financing costs, partially offset by increased operating costs.

1st Quarter 2011 Overview

Natural gas operations highlights include the following:

- Operating margin increased approximately $8 million compared to the prior-year quarter primarily due to weather ($6 million), rate relief in California ($1 million), and customer growth ($1 million)
- Net financing costs declined $2.1 million between quarters
- Quarterly dividend increased from 25 cents to 26.5 cents per share, effective with the June 2011 payment
- Standard & Poor's upgraded the Company's credit rating from BBB to BBB+ in April 2011
- Liquidity position remains strong

Construction Services highlights include the following:

- Revenues increased 38% compared to the prior-year quarter
- Contribution to consolidated net income improved $1.2 million between quarters

Weather. The rate structures in each of Southwest's three states provide varying levels of protection from risks that drive operating margin volatility, particularly weather risk and conservation efforts. Southwest's exposure to these risks on operating margin is largely limited to its Arizona operating areas as both Nevada and California operations are now under decoupled rate structures. During the first quarters of both 2010 and 2011, overall Arizona weather was relatively normal; however, some unusually cold weather in early February 2011 provided an incremental $6 million of operating margin compared to the first quarter of 2010.

Arizona Rate Proceedings. In December 2010, the Arizona Corporation Commission ("ACC") issued a Policy Statement which allows utilities to file proposals for alternative mechanisms, including revenue-per-customer decoupling, in their next general rate case to address the financial disincentives to utilities of promoting energy efficiency. In anticipation of the Policy Statement, the Company's recent Arizona rate case filing requested a rate structure to decouple recovery of the Company's fixed costs from fluctuations in usage, both higher and lower, to enable the Company to aggressively advocate increased energy efficiency by its customers by eliminating the existing financial disincentive. The Arizona rate case is progressing consistent with the procedural schedule established by the Administrative Law Judge ("ALJ"). For more information see the **Rates and Regulatory Proceedings** discussion.

Customer Growth. Southwest completed 15,000 first-time meter sets over the last twelve months. These meter sets led to 14,000 net additional active customers. Southwest continues to project net customer growth of 1% or less for 2011.

Credit Rating Upgrade. In April 2011, Standard & Poor's Ratings Services ("S&P") upgraded the Company's unsecured long-term debt ratings from BBB (with a positive outlook) to BBB+ (with a stable outlook). S&P cited the Company's improved financial results and stable financial metrics. S&P debt ratings range from AAA (highest rating possible) to D (obligation is in default). The S&P rating of BBB+ indicates the issuer of the debt is regarded as having an adequate capacity to pay interest and repay principal.

Liquidity. Southwest believes its liquidity position remains strong. Southwest has a $300 million credit facility maturing in May 2012, $150 million of which is designated for working capital needs. The facility is provided through a consortium of eight major banking institutions. The facility was not used during the first quarter of 2011 and there was no balance outstanding at March 31, 2011, leaving the entire $300 million available for long-term and working capital needs. The lack of usage was primarily due to existing cash reserves and natural gas prices that were relatively stable. The current slowdown in housing construction has also allowed Southwest to fund construction expenditures primarily with internally generated cash.

Refinancing. In February 2011, the Company repaid the matured 8.375% $200 million Notes using the entire proceeds ($125 million) of the 6.1% Senior Notes (issued in February 2011) and $75 million of the total $125 million proceeds of 4.45% Senior Notes (issued in December 2010). The Company will reflect future interest expense savings due to lower interest rates obtained on the new notes.

Results of Natural Gas Operations

Quarterly Analysis

	Three Months Ended March 31, 2011	2010
	(Thousands of dollars)	
Gas operating revenues	$ 553,853	$ 614,509
Net cost of gas sold	283,806	352,255
Operating margin	270,047	262,254
Operations and maintenance expense	90,950	86,705
Depreciation and amortization	43,881	42,696
Taxes other than income taxes	9,869	9,766
Operating income	125,347	123,087
Other income (deductions)	(236)	(531)
Net interest deductions	17,828	18,024
Net interest deductions on subordinated debentures	-	1,912
Income before income taxes	107,283	102,620
Income tax expense (benefit)	39,268	37,303
Contribution to consolidated net income	$ 68,015	$ 65,317

Contribution to consolidated net income from natural gas operations improved by $2.7 million in the first quarter of 2011 compared to the same period a year ago. The improvement was primarily due to an increase in operating margin and a decrease in financing costs, partially offset by higher operating expenses.

Operating margin increased $8 million in the first quarter of 2011 compared to the first quarter of 2010. Differences in heating demand, caused primarily by weather variations, provided $6 million of the operating margin increase. While overall temperatures in both quarters were relatively normal, some unusually cold weather occurred in Arizona in early February 2011, resulting in the incremental operating margin. Rate relief in California provided $1 million of the operating margin increase. New customers contributed an incremental $1 million in operating margin as 14,000 net new customers were added during the last twelve months.

Operations and maintenance expense increased $4.2 million, or 5%, between quarters primarily due to increases in employee-related costs and approximately $1 million of costs associated with restoring service to 19,000 Arizona customers in early February 2011, following an outage due to extreme weather conditions.

Depreciation expense increased $1.2 million, or 3%, as a result of additional plant in service. Average gas plant in service for the current period increased $150 million, or 3%, compared to the corresponding period a year ago.

Net financing costs decreased $2.1 million between periods primarily due to the redemption of $100 million of Subordinated Debentures in March 2010.

Twelve-Month Analysis

	Twelve Months Ended March 31, 2011	2010
	(Thousands of dollars)	
Gas operating revenues	$ 1,451,251	$ 1,594,246
Net cost of gas sold	667,726	823,075
Operating margin	783,525	771,171
Operations and maintenance expense	359,188	350,985
Depreciation and amortization	171,641	167,207
Taxes other than income taxes	38,972	36,973
Operating income	213,724	216,006
Other income (deductions)	4,311	7,845
Net interest deductions	74,917	73,933
Net interest deductions on subordinated debentures	-	7,710
Income before income taxes	143,118	142,208
Income tax expense	49,038	47,323
Contribution to consolidated net income	$ 94,080	$ 94,885

Contribution to consolidated net income from natural gas operations decreased by $805,000 in the current twelve-month period as compared to the corresponding period a year ago. The decrease in contribution was a result of higher operating expenses and a decline in other income, partially offset by increased operating margin and reduced financing costs.

Operating margin increased $12 million between periods. Rate relief provided $9 million of the operating margin increase, consisting of $6 million in Nevada and $3 million in California. Differences in heating demand caused primarily by weather variations between periods accounted for $1 million in incremental operating margin. Customer growth contributed $2 million in operating margin.

Operations and maintenance expense increased $8.2 million, or 2%, primarily due to higher general costs and employee-related benefit costs including pension expense. The increases were mitigated by cost containment efforts (including lower staffing levels) and a decrease in uncollectible expense, partially due to the impact of a tracking mechanism in Nevada for the gas-cost portion of uncollectible accounts.

Depreciation expense increased $4.4 million, or 3%, as a result of additional plant in service. The increase was mitigated by lower depreciation rates in the Nevada rate jurisdictions, effective June 2009. Average gas plant in service for the current period increased $138 million, or 3%, compared to the corresponding period a year ago. This was attributable to reinforcement work, franchise requirements, routine pipe replacement activities and new business.

