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, 1999

Commission File Number 1-7850

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

California (State or other jurisdiction of incorporation or organization)	88-0085720 (I.R.S. Employer Identification No.)
5241 Spring Mountain Road Post Office Box 98510 Las Vegas, Nevada (Address of principal executive offices)	89193-8510 (Zip Code)

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

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

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

Common Stock, $1 Par Value, 30,869,320 shares as of November 2, 1999.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Thousands of dollars, except par value)

ASSETS	SEPTEMBER 30, 1999 (Unaudited)	DECEMBER 31, 1998
Utility plant:		
Gas plant	$ 2,149,717	$ 2,020,139
Less: accumulated depreciation	(650,853)	(612,138)
Acquisition adjustments	3,597	3,881
Construction work in progress	43,917	47,480
Net utility plant	1,546,378	1,459,362
Other property and investments	84,721	73,926
Current assets:		
Cash and cash equivalents	5,833	18,535
Accounts receivable, net of allowances	56,443	88,037
Accrued utility revenue	24,000	56,873
Deferred income taxes	6,021	-
Deferred purchased gas costs	-	57,595
Prepaids and other current assets	32,178	26,346
Total current assets	124,475	247,386
Deferred charges and other assets	47,504	50,020

Total assets	$ 1,803,078	$ 1,830,694

CAPITALIZATION AND LIABILITIES

Capitalization:		
Common stock, $1 par (authorized - 45,000,000 shares; issued and outstanding - 30,798,916 and 30,409,616 shares)	$ 32,429	$ 32,040
Additional paid-in capital	434,196	424,840
Retained earnings	11,093	19,520
Total common equity	477,718	476,400
Redeemable preferred securities of Southwest Gas Capital I	60,000	60,000
Long-term debt, less current maturities	820,161	812,906
Total capitalization	1,357,879	1,349,306
Current liabilities:		
Current maturities of long-term debt	7,081	5,270
Short-term debt	36,835	52,000
Accounts payable	38,945	64,295
Customer deposits	26,164	24,333
Accrued taxes	36,020	33,480
Accrued interest	13,127	13,872
Deferred taxes	-	12,627
Deferred purchased gas costs	3,233	-
Other current liabilities	52,360	44,917
Total current liabilities	213,765	250,794
Deferred income taxes and other credits:		
Deferred income taxes and investment tax credits	180,003	179,666
Other deferred credits	51,431	50,928
Total deferred income taxes and other credits	231,434	230,594
Total capitalization and liabilities	$ 1,803,078	$ 1,830,694

The accompanying notes are an integral part of these statements.

SOUTHWEST GAS CORPORATION AND SUBSIDIARIES
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,	
	1999	1998	1999	1998	1999	1998
Operating revenues:						
Gas operating revenues	$ 125,190	$ 128,229	$ 570,979	$ 567,609	$ 802,967	$ 767,961
Construction revenues	41,099	34,279	103,627	80,397	140,942	111,188
Total operating revenues	166,289	162,508	674,606	648,006	943,909	879,149
Operating expenses:						
Net cost of gas sold	46,711	51,499	254,436	246,254	338,031	305,762
Operations and maintenance	54,621	50,765	163,565	153,796	218,941	206,790
Depreciation and amortization	24,697	22,780	72,998	65,822	95,980	87,920
Taxes other than income taxes	7,075	7,699	21,586	23,516	29,716	30,427
Construction expenses	36,089	30,294	90,670	70,694	123,644	98,350
Total operating expenses	169,193	163,037	603,255	560,082	806,312	729,249
Operating income	(2,904)	(529)	71,351	87,924	137,597	149,900
Other income and (expenses):						
Net interest deductions	(16,145)	(15,760)	(45,815)	(47,579)	(61,590)	(64,435)
Preferred securities distributions	(1,368)	(1,368)	(4,106)	(4,106)	(5,475)	(5,475)
Other income (deductions)	(1,674)	(304)	(1,439)	234	(3,063)	(11,397)
Total other income and (expenses)	(19,187)	(17,432)	(51,360)	(51,451)	(70,128)	(81,307)
Income (loss) before income taxes	(22,091)	(17,961)	19,991	36,473	67,469	68,593
Income tax expense (benefit)	(7,903)	(7,016)	9,509	13,979	31,944	22,764
Net income (loss)	$ (14,188)	$ (10,945)	$ 10,482	$ 22,494	$ 35,525	$ 45,829
Basic earnings (loss) per share	$ (0.46)	$ (0.38)	$ 0.34	$ 0.80	$ 1.16	$ 1.65
Diluted earnings (loss) per share	$ (0.46)	$ (0.38)	$ 0.34	$ 0.80	$ 1.15	$ 1.64
Dividends paid per share	$ 0.205	$ 0.205	$ 0.615	$ 0.615	$ 0.82	$ 0.82
Average number of common shares outstanding	30,742	29,050	30,621	28,028	30,550	27,846
Average shares outstanding (assuming dilution)	-	-	30,902	28,216	30,824	28,022

The accompanying notes are an integral part of these statements.

