

REFINITIV

DELTA REPORT

10-Q

SOUTHWEST GAS CORP

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1945
--------------	------

CHANGES	194
---------	-----

DELETIONS	1178
-----------	------

ADDITIONS	573
-----------	-----

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 **September 30, 2023** **March 31, 2024**
OR

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

Commission File Number	Exact name of registrant as specified in its charter and principal office address and telephone number	State of Incorporation	I.R.S. Employer Identification No.
001-37976	Southwest Gas Holdings, Inc. 8360 S. Durango Drive Post Office Box 98510 Las Vegas, Nevada 89193-8510 (702) 876-7237	Delaware	81-3881866
1-7850	Southwest Gas Corporation 8360 S. Durango Drive Post Office Box 98510 Las Vegas, Nevada 89193-8510 (702) 876-7237	California	88-0085720

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Southwest Gas Holdings, Inc. Common Stock, \$1 Par Value	SWX	New York Stock Exchange
Preferred Stock Purchase Rights	N/A	New York Stock Exchange

Indicate by check mark whether each 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 each registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether each registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that each registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether each registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "non-accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Southwest Gas Holdings, Inc.:

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Southwest Gas Corporation:

Large accelerated filer☐

Non-accelerated filer☒

Emerging growth company☐

Accelerated filer☐

Smaller reporting company☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether each registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

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

Southwest Gas Holdings, Inc. Common Stock, \$1 Par Value, 71,519,025 71,669,140 shares as of October 31, 2023 April 26, 2024.

All of the outstanding shares of common stock (\$1 par value) of Southwest Gas Corporation were held by Southwest Gas Holdings, Inc. as of October 31, 2023 April 26, 2024.

SOUTHWEST GAS CORPORATION MEETS THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION (H)(1)(a) and (b) OF FORM 10-Q AND IS THEREFORE FILING THIS REPORT WITH THE REDUCED DISCLOSURE FORMAT AS PERMITTED BY GENERAL INSTRUCTION H(2).

SOUTHWEST GAS HOLDINGS, INC.

SOUTHWEST GAS CORPORATION

Form 10-Q

September 30, 2023 March 31, 2024

FILING FORMAT

This quarterly report on Form 10-Q is a combined report being filed by two separate registrants: Southwest Gas Holdings, Inc. and Southwest Gas Corporation. Except where the content clearly indicates otherwise, any reference in the report to “we,” “us” or “our” is to the holding company or the consolidated entity of Southwest Gas Holdings, Inc. and all of its consolidated subsidiaries, including Southwest Gas Corporation, which is a distinct registrant that is a wholly owned subsidiary of Southwest Gas Holdings, Inc. Information contained herein relating to any individual company is filed by such company on its own behalf. Each company makes representations only as to itself and makes no other representation whatsoever as to any other company.

Part I—Financial information in this Quarterly Report on Form 10-Q includes separate financial statements (i.e., balance sheets, statements of income, statements of comprehensive income, statements of cash flows, and statements of equity) for Southwest Gas Holdings, Inc. and Southwest Gas Corporation, in that order. The Notes to the Condensed Consolidated Financial Statements are presented on a combined basis for both entities. All Items other than Part I – Item 1 are combined for the reporting companies.

SOUTHWEST GAS HOLDINGS, INC.

SOUTHWEST GAS CORPORATION

Form 10-Q

September 30, 2023 March 31, 2024

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SOUTHWEST GAS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Thousands of dollars, except par value)
(Unaudited)

	September 30, 2023	December 31, 2022
March 31, 2024	March 31, 2024	December 31, 2023

ASSETS	ASSETS		
Regulated operations plant:	Regulated operations plant:		
Regulated operations plant:			
Regulated operations plant:			
Gas plant			
Gas plant			
Gas plant	Gas plant	\$ 9,892,766	\$ 9,453,907
Less: accumulated depreciation	Less: accumulated depreciation	(2,780,482)	(2,674,157)
Construction work in progress	Construction work in progress	272,969	244,750
Net regulated operations plant	Net regulated operations plant	7,385,253	7,024,500
Other property and investments, net	Other property and investments, net	1,254,065	1,281,172
Current assets:	Current assets:		
Cash and cash equivalents			
Cash and cash equivalents			
Cash and cash equivalents	Cash and cash equivalents	104,939	123,078
Accounts receivable, net of allowances	Accounts receivable, net of allowances	903,365	866,246
Accrued utility revenue	Accrued utility revenue	44,600	88,100
Income taxes receivable, net	Income taxes receivable, net	4,268	8,738
Deferred purchased gas costs	Deferred purchased gas costs	687,137	450,120
Prepaid and other current assets	Prepaid and other current assets	229,696	433,850
Current assets held for sale	Current assets held for sale	24,480	1,737,530
Total current assets	Total current assets	1,998,485	3,707,662
Noncurrent assets:	Noncurrent assets:		
Goodwill	Goodwill	787,433	787,250
Goodwill			
Goodwill			
Deferred income taxes	Deferred income taxes	253	82

Deferred charges and other assets	Deferred charges and other assets	410,793	395,948
Total noncurrent assets	Total noncurrent assets	1,198,479	1,183,280
Total assets	Total assets	\$ 11,836,282	\$13,196,614
CAPITALIZATION AND LIABILITIES	CAPITALIZATION AND LIABILITIES		
Capitalization:	Capitalization:		
Common stock, \$1 par (authorized - 120,000,000 shares; issued and outstanding - 71,515,428 and 67,119,143 shares)		\$ 73,145	\$ 68,749
Capitalization:			
Common stock, \$1 par (authorized - 120,000,000 shares; issued and outstanding - 71,665,592 and 71,563,750 shares)			
Common stock, \$1 par (authorized - 120,000,000 shares; issued and outstanding - 71,665,592 and 71,563,750 shares)			
Common stock, \$1 par (authorized - 120,000,000 shares; issued and outstanding - 71,665,592 and 71,563,750 shares)			
Additional paid-in capital	Additional paid-in capital	2,539,759	2,287,183
Accumulated other comprehensive loss, net	Accumulated other comprehensive loss, net	(43,523)	(44,242)
Retained earnings	Retained earnings	669,364	747,069
Total equity	Total equity	3,238,745	3,058,759
Redeemable noncontrolling interests	Redeemable noncontrolling interests	145,157	159,349
Long-term debt, less current maturities	Long-term debt, less current maturities	5,235,539	4,403,299
Total capitalization	Total capitalization	8,619,441	7,621,407
Current liabilities:	Current liabilities:		
Current maturities of long-term debt	Current maturities of long-term debt	42,335	44,557
Current maturities of long-term debt			
Current maturities of long-term debt			
Short-term debt	Short-term debt	57,500	1,542,806
Accounts payable	Accounts payable	255,251	662,090

Customer deposits	Customer deposits	47,206	51,182
Income taxes payable, net	Income taxes payable, net	267	2,690
Accrued general taxes	Accrued general taxes	75,932	67,094
Accrued interest	Accrued interest	46,837	38,556
Other current liabilities	Other current liabilities	527,201	369,743
Current liabilities held for sale		—	644,245
Total current liabilities	Total current liabilities	1,052,529	3,422,963
Deferred income taxes and other credits:	Deferred income taxes and other credits:		
Deferred income taxes and investment tax credits, net	Deferred income taxes and investment tax credits, net		
Deferred income taxes and investment tax credits, net	Deferred income taxes and investment tax credits, net		
Deferred income taxes and investment tax credits, net	Deferred income taxes and investment tax credits, net	742,078	682,067
Accumulated removal costs	Accumulated removal costs	454,000	445,000
Other deferred credits and other long-term liabilities	Other deferred credits and other long-term liabilities	968,234	1,025,177
Total deferred income taxes and other credits	Total deferred income taxes and other credits	2,164,312	2,152,244
Total capitalization and liabilities	Total capitalization and liabilities	\$ 11,836,282	\$13,196,614

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(Unaudited)

		Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,			
		Three Months Ended March 31,						Three Months Ended March 31,	
		2023	2022	2023	2022	2023	2022	2024	2023
Operating revenues:	Operating revenues:								
Regulated operations revenues									
Regulated operations revenues									
Regulated operations revenues	Regulated operations revenues	\$ 394,603	\$ 367,122	\$ 1,832,480	\$ 1,550,684	\$ 2,481,478	\$ 2,001,898		
Utility infrastructure services revenues	Utility infrastructure services revenues	774,889	758,466	2,233,961	1,988,433	3,005,855	2,621,646		
Total operating revenues	Total operating revenues	1,169,492	1,125,588	4,066,441	3,539,117	5,487,333	4,623,544		
Operating expenses:	Operating expenses:								
Net cost of gas sold									
Net cost of gas sold									
Net cost of gas sold	Net cost of gas sold	170,056	100,991	908,646	547,769	1,159,937	682,449		
Operations and maintenance	Operations and maintenance	126,851	154,236	404,554	479,330	561,990	618,026		
Depreciation and amortization	Depreciation and amortization	105,520	116,933	329,745	347,589	452,611	450,960		
Taxes other than income taxes	Taxes other than income taxes	21,147	23,356	66,981	70,778	89,586	90,987		
Utility infrastructure services expenses	Utility infrastructure services expenses	685,687	680,135	2,005,084	1,829,560	2,704,842	2,403,503		
Goodwill impairment and loss on sale	Goodwill impairment and loss on sale	—	—	71,230	—	526,655	—		
Total operating expenses	Total operating expenses	1,109,261	1,075,651	3,786,240	3,275,026	5,495,621	4,245,925		
Operating income (loss)		60,231	49,937	280,201	264,091	(8,288)	377,619		
Operating income									

Other income and (expenses):	Other income and (expenses):						
Net interest deductions	Net interest deductions	(71,998)	(64,373)	(218,679)	(165,942)	(295,487)	(203,939)
Net interest deductions							
Net interest deductions							
Other income	Other income	14,464	1,593	52,528	2	46,337	478
Total other income and (expenses)		(57,534)	(62,780)	(166,151)	(165,940)	(249,150)	(203,461)
Income (loss) before income taxes		2,697	(12,843)	114,050	98,151	(257,438)	174,158
Income tax expense (benefit)		(1,270)	(1,525)	32,174	18,300	(61,779)	23,130
Net income (loss)		3,967	(11,318)	81,876	79,851	(195,659)	151,028
Net income attributable to noncontrolling interests		736	991	3,856	2,557	6,905	3,791
Net income (loss) attributable to Southwest Gas Holdings, Inc.		\$ 3,231	\$ (12,309)	\$ 78,020	\$ 77,294	\$ (202,564)	\$ 147,237
Earnings (loss) per share:							
Total other (expenses)							
Income before income taxes							
Income tax expense							
Net income							
Net income (loss) attributable to noncontrolling interests							
Net income attributable to Southwest Gas Holdings, Inc.							
Earnings per share:							
Basic							
Basic							
Basic	Basic	\$ 0.05	\$ (0.18)	\$ 1.11	\$ 1.19	\$ (2.91)	\$ 2.30
Diluted	Diluted	\$ 0.04	\$ (0.18)	\$ 1.10	\$ 1.19	\$ (2.91)	\$ 2.30
Weighted average shares:	Weighted average shares:						
Basic	Basic	71,626	67,157	70,488	65,004	69,660	63,905
Basic							
Basic							
Diluted	Diluted	71,851	67,157	70,676	65,148	69,660	64,051

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC.
SOUTHWEST GAS CORPORATION

Form 10-Q

September 30, 2023 March 31, 2024

SOUTHWEST GAS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Thousands of dollars)
(Unaudited)

	Three Months Ended		Nine Months Ended		Twelve Months Ended	
	September 30,		September 30,		September 30,	
	2023	2022	2023	2022	2023	2022
Net income (loss)	\$ 3,967	\$ (11,318)	\$ 81,876	\$ 79,851	\$ (195,659)	\$ 151,028
Other comprehensive income (loss), net of tax						
Defined benefit pension plans:						
Net actuarial gain	—	—	—	—	3,099	44,974
Amortization of prior service cost	33	34	99	100	132	282
Amortization of net actuarial loss	253	6,616	760	19,847	7,374	28,321
Regulatory adjustment	(90)	(5,524)	(270)	(16,571)	(5,156)	(61,767)
Net defined benefit pension plans	196	1,126	589	3,376	5,449	11,810
Forward-starting interest rate swaps ("FSIRS"):						
Amounts reclassified into net income	—	—	—	416	—	828
Net forward-starting interest rate swaps	—	—	—	416	—	828
Foreign currency translation adjustments	(2,261)	(5,830)	130	(7,263)	1,260	(6,919)
Total other comprehensive income, net of tax	(2,065)	(4,704)	719	(3,471)	6,709	5,719
Comprehensive income (loss)	1,902	(16,022)	82,595	76,380	(188,950)	156,747
Comprehensive income attributable to noncontrolling interests	736	991	3,856	2,557	6,905	3,791
Comprehensive income (loss) attributable to Southwest Gas Holdings, Inc.	\$ 1,166	\$ (17,013)	\$ 78,739	\$ 73,823	\$ (195,855)	\$ 152,956

	Three Months Ended	
	March 31,	
	2024	2023
Net income	\$ 87,562	\$ 47,650
Other comprehensive income, net of tax		
Defined benefit pension plans:		
Amortization of prior service cost	33	33
Amortization of net actuarial loss	1,451	253
Regulatory adjustment	(1,100)	(90)
Net defined benefit pension plans	384	196
Foreign currency translation adjustments	(2,819)	97
Total other comprehensive income (loss), net of tax	(2,435)	293
Comprehensive income	85,127	47,943
Comprehensive income (loss) attributable to noncontrolling interests	(175)	1,739

Comprehensive income attributable to Southwest Gas Holdings, Inc.	\$	85,302	\$	46,204
-------------------------------------------------------------------	----	--------	----	--------

The accompanying notes are an integral part of these statements.

5

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

September 30, 2023 March 31, 2024

SOUTHWEST GAS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Thousands of dollars)
(Unaudited)

		Nine Months Ended September 30,		Twelve Months Ended September 30,			
		Three Months Ended March 31,				Three Months Ended March 31,	
		2023	2022	2023	2022	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES:	CASH FLOW FROM OPERATING ACTIVITIES:						
Net income (loss)		\$ 81,876	\$ 79,851	\$ (195,659)	\$ 151,028		
Adjustments to reconcile net income (loss) to net cash provided by operating activities:							
Net income							
Net income							
Net income							
Adjustments to reconcile net income to net cash provided by (used in) operating activities:							
Depreciation and amortization							
Depreciation and amortization							
Depreciation and amortization	Depreciation and amortization	329,745	347,589	452,611	450,960		
Impairment of assets and other charges	Impairment of assets and other charges	71,230	—	526,655	—		
Deferred income taxes	Deferred income taxes	45,317	22,955	(49,686)	38,793		

Gains on sale of property and equipment	Gains on sale of property and equipment	(3,090)	(5,215)	(5,740)	(6,756)
Changes in undistributed stock compensation	Changes in undistributed stock compensation	8,557	7,855	10,148	9,473
Equity AFUDC	Equity AFUDC	(82)	(912)	365	(912)
Changes in current assets and liabilities:	Changes in current assets and liabilities:				
Accounts receivable, net of allowances	Accounts receivable, net of allowances	(40,232)	(78,719)	(155,288)	(68,192)
Accounts receivable, net of allowances					
Accounts receivable, net of allowances					
Accrued utility revenue	Accrued utility revenue	43,500	43,600	(3,300)	(1,600)
Deferred purchased gas costs	Deferred purchased gas costs	(252,022)	(92,200)	(307,037)	(142,518)
Accounts payable	Accounts payable	(360,554)	(29,353)	(37,292)	72,159
Accrued taxes	Accrued taxes	12,687	18,352	12,264	5,673
Other current assets and liabilities	Other current assets and liabilities	315,728	(1,039)	108,914	(113,537)
Changes in deferred charges and other assets	Changes in deferred charges and other assets	1,243	16,417	1,712	10,832
Changes in other liabilities and deferred credits	Changes in other liabilities and deferred credits	(55,469)	(25,826)	(56,128)	(42,186)
Net cash provided by operating activities		198,434	303,355	302,539	363,217
Net cash provided by (used in) operating activities					
CASH FLOW FROM INVESTING ACTIVITIES:	CASH FLOW FROM INVESTING ACTIVITIES:				

Construction expenditures and property additions	Construction expenditures and property additions	(664,590)	(612,516)	(911,495)	(821,405)
Acquisition of businesses, net of cash acquired		—	(18,809)	—	(1,542,674)
Construction expenditures and property additions					
Construction expenditures and property additions					
Proceeds from the sale of business, net of cash sold	Proceeds from the sale of business, net of cash sold	1,022,483	—	1,022,483	—
Proceeds from the sale of property					
Changes in customer advances	Changes in customer advances	(6,974)	23,222	(8,690)	31,256
Other	Other	6,147	4,005	19,964	7,506
Net cash provided by (used in) investing activities	Net cash provided by (used in) investing activities	357,066	(604,098)	122,262	(2,325,317)
CASH FLOW FROM FINANCING ACTIVITIES:	CASH FLOW FROM FINANCING ACTIVITIES:				
Issuance of common stock, net	Issuance of common stock, net	249,238	459,051	252,015	461,880
Issuance of common stock, net					
Issuance of common stock, net					
Centuri distribution to redeemable noncontrolling interest	Centuri distribution to redeemable noncontrolling interest	(39,894)	(39,649)	(39,894)	(39,649)
Dividends paid	Dividends paid	(130,232)	(118,980)	(171,815)	(154,910)
Issuance of long-term debt, net	Issuance of long-term debt, net	1,043,602	770,240	1,341,167	775,976
Retirement of long-term debt	Retirement of long-term debt	(168,127)	(422,356)	(245,685)	(468,205)
Change in short-term portion of credit facility					
Change in long-term credit facility and commercial paper	Change in long-term credit facility and commercial paper	(50,000)	8,000	(138,000)	138,000
Issuance of short-term debt	Issuance of short-term debt	450,000	—	450,000	1,850,000
Other changes in short-term debt		(1,937,747)	(380,253)	(1,923,687)	(593,253)
Repayment of short-term debt					
Withholding remittance - share-based compensation					

Withholding remittance - share-based compensation					
Withholding remittance - share-based compensation	Withholding remittance - share-based compensation	(1,742)	(2,105)	(2,299)	(2,115)
Other, including principal payments on finance leases	Other, including principal payments on finance leases	(12,642)	(19,929)	(16,885)	(16,303)
Net cash provided by (used in) financing activities	Net cash provided by (used in) financing activities	(597,544)	254,019	(495,083)	1,951,421
Effects of currency translation on cash and cash equivalents	Effects of currency translation on cash and cash equivalents	102	(701)	(51)	(739)
Change in cash and cash equivalents	Change in cash and cash equivalents	(41,942)	(47,425)	(70,333)	(11,418)
Cash and cash equivalents included in current assets held for sale at beginning of period	Cash and cash equivalents included in current assets held for sale at beginning of period	23,803	—	—	—
Cash and cash equivalents at beginning of period	Cash and cash equivalents at beginning of period	123,078	222,697	175,272	186,690
Cash and cash equivalents at end of period	Cash and cash equivalents at end of period	\$ 104,939	\$ 175,272	\$ 104,939	\$ 175,272
SUPPLEMENTAL INFORMATION:	SUPPLEMENTAL INFORMATION:				
Interest paid, net of amounts capitalized	Interest paid, net of amounts capitalized	\$ 196,609	\$ 146,792	\$ 269,642	\$ 194,016
Interest paid, net of amounts capitalized					
Interest paid, net of amounts capitalized					
Income taxes paid, net	Income taxes paid, net	\$ 5,957	\$ 10,317	\$ 7,641	\$ 6,860

The accompanying notes are an integral part of these statements.

(Unaudited)

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
		Three Months Ended March 31,		Three Months Ended March 31,	
		2024		2024	2023
Common stock shares	Common stock shares				
	Beginning balances	71,473	67,004	67,119	60,422
	Common stock issuances	42	60	4,396	6,642
	Ending balances	71,515	67,064	71,515	67,064
	Beginning balances				
	Beginning balances				
	Beginning balances				
	Common stock issuances				
	Ending balances				
Common stock amount	Common stock amount				
	Beginning balances	\$ 73,103	\$ 68,634	\$ 68,749	\$ 62,052
	Common stock issuances	42	60	4,396	6,642
	Ending balances	73,145	68,694	73,145	68,694
	Beginning balances				
	Beginning balances				
	Beginning balances				
	Common stock issuances				
	Ending balances				
Additional paid-in capital	Additional paid-in capital				
	Beginning balances	2,534,223	2,279,493	2,287,183	1,824,216
	Common stock issuances	5,536	3,757	252,576	459,034
	Ending balances	2,539,759	2,283,250	2,539,759	2,283,250
	Beginning balances				
	Beginning balances				
	Beginning balances				
	Common stock issuances				

	Promissory notes in association with redeemable noncontrolling interest				
	Ending balances				
Accumulated other comprehensive loss	Accumulated other comprehensive loss				
	Beginning balances	(41,458)	(45,528)	(44,242)	(46,761)
	Foreign currency exchange translation adjustment	(2,261)	(5,830)	130	(7,263)
	Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	196	1,126	589	3,376
	FSIRS amounts reclassified to net income, net of tax	—	—	—	416
	Ending balances	(43,523)	(50,232)	(43,523)	(50,232)
	Beginning balances				
	Beginning balances				
	Beginning balances				
	Foreign currency exchange translation adjustment				
	Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax				
	Ending balances				
Retained earnings	Retained earnings				
	Beginning balances	696,958	1,156,253	747,069	1,114,313
	Net income (loss)	3,231	(12,309)	78,020	77,294
	Dividends declared	(44,584)	(41,696)	(133,879)	(125,337)

	Redemption value adjustments	13,759	8,955	(21,846)	44,933
	Ending balances	669,364	1,111,203	669,364	1,111,203
	Beginning balances				
	Beginning balances				
	Beginning balances				
	Net income				
	Dividends declared				
	Redemption value adjustments				
	Ending balances				
Total equity ending balances	Total equity ending balances	\$ 3,238,745	\$3,412,915	\$3,238,745	\$3,412,915
Dividends declared per common share	Dividends declared per common share	\$ 0.62	\$ 0.62	\$ 1.86	\$ 1.86

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC.
SOUTHWEST GAS CORPORATION

Form 10-Q

September 30, 2023 March 31, 2024

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Thousands of dollars)
(Unaudited)

		September 30, 2023	December 31, 2022		
				March 31, 2024	March 31, 2024
					December 31, 2023
ASSETS	ASSETS				
Regulated operations plant:	Regulated operations plant:				
Regulated operations plant:					
Regulated operations plant:					
Gas plant					
Gas plant					
Gas plant	Gas plant	\$ 9,892,766	\$9,453,907		

Less:	Less:		
accumulated depreciation	accumulated depreciation	(2,780,482)	(2,674,157)
Construction work in progress	Construction work in progress	272,969	244,750
Net regulated operations plant	Net regulated operations plant	7,385,253	7,024,500
Other property and investments, net	Other property and investments, net	147,461	169,397
Current assets:	Current assets:		
Cash and cash equivalents	Cash and cash equivalents	70,970	51,823
Cash and cash equivalents			
Cash and cash equivalents			
Accounts receivable, net of allowance	Accounts receivable, net of allowance	167,805	234,081
Accrued utility revenue	Accrued utility revenue	44,600	88,100
Income taxes receivable, net	Income taxes receivable, net	159	103
Deferred purchased gas costs	Deferred purchased gas costs	687,137	450,120
Receivable from parent		—	2,130
Prepaid and other current assets			
Prepaid and other current assets			
Prepaid and other current assets	Prepaid and other current assets	191,212	401,789
Current assets held for sale	Current assets held for sale	24,480	—
Total current assets	Total current assets	1,186,363	1,228,146
Noncurrent assets:	Noncurrent assets:		
Goodwill			
Goodwill			
Goodwill	Goodwill	11,155	11,155
Deferred charges and other assets	Deferred charges and other assets	388,529	370,483
Total noncurrent assets	Total noncurrent assets	399,684	381,638
Total assets	Total assets	\$ 9,118,761	\$8,803,681
CAPITALIZATION AND LIABILITIES	CAPITALIZATION AND LIABILITIES		

Capitalization:	Capitalization:		
Capitalization:			
Capitalization:			
Common stock			
Common stock			
Common stock	Common stock	\$ 49,112	\$ 49,112
Additional paid-in capital	Additional paid-in capital	2,157,274	1,622,969
Accumulated other comprehensive loss, net	Accumulated other comprehensive loss, net	(37,672)	(38,261)
Retained earnings	Retained earnings	966,582	935,355
Total equity	Total equity	3,135,296	2,569,175
Long-term debt, less current maturities	Long-term debt, less current maturities	3,500,684	3,251,296
Total capitalization	Total capitalization	6,635,980	5,820,471
Current liabilities:	Current liabilities:		
Short-term debt		—	225,000
Accounts payable			
Accounts payable			
Accounts payable	Accounts payable	115,267	497,046
Customer deposits	Customer deposits	47,206	51,182
Accrued general taxes			
Accrued general taxes			
Accrued general taxes	Accrued general taxes	75,932	67,094
Accrued interest	Accrued interest	38,120	29,569
Payable to parent	Payable to parent	1,822	—
Other current liabilities	Other current liabilities	256,365	150,817
Total current liabilities	Total current liabilities	534,712	1,020,708
Deferred income taxes and other credits:	Deferred income taxes and other credits:		
Deferred income taxes and investment tax credits, net	Deferred income taxes and investment tax credits, net	727,483	683,948
Deferred income taxes and investment tax credits, net			
Deferred income taxes and investment tax credits, net			

Accumulated removal costs	Accumulated removal costs	454,000	445,000
Other deferred credits and other long-term liabilities	Other deferred credits and other long-term liabilities	766,586	833,554
Total deferred income taxes and other credits	Total deferred income taxes and other credits	1,948,069	1,962,502
Total capitalization and liabilities	Total capitalization and liabilities	\$ 9,118,761	\$8,803,681

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

September 30, 2023 March 31, 2024

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Thousands of dollars)
(Unaudited)

		Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,			
		Three Months Ended March 31,						Three Months Ended March 31,	
		2023	2022	2023	2022	2023	2022	2024	2023
Regulated operations revenues	Regulated operations revenues	\$394,603	\$303,944	\$1,797,348	\$1,358,425	\$2,373,992	\$1,809,639		
Operating expenses:	Operating expenses:								
Net cost of gas sold	Net cost of gas sold								
Net cost of gas sold	Net cost of gas sold	170,056	100,441	902,278	544,216	1,147,278	678,896		
Operations and maintenance	Operations and maintenance	122,270	121,537	378,189	368,984	501,133	478,554		
Depreciation and amortization	Depreciation and amortization	69,268	64,390	218,763	192,434	289,372	258,144		

Taxes other than income taxes	Taxes other than income taxes	21,147	20,693	65,491	62,443	86,245	82,652
Total operating expenses	Total operating expenses	382,741	307,061	1,564,721	1,168,077	2,024,028	1,498,246
Operating income (loss)		11,862	(3,117)	232,627	190,348	349,964	311,393
Operating income							
Other income and (expenses):	Other income and (expenses):						
Net interest deductions	Net interest deductions	(35,772)	(29,417)	(111,498)	(84,660)	(142,718)	(110,957)
Other income (deductions)		14,537	1,678	51,722	(440)	45,278	(97)
Total other income and (expenses)		(21,235)	(27,739)	(59,776)	(85,100)	(97,440)	(111,054)
Income (loss) before income taxes		(9,373)	(30,856)	172,851	105,248	252,524	200,339
Income tax expense (benefit)		(6,122)	(8,657)	22,286	17,918	34,909	28,458
Net income (loss)		\$ (3,251)	\$ (22,199)	\$ 150,565	\$ 87,330	\$ 217,615	\$ 171,881
Net interest deductions							
Net interest deductions							
Other income							
Total other (expenses)							
Income before income taxes							
Income tax expense							
Net income							

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC.
SOUTHWEST GAS CORPORATION

Form 10-Q
September 30, 2023 March 31, 2024

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Thousands of dollars)
(Unaudited)

Three
Months
Ended
March 31,

Three Months Ended
March 31,

		Three Months		Nine Months Ended		Twelve Months			
		Ended				Ended			
		September 30,		September 30,		September 30,		2024	2023
		2023	2022	2023	2022	2023	2022		
Net income (loss)		\$(3,251)	\$(22,199)	\$150,565	\$87,330	\$217,615	\$171,881		
Net income									
Other comprehensive income, net of tax	Other comprehensive income, net of tax								
Defined benefit pension plans:	Defined benefit pension plans:								
Net actuarial gain		—	—	—	—	3,099	44,974		
Defined benefit pension plans:									
Defined benefit pension plans:									
Amortization of prior service cost	Amortization of prior service cost	33	34	99	100	132	282		
Amortization of prior service cost									
Amortization of prior service cost									
Amortization of net actuarial loss	Amortization of net actuarial loss	253	6,616	760	19,847	7,374	28,321		
Regulatory adjustment	Regulatory adjustment	(90)	(5,524)	(270)	(16,571)	(5,156)	(61,767)		
Net defined benefit pension plans	Net defined benefit pension plans	196	1,126	589	3,376	5,449	11,810		
Forward-starting interest rate swaps ("FSIRS"):									
Amounts reclassified into net income (loss)		—	—	—	416	—	828		
Net forward-starting interest rate swaps		—	—	—	416	—	828		
Total other comprehensive income, net of tax	Total other comprehensive income, net of tax	196	1,126	589	3,792	5,449	12,638		
Comprehensive income (loss)		\$(3,055)	\$(21,073)	\$151,154	\$91,122	\$223,064	\$184,519		
Comprehensive income									

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC.
SOUTHWEST GAS CORPORATION

Form 10-Q

September 30, 2023 March 31, 2024

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 (Thousands of dollars)
 (Unaudited)

		Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,	
		Nine Months Ended September 30,		Twelve Months Ended September 30,			
		2023	2022	2023	2022		
CASH FLOW FROM	CASH FLOW FROM						
OPERATING ACTIVITIES:	OPERATING ACTIVITIES:						
CASH FLOW FROM OPERATING ACTIVITIES:							
CASH FLOW FROM OPERATING ACTIVITIES:							
Net income	Net income	\$ 150,565	\$ 87,330	\$ 217,615	\$ 171,881		
Adjustments to reconcile net income to net cash provided by operating activities:							
Net income							
Net income							
Adjustments to reconcile net income to net cash provided by (used in) operating activities:							
Adjustments to reconcile net income to net cash provided by (used in) operating activities:							
Adjustments to reconcile net income to net cash provided by (used in) operating activities:							
Depreciation and amortization							
Depreciation and amortization							
Depreciation and amortization	Depreciation and amortization	218,763	192,434	289,372	258,144		
Deferred income taxes	Deferred income taxes	43,348	26,579	59,156	44,016		
Gain on sale of property		(136)	(1,503)	(136)	(1,503)		
Deferred income taxes							
Deferred income taxes							
Changes in undistributed stock compensation							
Changes in undistributed stock compensation							
Changes in undistributed stock compensation	Changes in undistributed stock compensation	5,395	4,993	6,178	5,948		

Equity AFUDC	Equity AFUDC	—	(248)	248	(248)
Equity AFUDC					
Equity AFUDC					
Changes in current assets and liabilities:					
Changes in current assets and liabilities:					
Changes in current assets and liabilities:	Changes in current assets and liabilities:				
Accounts receivable, net of allowance	Accounts receivable, net of allowance	66,275	66,048	(64,187)	(188)
Accounts receivable, net of allowance					
Accounts receivable, net of allowance					
Accrued utility revenue					
Accrued utility revenue					
Accrued utility revenue	Accrued utility revenue	43,500	43,600	(3,300)	(1,600)
Deferred purchased gas costs	Deferred purchased gas costs	(237,017)	(90,206)	(305,786)	(140,524)
Deferred purchased gas costs					
Deferred purchased gas costs					
Accounts payable					
Accounts payable					
Accounts payable	Accounts payable	(346,579)	(71,899)	(31,404)	28,401
Accrued taxes	Accrued taxes	8,782	18,725	11,811	21,082
Accrued taxes					
Accrued taxes					
Other current assets and liabilities	Other current assets and liabilities	291,863	(5,908)	109,034	(94,787)
Changes in deferred charges and other assets	Changes in deferred charges and other assets	(21,750)	1,112	(24,556)	(8,905)
Changes in deferred charges and other assets					
Changes in deferred charges and other assets					
Changes in other liabilities and deferred credits	Changes in other liabilities and deferred credits	(54,894)	(26,467)	(56,117)	(42,948)
Net cash provided by operating activities		168,115	244,590	207,928	238,769
Changes in other liabilities and deferred credits					
Changes in other liabilities and deferred credits					
Net cash provided by (used in) operating activities					