Other income, which principally includes returns on COLI policies and non-utility expenses, declined $3.5 million between the twelve-month periods of 2011 and 2010. The current period includes $10.5 million of COLI cash surrender value increases compared to $11.6 million of cash surrender value increases in the prior-year period. COLI income in both periods was very high due to strong equity market returns on investments underlying the policies.

Net financing costs decreased $6.7 million between the twelve-month periods of 2011 and 2010 primarily due to the redemption of the Subordinated Debentures in March 2010.

Results of Construction Services

Quarter. Contribution to consolidated net income from construction services for the three months ended March 31, 2011 increased $1.2 million compared to the same period of 2010.

Revenues increased $20.3 million, a 38% improvement, when compared to the same period of 2010. Revenue from replacement construction continues to be strong. During the quarter, revenue from bid projects increased and offset revenue from new construction that remained at low levels. Construction expenses increased $18 million. Gains on sale of equipment were $885,000 and $232,000 for the first quarters of 2011 and 2010, respectively.

Twelve Months-to-Date. The contribution to consolidated net income from construction services for the twelve-month period ended March 31, 2011 increased $6.4 million compared to the same period of 2010.

Revenues increased $60.3 million due primarily to an increase in the volume of replacement work. Construction expenses increased $50.8 million between the twelve-month periods due primarily to the increase in replacement construction work, while depreciation expense declined $2.1 million due to the timing of equipment purchases. Gains on sale of equipment were $2.2 million and $2.5 million for the twelve-month periods of 2011 and 2010, respectively.

NPL's revenues and operating profits are influenced by weather, customer requirements, mix of work, local economic conditions, bidding results, the equipment resale market, and the credit market. Typically, revenues and profit are lowest during the first quarter of the year due to unfavorable winter weather conditions. Operating results typically improve as more favorable weather conditions occur during the summer and fall months.

Rates and Regulatory Proceedings

Arizona Energy Efficiency and Decoupling Proceeding. In August 2010, the ACC issued a Notice of Proposed Rulemaking on Gas Energy Efficiency, which adopted an energy efficiency requirement for Arizona's gas utilities, including Southwest, to achieve cumulative annual energy savings of 6% by December 2020. In October 2010, the Chairman of the ACC issued a draft Policy Statement, which would allow utilities to file proposals for alternative mechanisms including revenue-per-customer decoupling, in connection with a general rate case to address the financial disincentives to utilities of promoting energy efficiency. The Policy Statement was approved by the ACC in December 2010.

Arizona General Rate Case. Southwest filed a general rate application with the ACC in November 2010 requesting an increase in authorized annual operating revenues of $73.2 million, or 9.26%, to reflect increased operating costs, investments in infrastructure, and costs of capital, as well as margin attrition due to decreased average usage by customers. The application requests an overall rate of return of 9.73% on original cost rate base of $1.074 billion, an 11% return on common equity, and a capital structure utilizing 52% common equity.

The rate case filing also requested a rate structure to decouple recovery of the Company's fixed costs from fluctuations in usage, both higher and lower, and enable the Company to aggressively advocate for increased energy efficiency by its customers. The filed structure anticipated the approval of the Policy Statement discussed in the *Arizona Energy Efficiency and Decoupling Proceeding* section above. The proposed mechanism, referred to as the Energy Efficiency Enabling Provision ("EEEP"), is a revenue-per-customer decoupling mechanism designed to eliminate the link between volumetric sales and revenues that currently exists with traditional rate designs, such that the existing financial disincentive associated with the Company's pursuit of cost effective energy efficiency is eliminated. This will allow management to focus on customers and to concentrate its attention on the cost of providing service. The pursuit of increased energy efficiency by customers is supported by the requested approval of a detailed energy efficiency and renewable energy resource plan. The rate case is progressing consistent with the procedural schedule established by the ALJ. Intervenor testimony is due in June and a decision by the ACC is expected in late 2011 or early 2012.

PGA Filings

The rate schedules in all of Southwest's service territories contain provisions that permit adjustments to rates as the cost of purchased gas changes. These deferred energy provisions and purchased gas adjustment clauses are collectively referred to as "PGA" clauses. Differences between gas costs recovered from customers and amounts paid for gas by Southwest result in over- and under-collections. At March 31, 2011, over-collections in all service territories resulted in a liability of $90.8 million on the Company's balance sheet. Filings to change rates in accordance with PGA clauses are subject to audit by state regulatory commission staffs. PGA changes impact cash flows but have no direct impact on profit margin. However, gas cost deferrals and recoveries can impact comparisons between periods of individual income statement components. These include Gas operating revenues, Net cost of gas sold, Net interest deductions, and Other income (deductions).

As of March 31, 2011, December 31, 2010, and March 31, 2010, Southwest had the following outstanding PGA balances receivable/(payable) (millions of dollars):

	March 31, 2011	December 31, 2010	March 31, 2010
Arizona	$ (29.7)	$ (45.2)	$ (30.9)
Northern Nevada	(11.5)	(8.4)	(5.5)
Southern Nevada	(49.5)	(69.8)	(53.1)
California	(0.1)	0.4	(3.8)
	$ (90.8)	$ (123.0)	$ (93.3)

Capital Resources and Liquidity

Cash on hand and cash flows from operations have generally been sufficient over the past two years to provide for net investing activities (primarily construction expenditures and property additions). During the past two years, the Company has been able to use cash inflows to reduce the net amount of debt outstanding. The Company's capitalization strategy is to maintain an appropriate balance of equity and debt.

To facilitate future financings, the Company has a universal shelf registration statement providing for the issuance and sale of registered securities from time to time, which may consist of secured debt, unsecured debt, preferred stock, or common stock. The number and dollar amount of securities issued under the universal shelf registration statement, which was filed with the SEC and automatically declared effective in December 2008, will be determined at the time of the offerings, if any, and presented in the applicable prospectuses.

Cash Flows

Operating Cash Flows. Cash flows provided by consolidated operating activities decreased $31.8 million in the first quarter of 2011 as compared to the same period in 2010. The primary drivers of the change were temporary fluctuations in working capital components partially offset by an increase in net income between periods.

Investing Cash Flows. Net cash used in consolidated investing activities increased $19.4 million in the first quarter of 2011 as compared to the same period in 2010. The increase was primarily due to additional construction expenditures, including routine and accelerated pipe replacement (to take advantage of bonus depreciation tax incentives), and equipment purchases by NPL due to increased replacement construction work of its customers.

Financing Cash Flows. Net cash used in consolidated financing activities decreased $69.8 million during the first quarter of 2011 as compared to the same period in 2010 primarily due to the issuance of new debt ($125 million 6.1% Senior Notes), partially offset by debt repayments including the $200 million 8.375% Notes repaid in February 2011. Dividends paid increased in the first quarter of 2011 as compared to 2010 as a result of a quarterly dividend increase and an increase in the number of shares outstanding.

The capital requirements and resources of the Company generally are determined independently for the natural gas operations and construction services segments. Each business activity is generally responsible for securing its own financing sources. The capital requirements and resources of the construction services segment are not material to the overall capital requirements and resources of the Company.

Gas Segment Construction Expenditures, Debt Maturities, and Financing

During the twelve-month period ended March 31, 2011, construction expenditures for the natural gas operations segment were $191 million. The majority of these expenditures represented costs associated with routine and accelerated replacement of existing transmission, distribution, and general plant (see also *Bonus Depreciation* below). Cash flows from operating activities of Southwest were $307 million which provided sufficient funding for construction expenditures and dividend requirements of the natural gas operations segment.