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

	NINE MONTHS ENDED SEPTEMBER 30,		TWELVE MONTHS ENDED SEPTEMBER 30,	
	1999	1998	1999	1998
CASH FLOW FROM OPERATING ACTIVITIES:				
Net income	$ 10,482	$ 22,494	$ 35,525	$ 45,829
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	72,998	65,822	95,980	87,920
Deferred income taxes	(18,311)	(9,544)	(8,919)	8,948
Changes in current assets and liabilities:				
Accounts receivable, net of allowances	31,594	25,292	(3,719)	(5,820)
Accrued utility revenue	32,873	31,873	(1,500)	(775)
Deferred purchased gas costs	60,828	27,212	62,973	5,065
Accounts payable	(25,350)	(25,446)	2,067	3,446
Accrued taxes	2,540	22,223	12,097	33,760
Other current assets and liabilities	2,117	(3,503)	21,383	(15,241)
Other	(645)	1,136	(803)	14,495
Net cash provided by operating activities	169,126	157,559	215,084	177,627
CASH FLOW FROM INVESTING ACTIVITIES:				
Construction expenditures and property additions	(150,336)	(136,647)	(208,310)	(185,812)
Other	(16,443)	902	(13,018)	4,568
Net cash used in investing activities	(166,779)	(135,745)	(221,328)	(181,244)
CASH FLOW FROM FINANCING ACTIVITIES:				
Issuance of common stock, net	9,745	63,846	13,079	67,289
Dividends paid	(18,830)	(17,460)	(25,046)	(23,054)
Issuance of long-term debt, net	13,502	34,572	19,794	35,901
Retirement of long-term debt, net	(4,301)	(4,646)	(6,278)	(6,736)
Issuance (repayment) of short-term debt	(15,165)	(108,675)	3,510	(75,675)
Net cash provided by (used in) financing activities	(15,049)	(32,363)	5,059	(2,275)
Change in cash and temporary cash investments	(12,702)	(10,549)	(1,185)	(5,892)
Cash at beginning of period	18,535	17,567	7,018	12,910
Cash at end of period	$ 5,833	7,018	$ 5,833	7,018
Supplemental information:				
Interest paid, net of amounts capitalized	$ 45,459	$ 46,108	$ 60,515	$ 60,753
Income taxes paid (received), net	$ 27,928	$ 6,666	$ 26,230	$ (24,594)

The accompanying notes are an integral part of these statements.

Note 1 - Summary of Significant Accounting Policies

Nature of Operations. Southwest Gas Corporation (the Company) is comprised of two segments: natural gas operations (Southwest or the natural gas operations segment) and construction services. Southwest purchases, transports, and distributes natural gas to customers in portions of Arizona, Nevada, and California. Southwest's public utility rates, practices, facilities, and service territories are subject to regulatory oversight. The timing and amount of rate relief can materially impact results of operations. Natural gas sales are seasonal, peaking during the winter months. Variability in weather from normal temperatures can materially impact results of operations. Northern Pipeline Construction Co. (Northern or the construction services segment), a wholly owned subsidiary, is a full-service underground piping contractor which provides utility companies with trenching and installation, replacement, and maintenance services for energy distribution systems.

Basis of Presentation. The consolidated financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and 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 presentation of the results for the interim periods, have been made. It is suggested that these consolidated financial statements be read in conjunction with the financial statements and the notes thereto included in the Company's 1998 Annual Report to Shareholders, which is incorporated by reference into the Form 10-K, and the 1999 Quarterly Reports on Form 10-Q.

Intercompany Transactions. The construction services segment recognizes revenues generated from contracts with Southwest (see Note 2 below). Accounts receivable for these services were $4.6 million at September 30, 1999 and $5 million at December 31, 1998. The accounts receivable balance, revenues, and associated profits are included in the consolidated financial statements of the Company and were not eliminated during consolidation. Statement of Financial Accounting Standards (SFAS) No. 71, "Accounting for the Effects of Certain Types of Regulation," provides that intercompany profits on sales to regulated affiliates should not be eliminated in consolidation if the sales price is reasonable and if future revenues approximately equal to the sales price will result from the rate-making process. Management believes these two criteria are being met.

Note 2 - Segment Information

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

	Natural Gas Operations	Construction Services	Total
Nine months ended September 30, 1999			
Revenues from external customers	$ 570,979	$ 71,108	$ 642,087
Intersegment revenues	--	32,519	32,519
Total	$ 570,979	$ 103,627	$ 674,606
Segment net income	$ 7,385	$ 3,097	$ 10,482
Nine months ended September 30, 1998			
Revenues from external customers	$ 567,609	$ 53,946	$ 621,555
Intersegment revenues	--	26,451	26,451
Total	$ 567,609	$ 80,397	$ 648,006
Segment net income	$ 20,637	$ 1,857	$ 22,494

Note 3 - Merger Agreement with ONEOK, Inc.

In December 1998, the Boards of Directors of the Company and ONEOK, Inc. (ONEOK), headquartered in Tulsa, Oklahoma, announced an agreement for the Company to be acquired by ONEOK. The agreement called for ONEOK to pay $28.50 in cash for each share of Company common stock outstanding. In April 1999, the agreement was amended to reflect, among other things, a revised cash purchase price of $30 per share.

In February 1999, the Company announced that it had received an unsolicited proposal from Southern Union Company (Southern Union), headquartered in Austin, Texas, offering to acquire the Company for $32 per share in cash. Under the terms of the original agreement with ONEOK, and as a result of certain preliminary determinations made by the Board of Directors of the Company, the Board of Directors authorized management to commence substantive discussions with Southern Union regarding its proposal. In April 1999, the Board of Directors approved the amendment to the agreement with ONEOK and rejected the unsolicited bid by Southern Union. Southern Union revised its offer to $33.50 per share in late April 1999. In May 1999, the Board of Directors rejected the revised bid.

The merger agreement, as amended, with ONEOK remains in full force and effect.

The transaction is subject to customary conditions, including approvals from shareholders of the Company and state regulators in Arizona, California, and Nevada. In June 1999, regulatory approval was obtained from the Public Utilities Commission of Nevada. The shareholders of the Company approved the principal terms of the merger at the annual shareholders meeting held in August 1999. Merger filings have been made with the Arizona and California regulatory bodies. A hearing date has not been determined in California.

Hearings before the Arizona Corporation Commission (ACC), scheduled during the third quarter, have been delayed several times. Most recently, in October 1999 the ACC staff requested eight weeks to review the voluminous information filed (including additional testimony by the Company and ONEOK and the submission of documents filed in certain of the merger-related litigation described in Part II, Item 1), as well as conduct additional discovery. The ACC granted the staff request and ordered a report and updated recommendations be filed by staff in January 2000. Hearings are now scheduled for February 2000.

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

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

Southwest purchases, transports, and distributes natural gas to approximately 1,246,000 residential, commercial, industrial and other customers, of which 57 percent are located in Arizona, 34 percent are in Nevada, and 9 percent are in California. During the twelve months ended September 30, 1999, Southwest earned 56 percent of operating margin in Arizona, 34 percent in Nevada, and 10 percent in California. During this same period, Southwest earned 84 percent of operating margin from residential and small commercial customers, 4 percent from other sales customers, and 12 percent from transportation customers. These patterns are similar to prior years and are expected to continue.

