



Southwest Gas HOLDINGS

Southwest Gas Growth Outpaces Industry

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LAS VEGAS, Nov. 5 /PRNewswire/ -- It was just over a year ago, Oct. 23, 1995, that Southwest Gas (NYSE: SWX) added its one-millionth customer. The company finished the day with 1,000,064 customers. A year later, the company reports a total of 1,068,727. It remains the fastest-growing natural gas utility in the country.

"At our current growth rate, Southwest Gas is on pace to exceed the record number of 49,000 new customers which were added to the system in 1995," said Michael O. Maffie, president and chief executive officer. "We anticipate adding more than 60,000 customers this year. It's hard to imagine, but just 20 years ago the company had less than 120,000 customers."

The 6 percent annual growth rate is more than three times the national average for natural gas utilities, and 1996 marks the fourth consecutive year the company has led the industry in growth.

Southern Nevada (Las Vegas) remains the fastest-growing area for the company, followed by the metropolitan areas of Phoenix and Tucson.

The company's growth rate reflects the economic vitality of its service areas.

According to the Arizona State University's Economic Outlook Center, Las Vegas ranked first among 289 metropolitan areas for job growth during the 12 months ended August 31, and the Phoenix-Mesa area ranked first among the 39 metro areas with a labor force of 750,000 or more. Phoenix reported a 5.8 percent rate of employment growth.

In contrast, the U.S. economy experienced a modest 2.2 percent increase in jobs over the year ended in August, according to the survey.

"This demonstrates a healthy economic climate in our service area," said Maffie. "The area continues to lead the nation in population growth as well as jobs." Recent forecasts indicate that southern Nevada and Arizona will continue to lead the nation in economic growth for the next several years.

"These positive economic indicators continue to bode well for the company in terms of customer growth and potential for increased earnings," Maffie added. "However, this vibrant growth also results in significant short-term financial challenges, including increased operating expenses and financing costs as the company continues to invest in new gas plants to serve its growing customer base."

He expressed confidence that the long-term benefits of the company's growth will outweigh the short-term financial burden.

Headquartered in Las Vegas, Nev., Southwest Gas distributes natural gas to customers in Arizona, Nevada and portions of eastern California.

SOURCE Southwest Gas Corporation

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