Southwest estimates natural gas segment construction expenditures during the three-year period ending December 31, 2013 will be approximately $680 million (including $110 million of accelerated expenditures). During the three-year period, cash flows from operating activities of Southwest (including bonus depreciation benefits) are expected to provide approximately 80% of the gas operations total construction expenditures and dividend requirements. During the three-year period, the Company expects to raise approximately $15 million from its various common stock programs. Any cash requirements not met by operating activities are expected to be provided by cash on hand, existing credit facilities and/or other external financing sources. The timing, types, and amounts of these additional external financings will be dependent on a number of factors, including conditions in the capital markets, timing and amounts of rate relief, growth levels in Southwest's service areas, and earnings. These external financings may include the issuance of both debt and equity securities, bank and other short-term borrowings, and other forms of financing.

In December 2010, the Company issued $125 million in 4.45% Senior Notes, due December 2020 at a discount of 0.182%. A portion of the net proceeds was used to pay down borrowings under the credit facility. In February 2011, the Company used approximately $75 million of the remaining net proceeds in connection with its repayment of the 8.375% $200 million Notes that matured in February 2011. The remaining proceeds were used for general corporate purposes.

In February 2011, the Company issued $125 million of 6.1% Senior Notes to certain institutional investors pursuant to a November 2010 note purchase agreement. The Senior Notes are unsecured and unsubordinated obligations of the Company, due in February 2041. Funds from the issuance were used to partially repay the 8.375% $200 million Notes that matured in February 2011.

Southwest also has $200 million of long-term debt maturing in May 2012 and plans to fund that obligation by issuing $200 million of debentures by the maturity date. In connection with the planned 2012 debt issuance, the Company, in January 2010, entered into a forward-starting interest rate swap ("FSIRS") agreement to partially hedge the risk of interest rate variability during the period leading up to the planned issuance. See **Note 4 – Derivatives and Fair Value Measurements** for more information on the FSIRS.

During the quarter ended March 31, 2011, the Company issued shares of common stock through the Stock Incentive Plan, raising approximately $4 million.

Bonus Depreciation. As a result of two tax acts signed into law in 2010, bonus tax depreciation of 100% is available for qualified property acquired or constructed and placed in service from September 9, 2010 through December 31, 2011 and 50% bonus tax depreciation is available for qualified property acquired or constructed and placed in service from January 1, 2012 through December 31, 2012. Based on forecasted qualifying construction expenditures, Southwest estimates the bonus depreciation provisions of the two acts will defer the payment of approximately $55 million and $25 million of federal income taxes during 2011 and 2012, respectively.

Dividend Policy

The Company has a common stock dividend policy which states that common stock dividends will be paid at a prudent level that is within the normal dividend payout range for its respective businesses, and that the dividend will be established at a level considered sustainable in order to minimize business risk and maintain a strong capital structure throughout all economic cycles. In February 2011, the Board of Directors increased the quarterly dividend payout from 25 cents to 26.5 cents per share, effective with the June 2011 payment.

Liquidity

Liquidity refers to the ability of an enterprise to generate sufficient amounts of cash through its operating activities and external financing to meet its cash requirements. Several general factors (some of which are out of the control of the Company) that could significantly affect liquidity in future years include: variability of natural gas prices, changes in the ratemaking policies of regulatory commissions, regulatory lag, customer growth in the natural gas segment's service territories, Southwest's ability to access and obtain capital from external sources, interest rates, changes in income tax laws, pension funding requirements, inflation, and the level of Company earnings. Natural gas prices and related gas cost recovery rates have historically had the most significant impact on Company liquidity.

On an interim basis, Southwest generally defers over- or under-collections of gas costs to PGA balancing accounts. In addition, Southwest uses this mechanism to either refund amounts over-collected or recoup amounts under-collected as compared to the price paid for natural gas during the period since the last PGA rate change went into effect. At March 31, 2011, the combined balance in the PGA accounts totaled an over-collection of $90.8 million. See **PGA Filings** for more information on recent regulatory filings.

The Company has a $300 million credit facility that expires in May 2012. Southwest has designated $150 million of the $300 million facility as long-term debt and the remaining $150 million for working capital purposes. At March 31, 2011, no borrowings were outstanding on either the long-term or short-term portion of the credit facility and the Company had $108 million of cash on hand. Neither the short-term nor long-term portion of the facility was used during the first quarter of 2011. The credit facility can be used as necessary to meet liquidity requirements, including temporarily financing under-collected PGA balances, if any, or meeting the refund needs of over-collected balances. This credit facility has been, and is expected to continue to be, adequate for Southwest's working capital needs outside of funds raised through operations and other types of external financing. Management believes the Company currently has a solid liquidity position.

The following table sets forth the ratios of earnings to fixed charges for the Company. Due to the seasonal nature of the Company's business, these ratios are computed on a twelve-month basis:

	For the Twelve Months Ended	
	March 31, 2011	December 31, 2010
Ratio of earnings to fixed charges	3.00	2.87

Earnings are defined as the sum of pretax income plus fixed charges. Fixed charges consist of all interest expense including capitalized interest, one-third of rent expense (which approximates the interest component of such expense), and net amortized debt costs.

Company-Owned Life Insurance ("COLI"). Southwest has life insurance policies on members of management and other key employees to indemnify itself against the loss of talent, expertise, and knowledge, as well as to provide indirect funding for certain nonqualified benefit plans. The COLI policies have a combined net death benefit value of approximately $217 million at March 31, 2011. The net cash surrender value of these policies (which is the cash amount the Company would receive if it voluntarily terminated the policies) is approximately $74 million at March 31, 2011 and is included in the caption "Other property and investments" on the balance sheet.

Forward-Looking Statements

This quarterly report contains statements which constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 ("Reform Act"). All statements other than statements of historical fact included or incorporated by reference in this quarterly report are forward-looking statements, including, without limitation, statements regarding the Company's plans, objectives, goals, projections, strategies, future events or performance, and underlying assumptions. The words "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "continue," "forecast," and similar words and expressions are generally used and intended to identify forward-looking statements. For example, statements regarding operating margin patterns, customer growth, the composition of our customer base, price volatility, seasonal patterns, the

Company's COLI strategy, timing of improvements in the housing market, amount and timing for completion of estimated future construction expenditures, forecasted operating cash flows and results of operations, funding sources of cash requirements, sufficiency of working capital, bank lending practices, the Company's views regarding its liquidity position, ability to raise funds and receive external financing, the amount and form of any such financing, future financing cost savings, plans to fund maturing obligations, the effectiveness of the forward-starting interest rate swap agreement in hedging against changing interest rates, liquidity, certain benefits of tax acts, statements regarding future gas prices, gas purchase contracts and derivative financial interests, the impact of certain legal proceedings, and the timing and results of future rate hearings and approvals are forward-looking statements. All 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 ability to recover costs through PGA mechanisms, the effects of regulation/deregulation, the timing and amount of rate relief, changes in rate design, changes in gas procurement practices, changes in capital requirements and funding, the impact of conditions in the capital markets on financing costs, changes in construction expenditures and financing, renewal of franchises, easements and rights-of-way, changes in operations and maintenance expenses, effects of pension expense forecasts, accounting changes, future liability claims, changes in pipeline capacity for the transportation of gas and related costs, acquisitions and management's plans related thereto, competition, and the ability to raise capital in external financings. In addition, the Company can provide no assurance that its discussions regarding certain trends relating to its financing and operations and maintenance expenses will continue in future periods. For additional information on the risks associated with the Company's business, see **Item 1A. Risk Factors** and **Item 7A. Quantitative and Qualitative Disclosures About Market Risk** in the Company's Annual Report on Form 10-K for the year ended December 31, 2010.

