



Empire Electric Association, Inc.

801 N. Broadway P.O. Drawer K Cortez, CO 81321-0676 Phone (970) 565-4444

www.eea.coop

November 23, 2011

Mr. Prashant Patel
SRD Operations Branch Chief
Rural Development Electric Program
U. S. Department of Agriculture
Stop 1567
14th & Independence Avenue, S.W.
Washington, D.C. 20250-1567

Dear Mr. Patel:

This letter is to inform RUS of a proposed increase in Empire Electric Association's electric rates. The increase will be effective January 1, 2011. These changes in rates are applicable to Empire's customers in both Colorado and Utah.

We are also enclosing for your information a Resolution of the Board of Directors of Empire Electric Association, Inc. approving the proposed rate increase dated November 18, 2011, and a copy of the Notice that will be put in each of Empire Electric's local newspapers at least 30 days prior to this rate increase going into effect.

The average increase in electric rates is 6.3 percent for Empire's residential, commercial, time-of-use, industrial and industrial large power coincident demand and street/security lighting rate classes. The 6.3 percent increase in rates will allow Empire to recover an increase in wholesale power from Tri-State Generation and Transmission, Inc., of 4.8 percent plus a small 2.7 percent general rate increase.

Sincerely,

EMPIRE ELECTRIC ASSOCIATION, INC.

Neal E. Stephens
General Manager

cc. Larry W. McGraw, RUS GFR w/ attachments