Northern is a full-service underground piping contractor, which provides utility companies with trenching and installation, replacement, and maintenance services for energy distribution systems.

Capital Resources and Liquidity

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

Southwest continues to experience significant population growth throughout its service territories. This growth has required large amounts of capital to finance the investment in infrastructure, in the form of new transmission and distribution plant, to satisfy consumer demand. For the twelve months ended September 30, 1999, natural gas construction expenditures totaled $205 million. Approximately 75 percent of these current-period expenditures represented new construction and the balance represented costs associated with routine replacement of existing transmission, distribution, and general plant. Cash flows from operating activities of Southwest (net of dividends) were $178 million for the twelve months ended September 30, 1999. Operating cash flows exceeded expected levels primarily due to deferred purchased gas cost recoveries.

Southwest estimates construction expenditures during the three-year period ending December 31, 2001 will be approximately $580 million. During the three-year period, cash flow from operating activities (net of dividends) is estimated to fund approximately 60 percent of the gas operations total construction expenditures. A portion of the construction expenditure funding will be provided by $20 million of funds held in trust, at December 31, 1998, from the issuance of industrial development revenue bonds (IDRB). The remaining cash requirements are expected to be provided by external financing sources. The timing, types, and amounts of these additional external financings will be dependent on a number of factors, including conditions in the capital markets, timing and amounts of rate relief, growth factors in Southwest service areas, and merger-related developments (see Note 3). These external financings may include the issuance of both debt and equity securities, bank and other short-term borrowings, and other forms of financing. Under the agreement with ONEOK, common stock issuances are currently limited to those necessary under employee benefit and dividend reinvestment plans.

Results of Consolidated Operations

Quarterly Analysis

	Contribution to Net Income (Loss) Three Months Ended September 30,	
	1999	1998
	(Thousands of dollars)	
Natural gas operations	$ (15,304)	$ (11,794)
Construction services	1,116	849
Net income (loss)	$ (14,188)	$ (10,945)

Net loss for the quarter ended September 30, 1999 was $0.46 per share, compared to a loss of $0.38 per share recorded during the corresponding quarter of the prior year. Natural gas operations results declined $0.09 per share. See separate discussion at Results of Natural Gas Operations for changes as they relate to gas operations. The contribution from construction services for the current quarter remained relatively consistent to that of the corresponding quarter of the prior year. Average shares outstanding increased 1.7 million shares between periods primarily due to a 2.5 million share issuance of common stock in August 1998 and continuing issuances under the Dividend Reinvestment and Stock Purchase Plan.

Nine-Month Analysis

	Contribution to Net Income Nine Months Ended September 30,	
	1999	1998
	(Thousands of dollars)	
Natural gas operations	$ 7,385	$ 20,637
Construction services	3,097	1,857
Net income	$ 10,482	$ 22,494

Net income for the nine months ended September 30, 1999 was $0.34 per share, compared to $0.80 per share recorded during the corresponding period of the prior year. Earnings from natural gas operations decreased $0.50 per share. See separate discussion at Results of Natural Gas Operations for changes as they relate to gas operations. Construction services contributed per share earnings of $0.10, a $0.04 per share increase from the corresponding period of the prior year. The improvement is attributed to a high volume of work experienced during the first quarter of 1999 that resulted from unseasonably warm, dry weather conditions in several cold-climate operating areas. Average shares outstanding increased 2.6 million shares between periods primarily due to a 2.5 million share issuance of common stock in August 1998 and continuing issuances under the Dividend Reinvestment and Stock Purchase Plan.

Twelve-Month Analysis

	Contribution to Net Income Twelve Months Ended September 30,	
	1999	1998
	(Thousands of dollars)	
Natural gas operations	$ 31,578	$ 43,444
Construction services	3,947	2,385
Net income	$ 35,525	$ 45,829

Earnings per share for the twelve months ended September 30, 1999 were $1.16, a $0.49 decrease from per share earnings of $1.65 recorded during the prior twelve-month period. Earnings contributed from natural gas operations decreased $0.53 per share. See separate discussion at Results of Natural Gas Operations for changes as they relate to gas operations. Construction services activities contributed per share earnings of $0.13, a $0.04 per share improvement over the prior twelve-month period. The improvement is attributable to better-than-expected weather conditions in several cold-climate operating areas which prevented the normal slow down in work during the fourth quarter of 1998 and the first quarter of 1999. Average shares outstanding increased 2.7 million shares between periods primarily due to a 2.5 million share issuance of common stock in August 1998 and continuing issuances under the Dividend Reinvestment and Stock Purchase Plan.

The following table sets forth the ratios of earnings to fixed charges for the Company:

	For the Twelve Months Ended September 30, 1999	December 31, 1998
Ratios of earnings to fixed charges	1.88	2.08

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

Results of Natural Gas Operations

Quarterly Analysis

	Three Months Ended September 30, 1999	1998
	(Thousands of dollars)	
Gas operating revenues	$ 125,190	$ 128,229
Net cost of gas sold	46,711	51,499
Operating margin	78,479	76,730
Operations and maintenance expense	54,621	50,765
Depreciation and amortization	21,918	20,563
Taxes other than income taxes	7,074	7,699
Operating loss	(5,134)	(2,297)
Other income (expense)	(1,918)	(341)
Loss before interest and income taxes	(7,052)	(2,638)
Net interest deductions	15,657	15,467
Preferred securities distributions	1,368	1,368
Income tax expense (benefit)	(8,773)	(7,679)
Contribution to consolidated net income (loss)	$ (15,304)	$ (11,794)

Contribution from natural gas operations declined approximately $3.5 million compared to the third quarter of 1998. The decline was principally the result of merger-related costs and higher operating expenses partially offset by increased operating margin.