All forward-looking statements in this quarterly report are made as of the date hereof, based on information available to the Company as of the date hereof, and the Company assumes no obligation to update or revise any of its forward-looking statements even if experience or future changes show that the indicated results or events will not be realized. **We caution you not to unduly rely on any forward-looking statement(s).**

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See **Item 7A. Quantitative and Qualitative Disclosures about Market Risk** in the Company's 2010 Annual Report on Form 10-K filed with the SEC. No material changes have occurred related to the Company's disclosures about market risk.

ITEM 4. CONTROLS AND PROCEDURES

The Company has established disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and benefits of controls must be considered relative to their costs. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or management override of the control. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected.

Based on the most recent evaluation, as of March 31, 2011, management of the Company, including the Chief Executive Officer and Chief Financial Officer, believe the Company's disclosure controls and procedures are effective at attaining the level of reasonable assurance noted above.

There have been no changes in the Company's internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the first quarter of 2011 that have materially affected, or are likely to materially affect, the Company's internal controls over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is named as a defendant in various legal proceedings. The ultimate dispositions of these proceedings are not presently determinable; however, it is the opinion of management that none of this litigation individually or in the aggregate will have a material adverse impact on the Company's financial position or results of operations.

ITEMS 1A. through 3. None.

ITEM 4. REMOVED AND RESERVED

ITEM 5. None.

ITEM 6. EXHIBITS

The following documents are filed, or furnished, as applicable, as part of this report on Form 10-Q:

Exhibit 10.01	Form of Change in Control Agreement with Company Officers
Exhibit 10.02	Form of General Release – Exhibit A to Form of Change in Control Agreement with Company Officers
Exhibit 12.01 -	Computation of Ratios of Earnings to Fixed Charges.
Exhibit 31.01 -	Section 302 Certifications.
Exhibit 32.01 -	Section 906 Certifications.
Exhibit 101	The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2011, formatted in Extensible Business Reporting Language ("XBRL"): (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Income, (iii) the Condensed Consolidated Statements of Cash Flows, and (iv) the Notes to the Condensed Consolidated Financial Statements, tagged as blocks of text.

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 thereunto duly authorized.

Southwest Gas Corporation
(Registrant)

Date: May 9, 2011

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

Exhibit 10.01

CHANGE IN CONTROL AGREEMENT

THIS CHANGE IN CONTROL AGREEMENT (this "Agreement") entered into and effective as of the [•] day of [•] between SOUTHWEST GAS CORPORATION, a California corporation (together with its successors, the "Company"), and [•] (the "Executive").

WHEREAS, the Board of Directors of the Company (the "Board") recognizes that the continuing possibility of a change in control of the Company is unsettling to the Executive and other officers of the Company;

WHEREAS, the Board wishes to assure a continuing dedication by the Executive to his duties to the Company, notwithstanding the occurrence or potential occurrence of a change in control of the Company;

WHEREAS, the Board believes it is important, should the Company receive proposals from third parties with respect to its future, to enable the Executive, without being influenced by the uncertainties of his own situation, to assess and advise the Board whether such proposals would be in the best interests of the Company and its shareholders and to take such other action regarding such proposals as the Board might determine to be appropriate; and

WHEREAS, the Board wishes to demonstrate to officers of the Company that the Company is concerned with the welfare of its officers and intends to see that loyal officers are treated fairly.

NOW, THEREFORE, the Company and the Executive agree as follows:

1. TERM

The term of this Agreement shall commence on the date first set forth above and shall end on the third (3rd) anniversary thereof. Notwithstanding the foregoing, this Agreement shall not terminate during the Protection Period or the Severance Period, in each case as defined below.

2. DEFINITIONS

As used in this Agreement:

(a) "Cause" means (i) a material act of theft, misappropriation, or conversion of corporate funds committed by the Executive or (ii) the Executive's demonstrably willful, deliberate and continued failure to follow reasonable directives of the Board or the Chief Executive Officer of the Company which are within the Executive's ability to perform. The Executive shall not be deemed to have been terminated for Cause unless and until: (x) there shall have been delivered to the Executive a copy of a resolution duly adopted by the Board in good faith at a meeting of the Board called and held for such purpose (after reasonable notice to the Executive and an opportunity for the Executive, together with his counsel, to be heard before the Board) finding that the Executive was guilty of conduct set forth above and specifying the particulars thereof in reasonable detail; and (y) if the Executive contests such finding (or a conclusion that he has failed to timely cure the performance in response thereto), the arbitrator, by final determination in an arbitration proceeding pursuant to Section 5 hereof, has concluded that the Executive's conduct met the standard for termination for Cause above and that the Board's conduct met the standards of good faith and satisfied the procedural and substantive conditions of this Section 2(a) (collectively, the "Necessary Findings"). The Executive's costs of the arbitration shall be advanced by the Company and shall be repaid to the Company if the arbitrator makes the Necessary Findings.

If within sixty (60) days after receipt by the Executive of the resolution referred to in the preceding paragraph, the Executive notifies the Company that a dispute exists concerning the termination, the termination date of the Executive shall be the date as finally determined by mutual written agreement of the parties or by a final and binding arbitration award. During the period until the dispute is finally resolved, the Company will, in accordance with its regular payroll procedures, continue to pay the Executive his full compensation in effect when the notice giving rise to the dispute was given (including, but not limited to, base salary) and continue the Executive as a participant in all compensation, employee benefit, health and welfare and insurance plans, programs, arrangements and perquisites in which the Executive was participating or to which he was entitled when the notice giving rise to the dispute was given, until the dispute is finally resolved. Amounts paid under this Section 2(a) shall be repaid to the Company or be offset against or reduce any other amounts due the Executive under this Agreement, if appropriate, only upon the final resolution of the dispute. Notwithstanding the foregoing, if the Executive is a "specified employee" within the meaning of Section 409A of the Code and the related Treasury Regulations and guidance thereunder ("Section 409A") on the date of termination of the Executive's employment with the Company, during the six- (6-) month period following the Executive's termination of employment with the Company, payments to the Executive under this Section 2(a) (other than reimbursements and in-kind amounts described in Treasury Regulation Section 1.409A-1(b)(9)(v), or any successor provision thereto) that constitute "non-qualified deferred compensation" under Section 409A shall be delayed and paid to the Executive on the first regularly scheduled Company executive pay date that occurs in the seventh (7th) calendar month following the calendar month in which the Executive's termination of employment occurs; thereafter, any additional payments owed to the Executive under this Section 2(a) shall be paid to the Executive ratably on the following regularly scheduled Company executive pay dates.