Net cash provided by (used in) operating activities					
Net cash provided by (used in) operating activities					
CASH FLOW FROM INVESTING ACTIVITIES:					
CASH FLOW FROM INVESTING ACTIVITIES:					
CASH FLOW FROM INVESTING ACTIVITIES:	CASH FLOW FROM INVESTING ACTIVITIES:				
Construction expenditures and property additions	Construction expenditures and property additions	(581,190)	(485,825)	(778,496)	(672,410)
Construction expenditures and property additions					
Construction expenditures and property additions					
Proceeds from the sale of property					
Proceeds from the sale of property					
Proceeds from the sale of property					
Changes in customer advances					
Changes in customer advances					
Changes in customer advances	Changes in customer advances	(6,974)	23,222	(8,690)	31,255
Other	Other	670	(1,005)	8,592	(1,102)
Other					
Other					
Net cash used in investing activities					
Net cash used in investing activities					
Net cash used in investing activities	Net cash used in investing activities	(587,494)	(463,608)	(778,594)	(642,257)
CASH FLOW FROM FINANCING ACTIVITIES:	CASH FLOW FROM FINANCING ACTIVITIES:				
Contributions from parent		530,000	—	530,000	—
CASH FLOW FROM FINANCING ACTIVITIES:					
CASH FLOW FROM FINANCING ACTIVITIES:					
Dividends paid					
Dividends paid					
Dividends paid	Dividends paid	(111,200)	(92,200)	(141,200)	(121,600)
Issuance of long-term debt, net	Issuance of long-term debt, net	297,759	593,862	595,560	593,862
Retirement of long-term debt		—	(275,000)	—	(275,000)
Issuance of long-term debt, net					
Issuance of long-term debt, net					
Change in long-term credit facility and commercial paper					
Change in long-term credit facility and commercial paper					

Change in long-term credit facility and commercial paper	Change in long-term credit facility and commercial paper	(50,000)	8,000	(138,000)	138,000
Issuance of short-term debt	Issuance of short-term debt	450,000	—	450,000	—
Other changes in short-term debt		(675,000)	(25,000)	(675,000)	(25,000)
Issuance of short-term debt					
Issuance of short-term debt					
Repayment of short-term debt					
Repayment of short-term debt					
Repayment of short-term debt					
Withholding remittance - share-based compensation					
Withholding remittance - share-based compensation					
Withholding remittance - share-based compensation	Withholding remittance - share-based compensation	(1,528)	(2,011)	(2,086)	(2,020)
Other	Other	(1,505)	(2,173)	(2,789)	(2,361)
Net cash provided by financing activities		438,526	205,478	616,485	305,881
Other					
Other					
Net cash provided by (used in) financing activities					
Net cash provided by (used in) financing activities					
Net cash provided by (used in) financing activities					
Change in cash and cash equivalents					
Change in cash and cash equivalents					
Change in cash and cash equivalents	Change in cash and cash equivalents	19,147	(13,540)	45,819	(97,607)
Cash and cash equivalents at beginning of period	Cash and cash equivalents at beginning of period	51,823	38,691	25,151	122,758
Cash and cash equivalents at beginning of period					
Cash and cash equivalents at beginning of period					
Cash and cash equivalents at end of period					
Cash and cash equivalents at end of period					
Cash and cash equivalents at end of period	Cash and cash equivalents at end of period	\$ 70,970	\$ 25,151	\$ 70,970	\$ 25,151
SUPPLEMENTAL INFORMATION:	SUPPLEMENTAL INFORMATION:				
SUPPLEMENTAL INFORMATION:					
SUPPLEMENTAL INFORMATION:					
Interest paid, net of amounts capitalized	Interest paid, net of amounts capitalized	\$ 99,425	\$ 76,141	\$ 131,264	\$ 113,161
Income taxes paid (received), net		\$ —	\$ 5	\$ —	\$ (13,524)
Interest paid, net of amounts capitalized					
Interest paid, net of amounts capitalized					

Income taxes paid, net
Income taxes paid, net
Income taxes paid, net

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS HOLDINGS, INC.
SOUTHWEST GAS CORPORATION

Form 10-Q

September 30, 2023 March 31, 2024

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(In thousands)
(Unaudited)

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
		Three Months Ended March 31,		Three Months Ended March 31,	
		2024		2024	2023
Common stock shares	Common stock shares				
	Beginning and ending balances	47,482	47,482	47,482	47,482
	Beginning and ending balances				
	Beginning and ending balances				
	Beginning and ending balances				
Common stock amount	Common stock amount				
	Beginning and ending balances	\$ 49,112	\$ 49,112	\$ 49,112	\$ 49,112
	Beginning and ending balances				
	Beginning and ending balances				
	Beginning and ending balances				
Additional paid-in capital	Additional paid-in capital				
	Beginning balances	2,156,026	1,622,006	1,622,969	1,618,911

	Share-based compensation	1,248	614	4,305	3,709
	Contributions from Southwest Gas Holdings, Inc.	—	—	530,000	—
	Ending balances	2,157,274	1,622,620	2,157,274	1,622,620
	Beginning balances				
	Beginning balances				
	Beginning balances				
	Share-based compensation				
	Ending balances				
Accumulated other comprehensive loss	Accumulated other comprehensive loss				
	Beginning balances	(37,868)	(44,247)	(38,261)	(46,913)
	Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax	196	1,126	589	3,376
	FSIRS amounts reclassified to net income, net of tax	—	—	—	416
	Ending balances	(37,672)	(43,121)	(37,672)	(43,121)
	Beginning balances				
	Beginning balances				
	Beginning balances				
	Net actuarial gain arising during period, less amortization of unamortized benefit plan cost, net of tax				
	Ending balances				
Retained earnings	Retained earnings				
	Beginning balances	1,009,608	952,725	935,355	906,827
	Net income (loss)	(3,251)	(22,199)	150,565	87,330
	Share-based compensation	(75)	(98)	(438)	(729)

Dividends declared to Southwest Gas Holdings, Inc.	(39,700)	(30,000)	(118,900)	(93,000)
Ending balances	966,582	900,428	966,582	900,428
Beginning balances				
Beginning balances				
Beginning balances				
Net income				
Share-based compensation				
Dividends declared to Southwest Gas Holdings, Inc.				
Ending balances				
Total Southwest Gas Corporation equity ending balances	Total Southwest Gas Corporation equity ending balances	\$ 3,135,296	\$2,529,039	\$3,135,296 \$2,529,039

The accompanying notes are an integral part of these statements.

Note 1 – Background, Organization, and Summary of Significant Accounting Policies

Nature of Operations. Southwest Gas Holdings, Inc. (together with its subsidiaries, the “Company”) is a holding company, owning all of the shares of common stock of Southwest Gas Corporation (“Southwest” or the “natural gas distribution” segment), and through the first quarter of 2024, all of the shares of common stock of Centuri Group, Inc. (“Centuri,” or the “utility infrastructure services” segment), and until February 14, 2023, all of the shares of common stock of MountainWest Pipelines Holding Company (“MountainWest” or the “pipeline and storage” segment). References throughout this document in reference to “Centuri” relate to Centuri Group, Inc., for earlier periods or more recently, to Centuri Holdings, Inc.

In December 2022, the Company announced that its Board of Directors (the “Board”) unanimously determined to take strategic actions to simplify the Company’s portfolio of businesses. These actions included entering into a definitive agreement to sell 100% of MountainWest to Williams Partners Operating LLC (“Williams”) for \$1.5 billion in total enterprise value, subject to certain adjustments (collectively, the “MountainWest sale”). The MountainWest sale closed on February 14, 2023.

As part of this simplification strategy, the Company previously communicated that it would pursue a separation of Centuri. In April 2024, the Company announced the completion of an initial public offering (“IPO”) of Centuri Holdings, Inc. common stock, with the issuance of 14,260,000 shares (\$0.01 par value) at \$21.00 per share, along with a private placement of 2,591,929 shares at the same public offering price with Icahn Partners LP and has Icahn Partners Master Fund LP, investment entities associated with Carl C. Icahn. The Company owns approximately 81% of Centuri following these events. Through the first quarter of 2024 and leading up to the IPO, Centuri continued to undertake significant efforts toward a near-term separation, including submitting a confidential draft registration statement on Form S-1 be wholly owned by Southwest Gas Holdings, Inc. Centuri continues to be consolidated

as part of these financial statements, and will continue to be consolidated until such time as the U.S. conditions for consolidation are no longer met. Centuri now makes separate filings with the Securities and Exchange Commission (the "SEC") as a public company. The Company's common stock continues to trade under the ticker symbol "SWX," while Centuri's common stock trades under the ticker symbol "CTRL." As part of the IPO and related undertakings, and to ultimately facilitate a full separation of Centuri over periods ahead, multiple agreements were executed between the Company and Centuri, including a Separation Agreement, a Tax Matters Agreement, and a Registration Rights Agreement. Centuri's new Board of Directors includes certain overlapping board members with the Company, including Andrew W. Evans, Anne L. Mariucci, and Karen S. Haller (the Company's Chief Executive Officer). See also **Note 8 - Dispositions** for more information.

Southwest is engaged in the business of purchasing, distributing, and transporting natural gas for customers in portions of Arizona, Nevada, and California. 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 purchases and the timing of related recoveries can materially impact liquidity. Results liquidity, highlighted by the significant amount of cash existing as of the end of the first quarter of 2024, reflective of the collection of gas cost under purchased gas cost mechanisms as a component of customer bills. While mechanisms exist in all states in which Southwest operates, which effectively and primarily decouple authorized operating cost recovery and profitability from the volume of natural gas sold, thereby also incentivizing energy conservation, results for the natural gas distribution segment are higher during winter periods due to the seasonality incorporated in its regulatory rate structures.

Centuri is a strategic utility infrastructure services company dedicated to partnering with North America's gas and electric providers to build and maintain the energy network that powers millions of homes across the United States ("U.S.") and Canada. Centuri derives revenue primarily from installation, replacement, repair, and maintenance of energy networks. Centuri operates in the U.S., primarily as NPL, Neuco, Linetec, and Riggs Distler, and in Canada, primarily as NPL Canada. Utility infrastructure services activity is seasonal in many of Centuri's operating areas. Peak periods are the summer and fall months in colder climate areas, such as the northeastern and midwestern U.S. and in Canada. In warmer climate areas, such as the southwestern and southeastern U.S., utility infrastructure services activity continues year round.

Basis of Presentation. The condensed consolidated financial statements of Southwest Gas Holdings, Inc. and subsidiaries and Southwest (with its subsidiaries) included herein have been prepared pursuant to the rules and regulations of the SEC. The year-end 2022 2023 condensed balance sheet data was derived from audited financial statements. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") have been condensed or omitted pursuant to such rules and regulations. No substantive change has occurred with regard to the Company's business segments on the whole during the recently completed quarter.

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, as of the date of the financial statements, as well as the reported amounts of revenues and expenses 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 statement of results for the interim periods, have been made.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto of Southwest and the Company included in the 2022 Annual Report to Stockholders, which is incorporated by reference into Southwest's and the Company's 2022 our 2023 Annual Report on Form 10-K. 10-K for the fiscal year ended December 31, 2023.

In the first quarter of 2023, management identified a misstatement related to its accounting for the cost of gas sold at Southwest, thereby determining that Net cost of gas sold was overstated in 2021 and 2022 by \$2.3 million and \$5.7 million, respectively. Southwest made an adjustment in the first quarter of 2023 to reduce Net cost of gas sold and to increase its asset balance for Deferred purchased gas cost by \$8 million.

Also in the first quarter of 2023, the Company identified an approximately \$21 million misstatement related to its initial estimation of the loss recorded upon reclassifying MountainWest as an asset held for sale during the year ended December 31, 2022. Consequently, the impairment loss for the year ended December 31, 2022 was understated by approximately \$21 million, which was corrected in the first quarter of 2023.

The Company (and Southwest, with respect to Net cost of gas sold) assessed, both quantitatively and qualitatively, the impact of these items on previously issued financial statements, concluding they were not material to any prior earlier period or to the current period financial statements.

SOUTHWEST GAS HOLDINGS, INC.
SOUTHWEST GAS CORPORATION

Form 10-Q
September 30, 2023

of correction.

Other Property and Investments. Other property and investments on Southwest's and the Company's Condensed Consolidated Balance Sheets includes:

(Thousands of dollars)	(Thousands of dollars)	September 30, 2023	December 31, 2022	(Thousands of dollars)	March 31, 2024	December 31, 2023
Net cash surrender value of COLI policies	Net cash surrender value of COLI policies	\$ 141,321	\$ 136,245			
Other property	Other property	6,140	33,152			
Total Southwest Gas Corporation	Total Southwest Gas Corporation	147,461	169,397			
Non-regulated property, equipment, and intangibles	Non-regulated property, equipment, and intangibles	1,748,625	1,677,218			
Non-regulated accumulated provision for depreciation and amortization	Non-regulated accumulated provision for depreciation and amortization	(677,442)	(596,518)			
Other property and investments	Other property and investments	35,421	31,075			
Total Southwest Gas Holdings, Inc.	Total Southwest Gas Holdings, Inc.	\$1,254,065	\$1,281,172			

Held for sale. In the first quarter of 2023, the Company and Southwest concluded certain assets associated with **its** **their** previous corporate headquarters met the criteria to be classified as held for sale. As a result, the Company and Southwest reclassified approximately \$27 million from Other property and investments to Current assets held for sale on their respective Condensed Consolidated Balance Sheets in the first quarter of 2023. In **September 2023**, the Company and Southwest recorded an estimated loss of **\$2.1** **\$5.2** million on the assets based upon an updated fair value less costs to **sell**, which is **recorded** **sell**. The sale was completed in **Other income (deductions)**. **January 2024**.

Cash and Cash Equivalents. Cash and cash equivalents of the Company include **\$67.7** **407.4** million and **\$30 million** **\$48.9 million** of money market fund investments at **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023**, respectively. The money market fund investments for **Southwest** were **\$66 million** Of these amounts, **\$407.2 million** and **\$38.6 million** at **September 30, 2023** **March 31, 2024** and **\$17.6 million** at **December 31, 2022** **December 31, 2023**, respectively, **respectively**. were held by Southwest. Refer to discussion above regarding recent collections under Southwest's purchased gas adjustment mechanisms.

Noncash investing activities include capital expenditures that were not yet paid, thereby remaining in accounts payable, **the** amounts related to which declined by approximately **\$39.6** **\$20.8** million and **\$35.2** **\$9.6** million during the **nine** **three** months ended **September 30, 2023** **March 31, 2024**, for the

Company and Southwest, respectively, respectively; and decreased \$10.5 declined approximately \$37.3 million and \$2.9 \$34.2 million for each of these entities during the twelve three months ended September 30, 2023, March 31, 2023, for the Company and Southwest, respectively.

The Other change Company and Southwest expanded their presentation in the first quarter 2024 to show the Change in short-term portion of credit facility and Repayment of short-term debt as presented on the Company's and Southwest's separate line items within their Condensed Consolidated Statements of Cash Flows is comprised of repayments of short-term debt and changes in the current portion of the credit facility.

Deferred purchased gas costs. In July 2023, the Arizona Corporation Commission approved an increase in the gas cost balancing account ("GCBA") rate, over a two-year Flows. The comparable prior-year period as an enhancement has been updated to the existing gas cost recovery mechanism, given the \$358 million Arizona account balance existing as of May 31, 2023. The increased GCBA rate of \$0.20 per therm will support timely recovery of the existing balance. Based on the design of base tariff gas cost rates in Arizona and surcharges, the account balance existing as of that date is deemed generally recoverable over the next twelve months, and is therefore classified as a current asset on the balance sheets of the Company and Southwest. reflect this change.

Prepaid and other current assets. Prepaid and other current assets for the Company and Southwest include, among other things, materials and operating supplies of \$86.6 \$80.9 million at September 30, 2023 March 31, 2024 and \$77.3 \$83.4 million at December 31, 2022 December 31, 2023 (carried at weighted average cost). Also included in the balance was \$207 million as of December 31, 2022 in unrecovered purchased gas costs, with no corresponding asset balance as of September 30, 2023.

Goodwill. Goodwill is assessed as of October 1 each year for impairment, or more frequently, if circumstances indicate an impairment to the carrying value of goodwill may have occurred. The Company's reporting units for goodwill are its operating segments, which are also its reportable segments. Since December 31, 2022 December 31, 2023, management qualitatively assessed whether events during the first nine three months of 2023 2024 indicated it was more likely than not that the fair value of our reporting units was less than their carrying value, which if the case, could be an indication of a goodwill impairment. Through management's assessments, no impairment was deemed to have occurred in the continuing segments of the Company. Goodwill in the Natural Gas

Distribution and Utility Infrastructure Services segments is included in the respective Condensed Consolidated Balance Sheets as follows:

(Thousands of dollars)	(Thousands of dollars)	Natural Gas Distribution	Utility Infrastructure Services	Total Company	(Thousands of dollars)	Natural Gas Distribution	Utility Infrastructure Services	Total Company
December 31, 2022		\$ 11,155	\$ 776,095	\$787,250				
December 31, 2023								
Foreign currency translation adjustment	Foreign currency translation adjustment	—	183	183				
September 30, 2023		\$ 11,155	\$ 776,278	\$787,433				
March 31, 2024								

Other Current Liabilities. Management recognizes in its balance sheets various liabilities that are expected to be settled through future cash payment within the next twelve months, including amounts payable under regulatory mechanisms, customary accrued expenses for employee compensation and benefits, declared but unpaid dividends, and miscellaneous other

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

September 30, 2023

accrued liabilities. Other current liabilities for the Company include \$44.3 million and \$41.6 \$44.4 million of dividends declared as of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, respectively. Also included in the balance for the Company and Southwest was \$36.6 \$120.3 million and \$7.5 million related to a regulatory liability associated with the Arizona decoupling mechanism as of September 30, 2023 and December 31, 2022, respectively, as well as \$41.5 million as of September 30, 2023 \$87.6 million in accrued purchased gas cost with no corresponding liability balance as of December 31, 2022. March 31, 2024 and December 31, 2023, respectively.

Other Income (Deductions). The following table provides the composition of significant items included in Other income (deductions) in Southwest's and the Company's Condensed Consolidated Statements of Income:

		Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,							
		Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,							
(Thousands of dollars)													
(Thousands of dollars)													
(Thousands of dollars)	of (Thousands of dollars)	of	2023	2022	2023	2022	2023	2022					
Southwest Gas Corporation:	Southwest Gas Corporation:												
Southwest Gas Corporation:													
Southwest Gas Corporation:													
Change in COLI policies													
Change in COLI policies													
Change in COLI policies	Change in COLI policies	\$	(1,500)	\$	(1,500)	\$	4,800	\$	(8,700)	\$	8,100	\$	(5,700)
Interest income	Interest income		13,249		4,356		40,235		10,355		46,063		12,156
Interest income													
Interest income													
Equity AFUDC													
Equity AFUDC													
Equity AFUDC	Equity AFUDC		—		91		—		248		(248)		248
Other components of net periodic benefit cost	Other components of net periodic benefit cost		5,097		(188)		15,290		(563)		15,102		(4,068)
Other components of net periodic benefit cost													
Other components of net periodic benefit cost													
Miscellaneous expense													
Miscellaneous expense													

Miscellaneous expense	Miscellaneous expense	(2,309)	(1,081)	(8,603)	(1,780)	(23,739)	(2,733)
Southwest Gas Corporation - total other income (deductions)	Southwest Gas Corporation - total other income (deductions)	14,537	1,678	51,722	(440)	45,278	(97)
Centuri and Southwest Gas Holdings, Inc.:							
Southwest Gas Corporation - total other income (deductions)							
Southwest Gas Corporation - total other income (deductions)							
Centuri, MountainWest, and Southwest Gas Holdings, Inc.:							
Centuri, MountainWest, and Southwest Gas Holdings, Inc.:							
Centuri, MountainWest, and Southwest Gas Holdings, Inc.:							
Foreign transaction gain (loss)							
Foreign transaction gain (loss)							
Foreign transaction gain (loss)	Foreign transaction gain (loss)	18	(182)	(399)	35	543	32
Equity AFUDC	Equity AFUDC	—	246	82	664	(117)	664
Equity in earnings of unconsolidated investments		142	624	591	1,867	1,353	1,925
Equity AFUDC							
Equity AFUDC							
Equity in earnings (loss) of unconsolidated investments							
Equity in earnings (loss) of unconsolidated investments							
Equity in earnings (loss) of unconsolidated investments							
Miscellaneous income and (expense)							
Miscellaneous income and (expense)							
Miscellaneous income and (expense)	Miscellaneous income and (expense)	(50)	(523)	466	(1,746)	(901)	(1,661)
Corporate and administrative	Corporate and administrative	(183)	(250)	66	(378)	181	(385)
Corporate and administrative							
Corporate and administrative							
Southwest Gas Holdings, Inc. - total other income (deductions)	Southwest Gas Holdings, Inc. - total other income (deductions)	\$ 14,464	\$ 1,593	\$ 52,528	\$ 2	\$ 46,337	\$ 478

Southwest Gas Holdings, Inc. - total
other income (deductions)
Southwest Gas Holdings, Inc. - total
other income (deductions)

Interest income primarily relates to Southwest's regulatory asset balances, including its deferred purchased gas cost mechanisms, the combined balance of which increased ranged from \$381 \$970 million as of September 30, 2022 March 31, 2023 to \$687 million \$199 million as of September 30, 2023 March 31, 2024. Refer also to **Note 2 – Components of Net Periodic Benefit Cost**. Miscellaneous expense for Southwest includes a variety of items, including reserves for uncompleted software projects and held-for-sale assets (discussed above) at Southwest deemed non-recoverable from its utility operations.

Redeemable Noncontrolling Interests. In connection with the acquisition of Linetec in November 2018, the previous owner initially retained a 20% equity interest in that entity, with redemption being subject to certain rights based on the passage of time or upon the occurrence of certain triggering events. Effective in 2022, the Company, through Centuri, had the right, but not the obligation, to purchase at fair value (subject to a floor) a portion of the interest held by the previous owner, and in incremental amounts each year thereafter. In March 2022, the parties agreed to a partial redemption, reducing the noncontrolling interest to 15%, and in March 2023, agreeing once again agreed to a partial 5% redemption (of the 15% then remaining). Then again in April 2023, Centuri paid \$39.9 million to the previous owner, in April 2023, thereby reducing the balance continuing to be redeemable as of September 30, 2023 at that time to 10% under the terms of the original agreement. In March 2024, the parties entered into an agreement with to redeem the remaining 10% equity interest for \$92 million, which resulted in Centuri now owning a 90% stake all of the equity interest in Linetec as of March 31, 2024. The Company paid the \$92 million in April, in accordance with the agreement. The impact of this transaction has been excluded from the Company's Condensed Consolidated Statement of Cash Flows for the first quarter of 2024 due to its noncash nature during the period.

Furthermore, Separately, certain members of Riggs Distler management have a 1.42% 1.41% interest in Drum, which is redeemable, subject to certain rights based on the passage of time or upon the occurrence of certain triggering events. A portion of the redeemable noncontrolling interest was funded through promissory notes made to noncontrolling interest holders bearing interest at the prime rate plus 2%.

15

SOUTHWEST GAS HOLDINGS, INC.
SOUTHWEST GAS CORPORATION

Form 10-Q
March 31, 2024

During the first quarter of 2024, Centuri forgave all outstanding promissory notes and unpaid interest owed from the Riggs Distler noncontrolling interest holders and in exchange obtained 0.47% portion of the equity interest in Drum that had been funded through these notes. This comprises most of the change noted below as redemption of Drum interests during the quarter. Additionally, during the first quarter of 2024, Centuri reached an agreement to purchase 0.13% of the noncontrolling interest in Drum for \$0.8 million, the majority which was accrued in March 2024 and ultimately paid in April 2024. The impact of the accrued amount has been excluded from the Company's Condensed Consolidated Statement of Cash Flows for the first quarter of 2024 due to the noncash nature in advance of the April 2024 payment. The remaining noncontrolling interest in Drum outstanding as of March 31, 2024 was 0.81%, with Centuri owning over 99% of Drum following these events.

Significant changes in the value of the redeemable noncontrolling interests, above a floor determined at the establishment date, are recognized as they occur, and the carrying value is adjusted as necessary at each reporting date. The fair value is estimated using a market approach that utilizes certain financial metrics from guideline public companies of similar industry and operating characteristics. Based on the fair value model employed, the estimated redemption value of the Linetec redeemable noncontrolling interest increased approximately \$21.8 million during the nine months ended September 30, 2023 (notwithstanding the change resulting from the partial redemption noted above), and the estimated redemption value of the Drum redeemable noncontrolling interest did not change from the balance at December 31, 2022. Valuation adjustments also

15

SOUTHWEST GAS HOLDINGS, INC.
SOUTHWEST GAS CORPORATION

Form 10-Q
September 30, 2023

impact retained earnings, as reflected in the Company's Condensed Consolidated Statement of Equity, but do not impact net income. The following depicts changes to the balances of the redeemable noncontrolling interests:

(Thousands of dollars):	(Thousands of dollars):	Linetec	Drum	Total	(Thousands of dollars):	Linetec	Drum	Total
Balance, December 31, 2022		\$146,765	\$12,584	\$159,349				
Net income attributable to redeemable noncontrolling interests		3,714	142	3,856				
Balance, December 31, 2023								
Net income (loss) attributable to redeemable noncontrolling interests								
Redemption value adjustments	Redemption value adjustments	21,846	—	21,846				
Redemption of equity interest from noncontrolling party	Redemption of equity interest from noncontrolling party	(39,894)	—	(39,894)				
Balance, September 30, 2023		\$132,431	\$12,726	\$145,157				
Balance, March 31, 2024								

Earnings Per Share. Basic earnings per share ("EPS") in each period of this report were calculated by dividing net income attributable to Southwest Gas Holdings, Inc. by the weighted-average number of shares during those periods. Diluted EPS includes additional weighted-average common stock equivalents (performance shares and restricted stock units). Unless otherwise noted, the term "Earnings Per Share" refers to Basic EPS. A reconciliation of the denominator used in Basic and Diluted EPS calculations is shown in the following table:

		Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,	
		Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,	
(In thousands)							
(In thousands)							
(In thousands)	(In thousands)	2023	2022	2023	2022	2023	2022
Weighted average basic shares	Weighted average basic shares	71,626	67,157	70,488	65,004	69,660	63,905
Weighted average basic shares							
Weighted average basic shares							

Effect of dilutive securities:	Effect of dilutive securities:						
Restricted stock units (1)(2)		225	—	188	144	—	146
Effect of dilutive securities:							
Effect of dilutive securities:							
Restricted stock units (1)							
Restricted stock units (1)							
Restricted stock units (1)							
Weighted average diluted shares	Weighted average diluted shares	71,851	67,157	70,676	65,148	69,660	64,051
Weighted average diluted shares							
Weighted average diluted shares							

(1) The number of anti-dilutive restricted stock units excluded from the calculation of diluted shares during the three months ended September 30, 2022 is 168,000, securities included 136,000 and 192,000 132,000 during the twelve months ended September 30, 2023.

(2) The number of securities included 189,000 performance shares during the three months ended September 30, 2023, 160,000 March 31, 2024 and 135,000 performance shares during the nine months ending September 30, 2023 and 2022, and 135,000 performance shares during the twelve months ended September 30, 2022 March 31, 2023, the total of which was derived by assuming that target performance will be achieved during the relevant performance period.

Income Taxes. The Company's effective tax rate was (47.1)% 16.3% for the three months ended September 30, 2023 March 31, 2024, compared to 11.9% 37.6% for the corresponding period in 2022 2023. The effective rate decrease was primarily due to pre-tax income differences and the amortization of excess deferred income taxes. The Company's effective tax rate was 28.2% for the nine months ended September 30, 2023, compared to 18.6% for the corresponding period in 2022 primarily due to amortization of excess deferred income taxes, company-owned life insurance ("COLI"), which is non-taxable and non-deductible, and the MountainWest sale and in 2023, which also includes included the impact of book versus tax basis differences related to the transaction (See **Note 8 - Dispositions**).

Southwest's effective tax rate was 65.3% 18.2% for the three months ended September 30, 2023 March 31, 2024, compared to 28.1% 18.3% for the corresponding period in 2022 2023. These amounts varied from the statutory rate primarily due to pre-tax income differences, as the result of the amortization of excess deferred income taxes, and corporate-owned life insurance. Southwest's effective tax rate was 12.9% for the nine months ended September 30, 2023, compared to 17.0% in the corresponding period in 2022, primarily due to the amortization of excess accumulated deferred income taxes and corporate-owned life insurance. taxes.

In April 2023, the Internal Revenue Service ("IRS") issued Revenue Procedure 2023-15, which provides a safe harbor method of accounting that taxpayers may use to determine whether expenditures to repair, maintain, replace, or improve natural gas transmission and distribution property must be capitalized for tax purposes. The Company and Southwest are currently reviewing this revenue procedure to determine the potential impact on their financial position, results of operations, and cash flows.

Recent Accounting Standards Updates.

There are no recently issued accounting standards updates that are expected to be adopted or material to Southwest or the Company effective in 2023 or thereafter.

Recent Accounting Standards Updates

Recently issued accounting pronouncement that will be effective in 2024 and later periods:

In November 2023, the Financial Accounting Standards Board (the "FASB") issued ASU 2023-07 "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures." The update, among other amendments, requires disclosure of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss, as well as an amount and description of the composition of other segment items to reconcile to segment profit or loss, and also requires the title and position of the entity's CODM to be disclosed. The update additionally extends certain annual disclosures to interim periods. The provisions of the update are effective for fiscal years beginning after December 15, 2023 and interim periods within the fiscal years beginning after December 15, 2024. Early adoption is permitted. Management is evaluating the impacts this update might have on the Company's and Southwest's disclosures.

Recently issued accounting pronouncement that will be effective after 2024:

In December 2023, the FASB issued ASU 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The update, among other amendments, provides for enhanced income tax information primarily through changes in the rate reconciliation and income taxes paid. The update is effective for annual periods beginning after December 15, 2024; early adoption is permitted. Management is evaluating the impacts this update might have on the Company's and Southwest's disclosures.

17

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

March 31, 2024

Note 2 – Components of Net Periodic Benefit Cost

Southwest has a noncontributory qualified retirement plan with defined benefits covering substantially all employees (those hired before 2022) and a separate unfunded supplemental retirement plan ("SERP"), which is limited to officers hired before 2022. Southwest also provides limited postretirement benefits other than pensions ("PBOP") to its qualified retirees for health care, dental, and life insurance.

The service cost component of net periodic benefit costs included in the table below is a component of an overhead loading process associated with the cost of labor. The overhead process ultimately results in allocation of service cost to the same accounts to which productive labor is charged. As a result, service costs become components of various accounts, primarily operations and maintenance expense, net regulated operations plant, and deferred charges and other assets for both the Company and Southwest. The other components of net periodic benefit cost are reflected in Other income (deductions) on the Condensed Consolidated Statements of Income of each entity. Variability in total net periodic benefit cost between periods, especially with regard to the Qualified Retirement Plan, is subject to changes in underlying actuarial assumptions between periods, notably the discount rate.