Operating margin increased $1.7 million, or two percent, in the third quarter of 1999 compared to the same period a year ago. The increase was attributed to customer growth as both quarters have little heating demand and there was no significant change in rates charged to customers.

Operations and maintenance expenses increased $3.9 million, or eight percent, reflecting general increases in labor and maintenance costs along with incremental operating expenses associated with providing service to a steadily growing customer base.

Depreciation expense and general taxes increased a net $730,000, or three percent, as a result of construction activities. Average gas plant in service increased $165 million, or eight percent, as compared to the third quarter of 1998. The increase reflects ongoing capital expenditures for the upgrade of existing operating facilities and the expansion of the system to accommodate continued customer growth.

Other expenses increased $1.6 million primarily due to merger-related costs.

Nine-Month Analysis

	Nine Months Ended September 30, 1999	Nine Months Ended September 30, 1998
	(Thousands of dollars)	
Gas operating revenues	$ 570,979	$ 567,609
Net cost of gas sold	254,436	246,254
Operating margin	316,543	321,355
Operations and maintenance expense	163,565	153,796
Depreciation and amortization	65,481	59,539
Taxes other than income taxes	21,585	23,516
Operating income	65,912	84,504
Other income (expense)	(2,600)	(432)
Income before interest and income taxes	63,312	84,072
Net interest deductions	44,720	46,806
Preferred securities distributions	4,106	4,106
Income tax expense	7,101	12,523
Contribution to consolidated net income	$ 7,385	$ 20,637

Contribution to consolidated net income declined approximately $13.3 million compared to the first nine months of 1998. The decline was principally the result of merger-related costs, lower operating margin, and higher operating expenses partially offset by reduced financing costs.

Operating margin decreased $4.8 million, or one percent, in the first nine months of 1999 compared to the same period a year ago. Differences in heating demand caused by weather variations between periods resulted in a $13 million decrease, much of which was attributed to colder-than-normal temperatures during the first half of 1998. Partially offsetting the weather-related impacts was an increase of approximately $8 million in operating margin due to customer growth.

Operations and maintenance expenses increased $9.8 million, or six percent, reflecting general increases in labor and maintenance costs along with incremental operating expenses associated with providing service to a steadily growing customer base.

Depreciation expense and general taxes increased a net $4 million, or five percent, as a result of construction activities. Average gas plant in service increased $159 million, or eight percent, as compared to the nine-month period ended September 1998. The increase reflects ongoing capital expenditures for the upgrade of existing operating facilities and the expansion of the system to accommodate continued customer growth.

Other expense includes $4.4 million (pretax) of merger-related costs.

Net interest deductions decreased $2.1 million, or four percent. Strong cash flows coupled with a 2.5 million share common stock offering during the third quarter of 1998 combined to reduce average debt outstanding between periods.

Twelve-Month Analysis

	Twelve Months Ended September 30, 1999	1998
	(Thousands of dollars)	
Gas operating revenues	$ 802,967	$ 767,961
Net cost of gas sold	338,031	305,762
Operating margin	464,936	462,199
Operations and maintenance expense	218,941	206,790
Depreciation and amortization	86,173	78,879
Taxes other than income taxes	29,715	30,427
Operating income	130,107	146,103
Other income (expense)	(4,283)	(12,761)
Income before interest and income taxes	125,824	133,342
Net interest deductions	60,198	63,365
Preferred securities distributions	5,475	5,475
Income tax expense	28,573	21,058
Contribution to consolidated net income	$ 31,578	$ 43,444

Contribution to consolidated net income decreased $11.9 million compared to the corresponding twelve-month period ended September 1998. The decrease was the result of higher operating expenses, partially offset by improvements in operating margin and reduced financing costs. In addition, current-period results were negatively impacted by the incurrence of merger-related costs. Prior-period results included the effects of several nonrecurring events recorded during the fourth quarter of 1997, which are described below.

Operating margin increased $2.7 million, or one percent. Customer growth contributed $15 million of incremental margin. However, differences in heating demand between periods resulted in a $12 million reduction in operating margin as colder-than-normal weather conditions in the prior period returned to more normal conditions during the most recent twelve months.

Operations and maintenance expenses increased $12.2 million, or six percent, reflecting general increases in labor and maintenance costs along with incremental operating expenses associated with providing service to a steadily growing customer base.

Depreciation expense and general taxes increased a net $6.6 million, or six percent, as a result of additional plant in service. Average gas plant in service for the current twelve-month period increased $154 million, or eight percent, compared to the corresponding period a year ago. This was attributable to the upgrade of existing operating facilities and the expansion of the system to accommodate new customers being added to the system.

Other income (expense) improved $8.5 million. During the fourth quarter of 1997, Southwest recognized nonrecurring charges to income related to cost overruns on two separate construction projects. These charges are reflected in Other income (expense). An $8 million pretax charge resulted from cost overruns experienced during expansion of the northern California service territory. See Rates and Regulatory Proceedings herein. A second pretax charge, for $5 million, related to cost overruns on a nonutility construction project. See Note 11 of the Notes to Consolidated Financial Statements in the 1998 Annual Report to Shareholders for additional disclosures related to this charge. Partially offsetting these charges was the recognition of a $3.4 million income tax benefit related to the successful settlement in November 1997 of open tax issues dating back as far as 1988. The combined impact of these three events was a $4.1 million, or $0.15 per share, after-tax reduction to earnings. In connection with the proposed merger into ONEOK, Southwest has incurred approximately $5.5 million (pretax) of financial advisor, legal, and other costs, which are included in Other income (expense) for the twelve-month period ended September 1999. These costs resulted in an after-tax reduction to earnings of $0.16 per share.

Net interest deductions decreased $3.2 million, or five percent, during the twelve months ended September 1999 compared to the corresponding prior twelve-month period. Strong cash flows, coupled with a 2.5 million share common stock offering during the third quarter of 1998, reduced the need for new borrowings and also lowered the average amount of debt outstanding.