(b) "Change in Control" means any of the following:

(i) Approval by the shareholders of the Company of the dissolution or liquidation of the Company;

(ii) Consummation of a merger or consolidation, or other reorganization, with or into one (1) or more entities that are not Subsidiaries, as a result of which less than 50% of the outstanding voting securities of the surviving or resulting entity immediately after such reorganization are, or shall be, owned, directly or indirectly, by shareholders of the Company immediately before such reorganization (assuming for purposes of such determination that there is no change in the record ownership of the Company's securities from the record date for such approval until such reorganization and that such record owners hold no securities of the other parties to such reorganization, but including in such determination any securities of the other parties to such reorganization held by affiliates of the Company);

(iii) Consummation of the sale of substantially all of the Company's business and/or assets to a person or entity which is not a Subsidiary;

(iv) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), but excluding any person described in and satisfying the conditions of Rule 13d-1(b)(1) thereunder), becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 20% of the combined voting power of the Company's then outstanding securities entitled to then vote generally in the election of directors of the Company; or

(v) During any period not longer than two (2) consecutive years, individuals who at the beginning of such period constituted the Board cease to constitute at least a majority thereof, unless the election, or the nomination for election by the Company's shareholders, of each new Board member was approved by a vote of at least three-fourths (3/4) of the Board members then still in office who were Board members at the beginning of such period (including for these purposes, new members whose election was so approved).

(c) "COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended.

(d) "Code" means the Internal Revenue Code of 1986, as amended.

(e) "Disability" means that because of physical or mental illness or disability, the Executive shall have been continuously unable to perform the essential functions of his job with or without reasonable accommodation for a consecutive period of at least six (6) months.

(f) "Good Reason" means, following a Change in Control:

(i) without the Executive's express written consent, the assignment to him of any duties materially inconsistent with his positions, duties, authority, responsibilities or status with the Company immediately prior to such Change in Control;

(ii) a material demotion or a material change in the Executive's titles or offices as in effect immediately prior to such Change in Control;

(iii) any removal of the Executive from or any failure to re-elect him to any of such positions; except in connection with the termination of the Executive's employment for Cause, Disability or retirement or as a result of his death or by him other than for Good Reason;

(iv) without the Executive's express written consent, a material reduction by the Company in the Executive's base salary as in effect on the date of such Change in Control or, if greater, such greater base salary as may be in effect from time to time subsequent to such Change in Control, provided, in each case, that a reduction by the Company in the Executive's base salary of ten (10) percent or more shall be sufficient but not necessary to constitute a material reduction by the Company in the Executive's base salary;

(v) the failure by the Company to continue at levels materially not less than those in existence immediately prior to such Change in Control the Executive's participation in any thrift, incentive or compensation plan, or any pension plan, in which the Executive participated immediately prior to such Change in Control, provided that the Company may provide for participation in substantially similar plans that provide benefits at levels materially not less than those in existence immediately prior to such Change in Control;

(vi) the failure by the Company to provide for the Executive's participation in any welfare, life insurance, health and accident or disability plan on the same basis as those provided to executives of the Company who are similarly situated to the Executive;

(vii) the taking of any action by the Company which would materially adversely affect the Executive's participation in or materially reduce his benefits under any single such plan or all such plans, when taken together, or deprive him of any material fringe benefit enjoyed by him at the time of such Change in Control (except for the acceleration of the termination dates of stock options, restricted stock units, performance shares and other awards and rights, if applicable, as contemplated by this Agreement), provided that the taking of any action by the Company that reduces the economic value attributable to such participation, benefits or fringe benefit by ten (10) percent or more shall be sufficient but not necessary to constitute a materially adverse effect, material reduction or deprivation, as applicable;

(viii) the assignment to the Executive without his consent to a new work location which would require an increase in the round-trip commute to work from the Executive's residence immediately prior to such Change in Control of more than 40 miles per day; or

(ix) any material breach of any material provision of this Agreement.

Notwithstanding the foregoing, the Executive shall not be entitled to terminate his employment with the Company for Good Reason unless the following process is followed with respect to such termination. Within ninety (90) days following the initial occurrence of an event that purportedly constitutes Good Reason, the Executive shall give the Company written notice of the occurrence of such event, setting forth the exact nature of such event and the conduct required to cure such event. The Company shall have thirty (30) days from the receipt of such notice within which to cure such event (such period, the "Cure Period"). If, during the Cure Period, such event is cured, then the Executive shall not be permitted to terminate his employment with the Company for Good Reason as a result of such event. If, at the end of the Cure Period, such event is not cured, the Executive shall be entitled to terminate his employment with the Company for Good Reason as a result of such event during the sixty (60) day period following the end of the Cure Period. If the Executive does not terminate his employment with the Company for Good Reason during such sixty (60) day period, the Executive shall not be permitted to terminate his employment with the Company for Good Reason as a result of such event.

(g) "Subsidiary" means any corporation, partnership, joint venture or other entity in which the Company has a 50% or greater equity interest.

3. LIMITED RIGHT TO A SEVERANCE BENEFIT

The Executive shall be entitled to the severance benefits provided in this Section 3 if, within twenty-four (24) months after a Change in Control (the "Protection Period"): (i) the Executive terminates his employment with the Company for Good Reason or (ii) the Executive's employment is terminated by the Company for any reason other than (x) the Executive's death, (y) the Executive's Disability or (z) Cause, in each case, for clauses (i) and (ii) immediately preceding, provided that the Executive executes and delivers to the Company within 45 days of the date of such termination, and lets become effective and irrevocable, a Release in the form attached hereto as Attachment A ("Release"):

(a) Any restricted stock awards, restricted stock units, stock options, stock appreciation rights or performance shares to purchase or relating to the common stock of the Company held by the Executive on the date of such termination, which are not then currently vested or exercisable, shall on such date automatically become vested or exercisable and shall remain exercisable for 90 days thereafter (subject to any fixed term of such award, unit, option, right or share set forth in the document evidencing such award, unit, option, right or share).

(b) A lump-sum severance payment equal to the sum of:

(i) [30 (President and SVP)] **OR** [24 (VP)] months of the Executive's yearly base salary in effect as of the date of such termination or, if greater, as of the date of such Change in Control, and

(ii) an amount equal to any incentive compensation that would be payable to the Executive under any short or long-term incentive compensation plan of the Company (including the Company's Management Incentive Plan or any successor plan thereto and the Company's Restricted Stock Unit Plan or any successor plan thereto), calculated at the designated award opportunity for the Executive at the date of termination or, if greater, as of the date of such Change in Control, and at 100% of the target performance measures, with any such amounts otherwise payable in securities of the Company to be payable in cash, for the period during the applicable plan year preceding the date of such termination and for the severance period of [30 (President and SVP)] **OR** [24 (VP)] months following the date of such termination (such post-termination period, the "Severance Period"), and

(iii) an amount equal to the full cost of health and dental coverage for the Executive (and his eligible dependents) for the Severance Period, which amount shall be calculated based on the full cost of continued health and dental coverage for the Executive (and his eligible dependents) under COBRA as of the date of termination or, if greater, as of the date of such Change in Control, and

(iv) an amount equal to the full cost of replacement disability and life insurance coverage for the Executive (other than travel/accident) for the Severance Period, which cost shall be calculated as of the date of termination or, if greater, as of the date of such Change in Control.

Subject to the limits in Section 3(e) below, payment of the foregoing lump-sum severance payment shall be made in accordance with the Company's regular payroll procedures and be made to the Executive on the first regularly scheduled Company executive pay date that occurs sixty (60) days after the termination of the Executive's employment, provided that the Release has become effective and irrevocable.