		Qualified Retirement Plan					
		September 30,					
		Three Months		Nine Months		Twelve Months	
		2023	2022	2023	2022	2023	2022
(Thousands of dollars)	(Thousands of dollars)						
(Thousands of dollars)							
(Thousands of dollars)							
Service cost							
Service cost							
Service cost	Service cost	\$ 6,460	\$ 11,028	\$ 19,380	\$ 33,084	\$ 30,406	\$ 43,374

(Thousands of dollars)							
(Thousands of dollars)							
(Thousands of dollars)	(Thousands of dollars)						
Service cost	Service cost	\$ 62	\$ 106	\$ 186	\$ 318	\$ 292	\$ 450
Service cost							
Service cost							
Interest cost							
Interest cost							
Interest cost	Interest cost	531	360	1,593	1,080	1,954	1,437
Amortization of net actuarial loss	Amortization of net actuarial loss	249	588	748	1,763	1,335	2,424
Amortization of net actuarial loss							
Amortization of net actuarial loss							
Net periodic benefit cost							
Net periodic benefit cost							
Net periodic benefit cost	Net periodic benefit cost	\$ 842	\$ 1,054	\$ 2,527	\$ 3,161	\$ 3,581	\$ 4,311

		PBOP					
		September 30,					
		Three Months		Nine Months		Twelve Months	
		2023	2022	2023	2022	2023	2022
(Thousands of dollars)							
(Thousands of dollars)							
(Thousands of dollars)	(Thousands of dollars)						
Service cost	Service cost	\$ 317	\$ 485	\$ 951	\$ 1,455	\$ 1,437	\$ 1,877
Service cost							
Service cost							
Interest cost							
Interest cost							
Interest cost	Interest cost	825	613	2,475	1,839	3,088	2,387
Expected return on plan assets	Expected return on plan assets	(606)	(807)	(1,818)	(2,421)	(2,625)	(3,230)
Expected return on plan assets							
Expected return on plan assets							
Amortization of prior service costs							
Amortization of prior service costs							
Amortization of prior service costs	Amortization of prior service costs	44	44	132	132	175	372
Net periodic benefit cost	Net periodic benefit cost	\$ 580	\$ 335	\$ 1,740	\$ 1,005	\$ 2,075	\$ 1,406
Net periodic benefit cost							
Net periodic benefit cost							

Note 3 – Revenue

The following information about the Company's revenues is presented by segment. Southwest encompasses the natural gas distribution segment and Centuri encompasses the utility infrastructure services segment.

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

September 30, 2023

Natural Gas Distribution Segment:

Southwest's operating revenues included on the Condensed Consolidated Statements of Income of both the Company and Southwest include revenue from contracts with customers, which is shown below, disaggregated by customer type, in addition to other categories of revenue:

		Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,	
		2023	2022	2023	2022	2023	2022
(Thousands of dollars)	(Thousands of dollars)						
(Thousands of dollars)							
(Thousands of dollars)							
Residential							
Residential							
Residential	Residential	\$ 215,376	\$ 170,196	\$ 1,277,363	\$ 913,355	\$ 1,688,802	\$ 1,205,176
Small commercial	Small commercial	85,955	61,780	366,667	264,494	480,693	348,934
Small commercial							
Small commercial							
Large commercial							
Large commercial							
Large commercial	Large commercial	27,888	19,590	84,021	60,740	108,515	78,081
Industrial/other	Industrial/other	16,596	13,319	52,165	34,064	68,995	46,025
Industrial/other							
Industrial/other							
Transportation							
Transportation							
Transportation	Transportation	23,278	22,936	77,558	74,034	104,166	98,057
Revenue from contracts with customers	Revenue from contracts with customers	369,093	287,821	1,857,774	1,346,687	2,451,171	1,776,273
Revenue from contracts with customers							
Revenue from contracts with customers							
Alternative revenue program revenues (deferrals)							
Alternative revenue program revenues (deferrals)							

Alternative revenue program revenues (deferrals)	Alternative revenue program revenues (deferrals)	21,840	13,609	(72,251)	1,132	(91,861)	19,648
Other revenues (1)	Other revenues (1)	3,670	2,514	11,825	10,606	14,682	13,718
Other revenues (1)							
Other revenues (1)							
Total Regulated operations revenues	Total Regulated operations revenues	\$ 394,603	\$ 303,944	\$ 1,797,348	\$ 1,358,425	\$ 2,373,992	\$ 1,809,639
Total Regulated operations revenues							
Total Regulated operations revenues							

(1) Amounts include late fees and other miscellaneous revenues, and may also include the impact of certain regulatory mechanisms.

Utility Infrastructure Services Segment:

During the fourth quarter of 2023, Utility infrastructure services segment management, in connection with Centuri's planned separation, changed its service type revenue classification to align with changes in its organizational structure, and as a result, prior year "other" revenue has been recast into gas infrastructure services or electric power infrastructure services to reflect these changes, with no impact to revenue overall. The following tables display Centuri's revenue, reflected as Utility infrastructure services revenues on the Condensed Consolidated Statements of Income of the Company, representing revenue from contracts with customers disaggregated by service and contract types:

		Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,	
(Thousands of dollars)	(Thousands of dollars)	2023	2022	2023	2022	2023	2022
(Thousands of dollars)							
(Thousands of dollars)							
Service Types:							
Service Types:							
Service Types:	Service Types:						
Gas infrastructure services	Gas infrastructure services	\$ 443,083	\$ 467,751	\$ 1,173,960	\$ 1,147,302	\$ 1,558,476	\$ 1,487,806
Gas infrastructure services							
Gas infrastructure services							
Electric power infrastructure services							
Electric power infrastructure services							
Electric power infrastructure services	Electric power infrastructure services	200,547	189,209	668,681	550,926	895,879	729,067
Other	Other	131,259	101,506	391,320	290,205	551,500	404,773
Other							
Other							
Total Utility infrastructure services revenues	Total Utility infrastructure services revenues	\$ 774,889	\$ 758,466	\$ 2,233,961	\$ 1,988,433	\$ 3,005,855	\$ 2,621,646

Total Utility infrastructure services
revenues

Total Utility infrastructure services
revenues

(Thousands of dollars)	Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,	
	2023	2022	2023	2022	2023	2022
Contract Types:						
Master services agreement	\$ 631,913	\$ 637,582	\$ 1,830,242	\$ 1,700,416	\$ 2,472,046	\$ 2,193,195
Bid contract	142,976	120,884	403,719	288,017	533,809	428,451
Total Utility infrastructure services revenues	<u>\$ 774,889</u>	<u>\$ 758,466</u>	<u>\$ 2,233,961</u>	<u>\$ 1,988,433</u>	<u>\$ 3,005,855</u>	<u>\$ 2,621,646</u>
Unit price contracts	\$ 440,787	\$ 453,718	\$ 1,191,889	\$ 1,178,168	\$ 1,621,852	\$ 1,544,471
Fixed price contracts	165,637	117,983	521,722	333,313	686,448	451,374
Time and materials contracts	168,465	186,765	520,350	476,952	697,555	625,801
Total Utility infrastructure services revenues	<u>\$ 774,889</u>	<u>\$ 758,466</u>	<u>\$ 2,233,961</u>	<u>\$ 1,988,433</u>	<u>\$ 3,005,855</u>	<u>\$ 2,621,646</u>

*The three months ended March 31, 2023 were previously presented as: Gas infrastructure services of \$297,408, Electric power infrastructure services of \$233,640, and Other of \$122,245.

19

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

March 31, 2024

(Thousands of dollars)	Three Months Ended March 31,	
	2024	2023
Contract Types:		
Master services agreement	\$ 443,242	\$ 547,606
Bid contract	84,781	105,687
Total Utility infrastructure services revenues	<u>\$ 528,023</u>	<u>\$ 653,293</u>
Unit price contracts	\$ 307,849	\$ 328,527
Fixed price contracts	110,282	166,915
Time and materials contracts	109,892	157,851
Total Utility infrastructure services revenues	<u>\$ 528,023</u>	<u>\$ 653,293</u>

The following table provides information about contracts receivable and revenue earned on contracts in progress in excess of billings (contract assets), both of which are included within Accounts receivable, net of allowances, as well as amounts billed in

18

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

September 30, 2023

excess of revenue earned on contracts (contract liabilities) at Centuri, which are included in Other current liabilities as of **September 30, 2023** **March 31, 2024** and **December 31, 2022** **December 31, 2023** on the Company's Condensed Consolidated Balance Sheets:

(Thousands of dollars)	(Thousands of dollars)	September 30, 2023	December 31, 2022	(Thousands of dollars)	March 31, 2024	December 31, 2023
Contracts receivable, net	Contracts receivable, net	\$ 452,728	\$ 394,022			
Revenue earned on contracts in progress in excess of billings	Revenue earned on contracts in progress in excess of billings	282,759	238,059			
Amounts billed in excess of revenue earned on contracts	Amounts billed in excess of revenue earned on contracts	51,710	35,769			

The revenue earned on contracts in progress in excess of billings (contract assets) that are not expected to be recognized within a year from the financial statement date are not included in the table above, and were \$16.5 million as of March 31, 2024, and \$0.2 million as of December 31, 2023. These non-current balances were included in Deferred charges and other assets on the Company's Condensed Consolidated Balance Sheets.

These contract assets primarily relates relate to Centuri's right rights to consideration for work completed, but not billed and/or approved for billing at the reporting date. These contract assets reporting date, and are transferred to contracts receivable when the rights become unconditional. Contract assets increased \$44.7 million during 2023 due primarily to continued revenue growth. The amounts billed in excess of revenue earned primarily relate to the advance advance consideration received from customers for which work has not yet been completed. The change decrease in this the contract liability balance from **December 31, 2022** **December 31, 2023** to **September 30, 2023** increased \$15.9 million **March 31, 2024** of \$30 million was due to amounts received for services not yet performed, to revenue recognized during the period, net of revenue recognized. new payments received in advance of work performed.

For contracts that have an original duration of one year or less, Centuri uses the practical expedient applicable to such contracts and does not consider/compute an interest component based on the time value of money. Furthermore, because of the short duration of these contracts, Centuri has not disclosed the transaction price for the remaining performance obligations as of the end of each reporting period or when the Company expects to recognize the revenue.

As of **September 30, 2023** **March 31, 2024**, Centuri had 57 53 fi fixed xed price contracts with an original duration of more than one year. The aggregate amount of the transaction price allocated to the unsatisfied performance obligations of these contracts as of **September 30, 2023** **March 31, 2024** was \$383 million 277 million. C. Centuri enturi expects to recognize the remaining performance obligations over approximately the next two years; however, the timing of that recognition is largely within the control of the customer, including when the necessary materials required to complete the work are provided by the customer.

Utility infrastructure services contracts receivable consists of the following:

(Thousands of dollars)	(Thousands of dollars)	September 30, 2023	December 31, 2022	(Thousands of dollars)	March 31, 2024	December 31, 2023
Billed on completed contracts and contracts in progress	Billed on completed contracts and contracts in progress	\$ 453,434	\$ 395,771			
Other receivables	Other receivables	3,906	2,569			

Contracts receivable, gross	Contracts receivable, gross	457,340	398,340
Allowance for doubtful accounts	Allowance for doubtful accounts	(4,612)	(4,318)
Contracts receivable, net	Contracts receivable, net	<u>\$ 452,728</u>	<u>\$ 394,022</u>

20

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

March 31, 2024

Note 4 – Common Stock

Shares of the Company's common stock are publicly traded on the New York Stock Exchange, under the ticker symbol "SWX." Share-based compensation related to Southwest and Centuri (for award grants prior to 2024 that continue to be subject to time-based vesting) is based on stock awards to be issued in shares of Southwest Gas Holdings, Inc.

On April 8, 2021, the Company entered into a Sales Agency Agreement between In November 2023, the Company and BNY Mellon Capital Markets, LLC and J.P. Morgan Securities LLC (the "Equity Shelf Program") for the offer and sale of up to \$500 million of common stock from time to time in Southwest jointly filed an at-the-market offering program. The shares are issued pursuant to the Company's automatic shelf registration statement on Form S-3 (File No. 333-251074) 333-275774), or "the Universal Shelf." There which became effective upon filing. The prior shelf registration expired in December 2023. Upon expiration of the prior shelf registration, the Company's equity shelf program was no terminated. The Company intends to enter into activity under similar program during 2024.

During the Equity Shelf Program during the quarter three months ended September 30, 2023. The following table provides the life-to-date activity under that program through September 30, 2023:

Gross proceeds	\$	158,180,343
Less: agent commissions		(1,581,803)
Net proceeds	\$	<u>156,598,540</u>
Number of shares sold		2,302,407
Weighted average price per share	\$	68.70

As of September 30, 2023 March 31, 2024, the Company had issued approximately \$342 million in 67,000 shares of common stock available for issuance under through the program Omnibus Incentive Plan.

Additionally, during the three months ended March 31, 2024, the Company issued 35,000 shares of common stock through the Dividend Reinvestment and Stock Purchase Plan, raising approximately \$2.4 million.

19 21

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

September 30, 2023

In March 2023, the Company issued, through a separate prospectus supplement under the Universal Shelf, an aggregate of 4.1 million shares of common stock, at an underwritten public offering price of \$60.12 per share, resulting in net proceeds to the Company of \$238.4 million, net of an underwriter's discount of \$8.3 million and estimated expenses of the offering. Approximately \$140 million (2.3 million shares) of the offering was purchased by certain funds affiliated with Carl C. Icahn, a significant stockholder beneficially owning more than 15% of the outstanding stock of the Company as of September 30, 2023. The Company used the net proceeds to repay outstanding amounts under the Company's credit facility, with the remaining proceeds used to pay off residual amounts outstanding under the loan entered into in November 2021 in connection with the acquisition of MountainWest and the remainder, for working capital and general corporate purposes.

During the nine months ended September 30, 2023, the Company issued approximately 61,000 shares of common stock through the Restricted Stock/Unit Plan and Omnibus Incentive Plan.

Additionally, during the nine months ended September 30, 2023, the Company issued 222,000 shares of common stock through the Dividend Reinvestment and Stock Purchase Plan, raising approximately \$12.7 million.

SOUTHWEST GAS HOLDINGS, INC.

Form 10-Q

SOUTHWEST GAS CORPORATION

September 30, 2023 March 31, 2024

Note 5 – Debt

Long-Term Debt

Long-term debt is recognized in the Company's and Southwest's Condensed Consolidated Balance Sheets generally at the carrying value of the obligations outstanding. Details surrounding the fair value and individual carrying values of instruments are provided in the table that follows.

		September 30, 2023		December 31, 2022		March 31, 2024	December 31, 2023	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value			
		Carrying Amount				Carrying Amount	Fair Value	Carrying Amount Fair Value
(Thousands of dollars)	(Thousands of dollars)							
Southwest Gas Corporation:	Southwest Gas Corporation:							
Southwest Gas Corporation:	Southwest Gas Corporation:							
Debentures:	Debentures:							
Debentures:	Debentures:							
Debentures:	Debentures:							
8% Series, due 2026	8% Series, due 2026							
8% Series, due 2026	8% Series, due 2026							
8% Series, due 2026	8% Series, due 2026	\$ 75,000	\$77,489	\$ 75,000	\$80,027			

Medium-term notes, 7.92% series, due 2027	Medium-term notes, 7.92% series, due 2027	25,000	26,063	25,000	26,840
Medium-term notes, 6.76% series, due 2027	Medium-term notes, 6.76% series, due 2027	7,500	7,533	7,500	7,662
Notes, 5.8%, due 2027	Notes, 5.8%, due 2027	300,000	300,300	300,000	305,913
Notes, 3.7%, due 2028	Notes, 3.7%, due 2028	300,000	274,884	300,000	275,043
Notes, 5.45%, due 2028	Notes, 5.45%, due 2028	300,000	295,212	—	—
Notes, 2.2%, due 2030	Notes, 2.2%, due 2030	450,000	353,831	450,000	353,763
Notes, 4.05%, due 2032	Notes, 4.05%, due 2032	600,000	518,934	600,000	527,052
Notes, 6.1%, due 2041	Notes, 6.1%, due 2041	125,000	113,156	125,000	113,184
Notes, 4.875%, due 2043	Notes, 4.875%, due 2043	250,000	193,110	250,000	195,703
Notes, 3.8%, due 2046	Notes, 3.8%, due 2046	300,000	203,553	300,000	209,169
Notes, 4.15%, due 2049	Notes, 4.15%, due 2049	300,000	210,048	300,000	218,712
Notes, 3.18%, due 2051	Notes, 3.18%, due 2051	300,000	172,647	300,000	185,523
Unamortized discount and debt issuance costs	Unamortized discount and debt issuance costs	(30,357)		(29,471)	
		3,302,143		3,003,029	
		3,303,672			
		3,303,672			
		3,303,672			
Revolving credit facility and commercial paper					
Revolving credit facility and commercial paper					

Revolving credit facility and commercial paper	Revolving credit facility and commercial paper	—	—	50,000	50,000
Industrial development revenue bonds:	Industrial development revenue bonds:				
Tax-exempt Series A, due 2028					
Tax-exempt Series A, due 2028					
Tax-exempt Series A, due 2028	Tax-exempt Series A, due 2028	50,000	50,000	50,000	50,000
2003 Series A, due 2038	2003 Series A, due 2038	50,000	50,000	50,000	50,000
2008 Series A, due 2038	2008 Series A, due 2038	50,000	50,000	50,000	50,000
2009 Series A, due 2039	2009 Series A, due 2039	50,000	50,000	50,000	50,000
Unamortized discount and debt issuance costs	Unamortized discount and debt issuance costs	(1,459)	(1,733)		
		198,541	198,267		
		198,739			
		198,739			
		198,739			
Less: current maturities					
Less: current maturities					
Less: current maturities	Less: current maturities	—	—		
Southwest Gas Corporation total long-term debt, less current maturities	Southwest Gas Corporation total long-term debt, less current maturities	3,500,684	3,251,296		
Southwest Gas Corporation total long-term debt, less current maturities					
Southwest Gas Corporation total long-term debt, less current maturities					

Southwest Gas Holdings, Inc.:	Southwest Gas Holdings, Inc.:				
SWH term loan facility		550,000	550,000	—	—
Southwest Gas Holdings, Inc.:					
Southwest Gas Holdings, Inc.:					
Centuri secured term loan facility					
Centuri secured term loan facility					
Centuri secured term loan facility	Centuri secured term loan facility	997,100	994,607		
				1,008,550	995,852
Centuri secured revolving credit facility	Centuri secured revolving credit facility	143,881	143,918		
				81,955	82,315
Other debt obligations	Other debt obligations	104,240	97,261		
				126,844	118,314
Unamortized discount and debt issuance costs	Unamortized discount and debt issuance costs	(18,031)			
				(20,789)	
Less: current maturities	Less: current maturities	(42,335)			
				(44,557)	
Less: current maturities					
Less: current maturities					
Southwest Gas Holdings, Inc. total long-term debt, less current maturities	Southwest Gas Holdings, Inc. total long-term debt, less current maturities				
		\$	5,235,539	\$4,403,299	
Southwest Gas Holdings, Inc. total long-term debt, less current maturities					
Southwest Gas Holdings, Inc. total long-term debt, less current maturities					

Southwest has a \$400 million credit facility that is scheduled to expire in April 2025. Southwest designates \$150 million of associated capacity as long-term debt and the remaining \$250 million for working capital purposes. Interest rates for the credit facility are calculated at either the Secured Overnight Financing Rate ("SOFR") or an "alternate base rate," plus in each case an applicable margin that is determined based on Southwest's senior unsecured debt rating. At September 30, 2023 March 31, 2024, the applicable margin is 1.125% for loans bearing interest with reference to SOFR and 0.125% for loans bearing interest with reference to the alternative base rate. At September 30, 2023 March 31, 2024, no borrowings were outstanding on the long-term portion (including under the commercial paper program), nor under the short-term portion of the facility.

Centuri has a \$1.545 billion secured revolving credit and term loan multi-currency facility. Amounts can be borrowed in either Canadian or U.S. dollars. The revolving credit facility matures on August 27, 2026 and the term loan facility matures on August 27, 2028. Interest rates for the revolving credit facility and term loan facility are based on either a "base rate," SOFR or the Canadian Dollar Offered Rate ("CDOR"), plus an applicable margin. The capacity of the line of credit portion of the facility is \$400 million; related amounts borrowed and repaid are available to be re-borrowed. The term loan portion of the facility has a limit of \$1.145 billion. The obligations under the credit agreement are secured by present and future ownership interests in substantially all direct and indirect subsidiaries of Centuri, substantially all of the tangible and intangible personal property of each borrower, certain of their direct and indirect subsidiaries, and all products, profits, and proceeds of the foregoing. Centuri's assets securing the facility at September 30, 2023 March 31, 2024 totaled \$2.624 billion. At September 30, 2023 March 31, 2024, \$1.141\$1.1 billion in borrowings were outstanding under Centuri's combined secured revolving credit and term loan facility.

On March 22, 2024, Centuri amended the financial covenants of its revolving credit facility to increase the maximum total net leverage ratio for the fiscal quarter ending March 31, 2024 to a ratio of 5.75 to 1.00, for the fiscal quarter ending June 30, 2024 to a ratio of 6.00 to 1.00, and for the fiscal quarter ending September 30, 2024 to a ratio of 5.75 to 1.00. In March 2023, Southwest issued \$300 million aggregate principal amount addition, this amendment increased the adjusted maximum total net leverage ratio financial covenants, which are applicable in the event that a "Qualified IPO" (as defined in the amendment) is consummated, for each of 5.450% Senior Notes (the "March 2023 Notes") the fiscal quarters ending March 31, 2024, June 30, 2024, and September 30, 2024. The notes will mature in March 2028. Southwest terms of the Centuri credit facility otherwise remain unchanged. Following the IPO and private placement, Centuri used the net approximately \$316 million of proceeds to repay amounts outstanding pay down \$156 million of debt under its the existing line of credit and \$160 million of debt under the term loan portion of the facility, and with the remainder intended for general corporate purposes.

In April 2023, Southwest Gas Holdings, Inc. entered into a \$550 million Term Loan Credit Agreement (the "Term Loan") that matures in October 2024. Interest rates for the Term Loan are calculated, at the Company's option, at either SOFR plus an adjustment of 0.100% or the "alternate base rate," plus in each case an applicable margin. Loans bearing interest with reference to SOFR have an applicable margin of 1.300% and loans bearing interest with reference to the alternate base rate have an applicable margin of 0.300%. SOFR is calculated with a floor of 0.000% and alternative base rate is calculated with a floor of 1.000%. Southwest Gas Holdings, Inc. utilized a majority of the proceeds to make an equity contribution to Southwest. On April 17, 2023, Southwest utilized the equity contribution to repay, in full, amounts outstanding under its then existing \$450 million 364-day term loan, with the remainder of the equity contribution used for working capital and general corporate purposes.

Short-Term Debt

Southwest Gas Holdings, Inc. has a \$300 million credit facility that is scheduled to expire in December 2026 and is primarily used for short-term financing needs. Interest rates for the credit facility are calculated at either SOFR or the "alternate base rate," plus in each case an applicable margin. There was \$57.5 \$94 million outstanding under this credit facility as of September 30, 2023 March 31, 2024.

In April 2023, Southwest Gas Holdings, Inc. entered into a \$550 million Term Loan Credit Agreement (the "Term Loan") that matures in October 2024. Southwest Gas Holdings, Inc. utilized a majority of the proceeds to make an equity contribution to Southwest.

As indicated above, under Southwest's \$400 million credit facility, no short-term borrowings were outstanding at September 30, 2023 March 31, 2024.

Note 6 – Other Comprehensive Income and Accumulated Other Comprehensive Income

The following information presents the Company's Other comprehensive income (loss), both before and after-tax impacts, within the Condensed Consolidated Statements of Comprehensive Income, which also impact Accumulated other comprehensive income ("AOCI") in the Condensed Consolidated Balance Sheets and the Condensed Consolidated Statements of Equity.

Related Tax Effects Allocated to Each Component of Other Comprehensive Income (Loss)

	Three Months Ended September 30, 2023			Three Months Ended September 30, 2022		
	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)						
Defined benefit pension plans:						
Amortization of prior service cost	\$ 44	\$ (11)	\$ 33	\$ 44	\$ (10)	\$ 34
Amortization of net actuarial (gain)/loss	333	(80)	253	8,705	(2,089)	6,616
Regulatory adjustment	(118)	28	(90)	(7,268)	1,744	(5,524)
Total other comprehensive income (loss) - Southwest Gas Corporation	259	(63)	196	1,481	(355)	1,126
Foreign currency translation adjustments:						
Translation adjustments	(2,261)	—	(2,261)	(5,830)	—	(5,830)
Foreign currency other comprehensive income (loss)	(2,261)	—	(2,261)	(5,830)	—	(5,830)
Total other comprehensive income (loss) - Southwest Gas Holdings, Inc.	\$ (2,002)	\$ (63)	\$ (2,065)	\$ (4,349)	\$ (355)	\$ (4,704)
	Nine Months Ended September 30, 2023			Nine Months Ended September 30, 2022		
	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)						
Defined benefit pension plans:						
Amortization of prior service cost	\$ 132	\$ (33)	\$ 99	\$ 132	\$ (32)	\$ 100
Amortization of net actuarial (gain)/loss	1,000	(240)	760	26,114	(6,267)	19,847
Regulatory adjustment	(356)	86	(270)	(21,804)	5,233	(16,571)
Pension plans other comprehensive income (loss)	776	(187)	589	4,442	(1,066)	3,376
FSIRS (designated hedging activities):						
Amounts reclassified into net income	—	—	—	545	(129)	416
FSIRS other comprehensive income (loss)	—	—	—	545	(129)	416
Total other comprehensive income (loss) - Southwest Gas Corporation	776	(187)	589	4,987	(1,195)	3,792
Foreign currency translation adjustments:						
Translation adjustments	130	—	130	(7,263)	—	(7,263)
Foreign currency other comprehensive income (loss)	130	—	130	(7,263)	—	(7,263)
Total other comprehensive income (loss) - Southwest Gas Holdings, Inc.	\$ 906	\$ (187)	\$ 719	\$ (2,276)	\$ (1,195)	\$ (3,471)

(Thousands of dollars)	Twelve Months Ended September 30, 2023			Twelve Months Ended September 30, 2022		
	Before-Tax Amount	Tax (Expense) or Benefit (1)	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) or Benefit (1)	Net-of-Tax Amount
Defined benefit pension plans:						
Net actuarial gain/(loss)	\$ 4,079	\$ (980)	\$ 3,099	\$ 59,176	\$ (14,202)	\$ 44,974
Amortization of prior service cost	175	(43)	132	372	(90)	282
Amortization of net actuarial (gain)/loss	9,704	(2,330)	7,374	37,263	(8,942)	28,321
Regulatory adjustment	(6,784)	1,628	(5,156)	(81,273)	19,506	(61,767)
Pension plans other comprehensive income (loss)	7,174	(1,725)	5,449	15,538	(3,728)	11,810
FSIRS (designated hedging activities):						
Amounts reclassified into net income	—	—	—	1,087	(259)	828
FSIRS other comprehensive income (loss)	—	—	—	1,087	(259)	828
Total other comprehensive income (loss) - Southwest Gas Corporation	7,174	(1,725)	5,449	16,625	(3,987)	12,638
Foreign currency translation adjustments:						
Translation adjustments	1,260	—	1,260	(6,919)	—	(6,919)
Foreign currency other comprehensive income (loss)	1,260	—	1,260	(6,919)	—	(6,919)
Total other comprehensive income (loss) - Southwest Gas Holdings, Inc.	\$ 8,434	\$ (1,725)	\$ 6,709	\$ 9,706	\$ (3,987)	\$ 5,719

(Thousands of dollars)	Three Months Ended March 31, 2024			Three Months Ended March 31, 2023		
	Before-Tax Amount	Tax (Expense) or Benefit (1)	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) or Benefit (1)	Net-of-Tax Amount
Defined benefit pension plans:						
Amortization of prior service cost	\$ 44	\$ (11)	\$ 33	\$ 44	\$ (11)	\$ 33
Amortization of net actuarial (gain)/loss	1,910	(459)	1,451	333	(80)	253
Regulatory adjustment	(1,448)	348	(1,100)	(119)	29	(90)
Total other comprehensive income (loss) - Southwest Gas Corporation	506	(122)	384	258	(62)	196
Foreign currency translation adjustment	(2,819)	—	(2,819)	97	—	97
Total other comprehensive income (loss) - Southwest Gas Holdings, Inc.	\$ (2,313)	\$ (122)	\$ (2,435)	\$ 355	\$ (62)	\$ 293

(1) Tax amounts are calculated using a 24% rate. The Company has elected to indefinitely reinvest, in Canada, the earnings of Centuri's Canadian subsidiaries, thus precluding deferred taxes on such earnings. As a result of this assertion, and no repatriation of earnings anticipated, the Company is not recognizing a tax effect or presenting a tax expense or benefit for currency translation adjustments reported in Other comprehensive income (loss).

The following table represents a rollforward of AOCI, presented on the Company's Condensed Consolidated Balance Sheets and its Condensed Consolidated Statements of Equity:

Defined Benefit Plans	Foreign Currency Items	Defined Benefit Plans	Foreign Currency Items
-----------------------	------------------------	-----------------------	------------------------

(Thousands of dollars)	(Thousands of dollars)	of	Tax			Tax			(Thousands of dollars)	Before-Tax	Tax			Before-Tax	Tax		AOCI
			Before-Tax	(Expense) Benefit (3)	After-Tax	Before-Tax	(Expense) Benefit	After-Tax			Benefit (3)	After-Tax					
Beginning Balance AOCI December 31, 2022			\$ (50,342)	\$ 12,081	\$ (38,261)	\$ (5,981)	\$ —	\$ (5,981)	\$ (44,242)								
Translation adjustments			—	—	—	130	—	130	130								
Beginning Balance AOCI December 31, 2023																	
Foreign currency translation adjustment																	
Amortization of prior service cost (1)			Amortization of prior service cost (1)			132	(33)	99	—	—	—	99					
Amortization of net actuarial loss (1)			Amortization of net actuarial loss (1)			1,000	(240)	760	—	—	—	760					
Regulatory adjustment (2)			Regulatory adjustment (2)			(356)	86	(270)	—	—	—	(270)					
Net current period other comprehensive income (loss) attributable to Southwest Gas Holdings, Inc.			Net current period other comprehensive income (loss) attributable to Southwest Gas Holdings, Inc.			776	(187)	589	130	—	130	719					
Ending Balance AOCI September 30, 2023			<u>\$ (49,566)</u>	<u>\$ 11,894</u>	<u>\$ (37,672)</u>	<u>\$ (5,851)</u>	<u>\$ —</u>	<u>\$ (5,851)</u>	<u>\$ (43,523)</u>								
Ending Balance AOCI March 31, 2024																	

- (1) These AOCI components are included in the computation of net periodic benefit cost (see **Note 2 – Components of Net Periodic Benefit Cost** for additional details).
- (2) The regulatory adjustment represents the portion of the activity above that is expected to be recovered through rates in the future (the related regulatory asset is included in Deferred charges and other assets on the Company's Condensed Consolidated Balance Sheets).
- (3) Tax amounts are calculated using a 24% rate.

The following table represents a rollforward of AOCI, presented on Southwest's Condensed Consolidated Balance Sheets:

Defined Benefit Plans	Defined Benefit Plans
-----------------------	-----------------------

(Thousands of dollars)	(Thousands of dollars)	(Thousands of dollars)	Tax		(Thousands of dollars)	Before-Tax	Tax (Expense) Benefit (6)	After-Tax
			Before-Tax	(Expense) Benefit (6)				
Beginning Balance AOCI December 31, 2022			\$(50,342)	\$ 12,081	\$(38,261)			
Beginning Balance AOCI December 31, 2023								
Amortization of prior service cost (4)	Amortization of prior service cost (4)		132	(33)	99			
Amortization of net actuarial loss (4)	Amortization of net actuarial loss (4)		1,000	(240)	760			
Regulatory adjustment (5)	Regulatory adjustment (5)		(356)	86	(270)			
Net current period other comprehensive income attributable to Southwest Gas Corporation	Net current period other comprehensive income attributable to Southwest Gas Corporation		776	(187)	589			
Ending Balance AOCI September 30, 2023			\$(49,566)	\$ 11,894	\$(37,672)			
Ending Balance AOCI March 31, 2024								

(4) These AOCI components are included in the computation of net periodic benefit cost (see **Note 2 – Components of Net Periodic Benefit Cost** for additional details).

(5) The regulatory adjustment represents the portion of the activity above that is expected to be recovered through rates in the future (the related regulatory asset is included in Deferred charges and other assets on Southwest's Condensed Consolidated Balance Sheets).

(6) Tax amounts are calculated using a 24% rate.

The following table represents amounts (before income tax impacts) included in AOCI (in the tables above), that have not yet been recognized in net periodic benefit cost:

(Thousands of dollars)	(Thousands of dollars)	September 30, 2023	December 31, 2022	(Thousands of dollars)	March 31, 2024	December 31, 2023
Net actuarial loss	Net actuarial loss	\$(359,113)	\$(360,113)			
Prior service cost	Prior service cost	(1,221)	(1,353)			

Less: amount recognized in regulatory assets	Less: amount recognized in regulatory assets	310,768	311,124
Recognized in AOCI	Recognized in AOCI	\$ (49,566)	\$ (50,342)

Note 7 – Segment Information

The Company has two reportable segments. Southwest comprises the natural gas distribution segment and Centuri comprises the utility infrastructure services segment. As a result of the MountainWest sale in February 2023 (previously comprising the pipeline and storage segment), the information for the nine and twelve three months ended September 30, 2023 March 31, 2023 presented below for MountainWest reflects activity from January 1, 2023 through February 13, 2023 (the last full day of its ownership by the Company).