Rates and Regulatory Proceedings

Northern California Expansion Project. In 1995, Southwest initiated a multi-year, three-phase construction project to expand its northern California service territory and extend service into Truckee, California. The California Public Utilities Commission (CPUC) established a $29.1 million cost cap for the project. Cost overruns experienced during the construction of Phase II of the project have led Southwest to pursue regulatory and legal avenues aimed at minimizing its regulatory disallowance exposure. See Note 11 of the Notes to Consolidated Financial Statements in the 1998 Annual Report to Shareholders for additional background information.

In February 1999, Southwest petitioned the Supreme Court of the state of California for review of the July 1998 CPUC decision ordering Southwest to complete the project under the terms and scope of the 1995 certificate. In June 1999, the petition for review was denied.

In April 1999, following six months of mediation, Southwest and the Truckee Town Council negotiated a Settlement Agreement and Mutual Release (Agreement) which reconciled disputes and claims against each other. The Agreement addresses the civil suit against the town of Truckee, the remaining project scope, recovery of project costs, and the timing of the next California general rate case, among other items.

During the summer of 1999, Southwest resumed construction on the project. Due to the short construction season, the project will not be completed until 2003. Southwest expects to incur approximately $4 million of construction expenditures in 1999.

In June 1999, Southwest and the town of Truckee filed the Agreement as part of a Joint Petition with the CPUC to modify the certificate of public convenience and necessity granted in 1995 and the related cost recovery mechanism. In this filing, Southwest reduced the estimated remaining cost to complete the project from $25 million to approximately $18 million based on construction bids received. On November 2, 1999, the assigned Administrative Law Judge issued a Draft Decision recommending denial of the Joint Petition and addressing certain issues regarding compliance with existing orders. The parties to the proceeding have 20 days to file comments on the Draft Decision. The Draft Decision is scheduled to be on the agenda at the December 2, 1999 CPUC meeting at which time the CPUC may act on the Draft Decision, postpone action, or consider other alternatives. Both Southwest and representatives of the town of Truckee will be filing comments and working with the CPUC, as allowed under CPUC rules, to obtain approval of the Joint Petition as filed.

Management believes there is a reasonable possibility these efforts will be successful and the CPUC will ultimately approve the Joint Petition. If the Joint Petition is approved, Southwest would reduce its regulatory disallowance exposure from approximately $17 million to approximately $2 million, pretax, based on current estimates to complete the project. If not approved, Southwest will resume its pursuit of other regulatory and legal avenues with the intent of reversing or mitigating the effects of the CPUC decisions to complete the project under its original terms and scope. Once a final order is issued, an evaluation of the likelihood of success of these other avenues can be made. Pending a final decision by the CPUC, Southwest has not recorded any additional write-offs for this project beyond an $8 million charge recognized in the fourth quarter of 1997.

Year 2000 Readiness Disclosure

Most companies have computer systems that use two digits to identify a year in the date field (e.g. "98" for 1998). These systems must be modified to handle turn-of-the-century calculations. If not corrected, system failures or miscalculations could occur, potentially causing disruptions of operations, including, among other things the inability to process transactions, send invoices, or engage in other normal business activities. The Year 2000 issue also threatens disruptions in government services, telecommunications, and other essential industries. This creates potential risk for all companies, even if their own computer systems are Year 2000 compliant.

In 1994, the Company initiated a comprehensive review of its computer systems to identify processes that could be adversely affected by Year 2000 issues. By early 1995, the Company identified computer application systems that required modification or replacement. Since that time, the Company has focused on converting all business-critical systems to be Year 2000 compliant.

In addition to the evaluation and remediation of computer application systems and components, the Company has also developed a comprehensive Year 2000 compliance plan. As part of this plan, the Company has formed a Year 2000 project team with the mission of ensuring that all critical systems, facilities, and processes are identified and analyzed for Year 2000 compliance. The project team consists of representatives from several strategic departments of the Company.

The Year 2000 plan includes specific timetables for categories of tasks for each department as follows:

(1) Assess Year 2000 issues - complete;
(2) Analyze, prioritize, and catalog Year 2000 issues - complete;
(3) Create action plans - complete;
(4) Implement plans and validate compliance - complete.

The Company's top priority is to ensure that natural gas can be received from suppliers and delivered to customers. To accomplish this, the Company has sent inquiries to its five major providers of interstate natural gas transportation service. These providers have responded to the inquiries indicating that they intend to be Year 2000 compliant before the end of 1999. The Company has also evaluated its gas pipeline delivery systems, which are the systems used to distribute natural gas from the interstate pipelines to the customer. These systems utilize an extensive network of hardware and software devices that schedule, regulate, measure, or otherwise facilitate the flow of natural gas. Remediation or replacement of any noncompliant devices has been completed making the gas supply delivery systems Year 2000 compliant.

The Company's business-critical computer systems are Year 2000 compliant. The customer service system which supports customer billing, accounts receivable, and other customer service functions is Year 2000 compliant. In addition, the accounts payable, purchasing, human resources, general ledger, and payroll systems are Year 2000 compliant. The Company has also assessed, and fixed where necessary, its other computer components, such as computer equipment and software, and these components are Year 2000 compliant.

The Company has been communicating with suppliers and vendors to determine the extent to which those companies are addressing Year 2000 compliance issues. The Company is requiring business-critical suppliers and vendors to certify compliance in order to continue doing business with the Company. In addition, the Company is identifying and contacting alternate suppliers and vendors as part of a Year 2000 contingency plan. The companies contacted have responded that efforts are underway to become compliant.

The Company has also assessed and remediated Year 2000 issues related to embedded system devices (such as microcontrollers used in equipment and machinery), data exchange functions, networks, telecommunications, security access and building control systems, forms, reports, and other business processes and activities. These areas are now Year 2000 compliant.

The Company has developed contingency plan scenarios for each district and division. In developing these scenarios, the Company has identified the systems, operations, and devices that are at risk for failure. The Company has attempted to forecast what failures might occur and the impact of these failures. As part of this process, the Company has identified the most reasonably likely worst case Year 2000 scenario, and has prepared contingency plans for all "high risk" systems, operations, and devices. This process has culminated in the development of a "Contingency Plan Operations Guide." This guide documents specific items associated with the Company's Year 2000 contingency plans including personnel-related items, non-labor resources required by the plan, command and decision authority roles, and location and function of a contingency command center.