(c) The Company shall pay the Executive any benefits under the Company's benefit plans, including the Company's Executive Deferred Compensation Plan and the Company's Supplemental Executive Retirement Plan (the "SERP"), which are fully vested on the date of such termination, in accordance with their terms, including with respect to applicable payment schedules and any applicable elections; provided, however, that, if the Executive shall have reached the age of fifty (50) by the date of such termination, the Executive shall receive additional benefits under the SERP such that the Executive shall be permitted to add to the formula for purposes of eligibility for benefits, vesting and calculation of benefits, [6 (President and SVP)] **OR** [5 (VP)] points which, at the election of the Executive, may be applied either to an age assumption or continuous length of service assumption or a combination thereof.

(d) The Executive shall be entitled to reimbursement of reasonable expenses actually incurred by the Executive directly related to outplacement services, which reimbursement shall not exceed Thirty Thousand Dollars ($30,000). Such reimbursement shall only be made for outplacement services directly related to such termination. Such expenses must be incurred not later than the end of the second calendar year following the calendar year of such termination. Such expense must be submitted by the Executive to the Company as promptly as practicable, and in no event later than required by the Company in order for the Company to make such reimbursement no later the last day of the third calendar year following the calendar year in which such termination occurs. In no event shall the Company make any such reimbursement later than the last day of the third calendar year following the calendar year in which such termination occurs.

(e) Notwithstanding anything to the contrary in this Section 3, if the Executive is a “specified employee” within the meaning of Section 409A, during the six- (6-) month period following the Executive’s termination of employment with the Company, payments to the Executive under this Section 3 (other than reimbursements and in-kind amounts described in Treasury Regulation Section 1.409A-1(b)(9)(v) or any successor provision thereto) that constitute “non-qualified deferred compensation” under Section 409A shall be delayed and paid to the Executive on the first regularly scheduled Company executive pay date that occurs in the seventh (7th) calendar month following the calendar month in which the Executive’s termination of employment occurs; thereafter, any additional payments owed to the Executive under this Section 3 shall be paid to the Executive in the manner otherwise specified in this Section 3. With respect to any payment delayed pursuant to this Section 3(e), the Company shall pay the Executive, on the day on which such delayed payment is made to the Executive, interest on such delayed payment for the period of such delay at the applicable federal rate provided for in Section 1274(d) of the Code for the month in which such delayed payment otherwise would have been made.

(f) For purposes of this Agreement, the Executive will be deemed to not have terminated employment with the Company unless the Executive has incurred a Separation from Service. “Separation from Service” means the termination of the Executive’s employment by the Company if the Executive dies, retires or otherwise has a termination of employment with the Company; provided that the Executive’s employment relationship is treated as continuing intact while on military leave, sick leave or other bona fide leave of absence if the period of such leave does not exceed six (6) months or longer, if the Executive’s right to reemployment is provided either by statute or by contract. A leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Executive will return to perform services for the Company. If the period of leave exceeds six (6) months and the Executive does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six- (6-) month period. Notwithstanding the foregoing, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six (6) months, where such impairment causes the employee to be unable to perform the duties of his or her position of employment, or any substantially similar position of employment, a twenty-nine (29-) month period of absence may be substituted for such six- (6-) month period. For purposes of this paragraph, the term "Company" includes all other organizations that together with the Company are part of a control group of organizations under Section 414(b) and Section 414(c) of the Code. Whether an Executive has incurred a Separation from Service shall be determined based in accordance with Section 409A. Additionally, if the Executive ceases to work as an Executive, but is retained to provide services as an independent contractor of the Company, the determination of whether the Executive has incurred a Separation from Service shall be determined based in accordance with Section 409A.

4. CERTAIN REDUCTION OF PAYMENTS BY THE COMPANY

In the event that it is determined that any payment or distribution by the Company to the Executive or for the Executive's benefit, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or pursuant to or by reason of any other agreement, policy, plan, program or arrangement, including without limitation any stock option or restricted stock or similar right, or the lapse or termination of any restriction on or the vesting or exercisability of any of the foregoing (a "Payment"), would be subject to the excise tax imposed by Section 4999 of the Code (or any successor provision thereto), by reason of being considered "contingent on a change in the ownership or effective control" of the Company, within the meaning of Section 280G of the Code (or any successor provision thereto) or to any similar tax imposed by state or local law, or any interest or penalties with respect to such tax (such tax or taxes, together with any such interest and penalties, being hereafter collectively referred to as the "Excise Tax"), then the Payment shall be reduced by the Company in a manner determined by the Company to be $1.00 less than three (3) times the Executive's base amount (as defined in Section 280G of the Code) so that no portion of the Payment shall be subject to the Excise Tax, provided that the Company shall make such reduction only if such reduction would effect, on an after-tax basis, a Payment that is greater than the Payment that would be made if no such reduction were effected. The Executive shall be permitted to provide the Company with written notice specifying which of the Payments will be subject to reduction or elimination; provided, however, that to the extent that the Executive's ability to exercise such authority would cause any Payment to become subject to any taxes or penalties pursuant to Section 409A, or if the Executive does not provide the Company with any such written notice, the Company shall reduce or eliminate the Payments by first reducing or eliminating the portion of the Payments that are payable in cash and then by reducing or eliminating the non-cash portion of the Payments, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time. Except as set forth in the preceding sentence, any notice given by the Executive pursuant to the preceding sentence shall take precedence over the provisions of any other plan, arrangement or agreement governing the Executive's rights and entitlements to any benefits or compensation.

5. ARBITRATION AND LITIGATION

Any dispute, controversy or claim arising out of or in respect to this Agreement (or its validity, interpretation or enforcement) or the subject matter hereof must be submitted to and settled by arbitration conducted before a single arbitrator or, at the election of the Company or the Executive, a panel of arbitrators (chosen from a list of arbitrators provided by the American Arbitration Association with each party hereto taking alternate strikes and the remaining arbitrator or arbitrators, as applicable, hearing the dispute).

By agreeing to arbitrate all disputes related to this Agreement, the Company and the Executive acknowledge, among other things, that they are waiving the right to have the dispute heard by a court of law or equity and the right to a jury trial.

The arbitration will be conducted in Clark County, Nevada, in accordance with the then current rules of the American Arbitration Association or its successor. The arbitration of such issues, including the determination of any amount of damages suffered, will be final and binding upon the parties to the maximum extent permitted by law. The decision of the arbitrator or the panel, as applicable, shall be in writing and signed by the arbitrator. A copy of the arbitrator's or the panel's decision, as applicable, will be provided to each party. The arbitrator or panel, as applicable, in such action will not be authorized to change or modify any provision of this Agreement. Judgment upon the award rendered by the arbitrator or the panel, as applicable, may be entered by any court having jurisdiction thereof. The parties consent to the jurisdiction of the Supreme Court of the State of Nevada and of the U.S. District Court for the District of Nevada for all purposes in connection with arbitration, including the entry of judgment of any award.

The Company shall advance the arbitrator's or the panel's fees, as applicable, subject to the provisions of Section 2(a), however, the arbitrator or the panel, as applicable, will award reasonable legal fees and expenses (including arbitration costs) to the prevailing party upon application therefor. The non-prevailing party may thus incur greater expenses under arbitration than under traditional court litigation.