Centuri accounts for services provided to Southwest at contractual prices. Accounts receivable for these services, which are not eliminated during consolidation, are presented in the table below:

(Thousands of dollars)	(Thousands of dollars)	September 30, 2023	December 31, 2022	(Thousands of dollars)	March 31, 2024	December 31, 2023
Centuri accounts receivable for services provided to Southwest	Centuri accounts receivable for services provided to Southwest	\$ 11,764	\$ 18,067			

In order to reconcile the table below to net income (loss) as disclosed in the Condensed Consolidated Statements of Income, an Other column is included associated with impacts of corporate and administrative activities related to Southwest Gas Holdings, Inc. The financial information pertaining to the natural gas distribution, utility infrastructure services, and pipeline and storage segments are as follows:

(Thousands of dollars)	Natural Gas Distribution	Utility Infrastructure Services	Pipeline and Storage	Other	Total
Three Months Ended September 30, 2023					
Revenues from external customers	\$ 394,603	\$ 745,639	\$ —	\$ —	\$ 1,140,242
Intersegment revenues	—	29,250	—	—	29,250
Total	\$ 394,603	\$ 774,889	\$ —	\$ —	\$ 1,169,492
Segment net income (loss)	\$ (3,251)	\$ 17,956	\$ —	\$ (11,474)	\$ 3,231
Three Months Ended September 30, 2022					
Revenues from external customers	\$ 303,944	\$ 721,910	\$ 63,178	\$ —	\$ 1,089,032
Intersegment revenues	—	36,556	—	—	36,556

Segment net income (loss)	Segment net income (loss)	\$ 217,615	\$ 31,367	\$ (344,347)	\$ (107,199)	\$ (202,564)
Twelve Months Ended September 30, 2022						
Three Months Ended March 31, 2023						
Three Months Ended March 31, 2023						
Three Months Ended March 31, 2023						
Revenues from external customers						
Revenues from external customers						
Revenues from external customers	Revenues from external customers	\$1,809,639	\$ 2,495,169	\$ 192,259	\$ —	\$4,497,067
Intersegment revenues	Intersegment revenues	—	126,477	—	—	126,477
Total	Total	\$1,809,639	\$ 2,621,646	\$ 192,259	\$ —	\$4,623,544
Segment net income (loss)	Segment net income (loss)	\$ 171,881	\$ 3,223	\$ 44,326	\$ (72,193)	\$ 147,237

The corporate and administrative activities for Southwest Gas Holdings, Inc. in the three months ending **September 30, 2023** **March 31, 2024** include approximately **\$10** **\$11** million of interest expense, including amounts incurred under the \$550 million Term Loan entered into in April 2023, along with **\$3 million** **\$2.7 million** in costs associated with the planned separation of Centuri, offset by tax benefits experienced during the quarter.

The nine-month and twelve-month periods ended September 30, 2023 incrementally include, among other things, additional amounts related to the sale agreement with Williams in regard to MountainWest, including a charge of \$28.4 million from the post-closing rate case settlement agreement for MountainWest Overthrust Pipeline; and an additional \$21 million reflecting the final post-closing payment of \$7.4 million related to cash and net working capital balances above/below a contract benchmark, with the remaining charge associated with other changes in the assets and liabilities that were not subject to post-closing payment true-up provisions. The post-closing payment of \$7.4 million returned approximately the same amount initially paid by Williams to the Company at closing. Other corporate and administrative amounts during the year-to-date period also reflect residual costs associated with or as a result of the MountainWest sale, as well as \$32 million of interest expense, including amounts noted above in the third quarter of 2023 and amounts under the loan entered into by Southwest Gas Holdings, Inc. in November 2021 in connection with the acquisition of MountainWest prior to it being paid in full in March 2023 (including \$2.5 million in debt issuance costs written off when the debt was repaid). The twelve-month period ended September 30, 2023 included \$52 million of interest expense including the aforementioned MountainWest acquisition loan, \$7.3 million in costs associated with the planned separation of Centuri, as well as \$5.7 million in combined costs associated with stockholder activism and the associated proxy contest, and costs of a strategic review initiative initiated in 2022. The amounts related to the MountainWest sale, including the rate case settlement, and post-closing adjustments, are included in Goodwill impairment and loss on sale on the Company's Condensed Consolidated Statement of Income.

Note 8 - Dispositions

Dispositions

In December 2022, the Company announced that the Board unanimously determined to take strategic actions to simplify the Company's portfolio of businesses. These actions included entering into a definitive agreement to sell 100% of MountainWest **in an all-cash transaction** to Williams for \$1.5 billion in total enterprise value, subject to certain adjustments. The MountainWest sale **closed on February 14, 2023**. As part of this simplification strategy, **was completed in February 2023**. Additionally, the Company **previously communicated that determined** it would pursue a separation of Centuri. In September 2023, Centuri to form a new independent publicly traded utility infrastructure services company.

As discussed in **Note 1 - Background, Organization, and Summary of Significant Accounting Policies**, in April 2024, the Company announced that Centuri Holdings, Inc., a wholly owned subsidiary of the Company formed for purposes of completing the separation ("Centuri Holdings"), had confidentially submitted a draft Registration Statement on Form S-1 with the SEC for a proposed initial public offering ("IPO") of newly issued shares of Centuri Holdings common stock. The IPO is subject to market and other conditions, announced the completion of the SEC's review process, and the Board's approval to proceed with the transaction. In the event an IPO is executed, the Company expects to maintain the option to either spin Centuri on of 12,400,000 shares of Centuri's common stock at a tax-free or taxable basis or sell down any remaining stake in a series of taxable sell downs following the IPO once the applicable lock-up period expires. The Company will continue to evaluate options for the separation following any IPO.

The fair value of the MountainWest assets held-for-sale was previously estimated based on the preliminary closing statement and subject to certain adjustments, including a post-closing payment between the parties related to final working capital balances. The amount of the post-closing payment was finalized in May 2023. The Company recognized an additional loss on

27 25

sale price of \$21.00 per share. Centuri granted the underwriters a 30-day option to purchase up to an additional 1,860,000 shares of its common stock, which was exercised. In addition, Centuri announced the concurrent private placement of an additional 2,591,929 shares at a price equal to the IPO price. Centuri's common stock is listed on the New York Stock Exchange under the symbol "CTRL" and began trading on April 18, 2024. The net proceeds to Centuri from the IPO and the concurrent private placement, after deducting underwriting discounts and commissions of \$18 million and estimated offering expenses, were approximately \$21 million during \$329 million. Centuri used the quarter ended March 31, 2023. This reflects the accrued post-closing payment proceeds to repay a portion (approximately \$316 million) of \$7.4 million related to cash outstanding indebtedness under its revolving credit and net working capital balances above/below a contractual benchmark, term loan facility, with the remaining charge associated with other changes in remainder for general corporate purposes.

After completion of the assets IPO, and liabilities that were not subject to post-closing payment true-up provisions. The post-closing payment of \$7.4 million effectively returned approximately the same amount initially paid by Williams to above undertakings, the Company at closing continues to own approximately 81.0% of all ownership interests in Centuri. The \$7.4 million reduced Proceeds from Company intends to further reduce its ownership in future periods through sales of its remaining Centuri shares into the sale market, a distribution of businesses, net Centuri shares to Company stockholders, or an exchange of cash acquired Centuri shares for Southwest Gas Holdings, Inc. shares, or a combination thereof. The Company entered into several agreements with Centuri Holdings, Inc. in connection with the Company's Condensed Consolidated Statements of Cash Flows.

As referred to in **Note 7 - Segment Information**, in September 2022, the Federal Energy Regulatory Commission (the "FERC") issued an order initiating an investigation, pursuant to section 5 of the Natural Gas Act, to determine whether rates charged by MountainWest Overthrust Pipeline, LLC, a subsidiary of MountainWest, were just and reasonable and setting the matter for hearing (the "Section 5 Rate Case"). In March 2023, the parties agreed to a settlement, and as a result the Company recorded an additional estimated loss of \$28.4 million from the disposal of MountainWest in the first quarter of 2023, which is included in Goodwill impairment and loss on sale in the Company's Condensed Consolidated Statement of Income. The \$28.4 million was paid in the third quarter of 2023 IPO and the matter is now deemed closed. The \$28.4 million reduced Proceeds from planned separation, providing a framework for the sale of businesses, net of cash sold in the Company's Condensed Consolidated Statements of Cash Flows. Other contingent commitments were part of the agreement as well, expenses for which have been immaterial to date and are expected to continue to be immaterial overall.

Note 9 - Subsequent Events

On November 3, 2023, the Board authorized a dividend of one preferred stock purchase right (a "Right") for each outstanding share of common stock, \$1 par value per share, of the Company (the "Common Stock"). The dividend is payable on November 17, 2023 (the "Record Date") to holders of record of Common Stock as of 5:00 P.M., New York City time, on the Record Date. The description and terms of the Rights are set forth in a Tax-Free Spin Protection Plan, dated as of November 5, 2023 (as may be amended from time to time, the "Plan"), relationship between the Company and Equiniti Trust Company, LLC, as rights agent. Each Right entitles Centuri after the registered holder to purchase from the Company one ten-thousandth of a share of Series A Junior Participating Preferred Stock, no par value per share, of the Company (the "Series A Preferred"), at a purchase price of \$300.00 per one ten-thousandth of a share of Series A Preferred, subject to adjustment. IPO.

By adopting the Plan, the Board is seeking to preserve the Company's ability to effectuate a separation of Centuri Holdings (the "Spin-Off Transaction") that would be tax-free to the Company (the "Tax-Free Status"). While the Company intends that any Spin-Off Transaction, if effected, would qualify as a tax-free transaction to the Company's stockholders, the ability to effect a spin-off that is tax-free to the

For additional information regarding the Plan, refer to our current report on Form 8-K, as filed with the SEC on November 6, 2023. market) are treated as part of a plan pursuant to which one or more persons directly or indirectly acquire a 50% or greater interest in the Company (a "355 Ownership Change") within applicable time periods for purposes of Section 355(e) of the Internal Revenue Code. The Company believes that there is minimal capacity for changes in the ownership of its stock before a 355 Ownership Change could occur. The Plan is intended to restrict acquisitions of Company stock that could cause a 355 Ownership Change and could impair the Company's ability to effectuate a Spin-Off Transaction that has Tax-Free Status. The Board believes it is in the best interest of the Company and its stockholders to preserve the Company's ability to effectuate a Spin-Off Transaction with Tax-Free Status.

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

Southwest Gas Holdings, Inc. is a holding company that owns all of the shares of common stock of Southwest Gas Corporation ("Southwest" or the "natural gas distribution" segment) and through the first quarter of 2024 all of the shares of common stock of Centuri Group, Inc. ("Centuri," or the "utility infrastructure services" segment). Southwest Gas Holdings, Inc. and its subsidiaries are collectively referred to as the "Company." References to "Centuri" relate to Centuri Group, Inc., for earlier periods, or more recently, to Centuri Holdings, Inc.

In December 2022, the Company announced that its Board of Directors (the "Board") unanimously determined to take strategic actions to simplify the Company's portfolio of businesses. These actions included entering into a definitive agreement to sell 100% of MountainWest in an all-cash transaction that closed on February 14, 2023. Additionally, the Company determined it would pursue a spin-off separation of Centuri (the "Centuri spin-off"), to form a new independent publicly traded utility infrastructure services company.

In September 2023, April 2024, the Company announced that and Centuri Holdings, Inc., announced the completion of an initial public offering ("IPO") of Centuri's common stock, with the issuance of 14,260,000 shares (\$0.01 par value) at a price of \$21.00 per share, along with a concurrent private placement of 2,591,929 shares, at a price equal to the IPO price, with Icahn Partners LP and Icahn Partners Master Fund LP, investment entities associated with Carl C. Icahn. The Company owns approximately 81% of Centuri following these events. Through the first quarter of 2024 and leading up to the IPO, Centuri continued to be a wholly owned subsidiary of Southwest Gas Holdings, Inc. The net proceeds to Centuri from the IPO and the concurrent private placement totaled approximately \$329 million, including optional purchase of IPO shares from underwriters. The Company formed for purposes intends to further reduce its ownership interest in future periods through sales of completing its remaining Centuri shares into the separation market, a distribution of Centuri ("Centuri Holdings"), had confidentially submitted a draft registration statement on Form S-1 with the U.S. Securities and Exchange Commission (the "SEC") for the proposed initial public offering of newly issued shares to Company stockholders, or an exchange of Centuri shares for Southwest Gas Holdings, common stock. The Company remains committed to Inc. shares, or a combination thereof.

28

separating Centuri and continues to assess the value of a potential tax-free spin-off of Centuri, either following, or in lieu of, a potential initial public offering by Centuri as well as other transaction alternatives. See "Item 1A - Risk Factors" and Note 8 - Dispositions in this Quarterly Report on Form 10-Q for more information.

On November 3, 2023, the Board authorized a dividend of one preferred stock purchase right (a "Right") for each outstanding share of common stock, \$1 par value per share, of the Company (the "Common Stock"). The dividend is payable on November 17, 2023 (the "Record Date") to the holders of record of Common Stock as of 5:00 P.M., New York City time, on the Record Date. The description and terms of the Rights are set forth in a Tax-Free Spin Protection Plan, dated as of November 5, 2023 (as may be amended from time to time, the "Plan"), between the Company and Equiniti Trust Company, LLC, as rights agent. See Note 9 - Subsequent Events in this Quarterly Report on Form 10-Q for more information.

Our business includes Southwest, which is engaged in the business of purchasing, distributing, and transporting natural gas for customers in portions of Arizona, Nevada, and California. Southwest is the largest distributor of natural gas in Arizona and Nevada, and also distributes and transports natural gas for customers in portions of California. Additionally, through its subsidiaries, Southwest operates two regulated interstate pipelines serving portions of Southwest's service territories. Nevada and California. Southwest makes investments in infrastructure to support customer demand associated with population growth and economic development activity and the safe and reliable operation of its system through adherence to integrity management programs.

As of September 30, 2023 March 31, 2024, Southwest had 2,211,000 had 2,235,000 residential, commercial, industrial, and other natural gas customers, of which 1,184,000 1,197,000 customers were located in Arizona, 822,000 832,000 in Nevada, and 205,000 206,000 in California. Over the past twelve months, first-time meter sets were approximately 41,000 40,000, compared to 40,000 42,000 for the twelve months ended September 2022. March 2023. Residential Residential and small commercial customers represented over 99% of the the total customer base. During the twelve months ended September 30, 2023 March 31, 2024, 54% of operating margin (Regulated operations revenues less the net cost of gas sold) was earned in Arizona, 34% 33% in

Nevada, and 12%13% in California. California. During this same period, Southwest earned 84% Southwest earned 86% of its operating margin from residential and small commercial customers, 5%4% from other sales customers, and 11% fr 10% from transportation customers. These 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 a financial measure defined by management as Regulated operations revenues less the net cost of gas sold. However, operating margin is not specifically defined in accounting principles generally accepted in the United States ("U.S. GAAP"). Thus, operating margin is considered a non-GAAP measure. Management uses this financial measure because Regulated operations revenues include the net cost of gas sold, which is a tracked cost that is passed through to customers without markup under purchased gas adjustment ("PGA") mechanisms. Fluctuations in the net cost of gas sold impact revenues on a dollar-for-dollar basis, but do not impact operating margin or operating income. Therefore, management believes operating margin provides investors and other interested parties with useful and relevant information to analyze Southwest's financial performance in a rate-regulated environment. The principal factors affecting changes in operating margin are general rate relief (including impacts of infrastructure trackers) and customer growth. Commission decisions on the amount and timing of relief may impact our earnings. Refer to the Summary Operating Results table below for a reconciliation of gross margin to operating margin, and refer to *Rates and Regulatory Proceedings* in this Management's Discussion and Analysis, for details of various rate proceedings.

The demand for natural gas is seasonal, with greater demand in the colder winter months and decreased demand in the warmer summer months. All of Southwest's service territories have decoupled rate structures (alternative revenue programs), which are designed to eliminate the direct link between volumetric sales and revenue, thereby mitigating the impacts of unusual weather variability and conservation on operating margin, allowing Southwest to pursue energy efficiency initiatives. Nearly all of our

27

customers, and resulting revenue and margin, are included as part of mechanisms that reduce the impact of weather and volume variability on our earnings.

Centuri is a strategic infrastructure services company that partners with regulated utilities to build and maintain the energy network that powers millions of homes and businesses across the United States ("U.S.") and Canada. With an unwavering a commitment to serve as long-term partners to customers and communities, Centuri's employees enable regulated utilities to safely and reliably deliver natural gas and electricity, as well as achieve their goals for environmental sustainability. Centuri operates in 8287 primary locations across 45 states and provinces in the U.S. and Canada. It operates in the U.S., primarily as NPL, Neuco, Linetec, and Riggs Distler, and in Canada, primarily as NPL Canada.

29

Utility infrastructure services activity can be impacted by changes in infrastructure replacement programs of utilities, weather, and local and federal regulation (including tax rates and incentives). Utilities continue to implement or modify system integrity management programs to enhance safety pursuant to federal and state mandates. These programs have resulted in multi-year utility system replacement projects throughout the U.S. Likewise, there has been similar attention placed on electric grid modernization through national infrastructure legislation and related initiatives. The Department of Energy estimates more than 70% of the nation's grid transmission lines and power transformers are over 25 years old, creating vulnerability exacerbated by seasonal storm and extreme weather events. Generally, Centuri revenues are lowest during the first quarter of the year due to less favorable winter weather conditions. Revenues typically improve as more favorable weather conditions occur during the summer and fall months. In cases of severe weather, such as following a regional storm, Centuri may be engaged to perform restoration activities related to above-ground utility infrastructure, and related results impacts are not solely within the control of management. In addition, in certain circumstances, such as with large bid contracts (especially those of a longer duration), or unit-price contracts with revenue caps, results may be impacted by differences between costs incurred and those anticipated when the work was originally bid. Work awarded, or failing to be awarded, by individual large customers can impact operating results.

All of our businesses may be impacted by economic conditions that impact businesses generally, such as inflationary impacts on goods and services consumed in the business, rising interest rates, labor markets and costs (including in regard to contracted or professional services), and the availability of those resources. Certain of these impacts may be more predominant in certain of our operations, such as with regard to fuel costs for work equipment and skilled/trade labor costs at Centuri.

This Management's Discussion and Analysis ("MD&A") of Financial Condition and Results of Operations should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included in this Quarterly Report on Form 10-Q and the audited financial statements and notes thereto, as well as the MD&A included in the 2022 2023 Annual Report to Stockholders, which is incorporated by reference into Southwest's and the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023, in addition to the Risk Factors included in these documents, and as updated from time to time.

30 28

Executive Summary

The items discussed in this Executive Summary are intended to provide an overview of the results of the Company's and Southwest's operations and are covered in greater detail in later sections of MD&A.

Summary Operating Results

		Period Ended September 30,						Period Ended March 31,
		Three Months		Nine Months		Twelve Months		
(In thousands, except per share amounts)	(In thousands, except per share amounts)	2023	2022	2023	2022	2023	2022	
<u>Contribution to net income (loss)</u>								
(In thousands, except per share amounts)								
(In thousands, except per share amounts)								
<u>Contribution to net income</u>								
<u>Contribution to net income</u>								
<u>Contribution to net income</u>								
Natural gas distribution								
Natural gas distribution								
Natural gas distribution	Natural gas distribution	\$ (3,251)	\$ (22,199)	\$150,565	\$ 87,330	\$ 217,615	\$ 171,881	
Utility infrastructure services	Utility infrastructure services	17,956	14,345	24,902	(4,400)	31,367	3,223	
Utility infrastructure services								
Utility infrastructure services								
Pipeline and storage								
Pipeline and storage								

Pipeline and storage	Pipeline and storage	—	12,320	(16,288)	44,326	(344,347)	44,326
Corporate and administrative	Corporate and administrative	(11,474)	(16,775)	(81,159)	(49,962)	(107,199)	(72,193)
Net income (loss)		\$ 3,231	\$ (12,309)	\$ 78,020	\$ 77,294	\$ (202,564)	\$ 147,237
Corporate and administrative	Corporate and administrative						
Net income							
Net income							
Net income							
Weighted average common shares	Weighted average common shares	71,626	67,157	70,488	65,004	69,660	63,905
Basic earnings (loss) per share							
Weighted average common shares							
Weighted average common shares							
Basic earnings per share							
Basic earnings per share							
Basic earnings per share							
Consolidated							
Consolidated							
Consolidated	Consolidated	\$ 0.05	\$ (0.18)	\$ 1.11	\$ 1.19	\$ (2.91)	\$ 2.30
Natural Gas Distribution	Natural Gas Distribution						
Natural Gas Distribution							
Natural Gas Distribution							
Reconciliation of Gross Margin to Operating Margin (Non-GAAP measure)							
Reconciliation of Gross Margin to Operating Margin (Non-GAAP measure)							
Reconciliation of Gross Margin to Operating Margin (Non-GAAP measure)	Reconciliation of Gross Margin to Operating Margin (Non-GAAP measure)						
Utility Gross Margin	Utility Gross Margin	\$ 80,852	\$ 58,021	\$ 443,005	\$ 391,540	\$ 623,205	\$ 569,675
Utility Gross Margin							
Utility Gross Margin							
Plus:							

Plus:							
Plus:	Plus:						
Operations and maintenance (excluding Admin. & General) expense	Operations and maintenance (excluding Admin. & General) expense	74,427	81,092	233,302	230,235	314,137	302,924
Operations and maintenance (excluding Admin. & General) expense							
Operations and maintenance (excluding Admin. & General) expense							
Depreciation and amortization expense							
Depreciation and amortization expense							
Depreciation and amortization expense	Depreciation and amortization expense	69,268	64,390	218,763	192,434	289,372	258,144
Operating margin	Operating margin	\$224,547	\$203,503	\$895,070	\$814,209	\$1,226,714	\$1,130,743
Operating margin							
Operating margin							

3rd 1st Quarter 2023 2024 Overview

Southwest Gas Holdings highlights include the following:

- In April 2024, completed the IPO of Centuri Holdings confidentially filed at a draft Registration Statement on Form S-1 price of \$21.00 per share, along with the SEC a concurrent private placement; net proceeds were approximately \$329 million and were primarily utilized to repay amounts under Centuri's term loan and revolving credit facility
- Corporate and administrative expenses include \$10 \$11 million in interest expense related to borrowings and \$3 million \$2.7 million in Centuri separation costs offset by certain tax benefits

Natural gas distribution highlights include the following:

- 41,000 40,000 first-time meters sets occurred over the past 12 months
- Operating margin increased \$21 million \$9 million in the third first quarter of 2023, 2024, including remaining Arizona rate relief and California attrition adjustments
- In April 2024, annual revenue increase of ~\$59 million was approved in Nevada, including an increase in the allowed return on equity (9.5%) and a capitalization structure reflective of 50% equity
- Filed \$70 million Arizona and Great Basin Gas Transmission Company general rate case in Nevada cases requesting to increase revenues by approximately \$126 million and \$16 million, respectively
- Operations and maintenance expenses were relatively flat between comparative periods, primarily as a result of cost discipline
- \$200 191 million capital investment during the quarter

Utility infrastructure services highlights include the following:

- Revenues of \$775 million \$528 million in the third first quarter of 2023, an increase 2024, a decrease of \$16.4 million \$125.3 million, or 2%, compared to the third quarter of 2022
- Operating income of \$53 million in the third quarter of 2023, an increase of \$14 million, or 37% 19%, compared to the third first quarter of 2022

- \$83 million 2023 (which included favorable weather and more offshore wind work, as well more storm restoration services revenue earned in the first nine months of 2023, an increase of \$47 million over the first nine months of 2022 work)

31 29

- Operating loss of \$21.9 million in the first quarter of 2024, a decrease of \$33.7 million, compared to the first quarter 2023 operating income
- In April 2024, paid down \$316 million of debt from proceeds of the successful IPO

Results of Natural Gas Distribution

Quarterly Analysis

		Three Months Ended September 30,		Three Months Ended March 31,		Three Months Ended March 31,	
(Thousands of dollars)	(Thousands of dollars)	2023	2022	(Thousands of dollars)	2024	2023	
Regulated operations revenues	Regulated operations revenues	\$394,603	\$303,944				
Net cost of gas sold	Net cost of gas sold	170,056	100,441				
Operating margin	Operating margin	224,547	203,503				
Operations and maintenance expense	Operations and maintenance expense	122,270	121,537				
Depreciation and amortization	Depreciation and amortization	69,268	64,390				
Taxes other than income taxes	Taxes other than income taxes	21,147	20,693				
Operating income (loss)		11,862	(3,117)				
Operating income							
Other income	Other income	14,537	1,678				
Net interest deductions	Net interest deductions	35,772	29,417				
Loss before income taxes		(9,373)	(30,856)				
Income tax benefit		(6,122)	(8,657)				

Income before		
income		
taxes		
Income tax		
expense		
Contribution to	Contribution to	
consolidated	consolidated	
results	results	\$ (3,251) \$ (22,199)

Results from natural gas distribution operations improved \$18.9\$1.1 million between the third first quarters of 2023 2024 and 2022 2023. The improvement was primarily due to an increase in Operating margin and Other income (deductions), decrease in Net interest deductions, offset by increases an increase in Depreciation and amortization and Net interest deductions. amortization.

Operating margin increased \$21 \$9.2 million quarter quarter over quarter. Approximately \$2 million \$5 million of incremental margin was attributable to customer growth, including 41,000 40,000 first-time meter sets during the last twelve months. Combined rate relief in Arizona and California added approximately \$14 million \$10 million of combined margin, nearly all of which relates to our recently concluded Arizona rate case. Additionally, a \$1.8 million increase incremental margin. Increases in recovery/return recoveries associated with regulatory account balances programs of \$6.5 million also contributed to the increase; an associated comparable increase is also reflected in amortization expense between periods. periods (discussed below). Offsetting these increases was an \$8 million out-of-period gas cost adjustment in the prior-year first quarter, and \$4 million in higher 2024 gas cost used in operations that is offset in Operations and maintenance expense. The remaining variance primarily relates to changes in miscellaneous revenue and customers outside of the decoupling mechanism.

Operations and maintenance expense increased \$0.7 decreased \$0.3 million (less than 1%) between quarters as increases due to the change in external contractor and professional services costs in various areas of the business, including a consulting arrangement for the identification, benchmarking, and assessment of utility business optimization opportunities, were mostly offset by decreases in other costs, including pension service cost and the cost of fuel used in operations. operations (\$4 million discussed above), which was mostly offset by increases in employee-related labor and benefit costs. Cost containment of information technology-related outside services was mostly offset by increased costs for pipeline integrity management programs. Regulatory programs/mechanisms, however, such as those in place for incremental leak survey in Nevada and uncollectible residential customer account balances in California, as well as deployment of resources to capital projects, where applicable, reduce amounts that might otherwise be reflected in expense.

Depreciation and amortization expense expense increased \$4.9 \$10.2 million, or 8% 14%, between between quarters, primarily due to reflective of a \$585 million \$674 million, or 6% 7%, increase in average gas plant in service since the corresponding third first quarter of 2022, 2023; \$6.5 million in addition higher amortization associated with recovery of regulatory program balances substantially contributed to \$1.8 million of increased amortization related to regulatory account balances. the increase. The increase in plant was attributable to pipeline capacity reinforcement work, franchise requirements, scheduled pipe replacement activities, and new infrastructure.

Other income increased in \$12.9 million. come decreased \$0.3 million. Interest income increased \$8.9 million declined \$2.7 million between quarters related primarily reflecting a reduction to carrying charges associated with regulatory account balances, notably, deferred purchased gas cost balances, which increased from \$381 million which decreased from \$970 million as of September 30, 2022 March 31, 2023 to \$687 million \$199 million as of September 30, 2023 March 31, 2024. The non-service-related components This decrease was offset by an \$1.8 million increase in the equity portion of employee pension the allowance for funds used during construction and other postretirement benefit costs decreased \$5.3 million a \$1.2 million increase in values underlying company-owned life insurance ("COLI") policies between quarters. periods.

Net interest deductions increased \$6.4 million decreased \$2.2 million in the third first quarter of 2023 2024, as compared to the prior-year quarter, primarily due to interest associated with \$300 million the payoff in April 2023 of Senior Notes issued in December 2022 and a \$450 million term loan, partially offset by the impacts of \$300 million of Senior Notes issued in March 2023.

Results of Natural Gas Distribution

Nine-Month Analysis

(Thousands of dollars)	Nine Months Ended September 30,	
	2023	2022
Gas operating revenues	\$ 1,797,348	\$ 1,358,425
Net cost of gas sold	902,278	544,216
Operating margin	895,070	814,209
Operations and maintenance expense	378,189	368,984
Depreciation and amortization	218,763	192,434
Taxes other than income taxes	65,491	62,443
Operating income	232,627	190,348
Other income (deductions)	51,722	(440)
Net interest deductions	111,498	84,660
Income before income taxes	172,851	105,248
Income tax expense	22,286	17,918
Contribution to consolidated results	\$ 150,565	\$ 87,330

Contribution from natural gas distribution operations to consolidated net income increased \$63.2 million between the first nine months of 2023 and 2022. The increase was primarily due to increases in Operating margin and Other income (deductions), offset by an increase in Depreciation and amortization, Operations and maintenance, and Net interest deductions.

Operating margin increased \$80.9 million, including approximately \$10 million attributable to customer growth. Rate relief contributed an additional \$42 million. Amounts related to the recovery/return associated with other regulatory programs of \$17 million also contributed to the increase; such amounts also increase amortization expense. Additionally, an \$8 million out-of-period adjusting entry was made in the first quarter of 2023, which reduced Net cost of gas sold (See *Basis of Presentation* in **Note 1 – Background, Organization, and Summary of Significant Accounting Policies** in this Quarterly Report on Form 10-Q).

Operations and maintenance expense increased \$9.2 million (or 2%) between periods, primarily due to \$5 million of increases in external contractor and professional services expenses in various areas of the business (including \$3.6 million for the utility optimization initiative noted earlier), \$6 million in higher direct labor charges, increases from leak survey and line locating activities (\$2.6 million, combined), increased fuel used in operations (\$3.2 million), and other general and employee-related costs, which were collectively offset by a decrease in the service component of postretirement benefit and legal/claim-related costs.

Depreciation and amortization expense increased \$26.3 million, or 14%, between periods primarily due to the increase in regulatory account amortization, discussed above (\$17 million). The remaining increase was a result of a \$557 million, or 6%, increase in average gas plant in service between periods. The increase in plant was attributable to pipeline reinforcement work, franchise requirements, scheduled pipe replacement activities, and new infrastructure.

Other income (deductions) increased \$52.2 million. Interest income increased \$30 million between periods related to carrying charges associated with regulatory account balances, notably deferred purchased gas cost balances, which have increased substantially since the comparable period in the prior year. Furthermore, the non-service-related components of employee pension and other postretirement benefit costs decreased \$15.9 million between periods. Southwest also recognized a \$13.5 million increase in COLI policy cash surrender values and recognized death benefits in the current period compared to the comparable period in the prior year. The prior period included decreases in the investment values underlying the insurance, while the current period reflected positive returns.

Net interest deductions increased \$27 million between periods primarily due to interest associated with \$600 million of Senior Notes issued in March 2022, \$300 million of Senior Notes issued in December 2022, and \$300 million of Senior Notes issued in March 2023. Additionally, increased interest resulted from short-term debt, primarily a \$450 million term loan issued in January 2023 (paid off in full in April 2023).

Results of Natural Gas Distribution

Twelve-Month Analysis

(Thousands of dollars)	Twelve Months Ended September 30,	
	2023	2022
Regulated operations revenues	\$ 2,373,992	\$ 1,809,639
Net cost of gas sold	1,147,278	678,896
Operating margin	1,226,714	1,130,743
Operations and maintenance expense	501,133	478,554
Depreciation and amortization	289,372	258,144
Taxes other than income taxes	86,245	82,652
Operating income	349,964	311,393
Other income (deductions)	45,278	(97)
Net interest deductions	142,718	110,957
Income before income taxes	252,524	200,339
Income tax expense	34,909	28,458
Contribution to consolidated results	\$ 217,615	\$ 171,881

Contribution from natural gas distribution operations to consolidated net income increased approximately \$46 million between the twelve-month periods ended September 2023 and 2022. The increase was due primarily to increases in Operating margin and Other income (deductions), offset by an increase in Operations and maintenance expense, Depreciation and amortization, and Net interest deductions.