The Company estimates that the cost of remediation will be approximately $2 million. Expenditures of approximately $1.6 million have been incurred through September 1999 in connection with systems that have been converted. The remediation costs include internal labor costs, as well as fees and expenses paid to outside contractors, specifically associated with reprogramming or replacing noncompliant components. The Company does not expect that such expenditures will have a material impact on results of operations or financial condition.

The Company's Year 2000 plans are based on management's best estimates. These estimates were derived using numerous assumptions of future events including, but not limited to, third party modification plans, availability of qualified personnel, support of software vendors, and other factors. The Company is also relying on the representations made by significant third party suppliers and vendors.

Forward-Looking Statements

This report contains statements which constitute "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995 (Reform Act). All such forward-looking statements are intended to be subject to the safe harbor protection provided by the Reform Act. A number of important factors affecting the business and financial results of the Company could cause actual results to differ materially from those stated in the forward-looking statements. These factors include, but are not limited to, the impact of weather variations on customer usage, natural gas prices, the effects of regulation/deregulation, the timing of rate relief, the outcome of Southwest's challenges to regulatory actions, changes in capital requirements and funding, Year 2000 remediation efforts, acquisitions, competition, and merger-related developments and litigation (see Note 3 and Part II, Item 1).

Recently Issued Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 133 "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. It requires an entity to recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. SFAS No. 133 also requires that changes in the fair value of derivative instruments be recognized currently in earnings in the income statement unless specific hedge accounting criteria are met. Special hedge accounting for qualified hedges allows changes in the fair value of derivative instruments to be offset in the income statement in the period in which the related changes in the fair value of the item being hedged occurs. Hedge accounting requires an entity to formally document, designate, and assess hedge effectiveness. The Company does not currently utilize stand-alone derivatives for speculative purposes or for hedging, and does not have foreign currency exposure. However, the Company is reviewing gas supply and other contracts for potential embedded derivatives that may need to be recognized and disclosed under the requirements of this complex statement.

In June 1999, the FASB issued SFAS No. 137 "Accounting for Derivative Instruments and Hedging Activities Deferral of the Effective Date of FASB Statement No. 133." SFAS No. 137 postpones the effective date of SFAS No. 133 from quarters of fiscal years beginning after June 15, 1999 to quarters of fiscal years beginning after June 15, 2000 (i.e., first quarter of 2001).

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In December 1998, the Company entered into an Agreement and Plan of Merger (the Merger Agreement) pursuant to which the Company agreed to be acquired by ONEOK, Inc (ONEOK). The Merger Agreement was amended on April 25, 1999 following the receipt of unsolicited offers to acquire the Company from Southern Union Company (Southern Union) which were rejected by the Company. Litigation is pending in California, Nevada, Oklahoma, and Arizona relating to the proposed acquisition of the Company by ONEOK and the Company's rejection of Southern Union's unsolicited offers which is described below.

California Litigation

On December 16, 1998, Arthur Klein filed a purported class action complaint on behalf of himself and shareholders of the Company (excluding defendants and their affiliates and families) in the Superior Court of the State of California in San Diego County (Case No. 726615) against the Company and its directors. The complaint has been amended three times. As amended, the complaint alleges breach of the duties of loyalty, due care, candor and good faith and fair dealing and sets forth claims relating to the Company's proxy statement for its annual meeting of shareholders in 1999, including allegations of misrepresentations or omissions relating to the proposed acquisition of the Company by ONEOK and the rejection of the Southern Union offers. The complaint, as amended, further seeks to enjoin the acquisition of the Company by ONEOK, to rescind the Merger Agreement with ONEOK or portions thereof, to implement an auction of the Company or similar process, to void the $30 million termination fee in the Merger Agreement with ONEOK, unspecified damages, and a declaration that the action is properly maintainable as a class action on behalf of all shareholders.

On March 31, 1999, the Court allowed John Mauricio to file a complaint in intervention. On May 4, 1999, Southern Union intervened in the purported shareholder class action and filed a complaint in intervention. Southern Union's complaint was thereafter severed from the purported shareholder class action and has been dismissed.

On June 9, 1999, the Company signed a Memorandum of Understanding (MOU) with the shareholder plaintiffs' counsel to settle the purported shareholder class action. The MOU sets forth the parties' agreement in principle settling all of the shareholders' claims arising out of the actions of the Company and its directors relating to the proposed acquisition of the Company by ONEOK, including allegations of misrepresentations or omissions in the proxy statement, and will be incorporated into a final Stipulation of Settlement. The MOU is not an admission of any of the plaintiff's allegations. The Company and its directors have denied and continue to deny that they have committed or attempted to commit any wrongdoing or breached any duty owed to the Company or its shareholders. The MOU is subject to several conditions, including the consummation of the acquisition of the Company by ONEOK and the entry of a final judgment of dismissal with prejudice by a U.S. district court that is binding on all shareholders of the Company during the period from December 14, 1998 through the date of consummation of the proposed acquisition.

The case has been removed from the California Superior Court in San Diego to the U.S. District Court for the Southern District of California (Case No. 99 cv 1891B (JAH)). On October 6, 1999, GAMCO Investors, Inc. and Gabelli Funds LLC filed a notice of appearance in this matter.

Nevada Litigation

On April 30, 1999, the Company filed a complaint against Southern Union in the U.S. District Court, District of Nevada (Case No. CV-99-0530-JBF-LRL) alleging a breach of the confidentiality and standstill agreement between the Company and Southern Union, breach of the implied covenant of good faith and fair dealing, misappropriation of trade secrets, intentional interference with contract, intentional interference with prospective economic advantage and other violations of California and Nevada law. The Company amended its complaint on May 6, 1999, adding an additional claim against Southern Union pursuant to Section 14(a) of the Securities Exchange Act of 1934. On June 30, 1999, Southern Union filed a motion for judgment on the pleadings. The court has not yet ruled on this motion.