Except as may be necessary to enter judgment upon the award or to the extent required by applicable law, all claims, defenses and proceedings (including, without limiting the generality of the foregoing, the existence of the controversy and the fact that there is an arbitration proceeding) shall be treated in a confidential manner by the arbitrator or the panel, as applicable, the parties and their counsel, and each of their agents and employees, and all others acting on behalf or in concert with them. Without limiting the generality of the foregoing, no one shall divulge to any third party or person not directly involved in the arbitration, the contents of the pleadings, papers, orders, hearings, trials, or awards in the arbitration, except as may be necessary to enter judgment upon an award as required by applicable law. Any court proceedings relating to the arbitration hereunder, including, without limiting the generality of the foregoing, to prevent or compel arbitration to perform, correct, vacate or otherwise enforce an arbitration award, shall be filed under seal with the court, to the extent permitted by law.

6. BENEFITS AND BINDING EFFECT

This Agreement shall inure to the benefit of and be binding upon the Company, its successors and assigns, including but not limited to any corporation, person or other entity which may acquire all or substantially all of the assets and business of the Company or any corporation with or into which the Company may be consolidated or merged, and the Executive, his heirs, executors, administrators and legal representatives, provided that the obligations of the Executive hereunder may not be delegated.

7. OTHER AGREEMENTS

The Executive represents that the execution and performance of this Agreement will not result in a breach of any of the terms and conditions of any employment or other agreement between the Executive and any third party.

Provided that the Company duly performs all of its obligations (if any) arising by virtue of a termination of employment of the Executive, the Executive will not publicly disparage the Company or its officers, directors, employees or agents and will refrain from any action which could reasonably be expected to cause material adverse public relations or embarrassment to the Company or to any of such persons. Similarly, the Company (including its officers, directors, employees and agents) will not disparage the Executive and will refrain from any action which could reasonably be expected to result in embarrassment to the Executive or to materially and adversely affect his opportunities for employment. The preceding two (2) sentences shall not apply to disclosures required by applicable law, regulation or order of a court or governmental agency.

The Company may withhold from any amounts payable under this Agreement all federal, state, local and foreign taxes as may be required to be withheld pursuant to any applicable law or regulation.

8. NOTICES

All notices or other communications relating to this Agreement shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid and return receipt requested, to the party concerned at the address set forth below:

If to the Company, to: Southwest Gas Corporation
5241 Spring Mountain Road
Las Vegas, Nevada 89150
Attn: General Counsel

If to the Executive, to: [•]

Either party may change the address to which notices are to be sent to it by giving ten (10) days written notice of such change of address to the other party in the manner provided above for giving notice. Notices will be considered delivered on the date of personal delivery or on the date of deposit in the United States mail in the manner provided for giving notice by mail.

9. EXECUTIVE ACKNOWLEDGMENT AND SECTION 409A

The Executive acknowledges and agrees that he has consulted with and relied exclusively on his own counsel regarding the tax effects of this Agreement and that the Company shall have no liability or obligation with respect to any tax imposed by Section 409A, or other Code section, on the Executive as a result of the transactions and payments contemplated by this Agreement.

The parties agree that this Agreement shall be construed and interpreted to the maximum extent possible to comply with Section 409A.

10. ENTIRE AGREEMENT

The entire understanding and agreement between the parties has been incorporated into this Agreement, and this Agreement supersedes all other agreements, negotiations, and understandings between the Executive and the Company with respect to the subject matter hereof (including any prior change in control agreements between the Executive and the Company). This Agreement may not be amended orally, but only by an agreement in writing signed by both parties.

11. GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Nevada. It is intended by the parties that this Agreement be interpreted in accordance with its fair and simple meaning, not for or against either party, and neither party shall be deemed to be the drafter of this Agreement.

12. CAPTIONS; COUNTERPARTS

The section headings and captions included herein are for convenience and shall not constitute a part of this Agreement.

This Agreement may be executed simultaneously in two (2) or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one (1) and the same Agreement.

13. SEVERABILITY

If any portion or provision of this Agreement is determined by arbitration or by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remaining portions or provisions hereof shall not be affected.

IN WITNESS WHEREOF, this Change in Control Agreement has been executed by the parties hereto as of the date first written above.

SOUTHWEST GAS CORPORATION

By: ____________________________
Name:
Title:

EXECUTIVE:

ATTACHMENT A

FORM OF GENERAL RELEASE

THIS GENERAL RELEASE (this "Agreement") entered into as of the [•] day of [•] between SOUTHWEST GAS CORPORATION, a California corporation (the "Company"), and [•] (the "Executive" and, together with the Company, "the parties").

The Executive acknowledges that the Executive's employment with the Company terminated effective [•] (the "Termination Date"). The Executive further acknowledges that the Executive has received the Executive's final paycheck, which includes the Executive's final wages and pay for any accrued but unused vacation or personal days through the Executive's last day of employment, less withholdings. The parties acknowledge that except as provided for in this Agreement, all benefits and perquisites of employment ceased as of the Termination Date.

Further, upon execution without revocation of this Agreement, the Company will provide the Executive with the severance benefits (the "Severance Benefits") set forth in and subject to the terms of Section 3 of the Change in Control Agreement entered into and effective as of the [•] day of [•] between the Executive and the Company (the "Change in Control Agreement").

The Executive understands and agrees that the Executive is not entitled to any compensation, benefits, remuneration, accruals, contributions, reimbursements, bonus, equity or equity-linked grant, vesting, or vacation or other payments from the Company other than the Severance Benefits, and that any and all payments and benefits the Executive may receive under this Agreement are subject to all applicable taxes and withholdings. The Executive further understands and agrees that the Executive's eligibility for any Severance Benefits is subject to the Executive's compliance with the terms and conditions of this Agreement and the Change in Control Agreement.

In exchange for Severance Benefits, which the Executive acknowledges exceed any amounts to which the Executive otherwise may be entitled under the Company's policies and practices or applicable law, the Executive and the Executive's representatives completely release from, and agree to not file, cause to be filed or pursue against, the Company, its affiliated, related, parent or subsidiary companies, and its present and former directors, officers, employees and agents (the "Released Parties") all claims of any kind, known and unknown, which the Executive may now have or have ever had against any of them, or arising out of the Executive's relationship with any of them, including all claims for compensation and bonuses, attorneys' fees, and all claims arising from the Executive's employment with the Company or the termination of the Executive's employment, whether based on contract, tort, statute, local ordinance, regulation or any comparable law in any jurisdiction (the "Released Claims"). By way of example and not limitation, the Released Claims shall include any claims arising under Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act of 1990, as amended, the Age Discrimination in Employment Act of 1967, as amended (the "ADEA"), the federal Worker Adjustment Retraining Notification Act of 1988, as amended ("WARN Act") (or any comparable state law in any jurisdiction). Finally, the Executive agrees that with the exception of the Executive's final wages and pay for any accrued but unused vacation or personal days through the Executive's last day of employment, less withholdings, all other payments and benefits referenced in this Agreement are in excess of any amounts to which the Executive otherwise is legally entitled, and that these amounts shall be offset against any

WARN Act (or other similar federal, state or local) notice or pay in lieu of notice obligation, if any, that the Company may be found to have in the future.