Operating margin increased \$96 million between periods. Customer growth provided \$14 million, and combined rate relief provided \$42 million of incremental operating margin. Approved Vintage Steel Pipe ("VSP") and Customer-owned Yard Line ("COYL") revenue in Arizona also contributed to the improvement between periods (\$6 million), as did recovery surcharges associated with regulatory account balances (\$19 million). The \$8 million out-of-period adjustment to Net cost of gas sold during the first quarter of 2023 also contributed to the increase.

Operations and maintenance expense increased \$23 million between periods. General cost increases were experienced in a variety of areas, including in direct labor charges (\$8 million), external contractor and professional services in various areas of the business (\$8 million), leak survey and line locating activities (\$3 million), in reserves for customer accounts deemed uncollectible (\$3 million), and in the cost of fuel used in operations (\$5 million). These increases were partially offset by a reduction in legal and claim-related expenses.

Depreciation and amortization expense increased \$31 million, or 12%, between periods due partially to a \$550 million, or 6%, increase in average gas plant in service since the corresponding period in the prior year. The increase in gas plant was attributable to pipeline capacity reinforcement work, franchise requirements, scheduled pipe replacement activities, and new infrastructure. An increase in amortization of regulatory account balances of \$19 million, as discussed in regard to Operating margin above, also contributed to the increase.

Other income increased \$45 million between the twelve-month periods of 2023 and 2022. Interest income increased \$34 million between periods related to carrying charges associated with the significant increase in deferred purchased gas cost balances and interest on other regulatory account balances. Additionally, non-service-related components of employee pension and other postretirement benefit costs decreased \$19.2 million between periods. Southwest also recognized a \$13.8 million increase in COLI results between periods. Offsetting these impacts was \$12 million related to uncompleted software projects deemed non-recoverable from utility operations, and \$5 million in market adjustments on other property.

Net interest deductions increased \$32 million between periods primarily due to \$600 million of Senior Notes issued in March 2022, \$300 million of Senior Notes issued in December 2022, and \$300 million of Senior Notes issued in March 2023. Other impacts include increased interest associated with a higher

amount of short-term debt and higher rates on variable-debt overall, including under Southwest's credit facility, during the period of outstanding indebtedness.

Results of Utility Infrastructure Services

Quarterly Analysis

		Three Months Ended September 30,					
		Three Months Ended March 31,				Three Months Ended March 31,	
(Thousands of dollars)	(Thousands of dollars)	2023	2022	(Thousands of dollars)	2024	2023	
Utility infrastructure services revenues	Utility infrastructure services revenues	\$774,889	\$758,466				
Operating expenses:	Operating expenses:						
Utility infrastructure services expenses	Utility infrastructure services expenses	685,687	680,135				
Utility infrastructure services expenses							
Utility infrastructure services expenses							
Depreciation and amortization	Depreciation and amortization	36,252	39,811				
Operating income		52,950	38,520				
Operating income (loss)							
Other income (deductions)	Other income (deductions)	108	(110)				
Net interest deductions	Net interest deductions	26,131	16,608				
Income before income taxes		26,927	21,802				
Income tax expense		8,235	6,466				

Net income	18,692	15,336
Net income attributable to noncontrolling interests	736	991
Loss before income taxes		
Income tax benefit		
Net loss		
Net income (loss) attributable to noncontrolling interests		
Contribution to consolidated results	Contribution to consolidated results	\$ 17,956 \$ 14,345

Utility infrastructure services revenues increased \$16.4 million decreased \$125.3 million, or 19%, in the third first quarter of 2023 2024 when compared to the prior-year quarter, driven primarily by decreased electric utility infrastructure services ("Electric") revenues of \$81.8 million, and decreased gas utility infrastructure services ("Gas") revenues of \$37.4 million. The decrease in Electric revenues was primarily due to a \$45 million increase decrease in emergency restoration services of \$21.4 million (\$9.2 million in the first quarter of 2024 compared to \$30.6 million in the first quarter of the previous year) due to less storm activity, a decrease in offshore wind revenue and an increase in electric infrastructure services revenue revenues of \$11.3 million, partially offset by a decrease in gas infrastructure services revenue (discussed below). Offshore wind revenue is reflected as a component of other revenues (refer to Note 3 – Revenue in this Quarterly Report on Form 10-Q). The increase in offshore wind revenue was offset in part by a \$15.2 million decline in other revenues \$12.6 million due to timing of work completed. This revenue stems from four multi-year contracts whereby Centuri provides materials, subcontracts manufacturing, project completion, and self-performs fabrication and assembly of secondary steel components onshore, with delivery at a port facility. The increase in electric infrastructure services revenues was due to higher volumes under certain existing customer master service agreements. Included in electric infrastructure revenue was \$18.9 million from emergency restoration services following tornado and other storm damage to customers' above-ground utility infrastructure in and around the Gulf Coast and eastern regions of the U.S., compared to \$17.5 million in storm restoration work in the same quarter in the prior year. Centuri's revenues derived from storm-related services vary from period to period due to the unpredictable nature of weather-related events, and when this type of work is performed, it typically generates a higher profit margin than core infrastructure services, due to improved operating efficiencies related to equipment utilization and absorption of fixed costs. Despite an increase in bid revenue of \$24.4 million with a U.S. gas infrastructure services customer, gas infrastructure services revenue overall decreased \$24.7 million during the third quarter of 2023 primarily due to a net decrease reduction in volumes under existing customer master service agreements primarily in Canada.

Utility infrastructure services expenses increased \$5.6 million in the third quarter of 2023 when compared to the prior-year quarter, primarily as a result of increased costs to complete a higher volume of work unfavorable weather and due to higher incentive compensation from improved results. General and administrative costs that are included customer budget constraints. The decrease in Utility infrastructure services expense overall increased \$4.3 million between comparative quarters, and include incentive compensation. Subcontractor costs increased during the third quarter of 2023 compared to the prior-year quarter, in association with the higher volume of work noted, and the increased Gas revenues related to offshore wind projects. Despite continued inflationary pressures, margin on work completed in the third quarter of 2023 improved due to changes in the mix of work and lower fuel prices. Gains on sale of equipment in the third quarter of 2023 and 2022 (reflected as an offset to Utility infrastructure services expenses) were approximately \$1.1 million and \$1.7 million, respectively.

Depreciation and amortization expense levels are contingent upon timing of equipment purchases, retirements, and replacements, and remained largely consistent as a percentage of revenue between quarters.

The increase in net interest deductions of \$9.5 million included higher interest rates on outstanding variable-rate borrowings.

Income tax expense increased \$1.8 million between quarters, primarily due to an increase in pre-tax income in 2023.

Results of Utility Infrastructure Services

Nine-Month Analysis

(Thousands of dollars)	Nine Months Ended September 30,	
	2023	2022
Utility infrastructure services revenues	\$ 2,233,961	\$ 1,988,433
Operating expenses:		
Utility infrastructure services expenses	2,005,084	1,829,560
Depreciation and amortization	110,982	116,286
Operating income	117,895	42,587
Other income (deductions)	311	(743)
Net interest deductions	73,032	40,337
Income (loss) before income taxes	45,174	1,507
Income tax expense (benefit)	16,416	3,350
Net income (loss)	28,758	(1,843)
Net income attributable to noncontrolling interest	3,856	2,557
Contribution to consolidated results	\$ 24,902	\$ (4,400)

Utility infrastructure services revenues increased \$245.5 million in the first nine months of 2023 when compared to the same period in the prior year, was driven primarily by a \$117.8 million increase in electric infrastructure revenues and a \$114.3 million increase in offshore wind revenue, unfavorable weather, which is reflected as a component of other revenues. The increase in electric infrastructure services revenues during the first nine months of 2023 was due to growth from both new and existing customers, as well as revenues of \$83.4 million in 2023 from emergency restoration services following tornado and other storm damage to customers' above-ground utility infrastructure in and around the Gulf Coast and eastern regions of the U.S., compared to \$36.5 million in storm restoration work during the same period in 2022. The current nine month period also includes \$26.7 million of increased gas infrastructure services revenues, primarily due to increased revenue from bid work of \$88.8 million with a U.S. customer, partially offset by drove a net decrease related to reduced reduction in volume under master services agreements with certain existing customers, primarily in Canada, as well as timing of completion of bid projects.

Utility infrastructure services expenses increased \$175.5 million decreased \$88 million, or 15%, in the first nine months quarter of 2023 when 2024 due primarily to a lower volume of infrastructure services provided. Subcontractor costs decreased during the first quarter of 2024 compared to the same period in the prior year, driven prior-year quarter primarily by the higher volume of due to decreased work noted above. Subcontractor costs increased during the first nine months of 2023 compared to the prior year primarily in association with under offshore wind projects and resulting revenue generation. Despite continued inflationary pressures, operating margin change in the mix of work performed on offshore wind projects. Profit margins in the first nine months quarter of 2023 improved 2024 decreased primarily due to inefficiencies caused by decreased volumes and unfavorable weather, changes in the mix of work, and increased operating efficiencies related to a reduction in emergency restoration services and lower fuel prices. Also included which typically generate higher profit margins than core infrastructure services. Included in total Utility infrastructure services expenses were general and administrative costs, which increased approximately \$6.7 million \$5 million between periods, quarters primarily due to increased incentive compensation, \$8.3 million in combined severance and strategic review costs in the first quarter of 2024 compared to just \$0.2 million in similar costs in the first quarter of 2023. Gains on sale of equipment in the first quarter of 2024 and 2023 (reflected as an offset to Utility infrastructure services expenses) were approximately \$3 million \$0.9 million and \$3.7 million \$0.7 million, during the first nine months of 2023 and 2022, respectively.

Depreciation and amortization expense remained largely consistent as a percentage decreased \$3.6 million between periods, primarily due certain tools/equipment within Electric operations becoming fully depreciated in 2023 and not requiring replacement based on project needs. Additionally, more efficient utilization of revenue between periods, existing fixed assets in recent periods has slowed the growth of the depreciable asset base, highlighted by capital expenditures of \$106.6 million in calendar year 2023 compared to \$130.2 million in calendar year 2022.

The increase in net interest deductions of \$32.7 million \$1.7 million between quarters was primarily due to higher interest rates on outstanding variable-rate borrowings, borrowings and higher borrowings on Centuri's revolving line of credit in the first quarter of 2024 compared to the first quarter of the prior year.

Income tax expense benefit increased \$13.1 million during the first nine months of 2023, \$8.4 million between quarters, primarily due to increased an increase in pre-tax income loss in 2023, 2024.

36 31

Results of Utility Infrastructure Services

Twelve-Month Analysis

(Thousands of dollars)	Twelve Months Ended September 30,	
	2023	2022
Utility infrastructure services revenues	\$ 3,005,855	\$ 2,621,646
Operating expenses:		
Utility infrastructure services expenses	2,704,842	2,403,503
Depreciation and amortization	150,049	153,947
Operating income	150,964	64,196
Other income (deductions)	167	(603)
Net interest deductions	94,066	51,825
Income before income taxes	57,065	11,768
Income tax expense	18,793	4,754
Net income	38,272	7,014
Net income attributable to noncontrolling interests	6,905	3,791
Contribution to consolidated results	\$ 31,367	\$ 3,223

Utility infrastructure services revenues increased \$384.2 million in the current twelve-month period compared to the corresponding period of 2022, driven primarily by a \$166.8 million increase in electric infrastructure revenue and a \$165.2 million increase in offshore wind projects that are reflected as a component of other revenues. Included in the incremental electric infrastructure revenues during the twelve-month period of 2023 was \$116.6 million from emergency restoration services following storm damage to customers' above-ground utility infrastructure in and around the Gulf Coast and eastern regions of the U.S. and Canada, as compared to \$43.9 million in similar services during the twelve-month period in 2022. The current twelve-month period also included \$70.7 million of increased gas infrastructure services revenues, including increased bid revenue of \$91.9 million with a U.S. customer, partially offset by a net decrease in volume under master services agreements with certain existing customers in Canada.

Utility infrastructure services expenses increased \$301.3 million between periods, driven primarily by a higher volume of work. Subcontractor costs increased during the current twelve-month period compared to the corresponding period of 2022 in association with offshore wind projects and related revenue generation. Despite continued inflationary pressures, operating margin improved due to changes in the mix of work and increased operating efficiencies related to emergency restoration services, lower fuel prices, as well as favorable weather conditions in certain locations between comparative twelve-month periods. Also included in total Utility infrastructure services expenses were general and administrative costs, which increased approximately \$16.2 million between periods, primarily due to higher incentive compensation. Gains on sale of equipment (reflected as an offset to Utility infrastructure services expenses) were approximately \$5.7 million and \$5.3 million for the twelve-month periods of 2023 and 2022, respectively.

Depreciation and amortization expense remained largely consistent as a percentage of revenue between periods.

Net interest deductions increased \$42.2 million between periods primarily due to higher interest rates on outstanding variable-rate borrowings.

The increase in income tax expense of \$14 million between the current and prior-year twelve-month period was primarily due to increased pre-tax income.

Rates and Regulatory Proceedings

Southwest is subject to the regulation of the Arizona Corporation Commission ("ACC"), the Public Utilities Commission of Nevada (the "PUCN"), the California Public Utilities Commission (the "CPUC"), and two of Southwest's subsidiaries are subject to regulation by the Federal Energy Regulatory Commission (the "FERC").

Arizona Jurisdiction

Arizona General Rate Case. Southwest filed a general rate case application in December 2021, primarily in early February 2024, proposing an increase in revenue of approximately \$126 million to reflect the substantial continued significant capital investments that were made since in the end state and to update rates to more closely align with Southwest's current level of operations and maintenance expense. The request includes a return on common equity of 10.15% and a 0.81% fair value increment, relative to a 50% target equity ratio and a proposed twelve-month post-test year plant adjustment for otherwise non-revenue producing plant. In addition to proposing the continuation of full revenue decoupling under the Delivery Charge Adjustment ("DCA") mechanism, Southwest proposed the establishment of the test year in an earlier case, including investments in System Improvement Benefit ("SIB") mechanism, a

customer information system implemented in May 2021. At a hearing held in September 2022, Southwest, the ACC's Utilities Division Staff (the "Staff"), capital tracker designed to support required code and the Residential Utility Consumer Office jointly stipulated to several issues, including a target capital structure consisting of 50% equity and 50% debt; a 9.30% return on equity; and foregoing a premium related to the Graham County acquisition as well as the recovery of \$12 million of waived late fees on customer account balances that would have otherwise applied to delinquent accounts regulatory-related infrastructure replacements in the absence state of a COVID-19 moratorium on Arizona. Southwest also proposed to set the carrying cost for the interest component of the DCA and Gas Cost Balancing Account ("GCBA") rate adjustment mechanisms to equal the Commission-authorized Weighted Average Cost of Capital, and to establish an Unrecovered Gas Cost Expense Provision ("UGCE"), which represents the gas cost-related portion of net write-offs of uncollectible customer accounts. The UGCE would allow Southwest to more timely recover commodity and related components of such fees. Approximately \$12 million accounts. Rates, following the conclusion of the rate case, are anticipated to become effective in costs related to the Liquefied Natural Gas facility deferred in an authorized regulatory asset was approved to be amortized over four years. The ACC's final order authorized a \$54.3 million increase, with new second quarter 2025. Southwest's existing general rates became effective February 1, 2023, following conclusion of the previous general rate case.

Delivery Charge Adjustment. The Delivery Charge Adjustment ("DCA") is filed DCA, or Arizona decoupling mechanism, as described above, includes a filing each April, which along with other reporting requirements, contemplates a rate to return/recover the over- or under-collected margin tracker (decoupling mechanism) balance. The existing rate to return the over-collected balance existing as of March 31, 2023 was approved and became effective August 1, 2023. The most recent filing was made in April 2023 2024, requesting to request a rate update rates to address the \$17.5 million over-collected balance of \$53.5 million existing as of March 31, 2023. The requested rate to return the over-collected balance was approved and new rates became effective August 1, 2023 March 31, 2024.

Tax Reform. A Tax Expense Adjustor Mechanism ("TEAM") was approved in Southwest's 2019 general rate case to timely recognize tax rate changes resulting from federal or state tax legislation following the TEAM implementation. In addition, the TEAM tracks and returns/recovers the revenue requirement impact of changes in amortization of excess accumulated deferred income taxes ("EADIT"), including that which resulted from 2017 U.S. federal tax reform, compared to the amount authorized in the most recently concluded rate case. Following the inaugural surcredit rate establishment under the TEAM mechanism in December 2022, Southwest has filed its most recent subsequent TEAM rate application, proposing applications, including a recent filing, which proposes to update the TEAM surcredit to refund \$6.5 million \$5.03 million of estimated net EADIT savings, which was approved by savings. The adjusted rate is anticipated to be implemented in the ACC effective May 1, 2023 and will be further updated effective November 1, 2023. second quarter of 2024.

Customer-Owned Yard Line ("COYL") Program. Southwest originally received approval, in connection with its 2010 Arizona general rate case, to implement a program to conduct leak surveys, and if leaks were present, to replace and relocate service lines and meters for Arizona customers whose meters were set off from the customer's home, representing a non-traditional configuration. The COYL program has been subject to proceedings to recover investments since that time. In February 2023 2024, Southwest requested approval to recover the outstanding revenue requirement of approximately \$4.3 million \$1.8 million associated with 2022 2023 COYL investments, which increased investments. The existing rate, effective July 1, 2023, will remain in place until the COYL recovery rate. The new rate became effective July 1, 2023. is approved.

PGA Modification. On March 1, 2023, Southwest filed a request to adjust the interest rate applicable to the outstanding Purchased Gas Adjustment ("PGA") balance to more closely match the interest expense incurred to finance the balance. In the alternative, the filing requested an expansion of the current **gas cost balancing account ("GCBA")** GCBA adjustment to clear the then existing \$351 million balance. In July 2023, the ACC approved an increase to the GCBA rate (over a two-year period) effective August 1, 2023, to support the timely recovery of the approximately \$358 million balance as of May 31, 2023. The increased GCBA rate will remain for up to two years or until the balance drops below \$10 million, at which point the GCBA rate will be set to \$0.00 per therm, where it will remain until the under- or over-collected balance exceeds \$10 million. The ongoing deferred energy rates, separate from the GCBA rates, continue to be updated monthly.

Nevada Jurisdiction

Nevada General Rate Case. Southwest filed its most recent general rate case in September 2023 proposing a combined statewide revenue increase of \$69.8 million based on the test year ended May 2023. The initial request includes was updated with a certification filing primarily for plant placed in service and incremental annual leak survey costs through November 2023. Those updates resulted in an updated overall request of \$74 million, an increase over the initial request of \$69.8 million. A stipulation was reached with Regulatory Operations Staff and the Bureau of Consumer Protection, settling certain issues and agreeing to a black box settlement with a statewide increase of \$65.6 million, before any adjustments for the cost of capital. Following a hearing on cost of capital issues, the PUCN issued a decision approving an annual increase of revenues of \$59 million, approving the proposed settlement, and authorizing a return on common equity of 10.0% relative to 9.5%, including the use of a hypothetical capital structure of 50% target equity ratio; an increase debt and 50% equity. Included in rate base of approximately \$250 million; the settled items are a continuation of full revenue decoupling under the General Revenues Adjustment ("GRA") mechanism; recovery of approximately \$4 million in decoupling; authority to continue tracking incremental annual leak survey costs; the inclusion of new costs in a regulatory asset (discussed further below); and refreshed depreciation rates supported by a depreciation study that proposes to increase depreciation rates by \$7.8 million; and to reflect in rates a level of operations and maintenance expense representative of current costs. are somewhat lower than proposed. New rates are anticipated became effective in April 2024. Southwest's previous general rate case concluded in February 2022, with rates effective April 1, 2022.

General Revenues Adjustment. The GRA General Revenues Adjustment ("GRA"), or Nevada decoupling mechanism, was affirmed as part of Southwest's most recently concluded general rate case with an expansion to include a large customer class (with average monthly throughput requirements greater than 15,000 therms), effective April 2022. Southwest makes and adjustments are included in the Annual Rate Adjustment ("ARA") filings intended to update rates to recover or recover/return amounts associated with various regulatory mechanisms, including the GRA. Southwest made its most recent ARA filing in November 2022 2023 related to the approximate \$19 million \$8.7 million over-collected balance as of September 30, 2022 September 30, 2023. Given the magnitude Recovery of the outstanding balances, further discussion with the parties resulted in a settlement of the issues and utilizing a more current GRA balance of approximately \$12 million as of January 2023 to more closely align the rates implemented with the existing balance. Recovery rates and adjustments thereto as part of the ARA primarily impact cash flows, but not net income overall. Updated rates for the GRA and other regulatory mechanisms included in the ARA became filing will become effective July 1, 2023. May 1, 2024, earlier than the typical July 1, 2024 effective date due to a commission-approved settlement.

Nevada Leak Survey. In 2019, the PUCN opened an Investigation and Rulemaking action to consider certain amendments to the Nevada Administrative Code requiring annual leak surveys of distribution pipelines transporting natural gas or liquid petroleum. The increased survey activity was to focus on

business districts and to be conducted generally on an annual basis (not exceeding 15-month survey intervals). The proposed regulations were permanently adopted with a effective January 1, 2023 effective date. Regulatory asset treatment was approved for the purpose of tracking incremental costs associated with implementing the increased leak surveys, which resulted surveys. Continuation of the program, along with recovery of earlier incurred amounts over a two-year period, was approved in the inclusion of approximately \$4 million in conjunction with Southwest's pending recently completed general rate case.

California Jurisdiction

Attrition Filing. Following the 2021 implementation of rates approved as part of the most recent general rate case, the continuation of annual Post Test Year ("PTY") margin attrition increases of 2.75% began in January 2022, with the latest 2022. The most recent annual margin attrition increase was also inclusive of approximately \$2.2 million effective January 1, 2023. adjustments related to the amortization of EADIT and the impact of the Automatic Trigger Mechanism ("ATM") on authorized rate base. The annual attrition adjustments are intended to reflect ATM adjusts the rate of return up or down (in this case, up) as a result of changes in the cost average utility bond yield that exceed 100 basis points. The cumulative impact results in an annual increase of service between general rate cases, thereby stabilizing customer bill impact by implementing gradual changes in rates. The recent order also approved the inclusion of the revenue requirement associated with \$6.9 million effective January 2024 for Southwest's North southern California, northern California, and South Lake Tahoe Lateral project in rates as a PTY margin adjustment, as phases of the project are placed into service and become operational. The PTY margin increase of approximately \$1.3 million associated with the project became effective February 1, 2023. rate jurisdictions.

FERC Jurisdiction

MountainWest Overthrust Pipeline. General Rate Case. Great Basin Gas Transmission Company ("Great Basin"), a wholly owned subsidiary of Southwest, On September 22, 2022 filed notice of a change in rates (pursuant to applicable regulations) on March 6, 2024, requesting that rates for natural gas service subject to the filing be made effective April 6, 2024. The FERC, however, suspended the case for a five-month period, which will allow rates to go into effect, subject to refund, September 6, 2024. The filing includes a request to continue a term-differentiated rate structure which was adopted as part of Great Basin's last general rate case, an overall revenue increase of approximately \$16 million, and a return on equity of 14.05% and 13.05% applicable to each category of shippers, as applicable, and a capital structure of 44% long-term debt and 56% common equity. A primary driver of the proposed increase is approximately \$99 million of capital investments anticipated to be placed in service by the end of the August 31, 2024 test year. Motion rates, subject to refund, are anticipated to become effective in September 2024, subject to refund as indicated, with an initial decision during the period of Southwest Gas Holdings' ownership of the MountainWest entities, the FERC issued an order initiating an investigation, pursuant to section 5 of the Natural Gas Act, to determine whether rates charged by MountainWest Overthrust Pipeline, LLC, a subsidiary of MountainWest, were just and reasonable and setting the matter for hearing (the "Section 5 Rate Case"). A settlement was reached whereby the Company recorded a charge of \$28.4 million in the first second quarter of 2023, which was included in Goodwill impairment and loss on sale on the Company's Condensed Consolidated Statements of Income. The settlement was approved and the \$28.4 million was paid in the third quarter of 2023. The matter is now closed. 2025.

PGA Filings

The rate schedules in all of Southwest's service territories contain provisions that permit adjustment 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- or under-collections. Balances are recovered from or refunded to customers on an ongoing basis with interest. As of September 30, 2023 March 31, 2024, under-collections in each of Southwest's service territories resulted in an asset of \$687 \$199 million on the Company's and Southwest's Condensed Consolidated Balance Sheets. The substantial reduction in balances receivable between periods in the table below reflects a combination of specific recovery rates in place to collect the build-up of earlier balances as a result of the cost paid for gas in those earlier periods, and recent conditions whereby base rates under the mechanisms have exceeded the cost of recent gas purchases with suppliers.

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 operating margin. However, gas cost deferrals and recoveries can impact comparisons between periods of individual consolidated income statement components. These include Regulated operations revenues, Net cost of gas sold, Net interest deductions, and Other income (deductions).

The following table presents Southwest's outstanding PGA balances receivable/(payable): receivable:

(Thousands of dollars)	(Thousands of dollars)	September 30, 2023	December 31, 2022	September 30, 2022	(Thousands of dollars)	March 31, 2024	December 31, 2023	March 31, 2023
Arizona	Arizona	\$ 301,321	\$ 292,472	\$ 269,811				
Northern Nevada	Northern Nevada	56,975	27,384	15,619				
Southern Nevada	Southern Nevada	294,624	122,959	94,707				
California	California	34,217	7,305	1,214				
		<u>\$ 687,137</u>	<u>\$ 450,120</u>	<u>\$ 381,351</u>				
		\$						
		=						

Capital Resources and Liquidity

Historically, cash on hand and cash flows from operations have provided a substantial portion of cash used in investing activities (primarily for construction expenditures and property additions). In recent years, Southwest has undertaken significant pipe replacement activities to fortify system integrity and reliability, including on an accelerated basis in association with certain gas infrastructure replacement programs. In addition, certain national events, including several major storms in recent years affecting central portions of the U.S., have contributed to the periodic run-up in gas supply costs. This collective activity has necessitated the issuance of both debt and equity securities to supplement cash flows from operations. More recently, a number of conditions, such as winter storms Southwest Gas Holdings, Inc. and market forces (including historically low storage levels) have caused gas prices to spike and remain higher during extended periods as

39

compared to previous historical levels. The Company's Southwest's capitalization strategy is to maintain an appropriate balance of equity and debt to preserve investment-grade credit ratings, which help minimize interest costs. Investment-grade credit ratings have been maintained by Southwest Gas Holdings, Inc. and Southwest.

Cash Flows

Southwest Gas Holdings, Inc.:

Operating Cash Flows. Cash flows from provided by consolidated operating activities decreased \$105 increased \$729 million in the first nine three months of 2023 2024 as compared to the same period of 2022, 2023. The decline increase was primarily driven by the change in purchased gas costs for Southwest, including amounts incurred and deferred, as well as impacts related to when amounts are incorporated in customer bills to recover or return deferred balances. Amounts were greatly impacted due As noted above, both the rates embedded in customer rates to higher support recovery of the previously elevated balance, and recent gas supply costs that have been lower than expected natural gas costs during the most recent winter period, which was reflected in higher Deferred purchased base tariff gas cost rates billed to customers have in combination substantially reduced the balances receivable under our PGA mechanisms. These conditions have provided a significant source of available funds in advance of rates to recover the balance current period. The decline improvement in cash flows also resulted from reflect the impacts of changes in other components of working capital overall, including the timing and amount of accounts payable and other current asset and liability balances.

Corporate and administrative expenses/outflows for Southwest Gas Holdings, Inc. in the nine- and twelve-month periods three-month period ended September 30, 2023 March 31, 2024 mainly include charges related to the MountainWest sale that closed in February 2023, interest paid on borrowings and costs associated with the Centuri separation.

Investing Cash Flows. Cash flows from provided by consolidated investing activities increased \$961 million decreased \$1.04 billion in the first nine three months of 2023 2024 as compared to the same period of 2022, 2023. The overall increase decrease was driven by \$1.02 billion \$1.06 billion in proceeds received in connection with the MountainWest sale (which is net (net of cash sold), including impacts of post-closing true-ups and commitments, in 2023, partially offset by an increase in capital expenditures in proceeds from the natural gas distribution segment sale of other property.

Financing Cash Flows. Cash flows from consolidated financing activities decreased \$852 increased \$723 million in the first nine three months of 2023 2024 as compared to the same period of 2022. 2023. The overall decrease increase was primarily due to the first quarter 2023 repayment (\$1.1 billion) of the then remaining balance of the term loan entered into by Southwest Gas Holdings, Inc. in November 2021 in connection with the 2021 acquisition of MountainWest. Other MountainWest, with no comparable repayment in the current year. Offsetting the increase between periods were impacts included also primarily occurring in 2023, including proceeds received from the issuance of common stock in underwritten public offerings in each period (\$200 million lower than in March 2023 and debt proceeds by Southwest from the 2022 period), and proceeds from Southwest Gas Holdings entering into a \$550 million Term Loan Credit Agreement in April 2023. A substantial portion of the 364-day \$450 million term loan proceeds were contributed to Southwest as equity, which in turn was primarily used by Southwest to repay term loan indebtedness entered into to finance address an escalation in purchased gas costs. purchases (entered into in January 2023 and repaid in full in April 2023). The first quarter of 2023 also included \$300 million of Senior Notes issued by Southwest. Other financing cash flows include borrowings and repayments including under the companies' credit facilities. facilities, and an increase in dividends paid.

The capital requirements and resources of the Company generally are determined independently for the individual business segments. Each business segment is generally responsible for securing its own debt financing sources. However, the holding company may raise funds through stock issuances or other external financing sources in support of each business segment.

Southwest Gas Corporation:

Operating Cash Flows. Cash flows from provided by operating activities decreased \$76 increased \$806 million in the first nine three months of 2023 2024 as compared to the same period of 2022. 2023. The decline improvement in operating cash flows was primarily attributable to deferred gas purchases, including amounts incurred and deferred and costs change (as discussed above), as well as to other working capital balances (as discussed above). changes.

Investing Cash Flows. Cash used in investing activities increased \$124 decreased \$28 million in the first nine three months of 2023 2024 as compared to the same period of 2022. The change was primarily 2023. While outflows for capital expenditures were generally comparable between periods, the current period reflects offsetting inflows due to increases in capital expenditures in 2023 and decreases proceeds received from the sale of property, as well as reduced outflows related to activity associated with customer advances for construction (amounts collected and/or returned) as compared to the same period in the prior year. construction. See also *NaturalGas Distribution Segment Construction Expenditures, Debt Maturities, and Financing* below.

Financing Cash Flows. Net cash provided by from financing activities increased \$233 decreased \$480 million in the first nine three months of 2023 2024 as compared to the same period of 2022. 2023. The increase decline was primarily due to \$530 million in parent capital contributions, offset by activity during the \$225 million repayment first quarter of the March 2021 Term Loan. A 2023, including Southwest's issuance of a \$450 million term loan in January 2023 to finance along with the escalation in purchased gas cost (noted above) was repaid following the parent capital contribution issuance of \$300 million notes in the first nine months same quarter, offset by a \$225 million term loan repayment in that same quarter of 2023. the prior year. Dividends paid and borrowing and repayment activity aside from the foregoing, including under the credit facility comprise the remaining activity between periods. See **Note 5 – Debt**.

Natural Gas Distribution Segment Construction Expenditures, Debt Maturities, and Financing

During the twelve-month three-month period ended September 30, 2023 March 31, 2024, construction expenditures for the natural gas distribution segment were \$778 million \$191 million (not including amounts incurred for capital expenditures not yet paid). The majority of these expenditures, approximately 55% 51%, were were associated with the replacement of existing transmission and distribution pipeline facilities to fortify system integrity and reliability, as well as other general plant expenditures, with the remainder related to new construction.

These expenditures, along with the timing of capital projects, resulted in an increase in the construction work in progress balance as of March 31, 2024.