On July 22, 1999, Southern Union filed a motion for leave to amend its answer in the Nevada federal action and to assert counterclaims against the Company. The counterclaims mirror the contractual claims filed by Southern Union in the Arizona action described below. Southern Union's motion for leave to amend has been granted. No motions or answers have been filed by the Company in response to an amended answer or counterclaims.

On August 4, 1999, the Company filed a motion for a temporary restraining order and preliminary injunction to prevent Southern Union from prosecuting any claims stemming from the February 21, 1999 confidentiality and standstill agreement in the United States District Court of Arizona. This motion has been denied.

Oklahoma Litigation

On May 5, 1999, ONEOK filed a complaint against Southern Union for breaching the February 21, 1999 confidentiality and standstill agreement in the United States District Court for the Northern District of Oklahoma (Case No. 99-CV-345H(M)). ONEOK's third party beneficiary claims against Southern Union in the Oklahoma action are similar to those asserted by the Company against Southern Union in the Nevada action. ONEOK also sought to enjoin Southern Union from breaching the February 21, 1999 confidentiality and standstill agreement and from taking any other wrongful actions to disrupt the proposed acquisition of the Company by ONEOK.

On May 11, 1999, the Northern District of Oklahoma granted ONEOK's requested injunction and issued a temporary restraining order enjoining Southern Union from any future violation of the February 21, 1999 confidentiality and standstill agreement, including soliciting proxies from the Company's shareholders. ONEOK and Southern Union then stipulated that the temporary restraining order could be entered as a preliminary injunction and that Southern Union would be deemed to have sought and been denied a stay of the injunction. The Northern District of Oklahoma entered the parties' stipulation and Southern Union filed a Notice of Appeal and Request for a Stay of the injunction with the Tenth Circuit on May 17, 1999. With certain limited exceptions, this request for a stay was denied. Southern Union subsequently filed supplements to its motion for stay seeking the opportunity to participate in ongoing administrative proceedings before state public utility commissions, including proceedings in Arizona, California and Nevada. On June 10, 1999, the Tenth Circuit Court of Appeals denied Southern Union's request for a stay in order to enable it to participate in state public utility proceedings. On July 19, 1999, Southern Union filed a motion to vacate the preliminary injunction issued by the Northern District of Oklahoma in May 1999 on the basis of the same allegations contained in the complaint filed in Arizona in July 1999. Southern Union's motion was denied on July 23, 1999 on the grounds that the court lacked jurisdiction to consider Southern Union's motion.

Discovery is proceeding in this case. The Company is not, however, a party to this case.

Arizona Litigation

On July 19, 1999, Southern Union filed a complaint in the United States District Court of Arizona (Civ '99 1294 PHX ROS), which was amended on October 11, 1999. As amended, the complaint alleges that the Company, Michael O. Maffie, President and Chief Executive Officer of the Company, Thomas Y. Hartley, Chairman of the Board of the Company, and Edward Zub, Senior Vice President Regulation and Pricing of the Company, ONEOK, Larry W. Brummett, Chairman of the Board and Chief Executive Officer of ONEOK, James C. Kneale, Chief Financial Officer and Treasurer of ONEOK, John A. Gaberino, Jr., Senior Vice President and General Counsel of ONEOK, Eugene Dubay, President and Chief Operating Officer of Kansas Gas Service, a division of ONEOK, James Irvin, a Commissioner of the Arizona Corporation Commission, and Jack Rose, a resident of the State of Arizona, have conspired to block the Company's shareholders from voting upon Southern Union's offer and have acted to ensure that the Company's Board of Directors would approve and recommend the ONEOK offer to the Company's shareholders and to influence the vote of members of regulatory commissions required to approve the proposed acquisition of the Company by ONEOK in violation of state and federal criminal laws. The complaint, as amended, further alleges that the defendants fraudulently induced Southern Union to enter into the February 21, 1999 confidentiality and standstill agreement, Southwest breached the terms of that agreement and its covenant of good faith and fair dealing, and all defendants, other than Southwest and Mr. Hartley, intentionally interfered with a business relationship between the Company and Southern Union and tortiously interfered with contractual relations between the Company and Southern Union.

Southern Union seeks damages in an amount not less than $750 million to be trebled for the alleged violations of state and federal criminal law, compensatory damages in an amount not less than $750 million, plus interest, rescission of the confidentiality and standstill agreement between the Company and Southern Union and punitive damages.

On August 2, 1999, Southern Union filed a motion for a temporary restraining order and preliminary injunction seeking to prevent the Company and ONEOK from participating in any regulatory approval proceedings in California and Arizona. This motion was denied on August 5, 1999.

The defendants have filed motions to dismiss the first complaint filed by Southern Union. No answers or motions have yet been filed by any of the defendants in response to Southern Union's amended complaint.

Other Proceedings

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

ITEMS 2-4. None

ITEM 5. OTHER INFORMATION

Shareholders are advised that any shareholder proposal intended for consideration at the Company's regularly scheduled Annual Meeting, if the meeting is held, and inclusion in the Company's proxy materials for the meeting must be received in writing by the Company on or before December 31, 1999. If a shareholder intends to offer any proposal at such meeting without using the proxy materials, notice of such intended action has to be provided to the Company on or before December 31, 1999, in order for the proposal to be presented for shareholder consideration at the Annual Meeting. All proposals must comply with applicable SEC rules. It is recommended that shareholders submitting proposals for inclusion in the proxy materials or notices to the Company, direct such proposals or notices to the Corporate Secretary of the Company and utilize Certified Mail-Return Receipt Requested in order to ensure timely delivery.

Item 6. Exhibits and Reports on Form 8-K

(a) The following documents are filed as part of this report on Form 10-Q:

Exhibit 12.1 - Computation of Ratios of Earnings to Fixed Charges and Ratios of Earnings to Combined Fixed Charges and Preferred Stock Dividends.
Exhibit 27.1 - Financial Data Schedule (filed electronically only).

(b) Reports on Form 8-K

The Company filed a Form 8-K, dated September 9, 1999, reporting that the Arizona Corporation Commission delayed hearings regarding the proposed merger between Southwest Gas Corporation and ONEOK from September 1, 1999 until November 4, 1999.