[Delete this paragraph if the Executive is under 40 years of age. Use 21 day review period if only one employee is being terminated and offered consideration in exchange for signing a release and that employee is 40 or older. Use 45 day review period and include Attachment 1 only if one or more employees are being terminated and offered consideration in exchange for signing a release at least one of whom is 40 or older. Regardless of how many employees are being terminated and offered consideration in exchange for signing a release, only those employees who are 40 or older have a legal right to a 21 or 45 day review period and/or Attachment 1.] In this paragraph, the Executive is provided with specific information required under the ADEA. The Executive acknowledges that the Executive has received and reviewed any and all information required, if any, by the ADEA or the Older Workers Benefit Protection Act of 1990, as amended, pertaining to the Executive's termination from the Company[, including the information in Attachment 1]. The Executive agrees that the Executive's release of claims in this Agreement includes a knowing and voluntary waiver of any rights the Executive may have under the ADEA. The Executive acknowledges that the Executive has been given an opportunity to consider for [twenty-one (21)] **OR [**forty-five (45)] days the terms of this Agreement, although the Executive may sign this Agreement beforehand, and that the Executive is advised by the Company to consult with an attorney. The Executive further understands that the Executive can revoke the Executive's waiver of ADEA claims within seven (7) days of signing it, but that the Executive will not be eligible for any Severance Benefits if the Executive revokes the Executive's waiver. Revocation must be made by delivering a written notice of revocation to:

Southwest Gas Corporation
5241 Spring Mountain Road
Las Vegas, Nevada 89150
Attn: General Counsel

The Executive acknowledges and agrees that for the revocation to be effective, the written notice must be received no later than the close of business (5:00 p.m. P.S.T.) on the seventh (7th) day after the Executive signs this Agreement. This Agreement will become effective and enforceable on the eighth (8th) day following the Executive's execution of this Agreement, provided the Executive has not exercised the Executive's right to revoke this Agreement. The Executive further agrees that any change to this Agreement, whether material or immaterial, will not restart the [twenty-one (21)] **OR** [forty-five (45)] day review period.

Notwithstanding the foregoing, the parties acknowledge and agree that the Executive is not waiving or being required to waive any right that cannot be waived as a matter of law, including the right to file a charge with or participate in an investigation by a governmental administrative agency.

The Executive further agrees to maintain this Agreement and its contents in the strictest confidence and agrees that the Executive will not disclose the terms of this Agreement to any third party (other than the Executive's legal and financial advisors) without the prior written consent of the Company, unless otherwise required by law. The Executive also agrees that the Executive will not make or publish, either orally or in writing, any disparaging statement regarding any Released Parties. The parties further agree that the Executive will refer any third party reference requests to [•], who will respond by confirming dates of employment and last position held only.

The Executive agrees not to disclose any confidential or proprietary information or know-how belonging to the Company or acquired by the Executive during the Executive's employment with the Company.

The Executive and the Company further agree that the sole remedy for any and all disputes arising out of or based on the terms, interpretation, application, or alleged breach of this Agreement, including any of the Released Claims, shall be resolved in an arbitration proceeding pursuant to Section 5 of the Change in Control Agreement.

The entire understanding and agreement between the parties has been incorporated into this Agreement, and this Agreement supersedes all other agreements, negotiations, and understandings between the Executive and the Company with respect to the subject matter hereof. This Agreement may not be amended orally, but only by an agreement in writing signed by both parties. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Nevada. It is intended by the parties that this Agreement be interpreted in accordance with its fair and simple meaning, not for or against either of the parties, and neither of the parties shall be deemed to be the drafter of this Agreement. This Agreement may be executed simultaneously in two (2) or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one (1) and the same Agreement. If any portion or provision of this Agreement is determined by arbitration or by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remaining portions or provisions hereof shall not be affected.

Finally, by the Executive's signature below, the Executive acknowledges each of the following: (a) that the Executive has read this Agreement or has been afforded every opportunity to do so; (b) that the Executive is fully aware of the Agreement's contents and legal effect; and (c) that the Executive has chosen to enter into this Agreement freely, without coercion and based upon the Executive's own judgment and not in reliance upon any promises made by the Company other than those contained in this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the date first written above.

SOUTHWEST GAS CORPORATION

By: ______________________________
Name:
Title:

EXECUTIVE:

ATTACHMENT 1

In order to be eligible to receive the Severance Benefits, you must:

- Be employed by the Company in good standing as of the Termination Date; and
- Sign the accompanying General Release and not revoke it for a period of seven (7) days after its execution.

[NOTE: The following summary description of layoff criteria is only a sample. Make sure to tailor the summary to the actual criteria applied.] The Company selected individuals for inclusion in the reduction in force ("RIF") based on Company needs and strategic objectives, and employee skills and performance.

Job Titles And Ages Of Employees Who Were And Were Not Selected For RIF:

Selected for RIF		Eligible but not selected for RIF	
Job Title	Age	Job Title	Age

Exhibit 12.01

SOUTHWEST GAS CORPORATION
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES
(Thousands of dollars)

	For the Twelve Months Ended					
	Mar 31,	December 31,				
	2011	2010	2009	2008	2007	2006
1. Fixed charges:						
A) Interest expense	$ 73,358	$ 75,481	$ 81,861	$ 90,403	$ 94,035	$ 92,878
B) Amortization	2,545	2,620	2,097	2,880	2,783	3,467
C) Interest portion of rentals	6,669	6,455	6,644	7,802	7,952	6,412
Total fixed charges	$ 82,572	$ 84,556	$ 90,602	$101,085	$104,770	$102,757
2. Earnings (as defined):						
D) Pretax income from continuing operations	$165,354	$158,378	$132,035	$101,808	$131,024	$128,357
Fixed Charges (1. above)	82,572	84,556	90,602	101,085	104,770	102,757
Total earnings as defined	$247,926	$242,934	$222,637	$202,893	$235,794	$231,114
	3.00	2.87	2.46	2.01	2.25	2.25

Exhibit 31.01

Certification

I, Jeffrey W. Shaw, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Southwest Gas Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 9, 2011

/s/ JEFFREY W. SHAW

Jeffrey W. Shaw
Chief Executive Officer
Southwest Gas Corporation

Certification

I, Roy R. Centrella, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Southwest Gas Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2011

/s/ ROY R. CENTRELLA
Roy R. Centrella
Senior Vice President/Chief Financial Officer
Southwest Gas Corporation

Exhibit 32.01

SOUTHWEST GAS CORPORATION

CERTIFICATION

In connection with the periodic report of Southwest Gas Corporation (the "Company") on Form 10-Q for the period ended March 31, 2011 as filed with the Securities and Exchange Commission (the "Report"), I, Jeffrey W. Shaw, the Chief Executive Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

(1) the Report fully complies with the requirements of section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Dated: May 9, 2011

/s/ Jeffrey W. Shaw
Jeffrey W. Shaw
Chief Executive Officer

SOUTHWEST GAS CORPORATION

CERTIFICATION

In connection with the periodic report of Southwest Gas Corporation (the “Company”) on Form 10-Q for the period ended March 31, 2011 as filed with the Securities and Exchange Commission (the “Report”), I, Roy R. Centrella, Senior Vice President/Chief Financial Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

(1) the Report fully complies with the requirements of section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, “filed” with the Securities and Exchange Commission.

Dated: May 9, 2011

/s/ Roy R. Centrella
Roy R. Centrella
Senior Vice President/Chief
Financial Officer