

NOTICE - November 2011
NOTICE OF A CHANGE IN THE TARIFFS OF EMPIRE ELECTRIC ASSOCIATION, INC.

This OFFICIAL NOTICE is to inform you of an average increase in electric rates of 6.3 percent for Empire's residential, commercial, time-of-use, industrial and industrial large power coincident demand and street/security lighting rate classes. These changes in rates are applicable to Empire's customers in both Colorado and Utah. 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. Chart A shows the increases in each category of the rate tariffs. Chart B shows the average dollar and percentage increase in each rate class

The new rates will go into effect on January 1, 2012. Electricity used in January will begin to appear on bills received in February and March.

Chart A: Rate comparisons by rate class are shown below:

Residential	Existing Rate (per month)	New Rate (per month)
Basic Charge (1-phase)	\$17.50	\$19.50
Basic Charge (3-phase)	\$33.50	\$37.35
Energy Charge (per kWh)	10.734 ¢	11.271 ¢

Commercial	Existing Rate (per month)	New Rate (per month)
Basic Charge (1-phase)	\$17.50	\$19.50
Basic Charge (3-phase)	\$33.50	\$37.35
Energy Charge (per kWh)	10.734 ¢	11.271 ¢

Residential and Commercial Time of Use	Existing Rate (per month)	New Rate (per month)
Basic Charge (1-phase)	\$22.50	\$25.10
Basic Charge (3-phase)	\$38.50	\$42.90
On-Peak Energy (per kWh)	17.2 ¢	18.06 ¢
Off-Peak Energy (per kWh)	4.7 ¢	4.935 ¢

Industrial Large Power	Existing Rate (per month)	New Rate (per month)
Basic Charge	\$191.25	\$231.15
Demand Charge (per kW)	\$6.15	\$6.41
First 200 kWh/kW Energy Block	9.671 ¢	10.26 ¢
Second 200 kWh/kW Energy Block	7.098 ¢	7.531 ¢
Last over 400 kWh/kW Energy Block	3.792 ¢	4.023 ¢

Industrial Large Power Coincident Demand	Existing Rate (per month)	New Rate (per month)
Basic Charge	\$243.75	\$271.65
Energy Charge (per kWh)	3.614 ¢	3.834 ¢
CP Demand Charge (per kW)	\$24.74	\$25.79
NCP Demand Charge (per kW)	\$6.15	\$6.41

Street Lighting (Light Type)	Existing Rate (per year)	New Rate (per year)
175 Watt Mercury Vapor	\$174.48	\$181.08
400 Watt Mercury Vapor	\$355.32	\$368.88
100 Watt High Pressure Sodium	\$132.96	\$138.00
250 Watt High Pressure Sodium	\$264.12	\$274.20
100 Watt High Pressure Sodium (security)	\$142.20	\$147.60

Security Lighting (Light Type)	Existing Rate (per month)	New Rate (per month)
175 Watt Mercury Vapor	\$16.27	\$16.89
100 Watt High Pressure Sodium	\$11.77	\$12.30
250 Watt High Pressure Sodium	\$23.23	\$24.11

Chart B: Comparison of Average kWh Monthly Charges

Rate Class (average kWh monthly usage)	Current Charge	Proposed Charge	Dollar Change	Percent Change
<u>Residential</u> (678 kWh)	\$90.28	\$95.92	\$5.64	6.25%
<u>Residential Time-of-Use</u> single phase (1,613 kWh)	\$136.56	\$144.86	\$8.30	6.08%
<u>Commercial</u> - single phase (1,189 kWh)	\$145.13	\$153.51	\$8.38	5.78%
<u>Commercial</u> - three phase (4,142 kWh)	\$478.10	\$504.19	\$26.09	5.46%
<u>Large Power</u> 118 kW @ 51% L.F. (43,312 kWh)	\$5,635.11	\$5,963.38	\$328.27	5.83%
<u>Security Lights</u>				
175 Watt MV	\$16.27	\$16.89	\$0.62	3.81%
100 Watt HPS	\$11.77	\$12.30	\$0.53	4.50%
250 Watt HPS	\$23.23	\$24.11	\$0.88	3.79%
<u>Street Lights</u>				
175 Watt MV	\$14.54	\$15.09	\$0.55	3.78%
400 Watt MV	\$29.61	\$30.74	\$1.13	3.82%
100 W HPS	\$11.08	\$11.50	\$0.42	3.79%
250 W HPS	\$22.01	\$22.85	\$0.84	3.82%

Empire's **Small Scale Renewable Distributed Generation Tariff 14A-14I** has never been used and has been superseded by Empire's **Net Metering Tariff 16**. Tariff 14A-14I will be deleted in its entirety.

Minor wording changes proposed for Empire's **Renewable Energy Tariff 15** will eliminate the cap to the amount of renewable resources that can be purchased from the Cooperative's wholesale power supplier.

Copies of the revised rate schedules are on file at Empire Electric Association, Inc. Office at 801 North Broadway, Cortez, Colorado, and are available for inspection during regular business hours.

Anyone who desires to complain about the proposed changes may file a written complaint at 801 North Broadway, P.O. Drawer K, Cortez, Colorado, 81321, at least 10 days before the proposed effective date.

The cooperative may hold a hearing to determine what changes will be authorized. The changes ultimately authorized may or may not be the same as those proposed and may include changes different than those tariffs proposed or currently in effect. Anyone who desires to receive notice of hearing, if any, shall make a written request at the above address, at least 10 days before the proposed effective date of the rate increase.