The Company filed a Form 8-K, dated October 7, 1999, reporting that the Arizona Corporation Commission delayed hearings regarding the proposed merger between Southwest Gas Corporation and ONEOK from November 4, 1999 until December 2, 1999.

The Company filed a Form 8-K, dated October 27, 1999, reporting that the Arizona Corporation Commission delayed hearings regarding the proposed merger between Southwest Gas Corporation and ONEOK from December 2, 1999 until February 11, 2000.

The Company filed a Form 8-K, dated October 28, 1999, reporting operating results for the quarter ended September 30, 1999.

The Company filed a Form 8-K, dated November 2, 1999, reporting that a Draft Decision recommending denial of the Joint Petition relating to the Northern California Expansion Project was issued by the assigned Administrative Law Judge.

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

Southwest Gas Corporation

(Registrant)

Date: November 12, 1999

/s/ Edward A. Janov

Edward A. Janov
Vice President/Controller and Chief Accounting Officer

EXHIBIT 12.1

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

	For the Twelve Months Ended					
	September 30,	December 31,				
Continuing operations	1999	1998	1997	1996	1995	1994
1. Fixed charges:						
A) Interest expense	$ 61,487	$ 63,416	$ 63,247	$ 54,674	$ 52,844	$ 48,688
B) Amortization	1,330	1,243	1,164	1,494	1,569	1,426
C) Interest portion of rentals	8,463	7,531	6,973	6,629	4,435	4,743
D) Preferred securities distributions	5,475	5,475	5,475	5,475	913	-
Total fixed charges	$ 76,755	$ 77,665	$ 76,859	$ 68,272	$ 59,761	$ 54,857
2. Earnings (as defined):						
E) Pretax income from continuing operations	$ 67,469	$ 83,951	$ 21,328	$ 10,448	$ 3,493	$ 38,119
Fixed Charges (1. above)	76,755	77,665	76,859	68,272	59,761	54,857
Total earnings as defined	$ 144,224	$ 161,616	$ 98,187	$ 78,720	$ 63,254	$ 92,976
	1.88	2.08	1.28	1.15	1.06	1.69

	For the Twelve Months Ended					
	September 30,	December 31,				
Adjusted for interest allocated to discontinued operations	1999	1998	1997	1996	1995	1994
1. Fixed charges:						
A) Interest expense	$ 61,487	$ 63,416	$ 63,247	$ 54,674	$ 52,844	$ 48,688
B) Amortization	1,330	1,243	1,164	1,494	1,569	1,426
C) Interest portion of rentals	8,463	7,531	6,973	6,629	4,435	4,743
D) Preferred securities distributions	5,475	5,475	5,475	5,475	913	-
E) Allocated interest [1]	-	-	-	-	9,636	7,874
Total fixed charges	$ 76,755	$ 77,665	$ 76,859	$ 68,272	$ 69,397	$ 62,731
2. Earnings (as defined):						
F) Pretax income from continuing operations	$ 67,469	$ 83,951	$ 21,328	$ 10,448	$ 3,493	$ 38,119
Fixed Charges (1. above)	76,755	77,665	76,859	68,272	69,397	62,731
Total earnings as defined	$ 144,224	$ 161,616	$ 98,187	$ 78,720	$ 72,890	$ 100,850
3. Ratio of earnings to fixed charges	1.88	2.08	1.28	1.15	1.05	1.61

[1] Represents allocated interest through the period ended December 31, 1995. Carrying costs for the period subsequent to year end through the disposition of the discontinued operations were accrued and recorded as disposal costs.

EXHIBIT 12.1

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

	For the Twelve Months Ended					
	September 30,	December 31,				
Continuing operations	1999	1998	1997	1996	1995	1994
1. Combined fixed charges:						
A) Total fixed charges	$ 76,755	$ 77,665	$ 76,859	$ 68,272	$ 59,761	$ 54,857
B) Preferred dividends [1]	-	-	-	-	404	826

Total fixed charges and preferred dividends	$ 76,755	$ 77,665	$ 76,859	$ 68,272	$ 60,165	$ 55,683
2. Earnings	$ 144,224	$ 161,616	$ 98,187	$ 78,720	$ 63,254	$ 92,976
3. Ratio of earnings to fixed charges and preferred dividends	1.88	2.08	1.28	1.15	1.05	1.67

	For the Twelve Months Ended					
Adjusted for interest allocated to	September 30,	December 31,				
discontinued operations	1999	1998	1997	1996	1995	1994
1. Combined fixed charges:						
A) Total fixed charges	$ 76,755	$ 77,665	$ 76,859	$ 68,272	$ 69,397	$ 62,731
B) Preferred dividends [1]	-	-	-	-	404	826
Total fixed charges and preferred dividends	$ 76,755	$ 77,665	$ 76,859	$ 68,272	$ 69,801	$ 63,557
2. Earnings	$ 144,224	$ 161,616	$ 98,187	$ 78,720	$ 72,890	$ 100,850
3. Ratio of earnings to fixed charges and preferred dividends	1.88	2.08	1.28	1.15	1.04	1.59

[1] Preferred and preference dividends have been adjusted to represent the pretax earnings necessary to cover such dividend requirements.

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This schedule contains summary financial information extracted from
Southwest Gas Corporation's Form 10-Q for the quarter ended September 30, 1999
and is qualified in its entirety by reference to such financial statements.

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9-MOS
DEC-31-1999
SEP-30-1999
PER-BOOK
1,546,378
84,721
124,475
0
47,504
1,803,078
32,429
434,196
11,093
477,718
0
0
820,161
36,835
0
0
7,081
0
0
0
461,283
1,803,078
674,606
9,509
603,255
603,255
71,351
(5,545)
65,806
(45,815)
10,482
0
10,482
18,830
0
169,126
0.34
0.34

Includes: trust originated preferred securities of $60,000, current liabilities, net of current long-term debt maturities and short-term debt, of $169,849 and deferred income taxes and other credits of $231,434
Includes distributions related to trust originated preferred securities of $4,106