Management estimates natural gas segment construction expenditures during the three-year period ending December 31, 2025 December 31, 2026 will be approximately \$2.0 billion \$2.4 billion. Of this amount, approximately \$720 million to \$740 million \$830 million is expected to be incurred during calendar year 2023, 2024. Southwest plans to continue to request regulatory support to undertake projects, or to accelerate projects as necessary for the improvement of system flexibility and reliability, or to expand, where relevant, to unserved or underserved areas. Southwest may expand existing, or initiate new, programs. Significant replacement activities are expected to continue well beyond the next few years. See also **Rates and Regulatory Proceedings**. During the three-year period ending December 31, 2025 December 31, 2026, Southwest will be required to renew or otherwise address its credit facility. Southwest has \$75 million of long-term debt maturing in 2026, but otherwise no maturities in either 2024 or 2025. Also during that same three-year period, cash flows from operating activities of Southwest are expected to provide approximately 75% 78% of the funding for gas operations of Southwest and total construction expenditures and dividend requirements. Additional Any additional cash requirements, including construction-related, and pay down any paydown or refinancing of debt, are expected to be provided by existing credit facilities, parent equity contributions, and/or other external financing sources. The timing, types, and amounts of additional external financings will be dependent on a number of factors, including the cost of gas purchases, conditions in capital markets, timing and amount of rate relief, timing and amount of surcharge collections from, or amounts returned to, customers related to other regulatory mechanisms and programs, as well as growth levels in Southwest's service areas and earnings. External financings may include the issuance of debt securities, bank and other short-term borrowings, and other forms of financing.

Dividend Policy

Dividends are payable on the Company's common stock at the discretion of the Board. In setting the dividend rate, the Board considers, among other factors, current and expected future earnings levels, our ongoing capital expenditure plans, expected external funding needs, our payout ratio, and our ability to maintain investment-grade credit ratings and liquidity. The Company has paid dividends on its common stock since 1956. In February 2023, 2024, the Board determined to maintain the quarterly dividend at \$0.62 per share, effective with the June 2023 2024 payment. Although no assurances can be provided on our future dividend payments, the Board currently intends to reevaluate the dividend upon the completion of the Centuri separation, and it is anticipated that we will pay a dividend at a level consistent with industry peers.

Liquidity

Several factors (some of which are out of the control of the Company) that could significantly affect liquidity in the future include: variability of natural gas prices, changes in ratemaking policies of regulatory commissions, regulatory lag, customer growth in the natural gas distribution segment, the ability to access and obtain capital from external sources, interest rates, changes in income tax laws, pension funding requirements, inflation, and the level of earnings. Natural gas prices and related gas cost recovery rates, as well as plant investment, have historically had the most significant impact on liquidity.

On an interim basis, Southwest 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 September 30, 2023 March 31, 2024, the combined balance in the PGA accounts totaled an under-collection of \$687 199 million, and the substantial reduction in the PGA balance as of this date compared to balances existing in recently concluded comparable earlier periods is also highlighted by the substantial cash balance of more than \$400 million existing as of March 31, 2024. See **PGA Filings** for more information. The market price of natural gas spiked as a result of numerous market forces including historically low storage levels, unexpected upstream pipeline maintenance events, and cold weather conditions across the western region in the latter part of 2022 and continuing into January 2023. As a result of this increase in pricing, in January 2023, Southwest entered into a 364-day \$450 million term loan in order to fund the incremental cost. This indebtedness was repaid in April 2023 (refer to **Note 5 – Debt** in this Quarterly Report on Form 10-Q). We may be required to incur additional indebtedness in connection with future spikes in natural gas prices as a result of extreme weather events or otherwise.

In March 2023, Southwest issued \$300 million aggregate principal amount of 5.450% Senior Notes. The notes will mature in March 2028. Southwest used the net proceeds to repay amounts outstanding under Southwest's credit facility and the remainder for general corporate purposes.

In April 2023, Southwest Gas Holdings, Inc. entered into a \$550 million Term Loan Credit Agreement that matures in October 2024. Southwest Gas Holdings, Inc. utilized a majority of the proceeds to make an equity contribution to Southwest. On April 17, 2023, Southwest utilized the equity contribution to repay, in full, amounts outstanding under its \$450 million 364-day term loan entered into in January 2023, with the remainder of the equity contribution used for working capital and general corporate purposes.

Southwest Gas Holdings, Inc. has a credit facility with a borrowing capacity of \$300 million that expires in December 2026. This facility is intended for short-term financing needs. At September 30, 2023 March 31, 2024, \$57.5 \$94 million was outstanding under this facility.

Southwest has a credit facility with a borrowing capacity of \$400 million, which expires in April 2025. Southwest designates \$150 million of the facility for long-term borrowing needs and the remaining \$250 million for working capital purposes. The maximum amount outstanding There was no activity on either the long-term portion or short-term portions of the credit the facility (including a commercial paper program) during the first nine months of 2023 was three-month period ending March 31, 2024. At March 31, 2024, s \$150 million. The maximum amount outstanding on the short-term portion of the credit facility

41

during the first nine months of 2023 was \$75 million. At September 30, 2023, no borrowings borrowings were outstanding on either the long-term or short-term portions of the facility. The credit facility can be used as necessary to meet liquidity requirements, including temporarily financing under-collected PGA balances, or meeting the refund needs of over-collected balances. The credit facility has generally been adequate for Southwest's working capital needs outside of funds raised through operations and other types of external financing. Any additional cash requirements would include the existing credit facility, equity contributions from the Company, and/or other external financing sources.

Southwest has a \$50 million commercial paper program. Any issuance under the commercial paper program is supported by Southwest's current revolving credit facility and, therefore, does not represent additional borrowing capacity. Any borrowing under the commercial paper program is designated as long-term debt. Interest rates for the commercial paper program are calculated at the current commercial paper rate during the borrowing term. At September 30, 2023 March 31, 2024, there were were no borrowings outstanding under this program.

Centuri has a senior \$1.545 billion secured revolving credit and term loan multi-currency facility. The capacity of the line of credit portion comprises \$400 million; associated is \$400 million with related amounts borrowed and repaid are available to be re-borrowed. The re-borrowed; the term loan facility portion provided approximately has a limit of \$1.145 billion in financing. billion. The term loan facility expires on August 27, 2028 and the revolving credit facility expires on August 27, 2026. This multi-currency facility allows the borrower to request loan advances in either Canadian dollars or U.S. dollars. The obligations under the credit agreement are secured by present and future ownership interests in substantially all direct and indirect subsidiaries of Centuri, substantially all of the tangible and intangible personal property of each borrower, certain of their direct and indirect subsidiaries, and all products, profits, and proceeds of the foregoing. Centuri assets securing the facility at September 30, 2023 March 31, 2024 totaled \$2.6 billion. \$2.4 billion. The maximum amount outstanding on the combined facility during the first nine three months of 2023 2024 was \$1.184 billion \$1.117 billion. As of September 30, 2023 March 31, 2024, \$144 million \$125 million was outstanding on the revolving credit facility, in addition to \$1 \$1 billion that was outstanding on the term loan portion of the facility. Also at September 30, 2023 March 31, 2024, there was approximately \$180 \$201 million, net of letters of credit, available for borrowing under the line of credit.

In

36

As discussed earlier, in April 2024, the first quarter successful completion of 2023, the Company paid off (primarily with proceeds from the MountainWest sale) the remaining balance on the \$1.6 billion term loan entered into in November 2021 in connection with the acquisition an IPO of MountainWest.

In March 2023, the Company issued through a separate prospectus supplement under the Universal Shelf, an aggregate of 4.1 million 14,260,000 shares of Centuri common stock was completed at an underwritten public offering a price of \$60.12 \$21.00 per share, resulting in addition to a concurrent private placement of 2,591,929 shares at a price equal to the IPO price. The collective net proceeds to the Company Centuri approximated \$329 million. Centuri used \$316 million of \$238.4 million, net of an underwriter's discount of \$8.3 million and estimated expenses of the offering. The Company used the net proceeds to repay outstanding amounts under the Company's credit facility, with remaining amounts used to pay a residual portion of amounts outstanding under the its revolving credit and term loan entered into in connection facility, with the MountainWest acquisition, and for working capital and other general corporate purposes.

In April 2021, the Company entered into a Sales Agency Agreement between the Company and BNY Mellon Capital Markets, LLC and J.P. Morgan Securities LLC (the "Equity Shelf Program") for the offer and sale of up to \$500 million of common stock from time to time in at-the-market offerings under the related prospectus supplement filed with the SEC. There was no activity under this multi-year program during the third quarter of 2023. Net proceeds from the sale of shares of common stock under the Equity Shelf Program are remainder intended for general corporate purposes, including purposes. Following the acquisition IPO, the Company owns approximately 81% of property for the construction, completion, extension, or improvement outstanding shares of pipeline systems and facilities located in and around the communities served by Southwest, as well as for repayment or repurchase of indebtedness (including amounts outstanding from time to time under the credit facilities, senior notes, or other indebtedness), and to provide for working capital. Centuri common stock. The Company had approximately \$341.8 million available under intends to further reduce its ownership in Centuri in future periods through sales of its remaining Centuri shares into the program as market, a distribution of September 30, 2023. See Note 4 – Common Stock Centuri shares to Company stockholders, or through an exchange of Centuri shares for more information. Southwest Gas Holdings, Inc. shares, or a combination thereof.

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, intentions, projections, strategies, future events or performance, negotiations, and underlying assumptions. The words "may," "if," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "project," "continue," "forecast," "intend," "endeavor," "promote," "seek," "pursue," and similar words and expressions are generally used and intended to identify forward-looking statements. For example, statements regarding plans to refinance near-term maturities to separate or address expiring credit facilities, those regarding separating from Centuri following the completed IPO, by means of sales into the market, a distribution to Company stockholders, or through an IPO exchange of Centuri shares for Southwest Gas Holdings, Inc. shares, or a spin-off from the Company, other means or at all, including regarding combination thereof, and any references as to the timing of any separation of Centuri, those regarding operating margin patterns, customer growth, the composition of our customer base, price volatility, utility optimization initiatives, the level of expense or cost containment, seasonal patterns, the ability to pay debt, the Company's COLI strategy, the magnitude of future acquisition or divestiture purchase price true-ups or post-closing payments

and related impairments or losses related thereto, replacement market and new construction market, impacts from pandemics, including on our employees, customers, business, financial position, earnings, bad debt expense, work deployment and related uncertainties, expected impacts of valuation adjustments associated with any redeemable noncontrolling interests, the profitability of storm work, mix of work, or absorption of fixed costs by larger infrastructure services customers (including Southwest), the impacts of U.S. tax reform including disposition in any regulatory proceeding and bonus depreciation tax deductions, plans and expectations regarding the tax treatment of a separation of Centuri, the impact of any Pipeline and Hazardous Materials Safety Administration rulemaking, the amounts and timing for completion of estimated future construction expenditures, plans to pursue infrastructure programs or programs under SB 151 legislation, forecasted operating cash flows and results of operations, net earnings impacts or recovery of costs from gas infrastructure replacement programs and surcharges, funding sources of cash requirements, amounts generally expected to be reflected in future period revenues from regulatory rate proceedings including amounts requested or settled from recent and ongoing general rate cases or other regulatory proceedings, rates and surcharges, PGA administration, recovery and timing, and other rate adjustments, sufficiency of working capital and current credit facilities or the ability to cure negative working capital balances, bank lending practices, the Company's views regarding its liquidity position, ability to raise funds and receive external financing capacity and the intent and ability to issue various financing instruments and stock under the existing a planned at-the-market equity program or otherwise, future dividends or increases and the Board's current payout strategy, pension and postretirement benefits, certain impacts of tax acts, the effect of any other rate changes or regulatory proceedings, contract or construction change order negotiations,

impacts of accounting standard updates, statements regarding future gas prices, gas purchase contracts and pipeline imbalance charges or claims related thereto, recoverability of regulatory assets, the impact of certain legal proceedings or claims, and the timing and results of future rate hearings, including any ongoing or future general rate cases and other proceedings, and statements regarding pending approvals, **including proposed regulatory mechanisms**, 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, customer growth rates, conditions in the housing market, inflation, interest rates and related government actions, sufficiency of labor markets and ability to timely hire qualified employees or similar resources, acquisition and divestiture decisions including prices paid or received, adjustments, indemnifications, or commitments related thereto, and their impacts to impairments, write-downs, or losses or expenses generally, the impacts of pandemics including that which may result from a restriction by government officials or otherwise, including impacts on employment in our territories, the health impacts to our customers and employees, the ability to collect on customer accounts due to the **earlier** suspension or lifted moratorium on late fees or service disconnection or otherwise in any or all jurisdictions, the ability to obtain regulatory recovery of related costs, the ability of the infrastructure services business to conduct work and the impact of a delay or termination of work, and decisions of Centuri customers (including Southwest) as to whether to pursue capital projects due to economic impacts resulting from a pandemic or

37

otherwise, the ability to recover and timing thereof related to costs associated with the PGA mechanisms or other regulatory assets or programs, the effects of regulation/deregulation, governmental or regulatory policy regarding pipeline safety, greenhouse gas emissions, natural gas, including potential prohibitions on the use of natural gas by customers or potential customers, including related to electric generation or natural gas appliances, or regarding alternative energy, the regulatory support for ongoing infrastructure programs or expansions, the timing and amount of rate relief, the impact of other regulatory proceedings, the timing and methods determined by regulators to refund amounts to customers resulting from U.S. tax reform, changes in rate design, impacts of other tax regulations, **including industry-specific tax regulations**, variability in volume of gas or transportation service sold to customers, changes in gas procurement practices, changes in capital requirements and funding, the impact of credit rating actions and conditions in the capital markets on financing costs, changes in construction expenditures and financing, levels of or changes in operations and maintenance expenses, or other costs, including fuel costs and other costs impacted by inflation or otherwise, **the results of any cost containment efforts**, geopolitical influences on the business or its costs, effects of pension or other postretirement benefit expense forecasts or plan modifications, accounting changes and regulatory treatment related thereto, currently unresolved and future liability claims and disputes, changes in pipeline capacity for the transportation of gas and related costs, results of Centuri bid work, the impact of weather, **delays, or customer budgetary plans** on Centuri's operations, projections about acquired business' earnings, or those that may be planned, future acquisition-related costs, differences between the actual experience and projections in costs to integrate or stand-up portions of newly acquired business operations, impacts of changes in the value of any redeemable noncontrolling interests if at other than fair value, Centuri utility infrastructure expenses, differences between actual and originally expected outcomes of Centuri bid or other fixed-price construction agreements, outcomes from contract and change order negotiations, ability to successfully procure new work and impacts from work awarded or failing to be awarded from significant customers (collectively, including from Southwest) or related to significant projects, the mix of work awarded, the amount of work awarded to Centuri following the lifting of work stoppages or reduction, the result of productivity inefficiencies from regulatory requirements **or efficiencies in performing storm-related or other types of work, the frequency or amount of work associated with storms**, customer supply chain challenges, or otherwise, delays or challenges in commissioning individual projects, acquisitions and management's plans related thereto, the ability of management to successfully finance, close, and assimilate any acquired

43

businesses, the timing and ability of management to successfully consummate the Centuri separation following the completed IPO, the impact on our stock price or our credit ratings due to undertaking or failing to undertake acquisition or divestiture activities or other strategic endeavors, the impact on our stock price, costs, actions or disruptions or continuation thereof related to significant stockholders and their activism, competition, our ability to raise capital in external financings, our ability to continue to remain within the ratios and other limits subject to our debt covenants, and ongoing evaluations in regard to goodwill, other intangible assets, and optimization initiatives. In addition, the Company can provide no assurance that its discussions regarding certain trends or plans relating to its financing and operating expenses will continue, proceed as planned, or cease to continue, or fail to be alleviated, 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 Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

All forward-looking statements in this quarterly report are made as of the date hereof, based on information available to the Company and Southwest as of the date hereof, and the Company and Southwest assume 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 2022 2023 Annual Report on Form 10-K filed with the SEC. No material changes have occurred related to the disclosures about market risk, risk since December 31, 2023.

38

ITEM 4. CONTROLS AND PROCEDURES

Management of Southwest Gas Holdings, Inc. and Southwest Gas Corporation 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 their respective 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 management of each company, including each respective 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 September 30, 2023 March 31, 2024, management of Southwest Gas Holdings, Inc. and Southwest Gas Corporation, including the Chief Executive Officer and Chief Financial Officer, believes the Company's and Southwest'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 or Southwest's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the third first quarter of 2023 2024 that have materially affected, or are likely to materially affect the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

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

ITEM 1A. RISK FACTORS

Described below is a risk factor we have identified that may have a negative impact on our future financial performance or affect whether we achieve the goals or expectations expressed or implied in any forward-looking statements contained herein. This risk factor supplements, but does not replace, the Risk Factors and other disclosures made in our Annual Report on Form 10-K filed February 28, 2023 or in our Quarterly Reports on Form 10-Q filed May 9, 2023 and August 9, 2023.

Our options for separating Centuri may be limited by market conditions and tax considerations. Any separation transaction of Centuri may not occur on the anticipated timeline and may not have the anticipated benefits.

On December 15, 2022, we announced our intention to pursue a spin-off of Centuri into an independent publicly-traded company, subject to the satisfaction of certain conditions, including receipt of favorable rulings from the IRS and receipt of other regulatory approvals. On September 22, 2023, we announced that Centuri Holdings had confidentially submitted a draft registration statement with respect to an initial public offering of its shares of common stock (the "Centuri IPO"). On November 6, 2023, we announced that the IRS had advised us that it had exercised its discretion not to rule on certain tax questions related to a potential spin-off of Centuri due to the fact-intensive nature of the questions presented. We remain committed to separating Centuri and continue to assess the value of a potential tax-free spin-off of Centuri, either following, or in lieu of, a potential initial public offering by Centuri. Following a Centuri IPO, if one occurs, we intend to maintain the flexibility to dispose of our interests in a number of ways, including through a spin-off transaction, open market sales of Centuri Holdings common stock or an exchange offer of our common stock for Centuri Holdings common stock.

A Centuri IPO may not occur for a number of reasons, including, but not limited to, adverse market conditions, negative investor feedback or declines in business performance. If the Centuri IPO does not occur, our options for separating Centuri will be limited, and we may be forced to pursue a spin-off of Centuri even if such spin-off may be taxable to us.

While we intend that any spin-off transaction, if effected, will qualify as a tax-free transaction to our stockholders, the ability to effect a tax-free spin-off to the Company (as opposed to our stockholders) could be lost if a 355 Ownership Change occurs within applicable time periods for purposes of Section 355(e) of the Internal Revenue Code. We have taken certain actions, including the adoption of the Plan, to help preserve the tax-free nature of any spin-off transaction. However, we can provide no assurance that such actions will ultimately permit us to complete a spin-off that is tax-free to us or that our existing net operating losses will fully offset the impact of any spin-off that is taxable to us.

In addition, if we pursue a spin-off of Centuri without a Centuri IPO, we or Centuri may not realize any cash proceeds from a separation, which may cause us to pay transaction expenses and taxes, if applicable, out of cash on hand, to the extent available, or to incur additional indebtedness, and would likely cause Centuri to continue to have significant outstanding indebtedness. If we are required to seek additional third-party financing either for us or for Centuri in connection with a spin-off, it may delay the timing of the transaction.

Executing the proposed separation also requires significant time and attention from management, which could distract them from other tasks in operating our business and disrupt our operations. We cannot provide assurances that the Centuri IPO and the other transactions described above, if consummated, will yield greater net benefits to the Company and its shareholders than if the Centuri IPO and/or other transactions described above had not occurred. If we fail to achieve some or all of the benefits expected to result from the Centuri IPO and/or other potential separation transactions described above, or if such benefits are delayed, our business, operating results and financial condition could be materially and adversely affected.

ITEM 2 1A through 3. None.

ITEM 4. MINE SAFETY DISCLOSURES Not applicable.

ITEM 5. OTHER INFORMATION

During the fiscal quarter ended **September 30, 2023** **March 31, 2024**, none of our directors or Section 16 officers informed us of the adoption or termination of a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as those terms are defined in Regulation S-K, Item 408.

ITEM 6. EXHIBITS

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

- Exhibit 3.1 10.1 - [Amendment No.4 to Second Amended and Restated Bylaws of Southwest Gas Holdings, Inc., effective October Centuri Credit Agreement, 20,2023. Incorporated herein by reference to Exhibit 3.1 10.1 to Form 8-K dated March 22, 2024. File No. 001-37976.](#)
- Exhibit 10.2 - [Separation Agreement, dated as of April 11, 2024, by and between Southwest Gas Holding, Inc. and Centuri Holdings, Inc. Incorporated herein by reference to Exhibit 10.1 to Form 8-K dated October 25, 2023. April 11, 2024. File No. 001-37976.](#)
- Exhibit 3.2 10.3 - [Certificate Tax Matters Agreement, dated as of Designations of the Series A Junior Participating Preferred Stock \(previously filed April 11, 2024, by and incorporated between Southwest Gas Holding, Inc. and Centuri Holdings, Inc. Incorporated herein by reference to Exhibit 3.1 10.2 to the Registrant's Current report on Form 8-K filed on November 6, 2023, dated April 11, 2024. File No. 001-37976.](#)
- Exhibit 4.1 10.4 - [Tax-Free Spin Protection Plan, Registration Rights Agreement, dated November 5, 2023 as of April 11, 2024, by and between Southwest Gas Holding, Inc. and Centuri Holdings, Inc. and Equiniti Trust Company, LLC, as Rights Agent \(previously filed and incorporated incorporated herein by reference to Exhibit 4.1 10.3 to the Registrant's Current Report on Form 8-K filed on November 6, 2023\), dated April 11, 2024. File No. 001-37976.](#)
- Exhibit 10.01# [Form of Indemnification Agreement for Southwest Gas Holdings, Inc. Directors and Officers](#)
- Exhibit 10.02# [Form of Indemnification Agreement for Southwest Gas Corporation Directors and Officers](#)
- Exhibit 31.01# - [Section 302 Certifications—Southwest Gas Holdings, Inc.](#)
- Exhibit 31.02# - [Section 302 Certifications—Southwest Gas Corporation](#)
- Exhibit 32.01# - [Section 906 Certifications—Southwest Gas Holdings, Inc.](#)
- Exhibit 32.02# - [Section 906 Certifications—Southwest Gas Corporation](#)
- Exhibit 101# - The following materials from the Quarterly Report on Form 10-Q of Southwest Gas Holdings, Inc. and Southwest Gas Corporation for the quarter ended **September 30, 2023** **March 31, 2024**, were formatted in Inline XBRL (Extensible Business Reporting Language): (1) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Balance Sheets, (ii) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Statements of Income, (iii) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Statements of Comprehensive Income, (iv) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows, (v) Southwest Gas Holdings, Inc. and Subsidiaries Condensed Consolidated Statements of Equity, (vi) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Balance Sheets, (vii) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Statements of Income, (viii) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Statements of Comprehensive Income, (ix) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Statements of Cash Flows, (x) Southwest Gas Corporation and Subsidiaries Condensed Consolidated Statements of Equity. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- 104# Cover Page Interactive Data File (embedded within the Inline XBRL document).
- # Filed herewith.

46 40

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 Holdings, Inc.

(Registrant)

Dated: November 8, 2023 May 8, 2024

/s/ LORI L. COLVIN

Lori L. Colvin

Vice President/Controller and Chief Accounting Officer

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)

Dated: November 8, 2023 May 8, 2024

/s/ LORI L. COLVIN

Lori L. Colvin

Vice President/Controller and Chief Accounting Officer

47 41

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "Agreement") is made as of the ____ day of ____, 2023 by and between Southwest Gas Holdings, Inc., a Delaware corporation, (the "Company") and ____ (the "Indemnitee"), a director or officer of the Company.

WHEREAS, the Board of Directors has determined that the increasing difficulty in attracting and retaining qualified persons as directors and officers is detrimental to the best interests of the Company's stockholders and that the Company should act to assure such persons that there will be adequate certainty of protection through insurance and indemnification against risks of claims and actions against them arising out of their service to and activities on behalf of the Company; and

WHEREAS, Section 145 of the General Corporation Law of the State of Delaware empowers the Company to indemnify and advance expenses to its officers, directors, employees and agents by agreement and to indemnify and advance expenses to persons who serve, at the request of the Company, as directors, officers, employees, or agents of other corporations or enterprises, and expressly provides that the indemnification provided by Section 145 is not exclusive; and

WHEREAS, the Company has adopted provisions in its Certificate of Incorporation and Bylaws providing for mandatory indemnification of its officers and directors to the fullest extent permitted by applicable law, subject to certain limitations specified in the

Certificate of Incorporation and Bylaws, and the Company wishes to clarify and enhance the rights and obligations of the Company and the Indemnitee with respect to indemnification; and

WHEREAS, in order to induce and encourage highly experienced and capable persons such as the Indemnitee to serve and continue to serve as directors and officers of the Company and in other capacities with respect to the Company and its affiliates, and to otherwise promote the desirable end that such persons will resist what they consider unjustified lawsuits and claims made against them in connection with the good faith performance of their duties to the Company, with the knowledge that certain costs, judgments, liabilities and expenses incurred by them in their defense of such litigation are to be borne by the Company, the Board of Directors of the Company has determined that the following Agreement is reasonable and prudent to promote and ensure the best interests of the Company and its stockholders.

NOW, THEREFORE, in consideration of the Indemnitee's service as a director or officer of the Company, or service at the Company's request as a director, officer, employee, or agent of other enterprises or entities, after the date hereof, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Service by Indemnitee. The Indemnitee will serve and/or continue to serve as a director or officer of the Company faithfully and to the best of the Indemnitee's ability so long as the Indemnitee is duly elected or appointed and until such time as the Indemnitee is removed, terminated, or tenders a resignation.

Section 2. Indemnification.

(a) **General.** The Company shall indemnify the Indemnitee (i) as provided in this Agreement and (ii) subject to the provisions of this Agreement, to the full extent permitted by applicable law and in a manner permitted by such law.

(b) **Proceedings Other Than Proceedings by or in the Right of the Company.** Except as provided in Section 4 hereof, the Indemnitee shall be entitled to the rights of indemnification provided in this Section 2(b) if, by reason of the Indemnitee's Corporate

- 1 -

Status the Indemnitee is or was, or is or was threatened to be made, a party to or is or was otherwise involved in a Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. The Indemnitee shall be indemnified pursuant to and in accordance with this Section 2(b) against all Losses actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf in connection with such a Proceeding or any claim, issue, or matter therein, but only if the Indemnitee acted in good faith and in a manner that the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(c) **Proceedings by or in the Right of the Company.** Except as provided in Section 4 hereof, the Indemnitee shall be entitled to the rights of indemnification provided in this Section 2(c) if, by reason of the Indemnitee's Corporate Status, the Indemnitee is or was, or is or was threatened to be made, a party to or is or was otherwise involved in a Proceeding brought by or in the right of the Company to procure a judgment in its favor. The Indemnitee shall be indemnified pursuant to and in accordance with this Section 2(c) against all Expenses actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf in connection with such a Proceeding or any claim, issue, or matter therein, but only if the Indemnitee acted in good faith and in a manner that the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, that no indemnification for such Expenses shall be made in respect of any claim, issue, or matter in such Proceeding as to which the Indemnitee shall have been adjudged liable to the Company unless (and only to the extent that) the Court of Chancery of the State of Delaware or the court in which such Proceeding was brought shall determine upon application that,

despite the adjudication of liability but in view of all the circumstances of the case, the Indemnitee is fairly and reasonably entitled to indemnity for such expenses that the Court of Chancery or such other court shall deem proper. Anything in this Agreement to the contrary notwithstanding, if the Indemnitee, by reason of the Indemnitee's Corporate Status, is or was, or is or was threatened to be made, a party to any Proceeding by or in the right of the Company to procure a judgment in its favor, then the Company shall not indemnify the Indemnitee for any judgment, fines, or amounts paid in settlement to the Company in connection with such Proceeding.

(d) Indemnification for Expenses if Indemnitee is Wholly or Partly Successful. Anything in this Agreement to the contrary notwithstanding, to the extent that the Indemnitee, by reason of the Indemnitee's Corporate Status, is or was, or is or was threatened to be made, a party to any Proceeding and is successful, on the merits or otherwise, in defending such Proceeding (including dismissal without prejudice), the Indemnitee shall be indemnified to the maximum extent permitted by law against all Expenses actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf in connection with the defense of such Proceeding. If the Indemnitee is not wholly successful in defending any such Proceeding but is successful, on the merits or otherwise, in defending one or more but less than all claims, issues, or matters in such Proceeding (including dismissal without prejudice of certain claims), the Company shall indemnify the Indemnitee against all Expenses actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf in defending each such successfully resolved claim, issue, or matter. To the extent the Indemnitee has been successful, on the merits or otherwise, in defending any Proceeding, or in defending any claim, issue, or matter therein, the Indemnitee shall be entitled to indemnification as provided in this Section 2(d) regardless of whether the Indemnitee met the standards of conduct set forth in Sections 2(b) and 2(c) hereof.

(e) Indemnification for Expenses as a Witness. Anything in this Agreement to the contrary notwithstanding, to the fullest extent permitted by applicable law, to the extent that the Indemnitee, by reason of the Indemnitee's Corporate Status, is or was, or is or was threatened to be made, a witness in any Proceeding to which the Indemnitee is not a party, the Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf in connection therewith. To the extent permitted by applicable law, the Indemnitee shall be entitled to indemnification for Expenses incurred in

- 2 -

connection with being or threatened to be made a witness, as provided in this Section 2(e), regardless of whether the Indemnitee met the standards of conduct set forth in Sections 2(b) and 2(c) hereof.

(f) Partial Indemnification. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Losses actually and reasonably incurred by the Indemnitee in a Proceeding, but not for the total amount thereof, the Company shall indemnify the Indemnitee for the portion of such Losses to which the Indemnitee is entitled.

Section 3. Advancement of Expenses. Anything in this Agreement to the contrary notwithstanding, but subject to Section 4 hereof, if, by reason of the Indemnitee's Corporate Status, the Indemnitee is or was, or is or was threatened to be made, a party to, or is or was otherwise involved in, or is or was, or is or was threatened to be made, a witness to any Proceeding (including, without limitation, a Proceeding brought by or in the right of the Company to procure a judgment in its favor), then the Company shall advance all Expenses actually and reasonably incurred by or on behalf of the Indemnitee in connection with any such Proceeding in advance of the final disposition of such Proceeding within thirty (30) calendar days after the receipt by the Company of a written request for such advance or advances from time to time. Such written request shall include or be accompanied by a statement or statements reasonably evidencing the Expenses incurred by or on behalf of the Indemnitee and for which advancement is requested, and shall include or be preceded or accompanied by an undertaking by or on behalf of the Indemnitee to repay any Expenses advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that the Indemnitee is not entitled to be indemnified against such Expenses under this Agreement or otherwise. Such undertaking shall be sufficient for purposes of this Section 3 if it is in substantially the form attached hereto as Exhibit A. Any advances and

undertakings to repay pursuant to this Section 3 shall be unsecured and interest free. The Indemnitee shall be entitled to advancement of Expenses as provided in this Section 3 regardless of any determination by or on behalf of the Company that the Indemnitee has not met the standards of conduct set forth in Sections 2(b) and 2(c) hereof.

Section 4. Proceedings Against the Company; Certain Securities Laws Claims.

(a) Anything in Section 2 or Section 3 hereof to the contrary notwithstanding, except as provided in Section 7(d) hereof, with respect to a Proceeding initiated against the Company by the Indemnitee (whether initiated by the Indemnitee in or by reason of such person's capacity as an officer or director of the Company or in or by reason of any other capacity, including, without limitation, as an employee or agent of the Company or a director, officer, employee, or agent of Another Enterprise), the Company shall not be required to indemnify or to advance Expenses to the Indemnitee in connection with prosecuting such Proceeding (or any part thereof) or in defending any counterclaim, cross-claim, affirmative defense, or like claim of the Company in such Proceeding (or part thereof) unless such Proceeding was authorized by the Board of Directors of the Company. For purposes of this Section 4, a compulsory counterclaim by the Indemnitee against the Company in connection with a Proceeding initiated against the Indemnitee by the Company shall not be considered a Proceeding (or part thereof) initiated against the Company by the Indemnitee, and the Indemnitee shall have all rights of indemnification and advancement with respect to any such compulsory counterclaim in accordance with and subject to the terms of this Agreement.

(b) Anything in Section 2 (other than Section 2(d)) or Section 3 hereof to the contrary notwithstanding, except as provided in Section 2(d) hereof with respect to indemnification of Expenses in connection with whole or partial success on the merits or otherwise in defending any Proceeding, the Company shall not be required to indemnify the Indemnitee in connection with any claim made against Indemnitee for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934 or similar provisions of state statutory law or common law; (ii) any reimbursement of the

- 3 -

Company by the Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by the Indemnitee from the sale of securities of the Company, as required in each case under the Securities Exchange Act of 1934 (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act); or (iii) any reimbursement to the Company by the Indemnitee, withholding of any bonus or other incentive-based compensation by the Company or clawback by the Company of any bonus or other incentive-based compensation, pursuant to a Clawback Policy adopted by the Company's Board of Directors, as such Clawback Policy may currently exist or be amended in the future.

Section 5. Procedure for Determination of Entitlement to Indemnification; Independent Counsel.

(a) To obtain indemnification under this Agreement, the Indemnitee shall submit to the Company (following the final disposition of the applicable Proceeding) a written request for indemnification, including therein or therewith, except to the extent previously provided to the Company in connection with a request or requests for advancement pursuant to Section 3 hereof, a statement or statements reasonably evidencing all Losses incurred or paid by or on behalf of the Indemnitee and for which indemnification is requested. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that the Indemnitee has requested indemnification.

(b) Upon written request by the Indemnitee for indemnification pursuant to the first sentence of Section 5(a) hereof, if required by applicable law and to the extent not otherwise provided pursuant to the terms of this Agreement, a determination with respect to the Indemnitee's entitlement to indemnification shall be made in the specific case as follows: (i) if a Change in Control shall have occurred and if so requested in writing by the Indemnitee, by Independent Counsel in a written opinion to the Board of Directors; or (ii) if a Change in Control shall not have occurred (or if a Change in Control shall have occurred but the Indemnitee shall not have requested that indemnification be determined by Independent Counsel as provided in subpart (i) of this Section 5(b)), (A) by a majority vote of the Disinterested Directors, even though less than a quorum of the Board of Directors, or (B) by a committee of Disinterested Directors designated by majority vote of the Disinterested Directors, even though less than a quorum of the Board of Directors, or (C) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board of Directors, or (D) by the Company's stockholders in accordance with applicable law. Notice in writing of any determination as to the Indemnitee's entitlement to indemnification shall be delivered to the Indemnitee promptly after such determination is made, and if such determination of entitlement to indemnification has been made by Independent Counsel in a written opinion to the Board of Directors, then such notice shall be accompanied by a copy of such written opinion. If it is determined that the Indemnitee is entitled to indemnification, then payment to the Indemnitee of all amounts to which the Indemnitee is determined to be entitled shall be made within thirty (30) calendar days after such determination. If it is determined that the Indemnitee is not entitled to indemnification, then the written notice to the Indemnitee (or, if such determination has been made by Independent Counsel in a written opinion, the copy of such written opinion delivered to the Indemnitee) shall disclose the basis upon which such determination is based. The Indemnitee shall cooperate with the person, persons, or entity making the determination with respect to the Indemnitee's entitlement to indemnification, including providing to such person, persons, or entity upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to the Indemnitee and reasonably necessary to determine whether and to what extent the Indemnitee is entitled to indemnification.

(c) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof, the Independent Counsel shall be

- 4 -

selected as provided in this Section 5(c). If a Change in Control shall not have occurred (or if a Change in Control shall have occurred but the Indemnitee shall not have requested that indemnification be determined by Independent Counsel as provided in subpart (i) of Section 5(b), then the Independent Counsel shall be selected by the Board of Directors, and the Company shall give written notice to the Indemnitee advising the Indemnitee of the identity of the Independent Counsel so selected. If a Change in Control shall have occurred and the Indemnitee shall have requested that indemnification be determined by Independent Counsel, then the Independent Counsel shall be selected by the Indemnitee (unless the Indemnitee shall request that such selection be made by the Board of Directors, in which event the preceding sentence shall apply), and the Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, the Indemnitee or the Company, as the case may be, may, within 10 calendar days after such written notice of selection has been given, deliver to the Company or to the Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the law firm or person so selected does not meet the requirements of "Independent Counsel" as defined in Section 23 of this Agreement, and the objection shall set forth the basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the law firm or person so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Court of Chancery of the State of Delaware or another court of competent jurisdiction in the State of Delaware has determined that such objection is without merit. If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof and, following the expiration of thirty (30) calendar days after submission by the Indemnitee of a written request for indemnification pursuant to Section 5(a) hereof, Independent Counsel shall not have been selected, or an objection thereto has been made and not withdrawn, then either the Company or the Indemnitee may petition the Court of Chancery of the State of Delaware or

another court of competent jurisdiction in the State of Delaware for resolution of any objection that shall have been made by the Company or the Indemnitee to the other's selection of Independent Counsel and/or for appointment as Independent Counsel of a law firm or person selected by such court (or selected by such person as the court shall designate), and the law firm or person with respect to whom all objections are so resolved or the law firm or person so appointed shall act as Independent Counsel under Section 5(b) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 7(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing). If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof, then the Company agrees to pay the reasonable fees and expenses of such Independent Counsel and to fully indemnify and hold harmless such Independent Counsel against any and all Expenses, claims, liabilities, and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

Section 6. Burden of Proof; Defenses; and Presumptions.

(a) In any judicial proceeding or arbitration pursuant to Section 7 hereof brought by the Indemnitee to enforce rights to indemnification or to an advancement of expenses hereunder, or in any action, suit, or proceeding brought by the Company to recover an advancement of expenses (whether pursuant to the terms of an undertaking or otherwise), the burden shall be on the Company to prove that the Indemnitee is not entitled to be indemnified, or to such an advancement of expenses, as the case may be.

(b) It shall be a defense in any judicial proceeding or arbitration pursuant to Section 7 hereof to enforce rights to indemnification under Section 2(b) or Section 2(c) hereof (but not in any judicial proceeding or arbitration pursuant to Section 7 hereof to enforce a right to an advancement of expenses under Section 3 hereof) that the Indemnitee has not met the standards of conduct set forth in Section 2(b) or Section 2(c), as the case may be, but the burden of proving such defense shall be on the Company. With respect to any judicial proceeding or arbitration pursuant to Section 7 hereof brought by the Indemnitee to enforce a

- 5 -

right to indemnification hereunder, or any action, suit, or proceeding brought by the Company to recover an advancement of expenses (whether pursuant to the terms of an undertaking or otherwise), neither (i) the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of such action, suit, proceeding, or arbitration that indemnification is proper in the circumstances because the Indemnitee has met the applicable standards of conduct, nor (ii) an actual determination by the Company (including by its directors or Independent Counsel) that the Indemnitee has not met such applicable standards of conduct, shall create a presumption that the Indemnitee has not met the applicable standards of conduct or, in the case of a judicial proceeding or arbitration pursuant to Section 7 hereof brought by the Indemnitee seeking to enforce a right to indemnification, be a defense to such proceeding or arbitration.

(c) The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, adversely affect the right of the Indemnitee to indemnification hereunder or create a presumption that the Indemnitee did not act in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(d) For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Company or Other Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Company or Other Enterprise in the course of their duties, or on the advice of legal counsel for the Company or Other Enterprise or on information or records given or reports made to the Company or Other Enterprise by an independent certified public accountant or by an appraiser or other expert selected by the Company or Other Enterprise. The provisions of this Section 6(d) shall not be

deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed or found to have met the applicable standard of conduct set forth in this Agreement.

(e) The knowledge and/or actions, or failure to act, of any other director, officer, agent, or employee of the Company or of Another Enterprise shall not be imputed to the Indemnitee for purposes of determining the Indemnitee's right to indemnification under this Agreement.

Section 7. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 5 of this Agreement that the Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 3 of this Agreement, (iii) except when the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof, no determination of entitlement to indemnification shall have been made pursuant to Section 5(b) of this Agreement within sixty (60) calendar days after receipt by the Company of the Indemnitee's written request for indemnification, (iv) under circumstances in which the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof, no determination of entitlement to indemnification shall have been made pursuant to Section 5(b) hereof within eighty (80) calendar days after receipt by the Company of the Indemnitee's written request for indemnification (unless an objection to the selection of such Independent Counsel has been made and substantiated and not withdrawn, in which case the applicable time period shall be seventy (70) calendar days after the Court of Chancery of the State of Delaware or another court of competent jurisdiction in the State of Delaware (or such person appointed by such court to make such determination) has determined or appointed the person to act as Independent Counsel pursuant to Section 5(b) hereof), (v) payment of indemnification is not made pursuant to Section 2(d) or Section 2(e) of this Agreement within thirty (30) calendar days after receipt by the Company of a written request therefor, or (vi) payment of indemnification pursuant to Section 2(b) or Section 2(c) of this Agreement is not made within thirty (30) calendar days after a determination has been made pursuant to

- 6 -

Section 5(b) that the Indemnitee is entitled to indemnification, then the Indemnitee shall be entitled to seek an adjudication by the Court of Chancery of the State of Delaware of the Indemnitee's entitlement to such indemnification or advancement of Expenses. Alternatively, if the foregoing conditions have been satisfied, the Indemnitee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within one hundred and eighty (180) calendar days following the date on which the Indemnitee first has the right to commence such proceeding pursuant to this Section 7(a); provided, however, that the foregoing clause shall not apply in respect of a proceeding brought by the Indemnitee to enforce his or her rights to indemnification under Section 2(d) of this Agreement.

(b) In the event that a determination shall have been made pursuant to Section 5(b) of this Agreement that the Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 7 shall be conducted in all respects as a *de novo* trial, or arbitration, on the merits and the Indemnitee shall not be prejudiced by reason of that adverse determination.

(c) If a determination shall have been made pursuant to Section 5(b) of this Agreement that the Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 7, absent (i) a misstatement or misrepresentation by the Indemnitee (or anyone acting on the Indemnitee's behalf) of a material fact, or an omission of a material fact necessary to make the Indemnitee's statement (or statements of persons acting on behalf of the Indemnitee) not materially misleading, in connection with the request for indemnification or in connection with the provision of information or documentation pursuant to the last sentence of Section 5(b), or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that the Indemnitee, pursuant to this Section 7, seeks a judicial adjudication of or an award in arbitration to enforce the Indemnitee's rights under, or to recover damages for breach of, this Agreement, then the Indemnitee shall be entitled to recover from the Company, and shall be indemnified by the Company against, any and all Expenses actually and reasonably incurred by or on behalf of such Indemnitee in such judicial adjudication or arbitration, but only if (and only to the extent) the Indemnitee prevails therein. If it shall be determined in said judicial adjudication or arbitration that the Indemnitee is entitled to receive part but not all of the indemnification or advancement of Expenses sought, the expenses incurred by the Indemnitee in connection with such judicial adjudication or arbitration shall be appropriately prorated.

Section 8. Non-Exclusivity. Except to the extent expressly provided herein, and only to such extent, the rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which the Indemnitee may at any time be entitled under applicable law, the Company's Certificate of Incorporation, the Company's Bylaws, any agreement, a vote of stockholders, a resolution of directors, or otherwise, both as to action in or by reason of the Indemnitee's Corporate Status and as to action in or by reason of any other capacity of the Indemnitee while serving as a director or officer of the Company. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. In the event of any change after the date of this Agreement in any applicable law, statute, or rule that expands the power of a Delaware corporation to indemnify a member of its board of directors or an officer, employee, agent, or fiduciary, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greatest benefits afforded by such change. Anything in this Section 8 to the contrary notwithstanding, to the extent the time periods specified in Section 3 and Section 7(a) hereof with respect to the time at which the Indemnitee shall be entitled to seek an adjudication or an award in arbitration as to the Indemnitee's entitlement to indemnification or advancement differ from similar time periods specified in the Company's Certificate of Incorporation or Bylaws, the

- 7 -

time periods set forth in Section 3 and Section 7(a) hereof shall control and be binding on the Indemnitee and the Company and shall be deemed a waiver of any contrary right specified in the Company's Certificate of Incorporation or Bylaws. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

Section 9. Insurance; Subrogation; Other Sources of Payment.

(a) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Company or Another Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies. To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Company or Another Enterprise, the provision of directors' and officers' liability insurance as provided in this Section 9(a) shall be in addition to the Company's obligations under Sections 2 and 3 hereof and shall not be deemed to be in satisfaction of those obligations.

(b) In the event of any payment to or on behalf of the Indemnitee under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(c) Except to the extent required by applicable law, the Company shall not be liable under this Agreement to make any payment to Indemnitee with respect to amounts otherwise indemnifiable hereunder (or for which advancement is otherwise provided hereunder) if and to the extent that the Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement, or otherwise. Nothing hereunder is intended to affect any right of contribution of or against the Company in the event the Company and any other person or persons have co-equal obligations to indemnify or advance expenses to Indemnitee.

(d) The Company's obligation to indemnify or advance Expenses hereunder to the Indemnitee, in connection with or by reason of Indemnitee's service at the request of the Company as a director, officer, employee, agent, or fiduciary of Another Enterprise, shall be reduced by any amount that the Indemnitee has actually received as indemnification or advancement of Expenses from such Other Enterprise with respect to the Proceeding for which indemnification or advancement of Expenses is sought.

Section 10. Contribution. To the fullest extent permitted by applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, for any and all Losses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company, on the one hand, and Indemnitee, on the other hand, as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents), on the one hand, and Indemnitee, on the other hand, in connection with such event(s) and/or transaction(s).

- 8 -

Section 11. Settlements. Anything in this Agreement or the Company's Certificate of Incorporation or Bylaws to the contrary notwithstanding, the Company shall have no obligation to indemnify the Indemnitee for any amounts paid by or on behalf of the Indemnitee in settlement of any Proceeding, unless the Company has consented in writing to such settlement, which consent shall not be unreasonably withheld. The Company shall not settle any claim in any manner that would impose any fine or any obligation on the Indemnitee without the Indemnitee's prior written consent, which consent shall not be unreasonably withheld.

Section 12. Survival of Rights; Binding Effect; Successors and Assigns.

(a) The indemnification and advancement of Expenses and other rights provided by, or granted pursuant to, this Agreement shall continue during the period that the Indemnitee is a director or officer of the Company and shall continue through and after the Termination Date so long as Indemnitee shall be subject to any possible Proceeding (including any appeal thereto), by reason of Indemnitee's Corporate Status, with respect to claims arising from any action taken or omitted (or that are alleged to have been taken or omitted) by the Indemnitee, or from any facts or events that occurred (or that are alleged to have occurred), on or before the Termination Date, and shall further continue for such period of time following the conclusion of any such Proceeding as may be reasonably necessary for Indemnitee to enforce rights and remedies pursuant to this Agreement as provided in Section 7 of this Agreement.

(b) This Agreement shall be binding upon the Indemnitee and upon the Company and its successors and assigns, and shall inure to the benefit of the Indemnitee, the Indemnitee's heirs, personal representatives, executors, administrators, and assigns and to the benefit of the Company and its successors and assigns.

(c) The Company further agrees that in the event the Company or any of its successors or assigns (i) consolidates with or merges into any other corporation or entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any corporation or entity, then, and in each such case, to the extent necessary, proper provision shall be made so that the successors and assigns of the Company as a result of such transaction assume the

obligations of the Company set forth in this Agreement, including, without limitations, the requirements with respect to directors' and officers' liability insurance set forth in Section 9.

Section 13. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable for any reason whatsoever: (a) the validity, legality, and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that is not itself invalid, illegal, or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that it not itself invalid, illegal, or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 14. Acknowledgement. The Company expressly acknowledges, confirms, and agrees that it has entered into this Agreement and has assumed the obligations imposed on the Company hereby in order to induce the Indemnitee to serve or continue to serve as a director or officer of the Company, and the Company acknowledges that the Indemnitee is relying upon this Agreement in serving and continuing to serve in such capacity. In addition, both the Company and Indemnitee acknowledge that in certain instances, federal law or applicable public policy may prohibit the Company from indemnifying its directors, officers,

- 9 -

employees, agents or fiduciaries under this Agreement or otherwise. Indemnitee understands and acknowledges that the Company may be required in the future to undertake with the Securities and Exchange Commission to submit the question of indemnification to a court in certain circumstances for a determination of the Company's rights under public policy to indemnify Indemnitee.

Section 15. Notice by Indemnitee. The Indemnitee agrees to notify the Company promptly and in writing upon being served with any summons, citation, subpoena, complaint, petition, indictment, information, or other document relating to the commencement or threatened commencement of any Proceeding or matter that may be subject to indemnification or advancement of Expenses covered hereunder. The failure of the Indemnitee to so notify the Company shall not relieve the Company of any obligation that it may have to the Indemnitee under this Agreement or otherwise, except to the extent the Company is materially prejudiced by such failure.

Section 16. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given (i) if delivered by hand to the party to whom said notice or other communication shall have been directed, on the date so delivered, or (ii) if mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed. All such notices, requests, demands, and other communications shall be delivered to the Indemnitee or to the Company, as the case may be, at the following addresses:

(1) If to the Indemnitee, to the address set forth on the signature page hereto.

(2) If to the Company, to:

Southwest Gas Holdings, Inc.
8360 S. Durango Drive, P.O. Box 98510
Las Vegas, Nevada 89193-8510
Attention: General Counsel

or to such other address as may have been furnished to the Indemnitee by the Company or to the Company by the Indemnitee, as the case may be, by like notice.

Section 17. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement.

Section 18. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 19. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written, and implied, between the parties hereto with respect to the subject matter hereof. For the avoidance of doubt, this Agreement shall not supersede the Indemnification Agreement between Indemnitee and Southwest Gas Corporation.

Section 20. Modification and Waiver.

(a) No amendment, modification, supplementation, or repeal of this Agreement or any provision hereof shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

- 10 -

(b) No amendment, modification, supplementation, or repeal of this Agreement or of any provision hereof shall limit or restrict any rights of the Indemnitee under this Agreement in respect of any action taken or omitted by the Indemnitee in or by reason of the Indemnitee's Corporate Status prior to such amendment, modification, supplementation, or repeal.

Section 21. Governing Law; Submission to Jurisdiction; Service of Process.

(a) This Agreement and the legal relations among the parties with respect to the matters addressed hereby shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules.

(b) Except with respect to any arbitration commenced by the Indemnitee pursuant to Section 7(a) of this Agreement and except to the extent permitted by Section 2(c) hereof with respect to a determination by a court in which an underlying Proceeding was brought that the Indemnitee is entitled to indemnification of Expenses notwithstanding an adjudication of liability to the Company, the Company and the Indemnitee each hereby irrevocably and unconditionally (i) agrees and consents to the jurisdiction of the courts of the State of Delaware for all purposes in connection with any action, suit, or proceeding that arises out of or relates to this Agreement and agrees that any such action instituted under this Agreement shall be brought only in the Court of Chancery of the State of Delaware (or in any other state court of the State of Delaware if the Court of Chancery does not have subject matter jurisdiction over such action), and not in any other state or federal court in the United States of America or any court or tribunal in any other country; (ii) consents to submit to the exclusive jurisdiction of the courts of the State of Delaware for purposes of any action or proceeding arising out of or in connection with this Agreement; (iii) waives any objection to the laying of venue of any such action or proceeding in the courts of the State of Delaware; and (iv) waives, and agrees not to plead or to make, any claim that any such action or proceeding brought in the courts of the State of Delaware has been brought in an improper or otherwise inconvenient forum.

(c) Each of the Company and the Indemnitee hereby consents to service of any summons and complaint and any other process that may be served in any action, suit, or proceeding arising out of or relating to this Agreement in any court of the State of Delaware by mailing by

certified or registered mail, with postage prepaid, copies of such process to such party at its address for receiving notice pursuant to Section 16 hereof. Nothing herein shall preclude service of process by any other means permitted by applicable law.

Section 22. Nature of Agreement. This Agreement shall not be deemed an employment contract between the Company and the Indemnitee, and, if Indemnitee is an officer or employee of the Company, Indemnitee specifically acknowledges that Indemnitee may be discharged as an officer or employee of the Company at any time for any reason, with or without cause, and with or without severance compensation, except as may be otherwise provided in a separate written contract between the Company and the Indemnitee.

Section 23. Definitions. For purposes of this Agreement:

(a) "Another Enterprise" and "Other Enterprise" refer to a corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, or any other form of enterprise, other than the Company.

(b) "Change in Control" means, and shall be deemed to have occurred if, (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company acting in such capacity or a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing

- 11 -

more than fifty percent (50%) of the total voting power represented by the Company's then outstanding voting stock, (ii) during any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board of Directors of the Company and any new director whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation other than a merger or consolidation that would result in the voting stock of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting stock of the surviving entity) at least fifty percent (50%) of the total voting power represented by the voting stock of the Company or such surviving entity outstanding immediately after such merger or consolidation, or (iv) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company (in one transaction or a series of related transactions) of all or substantially all of the Company's assets.

(c) "Corporate Status" describes (1) the Indemnitee's status as a present or former director or officer of the Company, (2) the Indemnitee's present or former status, at any time while serving as a director or officer of the Company, as a director, officer, employee, agent, or fiduciary of Another Enterprise to the extent the Indemnitee is or was serving in such capacity with respect to such Other Enterprise at the request of Company, and (3) the Indemnitee's present or former status as a director, officer, employee, agent, or fiduciary of Another Enterprise to the extent the Indemnitee served in such capacity with respect to such Other Enterprise while serving as a director or officer of the Company, continued serving in such capacity with respect to such Other Enterprise after ceasing to be a director or officer of the Company, and is or was serving in such capacity with respect to such Other Enterprise at the request of Company.

(d) "Expenses" includes, without limitation, reasonable attorneys' fees; retainers; disbursements of counsel; court costs; filing fees; transcript costs; fees and expenses of experts; fees and expenses of witnesses; fees and expenses of accountants and other consultants (excluding public relations consultants unless approved in advance by the Company); travel expenses; duplicating and imaging costs; printing and binding costs; telephone charges; facsimile transmission charges; computer legal research costs; postage; delivery service fees;

fees and expenses of third-party vendors; the premium, security for, and other costs associated with any bond (including supersedeas or appeal bonds, injunction bonds, cost bonds, appraisal bonds or their equivalents), in each case actually and reasonably incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding (including, without limitation, any judicial or arbitration Proceeding brought to enforce the Indemnitee's rights under, or to recover damages for breach of, this Agreement), as well as all other "expenses" within the meaning of that term as used in Section 145 of the General Corporation Law of the State of Delaware and all other disbursements or expenses of types customarily and reasonably incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, actions, suits, or proceedings similar to or of the same type as the Proceeding with respect to which such disbursements or expenses were incurred; but, notwithstanding anything in the foregoing to the contrary, "Expenses" shall not include amounts of judgments, penalties, or fines actually levied against the Indemnitee in connection with any Proceeding.

(e) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by the Indemnitee.

(f) "Independent Counsel" means a law firm, or a person admitted to practice law in any State of the United States, that is experienced in matters of corporation law and

- 12 -

neither presently is, nor in the past three years has been, retained to represent: (i) the Company or the Indemnitee in any matter material to either such party (other than with respect to serving as Independent Counsel (or similar independent legal counsel position) as to matters concerning the rights of Indemnitee under this Agreement, the rights of other indemnitees under similar indemnification agreements, or the rights of Indemnitee or other indemnitees to indemnification under the Company's Certificate of Incorporation or Bylaws), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any law firm or person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or the Indemnitee in an action to determine the Indemnitee's rights under this Agreement. For the avoidance of doubt, the term "Independent Counsel" shall not include any law firm or person who represented or advised any entity or person in connection with a Change in Control of the Company.

(g) "Losses" means all Expenses, judgments, penalties, fines, liabilities, and amounts paid in settlement in connection with a Proceeding.

(h) "Proceeding" means any threatened, pending, or completed action, suit, arbitration, alternative dispute resolution mechanism, investigation (including any internal investigation), inquiry, administrative hearing, or any other threatened, pending, or completed proceeding, whether brought by or in the right of the Company or otherwise, and whether civil, criminal, administrative, or investigative.

(i) "Termination Date" shall mean the date on which the Indemnitee is no longer a director or officer of the Company; provided, however, that if (1) the Indemnitee continues to serve as a director, officer, employee, agent, or fiduciary of Another Enterprise after the date on which the Indemnitee is no longer a director or officer of the Company, (2) the Indemnitee is serving in such capacity with respect to such Other Enterprise at the request of the Company, and (3) the Indemnitee served in such capacity with respect to such Other Enterprise while serving as a director or officer of the Company, then "Termination Date" shall mean such later date after the Indemnitee is no longer a director or officer of the Company or which the Indemnitee is no longer serving in such capacity with respect to such Other Enterprise.

(j) References herein to "fines" shall include any excise tax assessed with respect to any employee benefit plan.

(k) References herein to a director of Another Enterprise or a director of an Other Enterprise shall include, in the case of any entity that is not managed by a board of directors, such other position, such as manager or trustee or member of the governing body of such entity, that

entails responsibility for the management and direction of such entity's affairs, including, without limitation, the general partner of any partnership (general or limited) and the manager or managing member of any limited liability company.

(l) (i) References herein to serving at the request of the Company as a director, officer, employee, agent, or fiduciary of Another Enterprise shall include any service as a director, officer, employee, or agent of the Company that imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan of the Company or any of its affiliates, other than solely as a participant or beneficiary of such a plan; and (ii) if the Indemnitee has acted in good faith and in a manner the Indemnitee reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan, the Indemnitee shall be deemed to have acted in a manner not opposed to the best interests of the Company for purposes of this Agreement.

(Signature page follows.)

- 13 -

- 14 -

IN WITNESS WHEREOF, the Company and the Indemnitee have executed this Agreement on and as of the day and year first above written.

SOUTHWEST GAS HOLDINGS, INC.

By: _____

Name: Karen S. Haller

Title: President and Chief Executive Officer

INDEMNITEE

By: _____

Name: _____

Address: _____

- 15 -

Exhibit A

UNDERTAKING

I _____, agree to reimburse the Company for all expenses paid to me or on my behalf by the Company in connection with my involvement in **[name or description of proceeding or proceedings]**, in the event, and to the extent, that it shall ultimately be determined that I am not entitled to be indemnified by the Company for such expenses.

Signature _____

Typed Name _____

_____) ss:

Before me _____, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and who, after being duly sworn, stated that the contents of said instrument is to the best of his/her knowledge and belief true and correct and who acknowledged that he/she executed the same for the purpose and consideration therein expressed.

GIVEN under my hand and official seal at _____, this _____ day of _____, 20____.

Notary Public

My commission expires:

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "Agreement") is made as of the ____ day of _____, 2023 by and between Southwest Gas Corporation, a California corporation, (the "Company") and _____ (the "Indemnitee"), a director or officer of the Company.

WHEREAS, the Board of Directors has determined that the increasing difficulty in attracting and retaining qualified persons as directors and officers is detrimental to the best interests of the Company's shareholders and that the Company should act to assure such persons that there will be adequate certainty of protection through insurance and indemnification against risks of claims and actions against them arising out of their service to and activities on behalf of the Company; and

WHEREAS, Section 317 of the California Corporations Code empowers the Company to indemnify and advance expenses to its officers, directors, employees and agents by agreement and to indemnify and advance expenses to persons who serve, at the request of the Company, as directors, officers, employees, or agents of other corporations or enterprises, and expressly provides that the indemnification provided by Section 317 is not exclusive; and

WHEREAS, the Company has adopted provisions in its Certificate of Incorporation and Bylaws providing for mandatory indemnification of its officers and directors to the fullest extent permitted by applicable law, subject to certain limitations specified in the Certificate of Incorporation and Bylaws, and the Company wishes to clarify and enhance the rights and obligations of the Company and the Indemnitee with respect to indemnification; and

WHEREAS, in order to induce and encourage highly experienced and capable persons such as the Indemnitee to serve and continue to serve as directors and officers of the Company and in other capacities with respect to the Company and its affiliates, and to otherwise promote the desirable end that such persons will resist what they consider unjustified lawsuits and claims made against them in connection with the good faith performance of their duties to the Company, with the knowledge that certain costs, judgments, liabilities and expenses incurred by them in their defense of such litigation are to be borne by the Company, the Board of Directors of the Company has determined that the following Agreement is reasonable and prudent to promote and ensure the best interests of the Company and its shareholders.

NOW, THEREFORE, in consideration of the Indemnitee's service as a director or officer of the Company, or service at the Company's request as a director, officer, employee, or agent of other enterprises or entities, after the date hereof, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Service by Indemnitee. The Indemnitee will serve and/or continue to serve as a director or officer of the Company faithfully and to the best of the Indemnitee's ability so long as the Indemnitee is duly elected or appointed and until such time as the Indemnitee is removed, terminated, or tenders a resignation.

Section 2. Indemnification.

(a) **General.** The Company shall indemnify the Indemnitee (i) as provided in this Agreement and (ii) subject to the provisions of this Agreement, to the full extent permitted by applicable law and in a manner permitted by such law.

(b) **Proceedings Other Than Proceedings by or in the Right of the Company.** Except as provided in Section 4 hereof, the Indemnitee shall be entitled to the rights of indemnification provided in this Section 2(b) if, by reason of the Indemnitee's Corporate Status, the Indemnitee is or was, or is or was threatened to be made, a party to or is or was

otherwise involved in a Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. The Indemnatee shall be indemnified pursuant to and in accordance with this Section 2(b) against all Losses actually and reasonably incurred by the Indemnatee or on the Indemnatee's behalf in connection with such a Proceeding or any claim, issue, or matter therein, but only if the Indemnatee acted in good faith and in a manner that the Indemnatee reasonably believed to be in the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(c) Proceedings by or in the Right of the Company. Except as provided in Section 4 hereof, the Indemnatee shall be entitled to the rights of indemnification provided in this Section 2(c) if, by reason of the Indemnatee's Corporate Status, the Indemnatee is or was, or is or was threatened to be made, a party to or is or was otherwise involved in a Proceeding brought by or in the right of the Company to procure a judgment in its favor. The Indemnatee shall be indemnified pursuant to and in accordance with this Section 2(c) against all Expenses actually and reasonably incurred by the Indemnatee or on the Indemnatee's behalf in connection with such a Proceeding or any claim, issue, or matter therein, but only if the Indemnatee acted in good faith and in a manner that the Indemnatee reasonably believed to be in the best interests of the Company and its shareholders; provided, however, that no indemnification for such Expenses shall be made in respect of any claim, issue, or matter in such Proceeding as to which the Indemnatee shall have been adjudged liable to the Company unless (and only to the extent that) the court in which such Proceeding was brought shall determine upon application that, in view of all the circumstances of the case, the Indemnatee is fairly and reasonably entitled to indemnity for such Expenses and then only to the extent that the court shall determine. Anything in this Agreement to the contrary notwithstanding, if the Indemnatee, by reason of the Indemnatee's Corporate Status, is or was, or is or was threatened to be made, a party to any Proceeding by or in the right of the Company to procure a judgment in its favor, then the Company shall not indemnify the Indemnatee for amounts paid in settling or otherwise disposing of a pending action without court approval or for expenses incurred in defending a pending action which is settled or otherwise disposed of without court approval.

(d) Indemnification for Expenses if Indemnatee is Wholly or Partly Successful. Anything in this Agreement to the contrary notwithstanding, to the extent that the Indemnatee, by reason of the Indemnatee's Corporate Status, is or was, or is or was threatened to be made, a party to any Proceeding and is successful, on the merits or otherwise, in defending such Proceeding (including dismissal without prejudice), the Indemnatee shall be indemnified to the maximum extent permitted by law against all Expenses actually and reasonably incurred by the Indemnatee or on the Indemnatee's behalf in connection with the defense of such Proceeding. If the Indemnatee is not wholly successful in defending any such Proceeding but is successful, on the merits or otherwise, in defending one or more but less than all claims, issues, or matters in such Proceeding (including dismissal without prejudice of certain claims), the Company shall indemnify the Indemnatee against all Expenses actually and reasonably incurred by the Indemnatee or on the Indemnatee's behalf in defending each such successfully resolved claim, issue, or matter. To the extent the Indemnatee has been successful, on the merits or otherwise, in defending any Proceeding, or in defending any claim, issue, or matter therein, the Indemnatee shall be entitled to indemnification as provided in this Section 2(d) regardless of whether the Indemnatee met the standards of conduct set forth in Sections 2(b) and 2(c) hereof.

(e) Indemnification for Expenses as a Witness. Anything in this Agreement to the contrary notwithstanding, to the fullest extent permitted by applicable law, to the extent that the Indemnatee, by reason of the Indemnatee's Corporate Status, is or was, or is or was threatened to be made, a witness in any Proceeding to which the Indemnatee is not a party, the Indemnatee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnatee or on the Indemnatee's behalf in connection therewith. To the extent permitted by applicable law, the Indemnatee shall be entitled to indemnification for Expenses incurred in connection with being or threatened to be made a witness, as provided in this Section 2(e).

regardless of whether the Indemnitee met the standards of conduct set forth in Sections 2(b) and 2(c) hereof.

(f) Partial Indemnification. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Losses actually and reasonably incurred by the Indemnitee in a Proceeding, but not for the total amount thereof, the Company shall indemnify the Indemnitee for the portion of such Losses to which the Indemnitee is entitled.

Section 3. Advancement of Expenses. Anything in this Agreement to the contrary notwithstanding, but subject to Section 4 hereof, if, by reason of the Indemnitee's Corporate Status, the Indemnitee is or was, or is or was threatened to be made, a party to, or is or was otherwise involved in, or is or was, or is or was threatened to be made, a witness to any Proceeding (including, without limitation, a Proceeding brought by or in the right of the Company to procure a judgment in its favor), then the Company shall advance all Expenses actually and reasonably incurred by or on behalf of the Indemnitee in connection with any such Proceeding in advance of the final disposition of such Proceeding within thirty (30) calendar days after the receipt by the Company of a written request for such advance or advances from time to time. Such written request shall include or be accompanied by a statement or statements reasonably evidencing the Expenses incurred by or on behalf of the Indemnitee and for which advancement is requested, and shall include or be preceded or accompanied by an undertaking by or on behalf of the Indemnitee to repay any Expenses advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that the Indemnitee is not entitled to be indemnified against such Expenses under this Agreement or otherwise. Such undertaking shall be sufficient for purposes of this Section 3 if it is in substantially the form attached hereto as Exhibit A. Any advances and undertakings to repay pursuant to this Section 3 shall be unsecured and interest free. The Indemnitee shall be entitled to advancement of Expenses as provided in this Section 3 regardless of any determination by or on behalf of the Company that the Indemnitee has not met the standards of conduct set forth in Sections 2(b) and 2(c) hereof.

Section 4. Proceedings Against the Company; Certain Securities Laws Claims.

(a) Anything in Section 2 or Section 3 hereof to the contrary notwithstanding, except as provided in Section 7(d) hereof, with respect to a Proceeding initiated against the Company by the Indemnitee (whether initiated by the Indemnitee in or by reason of such person's capacity as an officer or director of the Company or in or by reason of any other capacity, including, without limitation, as an employee or agent of the Company or a director, officer, employee, or agent of Another Enterprise), the Company shall not be required to indemnify or to advance Expenses to the Indemnitee in connection with prosecuting such Proceeding (or any part thereof) or in defending any counterclaim, cross-claim, affirmative defense, or like claim of the Company in such Proceeding (or part thereof) unless such Proceeding was authorized by the Board of Directors of the Company. For purposes of this Section 4, a compulsory counterclaim by the Indemnitee against the Company in connection with a Proceeding initiated against the Indemnitee by the Company shall not be considered a Proceeding (or part thereof) initiated against the Company by the Indemnitee, and the Indemnitee shall have all rights of indemnification and advancement with respect to any such compulsory counterclaim in accordance with and subject to the terms of this Agreement.

(b) Anything in Section 2 (other than Section 2(d)) or Section 3 hereof to the contrary notwithstanding, except as provided in Section 2(d) hereof with respect to indemnification of Expenses in connection with whole or partial success on the merits or otherwise in defending any Proceeding, the Company shall not be required to indemnify the Indemnitee in connection with any claim made against Indemnitee for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934 or similar provisions of state statutory law or common law; (ii) any reimbursement of the Company by the Indemnitee of any bonus or other incentive-based or equity-based

compensation or of any profits realized by the Indemnitee from the sale of securities of the Company, as required in each case under the Securities Exchange Act of 1934 (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act); or (iii) any reimbursement to the Company by the Indemnitee, withholding of any bonus or other incentive-based compensation by the Company or clawback by the Company of any bonus or other incentive-based compensation, pursuant to a Clawback Policy adopted by the Company's Board of Directors or the Board of Directors of Southwest Gas Holdings, Inc., as such Clawback Policy may currently exist or be amended in the future.

Section 5. Procedure for Determination of Entitlement to Indemnification; Independent Counsel.

(a) To obtain indemnification under this Agreement, the Indemnitee shall submit to the Company (following the final disposition of the applicable Proceeding) a written request for indemnification, including therein or therewith, except to the extent previously provided to the Company in connection with a request or requests for advancement pursuant to Section 3 hereof, a statement or statements reasonably evidencing all Losses incurred or paid by or on behalf of the Indemnitee and for which indemnification is requested. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that the Indemnitee has requested indemnification.

(b) Upon written request by the Indemnitee for indemnification pursuant to the first sentence of Section 5(a) hereof, if required by applicable law and to the extent not otherwise provided pursuant to the terms of this Agreement, a determination with respect to the Indemnitee's entitlement to indemnification shall be made in the specific case as follows: (i) by a majority vote of a quorum consisting of Disinterested Directors; or (ii) if such a quorum of directors is not obtainable, by Independent Counsel in a written opinion to the Board of Directors; or (iii) by approval of the Company's shareholders in accordance with applicable law; or (iv) by the court in which the Proceeding is or was pending upon application made by the Company, or Indemnitee, or the attorney or other person rendering services in connection with the defense, whether or not the application by Indemnitee, attorney or other person is opposed by the Company. Notice in writing of any determination as to the Indemnitee's entitlement to indemnification shall be delivered to the Indemnitee promptly after such determination is made, and if such determination of entitlement to indemnification has been made by Independent Counsel in a written opinion to the Board of Directors, then such notice shall be accompanied by a copy of such written opinion. If it is determined that the Indemnitee is entitled to indemnification, then payment to the Indemnitee of all amounts to which the Indemnitee is determined to be entitled shall be made within thirty (30) calendar days after such determination. If it is determined that the Indemnitee is not entitled to indemnification, then the written notice to the Indemnitee (or, if such determination has been made by Independent Counsel in a written opinion, the copy of such written opinion delivered to the Indemnitee) shall disclose the basis upon which such determination is based. The Indemnitee shall cooperate with the person, persons, or entity making the determination with respect to the Indemnitee's entitlement to indemnification, including providing to such person, persons, or entity upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to the Indemnitee and reasonably necessary to determine whether and to what extent the Indemnitee is entitled to indemnification.

(c) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof, the Independent Counsel shall be selected as provided in this Section 5(c). If a Change in Control shall not have occurred, then the Independent Counsel shall be selected by the Board of Directors, and the Company shall give written notice to the Indemnitee advising the Indemnitee of the identity of the Independent Counsel so selected. If a Change in Control shall have occurred and the

Indemnatee shall have requested that indemnification be determined by Independent Counsel, then the Independent Counsel shall be selected by the Indemnatee (unless the Indemnatee shall request that such selection be made by the Board of Directors, in which event the preceding sentence shall apply), and the Indemnatee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, the Indemnatee or the Company, as the case may be, may, within 10 calendar days after such written notice of selection has been given, deliver to the Company or to the Indemnatee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the law firm or person so selected does not meet the requirements of "Independent Counsel" as defined in Section 23 of this Agreement, and the objection shall set forth the basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the law firm or person so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court of competent jurisdiction has determined that such objection is without merit. If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof and, following the expiration of thirty (30) calendar days after submission by the Indemnatee of a written request for indemnification pursuant to Section 5(a) hereof, Independent Counsel shall not have been selected, or an objection thereto has been made and not withdrawn, then either the Company or the Indemnatee may petition a court of competent jurisdiction for resolution of any objection that shall have been made by the Company or the Indemnatee to the other's selection of Independent Counsel and/or for appointment as Independent Counsel of a law firm or person selected by such court (or selected by such person as the court shall designate), and the law firm or person with respect to whom all objections are so resolved or the law firm or person so appointed shall act as Independent Counsel under Section 5(b) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 7(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing). If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof, then the Company agrees to pay the reasonable fees and expenses of such Independent Counsel and to fully indemnify and hold harmless such Independent Counsel against any and all Expenses, claims, liabilities, and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

Section 6. Burden of Proof; Defenses; and Presumptions.

(a) In any judicial proceeding or arbitration pursuant to Section 7 hereof brought by the Indemnatee to enforce rights to indemnification or to an advancement of expenses hereunder, or in any action, suit, or proceeding brought by the Company to recover an advancement of expenses (whether pursuant to the terms of an undertaking or otherwise), to the greatest extent permitted by applicable law, the burden shall be on the Company to prove that the Indemnatee is not entitled to be indemnified, or to such an advancement of expenses, as the case may be.

(b) It shall be a defense in any judicial proceeding or arbitration pursuant to Section 7 hereof to enforce rights to indemnification under Section 2(b) or Section 2(c) hereof (but not in any judicial proceeding or arbitration pursuant to Section 7 hereof to enforce a right to an advancement of expenses under Section 3 hereof) that the Indemnatee has not met the standards of conduct set forth in Section 2(b) or Section 2(c), as the case may be, but the burden of proving such defense shall be on the Company to the greatest extent permitted by applicable law. With respect to any judicial proceeding or arbitration pursuant to Section 7 hereof brought by the Indemnatee to enforce a right to indemnification hereunder, or any action, suit, or proceeding brought by the Company to recover an advancement of expenses (whether pursuant to the terms of an undertaking or otherwise), neither (i) the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of such action, suit, proceeding, or arbitration that indemnification is proper in the circumstances because the Indemnatee has met the applicable standards of conduct, nor (ii) an actual determination by the Company (including

by its directors or Independent Counsel) that the Indemnitee has not met such applicable standards of conduct, shall create a presumption that the Indemnitee has not met the applicable standards of conduct or, in the case of a judicial proceeding or arbitration pursuant to Section 7 hereof brought by the Indemnitee seeking to enforce a right to indemnification, be a defense to such proceeding or arbitration.

(c) The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, adversely affect the right of the Indemnitee to indemnification hereunder or create a presumption that the Indemnitee did not act in good faith and in a manner the Indemnitee reasonably believed to be in the best interests of the Company, and, with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(d) For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Company or Other Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Company or Other Enterprise in the course of their duties, or on the advice of legal counsel for the Company or Other Enterprise or on information or records given or reports made to the Company or Other Enterprise by an independent certified public accountant or by an appraiser or other expert selected by the Company or Other Enterprise. The provisions of this Section 6(d) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed or found to have met the applicable standard of conduct set forth in this Agreement.

(e) The knowledge and/or actions, or failure to act, of any other director, officer, agent, or employee of the Company or of Another Enterprise shall not be imputed to the Indemnitee for purposes of determining the Indemnitee's right to indemnification under this Agreement.

Section 7. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 5 of this Agreement that the Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 3 of this Agreement, (iii) except when the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof, no determination of entitlement to indemnification shall have been made pursuant to Section 5(b) of this Agreement within sixty (60) calendar days after receipt by the Company of the Indemnitee's written request for indemnification, (iv) under circumstances in which the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(b) hereof, no determination of entitlement to indemnification shall have been made pursuant to Section 5(b) hereof within eighty (80) calendar days after receipt by the Company of the Indemnitee's written request for indemnification (unless an objection to the selection of such Independent Counsel has been made and substantiated and not withdrawn, in which case the applicable time period shall be seventy (70) calendar days after a court of competent jurisdiction (or such person appointed by such court to make such determination) has determined or appointed the person to act as Independent Counsel pursuant to Section 5(b) hereof), (v) payment of indemnification is not made pursuant to Section 2(d) or Section 2(e) of this Agreement within thirty (30) calendar days after receipt by the Company of a written request therefor, or (vi) payment of indemnification pursuant to Section 2(b) or Section 2(c) of this Agreement is not made within thirty (30) calendar days after a determination has been made pursuant to Section 5(b) that the Indemnitee is entitled to indemnification, then the Indemnitee shall be entitled to seek an adjudication by a court of competent jurisdiction of the Indemnitee's entitlement to such indemnification or advancement of Expenses. Alternatively, if the foregoing conditions have been satisfied, the Indemnitee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within one hundred and

eighty (180) calendar days following the date on which the Indemnitee first has the right to commence such proceeding pursuant to this Section 7(a); provided, however, that the foregoing clause shall not apply in respect of a proceeding brought by the Indemnitee to enforce his or her rights to indemnification under Section 2(d) of this Agreement.

(b) In the event that a determination shall have been made pursuant to Section 5(b) of this Agreement that the Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 7 shall be conducted in all respects as a *de novo* trial, or arbitration, on the merits and the Indemnitee shall not be prejudiced by reason of that adverse determination.

(c) If a determination shall have been made pursuant to Section 5(b) of this Agreement that the Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 7, absent (i) a misstatement or misrepresentation by the Indemnitee (or anyone acting on the Indemnitee's behalf) of a material fact, or an omission of a material fact necessary to make the Indemnitee's statement (or statements of persons acting on behalf of the Indemnitee) not materially misleading, in connection with the request for indemnification or in connection with the provision of information or documentation pursuant to the last sentence of Section 5(b), or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that the Indemnitee, pursuant to this Section 7, seeks a judicial adjudication of or an award in arbitration to enforce the Indemnitee's rights under, or to recover damages for breach of, this Agreement, then the Indemnitee shall be entitled to recover from the Company, and shall be indemnified by the Company against, any and all Expenses actually and reasonably incurred by or on behalf of such Indemnitee in such judicial adjudication or arbitration, but only if (and only to the extent) the Indemnitee prevails therein. If it shall be determined in said judicial adjudication or arbitration that the Indemnitee is entitled to receive part but not all of the indemnification or advancement of Expenses sought, the expenses incurred by the Indemnitee in connection with such judicial adjudication or arbitration shall be appropriately prorated.

Section 8. Non-Exclusivity. Except to the extent expressly provided herein, and only to such extent, the rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which the Indemnitee may at any time be entitled under applicable law, the Company's Certificate of Incorporation, the Company's Bylaws, any agreement, a vote of shareholders, a resolution of directors, or otherwise, both as to action in or by reason of the Indemnitee's Corporate Status and as to action in or by reason of any other capacity of the Indemnitee while serving as a director or officer of the Company. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. In the event of any change after the date of this Agreement in any applicable law, statute, or rule that expands the power of a California corporation to indemnify a member of its board of directors or an officer, employee, agent, or fiduciary, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greatest benefits afforded by such change. Anything in this Section 8 to the contrary notwithstanding, to the extent the time periods specified in Section 3 and Section 7(a) hereof with respect to the time at which the Indemnitee shall be entitled to seek an adjudication or an award in arbitration as to the Indemnitee's entitlement to indemnification or advancement differ from similar time periods specified in the Company's Certificate of Incorporation or Bylaws, the time periods set forth in Section 3 and Section 7(a) hereof shall control and be binding on the Indemnitee and the Company and shall be deemed a waiver of any contrary right specified in the Company's Certificate of Incorporation or Bylaws. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

Section 9. Insurance; Subrogation; Other Sources of Payment.

(a) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Company or Another Enterprise, Indemnatee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnatee, all amounts payable as a result of such proceeding in accordance with the terms of such policies. To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Company or Another Enterprise, the provision of directors' and officers' liability insurance as provided in this Section 9(a) shall be in addition to the Company's obligations under Sections 2 and 3 hereof and shall not be deemed to be in satisfaction of those obligations.

(b) In the event of any payment to or on behalf of the Indemnatee under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnatee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(c) Except to the extent required by applicable law, the Company shall not be liable under this Agreement to make any payment to Indemnatee with respect to amounts otherwise indemnifiable hereunder (or for which advancement is otherwise provided hereunder) if and to the extent that the Indemnatee has otherwise actually received such payment under any insurance policy, contract, agreement, or otherwise. Nothing hereunder is intended to affect any right of contribution of or against the Company in the event the Company and any other person or persons have co-equal obligations to indemnify or advance expenses to Indemnatee.

(d) The Company's obligation to indemnify or advance Expenses hereunder to the Indemnatee, in connection with or by reason of Indemnatee's service at the request of the Company as a director, officer, employee, agent, or fiduciary of Another Enterprise, shall be reduced by any amount that the Indemnatee has actually received as indemnification or advancement of Expenses from such Other Enterprise with respect to the Proceeding for which indemnification or advancement of Expenses is sought.

Section 10. Contribution. To the fullest extent permitted by applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnatee for any reason whatsoever, the Company, in lieu of indemnifying Indemnatee, shall contribute to the amount incurred by Indemnatee, for any and all Losses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company, on the one hand, and Indemnatee, on the other hand, as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents), on the one hand, and Indemnatee, on the other hand, in connection with such event(s) and/or transaction(s).

Section 11. Settlements. Anything in this Agreement or the Company's Certificate of Incorporation or Bylaws to the contrary notwithstanding, the Company shall have no obligation to indemnify the Indemnatee for any amounts paid by or on behalf of the Indemnatee in settlement of any Proceeding, unless the Company has consented in writing to such settlement, which consent shall not be unreasonably withheld. The Company shall not

settle any claim in any manner that would impose any fine or any obligation on the Indemnatee without the Indemnatee's prior written consent, which consent shall not be unreasonably withheld.

Section 12. Survival of Rights; Binding Effect; Successors and Assigns.

(a) The indemnification and advancement of Expenses and other rights provided by, or granted pursuant to, this Agreement shall continue during the period that the Indemnitee is a director or officer of the Company and shall continue through and after the Termination Date so long as Indemnitee shall be subject to any possible Proceeding (including any appeal thereto), by reason of Indemnitee's Corporate Status, with respect to claims arising from any action taken or omitted (or that are alleged to have been taken or omitted) by the Indemnitee, or from any facts or events that occurred (or that are alleged to have occurred), on or before the Termination Date, and shall further continue for such period of time following the conclusion of any such Proceeding as may be reasonably necessary for Indemnitee to enforce rights and remedies pursuant to this Agreement as provided in Section 7 of this Agreement.

(b) This Agreement shall be binding upon the Indemnitee and upon the Company and its successors and assigns, and shall inure to the benefit of the Indemnitee, the Indemnitee's heirs, personal representatives, executors, administrators, and assigns and to the benefit of the Company and its successors and assigns.

(c) The Company further agrees that in the event the Company or any of its successors or assigns (i) consolidates with or merges into any other corporation or entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any corporation or entity, then, and in each such case, to the extent necessary, proper provision shall be made so that the successors and assigns of the Company as a result of such transaction assume the obligations of the Company set forth in this Agreement, including, without limitations, the requirements with respect to directors' and officers' liability insurance set forth in Section 9.

Section 13. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable for any reason whatsoever: (a) the validity, legality, and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that is not itself invalid, illegal, or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that it not itself invalid, illegal, or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 14. Acknowledgement. The Company expressly acknowledges, confirms, and agrees that it has entered into this Agreement and has assumed the obligations imposed on the Company hereby in order to induce the Indemnitee to serve or continue to serve as a director or officer of the Company, and the Company acknowledges that the Indemnitee is relying upon this Agreement in serving and continuing to serve in such capacity. In addition, both the Company and Indemnitee acknowledge that in certain instances, federal law or applicable public policy may prohibit the Company from indemnifying its directors, officers, employees, agents or fiduciaries under this Agreement or otherwise. Indemnitee understands and acknowledges that the Company may be required in the future to undertake with the Securities and Exchange Commission to submit the question of indemnification to a court in certain circumstances for a determination of the Company's rights under public policy to indemnify Indemnitee.

- 9 -

Section 15. Notice by Indemnitee. The Indemnitee agrees to notify the Company promptly and in writing upon being served with any summons, citation, subpoena, complaint, petition, indictment, information, or other document relating to the commencement or threatened commencement of any Proceeding or matter that may be subject to indemnification or advancement of Expenses covered hereunder. The

failure of the Indemnitee to so notify the Company shall not relieve the Company of any obligation that it may have to the Indemnitee under this Agreement or otherwise, except to the extent the Company is materially prejudiced by such failure.

Section 16. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given (i) if delivered by hand to the party to whom said notice or other communication shall have been directed, on the date so delivered, or (ii) if mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed. All such notices, requests, demands, and other communications shall be delivered to the Indemnitee or to the Company, as the case may be, at the following addresses:

(1) If to the Indemnitee, to the address set forth on the signature page hereto.

(2) If to the Company, to:

Southwest Gas Corporation

8360 S. Durango Drive, P.O. Box 98510

Las Vegas, Nevada 89193-8510

Attention: General Counsel

or to such other address as may have been furnished to the Indemnitee by the Company or to the Company by the Indemnitee, as the case may be, by like notice.

Section 17. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement.

Section 18. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 19. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written, and implied, between the parties hereto with respect to the subject matter hereof.

Section 20. Modification and Waiver.

(a) No amendment, modification, supplementation, or repeal of this Agreement or any provision hereof shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

(b) No amendment, modification, supplementation, or repeal of this Agreement or of any provision hereof shall limit or restrict any rights of the Indemnitee under this Agreement in respect of any action taken or omitted by the Indemnitee in or by reason of the

- 10 -

Indemnitee's Corporate Status prior to such amendment, modification, supplementation, or repeal.

Section 21. Governing Law; Submission to Jurisdiction; Service of Process.

(a) This Agreement and the legal relations among the parties with respect to the matters addressed hereby shall be governed by, and construed and enforced in accordance with, the laws of the State of California, without regard to its conflict of laws rules.

(b) Except with respect to any arbitration commenced by the Indemnitee pursuant to Section 7(a) of this Agreement and except to the extent permitted by Section 2(c) hereof with respect to a determination by a court in which an underlying Proceeding was brought that the Indemnitee is entitled to indemnification of Expenses notwithstanding an adjudication of liability to the Company, the Company and the Indemnitee each hereby irrevocably and unconditionally (i) agrees and consents to the jurisdiction of the courts of the State of California for all purposes in connection with any action, suit, or proceeding that arises out of or relates to this Agreement and agrees that any such action instituted under this Agreement shall be brought only in the courts of the State of California, and not in any other state or federal court in the United States of America or any court or tribunal in any other country; (ii) consents to submit to the exclusive jurisdiction of the courts of the State of California for purposes of any action or proceeding arising out of or in connection with this Agreement; (iii) waives any objection to the laying of venue of any such action or proceeding in the courts of the State of California; and (iv) waives, and agrees not to plead or to make, any claim that any such action or proceeding brought in the courts of the State of California has been brought in an improper or otherwise inconvenient forum.

(c) Each of the Company and the Indemnitee hereby consents to service of any summons and complaint and any other process that may be served in any action, suit, or proceeding arising out of or relating to this Agreement in any court of the State of California by mailing by certified or registered mail, with postage prepaid, copies of such process to such party at its address for receiving notice pursuant to Section 16 hereof. Nothing herein shall preclude service of process by any other means permitted by applicable law.

Section 22. Nature of Agreement. This Agreement shall not be deemed an employment contract between the Company and the Indemnitee, and, if Indemnitee is an officer or employee of the Company, Indemnitee specifically acknowledges that Indemnitee may be discharged as an officer or employee of the Company at any time for any reason, with or without cause, and with or without severance compensation, except as may be otherwise provided in a separate written contract between the Company and the Indemnitee.

Section 23. Definitions. For purposes of this Agreement:

(a) "Another Enterprise" and "Other Enterprise" refer to a corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, or any other form of enterprise, other than the Company.

(b) "Change in Control" means, and shall be deemed to have occurred if, (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company acting in such capacity or a corporation owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company, becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company's then outstanding voting stock, (ii) during any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board of Directors of the Company and any new director whose election by the Board of Directors or nomination for election by the Company's

shareholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, (iii) the shareholders of the Company approve a merger or consolidation of the Company with any other corporation other than a merger or

consolidation that would result in the voting stock of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting stock of the surviving entity) at least fifty percent (50%) of the total voting power represented by the voting stock of the Company or such surviving entity outstanding immediately after such merger or consolidation, or (iv) the shareholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company (in one transaction or a series of related transactions) of all or substantially all of the Company's assets.

(c) "Corporate Status" describes (1) the Indemnitee's status as a present or former director or officer of the Company, (2) the Indemnitee's present or former status, at any time while serving as a director or officer of the Company, as a director, officer, employee, agent, or fiduciary of Another Enterprise to the extent the Indemnitee is or was serving in such capacity with respect to such Other Enterprise at the request of Company, and (3) the Indemnitee's present or former status as a director, officer, employee, agent, or fiduciary of Another Enterprise to the extent the Indemnitee served in such capacity with respect to such Other Enterprise while serving as a director or officer of the Company, continued serving in such capacity with respect to such Other Enterprise after ceasing to be a director or officer of the Company, and is or was serving in such capacity with respect to such Other Enterprise at the request of Company.

(d) "Expenses" includes, without limitation, reasonable attorneys' fees; retainers; disbursements of counsel; court costs; filing fees; transcript costs; fees and expenses of experts; fees and expenses of witnesses; fees and expenses of accountants and other consultants (excluding public relations consultants unless approved in advance by the Company); travel expenses; duplicating and imaging costs; printing and binding costs; telephone charges; facsimile transmission charges; computer legal research costs; postage; delivery service fees; fees and expenses of third-party vendors; the premium, security for, and other costs associated with any bond (including supersedeas or appeal bonds, injunction bonds, cost bonds, appraisal bonds or their equivalents), in each case actually and reasonably incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding (including, without limitation, any judicial or arbitration Proceeding brought to enforce the Indemnitee's rights under, or to recover damages for breach of, this Agreement), as well as all other disbursements or expenses of types customarily and reasonably incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, actions, suits, or proceedings similar to or of the same type as the Proceeding with respect to which such disbursements or expenses were incurred; but, notwithstanding anything in the foregoing to the contrary, "Expenses" shall not include amounts of judgments, penalties, or fines actually levied against the Indemnitee in connection with any Proceeding.

(e) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by the Indemnitee.

(f) "Independent Counsel" means a law firm, or a person admitted to practice law in any State of the United States, that is experienced in matters of corporation law and neither presently is, nor in the past three years has been, retained to represent: (i) the Company or the Indemnitee in any matter material to either such party (other than with respect to serving as Independent Counsel (or similar independent legal counsel position) as to matters concerning the rights of Indemnitee under this Agreement, the rights of other indemnitees under similar indemnification agreements, or the rights of Indemnitee or other indemnitees to indemnification under the Company's Certificate of Incorporation or Bylaws), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder.

- 12 -

Notwithstanding the foregoing, the term "Independent Counsel" shall not include any law firm or person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or the Indemnitee in an action to determine the Indemnitee's rights under this Agreement. For the avoidance of doubt, the term "Independent Counsel" shall not include any law firm or person who represented or advised any entity or person in connection with a Change in Control of the Company.

(g) "Losses" means all Expenses, judgments, penalties, fines, liabilities, and amounts paid in settlement in connection with a Proceeding.

(h) "Proceeding" means any threatened, pending, or completed action, suit, arbitration, alternative dispute resolution mechanism, investigation (including any internal investigation), inquiry, administrative hearing, or any other threatened, pending, or completed proceeding, whether brought by or in the right of the Company or otherwise, and whether civil, criminal, administrative, or investigative.

(i) "Termination Date" shall mean the date on which the Indemnitee is no longer a director or officer of the Company; provided, however, that if (1) the Indemnitee continues to serve as a director, officer, employee, agent, or fiduciary of Another Enterprise after the date on which the Indemnitee is no longer a director or officer of the Company, (2) the Indemnitee is serving in such capacity with respect to such Other Enterprise at the request of the Company, and (3) the Indemnitee served in such capacity with respect to such Other Enterprise while serving as a director or officer of the Company, then "Termination Date" shall mean such later date after the Indemnitee is no longer a director or officer of the Company or which the Indemnitee is no longer serving in such capacity with respect to such Other Enterprise.

(j) References herein to "fines" shall include any excise tax assessed with respect to any employee benefit plan.

(k) References herein to a director of Another Enterprise or a director of an Other Enterprise shall include, in the case of any entity that is not managed by a board of directors, such other position, such as manager or trustee or member of the governing body of such entity, that entails responsibility for the management and direction of such entity's affairs, including, without limitation, the general partner of any partnership (general or limited) and the manager or managing member of any limited liability company.

(l) (i) References herein to serving at the request of the Company as a director, officer, employee, agent, or fiduciary of Another Enterprise shall include any service as a director, officer, employee, or agent of the Company that imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan of the Company or any of its affiliates, other than solely as a participant or beneficiary of such a plan; and (ii) if the Indemnitee has acted in good faith and in a manner the Indemnitee reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan, the Indemnitee shall be deemed to have acted in a manner consistent with the best interests of the Company for purposes of this Agreement.

(Signature page follows.)

- 13 -

IN WITNESS WHEREOF, the Company and the Indemnitee have executed this Agreement on and as of the day and year first above written.

SOUTHWEST GAS CORPORATION

By: _____

Name: Karen S. Haller

Title: Chief Executive Officer

INDEMNITEE

By: _____

Name: _____

Address: _____

Exhibit A

- 14 -

UNDERTAKING

I _____, agree to reimburse the Company for all expenses paid to me or on my behalf by the Company in connection with my involvement in **[name or description of proceeding or proceedings]**, in the event, and to the extent, that it shall ultimately be determined that I am not entitled to be indemnified by the Company for such expenses.

Signature _____

Typed Name _____

_____) ss:

Before me _____, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and who, after being duly sworn, stated that the contents of said instrument is to the best of his/her knowledge and belief true and correct and who acknowledged that he/she executed the same for the purpose and consideration therein expressed.

GIVEN under my hand and official seal at _____, this _____ day of _____, 20_____.

Notary Public

My commission expires:

- 15 -

Exhibit 31.01

Certification of Southwest Gas Holdings, Inc.

I, Karen S. Haller, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Southwest Gas Holdings, Inc.;
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.

Dated: November 8, 2023 May 8, 2024

/s/ KAREN S. HALLER

Karen S. Haller

President and Chief Executive Officer

Southwest Gas Holdings, Inc.

Certification of Southwest Gas Holdings, Inc.

I, Robert J. Stefani, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Southwest Gas Holdings, Inc.;
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.

Dated: November 8, 2023 May 8, 2024

/s/ ROBERT J. STEFANI

Robert J. Stefani

Senior Vice President/Chief Financial Officer

Southwest Gas Holdings, Inc.

Exhibit 31.02

Certification of Southwest Gas Corporation

I, Karen S. Haller, 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.

Dated: November 8, 2023 May 8, 2024

/s/ KAREN S. HALLER

Karen S. Haller
Chief Executive Officer
Southwest Gas Corporation

Certification of Southwest Gas Corporation

I, Robert J. Stefani, 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.

Dated: November 8, 2023 May 8, 2024

/s/ ROBERT J. STEFANI

Robert J. Stefani
Senior Vice President/Chief Financial Officer
Southwest Gas Corporation

Exhibit 32.01

SOUTHWEST GAS HOLDINGS, INC.

CERTIFICATION

In connection with the periodic report of Southwest Gas Holdings, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission (the "Report"), I, Karen S. Haller, the President and 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: November 8, 2023 May 8, 2024

/s/ Karen S. Haller

Karen S. Haller
President and Chief Executive Officer

SOUTHWEST GAS HOLDINGS, INC.

CERTIFICATION

In connection with the periodic report of Southwest Gas Holdings, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission (the "Report"), I, Robert J. Stefani, 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: November 8, 2023 May 8, 2024

/s/ Robert J. Stefani

Robert J. Stefani
Senior Vice President/Chief Financial Officer

Exhibit 32.02

SOUTHWEST GAS CORPORATION

CERTIFICATION

In connection with the periodic report of Southwest Gas Corporation on Form 10-Q for the period ended **September 30, 2023** **March 31, 2024** as filed with the Securities and Exchange Commission (the "Report"), I, Karen S. Haller, the Chief Executive Officer of Southwest Gas Corporation, 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 Southwest Gas Corporation 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: **November 8, 2023** **May 8, 2024**

/s/ Karen S. Haller

Karen S. Haller
Chief Executive Officer

SOUTHWEST GAS CORPORATION

CERTIFICATION

In connection with the periodic report of Southwest Gas Corporation on Form 10-Q for the period ended **September 30, 2023** **March 31, 2024** as filed with the Securities and Exchange Commission (the "Report"), I, Robert J. Stefani, Senior Vice President/Chief Financial Officer of Southwest Gas Corporation, 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 Southwest Gas Corporation 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: **November 8, 2023** **May 8, 2024**

/s/ Robert J. Stefani

Robert J. Stefani
Senior Vice President/Chief Financial Officer

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2024, Refinitiv. All rights reserved. Patents Pending.